
**CITY COUNCIL
PLANNING AGENCY
REGULAR
MEETING**



**MARCH 26, 2013
7:00 PM**

AGENDA

Barbara D. Kogerman, Mayor

**Andrew Blount, Mayor Pro Tempore
Randal Bressette, Council Member**

**Melody Carruth, Council Member
Dore J. Gilbert, M.D., Council Member**

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, California 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER BRESSETTE

ROLL CALL OF CITY COUNCIL MEMBERS

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

**RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE AN ORAL
REPORT FROM LAGUNA HILLS HIGH SCHOOL LIAISON AMANDA JAFFE.**

1.2 OATH OF OFFICE FOR PARKS AND RECREATION COMMISSIONER

RECOMMENDATION: THAT THE CITY CLERK ISSUE THE OATH OF OFFICE AND MAYOR KOGERMAN PRESENT THE CERTIFICATE OF APPOINTMENT TO PARKS AND RECREATION COMMISSIONER CHRIS MACKEY.

1.3 PRESENTATION FROM ORANGE COUNTY VECTOR CONTROL DISTRICT

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE A PRESENTATION FROM THE ORANGE COUNTY VECTOR CONTROL DISTRICT.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. MINUTES

3.1 REGULAR MEETING, MARCH 12, 2013

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE MINUTES OF THE MARCH 12, 2013, REGULAR MEETING

4. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

4.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTION ON THE AGENDA

RECOMMENDATION: THAT THE CITY COUNCIL WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARE THAT SAID TITLES WHICH APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READY BY TITLE AND FURTHER READING WAIVED.

4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED MARCH 26, 2013.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$935,305.38.

4.3 CONTRACT WITH ALISO MEADOWS CONDOMINIUM ASSOCIATION REGARDING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR FISCAL YEAR 2012-2013

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE A CONTRACT WITH THE ALISO MEADOWS CONDOMINIUM ASSOCIATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2012-2013 FISCAL YEAR AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT.

4.4 PROGRESS PAYMENT NO. 3 FOR COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS PAYMENT NO. 3, IN THE NET AMOUNT OF \$39,347.76, TO N.S. CONSTRUCTION & PAINTING, FOR COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A.

4.5 SECOND READING AND ADOPTION OF AN ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 OF TITLE 2 OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT AN ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS.

4.6 2012 GENERAL PLAN ANNUAL REPORT

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE THE REPORT AND DIRECT STAFF TO FORWARD THE 2012 GENERAL PLAN ANNUAL REPORT AND ANNUAL ELEMENT REPORT - HOUSING ELEMENT IMPLEMENTATION, TO THE STATE OF CALIFORNIA.

4.7 2013-2015 CITY COUNCIL BIENNIAL BUDGET WORKSHOPS

RECOMMENDATION: THAT THE CITY COUNCIL CANCEL THE PROPOSED APRIL 2, 2013, BUDGET STUDY SESSION WORKSHOP.

4.8 AWARD OF CONTRACT FOR CIVIC CENTER IMPROVEMENTS - CARPETING & FLOORING

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER IMPROVEMENTS – CARPETING & FLOORING TO THE APPARENT LOW BIDDER, G&S CARPET MILLS, INC., IN THE LOW BID AMOUNT OF \$78,214.21, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

4.9 AWARD OF CONTRACT FOR CIVIC CENTER SUITE 100B IMPROVEMENTS

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER SUITE 100B IMPROVEMENTS TO THE APPARENT LOW BIDDER, INNOVATIVE BUILDERS & DESIGN, IN THE LOW BID AMOUNT OF \$35,797.50, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

4.10 AWARD OF CONTRACT FOR CIVIC CENTER IMPROVEMENTS - PAINTING

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER IMPROVEMENTS – PAINTING TO THE APPARENT LOW BIDDER, U.S. NATIONAL CORPORATION, IN THE LOW BID AMOUNT OF \$14,925.00, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

ITEMS REMOVED FROM THE CONSENT CALENDAR**5. PLANNING AGENCY****5.1 ROLL CALL OF PLANNING AGENCY MEMBERS****5.2 PUBLIC COMMENTS**

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

5.3 MINUTES

5.3.1 REGULAR MEETING, MARCH 12, 2013

RECOMMENDATION: THAT THE PLANNING AGENCY APPROVE THE MINUTES OF THE MARCH 12, 2013, REGULAR MEETING.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 TENTATIVE PARCEL MAP & VARIANCE NO. 11-12-2428, A REQUEST TO SUBDIVIDE THE CABOT TOWN CENTER PROPERTY INTO FOUR PARCELS AT 25214-25272 CABOT ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT.

