A G E N D A

CITY OF SEASIDE
CITY COUNCIL

REGULAR MEETING
Council Chamber
440 Harcourt Avenue
Thursday, February 2, 2017
7:00 PM

PLEASE TURN OFF YOUR CELL PHONES UPON ENTERING THE MEETING

1. CALL TO ORDER

2. ROLL CALL – ESTABLISHMENT OF QUORUM

Ralph Rubio	Mayor
Dennis J. Alexander	Mayor Pro Tem
Jason Campbell	Council Member
David R. Pacheco	Council Member
Kayla Jones	Council Member

3. INVOCATION AND PLEDGE OF ALLEGIANCE

4. REVIEW OF AGENDA

If there are any items that arose after the 72-hour posting deadline, this is the point in the meeting where a vote may be taken to add the item to the agenda. (A 2/3-majority vote is required).

5. PUBLIC COMMENT

Members of the public wishing to address the City Council or Agency Board on matters within the jurisdiction of the City of Seaside, but not on this agenda, may do so during the Public Comment period for up to three minutes. Public Comments on specific agenda items are heard under that item. Public Comment on presentation items should be made now. For the public record, please state your name.

6. PUBLIC AGENCY COMMUNICATIONS

This is a time specifically set aside for representatives of public agencies to make brief comments of general interest to the City Council and the community.

7. PRESENTATIONS

A. **PRESENTATION OF THE 2016 BUSINESS OF THE FOURTH QUARTER AWARD**

PURPOSE: To recognize Verducci Enterprises LP, owners of the Seaside City Center complex located at the intersection of Broadway Avenue and Fremont Blvd for upgrading, beautifying and maintaining the buildings and property.

RECOMMENDATION: It is recommended that the City Council present the 2016 Business of the Fourth Quarter Award to Verducci Enterprises LP, owners of the Seaside City Center located at the corner of Broadway Avenue and Fremont Blvd.

B. **PRESENTATION OF THE JANUARY 2017 HOUSE OF THE MONTH AWARD**

PURPOSE: The purpose of this item is to recognize Joshua and Jenifer Rudisill, owners of 1972 Mariposa Street for beautifying and maintaining their property.

RECOMMENDATION: It is recommended that the City Council present Joshua and Jenifer Rudisill the January 2017 House of the Month award.

C. **PRESENTATION OF THE 2016 HOUSE OF THE YEAR AWARD**

PURPOSE: The purpose of this item is to recognize Patricia and Gerald Smith, owner of 1396 Hilby Avenue for beautifying and maintaining his property.

RECOMMENDATION: It is recommended that the City Council present Patricia and Gerald Smith the 2016 House of the Year award.

8. CONSENT CALENDAR

The Consent Calendar includes routine items that can be approved with a single motion and vote. A member of the City Council or a member of the public may request that any time be pulled from the Consent Calendar for separate consideration.

A. **APPROVE THE MINUTES FROM THE JANUARY 19, 2017 MEETING**

PURPOSE: To review and approve the minutes.

RECOMMENDATION: Approval.

B. **APPROVE AND FILE CITY CHECKS**

PURPOSE: It is requested that the City Council approve and file the accounts payable and wired payments made during the period of December 24, 2016 through January 24, 2017. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the periods of January 5 and 19, 2017 is requested. Total Accounts Payable and Payroll for the above referenced period is $2,443,694.70.

RECOMMENDATION: It is recommended that the City Council approve and file the attached checks.

C. **ACCEPT AND FILE THE CASH AND INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2016**

PURPOSE: Accept and file the City of Seaside Cash and Investment Report for the quarter ended December 31, 2016.

RECOMMENDATION: Accept and file report.

D. **REVIEW AND CONSIDER APPROVAL OF A MAYOR'S YOUTH FUND CONTRIBUTION REQUEST FROM ORCHESTRA IN THE SCHOOLS**

PURPOSE: The purpose of this agenda item is to consider the request from Orchestra in the Schools for a donation of three-thousand dollars ($3,000.00) from the Mayor's Youth Fund to award tuition aid to all participating students in the program.

RECOMMENDATION: It is recommended the City Council approve the request.

E. **APPROVE A FEE WAIVER REQUEST FROM NARCOTICS ANONYMOUS FOR THE USE OF LAGUNA GRANDE HALL FOR ANNUAL TALENT SHOW EVENT**

PURPOSE: The purpose of this item is for the City Council to consider a request from Narcotics Anonymous to waive fees associated with their annual Talent Show Event on March 18, 2017.

RECOMMENDATION: Staff recommends approval.

F. **ADOPT A RESOLUTION EXTENDING THE CONSULTING AGREEMENT WITH PUBLIC SAFETY CONSULTING, INC TO COMPLETE A POLICE DEPARTMENT ADMINISTRATIVE INVESTIGATION**

PURPOSE: The purpose of this item is for the City Council to adopt a resolution authorizing the City Manager to sign an extension of the consulting agreement with Public Safety Consulting, Inc. for a not to exceed amount of $50,000, which is budgeted in the Fiscal Year 2016/2017 budget.

RECOMMENDATION: It is recommended the City Council adopt the resolution authorizing the City Manager to sign an extension of the consulting agreement with Public Safety Consulting, Inc.

G. **APPROVE A FEE WAIVER REQUEST OF $740 TO TAM COMMUNICATIONS DOING BUSINESS ON BEHALF OF MONTEREY SALINAS TRANSIT FOR A FILM PERMIT TO PRODUCE A PUBLIC EDUCATION VIDEO IN THE CITY OF SEASIDE**

PURPOSE: To authorize a fee waiver of $740 to TAM Communications on behalf of Monterey Salinas Transit for a real time commercial public education filming project located in the City of Seaside.

RECOMMENDATION: That the City Council approve the request.

9. PUBLIC HEARING

A. CONSIDER A RESOLUTION OF INTENTION AND INTRODUCTION OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO PROVIDE SECTION 20516 (EMPLOYEES SHARING ADDITIONAL COST) FOR SEASIDE PUBLIC SAFETY MANAGERS' ASSOCIATION MEMBERS

PURPOSE: It is proposed that the City Council adopt a Resolution of Intention to modify the City's contract with the California Public Employees' Association to provide Government Code Section 20516 (Employees Sharing Additional Cost) consistent with the agreement reached with the Seaside Public Safety Managers' Association (SPSMA).

RECOMMENDATION: It is recommended that the Council adopt the Resolution of Intention authorizing an amendment to the contract with the Board of Administration of the California Public Employees' Retirement System to provide Section 20516 (Employees Sharing Additional Cost) for Seaside Public Safety Managers' Association Members. In addition, it is recommended that the Mayor call for the introduction of an Ordinance authorizing an amendment to the contract between the City of Seaside and the Board of Administration of the California Public Employees' Retirement System and pass to print the draft ordinance.

10. BUSINESS ITEMS

A. CONSIDER A RESOLUTION APPROVING THE MASTER AGREEMENT AND PROGRAM SUPPLEMENT FOR THE WEST BROADWAY URBAN VILLAGE INFRASTRUCTURE IMPROVEMENT PROJECT GRANT FUNDS AND APPROVING A 2016-2017 BUDGET ADJUSTMENT FOR $3.692 MILLION GRANT FUNDING

PURPOSE: The purpose of this item is to have the City Council consider and approve the Master Agreement and Program Supplement for the West Broadway Urban Village Infrastructure Improvement project to receive $3.692 million in federal grant funds.

RECOMMENDATION: It is recommended to adopt a resolution to approve the Master Agreement and Program Supplement Agreement for the West Broadway Urban Village Infrastructure Improvement project grant funds and to authorize the City Manager to execute the agreements and direct Finance Director to incorporate $3.692 million into the Fiscal Year 2016/2017 budget.

11. MAYOR, CITY COUNCIL, CITY MANAGER AND CITY ATTORNEY COMMENTS AND REPORTS ON COMMITTEE ASSIGNMENTS

This is a time specifically set aside for members of the City Council, the City Manager and City Attorney to make brief comments of general interest to the community, make requests that items be added to future City Council meeting agendas as necessary and report on committee assignments.

12. COUNCIL MEMBER REQUESTS

None at this time.

13. ADJOURNMENT

Next Regularly Scheduled Meeting:
February 16, 2017
7:00 PM

The City of Seaside is committed to providing accessible facilities and accommodating people with disabilities in all of its services programs and activities. If special considerations are needed by any person to fully participate in this meeting, they are asked to contact the City Clerk at 899-6707 no fewer than two business days prior to the meeting to allow reasonable arrangements. The City Council chamber is equipped with a portable microphone and assisted listening devices are available at all meetings.

City Council Meetings that are held in the City Council Chambers are broadcast live to all Seaside residents on Comcast Channel 25 and U-verse Channel 99. Meetings are also available through live streaming at:
http://cvp.telvue.com/player?id=T01629&video=52314&noplaylistskin=1&width=400&height=300
Videos of past meetings are available on demand through the City's website: http://www.ci.seaside.ca.us

Agenda-related writings or documents provided during public meetings are available for public inspection during the meeting or from the office of the City Clerk. This agenda is posted in compliance with California Government Code Section 54954.2(a) or Section 54956.

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Dave Fortune, Maintenance and Utilities Superintendent

DATE: February 2, 2017

SUBJECT: **PRESENTATION OF THE 2016 BUSINESS OF THE FOURTH QUARTER AWARD**

PURPOSE

To recognize Verducci Enterprises LP, owners of the Seaside City Center complex located at the intersection of Broadway Avenue and Fremont Blvd for upgrading, beautifying and maintaining the buildings and property.

RECOMMENDATION

It is recommended that the City Council present the 2016 Business of the Fourth Quarter Award to Verducci Enterprises LP, owners of the Seaside City Center located at the corner of Broadway Avenue and Fremont Blvd.

BACKGROUND

The Neighborhood Improvement Program Commission's goals are to encourage citizens and business owners to beautify and upgrade their properties in order to positively influence property values and create a more livable environment in the community. One of the ways that the Commission accomplishes this goal is by recognizing the outstanding examples of commercial property maintenance and beautification through the Business of the Quarter Award Program.

Each quarter, the Neighborhood Improvement Program Commission selects an award recipient from a list of nominated businesses. The Seaside City Center located at the corner of Broadway Avenue and Fremont Blvd was selected as the Business of the Fourth Quarter for 2016.

FISCAL IMPACT

The fiscal impact is $48.77 for the plaque from the NIPC 2016-2017 FY Budget.

ATTACHMENTS

1. Seaside City Center

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager


WINGS
CARMEL VALLEY COFFEE ROASTING CO.

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.B.

TO: City Council

FROM: Craig Malin, City Manager

BY: Dave Fortune, Maintenance and Utilities Superintendent

DATE: February 2, 2017

SUBJECT: **PRESENTATION OF THE JANUARY 2017 HOUSE OF THE MONTH AWARD**

PURPOSE

The purpose of this item is to recognize Joshua and Jenifer Rudisill, owners of 1972 Mariposa Street for beautifying and maintaining their property.

