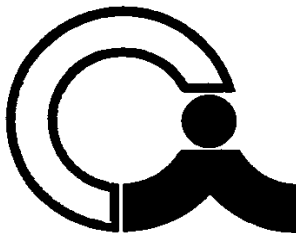


CITY OF INDUSTRY

CITY COUNCIL
REGULAR MEETING AGENDA

AUGUST 27, 2015
9:00 AM



Mayor Mark Radecki
Mayor Pro Tem Cory Moss
Council Member Roy Haber, III
Council Member Jeff Parriott
Council Member Newell Ruggles

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California 91744

Addressing the City Council:

- ▶ **Agenda Items:** *Members of the public may address the City Council on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the City Council is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the City Council.*
- ▶ **Public Comments (Non-Agenda Items):** *Anyone wishing to address the City Council on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the City Council from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the City Council is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the City Council.*

Americans with Disabilities Act:

- ▶ *In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*

-
1. Call to Order
 2. Flag Salute
 3. Roll Call
 4. Public Comments
-

5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the City Council, the public, or staff request specific items be removed from the Consent Calendar for separate action.

5.1 Consideration of Register of Demands.

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.

6. **PUBLIC HEARINGS**

6.1 Consideration of the annual self-certification of conformance with the Congestion Management Program.

Consideration of Resolution No. CC 2015-23 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY FINDING THE CITY TO BE IN CONFORMANCE WITH THE CONGESTION MANAGEMENT PROGRAM AND ADOPTING THE CONGESTION MANAGEMENT PROGRAM LOCAL DEVELOPMENT REPORT, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 65089.

RECOMMENDED ACTION: Adopt Resolution No. CC 2015-23.

6.2 Public Hearing regarding the intent to vacate a portion of Virgil Waters Way that became excess right of way due to the realignment of the intersection of Virgil Waters Way and Azusa Avenue.

Consideration of Resolution No. CC 2015-26 - A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF INDUSTRY VACATING A PORTION OF VIRGIL WATERS WAY IN THE CITY OF INDUSTRY.

RECOMMENDED ACTION: Continue public hearing to September 10, 2015 and post the appropriate notices.

6.3 Public Hearing regarding the intent to vacate a portion of El Encanto Road that became excess right of way due to the creation of Parriott Place West.

Consideration of Resolution No. CC 2015-27 - A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF INDUSTRY VACATING A PORTION OF EL ENCANTO ROAD IN THE CITY OF INDUSTRY.

RECOMMENDED ACTION: Continue public hearing to September 10, 2015 and post the appropriate notices.

7. **ACTION ITEMS**

- 7.1 Consideration of Resolution No. CC 2015-24 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, FIXING THE AMOUNT OF REVENUE FROM PROPERTY TAXES NECESSARY TO PAY THE BONDED OR OTHER INDEBTEDNESS OF THE CITY ACCRUING DURING THE 2015/16 FISCAL YEAR.

RECOMMENDED ACTION: Adopt Resolution No. CC 2015-24.

- 7.2 Consideration of Resolution No. CC 2015-25 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, FIXING THE RATE OF TAXES AND LEVYING TAXES FOR THE 2015/16 FISCAL YEAR ON PROPERTY WITHIN THE CITY TO PAY THE BONDED OR OTHER INDEBTEDNESS OF THE CITY.

RECOMMENDED ACTION: Adopt Resolution No. CC 2015-25.

- 7.3 Consideration of Resolution No. CC 2015-28 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY APPROVING MASTER AGREEMENT NO. 07-5342R ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS, AND PROGRAM SUPPLEMENT AGREEMENT NO. N003 TO ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS NO. 07-5342R, BETWEEN THE CITY AND THE STATE OF CALIFORNIA ACTING BY AND THROUGH THE DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE AZUSA AVENUE BRIDGE PROJECT.

RECOMMENDED ACTION: Adopt Resolution No. CC 2015-28.

- 7.4 Consideration of Change Order No. 3 to Southern Contracting Company in the amount of \$8,572.20 for close out/final quantities/extra work in conjunction with the Industry's 66KV Electrical Substation Facilities at 208 S. Waddingham Way, Contract No. CITY-1389.

RECOMMENDED ACTION: Approve Change Order No. 3 in the amount of \$8,572.20.

- 7.5 Consideration of a Second Amendment to Professional Services Agreement between the City of Industry and Snowden Electric Company, Inc. to provide maintenance services for the Metrolink Solar & Electric Vehicle (EV) Charging Facility, for an annual budget amount of \$76,400.00.

RECOMMENDED ACTION: Approve the Amendment.

- 7.6 Consideration of a Covenant and Agreement to Hold Property as One Parcel, affecting parcels located at 881 and 883 Azusa Avenue.

RECOMMENDED ACTION: Approve the Covenant and Agreement to Hold Property as One Parcel.

- 7.7 Consideration of the appointment of a Director to the Industry Property and Housing Management Authority.

RECOMMENDED ACTION: Council to appoint a Director to the Industry Property and Housing Management Authority.

- 7.8 Consideration of Mayor's appointments to the City of Industry Planning Commission.

RECOMMENDED ACTION: Council to approve Mayor's appointments.

- 7.9 Mayor's appointment of City representatives to the Oversight Board of the Successor Agency to the Industry Urban-Development Agency.

RECOMMENDED ACTION: Receive and file.

- 7.10 Discussion and direction for the selection of an auditing firm to provide auditing services for the City of Industry.

RECOMMENDED ACTION: Discuss and direct staff as necessary.

8. **CITY COUNCIL COMMITTEE REPORTS**

9. **AB 1234 REPORTS**

10. **CITY COUNCIL COMMUNICATIONS**

11. **CLOSED SESSION**

- 11.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): Two Potential Cases.

12. Adjournment. Next regular meeting: Thursday, September 10, 2015 at 9:00 a.m.

CITY COUNCIL

ITEM NO. 5.1

**CITY OF INDUSTRY
AUTHORIZATION FOR PAYMENT OF BILLS
CITY COUNCIL MEETING OF AUGUST 27, 2015**

FUND RECAP:

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
100	GENERAL FUND	1,626,810.91
103	PROP A FUND	10,679.07
120	CAPITAL IMPROVEMENT FUND	135,204.79
140	CITY DEBT SERVICE	3,580.00
161	IPUC - ELECTRIC	831,323.98
TOTAL ALL FUNDS		2,607,598.75

BANK RECAP:

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	BANK OF AMERICA - CKING ACCOUNTS	180,357.52
PR/A	PROP A -CKING ACCOUNT	10,679.07
REF	REFUSE - CKING ACCOUNT	400,136.02
WFBK	WELLS FARGO- CKING ACCOUNT	2,016,426.14
TOTAL ALL BANKS		2,607,598.75

**CITY OF INDUSTRY
BANK OF AMERICA
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITYELEC.CHK - City Electric				
1360	08/11/2015		CITY OF INDUSTRY	\$120,012.52
	Invoice	Date	Description	Amount
	08/11/15	08/11/2015	TRANSFER FUNDS-ELECTRIC	\$120,012.52
CITYGEN.CHK - City General				
24278	08/11/2015		CIVIC RECREATIONAL INDUSTRIAL	\$60,000.00
	Invoice	Date	Description	Amount
	08/11/15	08/11/2015	TRANSFER FUNDS-CRIA A/P	\$60,000.00
PARKCIT.CHK - Parking Citation Checking				
537	08/19/2015		FOX, CLAUDIA L.	\$300.00
	Invoice	Date	Description	Amount
	08/19/15	08/19/2015	REFUND-CITATION #124622	\$300.00
538	08/19/2015		GARCIA, CHRISTINE NARANJO	\$45.00
	Invoice	Date	Description	Amount
	8/19/15	08/19/2015	REFUND-CITATION #128251	\$45.00

**CITY OF INDUSTRY
PROP A
August 27, 2015**

Check	Date		Payee Name	Check Amount
PROPA.CHK - Prop A Checking				
11582	08/05/2015		CITY OF INDUSTRY-REFUSE	\$78.80
	Invoice	Date	Description	Amount
	2190768	07/01/2015	DISP SVC-METROLINK	\$78.80
11583	08/05/2015		INDUSTRY SECURITY SERVICES	\$9,941.99
	Invoice	Date	Description	Amount
	14-14575	06/19/2015	SECURITY SVC-METROLINK	\$1,729.73
	14-14635	06/26/2015	SECURITY SVC-METROLINK	\$1,729.73
	14-14660	07/03/2015	SECURITY SVC-METROLINK	\$1,729.73
	14-14720	07/10/2015	SECURITY SVC-METROLINK	\$1,345.92
	14-14818	07/17/2015	SECURITY SVC-METROLINK	\$1,729.73
	14-14872	07/24/2015	SECURITY SVC-METROLINK	\$1,677.15
11584	08/05/2015		SO CAL INDUSTRIES	\$93.87
	Invoice	Date	Description	Amount
	186717	06/23/2015	RR RENTAL-METROLINK	\$93.87
11585	08/05/2015		SO CALIFORNIA EDISON COMPANY	\$329.97
	Invoice	Date	Description	Amount
	2016-00000157	07/21/2015	5/22-6/23/15 SVC-600 S BREA CYN B	\$329.97
11586	08/05/2015		WALNUT VALLEY WATER DISTRICT	\$234.44
	Invoice	Date	Description	Amount
	2016-00000158	07/07/2015	6/2-6/30/15 SVC-METROLINK SPANISH LN	\$216.15
	2016-00000159	07/08/2015	6/4-7/1/15 SVC-PLATFORM METRO BREA CYN	\$18.29

Checks	Status	Count	Transaction Amount
	Total	5	\$10,679.07

**CITY OF INDUSTRY
WELLS FARGO REFUSE
August 27, 2015**

Check	Date			Payee Name	Check Amount
REFUSE - Refuse Account					
4160	08/06/2015			CITY OF INDUSTRY	\$400,000.00
	Invoice	Date	Description	Amount	
	08/06/15	08/06/2015	INVESTMENT	\$400,000.00	
4161	08/06/2015			LINDE	\$136.02
	Invoice	Date	Description	Amount	
	08/06/15	08/06/2015	REFUND-ACCT #076352	\$136.02	

Checks	Status	Count	Transaction Amount
	Total	2	\$400,136.02

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
62429	08/12/2015		AT & T	\$8.93
	Invoice	Date	Description	Amount
	2016-00000135	08/01/2015	08/01-08/31/15 SVC - CITY WHITE PAGES	\$8.93
62430	08/12/2015		AT & T	\$225.00
	Invoice	Date	Description	Amount
	8959260775	08/01/2015	08/01-08/31/15 SVC - METROLINK	\$225.00
62431	08/12/2015		GAS COMPANY, THE	\$335.73
	Invoice	Date	Description	Amount
	1135HATCH-AUG15	08/04/2015	07/01-07/31/15 SVC - 1135 HATCHER AVE	\$17.64
	2016-00000136	08/04/2015	07/01-07/31/15 SVC - 710 NOGALES ST	\$15.75
	2016-00000137	08/06/2015	07/06-08/04/15 SVC - 1 INDUSTRY HILLS PKWY	\$16.21
	2016-00000138	08/06/2015	07/06-08/04/15 SVC - 2700 CHINO HILLS PKWY	\$53.87
	2016-00000139	08/07/2015	07/01-08/01/15 SVC - 1 INDUSTRY HILLS PKWY UNIT	\$79.35
	2016-00000140	08/10/2015	07/08-08/06/15 SVC - 15651 STAFFORD ST	\$33.43
	2016-00000141	08/10/2015	07/08-08/06/15 SVC - 15633 RAUSCH RD	\$119.48
62432	08/12/2015		GLOBAL CAPACITY	\$1,702.58
	Invoice	Date	Description	Amount
	49296602	08/01/2015	INTERNET SVC-SEP 2015	\$1,702.58
62433	08/12/2015		L A COUNTY REGISTRAR-	\$75.00
	Invoice	Date	Description	Amount
	CUP 15-5	07/31/2015	FEE-NOTICE OF EXEMPTION	\$75.00
62434	08/12/2015		L A COUNTY REGISTRAR-	\$75.00
	Invoice	Date	Description	Amount
	DP15-10/ZE15-2	08/11/2015	FEE-NOTICE OF AVAILABILITY FOR DP15-10 AND	\$75.00
62435	08/12/2015		RESERVE ACCOUNT	\$1,000.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date			Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo					
	Invoice	Date	Description		Amount
	08/05/15	08/05/2015	POSTAGE FOR #15775679		\$1,000.00
62436	08/12/2015			SO CALIFORNIA EDISON COMPANY	\$32,441.78
	Invoice	Date	Description		Amount
	2016-00000149	08/04/2015	07/01-08/01/15 SVC - 600 BREA CYN RD		\$488.30
	2016-00000150	08/04/2015	07/01-08/01/15 SVC - 1 VALLEY/AZUSA		\$16.62
	2016-00000151	08/05/2015	07/06-08/04/15 SVC - 208 S WADDINGHAM WAY CP		\$118.36
	2016-00000152	08/05/2015	07/01-08/01/15 SVC - VARIOUS SITES		\$1,904.27
	15660STAFF-AUG15	08/06/2015	06/29-07/29/15 SVC - 15660 STAFFORD ST		\$3,125.33
	2016-00000153	08/06/2015	07/06-08/04/15 SVC - 15625 STAFFORD ST		\$7,998.41
	1123AHATCH-AUG15	08/07/2015	07/08-08/06/15 SVC - 1123 HATCHER AVE STE A		\$210.18
	1135HATCH-AUG15	08/07/2015	07/08-08/06/15 SVC - 1135 HATCHER AVE		\$567.44
	2016-00000154	08/07/2015	07/01-08/01/15 SVC - NOGALES ST/SAN JOSE AVE		\$617.02
	2016-00000155	08/08/2015	07/08-08/06/15 SVC - VARIOUS SITES		\$126.65
	2016-00000156	08/08/2015	07/01-08/01/15 SVC - 208 S WADDINGHAM WAY		\$17,269.20
62437	08/12/2015			SPRINT	\$122.24
	Invoice	Date	Description		Amount
	867560718-095	07/22/2015	06/19-07/18/15 SVC - WIRELESS SVC		\$122.24
62438	08/12/2015			SUBURBAN WATER SYSTEMS	\$486.15
	Invoice	Date	Description		Amount
	180030769071	08/04/2015	07/02-08/04/15 SVC - NE CNR VALLEY/STIMS		\$486.15
62439	08/12/2015			TELEPACIFIC COMMUNICATIONS	\$4,240.80
	Invoice	Date	Description		Amount
	69517665-0	07/31/2015	INTERNET SVC-METRO SOLAR/CITY HALL		\$4,240.80
62440	08/12/2015			VERIZON	\$394.94
	Invoice	Date	Description		Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	2016-00000142	07/25/2015	07/25-08/24/15 SVC - ELECTRIC MODEM	\$62.10
	2016-00000143	07/25/2015	07/25-08/24/15 SVC - ELECTRIC MODEM	\$52.59
	2016-00000144	07/28/2015	07/28-08/27/15 SVC - ELECTRIC MODEM	\$54.90
	2016-00000145	07/28/2015	07/28-08/27/15 SVC - ELECTRIC MODEM	\$38.86
	2016-00000146	07/28/2015	07/28-08/27/15 SVC - ELECTRIC MODEM	\$62.11
	2016-00000147	08/01/2015	08/01-08/31/15 SVC - GENERATOR SITE-TELEMETRY	\$60.75
	2016-00000148	08/01/2015	08/01-08/31/15 SVC - GENERATOR SITE-TELEMETRY	\$63.63
62441	08/12/2015		VERIZON WIRELESS - LA	\$917.73
	Invoice	Date	Description	Amount
	9749697009	07/26/2015	06/27-07/26/15 SVC - WIRELESS SVC	\$917.73
62442	08/12/2015		VERIZON WIRELESS - LA	\$114.03
	Invoice	Date	Description	Amount
	9749697010	07/26/2015	06/27-07/26/15 SVC - MOBILE BROADBAND	\$114.03
62443	08/12/2015		WEX BANK	\$78.35
	Invoice	Date	Description	Amount
	41758539	07/31/2015	FUEL-CITY VEHICLES	\$78.35
62444	08/17/2015		EXXON MOBIL	\$986.00
	Invoice	Date	Description	Amount
	72006767508	08/09/2015	FUEL-SECURITY VEHICLES	\$986.00
62445	08/17/2015		NOBLE AMERICAS ENERGY	\$149,569.36
	Invoice	Date	Description	Amount
	152230004717808	08/11/2015	WHOLESALE GAS-JUL 2015	\$88.99
	152240004722334	08/12/2015	WHOLESALE USE-JUL 2015	\$149,480.37
62446	08/17/2015		PACIFIC PALMS CONFERENCE	\$516,402.00
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	08/13/15	08/14/2015	ELECTRICAL ENERGY REBATE - PUBLIC BENEFIT	\$516,402.00
62447	08/17/2015		PITNEY BOWES, INC.	\$103.75
	Invoice	Date	Description	Amount
	8554990-AU15	08/13/2015	POSTAGE MACHINE-AUG 2015	\$103.75
62448	08/17/2015		RICOH USA, INC.	\$3,448.87
	Invoice	Date	Description	Amount
	46721711	08/08/2015	COPIER LEASE-AUG 2015	\$3,166.14
	46734843	08/08/2015	COPIER LEASE-HR	\$282.73
62449	08/17/2015		SHELL	\$698.28
	Invoice	Date	Description	Amount
	8000073489508	08/06/2015	FUEL-CITY VEHICLES	\$698.28
62450	08/17/2015		STATE COMPENSATION INS. FUND	\$2,728.83
	Invoice	Date	Description	Amount
	AUGUST 2015	08/24/2015	PREMIUM FOR 8/1-9/1/15	\$2,728.83
62451	08/19/2015		GAS COMPANY, THE	\$29.56
	Invoice	Date	Description	Amount
	2016-00000160	08/10/2015	07/08-08/06/15 SVC - 15625 STAFFORD ST APT A	\$15.26
	2016-00000161	08/10/2015	07/08-08/06/15 SVC - 15625 STAFFORD ST APT B	\$14.30
62452	08/19/2015		INDUSTRY PUBLIC UTILITY	\$3,606.71
	Invoice	Date	Description	Amount
	2016-00000162	08/12/2015	07/10-08/10/15 SVC - 600 BREA CYN RD	\$3,606.71
62453	08/19/2015		PAETEC COMMUNICATIONS	\$723.91
	Invoice	Date	Description	Amount
	58666463	08/10/2015	PHONE SVC-AUG 2015	\$723.91

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
62454	08/19/2015		SO CALIFORNIA EDISON COMPANY	\$775.37
	Invoice	Date	Description	Amount
	2016-00000170	08/11/2015	07/01-08/01/15 SVC - GALE AVE/L ST	\$36.60
	2016-00000171	08/12/2015	07/13-08/11/15 SVC - 575 BALDWIN PARK AVE U	\$62.64
	2016-00000172	08/12/2015	06/15-8/07/15 SVC - VALLEY BLVD U-VARIOUS SITES	\$611.64
	2016-00000173	08/13/2015	07/14-08/12/15 SVC - 490 7TH U	\$64.49
62455	08/19/2015		VERIZON	\$2,020.26
	Invoice	Date	Description	Amount
	2016-00000164	08/01/2015	08/01-08/31/15 SVC - CITY HALL FAXES	\$515.95
	2016-00000165	08/01/2015	08/01-08/31/15 SVC - VARIOUS SITES	\$294.38
	HATCHER-AUG15	08/01/2015	08/01-08/31/15 SVC - HATCHER WAREHOUSE	\$51.63
	2016-00000166	08/01/2015	08/01-08/31/15 SVC - TRES HERMANOS	\$50.17
	2016-00000167	08/01/2015	08/01-08/31/15 SVC - VARIOUS SITES	\$987.64
	2016-00000168	08/04/2015	08/04-09/03/15 SVC - ELECTRIC MODEM	\$62.43
	2016-00000169	08/04/2015	08/04-09/03/15 SVC - GENERATOR SITE-TELEMETRY	\$58.06
62456	08/19/2015		VERIZON BUSINESS	\$31.26
	Invoice	Date	Description	Amount
	HATCHER-AUG15	08/10/2015	07/01-07/31/15 SVC - HATCHER-WIRELESS SVC	\$31.26
62457	08/19/2015		VERIZON BUSINESS	\$114.75
	Invoice	Date	Description	Amount
	2016-00000163	08/10/2015	07/01-07/31/15 SVC - VARIOUS SITES	\$114.75
62458	08/19/2015		WALNUT VALLEY WATER DISTRICT	\$5,468.46
	Invoice	Date	Description	Amount
	2048914	08/11/2015	07/01-07/31/15 SVC - IRR 820 FAIRWAY DR	\$110.59
	2048966	08/11/2015	07/01-07/31/15 SVC - LEMON AVE N OF CURRIER RD	\$101.04
	2049000	08/11/2015	07/01-07/31/15 SVC - BREA CYN RD & OLD RANCH RD	\$46.44

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date			Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo					
	2049016	08/11/2015	07/01-07/31/15 SVC - FERRERO & GRAND EAST		\$915.55
	2049034	08/11/2015	07/01-07/31/15 SVC - BAKER PKWY METER #1		\$423.31
	2049035	08/11/2015	07/01-07/31/15 SVC - BAKER PKWY METER #2		\$306.85
	2049041	08/11/2015	07/01-07/31/15 SVC - GRAND AVE CROSSING		\$425.45
	2049042	08/11/2015	07/01-07/31/15 SVC - GRAND AVE CROSSING		\$71.07
	2049044	08/11/2015	07/01-07/31/15 SVC - 22002 VALLEY BLVD		\$442.68
	2049061	08/11/2015	07/01-07/31/15 SVC - 21350 VALLEY-MEDIAN		\$69.84
	2049062	08/11/2015	07/01-07/31/15 SVC - GRAND CROSSING EAST		\$54.24
	2049063	08/11/2015	07/01-07/31/15 SVC - GRAND CROSSING WEST		\$71.40
	2049064	08/11/2015	07/01-07/31/15 SVC - BAKER PKWY & GRAND N/W		\$1,445.95
	2049071	08/11/2015	07/01-07/31/15 SVC - E/S GRAND S/O BAKER		\$163.63
	2049077	08/11/2015	07/01-07/31/15 SVC - BREA CYN N OF RR TRKS		\$175.85
	2049078	08/11/2015	07/01-07/31/15 SVC - BREA CYN N OF CURRIER		\$49.49
	2049080	08/11/2015	07/01-07/31/15 SVC - 60 FWY INTERCHANGE		\$43.25
	2049098	08/11/2015	07/01-07/31/15 SVC - END OF BAKER PKWY-TEMP		\$453.03
	2049745	08/12/2015	07/02-08/03/15 SVC - PUMP STN N/W CHERYL		\$23.04
	2049765	08/12/2015	07/02-08/03/15 SVC - PUMP STN BREA CYN		\$21.33
	2049985	08/12/2015	07/02-08/03/15 SVC - NOGALES PUMP STN		\$54.43
62459	08/27/2015			ADVANCED DISCOVERY, INC.	\$1,743.75
	Invoice	Date	Description	Amount	
	B152824	06/30/2015	PROF SVC-LITIGATION	\$1,743.75	
62460	08/27/2015			ALVAKA NETWORKS	\$19,415.17
	Invoice	Date	Description	Amount	
	155136NP	07/31/2015	TRIP CHARGE	\$330.00	
	155038	08/01/2015	NETWORK MAINT-SEP 2015	\$6,540.17	
	155078	07/30/2015	ADD'L NET MAINT FOR JULY 2015	\$6,525.00	
	155012	08/01/2015	NETWORK MAINT-SEP 2015	\$6,020.00	
62461	08/27/2015			BRYAN PRESS	\$209.83