RECOMMENDATION: THAT THE PLANNING AGENCY CONTINUE THE PUBLIC HEARING FOR TENTATIVE PARCEL MAP/VARIANCE NO. 11-12-2428 TO A DATE UNCERTAIN.

PLANNING AGENCY ADJOURNMENT

6. CITY COUNCIL PUBLIC HEARINGS

7. ADMINISTRATIVE REPORTS

7.1 City Manager

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

8.1 COUNCIL MEMBER CARRUTH

8.1.1 SAN ONOFRE NUCLEAR GENERATING STATION

RECOMMENDATION: THAT THE CITY COUNCIL: (1) DIRECT STAFF TO SEND A LETTER (REVIEWED BY THE CITY COUNCIL AND SIGNED BY MAYOR KOGERMAN) TO THE NRC AND ELECTED REPRESENTATIVES, SENATORS BOXER, FEINSTEIN, AND CONGRESSMAN ISSA, WHICH MIGHT INCLUDE THE FOLLOWING POINTS: (A) THE CITY OF LAGUNA HILLS SUPPORTS THE NUCLEAR REGULATORY COMMISSION'S FULL AND COMPLETE INVESTIGATION INTO THE DESIGN AND APPROVAL PROCESS; AND (B) THE CITY OF LAGUNA HILLS IS CONCERNED THAT RECENT INFORMATION PLACES INTO QUESTION THE SAFE OPERATION OF UNIT 2 AT 70% OF POWER AND REQUESTS THAT THE NRC REQUIRE A LICENSE AMENDMENT BEFORE UNIT 2 CAN BE RESTARTED; AND (2) DIRECT STAFF TO SEND A LETTER (REVIEWED BY CITY COUNCIL AND

SIGNED BY MAYOR KOGERMAN) TO SOUTHERN CALIFORNIA EDISON AND THE CALIFORNIA PUBLIC UTILITY COMMISSION REQUESTING INFORMATION REGARDING THE FOLLOWING: (A) HOW WILL RATEPAYERS BE REFUNDED FOR THE COST AND OPERATION OF THE \$780 MILLION STEAM GENERATORS WHICH FAILED IN LESS THAN A YEAR OF OPERATION?; (B) GIVEN THE EXTENDED SHUTDOWN, WHAT STEPS ARE BEING TAKEN TO PROVIDE ALTERNATIVE ENERGY SOURCES TO COMPENSATE FOR THE 15-19% POWER LOST?; IS SCE PUTTING TOGETHER CONSERVATION PROGRAMS, EDUCATION AND COMMUNITY OUTREACH AND/OR RESIDENTIAL SOLAR INSTALLATION INCENTIVE PROGRAMS?; (C) RATEPAYERS ARE PAYING \$54 MILLION EACH MONTH FOR AN INOPERABLE PLANT AND, WHAT STEPS ARE BEING TAKEN BY THE CPUC TO PREVENT SCE FROM FUTURE COLLECTIONS?; AND (4) WHEN WILL THE CALIFORNIA PUBLIC UTILITIES COMMISSION TAKE SAN ONOFRE NUCLEAR GENERATING STATION OUT OF THE RATE BASE?