RECOMMENDATION

It is recommended that the City Council present Joshua and Jenifer Rudisill the January 2017 House of the Month award.

BACKGROUND

The Neighborhood Improvement Program Commission's goals are to encourage citizens to beautify and upgrade their properties in order to positively influence property values and create a more livable environment in the community. One of the ways that the Commission accomplishes this goal is by recognizing outstanding examples of residential property maintenance and beautification through the House of the Month Award Program.

Each month the Neighborhood Improvement Program Commission selects an award recipient from a list of nominated homes. Joshua and Jenifer Rudisill, owners of 1972 Mariposa Street, have been selected for the January 2017 House of the Month award.

FISCAL IMPACT

The fiscal impact is $48.77 for the plaque and a $50.00 gift card from the NIPC 2016-2017 FY

Budget.

ATTACHMENTS

1. 1972 Mariposa St

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

CITY OF SEASIDE
STAFF REPORT

Item No.: 7.C.

TO: City Council

FROM: Craig Malin, City Manager

BY: Dave Fortune, Maintenance and Utilities Superintendent

DATE: February 2, 2017

SUBJECT: **PRESENTATION OF THE 2016 HOUSE OF THE YEAR AWARD**

PURPOSE

The purpose of this item is to recognize Patricia and Gerald Smith, owner of 1396 Hilby Avenue for beautifying and maintaining his property.

RECOMMENDATION

It is recommended that the City Council present Patricia and Gerald Smith the 2016 House of the Year award.

BACKGROUND

The Neighborhood Improvement Program Commission's goals are to encourage citizens to beautify and upgrade their properties in order to positively influence property values and create a more livable environment in the community. One of the ways that the Commission accomplishes this goal is by recognizing outstanding examples of residential property maintenance and beautification through the House of the Month Award Program.

Each month the Neighborhood Improvement Program Commission selects an award recipient from a list of nominated homes. In December, the commission selects the House of the Year from the all of the House of the Month recipients during the calendar year. The home Patricia and Gerald Smith was selected as the 2016 House of the Year. This year's House of the Year recipient will receive a $200 gift certificate to be used at any Seaside business of their choice.

FISCAL IMPACT

The fiscal impact is $200.00 gift certificate and $48.77 for a plaque as adopted in the FY 2016-2017 Budget.

ATTACHMENTS

1. 1396 Hilby Ave

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager


1396

DRAFT MINUTES

CITY OF SEASIDE
CITY COUNCIL

REGULAR MEETING
COUNCIL CHAMBER
Thursday, January 19, 2017
7:00 PM

1. **CALL TO ORDER**
Mayor Rubio called the meeting to order at 7:00 PM

2. **ROLL CALL – ESTABLISHMENT OF QUORUM**
PRESENT: Alexander, Campbell, Pacheco, Rubio
ABSENT: Jones

Mayor Rubio noted that Council Member Jones was attending the League of California Cities New Council Member Academy.

3. **INVOCATION AND PLEDGE OF ALLEGIANCE**
Reverend Kenneth Murray provided the invocation.

4. **REVIEW OF AGENDA**
No changes were requested.

5. **PUBLIC COMMENT**
Mayor Rubio invited comments from the public.

- Felix Bachofner spoke in support of Mrs. Margaret Osborne as a stalwart supporter of this City and is grateful that the City Council is recognizing her. She is a lioness of this community and does much work behind the scenes and doesn't typically get the due recognition.
- Kenneth Murray addressed the City Council regarding homelessness in Seaside noting that the congregation of Ocean View Baptist does it's best in feeding and clothing many, but he comes before the Council to recognize the Seaside PD and the professionalism and humaneness in which they interact with those that are homeless.
- Peter Keiser spoke to his position in support of being pro life, against the Planned Parenthood clinic and that he believes the Citizens should have a vote on the gray water treatment project in the next general election. He requested that it be agendized for discussion at the next City Council meeting.
- A citizen discussed the potential of a medical marijuana facility in the City of Seaside. He shared facts and articles in support of marijuana use including one from the Washington Post indicating that medical marijuana may have assisted with the reduction of opiate usage in some communities. He spoke in support of starting the discussion regarding marijuana dispensaries in Seaside.

6. **PUBLIC AGENCY COMMUNICATIONS**
No public agencies were present.

7. **PRESENTATIONS**

A. **PROCLAMATION RECOGNIZING SEASIDE RESIDENT COMMUNITY VOLUNTEER**

MARGARET OSBORNE

Mayor Rubio presented Ms. Margaret Osborne with a proclamation for all of her service and acknowledged her for her passion to the community of Seaside.

B. PRESENTATION OF THE 2016 HOLIDAY DECORATION CONTEST AWARDS

The City Council recognized the winners of the "Most Spectacular" and "Commissioner's Choice" categories of the 2016 Holiday Decoration Contest.

C. CERTIFICATES OF APPRECIATION PRESENTED TO THE STEERING COMMITTEE OF THE BLUE RIBBON TASK FORCE FOR THE PREVENTION OF YOUTH VIOLENCE

Mayor Rubio presented certificates of recognition to the Steering Committee members in attendance of the Youth Violence Prevention Program for all their hard work developing the program and their dedication to youth.

D. RECEIVE PRESENTATION ON THE RESULTS OF THE JANUARY 11, 2017 STRATEGIC PLANNING SESSION

City Manager Malin presented the results of the Strategic Planning session, where discussed was the Mission, Vision and the Work Plan aspirations for the next six months. He spoke to the 85 aspirations that are now on the preliminary work plan for the City. There are two overarching strategic directions, 1) building and achieving a heightened quality of life which is achieved through 2) fiscal strength. The mission for the staff of the city going forward contains the following three words: Include. Innovate. Inspire. He noted that a final work plan will be before the City Council in February. Mr. Malin answered questions from the Council.

Council Member Campbell spoke in support of the session, which it was inclusive and the ranking was positive. Also, the vision and the mission, elegant and simple. Expressed concern regarding the favorites and requested a change to the municipal water system item clarifying it was never his intent to sell the Municipal Water System. Mr. Malin agreed to amend the item to "resolve and defend". Council Member Alexander spoke in support of the aspirations categorized into the goal of the City. It was a different process; a lot was accomplished through a democratic process. Mayor Rubio indicated it was a little refreshing and came out well in the end. He is looking forward to the work plan.

8. CONSENT CALENDAR

Item D was pulled for discussion.

On motion by and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approve the Consent Calendar with the exception of item D.

RESULT:	**Approved**
MOVER:	Council Member Dennis Alexander
SECONDER:	Council Member Dave Pacheco
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco
NOES:	None
ABSENT:	Kayla Jones

A. APPROVE MINUTES OF JANUARY 5, 2017

Action: Approved

B. APPROVE MAYOR'S YOUTH FUND CONTRIBUTION REQUEST FROM BALLET

<u>FOLKLORIC AGUILA REAL YOUTH DANCE ORGANIZATION</u>
Action: Approved

C. **<u>A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE ADDING THE CLASSIFICATION OF YOUTH CENTER SUPERVISOR TO THE CLASSIFICATION PLAN, ESTABLISHING THE SALARY FOR THE CLASSIFICATION, AND MODIFYING THE POSITION ALLOCATION LIST TO ADD ONE YOUTH CENTER SUPERVISOR AND TO DELETE ONE YOUTH RESOURCE CENTER COORDINATOR</u>**
Action: Approved Resolution 17-06

D. **<u>APPROVE RESOLUTION FORMALIZING A PROCESS FOR AGENDIZING CITY COUNCIL MEMBER REQUESTS</u>**
Action: Approved Resolution 17-07

Council Member Alexander requested clarification that this new section will be on City Council agendas for all future agendas.

Mayor Rubio invited comments from the public.

- Felix Bachofner liked that they are formalizing the process to get something agendized and requested clarification about the implementation.

Mayor Rubio clarified that the process would be going forward then City Attorney Freeman expressed concern that it may not allow for as broad of a discussion of the merits of an item as a Council Member may want. The City Council discussed the implementation of this action. City Manager Malin clarified that this item is a way to preserve instances where it may be difficult for a single Council Member to articulate a need or have their legislative say to put this on the agenda. Mayor Rubio reminded the Council that all were in agreement at the Strategic Planning session and that the process would be reviewed in 6 months to see if it is an effective process.

<u>On motion by Council Member Alexander and seconded by Council Member Dave Pacheco and passed by the following vote the City Council approved the item and passed Resolution 17-07 as presented.</u>

RESULT:	**Approved**
MOVER:	Council Member Dennis Alexander
SECONDER:	Council Member Dave Pacheco
AYES:	Ralph Rubio, Dennis Alexander, Jason Campbell, Dave Pacheco
NOES:	None
ABSENT:	Kayla Jones

9. **<u>MAYOR, CITY COUNCIL, CITY MANAGER AND CITY ATTORNEY COMMENTS AND REPORTS ON COMMITTEE ASSIGNMENTS</u>**

Council Member Pacheco reported that MPUSD approved their local control accountability plan, that the Regional Taxi Authority has seen a significant drop in permits mostly due to the increase of local Uber drivers and they are trying to strategize the lost revenues. Council Member Campbell commented on the Martin Luther King March which he believes is intended to be a march to demonstrate solidarity for humanity and it is something we need to continue to preserve. He reported that at his community meeting residents expressed continued concerns regarding parking and park conditions. Mayor Pro Tem Alexander reported that Mayor Rubio is now the sitting chair for The Fort Ord Reuse Authority and informed the Council that there will be a Smoke Alarm Installation event sponsored by the Red Cross and Seaside Fire on January 28, 2017. Mayor Rubio spoke to the meetings attended, including a celebration at DLI, the Strategic Planning Session and the MPRWA where he received presentations and project updates from both Cal Am and Deep Water Desal. He reported meeting with BRAC office members in DC regarding the clean up of munitions, and the local plan that needs to be implemented and negotiations are beginning for more funds to complete the clean up. He is energized for the new work plan and believes it will be a successful 2017.

10. ADJOURNMENT

On motion, the meeting was at 8:17 PM.

Respectfully submitted,

______________________________	______________________________
Lesley Milton-Rerig, City Clerk	**Ralph Rubio, Mayor**

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.B.

TO: City Council

FROM: Craig Malin, City Manager

BY: Daphne Hodgson, Deputy City Manager Administrative Services

DATE: February 2, 2017

SUBJECT: **APPROVE AND FILE CITY CHECKS**

PURPOSE

It is requested that the City Council approve and file the accounts payable and wired payments made during the period of December 24, 2016 through January 24, 2017. In addition, approval of the payroll and benefits checks, direct deposits and wired payments related to the periods of January 5 and 19, 2017 is requested. Total Accounts Payable and Payroll for the above referenced period is $2,443,694.70.

RECOMMENDATION

It is recommended that the City Council approve and file the attached checks.