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	0073231	07/30/2015	LETTERHEAD-CITY OF INDUSTRY	\$209.83
62462	08/27/2015		CALICO BUILDING SERVICES, INC	\$2,660.92
	Invoice	Date	Description	Amount
	1007710	03/24/2015	INSTALL SHELF UNITS-CITY HALL	\$1,150.81
	1007712	03/16/2015	I NSTALL SENSOR FIXTURE-1123 HATCHER	\$760.11
	1007718	03/22/2015	REPLACED BOILER PUMP-IMC	\$750.00
62463	08/27/2015		CDW GOVERNMENT LLC	\$1,249.13
	Invoice	Date	Description	Amount
	XC94782	08/03/2015	COMPUTER SUPPLIES	\$1,249.13
62464	08/27/2015		CHEM PRO LABORATORY, INC	\$269.00
	Invoice	Date	Description	Amount
	592804	07/23/2015	WATER TREATMENT-JUL 2015	\$269.00
62465	08/27/2015		CITY OF INDUSTRY	\$1,237.04
	Invoice	Date	Description	Amount
	2016-00000005	07/31/2015	IH FUEL PUMP-CITY VEHICLES	\$103.85
	2016-00000003	07/31/2015	IH FUEL PUMP-SECURITY VEHICLES	\$1,133.19
62466	08/27/2015		CITY OF INDUSTRY-MEDICAL	\$9,000.00
	Invoice	Date	Description	Amount
	REG 8/27/15	08/19/2015	TRANSFER FUNDS-MEDICAL	\$9,000.00
62467	08/27/2015		CITY OF INDUSTRY-PAYROLL ACCT	\$50,000.00
	Invoice	Date	Description	Amount
	P/R 8/15/15	08/18/2015	PAYROLL REIMBURSEMENT FOR 8/15/15	\$50,000.00
62468	08/27/2015		CITY OF INDUSTRY-REFUSE	\$9,681.04

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	Invoice	Date	Description	Amount
	2245358	08/01/2015	DISP SVC-CITY BUS STOPS	\$4,376.33
	2245002A	08/01/2015	DISP SVC-205 HUDSON	\$184.24
	2245002B	08/01/2015	DISP SVC-841 7TH AVE	\$184.24
	2244746	08/01/2015	DISP SVC-TRES HERMANOS	\$138.38
	2245891	08/01/2015	DISP SVC-TONNER CYN	\$236.85
	2246059	07/31/2015	DISP SVC-TONNER CYN MAINT YARD	\$847.24
	2246058	07/31/2015	DISP SVC-1123 HATCHER	\$2,306.90
	2244745	08/01/2015	DISP SVC-CITY HALL	\$299.47
	2246100	07/31/2015	DISP SVC-HADDICKS IMPOUND YD	\$201.59
	2245879	08/01/2015	DISP SVC-AZUSA & GALE	\$905.80
62469	08/27/2015		CLUB CAR, LLC	\$12,452.88
	Invoice	Date	Description	Amount
	499067	08/17/2015	2015 CLUB CAR CARRYALL-700 GAS UTILITY	\$12,452.88
62470	08/27/2015		CNC ENGINEERING	\$176,379.25
	Invoice	Date	Description	Amount
	43696	08/13/2015	66KV ELECTRICAL SUBSTATION FACILITY	\$4,823.00
	43697	08/13/2015	ON-CALL STREET MAINT PROGRAM	\$3,956.98
	43712	08/13/2015	WALNUT DR SOUTHE WIDENING	\$15,850.55
	43699	08/13/2015	CLARK AVE WDENING	\$829.45
	43700	08/13/2015	2014-2015 SLURRY SEAL	\$964.60
	43713	08/13/2015	GENERAL ENG SVC-CIP	\$43,707.97
	43714	08/13/2015	GENERAL ENG SVC 7/27-8/9/15	\$48,738.01
	43703	08/13/2015	TONNER CYN PROPERTY	\$253.34
	43704	08/13/2015	ATLAS-LEGAL DESCRIPTIONS	\$126.67
	43705	08/13/2015	CITY ELECTRICAL FACILITES	\$176.91
	43706	08/13/2015	TRES HERMANOS GENEAL ENGINEERING	\$1,574.63
	43707	08/13/2015	MAINT OF CITY HALL	\$1,387.54
	43708	08/13/2015	MAINT OF IMC BUILDING	\$693.77

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date	Payee Name	Check Amount	
CITY.WF.CHK - City General Wells Fargo				
43709	08/13/2015	HOMESTEAD MUSEUM MAINT	\$663.56	
43710	08/13/2015	RESURFACING-VARIOUS STREETS	\$9,266.54	
43715	08/13/2015	VALLEY BLVD RESURFACING	\$5,647.68	
43716	08/13/2015	PUC RAILROAD SAFETY UPGRADE	\$705.96	
43717	08/13/2015	UPPR PREEMPTION SAFETY CHECKS	\$1,647.24	
43718	08/13/2015	LOS ANGELES SUB QUIET ZONE	\$2,476.69	
43720	08/13/2015	OPERATION/MAINT OF METROLINK PARKING LOT	\$78.44	
43721	08/13/2015	INDUSTRY HILLS IMPROVEMENTS	\$156.88	
43722	08/13/2015	INDUSTRY HILLS-FUEL TANKS DISPENSING DEVICE	\$597.31	
43723	08/13/2015	PROPERTY MGMT-CITY OWNED PROPERTIES	\$2,538.48	
43724	08/13/2015	AZUSA AVE BRIDGE REPAINTING	\$4,367.73	
43725	08/13/2015	FISCAL YEAR BUDGET	\$1,804.12	
43726	08/13/2015	FOLLOW'S CAMP PROPERTY	\$470.64	
43727	08/13/2015	VARIOUS ASSIGNMENTS-SA TO IUDA	\$11,826.96	
43728	08/13/2015	CITY PROPERTY-110 ACRES SOUTH OF	\$126.67	
43729	08/13/2015	METROLINK STATION/COMMUTER RAIL STN	\$156.88	
43730	08/13/2015	MAINT OF 1123 HATCHER AVE	\$156.88	
43731	08/13/2015	ARENTH AVE RECONSTRUCTION	\$570.02	
43732	08/13/2015	CITY OF INDUSTRY MUNICIPAL CODE COMPLIANCE	\$627.52	
43733	08/13/2015	FIRE STATION NO 118 EXTERIOR PAINTING	\$470.64	
43734	08/13/2015	DEBRIS REMOVAL FY 2014-2015	\$627.52	
43735	08/13/2015	GENERAL ENG SVC-HWY PERFORMANCE	\$156.88	
43736	08/13/2015	FULLERTON RD GRADE SEPARATION STUDY	\$941.28	
43737	08/13/2015	ALAMEDA CORRIDOR EAST RELATED PROJECTS	\$78.44	
43738	08/13/2015	FAIRWAY DR GRADE SEPARATION	\$1,664.23	
43739	08/13/2015	NOGALES GRADE SEPARATION	\$470.64	
092015	09/01/2015	MEALS/WHEELS RENT-SEP 2015	\$5,000.00	
62471	08/27/2015	CONSOLIDATED ELECTRICAL DIST.	\$86.55	
	Invoice	Date	Description	Amount
	3301-496557	08/07/2015	ELECTRICAL SUPPLIES-CITY HALL	\$86.55

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
62472	08/27/2015		CORELOGIC INFORMATION	\$192.50
	Invoice	Date	Description	Amount
	81548807	07/31/2015	GEOGRAPHIC PKG-JUL 2015	\$192.50
62473	08/27/2015		DAKOTA BACKFLOW CO.	\$640.00
	Invoice	Date	Description	Amount
	36709	07/31/2015	ANNUAL TESTING-841 S. 7TH	\$80.00
	36707	07/31/2015	ANNUAL TESTING-VARIOUS SITES	\$560.00
62474	08/27/2015		DEPT OF ANIMAL CARE & CONTROL	\$3,244.63
	Invoice	Date	Description	Amount
	08/15/15	08/15/2015	SHELTER COSTS-JUL 2015	\$3,244.63
62475	08/27/2015		EASYLINK SERVICES	\$55.50
	Invoice	Date	Description	Amount
	07634191508	08/02/2015	FAX SVC-JUL 2015	\$55.50
62476	08/27/2015		ENCO UTILITY SERVICES	\$7,609.50
	Invoice	Date	Description	Amount
	0113-0031MR	08/03/2015	METER READING-JUL 2015	\$2,263.50
	0612-00038S	08/03/2015	METER SYSTEM MONITORING-JUL 2015	\$2,846.00
	20-3-07-15	07/31/2015	PROF SVC-JUL 2015	\$2,500.00
62477	08/27/2015		FEDERAL EXPRESS CORP.	\$279.13
	Invoice	Date	Description	Amount
	5-126-65908	08/14/2015	MESSENGER SVC	\$279.13
62478	08/27/2015		FRAZER, LLP	\$60,580.00
	Invoice	Date	Description	Amount
	139043	08/15/2015	COI-ACCTG SVC 8/1-8/15/15	\$40,795.00

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	138768	07/31/2015	PROF SVC-JUL 2015	\$19,785.00
62479	08/27/2015		FUEL PROS, INC.	\$150.00
	Invoice	Date	Description	Amount
	0000021482	07/20/2015	INDUSTRY HILLS-FUEL STN MAINT	\$150.00
62480	08/27/2015		GMS ELEVATOR SERVICES, INC	\$134.00
	Invoice	Date	Description	Amount
	00079489	08/03/2015	MO SVC-ELEVATOR	\$134.00
62481	08/27/2015		HDL COREN & CONE	\$2,400.00
	Invoice	Date	Description	Amount
	0021688-IN	08/02/2015	CONTRACT SVC-THIRD QTR 2015	\$2,400.00
62482	08/27/2015		INDUSTRY SECURITY SERVICES	\$33,190.06
	Invoice	Date	Description	Amount
	14-15037	08/14/2015	SECURITY SVC 8/7-8/13/15	\$13,246.00
	14-15047	08/14/2015	SECURITY SVC 8/7-8/13/15	\$3,364.80
	14-14953	08/07/2015	SECURITY SVC 7/31-8/6/15	\$3,364.80
	14-14943	08/07/2015	SECURITY SVC 7/31-8/6/15	\$13,214.46
62483	08/27/2015		INTERTIE	\$10,200.00
	Invoice	Date	Description	Amount
	1669	08/04/2015	ENERGY CONSULTING-METRO SOLAR	\$10,200.00
62484	08/27/2015		KIMLEY-HORN & ASSOCIATES, INC.	\$40,083.45
	Invoice	Date	Description	Amount
	6888035	06/30/2015	GENERAL TRAFFIC ENGINEERING AND REVIEW	\$2,111.24
	6888043	06/30/2015	HWY PAVEMENT MGMT SYSTEMS	\$35,020.49
	6888045	06/30/2015	FAIRWAY DR GRADE SEPARATION	\$582.20
	6886441	06/30/2015	NOGALES GRADE SEPARATION	\$2,369.52

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
62485	08/27/2015		KLEINFELDER, INC.	\$5,272.62
	Invoice	Date	Description	Amount
	001068685	07/26/2015	SOIL TESTING-VARIOUS SITES	\$5,272.62
62486	08/27/2015		L A COUNTY DEPT OF PUBLIC	\$3,067.80
	Invoice	Date	Description	Amount
	IN160000113	08/05/2015	PILOT ROUTINE MAINT	\$3,067.80
62487	08/27/2015		L A COUNTY SHERIFF'S	\$690,377.95
	Invoice	Date	Description	Amount
	160017NH	08/07/2015	SHERIFF CONTRACT-JUL 2015	\$690,377.95
62488	08/27/2015		LOCKS PLUS	\$4.32
	Invoice	Date	Description	Amount
	22912	08/11/2015	DUPLICATE KEYS-CITY HALL	\$4.32
62489	08/27/2015		METHOD TECHNOLOGIES	\$47.50
	Invoice	Date	Description	Amount
	21643	08/06/2015	CITY WEBSITE UPDATE	\$47.50
62490	08/27/2015		PHILIPS, PAUL J.	\$32.81
	Invoice	Date	Description	Amount
	08/13/15	08/13/2015	REIMBURSE FOR EXPENSES	\$32.81
62491	08/27/2015		PLACEWORKS	\$54,263.21
	Invoice	Date	Description	Amount
	56907	07/31/2015	CT REALTY INVESTORS/WAREHOUSING DEV	\$3,512.50
	56912	07/31/2015	CT REAKY-DAVE BALL/PARRIOTT PL BUILDING	\$27,329.19
	56906	07/31/2015	DONLON BUILDERS/15000 NELSON AVE BLDG	\$8,784.19
	56911	07/31/2015	ORANGE COAST PETROLEUM/VELOCITY	\$8,167.78

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	56898	07/31/2015	STAFF SERVICES	\$500.00
	56887	07/31/2015	INDUSTRY CLIMATE ACTION PLAN	\$5,969.55
62492	08/27/2015		RDO EQUIPMENT CO.	\$1,489.38
	Invoice	Date	Description	Amount
	W06293	07/30/2015	EQUIPMENT REPAIR	\$1,489.38
62493	08/27/2015		RICKABUS, GRACE M.	\$3,500.00
	Invoice	Date	Description	Amount
	SEPTEMBER 2015	08/13/2015	LEASE OF STORAGE SPACE	\$3,500.00
62494	08/27/2015		SAN GABRIEL VALLEY FAMILY	\$4,300.00
	Invoice	Date	Description	Amount
	2712	07/31/2015	GRAFFITI REMOVAL-AUG 2015	\$4,300.00
62495	08/27/2015		SAN GABRIEL VALLEY NEWSPAPER	\$270.82
	Invoice	Date	Description	Amount
	0010696529	07/31/2015	NOTICE OF PUBLIC HEARING	\$270.82
62496	08/27/2015		SEQUEL CONTRACTORS, INC	\$36,422.24
	Invoice	Date	Description	Amount
	#6CITY-1417R-A	08/27/2015	ON-CALL HWY AND STREET IMPROVEMENTS	\$21,613.00
	#6CITY-1417R-B	08/27/2015	ON-CALL HWY AND STREET IMPROVEMENTS	\$14,809.24
62497	08/27/2015		SO CAL INDUSTRIES	\$178.77
	Invoice	Date	Description	Amount
	190192	07/22/2015	RR RENTAL-TONNER/GRAND	\$93.87
	190937	07/29/2015	RR RENTAL-TONNER CYN/57 FWY	\$84.90
62498	08/27/2015		STAPLES BUSINESS ADVANTAGE	\$4,018.98
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date		Payee Name	Check Amount
CITY.WF.CHK - City General Wells Fargo				
	8035433883	08/01/2015	OFFICE SUPPLIES	\$3,451.49
	8035521002	08/08/2015	OFFICE SUPPLIES	\$567.49
62499	08/27/2015		SUPERIOR COURT OF CALIFORNIA,	\$2,940.00
	Invoice	Date	Description	Amount
	JULY 2015	08/17/2015	PARKING CITATIONS REPORT-JUL 2015	\$2,940.00
62500	08/27/2015		THEE BEST ROOTER & PLUMBING	\$150.00
	Invoice	Date	Description	Amount
	4558	08/02/2015	PLUMBING REPAIR-HOMESTEAD	\$150.00
62501	08/27/2015		THOMPSON PUBLISHING GROUP	\$218.00
	Invoice	Date	Description	Amount
	832371101	08/04/2015	CALIF CODE BOOKS	\$218.00
62502	08/27/2015		THRALL, RANCE	\$14,580.00
	Invoice	Date	Description	Amount
	AUGUST 2015	08/13/2015	MAINT SVC-AUG 2015	\$14,580.00
62503	08/27/2015		TURBO DATA SYSTEMS, INC	\$402.64
	Invoice	Date	Description	Amount
	23174	07/31/2015	CITATION PROCESSING-JUN/JUL 2015	\$402.64
62504	08/27/2015		U.S. BANK	\$3,580.00
	Invoice	Date	Description	Amount
	4039283	07/24/2015	COI ADMIN FEES-2004 COLLATERAL ACCOUNT	\$1,200.00
	4039283-A	07/24/2015	COI ADMIN FEES-2004 COLLATERAL ACCOUNT	\$2,380.00
62505	08/27/2015		UNDERGROUND SERVICE ALERT OF	\$37.50
	Invoice	Date	Description	Amount
	720150155	08/01/2015	DIG ALERTS	\$37.50

**CITY OF INDUSTRY
WELLS FARGO BANK
August 27, 2015**

Check	Date	Payee Name		Check Amount
CITY.WF.CHK - City General Wells Fargo				
62506	08/27/2015	WASTE SYSTEMS TECHNOLOGY,		\$17,369.64
	Invoice	Date	Description	Amount
	COI-080315	08/03/2015	COMMERCIAL WASTE PROGRAM	\$17,369.64
62507	08/27/2015	WEATHERITE SERVICE		\$1,733.00
	Invoice	Date	Description	Amount
	L163856	08/10/2015	A/C MAINT-IMC	\$152.00
	L163767	07/31/2015	A/C MAINT-IMC	\$271.00
	L163766	07/31/2015	HVAC REPAIRS-IMC	\$1,310.00
62508	08/27/2015	WREGIS		\$100.00
	Invoice	Date	Description	Amount
	23762	08/10/2015	WREGIS CERTIFICATES	\$75.00
	23656	08/10/2015	FEE FOR AUTHORIZED REPORTS	\$25.00

Checks	Status	Count	Transaction Amount
	Total	80	\$2,016,426.14

CITY COUNCIL

ITEM NO. 6.1



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: City Council

August 20, 2015

From: Paul J. Philips, City Manager

Staff: Brian James, Planning Director

Subject: Annual Self-Certification of the Los Angeles County Congestion Management Program

As required by state law, the Los Angeles County Metropolitan Transportation Authority (LACMTA) administers the Congestion Management Program (CMP) for Los Angeles County. The purpose of this program is to address the impact of local growth on the regional transportation system. Specifically, the CMP seeks to reduce congestion and traffic on existing freeways and major highways by encouraging ride sharing, mass transit, alternative modes of travel, and efficient use of land. Cities that do not comply with the provisions of the CMP may be required to forfeit certain state gas tax funds (Section 2105) and jeopardize their eligibility for other state and federal transportation dollars.

By September 1st of each year, the City Council must hold a noticed public hearing (Attachment 1) to adopt and transmit a resolution to LACMTA that certifies conformance with the City's CMP responsibilities. Our responsibilities related to the CMP are:

- Continuing to implement the Transportation Demand Ordinance (Chapter 17.68 of the Municipal Code).
- Continuing to implement a Land Use Analysis program that analyzes the impacts of local land use decisions on the regional transportation system. This is accomplished through the normal project review and the California Environmental Quality Act (CEQA) process, which requires an analysis of a project's impacts on the regional transportation system and consultation with other affected agencies regarding a project's impact on regional transportation facilities.
- Adoption of a Local Development Report (LDR), which reports new development activity, development adjustments, and exempted development activity for the period between June 1, 2014, and May 31, 2015 (Attachment 2).

Recommendation

Staff recommends that the City Council approve Resolution CC 2015-23 (Attachment 3) and direct Staff to transmit to LACMTA by September 1, 2015.

Attachments

- Attachment 1: Public Hearing Notice
- Attachment 2: 2014-2015 Local Development Report
- Attachment 3: Resolution CC 2015-23

Attachment 1
Public Hearing Notice

NOTICE OF PUBLIC HEARING

Conformance with the Congestion Management Program


On August 14, 2015, notice has been given that the City Council of the City of Industry shall hold a public hearing on the City's conformance with the Congestion Management Program (CMP). This hearing is required to satisfy the requirement that each city in Los Angeles County must self-certify conformance with the CMP.

A copy of all relevant material is on file in the City Administrative Offices, 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The time, date and place of such hearing shall be as follows:

Time:	9:00 a.m.
Date:	August 27, 2015
Place:	City Council Chamber 15651 East Stafford Street City of Industry, CA 91744

Any person wishing to be heard regarding this matter may appear at the above time, date and place. Written comments may be sent via U.S. Mail or by hand delivery to the City of Industry, at 15625 Stafford Street, Suite 100, City of Industry, CA 91744.

If you challenge the action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council of the City of Industry at, or prior to, the public hearing.



Cecelia Dunlap
Deputy City Clerk

Attachment 2
2014-2015 Local Development
Report

2015 CMP Local Development Report
Reporting Period: JUNE 1, 2014 - MAY 31, 2015

Contact: **Brian James, Planning Director**
 Phone Number: **626-333-2211**

CONGESTION MANAGEMENT PROGRAM
FOR LOS ANGELES COUNTY

2015 DEFICIENCY PLAN SUMMARY

*** IMPORTANT: All "#value!" cells on this page are automatically calculated.**
Please do not enter data in these cells.

DEVELOPMENT TOTALS

RESIDENTIAL DEVELOPMENT ACTIVITY

Dwelling Units

Single Family Residential	0.00
Multi-Family Residential	0.00
Group Quarters	0.00

COMMERCIAL DEVELOPMENT ACTIVITY

1,000 Net Sq.Ft.²

Commercial (less than 300,000 sq.ft.)	0.00
Commercial (300,000 sq.ft. or more)	0.00
Freestanding Eating & Drinking	0.00

NON-RETAIL DEVELOPMENT ACTIVITY

1,000 Net Sq.Ft.²

Lodging	0.00
Industrial	188.77
Office (less than 50,000 sq.ft.)	0.00
Office (50,000-299,999 sq.ft.)	0.00
Office (300,000 sq.ft. or more)	0.00
Medical	0.00
Government	0.00
Institutional/Educational	0.00
University (# of students)	0.00

OTHER DEVELOPMENT ACTIVITY

Daily Trips

ENTER IF APPLICABLE	0.00
ENTER IF APPLICABLE	0.00

EXEMPTED DEVELOPMENT TOTALS

Exempted Dwelling Units	0
Exempted Non-residential sq. ft. (in 1,000s)	0

2. Net square feet is the difference between new development and adjustments entered on pages 2 and 3.

CITY OF INDUSTRY

Date Prepared: August 14, 2015

2014 CMP Local Development Report

Reporting Period: JUNE 1, 2014 - MAY 31, 2015

Enter data for all cells labeled "Enter." If there are no data for that category, enter "0."