8.2 MAYOR KOGERMAN

8.2.1 PROPOSED REVISION OF THE CONSTITUTION AND TIMING OF MEETINGS OF THE PLANNING AGENCY/COMMISSION

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO: (1) RETURN WITH A REPORT CONTAINING THE FOLLOWING INFORMATION ON MUNICIPAL INDEPENDENT PLANNING COMMISSIONS: (A) METHODS FOR THE SELECTION OF INDEPENDENT PLANNING COMMISSIONERS; (B) RANGE OF NUMBERS OF COMMISSIONERS; (C) DUTIES AND RESPONSIBILITIES; (D) TERMS OF OFFICE AND SCOPE OF POWERS; (E) PROCESS FOR REMOVING AN INDEPENDENT PLANNING COMMISSIONER; (F) APPEALS PROCESS; (G) MEETING FREQUENCIES AND NOTICING REQUIREMENTS; (H) ESTIMATE OF ASSOCIATED COSTS, IF ANY, OF ESTABLISHING AND MAINTAINING AN INDEPENDENT PLANNING COMMISSION; AND (2) UPON CITY COUNCIL REVIEW OF THE ABOVE REPORT, TO RETURN WITH PROPOSALS FOR DISSOLVING THE CURRENT "PLANNING AGENCY," AND IN ITS PLACE ESTABLISHING AN "INDEPENDENT PLANNING COMMISSION" COMPRISED OF QUALIFIED RESIDENTS APPROVED BY THE CITY COUNCIL ACCORDING TO PROCEDURES ESTABLISHED BY THE CITY COUNCIL.

9. CITY COUNCIL MEMBER COMMENTS

10. CLOSED SESSION

The City Council shall convene in Closed Session, in the City Hall Conference Room, to consider the following matters:

10.1 CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 24031 El Toro Road, Suite 200, Laguna Hills
Agency Negotiator: Bruce Channing, City Manager, and Don White,
Assistant City Manager
Negotiating Parties: City of Laguna Hills and Eric Tse, Zuvich Corporate
Advisors, Inc., on behalf of Vilma Aarons, Attorneys
at Law
Under Negotiation: Price and Terms of Lease Payment

Reconvene in regular session in the City Council Chamber.

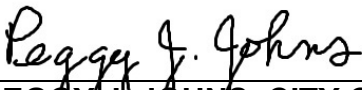
Report on whether any reportable action was taken on matters considered during Closed Session.

ADJOURNMENT

The next Regular Meeting of the City Council will be April 09, 2013, at 7:00 PM, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, PEGGY J. JOHNS, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and La Paz Center by March 22, 2013, at 5:00PM.



PEGGY J. JOHNS, CITY CLERK

March 22, 2013

DATE

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City Council Members receive no additional compensation or stipend as a result of simultaneously convening meetings of the Laguna Hills Planning Agency.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: PEGGY J. JOHNS
CITY CLERK**

ISSUE: OATH OF OFFICE FOR PARKS AND RECREATION COMMISSIONER

RECOMMENDATION: THAT THE CITY CLERK ISSUE THE OATH OF OFFICE AND MAYOR KOGERMAN PRESENT THE CERTIFICATE OF APPOINTMENT TO PARKS AND RECREATION COMMISSIONER CHRIS MACKEY.

SUMMARY:

At the City Council Meeting of March 12, 2013, the City Council appointed Chris Mackey to fill the unscheduled vacancy on the Parks and Recreation Commission, created by the departure of Jeffrey McConnell, through the end of the term expiring on January 31, 2015. The Parks and Recreation Commission called an adjourned Regular Meeting on March 14, 2013, for the purpose of discussing the 2013-2015 Fiscal Year Budget, 2013 Community Services Year End report, and the City's 4th of July event. To allow Commissioner Mackey to participate in this important meeting, the City Clerk gave the Oath of Office to Commissioner Mackey just prior to the March 14, 2013, meeting. Tonight the City Clerk will officially swear in Commissioner Mackey at the City Council meeting and Mayor Kogerman will present her with a Certificate of Appointment.

ATTACHMENT:

- Certificate

CERTIFICATE OF APPOINTMENT

be it known that

CHRIS MACKEY

*on this date took the Oath of Office
and began serving as a*

**PARKS AND RECREATION
COMMISSIONER**

for the City of Laguna Hills

Dated this 26th day of March 2013.