BACKGROUND

In accordance with Government Code Section 37208, at each City Council meeting the Council is provided a listing of the payroll and general checks issued since the last report so that is can inspect and confirm these checks. Each purchase has been reviewed and approved by the department making the purchase at the time of procurement. The invoice has been reviewed by the Finance Department prior to payment to ensure that it conforms to the approved budget.

Therefore, in accordance with Government Code Section 37208, the above referenced, and linked list of checks conforms to the approved budget and has been paid. These checks are submitted to the City Council for inspection and confirmation.

A description of the checks and wires exceeding $10,000 are as follows:

$1,974,263.68 for payroll and benefits
$33,275.59 to Peninsula Chevrolet for a Chevrolet Volt
$35,700.00 to Restorative Justice for program training

$11,700.03 to CSG Consultants for building services
$29,601.76 to U.S. Bank CalCard for purchases made with purchasing cards
$12,650.00 to Freshpark Industires for equipment
$20,013.28 to MCCVB for 3rd quarter services
$15,957.19 to Enterprise for a van purchase
$14,100.00 to Harvard for training
$37,537.76 to PG&E for utilities
$16,060.77 to MCCVB for November TID collections
$20,269.89 to Richards Watson & Gershon for legal services

The remaining checks, totaling $222,564.75 include payments to vendors for operating expenditures.

The Checks report is available on the City's website here:
http://www.ci.seaside.ca.us/194/Check-Draft-Register

FISCAL IMPACT

The listed checks have been budgeted and paid from the various funds, as appropriate.

ATTACHMENTS

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.C.

TO: City Council

FROM: Craig Malin, City Manager

BY: Daphne Hodgson, Deputy City Manager Administrative Services

DATE: February 2, 2017

SUBJECT: **ACCEPT AND FILE THE CASH AND INVESTMENT REPORT FOR THE QUARTER ENDED DECEMBER 31, 2016**

PURPOSE

Accept and file the City of Seaside Cash and Investment Report for the quarter ended December 31, 2016.

RECOMMENDATION

Accept and file report.

BACKGROUND

Section 53646 of the California State Government Code and the City of Seaside Investment Policy requires the fiscal officer to prepare a quarterly report detailing the City's cash and investments.

As of December 31, 2016, approximately 55% of the portfolio is invested with the Local Agency Investment (LAIF).

FISCAL IMPACT

No fiscal impact.

ATTACHMENTS

1. Attachment A Summary of Pooled Cash and Investments as of December 31, 2016
2. Attachment B Cash and Investment Detail as of December 31, 2016
3. Attachment C Cash and Investment Activity Report as of October 1 through December

31, 2016
4. LAIF Program Description
5. LAIF Performance Report Quarter Ended December 31, 2016
6. LAIF Average Monthly Effective Yields
7. LAIF Interest Rates

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

ATTACHMENT A

CITY OF SEASIDE
SUMMARY OF POOLED CASH AND INVESTMENTS
AS OF DECEMBER 31, 2016

DESCRIPTION	INSTITUTION	VALUATION	AMOUNT
LAIF - City Funds	State Treasurer	Market	$ 10,934,864.01
General Checking	Rabobank	Market	$ 1,157,833.91
Money Market	Rabobank	Market	$ 5,157,080.87
York Tail Claims	Bank of America	Market	$ 38,950.05
Bond 2014 Reserve account	US Bank	Market	$ 729,264.39
Bond 2006 Reserve & Installment accounts	US Bank	Market	$ 465,423.17
Pension Obligation Bond Program Reserve account	Wells Fargo Bank	Market	$ 513,189.36
		Total	**$ 18,996,605.76**

I hereby certify that sufficient investment liquidity and anitcipated revenues are available to meet the City's and the Agency's aniticipated expenditure requirements for the next six months.
(California Code Section 53646)

Investments in this report meet the requirements of the City of Seaside's Investment Policy.

Respectfully submitted,

Craig Malin
City Manager

CITY OF SEASIDE
CASH AND INVESTMENT REPORT - DETAIL AS OF
DECEMBER 31, 2016

ATTACHMENT B

	Yield	Book Value	% of Total	Market Value
Investments				
State Treasurer LAIF	**0.55%**	**10,934,864.01**	**54.58%**	**10,934,864.01**
Checking Account				
Rabobank - General Checking	**0.00%**	**1,157,833.91**	**5.78%**	**1,157,833.91**
Rabobank - Money Market	**0.20%**	**5,157,080.87**	**25.74%**	**5,157,080.87**
Bank of America-York Checking	**0.00%**	**40,000.00**	**0.20%**	**38,950.05**
US Bank - Redevelopment Agency Merged Area Refunding 2014 Bonds				
Installment Payment, Reserve	**0.00%**	**1,753,330.51**	**8.75%**	**729,264.39**
				-
US Bank - Golf Course 2006 Bonds				
Installment Payment, Reserve	**0.03%**	**339,550.00**	**1.69%**	**465,423.17**
Wells Fargo Bank				
Pension Obligation Bond Program Reserve Account	**0.00%**	**651,283.41**	**3.25%**	**513,189.36**
Total Cash and Investments		**20,033,942.71**	**100.00%**	**18,996,605.76**

CITY OF SEASIDE
CASH AND INVESTMENT ACTIVITY REPORT AS OF
SEPTEMBER 30, 2016 THROUGH DECEMBER 31, 2016

INSTITUTION	ACCOUNT STATUS	BEGINNING BALANCE	DEPOSITED	EXPENDED or TRANSFERRED	INTEREST EARNED	ENDING BALANCE
INVESTMENTS						
LAIF - City	OPEN	$ 6,423,543.51	4,500,000.00		11,320.50	$ 10,934,864.01
CHECKING ACCOUNT						
Rabobank - General Checking	OPEN	$ 1,203,883.44	14,656,603.46	14,702,652.99		$ 1,157,833.91
Rabobank, Money Market	OPEN	$ 5,454,631.25	2,402,449.62	2,700,000.00		$ 5,157,080.87
York Tail Claims	OPEN	$ 40,000.00	18,573.88	19,623.83		$ 38,950.05
BOND RESERVE ACCOUNT - HELD BY TRUSTEES						
Bond 2014 Accounts - Reserve, Interest	OPEN	$ 729,264.39	-	-	-	$ 729,264.39
Bond 2006 Accounts - Reserve, Installment	OPEN	$ 339,743.83	125,584.57	-	94.77	$ 465,423.17
Wells F Pension Obligation Bond Prog-Reserve Acct.	OPEN	$ 651,283.41	-	138,094.05	-	$ 513,189.36
		$ 14,842,349.83	**21,703,211.53**	**17,560,370.87**	**11,415.27**	**$ 18,996,605.76**

California State Treasurer
John Chiang

LOCAL AGENCY INVESTMENT FUND

Program Description

The Local Agency Investment Fund (LAIF), is a voluntary program created by statute; began in 1977 as an investment alternative for California's local governments and special districts and it continues today under Treasurer John Chiang's administration. The enabling legislation for the LAIF is Section 16429.1 et seq. of the California Government Code.

This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. This in-house management team is comprised of civil servants who have each worked for the State Treasurer's Office for an average of 20 years.

The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller.

The Local Investment Advisory Board (LIAB) provides oversight for LAIF. The Board consists of five members as designated by statute. The State Treasurer, as Chairman, or his designated representative appoints two members qualified by training and experience in the field of investment or finance, and two members who are treasurers, finance or fiscal officers or business managers employed by any county, city or local district or municipal corporation of this state.

The term of each appointment is two years or at the pleasure of the appointing authority.

All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

Additionally, the PMIA has Policies, Goals and Objectives for the portfolio to make certain that our goals of Safety, Liquidity and Yield are not jeopardized and that prudent management prevails. These policies are formulated by Investment Division staff and reviewed by both the PMIB and the LIAB on an annual basis.

The State Treasurer's Office is audited by the Bureau of State Audits on an annual basis and the resulting opinion is posted to the State Treasurer's Office website following its publication. The Bureau of State Audits also has a continuing audit process throughout the year. All investments and LAIF claims are audited on a daily basis by the State Controller's Office as well as an in-house audit process involving three separate divisions.

Under Federal Law, the State of California cannot declare bankruptcy, thereby allowing the Government Code Section 16429.3 to stand. This Section states that "moneys placed with the Treasurer for deposit in the LAIF by cities, counties, special districts, nonprofit corporations, or qualified quasi-governmental agencies shall not be subject to either of the following: (a) transfer or loan pursuant to Sections 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency."

During the 2002 legislative session, California Government Code Section 16429.4 was added to the LAIF's enabling legislation. This Section states that "the right of a city, county, city and county, special district, nonprofit corporation, or qualified quasi-governmental agency to withdraw its deposited moneys from the LAIF, upon demand, may not be altered, impaired, or denied in any way, by any state official or state agency based upon the state's failure to adopt a State Budget by July 1 of each new fiscal year."

The LAIF has grown from 293 participants and $468 million in 1977 to 2,461 participants and $21.6 billion at the end of December 2016.

JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
12/19/16	0.72	0.68	179
12/20/16	0.72	0.68	180
12/21/16	0.72	0.68	179
12/22/16	0.73	0.68	179
12/23/16	0.73	0.68	185
12/24/16	0.73	0.68	185
12/25/16	0.73	0.68	185
12/26/16	0.73	0.68	185
12/27/16	0.73	0.68	180
12/28/16	0.73	0.68	173
12/29/16	0.73	0.68	176
12/30/16	0.74	0.68	172
12/31/16	0.74	0.68	171
01/01/17	0.74	0.74	171
01/02/17	0.74	0.74	171
01/03/17	0.74	0.74	181
01/04/17	0.74	0.74	184
01/05/17	0.75	0.74	186
01/06/17	0.75	0.74	186
01/07/17	0.75	0.74	186
01/08/17	0.75	0.74	186
01/09/17	0.75	0.74	185
01/10/17	0.75	0.74	185
01/11/17	0.75	0.74	187
01/12/17	0.75	0.74	186
01/13/17	0.75	0.75	186
01/14/17	0.75	0.75	186
01/15/17	0.75	0.75	186
01/16/17	0.75	0.75	186
01/17/17	0.75	0.75	182
01/18/17	0.75	0.75	181