PART 1: NEW DEVELOPMENT ACTIVITY**RESIDENTIAL DEVELOPMENT ACTIVITY**

Category	Dwelling Units
Single Family Residential	0.00
Multi-Family Residential	0.00
Group Quarters	0.00

COMMERCIAL DEVELOPMENT ACTIVITY

Category	1,000 Gross Square Feet
Commercial (less than 300,000 sq.ft.)	0.00
Commercial (300,000 sq.ft. or more)	0.00
Freestanding Eating & Drinking	0.00

NON-RETAIL DEVELOPMENT ACTIVITY

Category	1,000 Gross Square Feet
Lodging	0.00
Industrial	233.60
Office (less than 50,000 sq.ft.)	0.00
Office (50,000-299,999 sq.ft.)	0.00
Office (300,000 sq.ft. or more)	0.00
Medical	0.00
Government	0.00
Institutional/Educational	0.00
University (# of students)	0.00

OTHER DEVELOPMENT ACTIVITY

Description (Attach additional sheets if necessary)	Daily Trips (Enter "0" if none)
ENTER IF APPLICABLE	0.00
ENTER IF APPLICABLE	0.00

CITY OF INDUSTRY

Date Prepared: August 14, 2015

2015 CMP Local Development Report

Reporting Period: JUNE 1, 2014 - MAY 31, 2015

Enter data for all cells labeled "Enter." If there are no data for that category, enter "0."

PART 2: NEW DEVELOPMENT ADJUSTMENTS

IMPORTANT: Adjustments may be claimed only for 1) development permits that were both issued and revoked, expired or withdrawn during the reporting period, and 2) demolition of any structure with the reporting period.

RESIDENTIAL DEVELOPMENT ADJUSTMENTS

Category	Dwelling Units
Single Family Residential	0.00
Multi-Family Residential	0.00
Group Quarters	0.00

COMMERCIAL DEVELOPMENT ACTIVITY

Category	1,000 Gross Square Feet
Commercial (less than 300,000 sq.ft.)	0.00
Commercial (300,000 sq.ft. or more)	0.00
Freestanding Eating & Drinking	0.00

NON-RETAIL DEVELOPMENT ACTIVITY

Category	1,000 Gross Square Feet
Lodging	0.00
Industrial	44.83
Office (less than 50,000 sq.ft.)	0.00
Office (50,000-299,999 sq.ft.)	0.00
Office (300,000 sq.ft. or more)	0.00
Medical	0.00
Government	0.00
Institutional/Educational	0.00
University (# of students)	0.00

OTHER DEVELOPMENT ACTIVITY

Description (Attach additional sheets if necessary)	Daily Trips (Enter "0" if none)
ENTER IF APPLICABLE	0.00
ENTER IF APPLICABLE	0.00

2015 CMP Local Development Report

Reporting Period: JUNE 1, 2014 - MAY 31, 2015

Enter data for all cells labeled "Enter." If there are no data for that category, enter "0."

**PART 3: EXEMPTED DEVELOPMENT ACTIVITY
(NOT INCLUDED IN NEW DEVELOPMENT ACTIVITY TOTALS)**

Low/Very Low Income Housing	<input type="text" value="0"/>	Dwelling Units
High Density Residential Near Rail Stations	<input type="text" value="0"/>	Dwelling Units
Mixed Use Developments Near Rail Stations	<input type="text" value="0"/>	1,000 Gross Square Feet
	<input type="text" value="0"/>	Dwelling Units
Development Agreements Entered into Prior to July 10, 1989	<input type="text" value="0"/>	1,000 Gross Square Feet
	<input type="text" value="0"/>	Dwelling Units
Reconstruction of Buildings Damaged due to "calamity"	<input type="text" value="0"/>	1,000 Gross Square Feet
	<input type="text" value="0"/>	Dwelling Units
Reconstruction of Buildings Damaged in Jan. 1994 Earthquake	<input type="text" value="0"/>	1,000 Gross Square Feet
	<input type="text" value="0"/>	Dwelling Units
Total Dwelling Units	<input type="text" value="0"/>	
Total Non-residential sq. ft. (in 1,000s)	<input type="text" value="0"/>	

Exempted Development Definitions:

- Low/Very Low Income Housing: As defined by the California Department of Housing and Community Development as follows:
 - Low-Income: equal to or less than 80% of the County median income, with adjustments for family size.
 - Very Low-Income: equal to or less than 50% of the County median income, with adjustments for family size.
- High Density Residential Near Rail Stations: Development located within 1/4 mile of a fixed rail passenger station and that is equal to or greater than 120 percent of the maximum residential density allowed under the local general plan and zoning ordinance. A project providing a minimum of 75 dwelling units per acre is automatically considered high density.
- Mixed Uses Near Rail Stations: Mixed-use development located within 1/4 mile of a fixed rail passenger station, if more than half of the land area, or floor area, of the mixed use development is used for high density residential housing.
- Development Agreements: Projects that entered into a development agreement (as specified under Section 65864 of the California Government Code) with a local jurisdiction prior to July 10, 1989.
- Reconstruction or replacement of any residential or non-residential structure which is damaged or destroyed, to the extent of > or = to 50% of its reasonable value, by fire, flood, earthquake or other similar calamity.
- Any project of a federal, state or county agency that is exempt from local jurisdiction zoning regulations and where the local jurisdiction is precluded from exercising any approval/disapproval authority. These locally precluded projects do not have to be reported in the LDR.

Attachment 3
Resolution CC 2015-23

RESOLUTION NO. CC 2015-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY FINDING THE CITY TO BE IN CONFORMANCE WITH THE CONGESTION MANAGEMENT PROGRAM AND ADOPTING THE CONGESTION MANAGEMENT PROGRAM LOCAL DEVELOPMENT REPORT, IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 65089

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (“LACMTA”), acting as the Congestion Management Agency for Los Angeles County, adopted the Congestion Management Program (“CMP”) on July 22, 2004; and

WHEREAS, the CMP requires that LACMTA annually determine that the County and cities within the County are conforming to all CMP requirements; and

WHEREAS, the CMP requires submittal to the LACMTA of the CMP local implementation report by September 1st of each year; and

WHEREAS, on August 27, 2015, the City Council of the City of Industry conducted a duly noticed public hearing with respect to the proposed CMP local implementation report.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1: The City has taken all of the following actions, and the City is in conformance with all applicable requirements of the 2010 CMP adopted by the LACMTA Board on October 28, 2010:

a. The City has locally adopted and continues to implement a transportation demand management ordinance, consistent with the minimum requirements identified in the CMP Transportation Demand Management chapter.

b. The City has locally adopted and continues to implement a land use analysis program, consistent with the minimum requirements identified in the CMP Land Use Analysis Program chapter.

c. The City hereby adopts, and has adopted, a Local Development Report, attached hereto and fully incorporated herein by reference, consistent with the requirements identified in the 2010 CMP. This report balances traffic congestion impacts due to growth within the City with transportation improvements, and demonstrates that the City is meeting its responsibilities

under the Countywide Deficiency Plan consistent with the LACMTA Board adopted 2003 Short Range Transportation Plan.

SECTION 2: The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 3: The City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect. The City Clerk shall forward a copy of this Resolution to the Los Angeles County Metropolitan Transportation Authority.

PASSED, APPROVED and ADOPTED at a Regular Meeting of the City of Industry City Council on August 27, 2015.

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

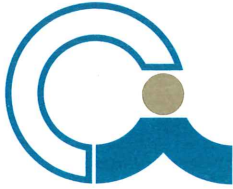
Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

CITY COUNCIL

ITEM NO. 7.1



CITY OF INDUSTRY

Incorporated June 18, 1957

MEMORANDUM

TO: The Honorable Mayor and Members of the City Council

FROM: Paul Philips, City Manager *Paul J. Philips*

DATE: August 27, 2015

Subject: 2015/16 (Property) Tax Rate for General Obligation Debt Service

Please find attached an August 11, 2015 memorandum from the City's Financial Advisor, Eric Scriven/NHA Advisors, together with the RECOMMENDED Resolution Nos. CC 2015-24 and CC 2015-25.

As stated, it is required that the City annually adopt the required resolutions to satisfy the aggregate debt service payment. To satisfy the County's timeline, said resolutions must be delivered to the County of Los Angeles immediately upon their passage.

MEMORANDUM

To: Paul Philips, Jamie Casso and Dean Yamagata, City of Industry

From: Eric Scriven and Michael Meyer, NHA Advisors

Date: August 11, 2015

RE: 2015/16 Tax Rate for General Obligation Debt Service

2015/16 Assessed Valuation's (AV) for the City were released last week by the County of Los Angeles. The total AV for Industry is estimated at \$7,777,406,040, an increase of 2.95% from the previous year. This is inclusive of the City's four RDA project areas, and also the non-RDA portion of the City known as Taxing District #1 (TD#1).

The portion of GO Tax Rate revenue pledged to supporting the City's GO Bond Debt is the revenue attributable to TD#1, RDA Project Area 4, and the base year AV for Redevelopment Project Areas 1, 2 and 3. TD#1 AV for 2014/15 is \$1,108,406,010, for Project 4 is \$38,879,061 and the base year AV total for Project Area 1, 2 and 3 is \$441,652,186. Combined, this totals **\$1,588,937,257** in assessed valuation.

Per existing bond covenants, the City will maintain the same tax rate as last year, which is **\$0.7375 per \$100 of assessed valuation**. This tax rate, when applied to the \$1,588,937,257 of AV, totals \$11,718,412.27 in estimated GO tax revenue. This tax revenue will be allocated as follows*:

(a)	For the debt service on the voter-approved 2014 GO Refunding Bonds	\$642,746.47
(b)	For the debt service on the voter-approved 2010 GO Refunding Bonds	\$2,824,392.17
(c)	For the debt service on the voter-approved 2009 Series B GO Refunding Bonds	\$4,550,491.05
(d)	For the debt service on the voter-approved 2009 GO Refunding Bonds	\$3,685,782.58
(e)	For the paying agent's fees for above	<u>\$15,000.00</u>
	TOTAL	\$11,718,412.27

* Allocated based on share of total 2016 debt service payment (5.49% for 2014 GO, 24.13% for 2010 GO, 38.88% for 2009B GO, and 31.49% for 2009 GO.

In order to satisfy the aggregate debt service payment (\$15,166,950) for FY 2015/16 on the four GO Bond issues, the City of Industry will also utilize approximately \$3.5 million from current funds on deposit. In anticipation of this, on July 31, 2015 the City deposited \$2.0 million into the GO Bond Trust Account. When combined with the \$3.0 million balance already in the fund, the new fund balance is approximately \$5.0 million. This amount is greater (by about \$1.5 million) than the estimated \$3.5 million needed, thus any surplus will remain in the trust account to provide flexibility to reduce next year's deposit. This extra amount also provides additional security that there will be sufficient funds to pay debt service in the event that revenues do not come in as expected.

Attached to this memorandum are resolutions that detail the 2015/16 GO tax rate to be adopted as well as how the GO tax revenue shall be allocated. Please let us know if you have any questions.

RESOLUTION NO. CC 2015-24

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF INDUSTRY, CALIFORNIA, FIXING THE AMOUNT OF
REVENUE FROM PROPERTY TAXES NECESSARY TO PAY
THE BONDED OR OTHER INDEBTEDNESS OF THE CITY
ACCRUING DURING THE 2015/16 FISCAL YEAR**

THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1: This City Council hereby fixes the amount of revenue from property taxes necessary to pay the bonded or other indebtedness of the city accruing during the 2015/16 fiscal year as follows:

(a) For the debt service on the voter-approved 2014 general obligation refunding bonds	\$642,746.47
(b) For the debt service on the voter-approved 2010 general obligation refunding bonds.....	2,824,392.17
(c) For the debt service on the voter-approved 2009 Series B general obligation refunding bonds.....	4,550,491.05
(d) For the debt service on the voter-approved 2009 general obligation refunding bonds	3,685,782.58
(e) For the paying agent's fees for above.....	15,000.00
TOTAL.....	\$11,718,412.27

SECTION 2: The City Clerk is hereby directed to post copies of this Resolution at three (3) public places in the City of Industry designated for the posting of ordinances of the city.

PASSED, APPROVED and ADOPTED at a Regular Meeting of the City of Industry City Council on August 27, 2015.

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Resolution No. CC 2015-24
August 27, 2015
Page 2 of 2

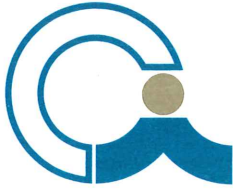
Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

CITY COUNCIL

ITEM NO. 7.2



CITY OF INDUSTRY

Incorporated June 18, 1957

MEMORANDUM

TO: The Honorable Mayor and Members of the City Council

FROM: Paul Philips, City Manager *Paul J. Philips*

DATE: August 27, 2015

Subject: 2015/16 (Property) Tax Rate for General Obligation Debt Service

Please find attached an August 11, 2015 memorandum from the City's Financial Advisor, Eric Scriven/NHA Advisors, together with the RECOMMENDED Resolution Nos. CC 2015-24 and CC 2015-25.

As stated, it is required that the City annually adopt the required resolutions to satisfy the aggregate debt service payment. To satisfy the County's timeline, said resolutions must be delivered to the County of Los Angeles immediately upon their passage.

MEMORANDUM

To: Paul Philips, Jamie Casso and Dean Yamagata, City of Industry

From: Eric Scriven and Michael Meyer, NHA Advisors

Date: August 11, 2015

RE: 2015/16 Tax Rate for General Obligation Debt Service

2015/16 Assessed Valuation's (AV) for the City were released last week by the County of Los Angeles. The total AV for Industry is estimated at \$7,777,406,040, an increase of 2.95% from the previous year. This is inclusive of the City's four RDA project areas, and also the non-RDA portion of the City known as Taxing District #1 (TD#1).

The portion of GO Tax Rate revenue pledged to supporting the City's GO Bond Debt is the revenue attributable to TD#1, RDA Project Area 4, and the base year AV for Redevelopment Project Areas 1, 2 and 3. TD#1 AV for 2014/15 is \$1,108,406,010, for Project 4 is \$38,879,061 and the base year AV total for Project Area 1, 2 and 3 is \$441,652,186. Combined, this totals **\$1,588,937,257** in assessed valuation.

Per existing bond covenants, the City will maintain the same tax rate as last year, which is **\$0.7375 per \$100 of assessed valuation**. This tax rate, when applied to the \$1,588,937,257 of AV, totals \$11,718,412.27 in estimated GO tax revenue. This tax revenue will be allocated as follows*:

(a)	For the debt service on the voter-approved 2014 GO Refunding Bonds	\$642,746.47
(b)	For the debt service on the voter-approved 2010 GO Refunding Bonds	\$2,824,392.17
(c)	For the debt service on the voter-approved 2009 Series B GO Refunding Bonds	\$4,550,491.05
(d)	For the debt service on the voter-approved 2009 GO Refunding Bonds	\$3,685,782.58
(e)	For the paying agent's fees for above	<u>\$15,000.00</u>
	TOTAL	\$11,718,412.27

* Allocated based on share of total 2016 debt service payment (5.49% for 2014 GO, 24.13% for 2010 GO, 38.88% for 2009B GO, and 31.49% for 2009 GO.

In order to satisfy the aggregate debt service payment (\$15,166,950) for FY 2015/16 on the four GO Bond issues, the City of Industry will also utilize approximately \$3.5 million from current funds on deposit. In anticipation of this, on July 31, 2015 the City deposited \$2.0 million into the GO Bond Trust Account. When combined with the \$3.0 million balance already in the fund, the new fund balance is approximately \$5.0 million. This amount is greater (by about \$1.5 million) than the estimated \$3.5 million needed, thus any surplus will remain in the trust account to provide flexibility to reduce next year's deposit. This extra amount also provides additional security that there will be sufficient funds to pay debt service in the event that revenues do not come in as expected.

Attached to this memorandum are resolutions that detail the 2015/16 GO tax rate to be adopted as well as how the GO tax revenue shall be allocated. Please let us know if you have any questions.

RESOLUTION NO. CC 2015-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF INDUSTRY, CALIFORNIA, FIXING THE RATE OF TAXES
AND LEVYING TAXES FOR THE 2015/16 FISCAL YEAR ON
PROPERTY WITHIN THE CITY TO PAY THE BONDED
OR OTHER INDEBTEDNESS OF THE CITY**

THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1: This City Council has heretofore adopted Resolution No. CC 2015-24 in which the City Council has fixed the sum of \$11,718,412.27 as the total amount of revenue from property taxes necessary to pay the bonded or other indebtedness of the city accruing during the 2015/16 fiscal year.

SECTION 2: The Los Angeles County Auditor-Controller has transmitted to the City a written statement showing the total full value of all property in the City of Industry ascertained from the current assessment books of Los Angeles County, as equalized and corrected, in the amount of \$7,777,406,040.

SECTION 3: The City Council hereby fixes the rate of the tax of the City of Industry from the 2015/16 fiscal year to pay bonded or other indebtedness of the City and the amount necessary to compensate for the allocation and payment required pursuant to subdivision (b) of Section 33670 and subdivision (d) of Section 33675 of the Health and Safety Code at .737500 as shown on Exhibit "A" attached hereto, and hereby levies such tax in said amount upon each one hundred dollars in full value of all property as assessed and equalized .

SECTION 4: The City Clerk is hereby directed to transmit immediately to the Los Angeles County Auditor-Controller a certified copy of this Resolution together with a statement of the tax rate fixed herein. The City Clerk is further directed to post copies of this Resolution in three (3) public places in the City of Industry designated for the posting of ordinances of the City.

PASSED, APPROVED and ADOPTED at a Regular Meeting of the City of Industry City Council on August 27, 2015.

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

RESOLUTION NO. CC 2015-25

EXHIBIT "A"

2015/16 SECURED TAX RATES

<u>ACCT.#</u>	<u>AGENCY</u>	<u>DISTRICT</u>	<u>TAX RATE</u>
174.01	City of Industry	TD #1	\$.737500
174.02	City of Industry	CIV-REC-IND RP 1	\$.737500
174.03	City of Industry	TR DIS IND RP 2	\$.737500
174.04	City of Industry	TR DIS IND RP 3	\$.737500
174.06	City of Industry	CIV-REC-IND RP 4	\$.737500

I, Mark D. Radecki, am a member of the City Council of the City of Industry and I hereby certify that the tax rates levied hereby are exempt from the application of Article XIII A, Section 1 of the Constitution of the State of California.

Authorized signature

Mayor
Title

August 27, 2015
Date

CITY COUNCIL

ITEM NO. 7.3



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager

Staff: John Ballas, City Engineer

Date: August 27, 2015

SUBJECT: Consideration of Resolution No. CC 2015-28 Approving Agency-Federal Master Agreement No. 07-5342R and Program Supplement Agreement No. 003-N for the Azusa Avenue Bridge Project

In June 2013, the City was awarded a total of \$5,226,422.00 for the repainting of the Azusa Avenue Bridge through the Local Highway Bridge Program, administered by the Local Assistance Division of Caltrans District 7. These federal grant funds will be utilized to pay for Preliminary Engineering and Construction activities.

The Federal Highway Administration ("FHWA") is the federal agency involved in transportation projects undertaken with federal funding. FHWA has the authority and responsibility for implementing and monitoring federal laws, regulations, and executive orders affecting projects that are funded with federal dollars. Caltrans has obtained major delegations of authority and/or responsibility from FHWA as allowed under the provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) of 2005, and previous Transportation Acts. Caltrans has the responsibility to ensure that cities are administering the federal-aid program in conformance with the applicable federal requirements. With each delegation goes the accountability for initiating and completing each project phase in accordance with the appropriate state, and federal laws and regulations without extensive FHWA, or State oversight. Caltrans has the responsibility to ensure that locals are administering the federal-aid program in conformance with the applicable federal requirements.

Prior to beginning work for which federal reimbursement will be requested, the project or project phase must be formally authorized from Caltrans. Each federally funded phase of work such as: Preliminary Engineering, Environmental, Right of Way and Construction require a separate federal authorization.

In fulfillment of this requirement, staff submitted a Request for Authorization to Proceed with Preliminary Engineering to secure the E-76, which is the formal approval document. On April 16, 2015, the Request for Authorization to Proceed with Preliminary Engineering was approved and \$289,493.00 of federal funds were authorized for the Preliminary Engineering Phase.

Following issuance of the E-76, Caltrans guidelines require that the City execute a Program Supplemental Agreement with the office of Caltrans Local Programs, which administers the funds. The Program Supplement Agreement to the Master Agreement formalizes the financial responsibilities and provisions for a specific Federal-aid or State funded project. The Program Supplement Agreement identifies the types and amounts of Federal, State and local funds that are to be used to finance the project and is the contractual basis for the State to pay the City for work completed on the project.

Approval of the agreement is necessary to obtain reimbursement for the preliminary engineering phase of the project. Upon execution by the City and Caltrans, the City can begin to invoice Caltrans for reimbursement on preliminary engineering related activities. Since this is the first federally funded project that is being implemented by the City, a Master Agreement has been issued and must be executed concurrent to the Program Supplement Agreement.

The Master Agreement outlines the terms and conditions applicable to the Agency when receiving federal funds for a designated project facility and to the subsequent operation and maintenance of that completed facility.

At this time, it is being requested that the City Council approve Resolution No. CC 2015-28 approving the Master Agreement and Program Supplement Agreement, and directing the City Manager to execute the Agreements on behalf of the City.

JDB:LC: mk

RESOLUTION NO. CC 2015-28

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY APPROVING MASTER AGREEMENT NO. 07-5342R ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS, AND PROGRAM SUPPLEMENT AGREEMENT NO. N003 TO ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS NO. 07-5342R, BETWEEN THE CITY AND THE STATE OF CALIFORNIA ACTING BY AND THROUGH THE DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE AZUSA AVENUE BRIDGE PROJECT

WHEREAS, the City was awarded a total of \$5,226,422.00 for the repainting of the Azusa Avenue Bridge through the Local Highway Bridge Program, administered by the Local Assistance Division of Caltrans District 7; and

WHEREAS, the State of California Department of Transportation has requested that the City approve Master Agreement No. 07-5342R Administering Agency-State Agreement for Federal-Aid Projects ("Master Agreement"), which formalizes the financial responsibilities and provisions for a specific Federal-aid or State funded project; and

WHEREAS, the State of California Department of Transportation has requested that the City of Industry approve Program Supplement No. N003 to the Administering Agency-State Agreement for Federal-Aid Project No. 07-5342R ("Supplement Agreement"), which identifies the types and amounts of Federal, State and local funds that are to be used to finance the project and is the contractual basis for the State to pay the City for work completed on the project; and

WHEREAS, in order to facilitate the painting of the Azusa Avenue Bridge, the City Council desires to enter into the Master Agreement and Supplement Agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1: The above recitals are true and correct and are incorporated herein by reference.

SECTION 2: The City Council hereby approves the Master Agreement and Supplement Agreement, and directs the City Manager to execute the

agreements and all documents necessary to facilitate the agreements, on behalf of the City.

SECTION 3: The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 4: The City Clerk shall certify to the passage and adoption of this resolution, and that the same shall be in full force and effect.

PASSED, APPROVED and ADOPTED at a Regular Meeting of the City of Industry City Council on August 27, 2015.