BARBARA D. KOGERMAN, MAYOR



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: PEGGY J. JOHNS
CITY CLERK**

ISSUE: PRESENTATION FROM ORANGE COUNTY VECTOR CONTROL DISTRICT

**RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE A PRESENTATION
FROM THE ORANGE COUNTY VECTOR CONTROL DISTRICT.**

SUMMARY:

The Orange County Vector Control District has requested the opportunity to provide a brief overview presentation to the City Council which will cover District Operations, control programs, and outreach efforts within the City of Laguna Hills. Jared Dever, Director of Communications of the Orange County Vector Control District, will be in attendance to give the presentation.

**CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL/PLANNING AGENCY REGULAR MEETING
MINUTES
MARCH 12, 2013**

CALL TO ORDER

Mayor Kogerman called the Regular Meeting of the City Council of the City of Laguna Hills, California, to order at 7:00 PM in the Laguna Hills City Council Chamber, 24305 El Toro Road, Laguna Hills.

PLEDGE OF ALLEGIANCE: Council Member Gilbert

ROLL CALL OF CITY COUNCIL MEMBERS

Present: Mayor Kogerman, Mayor Pro Tempore Blount, Council Member Bressette, Council Member Carruth, and Council Member Gilbert

1. PRESENTATIONS AND PROCLAMATIONS

1.1 LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON

THE CITY COUNCIL RECEIVED AN ORAL REPORT FROM LAGUNA HILLS HIGH SCHOOL STUDENT LIAISON AMANDA JAFFE.

1.2 CERTIFICATES OF RECOGNITION, LAGUNA HILLS HIGH SCHOOL CHAMPIONSHIP GIRLS TENNIS TEAM

MAYOR KOGERMAN PRESENTED CERTIFICATES OF RECOGNITION TO THE LAGUNA HILLS HIGH SCHOOL GIRLS TENNIS TEAM.

1.3 LAGUNA HILLS 3/5 MARINE SUPPORT COMMITTEE

THE CITY COUNCIL RECEIVED AN ORAL PRESENTATION FROM COMMITTEE CHAIR MIKE BLAND.

2. PUBLIC COMMENTS

LAGUNA HILLS HIGH SCHOOL MANDARIN CHINESE PROGRAM

Rachel Hwang, Laguna Hills High School teacher, spoke on the Mandarin Chinese Program.

Jennifer Fullerton, Laguna Hills High School student, spoke on the Mandarin Chinese Program.

TRAFFIC SIGNAGE

Cheree Behringer, Nellie Gail Ad Hoc Committee representative, indicated that she would like the City to consider installing a 3-way stop sign located at Gallup Road and Nellie Gail Road by Gallup Park.

3. MINUTES**3.1 REGULAR MEETING, FEBRUARY 26, 2013**

MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 26, 2013, REGULAR MEETING, BY M/COUNCIL MEMBER CARRUTH, S/MAYOR PRO TEMPORE BLOUNT.

APPROVED BY A VOTE OF 5-0.

4. CONSENT CALENDAR

MOTION TO APPROVE THE CONSENT CALENDAR, BY M/COUNCIL MEMBER CARRUTH, S/MAYOR PRO TEMPORE BLOUNT, WITH COUNCIL MEMBER GILBERT REMOVING ITEM NO. 4.2.

APPROVED BY A VOTE OF 5-0.

4.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA

THE CITY COUNCIL WAIVED READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS ON THE AGENDA AND DECLARED THAT SAID TITLES WHICH APPEARED ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

4.3 PROGRESS PAYMENT NO. 23 FOR LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159

THE CITY COUNCIL APPROVED PROGRESS PAYMENT NO. 23, IN THE NET AMOUNT OF \$8,354.18, TO SEMA CONSTRUCTION, INC., FOR THE LA PAZ ROAD WIDENING AT I-5 IMPROVEMENT PROJECT, CIP NO. 159.

4.4 LEASE AGREEMENT WITH KOOROSH HOSN, D.D.S. FOR 24031 EL TORO ROAD, SUITE 230, LAGUNA HILLS, CALIFORNIA

THE CITY COUNCIL AUTHORIZED THE CITY MANAGER TO EXECUTE LEASE DOCUMENTS WITH KOOROSH HOSN, D.D.S. FOR 24031 EL TORO ROAD, SUITE 230, LAGUNA HILLS, CALIFORNIA.