*Daily yield does not reflect capital gains or losses

View Prior Month Daily Rates

LAIF Performance Report

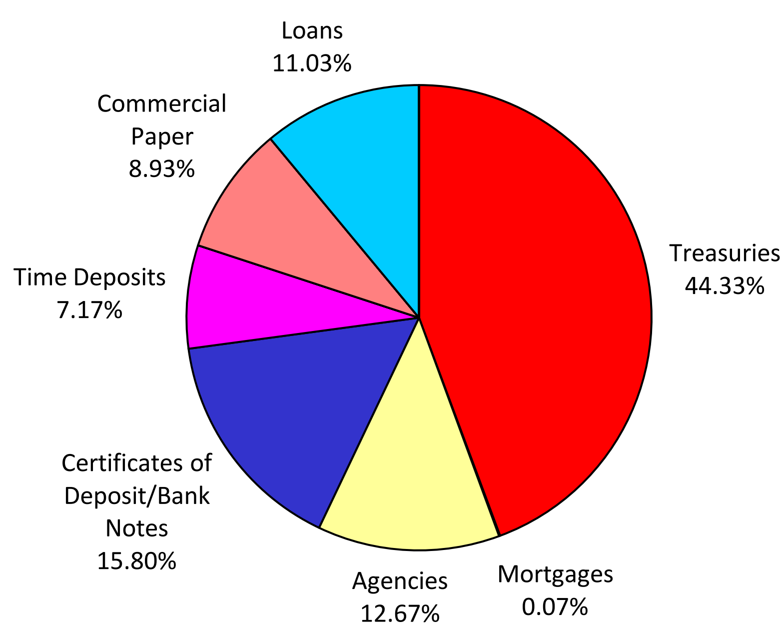
Quarter Ending 12/31/16

Apportionment Rate:	0.68%
Earnings Ratio:	0.00001851848158529
Fair Value Factor:	0.999423823
Daily:	0.74%
Quarter to Date:	0.68%
Average Life:	171

PMIA Average Monthly Effective Yields

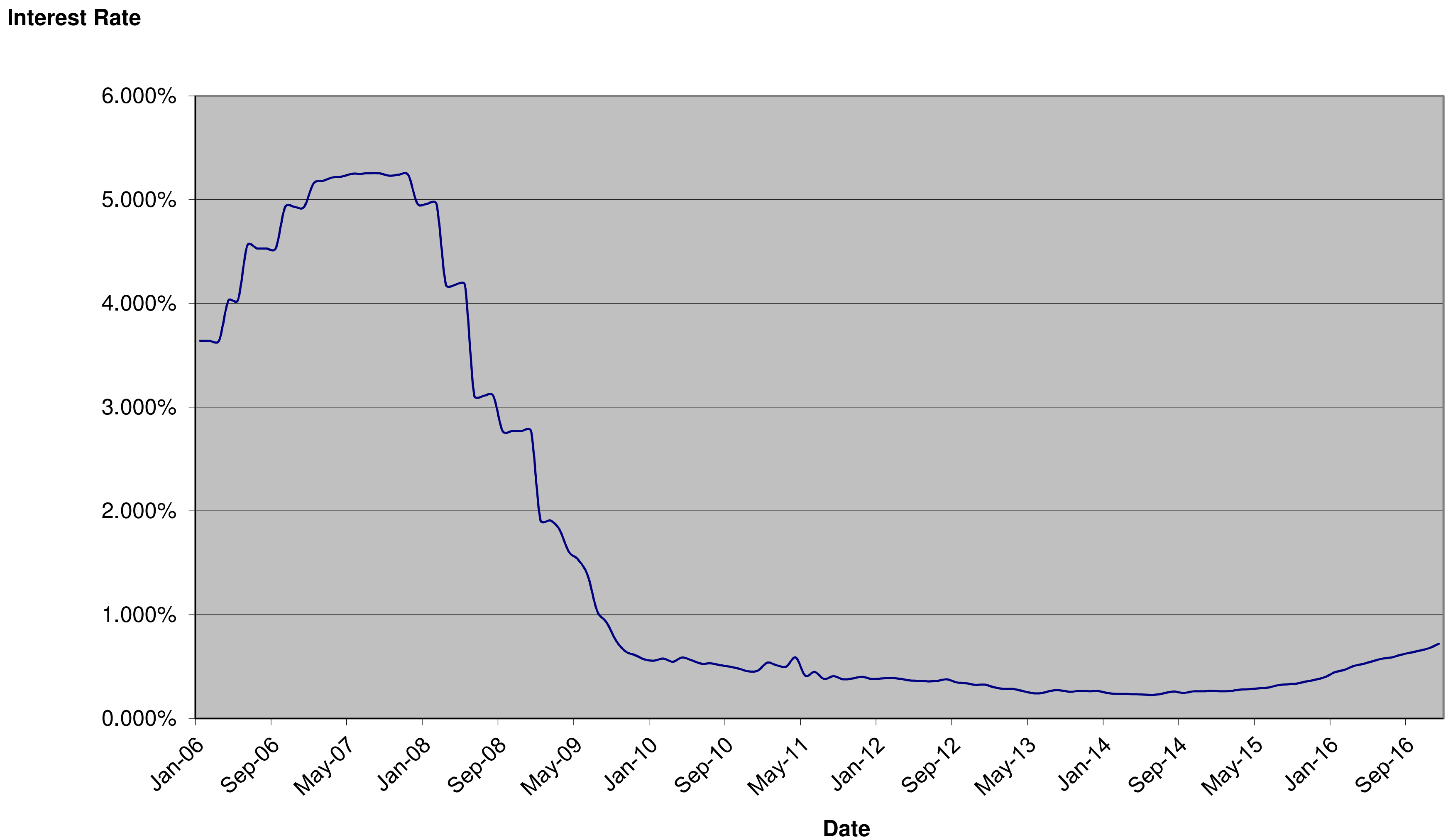
Dec 2016	0.719%
Nov 2016	0.678%
Oct 2016	0.654%

Pooled Money Investment Account Portfolio Composition 12/31/16 $73.7 billion



Based on data available as of 1/18/2017

HISTORICAL LAIF INTEREST RATES



California State Treasurer
John Chiang

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POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719

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CITY OF SEASIDE
STAFF REPORT

Item No.: 8.D.

TO: City Council

FROM: Craig Malin, City Manager

BY: Nancy Towne, Recreation Services Director
Dan Meewis, Recreation Supervisor

DATE: February 2, 2017

SUBJECT: **REVIEW AND CONSIDER APPROVAL OF A MAYOR'S YOUTH FUND CONTRIBUTION REQUEST FROM ORCHESTRA IN THE SCHOOLS**

PURPOSE

The purpose of this agenda item is to consider the request from Orchestra in the Schools for a donation of three-thousand dollars ($3,000.00) from the Mayor's Youth Fund to award tuition aid to all participating students in the program.

RECOMMENDATION

It is recommended the City Council approve the request.

BACKGROUND

Orchestra in the Schools (OITS) is the only beginning children's symphony orchestra on the Monterey Peninsula, providing high quality instruction to beginner musicians. Students perform a broad range of classical compositions simplified for young people.

According to the information provided by OITS the full orchestra played at the City of Seaside's Winter Wonderland and Tree Lighting event, along with performing in the Annual Community Luncheon held each December.

The funds will be used for providing tuition aid to all students. The cost per student is one-thousand dollars ($1,000), OITS charge five hundred and twenty five dollars ($525.00) per student and provide four hundred and seventy five dollars ($475.00) of aid to each student. This contribution from the Mayor's Youth Fund will help to provide the tuition aid needed for 29 students enrolled from the City of Seaside.

OITS last received a contribution of three thousand dollars ($3,000.00) from the Mayor's Youth Fund at the January 21, 2016 City Council meeting.

FISCAL IMPACT

If the donation amount of Three Thousand Dollars (3,000) is approved, the contribution would be funded through GreenWaste Recovery's donation to the Mayor's Youth Fund.

ATTACHMENTS

1. Mayor's Youth Fund Policy and Application from Orchestra in the Schools

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Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

City of Seaside Mayor's Youth Fund Contribution Policy

Purpose: The Mayor's Youth Fund was created to provide supplemental financial assistance to students and non-profit groups that provide services to improve the lives of young people living in the City of Seaside. A policy has been developed to standardize the evaluation of contribution requests and ensure that the funds are used appropriately to serve the City's youth.

Eligible Applicants: Contributions will only be made to, or on behalf of, students or organized groups, such as schools and non-profit organizations based in Seaside and/or serving Seaside residents that are 18 years old or younger or enrolled in high school. Faith based organizations may apply for contributions from the Mayor's Youth fund if the funding is not used to support religious activities such as worship, Sunday School, or religious instruction. In addition, activities funded by the Mayor's Youth Fund must be open to all persons without regard to their religious affiliation.

Submittal of Contribution Requests: In order to request a contribution, the following information must be provided in writing:

- Name of the organization, person(s) benefiting, proposed use of the funds, total amount needed or fundraising goal.
- Description of other methods being used to raise funds and/or other contributors.
- An explanation of how the group, activity, or event will benefit Seaside youth.
- Written description of how the use of the funds will be specifically used for youth group activities/events and/or has a nexus to the goals related to recycle, cleanup, and "green" sustainability to ensure a healthy environment.
- How this request will provide a municipal benefit (ie., benefit the community).
- Proof of non-profit organization status (not a taxpayer's I.D. number) and a current W9 form.

Evaluation Process and Criteria: Contributions can only be made if approved by the City Council. Funding requests will be evaluated based on their consistency with this policy, including the following criteria.

- Scholastic, athletic, music, environmental and art activities will be considered for funding based on the quality of the proposed activity.
- Evidence of activities/events related to "reduce, reuse and recycle" to ensure a healthy environment.
- Contributions requests will be accepted from individuals and can be made to an organization on behalf of an individual member or student.
- Contributions are only paid to organizations, such as non-profit groups and schools.
- Contributions are intended to fund actual costs related to an event or activity. (Please see "Payment Process" information provided below.)
- Contributions from the Mayor's Youth Fund are not intended to be the sole source of funds for an organization or program and will only be made to supplement other fundraising activities.
- How this request will provide a municipal benefit (ie., benefit the community).

Contribution Limits: In order to equitably distribute funds available in the Mayor's Youth Fund, the following contribution guidelines have been developed, although all contributions are subject to the discretion of the City Council.

Mayor's Youth Fund Contribution Request

Prior to completing this request please review the attached contribution policy. All requests will be considered before the City Council and you will be notified of the specific date your item is placed on the agenda. Please return this completed form with necessary attachments to N. Towne, Recreation Services, City of Seaside, 440 Harcourt Avenue, Seaside, CA 93955.

Name of Organization: Orchestra in the Schools, Inc.

Name of Individual Submitting Request: Louise Berry, Board Member

% Residents or Students of Seaside: 36% # of Participants 29

Ages of Participants: 9-14

Mailing Address: 24 Yerba Buena Court, Seaside, CA 93955

Phone Number: Home: 831-899-3458 Work: 831-508-900
Cell: 831-915-0693

E-mail Address: info@orchestraintheschools.com

Description of Event (Attach Additional Information as Necessary)

Orchestra in the Schools (OITS) is the only beginning children's symphony orchestra on the Monterey Peninsula, providing high quality small and large group instruction to beginner musicians. Our students perform a broad range of famous classical compositions simplified for young people. Notably, OITS graduates serve as the major source of new musicians for Youth Music Monterey County's Junior Youth Orchestra and its highly talented Honors Youth Orchestra. In November, 2012, in an effort to reach more students in other areas of the Peninsula a new location was added at Monterey International School in Seaside.