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

Mark D. Radecki, Mayor

ATTEST:

Cecelia Dunlap, Deputy City Clerk

PROGRAM SUPPLEMENT NO. N003
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 07-5342R

Adv Project ID **Date:** June 4, 2015
0713000353 **Location:** 07-LA-0-IDY
Project Number: BHLSP-5342(004)
E.A. Number:
Locode: 5342

This Program Supplement hereby adopts and incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on _____ and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____ approved by the Administering Agency on _____ (See copy attached).

The Administering Agency further stipulates that as a condition to the payment by the State of any funds derived from sources noted below obligated to this PROJECT, the Administering Agency accepts and will comply with the special covenants or remarks set forth on the following pages.

PROJECT LOCATION:

Azusa Ave. Over Chestnut St. San Jose Creek, UPRR, Arenth Ave & Valley Blvd. (1 Mile N. of Pomona FWY)

TYPE OF WORK: Bridge Painting , State Bridge No. 53C0289, Local Bridge No. _____ **LENGTH:** 0.0(MILES)
1434.

Estimated Cost	Federal Funds		Matching Funds	
	MOE1		LOCAL	OTHER
\$327,000.00	\$289,493.00		\$37,507.00	\$0.00

CITY OF INDUSTRY

STATE OF CALIFORNIA
Department of Transportation

By _____
Title _____
Date _____
Attest _____

By _____
Chief, Office of Project Implementation
Division of Local Assistance
Date _____

I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance:

Accounting Officer *[Signature]* **Date** 6/4/2015 \$289,493.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

SPECIAL COVENANTS OR REMARKS

1. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.
2. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
3. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY agrees to submit for each phase a written explanation of the absence of PROJECT activity along with target billing date and target billing amount.

ADMINISTERING AGENCY agrees to submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure of ADMINISTERING AGENCY to submit a "Final Report of Expenditures" within 180 days of PROJECT completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current Local Assistance Procedures Manual.

4. The Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-assisted contract or in the administration of its DBE Program Implementation Agreement. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of Federal-assisted contracts. The Administering Agency's DBE Implementation Agreement is incorporated by reference in this Agreement. Implementation of the DBE Implementation Agreement, including but not limited to timely reporting of DBE commitments and utilization, is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Administering Agency of its failure to carry out its DBE Implementation Agreement, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
5. Award information shall be submitted by the ADMINISTERING AGENCY to the District

SPECIAL COVENANTS OR REMARKS

Local Assistance Engineer within 60 days of project contract award or with the submittal of the ADMINISTERING AGENCY's first invoice for the construction contract, whichever is earlier.

Failure to do so will cause a delay in the State processing invoices for the construction phase.

Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

6. Any State and Federal funds that may have been encumbered for this project are available for disbursement for limited periods of time. For each fund encumbrance the limited period is from the start of the fiscal year that the specific fund was appropriated within the State Budget Act to the applicable fund Reversion Date shown on the State approved project finance letter. Per Government Code Section 16304, all project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested by the ADMINISTERING AGENCY and approved by the California Department of Finance.

ADMINISTERING AGENCY should ensure that invoices are submitted to the District Local Assistance Engineer at least 75 days prior to the applicable fund Reversion Date to avoid the lapse of applicable funds. Pursuant to a directive from the State Controller's Office and the Department of Finance; in order for payment to be made, the last date the District Local Assistance Engineer can forward an invoice for payment to the Department's Local Programs Accounting Office for reimbursable work for funds that are going to revert at the end of a particular fiscal year is May 15th of the particular fiscal year. Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement involving applicable funds that is not received by the Department's Local Programs Accounting Office at least 45 days prior to the applicable fixed fund Reversion Date will not be paid. These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

7. As a condition for receiving federal-aid highway funds for the PROJECT, the Administering Agency certifies that NO members of the elected board, council, or other key decision makers are on the Federal Government Exclusion List. Exclusions can be found at www.sam.gov.

MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENT FOR
FEDERAL-AID PROJECTS

07 City of Industry

District Administering Agency

Agreement No. 07-5342R

This AGREEMENT, is entered into effective this _____ day of _____, 20____, by and between the City of Industry, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE, and together referred to as "PARTIES" or individually as a "PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs. These transportation programs include, but are not limited to, the Surface Transportation Program (STP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), the Transportation Enhancement Program (TE), Highway Safety Improvement Program (HSIP) and the Highway Bridge Program (HBP) (collectively the "PROGRAMS"); and
2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and
3. WHEREAS, before federal-funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific Program Supplement to this AGREEMENT for federal-aid projects, hereinafter referred to as "PROGRAM SUPPLEMENT", has been fully executed by both STATE and ADMINISTERING AGENCY.
2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an "Authorization/ Agreement Summary" or "Amendment/Modification Summary", herein referred to as "E-76" or "E-76 (AMOD)" document authorized by STATE or the Federal Highway Administration (FHWA).
3. The E-76/E-76(AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.
4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these Federal Funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY.
5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.
6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of Federal Funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.
7. Federal, State and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no Further Federal funds are needed or for those future phase(s).

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".

9. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and where appropriate, an executed cooperative agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its' contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY to: Department of Transportation, Division of Accounting Local Programs Accounting Branch, MS #33, PO Box 942874, Sacramento, California 94274-0001.

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eighty(180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.

ARTICLE II - RIGHTS OF WAY

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.
2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.
3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from Federal Funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.
4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.
5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY's relocation program is realistic and adequate to provide orderly, timely and efficient relocation of PROJECT- displaced persons as provided in 49 CFR,

Part 24.

6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing title in the name of the ADMINISTERING AGENCY or their assignee, shall also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of the AGREEMENT, as appropriate.

ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.

2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.

3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.

ARTICLE IV - FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).
2. STATE'S financial commitment of Federal Funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.
3. ADMINISTERING AGENCY may submit signed duplicate invoices in arrears for reimbursement of participating PROJECT costs on a monthly or quarterly progress basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.
4. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period
5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
6. Invoices must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.
8. An Indirect Cost Rate Proposal and Central Service Cost Allocation Plan and related documentation are to be provided to STATE (Caltrans Audits & Investigations) annually for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect cost incurred within each fiscal year being claimed for federal reimbursement.
9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess Federal Funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).
10. STATE will withhold the greater of either two (2) percent of the total of all Federal Funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

11. The estimated total cost of PROJECT, the amount of Federal Funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase.

12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of Federal Funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY's own funds.

13. ADMINISTERING AGENCY shall use its own non-Federal Funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with Federal Funds. STATE shall make the determination of ADMINISTERING AGENCY's cost eligibility for federal fund financing of PROJECT costs.

14. ADMINISTERING AGENCY will reimburse STATE for STATE's share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE's costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.

15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.

16. Federal Funds encumbered for PROJECT are available for liquidation for a period of seven (7) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for five (5) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless an Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

18. ADMINISTERING AGENCY agrees to comply with Office of Management and Budget (OMB) Circular A-87, Cost Principles for State and Local Governments, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

19. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items and (b) those parties shall comply with federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving PROJECT funds as a contractor or sub-contractor under this AGREEMENT shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

20. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under OMB Circular A-87, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by ADMINISTERING AGENCY to STATE. Should ADMINISTERING AGENCY fail to reimburse moneys due STATE within thirty 30 days of demand, or within such other period as may be agreed in writing between the PARTIES hereto, STATE is authorized to intercept and withhold future payments due ADMINISTERING AGENCY from STATE or any third-party source, including but not limited to, the State Treasurer, the State Controller and the CTC.

21. Upon written demand by STATE, any overpayment to ADMINISTERING AGENCY of amounts invoiced to STATE shall be returned to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV - 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.

ARTICLE V
AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records when determined to be necessary or appropriate and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.

2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred PROJECT costs and matching funds by line item for the PROJECT. The accounting system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.

3. For the purpose of determining compliance with Title 21, California Code of Regulations, Chapter 21, section 2500 et seq., when applicable, and other matters connected with the performance of ADMINISTERING AGENCY's contracts with third parties, ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such AGREEMENT and PROGRAM SUPPLEMENT materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of final payment to ADMINISTERING AGENCY under any PROGRAM SUPPLEMENT. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States, shall each have access to any books, records, and documents that are pertinent to a PROJECT for audits, examinations, excerpts, and transactions and ADMINISTERING AGENCY shall furnish copies thereof if requested.

4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of OMB Circular A-133 if it receives a total of \$500,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205, Highway Planning and Research.

5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with OMB Circular A-133.

6. ADMINISTERING AGENCY shall not award a construction contract over \$10,000 or other contracts over \$25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain all of the provisions of ARTICLE IV, FISCAL PROVISIONS, and this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS, and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as PROJECT costs only after those costs are incurred and paid for by the subcontractors.

8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.

9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with LOCAL ASSISTANCE PROCEDURES.

ARTICLE VI -FEDERAL LOBBYING ACTIVITIES CERTIFICATION

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed \$100,000 and that all such sub-recipients shall certify and disclose accordingly.

ARTICLE VII - MISCELLANEOUS PROVISIONS

1. ADMINISTERING AGENCY agrees to use all State funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.
2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.
3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.
4. Each project-specific PROGRAM SUPPLEMENT shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.
5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.
6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.
8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or FTA that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.
9. ADMINISTERING AGENCY hereby certifies that it does not now have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this

AGREEMENT.

10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE's Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.

16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

City of Industry

By _____

By _____

Chief, Office of Project Implementation
Division of Local Assistance

City of Industry
Representative Name & Title
(Authorized Governing Body Representative)

Date _____

Date _____

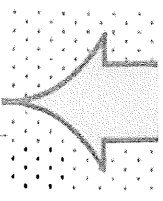


EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 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 Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.

(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.

EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively insure that in any agreement entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed effecting a transfer of real property, structures, or improvements thereon, or interest therein.

5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.

7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:

Appendix C;

(a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and

Appendix D;

(b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.

8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.

9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.

10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.

11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Race-Neutral Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Race-Neutral Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 es seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.

APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) Compliance with Regulations: ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) Nondiscrimination: ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY's obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY's books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of ADMINISTERING AGENCY's noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.

(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.

APPENDIX B TO EXHIBIT B

The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(GRANTING CLAUSE)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (:) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (:) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is

necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX C TO EXHIBIT B

The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

APPENDIX D TO EXHIBIT B

The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.,) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

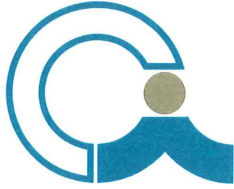
(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.

CITY COUNCIL

ITEM NO. 7.4



MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips

Staff: Clement N. Calvillo, CNC Engineering *CNC*
Gerardo Perez, CNC Engineering *GP*

Date: August 18, 2015

SUBJECT: Industry's 66KV Electrical Substation Facilities at 208 S. Waddingham Way (CITY-1389)

During the course of construction on this project, bid quantity adjustments were necessary due to differing site conditions and extension of bid quantities. Bid quantities were increased for removal of the existing 27-inch reinforced concrete trunk sewer and for installation of additional barbed wire on the existing chain link fence as measured in the field.

The total cost for additional bid quantity adjustments total \$6,972.20. In addition to the bid quantity adjustments, additional work was also necessary to install an 8-foot high by 4-foot wide chain link fence walk gate not on the original plans. The total cost for installing this gate is \$1,600.00.

The total additional cost based on final bid quantities and the total extra work is \$8,572.20. Staff has reviewed the total additional cost in the amount of \$8,572.20 and finds it to be reasonable and acceptable.

Therefore, Staff hereby recommends approval of Change Order No. 3 in the amount of \$8,572.20.

PJP/GP:rg

CITY OF INDUSTRY

CHANGE ORDER

15625 E. Stafford St.
 City of Industry, CA 91744
 (818)333-2211

Change Order No. 3

Project Industry's 66 KV Electrical Substation Facilities at 208 S. Waddingham Way Contract No. CITY-1389 Date 08/27/2015

Type _____ Contractor Southen Contracting Company

Location City of Industry

Explanation:

Close Out Change Order

Extra Work by: _____ X _____ T & M
 Contract Items Negotiated

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Bid Item No. 4 Construct Galvanized Arm and 3 Strand Barb Wire	292.22 LF	10.00/LF	\$2,922.20	
2	Bid Item No. 5 Remove Existing 27" RCP Trunk Sewer	18 LF	\$225.00	\$4,050.00	
3	Install Chain Link Fence Gate	LS	\$1,600.00	\$1,600.00	
TOTAL COST				\$8,572.20	

T & M SUMMARY

*Labor Cost	+ 20%	Total Labor	
*Equipment Cost	+ 15%	Total Equipment	
*Material Cost	+ 15%	Total Materials	
(*Attach breakdown of labor, equipment and materials)		Sub-Total	
CHANGE ORDER SUMMARY		Other Additive	
Original Contract Amount	\$6,815,469.00	Total T & M	
Total Previous Change Orders	\$376,965.00 5.53%		
Total Change Orders	\$ 385,537.20 5.66%	Pay This CHANGE ORDER	\$ 8,572.20 0.13%

Authorized by _____

Additional Working Days 10

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative _____ Date _____

J.D. Ballas, Director of Public Works _____ Date _____

Gerardo Perez, Project Manager _____ Date _____

C.O. # 3

Southern Contracting Co.

559 N. Twin Oaks Valley Rd.
P.O. Box 445
San Marcos, CA 92079-0445

Phone: 760-744-0760
Fax: 760-744-6475

PROPOSED CHANGE ORDER**No. 00006**

TITLE: Walk Gate**DATE:** 8/4/2014**PROJECT:** Industry's 66 kV Electric Substation**JOB:** 98361**TO:** CNC
255 N. Hacienda Blvd.
Suite 201
City of Industry, CA 91744**CONTRACT NO:****ATTN:** Gerardo Perez**RE:****To:****From:****Number:****DESCRIPTION OF PROPOSAL**

The work associated with adding a walk gate is a change to Southern Contracting Company's scope of work in which a change in Contract Price and Time is to be considered.

Scope of Work:

- Construct 8' high x 4" wide chain link walk gate.

Change in time:

- Any impacts to the construction schedule due to this additional work are not able to be defined at this time. Once we receive approval on this additional work we will provide schedule information for determination of actual time impacts.

Unit Cost:	\$0.00
Unit Tax:	\$0.00
Lump Sum:	\$1,600.00
Lump Tax:	\$0.00
Total:	\$1,600.00

APPROVAL:

By: _____
Josh Biesiada

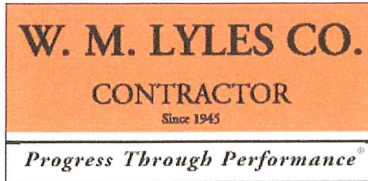
By: _____
Gerardo Perez

Date: _____

Date: _____

Change Order Recap Sheet
COI 66 kV Substation
Southern Contracting Job # 98361
Proposed Change Order No. 006

			Total	Material/Description	Qty	Amount
Labor						
Direct Costs						
Subcontractors/Lump Sump	Qty	Amount	Totals			
WM Lyles	1	\$1,440.00		Labor		\$0.00
				20% Labor Markup		\$0.00
				Material		\$0.00
				Material Tax (9.%)		\$0.00
				15% Material Markup		\$0.00
				Direct Costs		\$0.00
				15% Direct Costs Markup		\$0.00
				Subcontractors		\$1,440.00
				10% Subcontractor Markup		\$144.00
				Additional Bond @ 1%		\$15.84
				Value Engineering (50%)		\$0
				Change Order Total		\$1,599.84



California Contractor's License No. 422390

Southern Division - **Temecula Office**
42142 Roick Drive
Temecula, CA 92590
Telephone (951) 973-7393
Fax (951) 698-3031

www.wmlyles.com
An Equal Opportunity Employer

August 4, 2014

CO# 5

Southern Contracting Co.
559 N. Twin Oaks Valley Road
San Marcos, CA 92705
Attn.: Josh Biesiada

Project: City of Industry 66KV Electrical Upgrades

Subject: Chainlink Walk Gate

Josh,

Our lump sum price to perform the extra work to Construct a 8' High x 4' Wide Chainlink Walk Gate, is \$1,440.00.

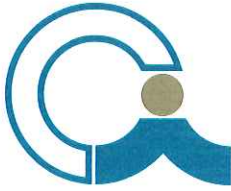
If you have any questions or require further information please contact us.

Very truly yours,

Nathan J. Holash
Field Engineer
W.M. Lyles Co.

CITY COUNCIL

ITEM NO. 7.5



CITY OF INDUSTRY

Incorporated June 18, 1957

MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager

Staff: Clement N. Calvillo, CNC Engineering
Eduardo Pereira, CNC Engineering



Date: August 19, 2015

SUBJECT: Second Amendment to Professional Services Agreement with Snowden Electric Company, Inc. (MP 06-18 #10)

Snowden Electric Company, Inc.'s first amendment to the annual contract to provide maintenance and emergency response services to the Metrolink Solar and Electric Vehicle Charging facility will expire on August 31, 2015. The maintenance services are necessary for the purposes of maintaining normal operating conditions of the solar panels, inverters, transformers, switchgears, combiner boxes, volt panels and communications building including the area lighting system. They have submitted a proposal to continue to perform these services, embodied in the attached Second Amendment to Professional Services Agreement for an annual budget amount of \$76,400.00.

The Agreement is the City's standard Professional Services Agreement. It is therefore recommended that the City Council approve the second amendment to the Agreement between Snowden Electric Company, Inc. and the City of Industry for an annual budget amount of \$76,400.00.

EP:cl

SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT ("Second Amendment") is between the CITY OF INDUSTRY, a California municipal corporation and charter city ("City") and SNOWDEN ELECTRIC COMPANY, INC., a California corporation ("Consultant"), and is effective as of September 1, 2015.

Recitals

- A. The parties have entered into that certain "Professional Services Agreement" effective as of September 12, 2013 (the "Agreement") with respect to maintenance for the Metrolink Carport Solar PV installation at 600 South Brea Canyon Road in the City.
- B. Except as expressly modified in this Second Amendment, the terms referenced in this Second Amendment will have the same meanings as the terms defined in the Agreement.
- C. The City and Consultant desire to update the scope of services and related compensation under the Agreement.

Agreement

1. Amendment to Exhibit A (Scope of Services). The Scope of Services attached to the Agreement as Exhibit A is hereby amended and replaced with the attached Scope of Services dated July 28, 2015, attached to this Second Amendment as Exhibit A.
2. Amendment to Exhibit B (Key Personnel & Compensation). The Key Personnel & Compensation attached to the Agreement as Exhibit B is hereby amended and replaced with the attached Key Personnel & Compensation, attached to this Second Amendment as Exhibit B.
3. Ratification of Agreement. Except as expressly modified by this Second Amendment, City and Consultant hereby ratify that all terms and provisions of the Agreement remain in full force and effect.

THE UNDERSIGNED AUTHORIZED REPRESENTATIVES OF THE PARTIES
have executed this Second Amendment effective as of the date written above.

CITY OF INDUSTRY

SNOWDEN ELECTRIC COMPANY, INC.

By: _____
Mark D. Radecki, Mayor

By: _____
Name & Title

Attest:

By: _____
Cecelia Dunlap, Deputy City Clerk

By: _____
Name & Title

EXHIBIT A
SCOPE OF SERVICES
[Attached]

SNOWDEN ELECTRIC COMPANY, INC.

6820 Orangethorpe Avenue Suite "A"

Buena Park, CA 90620

(714) 522-1690 Fax (714) 523-9043

Lic. 395601 / A_woehrmann@snowdenelectric.com

July 28, 2015

John Ballas Director of Public Works

City Of Industry

15625 East Stafford Street Suite 100

City Of Industry, Ca 91744

Phone: 626-333-2211

Fax: 626-369-4306

Project: Industry Metrolink Maintenance

Dear John,

Snowden Electric Company is requesting to provide maintenance services for the Metrolink Carport Solar PV installation at 600 S Brea Canyon Road in the City of Industry.

All work to be completed on a Time and Material bases. The labor and materials rates quoted in Exhibit B will remain valued for one year beginning on September 1, 2015.

Monthly Site Inspection;

- Price based on a complete site walk-thru, once every month during the summer months and every other month during the off season to inspect for improper conditions.
- Visual inspection of the overall condition of Solar Panels, Inverters, and Transformers, etc. as listed under Attachment A.
- Vacuum the outside of the inverter vents as required.
- Disconnect Inverters and clean internal baffles and bug screens. Based on twice a year.
- Visual inspection of EV charging stations.
- Visual inspection of Communication Building.
- Weekly overview of performance utilizing the Web Based Power Viewer
- Written documentation of the inspection will be provided to the City after each inspection.

Allowance..... \$ 26,015.00

Every 6-Month Site Lighting Inspection;

- Visual site lighting inspection.
- Inspect LED lighting and controls at 50% and 100% levels.
- Inspect HID Site lighting.

Allowance..... \$ 1,650.00

Electrical Equipment Thermal Imaging Inspection

- Provide Thermal Imaging inspection on the (3)-PV Inverters and disconnect sections, (3)-PV 15Kv/208V transformers and the (5)-120/208V EV panel boards.

Allowance..... \$ 6,670.00

Electrical Equipment Preventive Maintenance

- De-energize and re-torque buss and cable connections inside the (3)-PV Inverters and disconnect switches, (3)-EV 15Kv/480V transformers and the (5)-120/208V EV panel boards.

Allowance..... \$ 7,140.00

Minor Service Request

- Allowance of \$ 20,000.00 is included for minor service request and repairs.
- This would include minor repair of the LED light fixtures, service calls to check on the inverters, EV charging station etc.

Allowance \$ 20,000.00

Solar Panel Washing

- Allowance to Power Clean the Solar panels with cleaning solutions & water, based on once a year. Depending on the weather and the site conditions, will determine if the panels require more or less cleaning.

Budget \$ 14,914.00

Total Annual Maintenance Budget..... \$ 76,400.00
(Seventy-Six Thousand Four-Hundred and No/100)

Services and Response

Minor Service Request

- Any service work requested, minor repairs, or diagnostics review, less than \$ 2,500.00 per month will be invoiced on a Time and Material bases, and will be billed at the first of each month. Any service requested, or diagnostics above \$2,500.00 will be submitted prior for approval.

Urgent Request 24/7

- Snowden Electric Company will provide the owner and ENCO Utility Services with the names of four key personal to respond to emergency calls. Upon such a request, normally an Electrician can be onsite within 4 hours.

Emergency Response Request;

- In case of imminent danger, unsafe conditions, or any other emergency situation Snowden Electric Company will proceed to repair, correct, or make safe, on a Time and Material bases, and notify the owner within 4-6 hours the extent of the repair.

As-built Documentation and Spare Parts

Snowden Electric Company will maintain a copy of the approved as-built Cadd drawings of the facility for documenting any on-going changes to the facility over the course of the service contract. Snowden will work with the City to develop a list of essential spare parts to procure and store securely on-site in the custody of Snowden. Snowden will maintain control of spare parts and an active inventory of those spare parts.