ITEMS REMOVED FROM THE CONSENT CALENDAR**4.2 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED MARCH 12, 2013**

Council Member Gilbert indicated that he removed this item to discuss the payment to Faubel Public Affairs for the printing of City Views. Council Member Gilbert stated this was a very costly expenditure and asked staff to review the possibility of selling advertising space in City Views to help defer this expense. City Manager Channing reported that staff was already looking into that issue and a report would be brought back to the City Council at a future date.

**MOTION TO APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$214,829.37, BY M/COUNCIL MEMBER GILBERT, S/COUNCIL MEMBER CARRUTH.
APPROVED BY A VOTE OF 5-0.**

5. PLANNING AGENCY

Mayor Kogerman recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California to order at 7:32 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Blount, Agency Member Bressette, Agency Member Carruth, and Agency Member Gilbert

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, FEBRUARY 26, 2013

**MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 26, 2013, REGULAR MEETING, BY M/AGENCY MEMBER GILBERT, S/AGENCY MEMBER BRESSETTE.
APPROVED BY A VOTE OF 5-0.**

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 TENTATIVE PARCEL MAP & VARIANCE NO. 11-12-2428, A REQUEST TO SUBDIVIDE THE CABOT TOWN CENTER PROPERTY INTO FOUR PARCELS AT 25214-25272 CABOT ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT.

**THE PLANNING AGENCY CONTINUED THE PUBLIC HEARING FOR TENTATIVE PARCEL MAP/VARIANCE NO. 11-12-2428 TO A DATE CERTAIN OF MARCH 26, 2013, BY/AGENCY MEMBER GILBERT, S/AGENCY MEMBER CARRUTH.
APPROVED BY A VOTE OF 5-0.**

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council meeting at 7:33 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

7. ADMINISTRATIVE REPORTS

7.1 City Manager

The City Manager made no reports.

7.2 Assistant City Manager

7.2.1 PREPARATION FOR THE APRIL 2, 2013, CITY COUNCIL BUDGET STRATEGY STUDY SESSION

THE CITY COUNCIL RECEIVED AND FILED THE REPORT, BY M/COUNCIL MEMBER BRESSETTE, S/COUNCIL MEMBER CARRUTH. APPROVED BY A VOTE OF 5-0.

7.3 City Attorney

7.3.1 FIRST READING AND INTRODUCTION OF AN ORDINANCE ENTITLED: "AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 OF TITLE 2 OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS"

THE CITY COUNCIL INTRODUCED FOR FIRST READING, READ BY TITLE ONLY, AND WAIVED FURTHER READING OF AN ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS, BY M/MAYOR PRO TEMPORE BLOUNT, S/COUNCIL MEMBER GILBERT. APPROVED BY A VOTE OF 4-1 (COUNCIL MEMBER BRESSETTE VOTING NO).

7.4 City Clerk

7.4.1 UNSCHEDULED PARKS AND RECREATION COMMISSION VACANCY

THE CITY COUNCIL APPOINTED CHRIS MACKEY, AS PARKS AND RECREATION COMMISSIONER, TO COMPLETE THE REMAINING VACATED TERM OF OFFICE THROUGH JANUARY 31, 2015, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BRESSETTE. APPROVED BY A VOTE OF 5-0.

8. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS AND MAYOR

There were no matters agendized and presented by Council Members and/or Mayor.

9. CITY COUNCIL MEMBER COMMENTS

MAYOR KOGERMAN

Mayor Kogerman thanked Public Services Director Rosenfield for his quick response in removing reported graffiti in the City and Mayor Kogerman also thanked Deputy City Manager Reynolds for his quick response in the removal of inappropriate postings on the City's Community Calendar.

COUNCIL MEMBER CARRUTH

Council Member Carruth indicated that she and Mayor Kogerman attended the Laguna Hills Little League Opening Day on Saturday, March 2, 2013.

10. CLOSED SESSION

There was no Closed Session.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Kogerman declared the meeting adjourned at 7:53 PM.

PEGGY J. JOHNS, CITY CLERK

ATTEST:

BARBARA D. KOGERMAN, MAYOR

APPROVED AT MEETING OF MARCH 26, 2013.