Since 1988, we have taught over 1600 children to play a musical instrument and experience the joy of participating in an orchestra. Many children begin with no musical knowledge and then perform with the full orchestra just months later. The children are assembled together, from their small group instruction, to perform as an orchestra. The joy in their eyes and the smiles on their faces as they hear their instruments combine to make beautiful symphonic music tells the entire story.

Orchestra in the Schools believes that all children deserve this enriching opportunity. We recognize that children who build their confidence through the rigor and cooperation required to produce music together will become adults who understand the value of perseverance, appreciate artistic beauty and practice responsibility, helping to make the world a better place.

Description of how the use of the funds will be specifically used for youth groups activities/events and/or has a nexus to the goals of recycling, cleanup and/or "green" sustainability to insure a healthy environment. Attach additional information as necessary.

Tuition aid is awarded to all students – per students cost is $1000, we charge $550 per student thus providing $450 of aid to each Student. By offering this aid, Orchestra in the Schools can reach a great number of underprivileged children who desire to learn the art of music. These funds are used to provide high quality with the students in the full orchestra. This contribution from the Mayor's Youth fund will help to provide the tuition aid needed for the 29 students we have enrolled from the City of Seaside.

Description of how your participation in this event or activity benefits the City of Seaside. See Mayor's Youth Fund Contribution Policy.

Children who participate in Orchestra in the Schools learn how to cooperate with others, leadership, and follow instructions to create an orchestra. This contribute to the growth of good citizens for the Seaside community bringing together children, parents, friends, and community members to celebrate and enjoy the benefits of creating music together.

Currently the ensembles from Orchestra in the Schools are scheduled to play at the following events for the City of Seaside: Friday, Dec. 9 – OITS Beginning Guitar Class in collaboration with the "Salty Dogs" rock band at the City of Seaside: Winter Wonderland Snow Festival and Tree Lighting The performance will last 30 minutes. Saturday, Dec. 17 – OITS Advanced String Ensemble at the Oldemeyer Center in Seaside: Annual Community Holiday Luncheon. The performance will last 30 minutes.

*Total Amount Requested: (See Contribution limits) $3,000.00

PO Box 1669 Monterey, CA 93942

831-508-9000 Phone 831-508-9001 Fax

www.orchestraintheschools.com

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUL 03 2014

ORCHESTRA IN THE SCHOOLS INC
8060 CARMEL VALLEY RD
CARMEL, CA 93923

Employer Identification Number:
46-4271913
DLN:
17053102343014
Contact Person:
JUANITA M HERALD ID# 31979
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
November 18, 2013
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,

Tamera Ripperda

Director, Exempt Organizations

Letter 947

Form **W-9** (Rev. December 2014) Department of the Treasury Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Orchestra in the Schools, Inc.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification; check only **one** of the following seven boxes:
☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate
☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶

Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner.

☒ Other (see instructions) ▶ Nonprofit corporation exempt under IRS Code Section 501c3

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)
(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.)
PO Box 1669

Requester's name and address (optional)

6 City, state, and ZIP code
Monterey, CA 93942

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number: ☐☐☐ - ☐☐ - ☐☐☐☐

or

Employer identification number: 46 - 4271913

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here Signature of U.S. person ▶ James G Paoletti Date ▶ Dec. 30, 2016

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at *www.irs.gov/fw9*.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.E.

TO: City Council

FROM: Craig Malin, City Manager

BY: Nancy Towne, Recreation Services Director
Dan Meewis, Recreation Supervisor

DATE: February 2, 2017

SUBJECT: **APPROVE A FEE WAIVER REQUEST FROM NARCOTICS ANONYMOUS FOR THE USE OF LAGUNA GRANDE HALL FOR ANNUAL TALENT SHOW EVENT**

PURPOSE

The purpose of this item is for the City Council to consider a request from Narcotics Anonymous to waive fees associated with their annual Talent Show Event on March 18, 2017.

RECOMMENDATION

Staff recommends approval.

BACKGROUND

Narcotics Anonymous holds an annual talent show event to support services in Monterey County, including Seaside. This talent show raises funds to help keep this chapter operating and furnishes literature to the public and its members. The fee waiver is to assist the organization in their continued purpose to help others toward recovery. Narcotics Anonymous has indicated that a partial fee waiver would be helpful should a full fee waiver not be considered. The organization has indicated that 33% of the members reside in Seaside.

Since 2014 the City Council has approved a partial fee waiver for their annual Talent Show at the Oldemeyer Center; requiring a 50% waiver of hourly rental fees and the non-refundable portion of the room deposit only.

FISCAL IMPACT

Fees that would have been credited to the General Fund will not be collected if the fee waiver is granted.

11 hours at $98.50/hour	$1,083.50
Non-refundable Portion of Deposit	$ 143.87
Insurance	$ 125.00
TOTAL	**$1,352.37**

ATTACHMENTS

1. Narcotics Anonymous Fee Waiver

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

2017

PERMIT TO USE LAGUNA GRANDE HALL

City of Seaside Recreation Services
986 Hilby Avenue, Seaside, CA 93955
(831) 899-6800 Fax (831) 899-6274

Name of Applicant David Schmidt Organization Monterey/Salinas Areas Narcotics Anonymous

Address 150 Kern St. Sp 42 (Street) Salinas (City) CA (State) 93905 (Zip)

Home Phone 831-455-6620 Cell Phone Same Email Address daveschmidt.crazytown@gmail.com

Day(s) and Date(s) Requested March ~~4~~ 18, 2017 Saturday

Hours Requested (include set-up time) 12 pm - 11 pm Estimated Attendance 285 diner 300 Show

Description of Event Talent Show

Special Instructions or equipment requested ______

Requested Use of ☒ Podium ☒ Coffee Pot ☐ Microphone ☐ US & California Flag

Projectors and other electronic equipment including extension cords are not available for use

	YES	NO
Is event open to the public?	☒	☐
Will admission be charged?	☒	☐
Are you a non-profit organization?	☒	☐
Will there be music?	☒	☐

	YES	NO
Will refreshments be served?	☒	☐
Will refreshments sold?	☒	☐
Will you be using the kitchen?	☒	☐
Will alcohol be served?*	☐	☒
Will alcohol be sold?*	☐	☒

Live music or DJ? Live band

Name, of DJ or band: NA house band

*** Alcohol is prohibited at youth oriented events.**

DJ or band phone number and address: (831) 424-6777

312 Abbott St. (Street) Salinas (City) CA (State) 93901 (Zip) Work Phone Cell Phone

Applicant will provide the following items 30 days prior to the event:

☒ Full payment of all applicable fees
☒ Proof of liability insurance
☒ Copy of event security contract by licensed company (if applicable)
☐ Copy of ABC license (if applicable)

I will be using the Hall only ☐ I will be using the Hall & Kitchen only. ☐ I will be using the Hall / Kitchen & Dance Studio. ☐

I have read and agree to the Laguna Grande Hall Rules, Regulations and Conditions of Use on the back side of this form.

Applicant Signature [signature] Date 12/7/16

FOR OFFICE USE ONLY

Deposit:		**Amount Paid:**		**Staff Approval:**	
Hourly Fees:		**Date:**		**Notes:**	
Insurance:					
Alcohol Deposit:		**Balance Due:**			
Total Fees:		**Balance Due Date:**			

Revised 7/5/2016

LAGUNA GRANDE HALL RENTAL FEES & INFORMATION *Includes use of Kitchen & Dance Studio* (3 hour minimum)			
Fee Description **All rentals have a 3 hour minimum*	**Maximum Capacity**	**Fees Per Hour**	**Fees Per Hour**
		Resident	Non-Resident
Hourly Fee	Dining: 225 Theater: 300	$98.50	$122.75
Deposit		$591.25	$738.75
Non-Refundable Portion (25%)		*$147.81*	*$184.68*
Refundable Portion		*$443.44*	*$554.07*
Alcohol Deposit *		$575.50	$719.50
Non-Refundable Portion (25%)		*$143.87*	*$179.87*
Refundable Portion		*$431.63*	*$539.63*
Liability Insurance *		*varies*	*varies*
Security Guards *(Required)**		*varies*	*varies*
1 guard per 50 people	Dimensions: 128' x 120'		

Revised 7/5/2016

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.F.

TO: City Council

FROM: Craig Malin, City Manager

BY: Roberta Greathouse, Human Resources Director
Robert Jackson, Police Chief

DATE: February 2, 2017

SUBJECT: **ADOPT A RESOLUTION EXTENDING THE CONSULTING AGREEMENT WITH PUBLIC SAFETY CONSULTING, INC TO COMPLETE A POLICE DEPARTMENT ADMINISTRATIVE INVESTIGATION**

PURPOSE

The purpose of this item is for the City Council to adopt a resolution authorizing the City Manager to sign an extension of the consulting agreement with Public Safety Consulting, Inc. for a not to exceed amount of $50,000, which is budgeted in the Fiscal Year 2016/2017 budget.

RECOMMENDATION

It is recommended the City Council adopt the resolution authorizing the City Manager to sign an extension of the consulting agreement with Public Safety Consulting, Inc.

BACKGROUND

In November 2016, the City received a complaint of potential misconduct involving employees of the Police Department. In accordance with City policy, the Human Resources Director and Police Chief reviewed the complaint and determined it would be most appropriate to hire an outside investigator to conduct the investigation.

On December 15, 2016, the City entered into a Consulting Agreement with Public Safety Consulting, Inc., for a not to exceed amount of $24,999. After several days of witness interviews, the investigator has notified the City that a contract extension will be required as it will be necessary for her to conduct several more days of interviews in addition to preparing the final report.

FISCAL IMPACT

Initial contract not to exceed: $24,999
Amendment 1 not to exceed: $50,000
Total Not to Exceed: $74,999

Sufficient funds were budgeted in the Fiscal Year 2016/2017 budget to cover the cost of this investigation.

ATTACHMENTS

1. Resolution
2. PS Consulting Agreement
3. Amendment to Agreement

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

RESOLUTION NO. 17-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE CONSULTING AGREEMENT WITH PUBLIC SAFETY CONSULTING, INC., FOR A NOT TO EXCEED AMOUNT OF FIFTY THOUSAND DOLLARS ($50,000)

WHEREAS, on December 15, 2016, the City entered into an agreement with Public Safety Consulting Inc., to conduct an administrative investigation in the Police Department; and

WHEREAS, based on the initial scope of the investigation, the not to exceed amount of the agreement was set at twenty four thousand nine hundred and ninety nine dollars ($24,999); and

WHEREAS, after several days of interviews, the investigator has determined that additional work will be necessary that will exceed the contract value; and

WHEREAS, numerous laws and City policy obligate the City to conduct a full and impartial investigation into the issues raised.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Seaside does hereby authorize the City Manager to execute an amendment to the agreement with Public Safety Consulting, Inc., for additional investigative services not to exceed fifty thousand dollars ($50,000) for a total not to exceed amount of seventy four thousand ninety nine dollars ($74,999).