RIG, Caiso Meter, DAS, Panelized Solar, Maintenance

Snowden will coordinate services with other contractors responsible for the RIG, Caiso Meter, Solar Panels, inverters, and the DAS maintenance that will be under separate contracts with the City. If onsite assistance is required, this work will be completed on a Time and Material bases.

Qualifications

Snowden will provide qualified personnel to perform maintenance in accordance with the various warranty requirements.

Fee Schedule

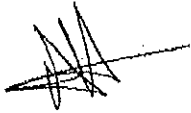
Standard billing rates and sample billing summary are shown on Attachment B.

Payment Terms

All maintenance cost will be billed monthly per the standard billing rates for services completed to date, plus any additional services, or service requests.

Thank you for this opportunity to be of service. Should you have any questions with this request, or the scope of work? Please contact our office at your convenience.

Sincerely,
Snowden Electric Company

A handwritten signature in black ink, appearing to read 'AW', with a horizontal line extending to the right.

Andy Woehrmann
Vice President

Maintenance Schedule

Attachment A

Maintenance Log For The Month Of XXX 2015

Inspector Int.	Description	Condition	Acceptable	Problems	Action Required
	15kv EV Switchgear				
	Overall Condition				
	Circuit Breakers				
	Schweitzer				
	15kv PV Switchgear				
	Overall Condition				
	Circuit Breakers				
	Schweitzer				
	Caiso Meter Voltage				
	Caiso Meter Voltage PHASE A-B				
	Caiso Meter Voltage PHASE B-C				
	NOTIFY COI IF BELOW 119V				
	PV & EV 12KV Transformers				
	Overall Condition Inverter 1				
	Overall Condition Inverter 2				
	Overall Condition Inverter 3				
	Overall Condition EV-1				
	Overall Condition EV-2				
	SMA Inverters				
	Inverter 1 ZONE 1				
	Overall Condition				
	Air Baffle Inspection				
	Vacuum Clean Insect Screen				
	Clean Internal Air Baffle & Insect Screen	Every 6-Months*			
	Inverter 2 ZONE 3				
	Overall Condition				
	Air Baffle Inspection				
	Vacuum Clean Insect Screen				
	Clean Internal Air Baffle & Insect Screen	Every 6-Months*			
	Inverter 3 ZONE 4				
	Overall Condition				
	Air Baffle Inspection				
	Vacuum Clean Insect Screen				
	Clean Internal Air Baffle & Insect Screen	Every 6-Months*			

Maintenance Log For The Month Of XXX 2015

Inspector Int.	Description	Condition	Acceptable	Problems	Action Required
	Inverter Disconnects				
	Inverter Disconnect 1				
	Overall Condition				
	Inverter Disconnect 2				
	Overall Condition				
	Inverter Disconnect 3				
	Overall Condition				
	Combiner Boxes				
	Overall Condition Zone 1				
	Overall Condition Zone 2				
	Overall Condition Zone 3				
	Overall Condition Zone 4				
	Solar Modules				
	Overall Condition Zone 1				
	Inspect for Potential Shading				
	Overall Condition Zone 2				
	Inspect for Potential Shading				
	Overall Condition Zone 3				
	Inspect for Potential Shading				
	Overall Condition Zone 4				
	Inspect for Potential Shading				
	Area lighting (Night) every 5 months				
	Overall condition	Monthly			
	Pole Lights				
	LED lighting at 50% and 100% levels				
	Check Time Clock				
	120/208 Volt Panels				
	Overall Condition Zone 1				
	Panels locked				
	Overall Condition Zone 4				
	Panels locked				
	Electric Charging Stations Zone 1				
	Overall condition				
	Charger Cords				
	Breaker Status				

Maintenance Log For The Month Of XXX 2015

ATTACHMENT A

Inspector Int.	Description	Condition	Acceptable	Problems	Action Required
	Electric Charging Stations Zone 4				
	Overall condition				
	Charger Cords				
	Breaker Status				
	Communication Building				
	Overall Condition				
	Inspect HVAC unit / filters				
	Emergency Generator				
	Overall inspection				
	Battery inspection / level				
	Pedestals, Structural Steel, Bolts				
	Visual Overall Condition Zone 1				
	Visual Overall Condition Zone 2				
	Visual Overall Condition Zone 3				
	Visual Overall Condition Zone 4				
	Vault Inspection				
	Spanish Lane				
	Carrier Lane				

Inspected By _____

Date _____

EXHIBIT B

KEY PERSONNEL & COMPENSATION

1. Consultant's designated representative(s) who are authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement are:
Andy Woehrmann.
2. Total compensation under this Agreement, including reimbursement for actual expenses, may not exceed \$76,400.00 for any one year period beginning on September 1 and ending the following August 31 of such year.

FEE SCHEDULE

(See attached Schedule)

Attachment B

Estimate Labor Summary

Labor & Rental Rates

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION	MONTHLY INSPECTION MATERIAL	FOREMAN			WIREMAN		
			ST	OT	DT	ST	OT	DT
9 MONTHS OF DAILY INSPECTION	9X8		72.0					
Clean Inverters baffles (every 6-months)			48.0					
NON-PRODUCTIVE LABOR		HOURS						
GEN. SUPERVISION	(52+18)	70						
SUPERVISION LEVEL 1								
CAD OPERATOR								
ENGINEER								
TRUCK DRIVER								
TAX 9.00%		\$0.00	120.0	0.0	0.0	0.0	0.0	0.0
		\$0.00						
DIRECT JOB EXPENSES	COST	HRS RATE TOTAL						
		GEN SUPERVISION	70.00	\$ 145.00	\$ 10,150.00			
		SUPERVISION LEVEL 1	0.00	\$ 115.00	\$ -			
		CAD OPERATOR	0.00	\$ 85.00	\$ -			
		ENGINEER	0.00	\$ 125.00	\$ -			
FEE'S		TRUCK DRIVER	0.00	\$ 45.00	\$ -			
SHACK	9 Trip @ 89	\$800						
TRUCK	2% LABOR	\$409						
TOOLS	2% MATERIAL	\$0						
MISC.								
CRANE								
FORK LIFTS								
MISC. EQUIP.								
LIFT								
3rd PARTY TESTING								
UTILITY CHARGES								
TEMPORARY POWER								
TRENCHING								
CORING								
SHORING								
RENTAL SHEET								
TOTAL DJE		\$1,209						
			GRAND TOTAL			\$ 26,015		

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION	MONTHLY INSPECTION MATERIAL	FOREMAN			WIREMAN		
			ST	OT	DT	ST	OT	DT
2 nights walk thru				8.0				
NON-PRODUCTIVE LABOR		HOURS						
GEN. SUPERVISION		2						
SUPERVISION LEVEL 1								
CAD OPERATOR								
ENGINEER								
TRUCK DRIVER								
TAX 9.00%		\$0.00	0.0	8.0	0.0	0.0	0.0	0.0
DIRECT JOB EXPENSES		COST	HRS	RATE	TOTAL			
FEE'S			2.00	\$ 145.00	\$ 290.00			
SHACK			0.00	\$ 115.00	\$ -			
TRUCK 2 Trips & 50		\$100	0.00	\$ 85.00	\$ -			
TOOLS 2% LABOR		\$25	0.00	\$ 125.00	\$ -			
MISC. 2% MATERIAL		\$0	0.00	\$ 45.00	\$ -			
CRANE			0.00	\$ 86.00	\$ -			
FORK LIFTS			8.00	\$ 120.00	\$ 960.00			
MISC. EQUIP.			0.00	\$ 155.00	\$ -			
LIFT			0.00	\$ 78.50	\$ -			
3rd PARTY TESTING			0.00	\$ 110.00	\$ -			
UTILITY CHARGES			0.00	\$ 141.00	\$ -			
TEMPORARY POWER			TOTAL LABOR		\$ 1,250.00			
TRENCHING			MATERIAL COST		\$0.00			
CORING			DIRECT JOB COST		\$125			
SHORING			TOTAL		\$ 1,375.00			
RENTAL SHEET			OVERHEAD 10%		\$ 137.50			
			PROFIT 10%		\$ 137.50			
			SUB-TOTAL		\$ 1,650.00			
TOTAL DJE		\$125	GRAND TOTAL		\$ 1,650			

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION		Thermal Imaging	FOREMAN			WIREMAN			
			MATERIAL	ST	OT	DT	ST	OT	DT	
SHEET 3	IR SCAN			37.0						
NON-PRODUCTIVE LABOR			HOURS							
GEN. SUPERVISION			4							
SUPERVISION LEVEL I			6							
CAD OPERATOR										
ENGINEER										
TRUCK DRIVER										
TAX 9.00%			\$0.00	37.0	0.0	0.0	0.0	0.0	0.0	
			\$0.00							
DIRECT JOB EXPENSES			COST	HRS	RATE	TOTAL				
GEN SUPERVISION				4.00	\$ 145.00	\$ 580.00				
SUPERVISION LEVEL I				6.00	\$ 115.00	\$ 690.00				
CAD OPERATOR				0.00	\$ 85.00	\$ -				
ENGINEER				0.00	\$ 125.00	\$ -				
TRUCK DRIVER			\$267	0.00	\$ 45.00	\$ -				
FOREMAN ST			\$89	37.00	\$ 86.00	\$ 3,182.00				
FOREMAN O.T.			\$0	0.00	\$ 120.00	\$ -				
FOREMAN D.T.				0.00	\$ 155.00	\$ -				
WIREMAN ST				0.00	\$ 78.50	\$ -				
WIREMAN O.T.				0.00	\$ 110.00	\$ -				
WIREMAN D.T.				0.00	\$ 141.00	\$ -				
TOTAL LABOR						\$ 4,452.00				
MATERIAL COST						\$0.00				
DIRECT JOB COST						\$1,106				
TOTAL						\$ 5,558.04				
OVERHEAD					10%	\$ 555.80				
PROFIT					10%	\$ 555.80				
SUB-TOTAL						\$ 6,669.65				
TOTAL DJE			\$1,106				GRAND TOTAL	\$ 6,670		
RENTAL SHEET			\$750	IR SCAN 3 DAYS						

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION	P.M. SWITCHGEAR MATERIAL	FOREMAN			WIREMAN		
			ST	OT	DT	ST	OT	DT
SHEET 2	P.M. SWITCHGEAR & EV SYSTEM		48.0					
NON-PRODUCTIVE LABOR		HOURS						
GEN. SUPERVISION		4						
SUPERVISION LEVEL 1		6						
CAD OPERATOR								
ENGINEER								
TRUCK DRIVER								
TAX 9.00%		\$0.00	48.0	0.0	0.0	0.0	0.0	0.0
		\$0.00						
DIRECT JOB EXPENSES	COST	HRS	RATE	TOTAL				
		GEN SUPERVISION	4.00	\$ 145.00	\$	580.00		
		SUPERVISION LEVEL 1	6.00	\$ 115.00	\$	690.00		
FEE'S		CAD OPERATOR	0.00	\$ 85.00	\$	-		
SHACK		ENGINEER	0.00	\$ 125.00	\$	-		
TRUCK	5-DAYS X 89	TRUCK DRIVER	0.00	\$ 45.00	\$	-		
TOOLS	2% LABOR	FOREMAN ST	48.00	\$ 86.00	\$	4,128.00		
MISC.	2% MATERIAL	FOREMAN O.T.	0.00	\$ 120.00	\$	-		
CRANE		FOREMAN D.T.	0.00	\$ 155.00	\$	-		
FORK LIFTS		WIREMAN ST	0.00	\$ 78.50	\$	-		
MISC. EQUIP.		WIREMAN O.T.	0.00	\$ 110.00	\$	-		
LIFT		WIREMAN D.T.	0.00	\$ 141.00	\$	-		
3rd PARTY TESTING		TOTAL LABOR			\$	5,398.00		
UTILITY CHARGES		MATERIAL COST				\$0.00		
TEMPORARY POWER		DIRECT JOB COST				\$553		
TRENCHING		TOTAL			\$	5,950.96		
CORING		OVERHEAD		10%	\$	595.10		
SHORING		PROFIT		10%	\$	595.10		
RENTAL SHEET						SUB-TOTAL \$ 7,141.15		
TOTAL DJE		\$553	GRAND TOTAL			\$ 7,141		

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION	Panel Cleaning MATERIAL	FOREMAN			WIREMAN		
			ST	OT	DT	ST	OT	DT
NON-PRODUCTIVE LABOR		HOURS						
GEN. SUPERVISION		4						
SUPERVISION LEVEL 1		4						
CAD OPERATOR ENGINEER								
TRUCK DRIVER Prep Site of cleaning		8						
TAX 9.00%		\$0.00	0.0	0.0	0.0	0.0	0.0	0.0
DIRECT JOB EXPENSES		COST	HRS	RATE	TOTAL			
Cleaning Quotes based on \$ 11,000.00 x 1		\$11,000	GEN SUPERVISION	4.00	\$ 145.00	\$	580.00	
			SUPERVISION LEVEL 1	4.00	\$ 115.00	\$	460.00	
			CAD OPERATOR	0.00	\$ 85.00	\$	-	
SHACK			ENGINEER	0.00	\$ 125.00	\$	-	
TRUCK			TRUCK DRIVER	8.00	\$ 45.00	\$	360.00	
TOOLS 2% LABOR		\$28	FOREMAN ST	0.00	\$ 86.00	\$	-	
MISC. 2% MATERIAL		\$0	FOREMAN O.T.	0.00	\$ 120.00	\$	-	
CRANE			FOREMAN D.T.	0.00	\$ 155.00	\$	-	
FORK LIFTS			WIREMAN ST	0.00	\$ 78.50	\$	-	
MISC. EQUIP.			WIREMAN O.T.	0.00	\$ 110.00	\$	-	
LIFT			WIREMAN D.T.	0.00	\$ 141.00	\$	-	
3rd PARTY TESTING			TOTAL LABOR			\$	1,400.00	
UTILITY CHARGES			MATERIAL COST				\$0.00	
TEMPORARY POWER			DIRECT JOB COST				\$11,028	
TRENCHING			TOTAL				\$	12,428.00
CORING			OVERHEAD		10%	\$	1,242.80	
SHORING			PROFIT		10%	\$	1,242.80	
RENTAL SHEET			SUB-TOTAL				\$	14,913.60
TOTAL DJE		\$11,028	GRAND TOTAL				\$	14,914

JOB NAME AREA	City Of Industry Solar Site DESCRIPTION	MONTHLY INSPECTION MATERIAL	FOREMAN			WIREMAN		
			ST	OT	DT	ST	OT	DT
	SAMPLE	\$100.00	1.0					
NON-PRODUCTIVE LABOR		HOURS						
GEN. SUPERVISION SUPERVISION LEVEL 1 CAD OPERATOR ENGINEER TRUCK DRIVER								
TAX 9.00%		\$100.00 \$9.00	1.0	0.0	0.0	0.0	0.0	0.0
DIRECT JOB EXPENSES	COST	HRS	RATE	TOTAL				
FEE'S		0.00	\$ 175.00	\$ -				
SHACK		0.00	\$ 115.00	\$ -				
TRUCK		0.00	\$ 85.00	\$ -				
TOOLS	2% LABOR			\$ -				
MISC.	2% MATERIAL			\$ -				
CRANE				\$ -				
FORK LIFTS				\$ -				
MISC. EQUIP.				\$ -				
LIFT				\$ -				
3rd PARTY TESTING				\$ -				
UTILITY CHARGES				\$ -				
TEMPORARY POWER				\$ -				
TRENCHING				\$ -				
CORING				\$ -				
SHORING				\$ -				
RENTAL SHEET				\$ -				
				\$ 86.00				
				\$ 109.00				
				\$ 4				
				\$ 198.90				
				\$ 19.89				
				\$ 19.89				
				\$ 238.68				
TOTAL DJE	\$4				GRAND TOTAL			\$ 239

**SNOWDEN ELECTRIC
RENTAL SUMMARY SHEET**

JOB NAME
City Of Industry

DATE
JOB #

	REPLACEMENT COST	DAY RATE	WEEK RATE	MONTH RATE	TOTAL
LIFTS					
<input type="checkbox"/> 5' TOWER 28" WIDE	\$ 280.00	\$ 30.00	\$ 60.00	\$ 120.00	\$ -
<input type="checkbox"/> 20' COUGAR LIFT	\$ 4,800.00	\$ 57.00	\$ 228.00	\$ 570.00	\$ -
<input type="checkbox"/> 26' SCISSORS LIFT *	\$ 15,000.00	\$ 105.00	\$ 375.00	\$ 1,150.00	\$ -
<input type="checkbox"/> 31' SCISSOR LIFT *	\$ 18,000.00	\$ 160.00	\$ 560.00	\$ 1,700.00	\$ -
GENERATORS / TEMP POWER					
<input type="checkbox"/> 4000 IC	\$ 1,800.00	\$ 42.00	\$ 165.00	\$ 485.00	\$ -
<input type="checkbox"/> EB 5000	\$ 2,500.00	\$ 65.00	\$ 253.00	\$ 741.00	\$ -
<input type="checkbox"/> ES 5000	\$ 3,200.00	\$ 70.00	\$ 273.00	\$ 799.00	\$ -
<input type="checkbox"/> TEMP BOX W/GFI	\$ 422.00	\$ 25.00	\$ 75.00	\$ 150.00	\$ -
<input type="checkbox"/> 50' CORD 220V	\$ 147.00	\$ 12.00	\$ 25.00	\$ 75.00	\$ -
<input type="checkbox"/> 100' CORD 220 V	\$ 237.00	\$ 35.00	\$ 75.00	\$ 100.00	\$ -
<input type="checkbox"/> TEMP LIGHT STAND	\$ 125.00	\$ 25.00	\$ 98.00	\$ 228.00	\$ -
TRUCKS					
<input type="checkbox"/> SERVICE TRUCK	\$ 45,000.00	\$ 89.00	\$ 356.00	\$ 1,600.00	\$ -
<input type="checkbox"/> F600 BOOM / PULLER	\$ 85,000.00	\$ 230.00	\$ 920.00	\$ 3,250.00	\$ -
TOOLS					
<input type="checkbox"/> T96 ROTOR HAMMER	\$ 1,600.00	\$ 64.00	\$ 192.00	\$ 480.00	\$ -
<input type="checkbox"/> 60# JACK HAMMER	\$ 1,491.00	\$ 75.00	\$ 300.00	\$ 800.00	\$ -
<input type="checkbox"/> BAND SAW	\$ 415.00	\$ 31.00	\$ 124.00	\$ 248.00	\$ -
<input type="checkbox"/> M.H. VENTILATOR	\$ 829.00	\$ 32.00	\$ 128.00	\$ 384.00	\$ -
<input type="checkbox"/> WELDER	\$ 347.00	\$ 40.00	\$ 160.00	\$ 400.00	\$ -
<input type="checkbox"/> 3" TRASH PUMP	\$ 650.00	\$ 39.00	\$ 156.00	\$ 468.00	\$ -
<input type="checkbox"/> DISCHARGE HOSE 50'	\$ 181.00	\$ 11.25	\$ 33.75	\$ 67.50	\$ -
<input type="checkbox"/> AIR COMPRESSOR 4 HP	\$ 325.00	\$ 35.00	\$ 140.00	\$ 420.00	\$ -
<input type="checkbox"/> DELINEATORS EACH	\$ 15.00	\$ 2.35	\$ 5.35	\$ 10.75	\$ -
<input type="checkbox"/> CONC. CORING RIG 2"-4"	\$ 2,500.00	\$ 180.00			\$ -
<input type="checkbox"/> JOB-BOXES	\$ 650.00	\$ 5.21	\$ 18.22	\$ 63.79	\$ -
CONDUIT					
<input type="checkbox"/> 2" CONDUIT BENDER	\$ 4,580.00	\$ 22.00	\$ 98.00	\$ 294.00	\$ -
<input type="checkbox"/> HYD. BENDER 4"	\$ 9,985.00	\$ 125.00	\$ 375.00	\$ 970.00	\$ -
<input type="checkbox"/> WIRE PULLER SET	\$ 7,715.00	\$ 65.00	\$ 253.00	\$ 733.00	\$ -
<input type="checkbox"/> 4" PIPE THREADED	\$ 6,745.00	\$ 40.00	\$ 80.00	\$ 280.00	\$ -
<input type="checkbox"/> POWER HEAD	\$ 1,045.00	\$ 30.00	\$ 90.00	\$ 225.00	\$ -
<input type="checkbox"/> CONDUIT VACUUM	\$ 921.00	\$ 21.00	\$ 84.00	\$ 162.00	\$ -
TEST EQUIPMENT					
<input type="checkbox"/> 1000 VOLT MEGGER	\$ 973.00	\$ 25.00			\$ -
<input type="checkbox"/> THERMAL IMAGING	\$ 7,500.00	\$ 250.00			\$ -
<input type="checkbox"/> CHART RECORDER	\$ 3,200.00	\$ 55.00	\$ 280.00		\$ -
OTHER					
<input type="checkbox"/>					\$ -
<input type="checkbox"/>					\$ -

SUBTOTAL \$ -
*** DELIVERY CHARGE** \$ -
TOTAL \$ -

CITY COUNCIL

ITEM NO. 7.6



MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager

Staff: Clement N. Calvillo, CNC Engineering *CNC*
Mathew Hudson, CNC Engineering *M.H.*

Date: August 18, 2015

SUBJECT: Covenant and Agreement to Hold Property as One Parcel (JN-6217)

XWN Properties, LLC is the property owner of the land located west of Anaheim-Puente Road/Azusa Avenue and South of Chestnut Street, APN: 8242-030-014 and 8242-030-015.

Currently the site has a single building sitting across two parcels with a shared wall. The building is separated by a shared concrete tilt up wall with a property line running down the wall creating two parcels. XWN Properties, LLC has a Conditional Use Permit to construct tenant improvements to open portions of the wall to create access to both buildings for a single use. The two parcels need to be tied together by a Covenant and Agreement to Hold Property as One Parcel to create a single building site. The covenant and agreement will be recorded against the land and shall run with the land unless otherwise released by authority of the City engineer of the City of Industry.

It is hereby recommended that the City Council approve the attached Covenant and Agreement to hold Property as One parcel and authorize the execution of the document by the appropriate persons. Please return the executed and notarized agreement to Joshua Nelson at CNC Engineering for further processing.

PP/CC/MH:jv

RECORDED AT THE REQUEST OF AND
MAIL TO:

City of Industry
P.O. Box 3366
City of Industry, CA 91744
Attention: Joshua Nelson

A.P.N.: 8242-030-014 and 8242-030-015

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

COVENANT AND AGREEMENT TO HOLD AS ONE PARCEL

The undersigned hereby certify that we are the owners of real property located in the City of Industry, County of Los Angeles, State of California:

Per legal description, Exhibit "A" and as shown on map Exhibit "B" attached hereto
(legal description)

This property is located at and is known by the following assessor's parcel numbers:
8242-030-014 and 8242-030-015

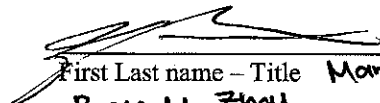
We hereby agree and covenant with said City that the above legally described real property shall be held as one parcel and no portion shall be sold separately.