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: MARCH 26, 2013
TO: MAYOR AND COUNCIL MEMBERS
FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER
ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED
MARCH 26, 2013.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$935,305.38.

SUMMARY:

In accordance with Government Code Section 37202, the attached Warrant Register reflects the disbursements of the City of Laguna Hills for the period reported thereon. The Assistant City Manager certifies and attests to its accuracy and the availability of funds for the payment thereof. These warrants are hereby submitted to the City Council for approval of payment.

Prepared by:

JANICE MATEO REYES
Finance Manager

Certified:


DONALD J. WHITE
Assistant City Manager

3-18-13

DATE

FISCAL IMPACT:

The warrant register total is \$935,305.38.

ATTACHMENTS:

1. **Warrant Register**

CITY OF LAGUNA HILLS
WARRANT REGISTER
March 26, 2013

VENDOR		DESCRIPTION	CHECK NO.	AMOUNT
PREPAID WARRANTS:				
ALBERT, SOPHI		Contract Instructor Fee, Piano/Keyboard Winter Session, Community Services	8804974	\$ 53.90
ALICEA, MIA		Contract Instructor Fee, Dancing Winter Session, Community Services	8804975	1,106.70
APEX FIRE SYSTEMS		Refund, Fire Fees, CR# 45001	8804989	340.00
AT&T- CALNET 2		Communication Expense, Alarm System, 2-Way Line, Switchboard, Modem, T-1 Line and Traffic Control, Feb '13	8804992	2,140.08
AT&T MOBILITY		Wireless Service, Feb '13	8804990	60.92
AXE, DAVID		Refund, SDPA Fees, CR# 45644	8804976	200.00
BANK OF AMERICA		Departmental Operating Expenditures, Feb '13	8804994	10,694.98
BAY ALARM COMPANY		Refund, Fire Fees, CR# 45521	8804995	330.00
CA CITY MANAGEMENT FOUNDATION		Refund, Overpayment, Share of Meeting Expense	8804998	170.28
COX COMMUNICATION		Wi-Fi Service, Community Center, Mar '13	8805006	130.00
CYBERSOURCE CORPORATION		eCommerce Payment Gateway Service, Online Permits, Community Development, Feb '13	8805007	29.00
EL TORO WATER DISTRICT		Water Usage, Parks, Jan '13	8804977	6,542.25
K2 GENERAL CONTRACTORS, INC.		Refund, C&D Deposit, CR# 45371 and 45372	8805014	1,858.50
MARTIN-RUSK, DINA		Contract Instructor Fee, Zumba Winter Session, Community Services	8804978	313.60
MOLLOY, JULIE		Mileage Reimbursement, Planning, Jan - Mar '13	8805019	39.55
MONACH, KIMBERLYN		Professional Services, Public Art Program, Aug '12 - Feb '13	8805020	3,270.00
MOULDY, LLC		Refund, Fire Fees, CR# 45134	8805021	352.00
MOULTON NIGUEL WATER DISTRICT		Water Usage Parks and Community Center, Jan - Feb '13	8805022	13,828.91
OROS CONSULTING SERVICES, LLC		Professional Services, Computer Consulting Services, Feb '13	8804979	5,035.00
REFUND, FACILITY RENTAL DEPOSIT		Saddleback Valley Community Church, V# 2002707.002	8804981	250.00
REFUND, FACILITY RENTAL DEPOSIT		Saddleback Sunrise Speaker, V# 2002709.002	8804982	500.00
REFUND, FACILITY RENTAL DEPOSIT		Journey School, V# 2002699.002	8804983	500.00
REFUND, FACILITY RENTAL DEPOSIT		Camden Park Service Corporation, V# 2002698.002	8804984	250.00
REFUND, FACILITY RENTAL DEPOSIT		Compass Bible Church, V# 2002716.002	8805034	1,000.00