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 2nd day of February, 2017, by the following vote:

AYES: COUNCIL MEMBERS
NOES: COUNCIL MEMBERS
ABSENT: COUNCIL MEMBERS
ABSTAIN: COUNCIL MEMBERS

____
Ralph Rubio, Mayor

ATTEST:

____
Lesley Milton-Rerig, City Clerk

CONSULTING AGREEMENT

This CONSULTING AGREEMENT ("Agreement") is made and entered into on this 15th day of December 2016 by and between the City of Seaside hereinafter referred to as "CONTRACTOR" and Public Safety Consulting, Inc., hereinafter referred to as "CONSULTANT." This Agreement is for services to be rendered by CONSULTANT in connection with an administrative investigation of an allegation of employee harassment.

1. Services to be Performed

The CONSULTANT'S role is to gather facts and make factual findings, and shall not draw legal conclusions nor render recommendations regarding potential actions resulting from the investigation. The CONTRACTOR may use the CONSULTANT'S findings to assess legal merits of the findings and determine an appropriate course of action.

Investigator Betty P. Kelepecz shall conduct the investigation on behalf of the CONTRACTOR as stated in Exhibit A, Scope of Services. Exhibit B shall contain the Schedule of Fees.

CONSULTANT will provide the CONTRACTOR with a Certificate of Insurance in the amount of $1,000,000 with an endorsement naming the CONTRACTOR as additional insured. CONSULTANT shall be responsible for any act of omission, errors or negligence on its part. It shall not be responsible for similar acts or inaction by the CONTRACTOR.

The CONTRACTOR and CONSULTANT agree that the CONSULTANT shall not provide any information to the news media regarding any investigation the CONSULTANT conducts on behalf of the CONTRACTOR.

Attorney Betty P. Kelepecz is not an employee of the CONTRACTOR and is not entitled to any benefits afforded to employees of the CONTACTOR. Ms. Kelepecz also is not covered by the CONTRACTOR'S Workers Compensation Benefits provisions.

2. Effective Date of Agreement

This contract shall become effective upon the above-mentioned date and continue in full force and effect until terminated by either party with thirty (30) days notice.

3. Contract Price and Payment

The CONTRACTOR will pay to CONSULTANT the compensation for the services as set forth in the following Fee Schedule: 1) $250 per hour portal to portal plus expenses; 2) mileage at the IRS business rate; 3) assignments that require travel and extended stay will require prior approval of the CONTRACTOR; 4) professional services provided by third party vendor (transcriber, proofreader) provided at actual cost with prior approval of CONTRACTOR. The CONSULTANT shall send monthly invoices for services performed and costs incurred to the CONTRACTOR.

The total amount of this contract is not to exceed $24,999 (twenty thousand four hundred nine hundred and ninety nine dollars). Should investigative services be needed beyond this amount, a contract amendment and additional approval will be needed.

a. Fee Schedule:

The Schedule of Fees as described above is valid for the full term of this Agreement.

b. Procedures & Practices for Billing Invoices

PROJECT COMMUNICATION AND SHIPPING EXPENSES: Any charges for long-distance telephone, photocopying, blueprints, express and regular shipping, and postage shall be itemized. Such charges shall be billed at actual cost without any markups.

TRAVEL AND RELATED EXPENSES: Any charges for meals, travel, and lodging will be invoiced at actual cost without markups.

SUBCONTRACTS: Subcontractor charges will be invoiced at cost.

4. Warranty

CONSULTANT warrants that the services will be performed in a professional manner in accordance with generally accepted consulting practices and procedures. CONSULTANT MAKES NO OTHER WARRANTY EITHER EXPRESS OR IMPLIED.

5. Force Majeure

Each party shall not be liable to the other for failure to perform its obligations hereunder if and to the extent that such failure to perform is caused by or results from causes beyond their respective control.

6. Confidentiality

Unless required by law or agreed to by counsel in the aforementioned litigation, CONSULTANT shall not disclose the substance of any report, estimate or recommendation, the nature, results, opinions, or conclusions that CONSULTANT gives to the CONTRACTOR in connection with the services provided for in this Agreement; and, CONSULTANT agrees to treat all data, documents, reports, plans, and other information relating to the services as confidential. The services under this Agreement are deemed confidential, privileged and protected by attorney-client privilege, the attorney work product privilege and the protections afforded by law to the CONTRACTOR'S work product.

7. Mediation

If any dispute arises out of or relates to this contract, or the breach thereof, and if said dispute cannot be settled through direct discussions, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation before having recourse to a judicial forum. No written or oral representation made during the course of any mediation shall be deemed a party admission.

8. Governing Law

This Contract and the legal relations of the parties shall be governed by the laws of the State of California applicable to agreements negotiated, executed, delivered, and fully performed in such state.

IN WITNESS WHEREOF, the parties have caused this CONSULTING AGREEMENT to be executed on the day and year first set forth above.

By: ____________________
Betty P. Kelepecz, President
Public Safety Consulting, Inc.
Consultant

By: ____________________
Craig Malin, City Manager
City of Seaside
Contractor

EXHIBIT A
SCOPE OF SERVICES

A Scope of Services shall be included in this exhibit of the Consulting Agreement after consultation with the CONTRACTOR. No addition or modification to the Scope of Services shall be made without written authorization by CONTRACTOR.

SCOPE OF INVESTIGATION

- Investigate allegations - Administrative Investigation in Police Department

The attorney/investigator shall assess the credibility of the complainant, accused individual(s), and other witnesses.

The attorney/consultant shall submit a comprehensive written report unless another form of report is requested by CONTRACTOR. The written report will provide an executive summary of the findings, the methodology used, a discussion of the evidence obtained, and how credibility issues were resolved and detailed findings. The findings are limited to the points set forth above, in the section entitled "Scope of Investigation.". The attorney/investigator shall not reach any legal conclusions, or speculate regarding the legal significance of any claim or defense, or make recommendations for discipline. The CONTRACTOR and its counsel are solely responsible for providing the legal analysis and advice necessary to respond to the investigative report.

The following terminology may be used to describe the findings of the investigations:

Unfounded – When the investigation discloses that the alleged act(s) did not occur or did not involve department personnel.

Exonerated – When the investigation discloses that the alleged act occurred, but that the act was justified, lawful and/or proper.

Not Sustained – When the investigation discloses that there is insufficient evidence to sustain the complaint or fully exonerate the employee.

Sustained – When the investigation discloses sufficient evidence to establish that the act occurred and that it constituted misconduct.

EXHIBIT B
FEE FOR SERVICES

The fee for Attorney/Investigator's service is 1) $250 per hour, portal to portal, plus expenses; 2) mileage at the IRS business rate; 3) assignments that require travel and extended stay will require prior approval of the CONTRACTOR; 4) professional services provided by third party vendor (transcriber, proofreader) provided at actual cost with prior approval of CONTRACTOR. The CONSULTANT shall send monthly invoices for services performed and costs incurred to the CONTRACTOR.

In the event the investigator is required to provide testimony at a post-investigation hearing; deposition; or trial, the fee is $400 per hour (four hours minimum) plus expenses. The CONTRACTOR shall be invoiced on thirty-day basis for all services provided by the INVESTIGATOR(S).

The total amount of this contract is not to exceed $24,999. Should investigative services be needed beyond this amount, a contract amendment and additional approval will be needed.

Amendment to the Consulting Agreement between the
City of Seaside and Public Safety Consulting, Inc.

The Consulting Agreement entered into on December 15, 2016, is hereby modified as follows:

Exhibit B, Fee for Services, is modified to increase the not to exceed amount by fifty thousand dollars ($50,000) to seventy four thousand nine hundred and ninety nine dollars ($74,999).

All other aspects of the agreement not modified by this amendment remain the same.

By: ___________________________	By ___________________________
Betty Kelepecz, President	Craig Malin, City Manager
Public Safety Consulting, Inc.	City of Seaside

CITY OF SEASIDE
STAFF REPORT

Item No.: 8.G.

TO: City Council

FROM: Craig Malin, City Manager

BY: Lesley Milton-Rerig, City Clerk

DATE: February 2, 2017

SUBJECT: **APPROVE A FEE WAIVER REQUEST OF $740 TO TAM COMMUNICATIONS DOING BUSINESS ON BEHALF OF MONTEREY SALINAS TRANSIT FOR A FILM PERMIT TO PRODUCE A PUBLIC EDUCATION VIDEO IN THE CITY OF SEASIDE**

PURPOSE

To authorize a fee waiver of $740 to TAM Communications on behalf of Monterey Salinas Transit for a real time commercial public education filming project located in the City of Seaside.

RECOMMENDATION

That the City Council approve the request.

BACKGROUND

Tam Communications is a filming and public relations company based out of Scotts Valley, CA that has been hired by Monterey Salinas Transit to create a public education video. They are requesting to film at the MST bust stop at the corner of Del Monte Ave and Canyon Del Rey.

Monterey Salinas Transit is a Joint Powers Authority of which the City of Seaside is a member. This public education video will benefit the City of Seaside residents by providing educational media about the MST ridership program.

FISCAL IMPACT

MST has requested a fee waiver for a total of $740 for the Filming Permit Fee.

ATTACHMENTS

1. Film Permit Application

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

CITY OF SEASIDE

Film Permit Application

Name of Project: Real Time Commercial

Date(s) of Production: Tuesday, January 31st

Brief Explanation of Project: Commercial for Monterey Salinas Transit

Project Classification:
[✓] Commercial [ ] Industrial [ ] TV
[ ] Education [ ] Feature [ ] Short
[ ] Student [ ] Still Photography [ ] Multimedia
[ ] Documentary

Is the organization a Public Education Institution/non profit organization? Yes No

Sponsor Name: ____________________

Phone: ____________ Non-profit Number: ____________

Location (s): Bus Stop at Del Monte & Canyon Del Rey

Street Closures?: Yes No
If yes, where: ____________________

Staging Area (s): Home Depot Parking Lot & Room @ Embassy Suites

Hours of Production: 7:00am - 12:45pm

Filming on Private Property?: Yes No
If yes, please provide location, owner's name and phone number:

____

Production Company: Tam Communications

Mailing Address: 5610 Scotts Valley Dr Ste B552 Scotts Valley, CA 95066

Phone: 831-439-1500 Fax: ____________

Email Address/Web site:

Contact Person #1: Regan Eymann Phone: 831-359-3883

Contact Person #2: ____________ Phone: ____________

Number of Vehicles: Three

Equipment: Camera, Tripod, UAV, Lights, Production Equipment

Animals? Yes **No**

If yes, list number and species: ______________________

Pyrotechnics? Yes **No**

If yes, please list technician's name, license number and phone number:

____

Alcohol to be served/sold? Yes **No**

If yes, ABC Application and Liquor Liability Insurance is required.

Please provide any additional information in the space below.

We will be shooting at and immediately around the bus stop and inside the bus provided by MST. We will be using a UAV with a licensed pilot who has filed a flight plan with FAA and airport.

As applicant or representative of the applying organization, I have read the rules and regulations for filming in the City of Seaside and agree to abide them.