This covenant and agreement is executed for the purpose of creating a single building site and holding Parcels 1 and 2 as described in Exhibit "A" and shown on Exhibit "B" as one
as regulated by Section 16.12.040 of the Industry Municipal Code.

This covenant and agreement shall run with all of the above described land and shall be binding upon ourselves, and future owners, encumbrances, and their respective successors, heirs or assignees and shall continue in effect until such time that the Industry Municipal code unconditionally permits the use or purpose herein referred to or unless otherwise released by authority of the City Engineer of the City of Industry.

Dated this 5th day of August, 2015

XWN Properties, LLC



First Last name – Title Managing Manager
Rick M. Zhou

City of Industry

Paul Phillips – City Manager

Date

CeCe Dunlap – Deputy City Clerk

Date

Notary Acknowledgement:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Los Angeles

On August 5, 2015 before me, Christina Barba, Notary Public
(Insert Name of Notary Public and Title)

Personally appeared Rick M. Zhou

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) the person(s) on the instrument the person(s), or the entity upon behalf on which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature  (Seal)

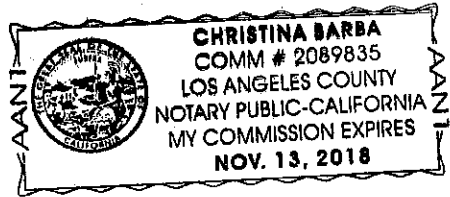


EXHIBIT "A"
LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

PARCEL 1 OF PARCEL MAP NO.300, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 278 PAGES 42 TO 49 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM AN UNDIVIDED ONE HALF OF ALL OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER THE LANDS ABOVE DESCRIBED TOGETHER WITH THE RIGHT TO USE THOSE PORTIONS ONLY OF SAID LANDS WHICH UNDERLIE A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SAID LANDS FOR THE PUPOSE OF PROSPECTING FOR, DEVELOPING, AND/OR EXTRACTING OIL, GAS, PETROLEUM, AND OTHER HYDROCARBON SUBSTANCES FROM SAID LAND, OR FROM THE LAND OF THE GRANTOR ADJOINING THE EXTERIR BOUNDARY LINES OF SAID LANDS HEREIN ABOVE DESCRIBED BY MEANS OF WELLS DRILLED INTO OR THROUGH SAID SUBSURFACE OF SAID LANDS ABOVE DESCRIBED FROM DRILL SITES LOCATED ON OTHER LAND, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT SAID GRANTOR, ITS SUCCESSORS AND ASSIGNS, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF SAID LANDS ABOVE DESCRIBED OR TO USE SAID LANDS OR ANY PORTION THEREOF TO SAID DEPTH OF 500 FEET FOR ANY PUPOSE WHATSOEVER, AS RESERVED IN THE DEED FROM FRED H. BIXBY RANCH COMPANY, A CORPORATION, RECORDED NOVEMBER 25, 1955 AS INSTRUMENT NO. 1827 IN BOOK 49616, PAGE 94, OF OFFICIAL RECORDS.

APN: 8242-030-014

PARCEL 2:


PARCEL 2 OF PARCEL MAP NO.300, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 278 PAGES 42 TO 49 INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM AN UNDIVIDED ONE HALF OF ALL OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER THE LANDS ABOVE DESCRIBED TOGETHER WITH THE RIGHT TO USE THOSE PORTIONS ONLY OF SAID LANDS WHICH UNDERLIE A PLANE PARALLEL TO AND 500 FEET BELOW THE PRESENT SURFACE OF SAID LANDS FOR THE PUPOSE OF PROSPECTING FOR, DEVELOPING, AND/OR EXTRACTING OIL, GAS, PETROLEUM, AND OTHER HYDROCARBON SUBSTANCES FROM SAID LAND, OR FROM THE LAND OF THE GRANTOR ADJOINING THE EXTERIR BOUNDARY LINES OF SAID LANDS HEREIN ABOVE DESCRIBED BY MEANS OF WELLS DRILLED INTO OR THROUGH SAID SUBSURFACE OF SAID LANDS ABOVE DESCRIBED FROM DRILL SITES LOCATED ON OTHER LAND, IT BEING EXPRESSLY UNDERSTOOD AND AGREED THAT SAID GRANTOR, ITS SUCCESSORS AND ASSIGNS, SHALL HAVE NO RIGHT TO ENTER UPON THE SURFACE OF SAID LANDS ABOVE DESCRIBED OR TO USE SAID LANDS OR ANY PORTION THEREOF TO SAID DEPTH OF 500

FET FOR ANY PUPOSE WHATSOEVER, AS RESERVED IN THE DEED FROM FRED H. BIXBY RANCH COMPANY, A CORPORATION, RECORDED NOVEMBER 25, 1955 AS INSTRUMENT NO. 55-1827 IN BOOK 49616, PAGE 94, OF OFFICIAL RECORDS.

A SANITARY SEWER EASEMENT OVER THE EASTERLY 6.00 FEET OF THE SOUTHERLY 50.00 FEET OF PARCEL 1 OF PARCEL MAP NO. 300, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 278, PAGES 42 TO 49 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS CREATED BY INSTRUMENT RECORDED JANUARY 8, 1999, AS INSTRUMENT NO. 99-23957, OF OFFICIAL RECORDS.

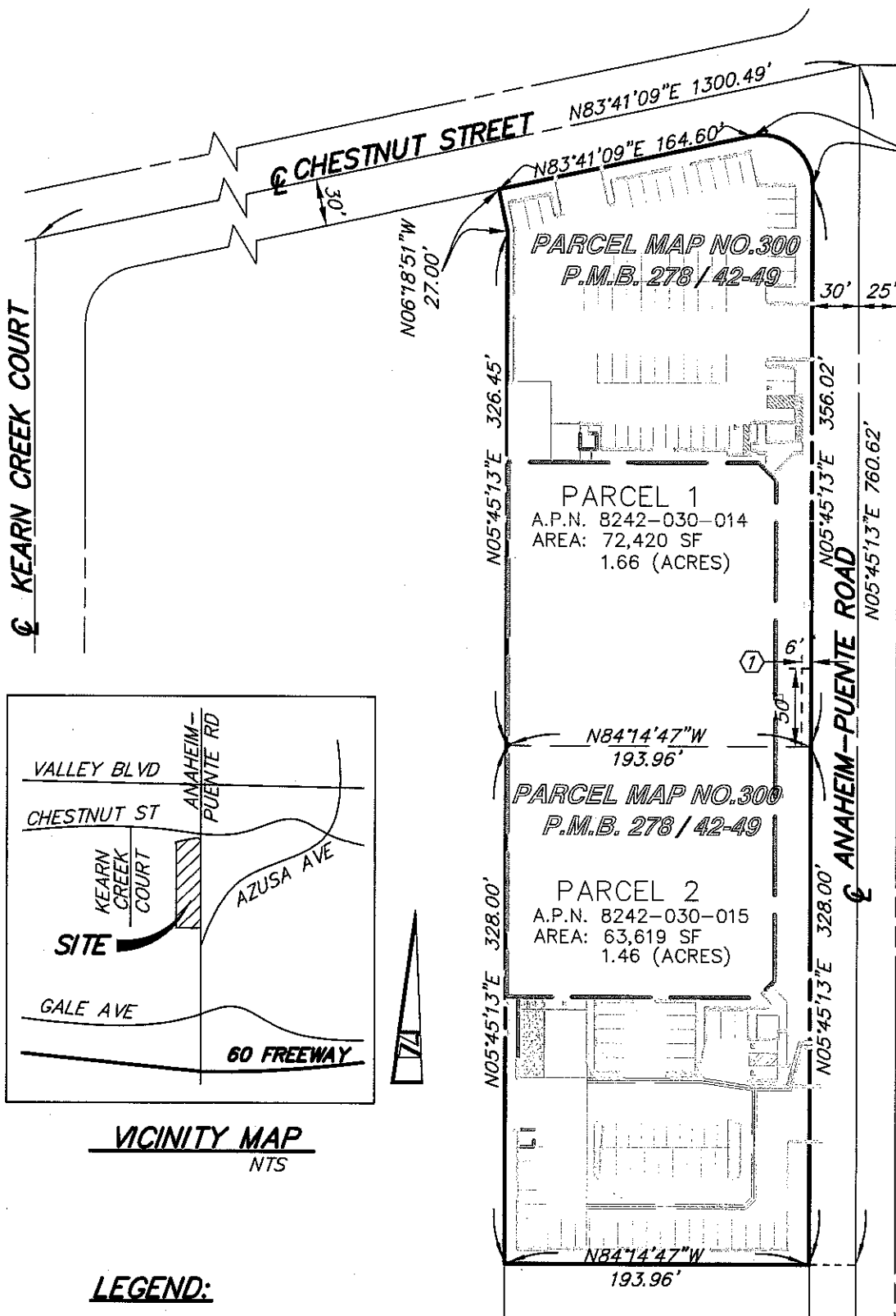
APN: 8242-030-015


DENNIS C. FARNSWORTH
RCE: 31653 EXP. 12/31/16

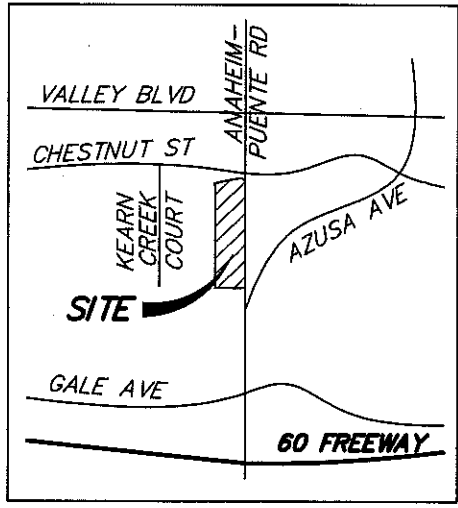
8/3/15
DATE



EXHIBIT "B"



R=31.96'
L=56.93'
T=39.52
Δ=102°04'04"



VICINITY MAP
NTS



LEGEND:

- EXISTING PROPERTY LINE TO BE REMOVED
- PROPERTY LINE TO REMAIN
- - - RIGHT-OF-WAY LINE
- - - STREET CENTERLINE

① EXISTING SANITARY SEWER EASEMENT PER INSTRUMENT NO. 99-23957, RECORDED ON JANUARY 8, 1999, OF OFFICIAL RECORDS.

SCALE: 1"=100'

LAND DEVELOPMENT DESIGN COMPANY, LLC		2313 E. Philadelphia St., Ste. F ONTARIO, CA 91761 (909) 930-1466 FAX (909) 930-1468		
		PLANNING • CIVIL • SURVEYING		
DATE: 8/03/15	SCALE: 1"=100'	SHEET: 1 OF 1	JOB NO. 5418	COVENANT TO HOLD AS ONE PARCEL

CITY COUNCIL

ITEM NO. 7.10

HANDOUT ITEM

MEMORANDUM

To: Paul Philips, City Manager

From: Dean Yamagata, Contracted Finance Manager

Date: August 26, 2015

Subject: Recommendation of Auditing Firm to Conduct the Year End Audit of the Financial Statements of the City of Industry and its Component Units For The Year Ended June 30, 2015

In accordance with the financial policies the City of Industry, the finance department has solicited bid proposals from eleven (11) accounting firms to perform the year end audit of the financial statements of the City of Industry and its component units as of June 30, 2015. The auditing firm who previously audited the City's financial statements were not invited to submit a proposal.

Three (3) of the eleven (11) accounting firms submitted proposals and the following table summarizes each fee proposals.

	The PUN Group, LLP		Vasquez & Company, LLP		Brown Armstrong Accountancy Corporation	
	Hours	Fee	Hours	Fee	Hours	Fee
City of Industry	500	\$ 60,000	466	\$ 49,500	705	\$ 94,000
GANN Report	5	600	6	575	10	1,500
Successor Agency To The IUDA	80	9,600	44	4,150	170	25,000
Civic Recreational-Industrial Authority	50	6,000	39	3,800	85	12,000
City of Industry Public Facilities Authority	50	6,000	32	2,800	70	10,000
	685	\$ 82,200	587	\$ 60,825	1,040	\$ 142,500

The proposals were reviewed by a search committee consisting of Paul Philips, City Manager, Alex Gonzalez, Director of Administrative Services, Dean Yamagata and Miranda Suen of Frazer, LLP. Each firm was interviewed by the committee with specific questions posed to each firm regarding the depth of personnel to meet the needs of the City, methodology of arriving at the proposed hours and fees for the engagement and the process of conducting the engagement. Additional questions were raised by the committee members as warranted during the interview process.

Recommendation

The search committee recommends the retention of The Pun Group, LLP to perform the year end audit of the financial statements of the City of Industry and its component units.



PROPOSAL

CITY OF INDUSTRY

CITY OF INDUSTRY, CALIFORNIA

Proposal to Perform Professional Auditing Services

For the Fiscal Year Ending June 30, 2015

AUGUST 12, 2015

Kenneth H. Pun, CPA, CGMA

Managing Partner

200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707

Phone: (949) 777-8801 | **Fax:** (949) 777-8850 | **Email:** ken.pun@pungroup.com

California CPA License Number: PAR 7601

Federal Identification Number: 46-4016990



CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

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August 12, 2015

City of Industry

Mr. Dean Yamagata, Contracted Finance Manager
15625 East Stafford Street, Suite 100
City of Industry, CA 91744

Dear Mr. Yamagata:

Please allow us to introduce our firm and share our qualifications and proposed audit plan for the City of Industry (the "City") pursuant to your Request for Proposals for Professional Auditing Services for the fiscal year ending June 30, 2015. The Pun Group, LLP, *formerly known* as Pun & McGeady LLP, (the "Firm"), due to consolidation, has the knowledge and experience necessary to become the City's next public accounting firm, and the work plan to ensure a smooth audit process.

This letter is an acknowledgement of the Firm's understanding of the work to be performed. **We hereby offer our commitment to perform all of the required work, complete the audit, and issue the necessary auditor's report, within the time periods outlined by the City.** We are secure in affirming our commitment because we have:

1. A lengthy legacy of serving California cities;
2. Prodigious experience serving governmental entities; and
3. An efficient, lower-cost approach to auditing that focuses on high-risk areas.

I will serve as your primary contact for contract negotiations. I am the managing partner of the Firm and have been authorized to legally bind the Firm. My contact information follows:

Name: Mr. Kenneth H. Pun, CPA, CGMA
Position: Managing Partner
Address: 200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
Telephone: (949) 7777-8801
Email: ken.pun@pungroup.com

You may also contact the following partner, who is authorized to represent the Firm:

Name: Mr. Gary M. Caporicci, CPA, CGFM, CFF
Position: Partner
Address: 200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
Telephone: (949) 777-8802
Email: gary.caporicci@pungroup.com

City of Industry

Mr. Dean Yamagata, Contracted Finance Manager

Page 2

The Pun Group is the right choice for the City of Industry because we are focused on your industry.

- We have audited and consulted many California cities and municipalities.
- We have assisted many clients in earning the GFOA Certificate of Achievement for Excellence in Financial Reporting.
- The depth of resources and specific government experience are substantial, we are committed to deploy these resources and experience on behalf of the City. Simply put, the City will become one of our most important clients, and accordingly will receive the priority service it deserves.
- **We have assigned Gary Caporicci, our GASB 68/71 Specialist, who is appointed to the State Retirement Advisory Committee by the State Controller, in assisting the City in the implementation of GASB 68/71, the new Pension Standards.**

Our goal for this audit is to complete the process in accordance with regulations while minimizing disruption to the City's daily operations. The Firm will:

- Develop solid familiarity with the City's operations.
- Create a detailed audit plan during initial stages of the audit.
- Maintain open communication lines between the Engagement Team and the City's Management.
- Assign duties to qualified staff members.

This method ensures that the audit process will be performed steadily, communicated clearly, and completed efficiently.

The Firm is an Equal Opportunity Employer and complies with all Federal and State hiring requirements.

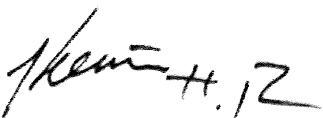
The Firm has the required insurance policies in coverage amounts of not less than \$1,000,000 each for Professional Liability, Workers' Compensation, and Comprehensive General Liability. Evidence of Insurance can be found under the Appendix section of this proposal on page 31.

This proposal meets the requirements of the City's Request for Proposal. This letter and the accompanying proposal represent a *firm and irrevocable offer valid for 60 days* from the date of this letter.

If you have any questions about the proposal or the Firm, please contact us. We look forward to speaking with you.

Sincerely,

The Pun Group, LLP
Certified Public Accountants and Business Advisors



Kenneth H. Pun, CPA, CGMA
Managing Partner

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

SECTION I – INDEPENDENCE

The Pun Group, LLP (the “Firm”) requires all employees to adhere to strict independence standards in relation to the Firm’s clients. These independence standards exceed, in many instances, the standards promulgated by the American Institute of Certified Public Accountants (AICPA).

The Pun Group, LLP certifies that it is independent of City of Industry (the “City”) and its component units. The Firm meets independence requirements defined by the United States Government Accountability Office’s (U.S. GAO’s) *Government Auditing Standards*, and the American Institute of Certified Public Accountants (AICPA).

The Firm had no professional relationships involving the City of Industry or any of its agencies or component units for the past five (5) years.

The Firm will provide the City of Industry with a written notice of any professional relationship entered into during the period of the agreement.

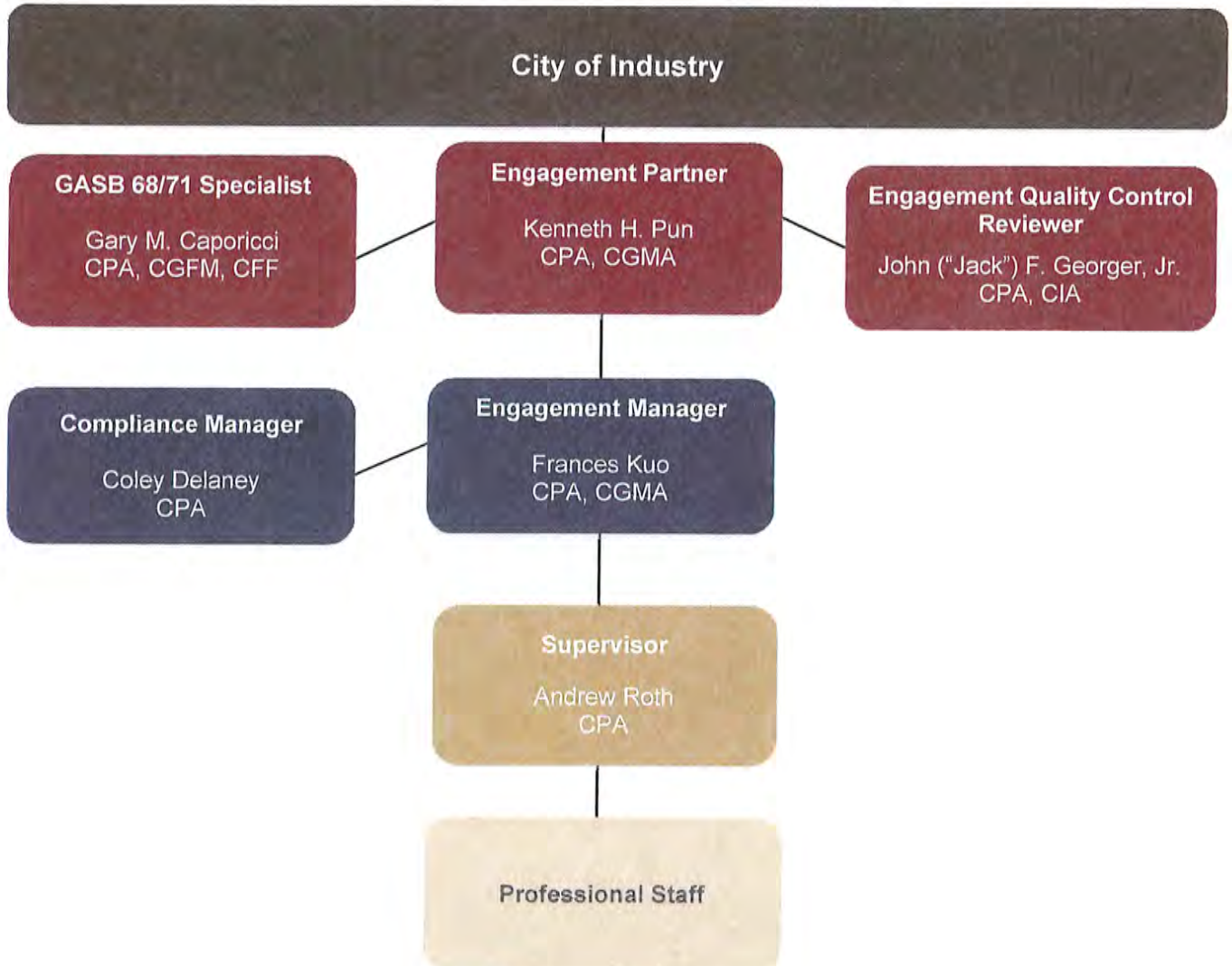
Also, the Firm has no business relationships and/or interests which will conflict in any way with maintaining independence in regards to the City of Industry or any of its component units.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

SECTION II – STATEMENT OF QUALIFICATIONS

The Engagement Team is carefully chosen to provide the City with all services needed to successfully complete the audit. The Engagement and Concurring Partners are personally involved in the audit, and the Engagement Team has significant experience in governmental auditing. Our broad experience and technical capabilities allow us to provide technical support, interpret findings, and offer effective solutions to any issues.



The personnel assigned to this engagement are fully qualified to perform an effective and efficient audit of the City, and their extensive experience will be invaluable to the audit process. Our professionals are familiar with the complexities of governmental accounting, auditing, and financial reporting, including but not limited to, all GASB pronouncements, the Single Audit Act, OMB Circular A-133, and fund operations.

If the Firm changes key personnel for reasons other than those specified in the Proposal, we will provide the City with written notification and will only be changed with the express prior written permission of the City.

Other audit personnel may be changed with replacement that has substantially the same or better qualifications or experience.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Kenneth H. Pun, CPA, CGMA *Engagement Partner*

Ken is an Assurance Partner and the Partner In-Charge of Government and Not-for Profit Practice at the Firm who has over fifteen years of public accounting experience. He specializes in audits and management consulting for government organizations. Ken will act as the Engagement Partner directly overseeing the Engagement Team, and he will be responsible for the delivery of all services to the City of Industry. In addition, he will manage engagement planning and fieldwork, and he will review and approve the workpapers and reports.

John (“Jack”) F. Georger, Jr., CPA, CIA *Engagement Quality Control Reviewer*

In his forty years of experience, Jack has worked with many governmental entities, including cities, counties, and school districts, as well as not-for-profit entities, providing clients with financial and compliance audit and consultation services. As an Assurance Partner in our Firm, he advises clients on complex accounting questions, supports engagement teams with audit issues, and reviews reports issued by the Firm to ensure that they fully comply with professional standards. Jack will be responsible for the final quality-control review of the engagement.