CITY OF LAGUNA HILLS
WARRANT REGISTER
March 26, 2013

VENDOR	CHECK	
	NO.	AMOUNT
REFUND, FACILITY RENTAL FEE	8804980	480.00
REFUND, FACILITY RENTAL FEE	8805033	1,525.00
SAN DIEGO GAS & ELECTRIC	8804985	12,450.56
SOCAL OFFICE TECHNOLOGIES-LEAS	8805042	657.74
SOUTHERN CALIFORNIA EDISON	8804986	894.85
SOUTHERN CALIFORNIA EDISON	8805044	9,791.05
SPACE CONCEPTS & DESIGN	8805045	372.00
TARGET STORES	8804987	158.92
VERIZON WIRELESS	8805051	731.13
WELLS FARGO FINANCIAL LEASING	8805052	572.92
Total Prepaid Warrants:		\$ 76,629.84
REGULAR WARRANTS:		
A. C. LANDSCAPE, INC.	8804988	\$ 2,070.31
ATHALYE CONSULTING ENGINEERING	8804993	3,090.00
BENNETT'S PLUMBING, INC.	8804996	5,950.00
C&D ELECTRIC, INC.	8804997	4,934.39
CALIFORNIA OFFICE SYSTEMS	8804999	148.23
CALIFORNIA YELLOW CAB	8805000	520.00
CARL WARREN & COMPANY	8805001	727.09
CDW GOVERNMENT, INC.	8805002	17,108.65
CHARLES ABBOTT ASSOCIATES, INC	8805003	10,213.13
COMPLETE OFFICE OF CALIFORNIA	8805004	214.11
COUNTY CLERK-RECORDER	8805005	30.00
DELL COMPUTER CORPORATION	8805008	1,082.39
DUNBAR ARMORED, INC.	8805009	104.25

**CITY OF LAGUNA HILLS
WARRANT REGISTER
March 26, 2013**

VENDOR	DESCRIPTION	CHECK	
		NO.	AMOUNT
ECONOMICS, INC.	Professional Services, Recycling Program, Feb '13	8805010	2,043.75
HARTZOG & CRABILL, INC.	Professional Services, Traffic Signal Improvement Coordination CIP # 168 and Traffic Engineering, Feb '13	8805011	5,239.17
JAMEY CLARK, INC.	Miscellaneous Park Repairs, Janitorial Services and Graffiti Removal, Feb - Mar '13	8805012	4,083.13
JCTEES.COM CORPORATION	Program Supplies, Community Services, Mar '13	8805013	167.51
LA CONSULTING, INC	Professional Services, Traffic Engineering, TCDI Database Update, Mar '13	8805015	6,180.00
LINDY OFFICE PRODUCTS	Operating Supplies, Mar '13	8805017	60.25
MARTIN-RUSK, DINA	Contract Instructor Fee, Zumba Winter Session, Community Services	8805018	224.00
N. S. CONSTRUCTION & PAINTING	Progress Payment #3, Community Center Building Refurbishment CIP # 513	8805023	39,347.76
NATIONAL RECREATION AND PARK	Membership, Community Services, 2013	8805024	150.00
NIEVES LANDSCAPE, INC.	Monthly Maintenance and Other Assorted Landscape Services, Feb - Mar '13	8805025	82,401.05
OFFICE SOLUTIONS	Office and Operating Supplies, Mar '13	8805028	1,443.14
ORANGE COUNTY FIRE AUTHORITY	Remittance, Fire Fees Collected, Feb '13	8805029	4,224.50
ORANGE COUNTY REGISTER	Subscription, City Hall, 3/17/13 - 06/15/13 and Community Center, 3/7/13 - 5/2/13	8805030	281.66
ORANGE COUNTY REGISTER-FREEDOM	Legal Advertising, City Clerk, Feb '13	8805031	777.13
ORANGE COUNTY TREASURER	Law Enforcement Services, Mar '13	8805016	485,240.55
ORANGE COUNTY TREASURER	NPDES, Aliso Creek Watershed and Stormwater Program, City's Cost Share, FY 12/13	8805026	81,405.19
QUIKSILVER COURIER	Delivery Service, Feb '13	8805032	29.64
RICHARD FISHER ASSOCIATES	Professional Services, Skate Park Assessment, Feb '13	8805035	2,495.00
RIPPETOE MILES, LLP	Professional Services, Claims, Legal Fees, Feb '13	8805036	16,164.23
RK ENGINEERING GROUP, INC.	Professional Services, Oakbrook Village Traffic Study, Feb '13	8805037	2,055.00
RPW SERVICES, INC.	Rodent Control, Parks, Feb '13	8805038	1,560.00
SHARPS COMPLIANCE, INC.	Hazardous Waste Containers, Recycling Program, Feb '13	8805039	226.13
SIMPLEX TIME RECORDER COMPANY	Equipment Maintenance, Time Stamp Machine, City Clerk, Apr '13 - Mar '14	8805040	154.00
SOCAL OFFICE TECHNOLOGIES	Printer, Maintenance and Supplies, Mar '13	8805041	601.74
SOUTH COAST WATERS	Facility Maintenance, Water Feature, Community Center, Mar '13	8805043	475.00