Producer / Production Manager
Applicant's Representative, Title

____
Signature

1/11/17
Date

2

CITY OF SEASIDE

Hold Harmless Agreement For Use Of City Property

The undersigned applicant understands and agrees that they or the organization that they represent, shall assume all risks for loss, damage, liability, injury, cost or expense that may occur during or as a result of the use of City property. The applicant further agrees to waive all claims against City, its officers, agents and employees, for loss or damage caused by, arising out of or in any way connected with the exercise of this permit and applicant agrees to hold harmless, indemnity and defend City, its officers, agents and employees, from any and all loss, damage or liability which may be suffered or incurred by City, its officers, agents and employees, except those arising out of the sole negligence of City.

City shall have the privilege of inspecting the premises covered by this permit at any or all times.

This permit shall not be assigned.

City may terminate this permit at any time if permittee fails to perform any covenant herein contained at the time and in the manner herein provided. City agrees it will not unreasonably exercise this right of termination.

The parties hereto agree that the permittee, its officers, agents and employees, in the performance of this permit shall act in an independent capacity and not as officers, employees or agents of the City.

No alteration or variation of the terms of this permit shall be valid unless made in writing and signed by the parties hereto.

Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, sex, age, national origin or physical handicap.

Permit must be kept on site at all times.

Applicant agrees to comply with the terms and conditions contained in the attached Exhibit (s), which terms and conditions are by this reference made a part hereof.

The applicant hereby agrees to comply with all the rules and regulations of the facility or institution subject to this permit.

Producer
Applicant's Representative, Title

Reza Eyman
Signature

1/11/17
Date

CITY OF SEASIDE
STAFF REPORT

Item No.: 9.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Roberta Greathouse, Human Resources Director

DATE: February 2, 2017

SUBJECT: **CONSIDER A RESOLUTION OF INTENTION AND INTRODUCTION OF AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE CONTRACT WITH THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO PROVIDE SECTION 20516 (EMPLOYEES SHARING ADDITIONAL COST) FOR SEASIDE PUBLIC SAFETY MANAGERS' ASSOCIATION MEMBERS**

PURPOSE

It is proposed that the City Council adopt a Resolution of Intention to modify the City's contract with the California Public Employees' Association to provide Government Code Section 20516 (Employees Sharing Additional Cost) consistent with the agreement reached with the Seaside Public Safety Managers' Association (SPSMA).

RECOMMENDATION

It is recommended that the Council adopt the Resolution of Intention authorizing an amendment to the contract with the Board of Administration of the California Public Employees' Retirement System to provide Section 20516 (Employees Sharing Additional Cost) for Seaside Public Safety Managers' Association Members. In addition, it is recommended that the Mayor call for the introduction of an Ordinance authorizing an amendment to the contract between the City of Seaside and the Board of Administration of the California Public Employees' Retirement System and pass to print the draft ordinance.

BACKGROUND

On October 20, 2016, the City Council approved the adoption of a new Memorandum of Understanding (MOU) with the Seaside Public Safety Managers' Association (SPSMA). In that MOU, the Association agreed to implement cost sharing for all members of the association. In order to implement the cost sharing provision of the MOU, the City is required to amend the contract with CalPERS.

Starting April 8, 2017, all members of SPSMA will pay 3% of the City's contribution to CalPERS in addition to paying the employee contribution.

After the cost sharing provision becomes effective, the effective employee and City contributions to CalPERS (not including unfunded liability payments) will be as follows:

Plan	Number of Participants	City Contribution	Employee Contribution
Police Safety Tier 1 3% @ 50	3	16.536%	12%
Fire Safety Tier 1 3% @ 50	3	12.742%	12%

The amendment of the contract with CalPERS requires several steps, including a secret ballot election by all affected employees. This election must be held following the adoption of the Resolution of Intention, and prior to the adoption of the Ordinance to amend the CalPERS contract.

IMPLEMENTATION SCHEDULE

CalPERS has provided the City the appropriate documents in order to implement the contract amendment in accordance with the following schedule:

February 2, 2017:
Council adopts Resolution of Intent and Introduces Ordinance Amending PERS contract

February 6-10, 2017:
Secret Ballot Election Period

March 2, 2017:
Council adopts the Ordinance Amending the PERS Contract

April 1, 2017:
Ordinance Becomes Effective

April 8, 2017::
Contract Amendment Becomes Effective

FISCAL IMPACT

The cost of this PERS contract amendment is approximately $2,000 for Fiscal Year 2016/2017 and approximately $8,000 annually thereafter.

ATTACHMENTS

1. Resolution
2. Ordinance
3. PERS Contract Amendment

Reviewed for Submission to the
City Council by:

____
Craig Malin, City Manager

RESOLUTION OF INTENTION NO. 17-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

TO APPROVE AN AMENDMENT TO CONTRACT BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE CITY COUNCILCITY OF SEASIDE

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract, and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law; and

WHEREAS, one of the steps in the procedures to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change:

To provide Section 20516 (Employees Sharing Additional Cost) of 3% for safety members in the Seaside Public Safety Managers Association.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the above agency does hereby give notice of intention to approve an amendment to the contract between said public agency and the Board of Administration of the Public Employees' Retirement System, a copy of said amendment being attached hereto, as an "Exhibit" and by this reference made a part hereof.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside duly held on the 2nd day of February, 2017, by the following vote:

AYES: COUNCIL MEMBERS
NOES: COUNCIL MEMBERS
ABSENT: COUNCIL MEMBERS
ABSTAIN: COUNCIL MEMBERS

____
Ralph Rubio, Mayor

ATTEST:

____
Lesley Milton-Rerig, City Clerk

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEASIDE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF SEASIDE AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

The City Council of the City of Seaside does ordain as follows:

Section 1.

That an amendment to the contract between the City Council of the City of Seaside and the Board of Administration of the California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

Section 2.

The Mayor of the City Council is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect 30 days after the date of its adoption and prior to the expiration of 15 days from the passage thereof shall be published at least twice in the Monterey County Weekly, a newspaper of general circulation, published and circulated in the County of Monterey and thenceforth and thereafter the same shall be in full force and effect.

ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Seaside duly held on the 2nd day of March, 2017 by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS

____
Ralph Rubio, Mayor
City of Seaside

ATTEST:

____
Lesley E. Milton, City Clerk
City of Seaside

CalPERS

EXHIBIT

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Seaside

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective January 1, 1957, and witnessed December 14, 1956, and as amended effective February 22, 1975, March 18, 1978, May 1, 1982, June 18, 1993, April 22, 1995, June 17, 2001, January 12, 2008, April 5, 2009, January 8, 2011, February 28, 2015, July 4, 2015 and January 14, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

A. Paragraphs 1 through 19 are hereby stricken from said contract as executed effective January 14, 2017, and hereby replaced by the following paragraphs numbered 1 through 19 inclusive:

1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members and age 62 for new local miscellaneous members; age 50 for classic local fire members and for those classic local police members entering membership in the police classification on or prior to January 8, 2011, age 55 for classic local police members entering membership for the first time in the police classification after January 8, 2011 and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1957 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:

   (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.

   (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.

   (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.

4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

   a. Local Fire Fighters (herein referred to as local safety members);

   b. Local Police Officers (herein referred to as local safety members);

   c. Employees other than local safety members (herein referred to as local miscellaneous members).

5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

NO ADDITIONAL EXCLUSIONS

6. Public Agency and the Seaside Fire District have agreed to a merger of their contracts, and this contract shall be a continuation of the benefits of the contract of the Seaside Fire District, pursuant to Section 20567.5 of the Government Code. Such merger is effective as of March 1, 1960. Legislation repealed said Section effective January 1, 1988.

7. Public Agency and the Seaside Redevelopment Agency have agreed to a merger of their contracts, and this contract shall be a continuation of the benefits of the contract of the Seaside Redevelopment Agency, pursuant to Section 20567.6 of the Government Code. Such merger is effective as of April 11, 1976. Public Agency, by this contract, assumes the assets and liabilities accumulated under the former contract of the Seaside Redevelopment Agency. Legislation repealed said Section effective January 1, 1988.

    a. Service performed for the former agency prior to the effective date of this merger shall be subject to the terms and conditions of the former agency's contract as it was effect at that time. Service performed after the effective date of this merger shall be subject to the terms and conditions of this contract. For purposes of computing retirement allowances, separate calculations shall be made for service performed under each contract.

8. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).

9. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).

10. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member entering membership in the safety classification on or prior to January 8, 2011 shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).

11. The percentage of final compensation to be provided for each year of credited current service as a classic local fire member entering membership for the first time in the fire classification after January 8, 2011 shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).

12. The percentage of final compensation to be provided for each year of credited current service as a classic local police member entering membership for the first time in the police classification after January 8, 2011 shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).

13. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).

14. Public Agency elected and elects to be subject to the following optional provisions:

    a. Section 20042 (One-Year Final Compensation) for classic members only.

    b. Section 20965 (Credit for Unused Sick Leave).

    c. Section 21574 (Fourth Level of 1959 Survivor Benefits).

    d. Section 20903 (Two Years Additional Service Credit).

    e. Section 20475 (Different Level of Benefits). Section 21362 (2% @ 50 Full formula) is applicable to classic local fire members entering membership for the first time in the fire classification after January 8, 2011.

       Section 21363.1 (3% @ Full formula) is applicable to classic local police members entering membership for the first time in the police classification after January 8, 2011.

    f. Section 20516 (Employees Sharing Additional Cost):

       From and after February 28, 2015 and until July 4, 2015, 2% for local miscellaneous members and local police members in the Seaside Police Officers' Association.

       From and after July 4, 2015, 3% for local miscellaneous members and local police members in the Seaside Police Officers' Association.

       From and after January 14, 2017, 3% for local fire members in the Seaside Firefighters Association.

       From and after the effective date of this amendment to contract, 3% for local safety members in the Seaside Public Safety Managers Association.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

15. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on February 22, 1975. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.

16. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

17. Public Agency shall also contribute to said Retirement System as follows:

    a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.

    b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

    c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

18. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

19. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _______________, ______.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY___________________________________
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF SEASIDE

BY___________________________________
PRESIDING OFFICER

____
Witness Date

Attest:

____
Clerk

CITY OF SEASIDE
STAFF REPORT

Item No.: 10.A.

TO: City Council

FROM: Craig Malin, City Manager

BY: Rick Riedl, City Engineer
Leslie Llantero, Assistant Engineer

DATE: February 2, 2017

SUBJECT: **CONSIDER A RESOLUTION APPROVING THE MASTER AGREEMENT AND PROGRAM SUPPLEMENT FOR THE WEST BROADWAY URBAN VILLAGE INFRASTRUCTURE IMPROVEMENT PROJECT GRANT FUNDS AND APPROVING A 2016-2017 BUDGET ADJUSTMENT FOR $3.692 MILLION GRANT FUNDING**

PURPOSE

The purpose of this item is to have the City Council consider and approve the Master Agreement and Program Supplement for the West Broadway Urban Village Infrastructure Improvement project to receive $3.692 million in federal grant funds.