Gary M. Caporicci, CPA, CGFM, CFF *GASB 68/71 Specialist*

As an Assurance Partner with over forty years of experience, Gary has provided financial and compliance audit and consultation services to governmental clients including cities, counties, transportation agencies, and school districts, as well as various not-for-profit entities. He provides advice and consultation regarding complex accounting matters, assists engagement teams in audit matters. **As an appointed member of the State Controller’s Retirement Advisory Committee**, Gary will be responsible in providing advice and consultation for the implementation of the new GASB pension standards.

Frances Kuo, CPA, CGMA *Engagement Manager*

Frances will work closely with Kenneth Pun, Jack Georger and Gary Caporicci, directing the audit team in its daily activities. She is an Assurance Services/Audit Manager and has extensive experience auditing local government entities including cities, counties, special districts, and healthcare entities.

Coley Delaney, CPA *Compliance Manager*

Working with Frances Kuo, Coley will direct the audit team in compliance-related matters. He is an Assurance Services/Audit Manager in the Firm whose extensive auditing experience includes cities, counties, special districts, and not-for-profit entities.

Andrew Roth, CPA *Supervisor*

Andrew will direct the audit staff, coordinate with the City of Industry personnel, and implement the audit approach.

Professional Staff

All professional staff are qualified to perform financial and compliance audits of cities and other governmental agencies. This ensures that the staff quality will be consistent throughout the engagement term. Because we support both staff development and engagement continuity, we encourage senior and staff accountants to take increased responsibilities on their previous engagements as they advance professionally.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

-Quality-Control System

The quality of our practice is extremely important to the Firm, as well as to our clients and the people who rely on our reports. We are meticulous about meeting professional standards, and we are careful to form professional relationships only with individuals who have strong integrity.

Our quality-control system, which is designed to meet our own elevated standards and those of the AICPA, includes the following professional-development activities:



Professional Development

Each Engagement Team member is up-to-date with continuing professional education requirements. The Firm encourages staff members to participate in the continuing education programs offered by the AICPA and the CalCPA Education Foundation. These classes include, among others:

- Basic Concepts of Governmental Accounting, Financial Reporting and Auditing
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: OMB Circular A-133
- Governmental and Nonprofit Annual Update
- Governmental Accounting and Auditing: The Annual Update
- Auditing Standards: A Comprehensive Review

In addition, the Firm provides comprehensive in-house training for all levels of staff. The program includes seminars developed by the Firm, educational programs developed by the AICPA and CalCPA, and on-the-job training.

Every year, all professional and administrative staff members receive an annual overview and review of topics such as these:

- Principles of accounting and financial reporting for state and local governments
- Governmental fund types
- Newly issued U.S. generally accepted auditing standards and government auditing standards
- Internal control evaluation approaches, including COSO Internal Control Framework
- Updates on recent governmental accounting and reporting guidelines and pronouncements
- Single Audit requirements and approaches
- Risk based audit approaches
- Working paper techniques
- Current issues facing the governmental community

These ongoing continuing education activities and training programs ensure the Engagement Team is highly educated, well prepared, and fully able to perform an efficient and effective audit of the City.

Engagement Team Resumes

The City of Industry deserves experienced professionals who work as a team. The Pun Group, LLP will provide qualified employees to perform the audit; no subcontractors will be used. Resumes for key Engagement Team members follow.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



Kenneth H. Pun, CPA*, CGMA
Engagement Partner

EDUCATION

BS Degree in Business Administration, emphasis in Accounting from the University of California, Riverside

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance
Litigation Support

200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707

ken.pun@pungroup.com

*Licensed by the State of California

Kenneth H. Pun is the Partner In-Charge of the Governmental and Not-for-Profit Practice and the Founder of The Pun Group, LLP. Prior to founding his own practice, Mr. Pun spent over twelve years with Caporicci & Larson, a specialty CPA firm recognized as one of California's foremost experts in governmental and not-for-profit accounting, auditing, and advisory services.

Ken has more than fifteen years of public-accounting experience and has achieved with a high level of expertise from successfully working with the governmental, private, and not-for-profit sectors. Clients often engage Ken because he provides premier service, commits to completing projects quickly and accurately, and introduces innovative methods of increasing operational efficiencies and reducing costs. Mr. Pun is a trusted advisor and a leader of accounting services to governmental and not-for-profit organizations.

In addition to working with clients, Ken provides the audit teams with direction and technical guidance to ensure adherence to the Firm's quality controls, and he assists with the development of the Assurance Services practice. Ken also speaks publicly on topics related to audits and quality control and shares his expertise with clients through annual educational seminars.

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, CalCPA Governmental Accounting and Auditing Committee
- Member, CalCPA Governmental Accounting and Auditing Conference Planning Committee
- Member, Government Finance Officers Association (GFOA)
- Member, California Society of Municipal Finance Officers (CSMFO)
- Speaker, CSMFO Conference (2014)
- Instructor, CalCPA Fall Series (2014) – Long Beach and Orange County Chapter

PROFESSIONAL EXPERIENCE

- City of Arcadia
- City of Calexico
- City of Cerritos
- City of Chula Vista
- City of Clovis
- City of Desert Hot Springs
- City of Fairfield
- City of Gardena
- City of Placerville
- City of Poway
- City of Stockton
- North County Transit District
- San Diego Metropolitan Transit System
- San Diego Association of Governments
- Town of Danville

CONTINUING PROFESSIONAL EDUCATION

- Various municipal accounting courses offered by the CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: OMB Circular A-133
- Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



EDUCATION

Bachelor of Science,
George Mason University Fairfax,
Virginia

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance
Litigation Support

200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707

jack.georger@pungroup.com

**Licensed by the State of California, New York,
Virginia, Maryland, District of Columbia, Georgia,
South Carolina, Missouri and Connecticut
(inactive) and Wyoming (inactive)*

John F. Georger, Jr., CPA*, CIA Engagement Quality Control Reviewer

Jack Georger is the Partner of the Governmental Division by leveraging more than forty years of public accounting and auditing experience in the government, agribusiness, financial services, manufacturing and non-profit sectors. Mr. Georger brings an in-depth knowledge and practical expertise to each client engagement. Mr. Georger coordinates, plans, and manages financial audit activities, consulting activities, federal and state compliance audit activities, performance audits and numerous quality control and internal control reviews for a broad mix of governmental agencies and programs throughout the United States.

Mr. Georger is a continuing professional education course instructor for the AICPA. Annually, he instructs over 300 hours on accounting and auditing subjects. He has coauthored training material in governmental accounting and auditing for the AICPA and is the technical reviewer of the CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits.

Mr. Georger is licensed to practice as a certified public accountant in the states of California, New York, Virginia, Maryland, District of Columbia, Georgia, South Carolina, Connecticut (inactive), Missouri and Wyoming (inactive), and is a Certified Internal Auditor (CIA).

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, Institute of Internal Auditors
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, CalCPA Government Accounting and Auditing Committee
- Member, New York Society of Certified Public Accountants (NYSSCPA)
- Chairman, NYSSCPA Government Accounting and Auditing Committee
- Member, NYSSCPA Auditing Standards Committee
- Member, NYSSCPA Financial Accounting Standards Committee
- Member, NYSSCPA Not For Profit Committee
- Member, Missouri Society of Certified Public Accountants (MSCPA)
- South Carolina Association of Certified Public Accountants (SCACPA)
- Member, Government Finance Officers Association (GFOA)-CAFR Reviewer

KEY CLIENTS

- Local Governments:
 - Town of Andrews, South Carolina
 - County of Isle of Wight, Virginia
 - City of Richmond, Virginia

CONTINUING PROFESSIONAL EDUCATION

- Instructor of over 300 hours of municipal accounting courses offered by the AICPA
- Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



Gary M. Caporicci, CPA*, CGFM, CFF GASB 68/71 Specialist

Gary M. Caporicci has more than forty years of diversified business experience, including a specialization in audit and management consulting for government organizations. Gary's clients include public and private universities and colleges, city and county governments, state agencies, joint power authorities, healthcare agencies, transportation agencies, and special districts. Known for his expertise in the areas of construction and government, Gary wrote the AICPA audit guides on these topics, and he has authored many audit and accounting courses for professional groups, as well as academic institutions. He frequently speaks and lectures at many professional organizations, governmental seminars, and conferences held by industry associations, other accounting firms, and universities. In addition, he authors white papers for the California Committee on Municipal Accounting.

Prior to working with the Firm, Gary founded his own accounting practice. He also spent eleven years with a "Big Eight" professional services firm, where he was an Audit Manager and gained broad experience in a wide range of industries such as government, construction, manufacturing, mutual funds, and insurance. Prior to that, Gary held a consultant position with a "Big Four" practice and was Vice President of a national insurance and financial services company.

EDUCATION

BS Degree in Accounting and Finance
from the Armstrong University

PROFESSIONAL & CIVIC AFFILIATIONS

- Appointed Member of the California State Controller's Retirement Agency
- Public Member, County of Orange, Audit Oversight Committee
- Member and Instructor, American Institute of Certified Public Accountants (AICPA)
- Member, Author and Instructor – AICPA
- Chair, Author, Instructor – CalCPA Government Accounting and Auditing Committee
- Member, CalCPA Council
- Chair, California Committee on Municipal Accounting (CCMA)
- Task Force Member, Governmental Accounting Standards Board (GASB),
- National Reviewer & Speaker, Government Finance Officers Association (GFOA)
- Author and Instructor, New Pension Standards, GASB Nos. 67,68 and 71
- Public Member, County of Orange, Audit Oversight Committee

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance
Litigation Support

CONTINUING PROFESSIONAL EDUCATION

- Author and instructor of various municipal accounting courses offered by CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: OMB Circular A-133
- Has met the current CPE educational requirements to perform audits of governmental agencies.

200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707

gary.caporicci@pungroup.com

**Licensed by the State of California*

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



Frances Kuo, CPA*, CGMA

Engagement Manager

EDUCATION

BS Degree in Business Administration, Emphasis in Accounting, from University of California, Riverside

BA Degree in Economics from University of California, Riverside

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance

200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707

frances.kuo@pungroup.com

**Licensed by the State of California, Arizona and Virginia*

Frances Kuo is a Senior Manager in The Pun Group, LLP's Assurance division. Frances has over ten years of accounting and auditing experience working with governmental agencies, not-for-profit entities, and employee benefit plans. Frances also has particular expertise in conducting financial audits under GAO Yellow Book standards and compliance audits in accordance with OMB Circular A-133.

Frances has performed audits and other attestation services for several municipalities throughout California including cities, counties, redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special districts. She has assisted these clients with publishing their Comprehensive Annual Financial Reports in compliance with GASB Statement No. 34.

Frances is the in-house instructor who provides training, both theoretical and on-the-job training, to lower level staff. She has developed training materials on the risk based audit approach, GASB Statement No. 34 reporting, Single Audits, and employee benefit plan audits.

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, California Society of Municipal Finance Officers (CSMFO)

RELEVANT PROJECT EXPERIENCE

- City of Arcadia
- City of Bradbury
- City of Cerritos
- City of Desert Hot Springs
- City of Gardena
- City of Monterey Park
- City of Ridgecrest
- Conejo Recreation and Park District
- Las Virgenes Municipal Water District
- Marina Coast Water District
- Mountains Recreation and Conservation Authority
- San Diego Transit Corporation Retirement Plan
- Tulare Community Health Clinic
- San Diego Metropolitan Transit System
- San Diego Association of Governments
- Southwestern Community College District
- Valley Sanitary District

CONTINUING PROFESSIONAL EDUCATION

- Various municipal accounting courses offered by the AICPA, CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: OMB Circular A-133
- Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



Coley Delaney, CPA*
Compliance Manager

EDUCATION

BA Degree in Business Economic,
Emphasis in Accounting, from
University of California, Santa
Barbara

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance

6265 Greenwich Drive, Suite 220
San Diego, California 92122

coley.delaney@pungroup.com

**Licensed by the State of California*

Coley Delaney is a Manager within The Pun Group, LLP's Assurance division. In his nine years of accounting and auditing experience, Coley has worked with governmental agencies, not-for-profit entities and private for-profit entities. Coley specializes in conducting financial audits under GAO Yellow Book standards and compliance audits in accordance with OMB Circular A-133.

Coley has performed audits and other attestation services for several governmental agencies throughout California including cities, counties, redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special districts, and he has helped them publish their Comprehensive Annual Financial Reports in compliance with GASB Statement No. 34.

Coley develops training materials and shares his expertise internally with other Firm professionals. Coley is a frequent speaker at in-house seminars on topics related to government auditing standards and Single Audits.

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT PROJECT EXPERIENCE

- City of Calexico
- City of Chula Vista
- City of Clovis
- City of Fairfield
- City of La Mesa
- City of Poway
- City of Ridgecrest
- City of San Diego
- City of Shafter
- County of San Diego
- Fallbrook Healthcare District
- Family Health Centers of San Diego
- North County Transit District
- San Diego Community College District
- San Diego Metropolitan Transit District
- Southwestern Community College District
- United Health Centers of San Joaquin Valley

CONTINUING PROFESSIONAL EDUCATION

- Various municipal accounting courses offered by the CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: OMB Circular A-133
- Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



EDUCATION

BS Degree in Accounting from
the San Diego State University

AREAS OF EXPERTISE

Audits
Reviews
Federal Compliance
Litigation Support

6265 Greenwich Drive, Suite 220
San Diego, California 92122

andrew.roth@pungroup.com

**Licensed by the State of California*

Andrew Roth, CPA*

Supervisor

Andrew Roth is a Supervisor of The Pun Group, LLP. He has more than seven (7) years of governmental experience that ranges from GASB audit/reporting, Internal Controls/COSO Framework, Single Audit, Corporate Financial Reporting, Data Analysis and Taxation.

In various engagements, Andrew has been involved in providing significant services to various governmental entities and actively contributed and participated in the planning process, implementation of the audit work plan, supervision of staff, compliance testing for the Single Audit Concept and preparation of the Comprehensive Annual Financial Reports.

PROFESSIONAL & CIVIC AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT PROJECT EXPERIENCE

- City of Calexico
- City of Chula Vista
- City of Clovis
- City of Fairfield
- City of La Mesa
- City of Poway
- City of Ridgecrest
- City of San Diego
- City of Shafter
- County of San Diego
- Fallbrook Healthcare District
- Family Health Centers of San Diego
- North County Transit District
- San Diego Community College District
- San Diego Metropolitan Transit District
- Southwestern Community College District
- United Health Centers of San Joaquin Valley

CONTINUING PROFESSIONAL EDUCATION

- Various municipal accounting courses offered by the CalCPA Education Foundation and local universities including:
 - Governmental and Nonprofit Annual Update
 - Government Auditing Standards
 - GASB Basic Financial Statements for State and Local Governments
 - Single Audits: OMB Circular A-133
- Has met the current CPE educational requirements to perform audits of governmental agencies.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Similar engagements with Other Government Entities

Following are some of the list the most significant engagements performed in the last five (5) years that are similar to the engagement described in this request for proposals. Please contact the following governmental agencies to learn more about their experiences working with us.

Reference 1:

Name of Client: City of Stockton
Service Period: June 30, 2012 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Stockton which includes the audit of the City's CAFR, Single Audit, and Measure W. In addition, the firm has performed agreed-upon procedures of the Appropriation Limit.
Engagement Partners: Kenneth H. Pun
Total Hours: Average 2,500 hours per year
Principle Client Contact: Ms. Vanessa Burke
Chief Financial Officer
425 N. El Dorado Street
Stockton, CA 95202
(209) 937-7177

Reference 2:

Name of Client: City of Monterey Park
Service Period: June 30, 2009 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Monterey Park which includes the audit of the City's CAFR, Successor Agency and Single Audit. In addition, the firm has performed agreed-upon procedures of the Appropriation Limit.
Engagement Partners: Kenneth H. Pun
Total Hours: Average 500 hours per year
Principle Client Contact: Ms. Annie Yaung, CPFO
Controller
320 W. Newmark Avenue
Monterey Park, CA 91754
(626) 307-2516

Reference 3:

Name of Client: City of Desert Hot Springs
Service Period: June 30, 2013 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Desert Hot Springs which includes the audit of the City's Basic Financial Statements, and Single Audit. In addition, the firm has performed agreed-upon procedures of the Appropriation Limit and Transient Occupancy Tax (TOT).
Engagement Partners: Kenneth H. Pun
Total Hours: Average 500 hours per year
Principle Client Contact: Ms. Linda Kelly
Financial Specialist
65-950 Pierson Blvd.
Desert Hot Springs, CA 92240
(760) 329-6411 ext. 289

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Reference 4:

Name of Client: Town of Danville
Service Period: June 30, 2013 to Present
Scope of Work: The Firm has provided professional auditing services to the Town of Danville which includes the audit of the City's CAFR, Financing Authority, the Lighting and Landscaping Assessment District's Basic Financial Statements, and Single Audit. In addition, the firm has performed agreed-upon procedures of the Appropriation Limit.

Engagement Partners: Kenneth H. Pun
Total Hours: Average 300 hours per year
Principle Client Contact: Ms. Lani Ha
Accounting Manager
510 La Gonda Way
Danville, CA 94526
(925) 314-3358

Reference 5:

Name of Client: City of Clovis
Service Period: June 30, 2008 to Present
Scope of Work: The Firm has provided professional auditing services to the City of Clovis which includes the audit of the City's CAFR, Successor Agency and Single Audit. In addition, the firm has performed agreed-upon procedures of the Appropriation Limit.

Engagement Partners: Kenneth H. Pun
Total Hours: Average 450 hours per year
Principle Client Contact: Ms. Jamie Hughson
Finance Director
1033 Fifth Street
Clovis, CA 93612
(559) 324-2104

Other Relevant Experience

City of Stockton

The City of Stockton filed a petition for Chapter 9 bankruptcy protection with the United States Bankruptcy Court on June 28, 2012, the largest municipality bankruptcy at the time. The Firm was engaged as audit liaison and advisor in 2012 for the City's 2011 audit. The City also engaged the Firm to help drafting the Comprehensive Annual Financial Report in accordance with U.S. GAAP and in compliance with GFOA guidelines for the certificate of achievement for excellence in financial reporting program.

With the superb services provided, the City of Stockton also engaged the Firm to provide audit service for the years ending June 30, 2012 through 2015 due to the early termination of the contract from its predecessor firm. Mr. Kenneth H. Pun has been assigned as the engagement partner who facilitated the audit process since then. The engagement team completed the audit and issued the audit reports for the year ended June 30, 2012 and 2013 within the one year timeframe.

City of Desert Hot Springs

The City of Desert Hot Springs engaged the Firm to provide professional auditing services since June 30, 2013. During the audit, certain deficiencies were noted that the City cited as the cause of their financial hardship. The City reduced its overall workforce resulting in many positions unfilled. However, our firm was still able to complete the engagement in a timely manner and provide valuable recommendations to the City Council in addressing their deficiencies.

In addition, during the year ended June 30, 2013, the City entered into a very complicated financial arrangement, New Market Tax Credit financing, for the construction of the Desert Hot Springs Health and Wellness Center. Our firm has provided guidance to the City in addressing complex accounting issues and helped drafting the stand-alone financial statements to fulfil the addition reporting requirements under the New Market Tax Credit financing.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

San Diego Metropolitan Transit System (“MTS”)

On January 1, 2003, California Senate Bill 1703 (SB 1703) became effective. SB 1703 required the consolidation of the planning and programming functions of MTS and the North County Transit District (NCTD) into the San Diego Association of Governments (SANDAG) in an initial transfer to take place prior to July 1, 2003. SB 1703 also required the consolidation of certain project development and construction functions of MTS and NCTD into SANDAG in a subsequent transfer to take place prior to January 30, 2004. The initial transfer occurred on July 1, 2003, and the subsequent transfer occurred on October 13, 2003. With these actions, employees were transferred from MTS and NCTD to SANDAG, and certain planning, development, and construction functions were also transferred.

After the enactment of SB 1703, Mr. Kenneth H. Pun was able to convert MTS financial model from general-purpose government to stand-alone business-type activities government under GASB Statement No. 34 in 2007. By doing so, MTS has significantly improved their financial reporting.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

About The Pun Group, LLP

The Pun Group, LLP, *formerly known as* Pun & McGeady LLP, Certified Public Accountants and Business Advisors, founded in 2012, is a limited liability partnership. A full-service accounting firm comprises forty (40) professionals on full-time basis who provide auditing, accounting, and advisory services. **Our Partners Group has served governmental agencies since 1989**, under the umbrella of its predecessor firm, Caporicci & Larson, where all key personnel assigned provided outstanding services to governmental entities throughout California. Of the forty (40) professionals, thirty (30) of them focus in the Government Assurance Practice. The Firm has offices in Walnut Creek, Orange County, San Diego and Palm Desert, California, and Phoenix, Arizona.

The combination of hands-on experience and practical knowledge of our audit professionals makes the Firm unique in the field. Our technical knowledge and thorough understanding of current regulations and issues—along with the Firm’s commitment to hard work, integrity, and teamwork on every engagement—enable us to help our clients flourish.

Our Governmental Partners Group—which include partners Kenneth H. Pun, Gary M. Caporicci, Paul J. Kaymark, Lisa B. Lumbard and Jack F. Georger—provide auditing, accounting, and advisory services to numerous governmental entities throughout the United States. Our more than one hundred-fifty (150) years of combined experience in the government industry have made us a trusted business partner with our clients, and we have become well-respected as one of the most socially responsible accounting firms.

In addition to annual financial audits, team members undertake special studies in financial management, accounting, cost-accounting-system analysis, internal audit services, and internal control documentation and testing. By participating in industry associations and activities, we are always up to date on the latest industry changes and the impact they will have on your operations. We will keep you and our colleagues in the Firm, fully informed of these developments. Our team is committed to bringing the full breadth and depth of our expertise to the audit of the City at an outstanding value to you.

Our *Orange County* office, located at 200 East Sandpointe Avenue, Suite 600, Santa Ana, California 92707 will perform the requested services for the City. However, we may assign additional staff from our Walnut Creek, San Diego, or Palm Desert, California offices to the engagement, at no additional cost to the City. No subcontractors will be used.

While many accounting firms can perform an audit, not all can build a great working relationship with their clients. The Pun Group, LLP develops lasting, personal relationships with clients. Our hands-on partner involvement and low personnel turnover will make you appreciate our firm more every day we work together.

Our Firm has:

- Extensive experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Reports in GASB 34 format.
- Strong work ethics and willingness to respond to the City of Industry requirements.

Staff Consistency

The Firm is committed to maintaining staff continuity throughout audit engagements. While we cannot guarantee that our staff members will stay with the Firm, we encourage loyalty by paying competitive wages, offering opportunities for promotion, using state-of-the-art equipment, and providing excellent working conditions. We also offer benefits including retirement plans, medical plans, profit-sharing programs, and continuing education. The Firm is an equal-opportunity employer and complies with all federal and state hiring requirements. The Firm also supports affirmative-action philosophies and works hard to provide opportunities for self-enhancement to members of disadvantaged groups.