RECOMMENDATION

It is recommended to adopt a resolution to approve the Master Agreement and Program Supplement Agreement for the West Broadway Urban Village Infrastructure Improvement project grant funds and to authorize the City Manager to execute the agreements and direct Finance Director to incorporate $3.692 million into the Fiscal Year 2016/2017 budget.

BACKGROUND

West Broadway Urban Village Infrastructure Improvement Project is out to bid with construction anticipated to begin in March 2017. The funding for this project is from grant funds from the Transportation Agency for Monterey County (TAMC) and the Federal Highway Authority (FHWA) through the California Department of Transportation (Caltrans) Active Transportation Program (ATP) grant. As shown in the table below, the City has secured $7,742,000 in grant funds:

Funding Source	Grant Award	Grant Award Date
TAMC RSTP Competetive	$4,050,000	August 27, 2014
Caltrans (FHWA) ATP	$3,692,000	October 20, 2016
Total	$7,742,000	

The City must execute agreements such as Master Agreements, Program Supplements Agreements, and Right of Way Certifications in order to claim Active Transportation Funding (ATP) grant funding.

This is the final step in accepting the grant award from the FHWA through Caltrans. It is recommended that the City Council adopt a resolution approving the Master Agreement and Program Supplement Agreement with Caltrans and authorize the City Manager to execute the agreements and direct the Finance Director to incorporate into the Fiscal Year 2016/2017 budget.

FISCAL IMPACT

There is no fiscal impact to the General Fund. It is recommended that this grant funding be added to Fiscal Year 2016/2017 budget.

ATTACHMENTS

1. Resolution
2. Master Agreement
3. Program Supplement

Reviewed for Submission to the
City Council by:

Craig Malin, City Manager

RESOLUTION NO. 17-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE

APPROVING THE MASTER AGREEMENT AND PROGRAM SUPPLEMENT AGREEMENT FOR THE WEST BROADWAY URBAN VILLAGE INFRASTRUCTURE IMPROVEMENT PROJECT AND APPROVING AN ADJUSTMENT TO THE 2016-2017 BUDGET FOR $3.692 MILLION FUNDING

WHEREAS, the City of Seaside (City) is eligible to receive funding from the Federal Highway Authority (FHWA) for certain transportation projects within the City; and

WHEREAS, the City is interested in pursuing grant funds from the Federal Highway Authority (FHWA) administered by the California Department of Transportation (Caltrans); and

WHEREAS, Caltrans requires the City to submit certain documents to be signed by an authorized governing body representative; and

WHEREAS, Caltrans has requested that the City execute a Master Agreement and Program Supplement Agreement prior to making grant funds available.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Seaside approves the Master Agreement and Program Supplement Agreement for the West Broadway Urban Village Infrastructure Improvement Project and authorizes the City Manager execute the agreements for submission to the California Department of Transportation and directs the Finance Director to incorporate $3.692 million into the Fiscal Year 2016/2017 budget.

PASSED AND ADOPTED at a regular City Council meeting duly held on the 2nd day of February 2017 by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

____
Ralph Rubio, Mayor
City of Seaside

ATTEST:

____
Lesley E. Milton-Rerig, City Clerk

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

District Administering Agency

Agreement No.

This AGREEMENT, is entered into effective this _______ day of __________, 20 , by and between ___________, 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; 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 "Authorization/Agreement Summary", herein referred to as "E-76" document, is approved by STATE and the Federal Highway Administration (FHWA).

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 and 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 Code of Federal Regulation (CFR) and 2 CFR part 200 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 who is not a consultant.

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.

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, 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 this 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 invoices in arrears for reimbursement of participating PROJECT costs on a regular 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. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. 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. Indirect Cost Allocation Plans/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.

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 six (6) 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 six (6) 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 a 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 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

19. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that 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.

20. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

21. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due upon written demand by 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 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 a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management 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. ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States 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 and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends $750,000 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.

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 2 CFR, Part 200.

6. ADMINISTERING AGENCY shall not award a non-A&E contract over $5,000, 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 provisions 5, 6, 17, 19 and 20 of ARTICLE IV, FISCAL PROVISIONS, and provisions 1, 2, and 3 of this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS,

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 the 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 E-76 or E-76 (AMOD), PROGRAM SUPPLEMENT and Finance Letter 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 certifies, 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 Federal Transit Administration (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 have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT.

10. ADMINISTERING AGENCY certifies 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 STATE, 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	Contra Costa County
By______________________________	By________________________________
________________________________	________________________________
Chief, Office of Project Implementation Division of Local Assistance	________________________________ Contra Costa County 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 et 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.

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.

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* 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.

PROGRAM SUPPLEMENT NO. F003 to ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS NO 05-5316F15	Adv Project ID 0516000051	
	Date:	November 30, 2016
	Location:	05-MON-0-SEA
	Project Number:	ATPL-5316(007)
	E.A. Number:	
	Locode:	5316

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:

West Broadway Improvements

TYPE OF WORK: Pedestrian and Bike Path **LENGTH:** 0.0(MILES)

Estimated Cost	Federal Funds		Matching Funds		
	Z302	$3,692,000.00	LOCAL		OTHER
$6,451,911.00			$2,759,911.00		$0.00

CITY OF SEASIDE

By

Title

Date

Attest

STATE OF CALIFORNIA
Department of Transportation

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 **Date** 11/30/16 $3,692,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION

PROGRAM SUPPLMENT AND CERTIFICATION FORM

PSCF (REV. 01/2010)

TO:	DATE PREPARED:	PROJECT NUMBER:
STATE CONTROLLER'S OFFICE **Claims Audits** **3301 "C" Street, Rm 404** **Sacramento, CA 95816**	**30-Nov-16**	**0516000051**
	REQUISITION NUMBER / CONTRACT NUMBER: **RQS 051700000186**	

FROM:

Department of Transportation

SUBJECT:

Encumbrance Document

VENDOR / LOCAL AGENCY:

City of Seaside

CONTRACT AMOUNT:

$3,692,000.00

PROCUREMENT TYPE:

Local Assistance

CHAPTER	STATUTES	ITEM	YEAR	PEC / PECT	TASK / SUBTASK	AMOUNT
10	2015	2660-108-0890	2015-2016	2030720/100	2620/0000	$3,692,000.00

ADA Noti For individuals with sensory disabilities, this document is available in alternate formats. For information, call (915) 654-6410 of TDD (916) -3880 or write Records and Forms Management, 1120 N. Street, MS-89, Sacramento, CA 95814.

SPECIAL COVENANTS OR REMARKS

1. A. 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 Code of Federal Regulation (CFR) and 2 CFR Part 200 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.

B. 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.

C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. 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.

D. Indirect Cost Allocation Plan/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.

E. 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.

F. 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.

G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform

SPECIAL COVENANTS OR REMARKS

Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

H. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that 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.

I. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

J. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records 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 the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States 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 and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

L. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management 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 set to or paid by STATE.

M. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends $750,000 or more in Federal Funds in a single fiscal year of the Catalogue of Federal Domestic Assistance.

N. 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 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over $5,000, construction contracts 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.

P. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions B, C, F, H, I, K, and L under Section 2 of this agreement.

2. A. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the current published Local Assistance Procedures Manual.

B. 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).

C. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer immediately after project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

Failure to do so will cause a delay in the State processing invoices for the construction phase. Attention is directed to Section 15.7 "Award Package" of the Local Assistance Procedures Manual.

D. 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.

E. 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.).

F. 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.

SPECIAL COVENANTS OR REMARKS

These unexpended funds will be irrevocably reverted by the Department's Division of Accounting on the applicable fund Reversion Date.

G. As a condition for receiving federal-aid highway funds for 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.

H. This PROJECT is programmed to receive Federal funding from the Active Transportation Program (ATP). Funding may be provided under one or more components. A component(s) specific fund allocation is required, in addition to other requirements, before reimbursable work can occur for the component(s) identified. Each allocation will be assigned an effective date and identify the amount of funds allocated per component(s).

This PROGRAM SUPPLEMENT has been prepared to allow reimbursement of eligible PROJECT expenditures for the component(s) allocated. The start of reimbursable expenditures is restricted to the later of either 1) the effective date of the component specific allocation or the effective date of the federal obligation of funds.

I. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available by future Federal obligations will be encumbered on this PROJECT by use of a STATE-approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY also agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration and that STATE funds available for reimbursement will be limited to the amounts allocated by the California Transportation Commission and/or STATE.

J. Upon ADMINISTERING AGENCY request, the CTC and/or STATE may approve supplementary allocations, time extensions, and fund transfers between components. Funds transferred between allocated project components retain their original timely use of funds deadlines, but an approved time extension will revise the timely use of funds criteria for the component(s) and allocation(s) requested. Approved supplementary allocations, time extensions, and fund transfers between components made after the execution of this PROGRAM SUPPLEMENT will be documented and considered subject to the terms and conditions thereof. Documentation will consist of a Federal Highway Administration-approved "Authorization to Proceed" notification, a STATE approved Allocation Letter, Fund Transfer Letter, Time Extension Letter, and Finance Letter, as appropriate.

K. This PROJECT will be administered in accordance with the applicable CTC STIP guidelines and the Active Transportation Program guidelines as adopted or amended, the Local Assistance Procedures Manual (LAPM), the Local Assistance Program Guidelines (LAPG), and this PROGRAM SUPPLEMENT.

L. The submittal of invoices for PROJECT costs shall be in accordance with the above-referenced publications and the following. The ADMINISTERING AGENCY shall invoice

SPECIAL COVENANTS OR REMARKS

STATE for environmental & permits, plans specifications & estimate, and right-of-way costs no later than 180 days after the end of last eligible fiscal year of expenditure. For construction costs, the ADMINISTERING AGENCY has 180 days after project completion or contract acceptance, whichever occurs first, to make the final payment to the contractor and prepare the final Report of Expenditures and final invoice, and submit to STATE for verification and payment.

M. All obligations of STATE under the terms of this Agreement are subject to the appropriation of resources by the Legislature and the encumbrance of funds under this Agreement. Funding and reimbursement are available only upon the passage of the State Budget Act containing these Federal funds.

N. This PROJECT is subject to the timely use of funds provisions enacted by the ATP Guidelines, as adopted or amended, and by approved CTC and State procedures as outlined below.

Funds allocated for the environmental & permits (E&P), plan specifications & estimate (PS&E), and right-of-way components are available for expenditure until the end of the second fiscal year following the year in which the funds were allocated.

Funds allocated for the construction component are subject to an award deadline and contract completion deadline. ADMINISTERING AGENCY agrees to award the contract within 6 months of the construction fund allocation and to complete and accept the construction within 36 months of award.

O. By executing this PROGRAM SUPPLEMENT, ADMINISTERING AGENCY agrees to comply with all reporting requirements in accordance with the Active Transportation Program Guidelines, as adopted or amended.