We guarantee that the partners assigned to this audit will be involved throughout the entire engagement term, and that assigned staff members will return to the City in future years if they are still with the firm. One of our primary audit concerns is staff continuity, and our hands-on partner involvement ensures that qualified and experienced professionals will perform audits efficiently and effectively every year of the engagement.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

AT THE PUN GROUP, LLP WE WORK TOGETHER WITH OUR CLIENTS TO ADDRESS A VARIETY OF CHALLENGES LIKE:

- ✓ Reporting and Compliance Requirements
- ✓ Risk and Internal Controls
- ✓ Operational Transformation
- ✓ Technology Consulting

GFOA CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING:

100% of our clients that have submitted their reports to the GFOA have received the Certificate of Excellence.

UNPARALLELED PARTNERS SUPPORT:

Hands-on partner involvement always available to address our client's needs and answer questions.

OUR SERVICES INCLUDE:

- ✓ Financial statement audits
- ✓ Performance audits
- ✓ Single audit (OMB Circular A-133)
- ✓ Employee benefit plan audits
- ✓ Internal controls evaluations

EXPERIENCE. PRINCIPLES. KNOWLEDGE.
COMMITMENT. CAPACITY. DIVERSITY.

We understand our clients have broad and complex needs. That's the number one reason our solutions are developed to specifically address these unique needs. This is why we have such a high retention rate. Some of our clients have been with us for over a decade.

The following is a partial list of our current Assurance Clients:

Cities and Towns:

- City of Arcadia
- City of Arvin
- City of Bradbury
- City of Calexico
- City of Cerritos
- City of Clovis
- City of Desert Hot Springs
- City of Encinitas
- City of Gardena
- City of Hermosa Beach
- City of Huntington Park
- City of Lakewood
- City of Monterey Park
- City of Morro Bay
- City of National City
- City of Placerville
- City of Poway
- City of Ridgecrest
- City of Stockton
- Town of Andrews
- Town of Danville

Transportation Authorities/Agencies:

- Washington Metropolitan Area Transit Authority
- San Diego Metropolitan Transit System
- SunLine Transit Agency
- Shasta Regional Transportation Agency
- Ventura County Transportation Commission

Health Centers:

- Alliance Medical Center
- Anderson Valley Health Center, Inc.
- Fallbrook Healthcare District
- Family Health Centers of San Diego
- Marin City Health and Wellness Center
- McCloud Healthcare District
- Redwood Coast Medical Services
- Ritter Center
- Shingletown Medical Center
- Tulare Community Health Clinic
- United Health Centers of San Joaquin Valley

Special Districts/Others:

- Las Virgenes Municipal Water District
- Marina Coast Water District
- Newport Coast Elementary Foundation
- Orange County Business Council
- Palmdale Water District
- Shanghai Jiao Tong University Foundation of America
- Southwestern Community College District
- Valley Sanitary District
- Orange County – City Hazardous Material Emergency Response Authority
- West Valley Water District

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Most Recent External Quality Control Review

The Firm participates in the AICPA Peer Review Program, which is designed to identify weaknesses in accounting-service policies, practices, and procedures.

In 2013, an independent reviewer assessed the Firm's quality-control policies, reviewed administrative records, interviewed professional personnel, and inspected the Firm's working papers and reports from a representative sample of accounting and auditing engagements, including governmental audits. The reviewer concluded that the Firm fully complies with the AICPA's stringent standards for quality control.

A quality-control reviewer considers, among other things, a firm's policies regarding hiring, training, supervision, delegation of responsibilities, and access to technical resources.

The reviewer determined that the Firm's accounting and auditing work and internal quality-control system meet the AICPA's guidelines for professional standards.

The Firm's participation in the Peer Review Program demonstrates our commitment to quality. We also affirm our dedication to excellent client service through our voluntary memberships in the AICPA—including the AICPA's Governmental Audit Quality Center—and CalCPA.



Quality Review Report

PIN & McGEADY LLP

Private California

and the Peer Review Program Standards of the American Society of Certified Public Accountants

We have reviewed the quality control for the accounting and auditing practice of Pin & McGeady LLP (the firm) in effect for the year ended March 31, 2013. The peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our field review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing, implementing, and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material aspects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, scope, timing, limitations of, and the procedures performed in a System Review are discussed with standard 2.07 at www.aicpa.org/peerreview.

We reported by the standards, engagements, and our review included engagement performed solely for tax services (public, nonpublic and quasi of corporate benefit plan).

In our opinion, the system of quality control for the accounting and auditing practice of Pin & McGeady LLP in effect for the year ended March 31, 2013, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material aspects. This conclusion is based on our review of the system of quality control for the firm. Pin & McGeady LLP has accepted a peer review in the past year.

8577 Harbor Avenue
Suite 306
Rancho Cucamonga
CA 91730

909.948.9990
909.644.0096
FAX 909.948.9633

gyldecaauwer.com
www.gyldecaauwer.com

your
Success
is our
DESTINATION

Gyl DeCaauwer LLP
Private California
May 31, 2013

CPA AMERICA

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



California Society of CPAs
1800 Gateway Dr., Ste. 200
San Mateo, CA 94404

September 27, 2013

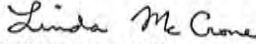
Kenneth Hing-Kwong Pun, CPA
Pun & McGeady LLP
9 Corporate Park Ste 130
Irvine, CA 92606

Dear Mr. Pun:

It is my pleasure to notify you that on September 24, 2013 the California Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is September 30, 2016. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,


Linda McCrone, CPA
Director, Peer Review Program

cc: John Lerias

Firm Number: 6131850 Review Number 342418



T: (650) 522-3094 | F: (650) 522-3080 | peerreview@calcpa.org

Federal or State Desk Review

No federal or state desk reviews or field reviews have been undertaken of any audits performed by the Firm or any of its partners, managers, or professionals during the past three (3) years.

Disciplinary Action

No disciplinary action has been taken by state regulatory bodies or professional organizations against the Firm or any of its partners, managers, or professionals during the past three (3) years.

The Firm has no conditions such as bankruptcy, pending litigations, planned office closures, mergers or any organizational conflict of interest that may affect the ability of the Firm to perform the required duties requested by the City of Industry.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

SECTION III – APPROACH

Understanding of the Scope

The City of Industry is requesting an opinion on the fair presentation of its general purpose government-wide financial statements in conformity with generally accepted in the United States of America. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards (2003 revision), the provisions of the federal single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments (2009 Revision).

To accomplish this task, the Firm will:

- ✓ Perform an audit of the financial statements of the City and its component units. The financial statements will be fully compliant with all current and proposed GASB pronouncements. The City's blended component units are:
 - Successor Agency to the Industry Urban-Development Agency ("SA")
 - Civic Recreational-Industrial Authority ("CRIA")
 - Industry Public Facilities Authority ("PFA")
 - Industry Public Utilities Commission ("IPUC")
 - Industry Property and Housing Management Authority ("IPHMA")
- ✓ Issue financial statements for the Successor Agency to the Industry Urban-Development Agency, Civic Recreational-Industrial Authority and Industry Public Facilities Authority. The individual component unit financial statement will be issued with no MD&A.
- ✓ Review the City's Annual Financial Report (AFR), in full compliance with all current and proposed GASB statements, which will include both Government-Wide Financial Statements and Fund Financial Statements. Apply limited audit procedures to MD&A and required supplementary information pertaining to the General Fund and each major fund of the City.
- ✓ Apply limited procedures to the *management discussion and analysis* as required by the auditing standards to be applied to required supplementary information. The Firm will apply an understanding of the method of preparation, the source and basis for the information presented, comparing for consistency to the audited data, and ascertaining that the *management's discussion and analysis* contains all of the information required by GASB 34 and does not contain information prohibited to be presented in the *management's discussion and analysis*.
- ✓ When required, prepare a separate Single Audit Report, to include the following:
 - Report on compliance and on internal control over financial reporting based on audit of financial statements performed in accordance with *Government Auditing Standards*.
 - Report on compliance with requirements applicable to each major program, internal control over compliance, and on the schedule of expenditures of federal awards in accordance with OMB Circular A-133, "Audits of State and Local Governments", and the Single Audit Act of 1984 (Public Law 98-502).
 - Schedule of Expenditures of Federal Awards.
 - Notes to Schedule of Expenditures of Federal Awards.
 - Schedule of Findings and Questioned Costs.
 - Any other required schedules or reports.
 - Prepare the Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations.
- ✓ Prepare Agreed-upon Procedures Applied to the Appropriations Limitation (GANN Limit) report prescribed by Article XIII-B of the California Constitution.
- ✓ Prepare year-end adjusting journal entries as needed.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

- ✓ Issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Manager.
- ✓ Make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the City.

Partners of the Firm will be available throughout the year as an information resource and to provide guidance on implementation of Government Account Standards Board (GASB) requirements and specifics of federal and state regulations as they may affect local government accounting. In addition, they will assist with the implementation of new pronouncements.

Working Paper Retention and Access to Working Papers

The Firm will retain, at its own expense, all working papers and reports for a minimum of (7) seven years, unless the City notifies the Firm in writing of the need to extend the retention period. Upon request, the Firm will make working papers available to City of Industry or other governmental agencies included in the federal or state grant audits.

The Firm will comply with reasonable requests from successor auditors and allow them to review working papers that relate to matters of continuing accounting significance.

Proposed Segmentation of the Engagement

The audit will be performed in four phases:

Initial Planning Meeting:

The Engagement Partner and Manager will meet with City's Management to get up to speed with City's policies and procedures, establish any specific requirements management may have, work on the identification of unique transactions as well as the implementation of new GASB pronouncements, and develop the audit work plan for the engagement.



Interim:

The Engagement Team—including the Engagement Partner—will assess accounting policies adopted by the City, obtain an understanding of the City and its operating environment, review internal controls on all significant transaction classes, perform walkthroughs and/or tests of internal control, perform preliminary analytical procedures, evaluate Single Audit compliance (if needed), identify any audit issues, and prepare confirmation correspondence. The Engagement Team and City Management will establish expectations including responsibilities and assignments for the year-end audit, and will hold a progress status meeting at the end of the Interim phase.

Year-End:

The Engagement Team—including the Engagement Partner—will conduct audit procedures on account balances in the general ledger, finish confirmation procedures, perform preliminary analytical procedures, search for unrecorded liabilities, perform substantive analytical review procedures, complete work on compliance with Federal Assistance, and conclude fieldwork. The Engagement Team and City Management will hold an exit conference at the end of the Year-End phase.

Reporting:

The Firm will review and prepare audit reports and perform quality control procedures in accordance with the Quality Control Standards issued by the AICPA. We will also review reports for compliance with GFOA reporting guidelines at no additional cost. Any comments will be issued in a letter to Management. At the City's request, the Engagement Partner and Manager will present the audit to the City's governing body.

The Firm will complete the audit fieldwork and issue all reports within the established timeframe, assuming no internal City circumstances delay the audit.

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Audit Schedule

In order to accomplish our audit objectives and meet your deadlines for delivery, the sequence and timing of our procedures are critical. Following is our proposed timetable of deliverables:

Timing	Activity
August / September 2015	Conduct audit entrance conference.
September 15th to September 30th	Perform preliminary procedures including: transition efforts, initial control assessments, minute and contract/major agreement review, major transaction review, conduct EDP review, final controls assessment, determination of specific audit procedures, provide finance department with audit plan and listing of audit schedules required, conduct progress conference with key Finance personnel. Complete test for Federal Awards.
October 5th - October 31st	Commence audit fieldwork and execute detailed audit plan, conduct progress conference with key Finance personnel. Complete Single Audit Testwork.
By November 2nd	Comments on draft financial statement to the Finance Manager, and draft of Internal Control letter and Audit letter to the Finance Manager
By November 16	Issue all finalized financial reports and letters

Level of staff and number of hours to be assigned to each proposed segment of the engagement

We understand that the City is looking for value in the professional relationship they have with their auditors. Value comes from the knowledge, experience and dedication that the auditing firm employs. We stress "employ" because all of the knowledge and expertise shown on paper will not benefit you unless it is applied. This application equates to time spent. We have developed a plan that we feel will accomplish the objectives of the City and meet your particular needs. We have used the information you have shared with us and our experience over the years auditing other governmental entities, including cities of a similar size and nature to develop an effective and efficient plan for all major areas.

Total Hours:

Staff Classification Performing Work	Estimated Hours Annually
Partners	80
Managers	100
Supervisory	120
Senior Accountants	170
Staff Accountants	220
Clerical	20
Total Annual Hours:	710

Hours by Audit Phase	Hours
Phase I - Planning	100
Phase II - Interim	230
Phase III - Year End	280
Phase IV - Reporting	100
Total Annual Hours:	710

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Sample size and the extent to which statistical sampling is to be used in this engagement

In our audit approach, statistical sampling is used in conjunction with our skilled judgment and knowledge of each situation. The population size and assurance level needed from any given test will determine the sample size used in our testing.

Type and extent of analytical procedures to be used in the engagement

We use analytical procedures during the interim phase to set up expectations for the year-to-date results and balances and compare them with budgeted and prior-year amounts. This allows us to forecast year-end amounts, reducing the workload during the year-end phase and allowing us to focus on areas of concern.

We also use trend and ratio analysis to identify any uncertain or unusual events. In order to perform these analysis, our firm performs a survey of cities and counties and develops benchmarks on certain key financial indicators, such as cost of services to tax revenues ratios, average general fund balance, capital assets, debt per capital, general fund unassigned fund balance to total general fund expenditures, etc.

Our staff members have the knowledge and experience to effectively use analytical procedures to the City's benefit.

Approach to be taken to gain and document an understanding of the City's internal control structure

Audit risk assessment will be established by an internal control review, combined with the Engagement Team's understanding of the City's operations and accounting software. Using the Committee of Sponsoring Organizations (COSO) Framework, staff members will evaluate the City's processes and identify any control deficiencies. These diagnostic review procedures allow the Engagement Team to evaluate the City's systems and controls and to provide constructive feedback to City Management.

The Engagement Team will perform a walkthrough of the City's accounting systems, including processes for financial reporting, revenue recognition and cash receipts, purchasing/contract management and cash disbursements, and payroll and related liabilities, etc. Auditors will document the process with a flowchart or narrative summary.

Approach to be taken in determining laws and regulations that will be subject to audit test work

The Firm stays continually up to date with audit requirements—including new regulations, compliance supplements, state guidelines, and pertinent contracts—to ensure that we conduct audits in accordance with applicable laws and regulations. We test transactions for compliance with the Single Audit Act, California Government Code, GANN Appropriations Limit, Transportation Development Act, provisions of applicable grant guidelines, requirements of local measures, etc.

For example, the Single Audit Act requires that we determine which grants to include in our audit and select transactions from those grants for detailed testing. While most transactions are tested as part of the Interim phase, we cannot determine which grants to test for the Single Audit until the Year-End phase of audit.

Our compliance audits of cash, investments, debt covenants, and other areas are performed in accordance with the California Government code, which has many provisions and regulations covering investments.

Approach to be taken in drawing audit samples for purposes of tests of compliance

To test compliance, we follow the AICPA's *Audit Sampling Considerations of Circular A-133 Compliance Audits*. We will select an appropriate sample size based on our professional judgment and knowledge. Any deviations from control and compliance requirements will be documented.

CITY OF INDUSTRY

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GASB 68 and 71 Implementation

Gary M. Caporicci, the assigned *GASB 68/71 Specialist*, has tremendous expertise in assisting clients with the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*—an amendment of GASB Statement No. 68. **Clients of The Pun Group will benefit from his expertise during the entire process of implementation of these Standards throughout the engagement.**

Description: Designed to present the New Pension Standards from the Governmental Auditing Standards Board (GASB). These standards are effective for fiscal years beginning after June 15, 2014 and are applicable to all State and Local government agencies. This program will cover the following standards, as well as any updates.

- GASB No. 68, *Accounting and Financial Reporting for Pensions*
- GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*—an amendment of GASB Statement No. 68

Objectives:

- Understand the accounting depth and financial reporting impact of the New Pension Standards
- Review the accounting and financial reporting of significant accounts including:
 - Total Pension Liability
 - Net Pension Liability
 - Deferred Outflows and Deferred Inflows of Resources
 - Net Fiduciary Position
 - Pension Expense
- Present and thoroughly review the audit implications and solutions for the retirement systems auditor's and the local government agencies auditor.

Major Topics:

- Accounting and financial reporting, including expanded Note Disclosures and Required Supplementary Information
- Identify and explain critical dates for implementation
- Understand and describe the actuary's role as to key dates and actuarial information

Client Training Seminar

Every year, the Firm hosts a conference to update governmental clients on new technical accounting and financial issues. The day-long session—held in Clovis, San Diego, Cerritos, and Danville—qualifies for **eight hours of CPE** with the California Board of Accountancy.

Participants of this year's training seminar received a high-level examination of numerous technical issues, including the following:

- GASB No. 68 - *Accounting and Financial Reporting for Pensions*
- GASB No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date*- an amendment of GASB Statement No. 68
- GASB Updates
 - ✓ GASB No. 72 - *Fair Value Measurement and Application*
 - ✓ GASB No. 73 - *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*
 - ✓ GASB No. 74 - *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
 - ✓ GASB No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- Uniform Grant Guidance
- Survey of Cities and Counties

Importantly, all of our clients are invited to attend the Pun Group, LLP client training seminar *FREE OF CHARGE.*

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

SECTION IV – FEES

Certification

We are committed to the performance of a high quality audit at the most reasonable fee level possible, both initially and throughout the engagement. Also, both partners will provide advice and consultation as needed, at no additional cost to the City of Industry.

Name of Firm: The Pun Group, LLP
 Certified Public Accountants and Business Advisors
 200 East Sandpointe Avenue, Suite 600
 Santa Ana, California 92707

Certification: Kenneth H. Pun is entitled to represent the Firm, empowered to submit the bid, and authorized to sign a contract with the City of Industry.

Total All-Inclusive Maximum Price

Following are our total "not-to-exceed" fees for Fiscal Year 2015 per City's request:

Description of Services	Estimated Hours	2015
Audited Financial Statements of the City and its component units, Report on Internal Controls Over Financial Reporting, Auditor's Communication with City Council	500	\$ 60,000
Report on Agreed-Upon Procedures Applied to the Appropriations Limit Worksheets (GANN Limit Review)	5	\$ 600
Audited Financial Statements of the Successor Agency to the Industry Urban-Development Agency, Report on Internal Controls Over Financial Reporting, Auditor's Communication with Board	80	\$ 9,600
Audited Financial Statements of the Civic Recreational-Industrial Authority, Report on Internal Controls Over Financial Reporting, Auditor's Communication with Board	50	\$ 6,000
Audited Financial Statements of the Industry Public Facilities Authority, Report on Internal Controls Over Financial Reporting, Auditor's Communication with Board	50	\$ 6,000
Maximum Fees	685	\$ 82,200
Optional Services		
A-133 Single Audit of Federal Grants of the City, for 1 major program. (If required)	25	\$ 3,000

*The Single Audit fees quoted above are based on (1) one major program. The fee to audit additional major programs will be \$3,000 each. The number of programs determined to be "major" will be based on OMB Circular A-133. The Engagement Team will discuss the details with the City's Management before starting any Single Audit work.

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Rates for Professional Services

Below is detailed information regarding the estimated number of hours and rates to be dedicated to the City's engagement, delineated by staffing level.

<u>Total by Class</u>	<u>Rate</u>
Partners	\$ 225.00
Managers	\$ 200.00
Supervisory	\$ 175.00
Senior Accountants	\$ 150.00
Staff Accountants	\$ 125.00
Clerical	\$ 100.00

Rates for Additional Professional Service

The Firm's policy is to maintain flexible billing rates in order to meet the needs of clients and help them control costs. In the interest of starting our long-term relationship, we will **absorb all costs** required to familiarize ourselves with the operations and accounting systems, as well as, travel, typing, clerical and printing costs. Additionally, our Partners will be available to provide advice and consultation as necessary to the City of Industry. These **costs** will also be **absorbed** by the Firm.

Any supplemental reports, audits, or agreed-upon procedures not covered by this proposal may be added in a written agreement prior to commencing audit work. The Firm and the City shall discuss and approve the scope and associated costs of these tasks. Any additional work will be performed at the same rates set forth on the schedule of fees and expenses included in the above cost proposal.

Manner of Payment

Engagement Team members are required to maintain timesheets detailing the date, number of hours, and work performed for every audit task. The Firm will collect these timesheets and bill the City of Industry, at the rates outlined in this proposal, in four stages: at the conclusion of the interim phase, at the conclusion of the Year-End phase, and after presentation and acceptance of the final audit reports. Interim billings will cover a period not less than a calendar month. The billing amounts generally break down as follows:

<u>Work Performed</u>	<u>% of Proposal Amount</u>
For Planning	10%
For Interim work	40%
For Year-End work	40%
At Presentation and Acceptance of Final Reports	10%
Total	100%

CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services

Benefits of Choosing The Pun Group, LLP

The Pun Group, LLP is known for its professionalism, integrity, and ability to guide clients through their unique challenges. Firm policy emphasizes providing personalized client service, so our carefully chosen engagement teams are led by an experienced partner who is directly involved in the work. This philosophy allows us to provide a superior level of service.


We trust that this proposal has given you the information you need about the Firm, the Engagement Team members, overall audit approach, cost-saving measures, and audit fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the City of Industry and providing you with the excellent level of service that you expect and deserve.

Thank You

Thank you for giving us the opportunity to introduce the Firm and submit our qualifications to provide you with audit services. Please direct inquiries to:

Mr. Kenneth H. Pun, CPA, CGMA
Managing Partner
200 East Sandpointe Avenue, Suite 600
Santa Ana, California 92707
ken.pun@pungroup.com
(949) 777-8801

Sincerely,



The Pun Group, LLP
Certified Public Accountants and Business Advisors

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APPENDIX

✓ *Proof of Insurance*

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CITY OF INDUSTRY

Proposal to Perform Professional Auditing Services



CERTIFICATE OF LIABILITY INSURANCE

PUN&M-1

OP ID: S9

DATE (MM/DD/YYYY)

05/05/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Leavitt Ins Agency San Diego CA License #0B72756 3636 Nobel Drive, Suite 100 San Diego, CA 92122 Mike Pradels - Assigned	Phone: 858-259-5800 Fax: 858-259-6069	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: sandra-bao@Leavitt.com FAX (A/C, No):														
INSURED The Pun Group, LLP 200 E Sandpointe, #600 Santa Ana, CA 92707		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Travelers Casualty Ins Co Amer</td> <td>31194</td> </tr> <tr> <td>INSURER B : Travelers Casualty Ins Co Amer</td> <td>31194</td> </tr> <tr> <td>INSURER C : Argonaut Midwest Insurance Co</td> <td>19828</td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Travelers Casualty Ins Co Amer	31194	INSURER B : Travelers Casualty Ins Co Amer	31194	INSURER C : Argonaut Midwest Insurance Co	19828	INSURER D :		INSURER E :		INSURER F :	
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INSURER F :																

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			16802B545975	03/01/2015	03/01/2016	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			16802B545975	03/01/2015	03/01/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	IJUB2B550371	03/01/2015	03/01/2016	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	E&O			IAC1193201	03/01/2015	03/01/2016	Per Claim 1,000,000 Aggregate 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

Evidence of Insurance

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Sandra Bao

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