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DAVID CHANTARANGSU, AICP
DIRECTOR OF COMMUNITY DEVELOPMENT**

**ISSUE: CONTRACT WITH ALISO MEADOWS CONDOMINIUM ASSOCIATION
REGARDING COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR
FISCAL YEAR 2012-2013**

**RECOMMENDATION: THAT THE CITY COUNCIL APPROVE A CONTRACT WITH
THE ALISO MEADOWS CONDOMINIUM ASSOCIATION FOR COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) FUNDS FOR THE 2012-2013 FISCAL YEAR
AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONTRACT.**

SUMMARY:

Since 2004 the City of Laguna Hills has received Community Development Block Grant (CDBG) funding from the County of Orange on behalf of the 248-unit Aliso Meadows Condominium development project located on Via Lomas. For Fiscal Year 2012-2013, the City of Laguna Hills was awarded \$162,000 to rehabilitate up to 20 units in the development. In order for the Home Owners Association (HOA) to use the funds, it must enter into an agreement with the City in which the HOA agrees to abide by federal, state and county regulations associated with the CDBG funding. Staff is recommending that the City Council authorize the City Manager to execute the contract with the Aliso Meadows Condominium Association.

BACKGROUND:

Since 1993 the City has participated in the County of Orange's Urban County Program, a program designed to assist smaller cities in the administration of Community Development Block Grant (CDBG) and HOME funds through the U.S. Department of Housing and Urban Development (HUD). The Urban County consists of the unincorporated areas of Orange County, and cities that are "non-entitlement" cities (cities under 50,000 population). There are thirteen (13) smaller cities in the County that must utilize the Urban County Program in order to access these funds. For Fiscal Year 2012-2013, the City of Laguna Hills has been awarded \$162,000 in CDBG funds for rehabilitation work at Aliso Meadows.

Aliso Meadows is a 248-unit pre-fabricated condominium project, approved in 1980 by the County of Orange, providing low and moderate-income households an opportunity for ownership. The Aliso Meadows Condominiums stretch along both sides of Via Lomas between Moulton Parkway and Alicia Parkway. The repairs needed at the Aliso Meadows complex generally include: heating/ air conditioning repairs/ replacement, wood siding repair/ replacement, roof repairs, fencing repairs, painting, and fumigation for termites. The HOA has been working to repair and update their homes for some time and has spent approximately \$150,000 from their own funds since 2003 to address the most pressing problems in many of the units. To date 136 of the 248 units have participated in this program.

Approval of the attached Contract with the Aliso Meadows Condominium Association commits the Association to spend the CDBG funds consistent with any applicable Federal, State, and County laws and regulations such as use of funds for eligible work, payment of prevailing wages, and completion of payroll reporting requirements associated with expenditure of the funds.

FISCAL IMPACT:

Funding for this project comes from the County with the exception of 40-60 hours of staff time each year. The City has used consultants to assist the HOA with technical issues associated with the project such as income qualifying residents, preparation of bid documents, and payroll. Funding for this consultant work has been budgeted for this fiscal year.

CEQA FINDINGS:

On May 8, 2012 City Council previously adopted a Categorical Exemption for this project indicating that this activity was not subject to the requirements of the California Environmental Quality Act pursuant to Section 15301, Chapter 3, Title 14 of the California Code of Regulations.

ATTACHMENTS:

- Attachment 1 - City/HOA contract for the FY12-13 Aliso Meadows CDBG Project.
- Attachment 2 – Vicinity Map

ATTACHMENT 1
CITY/HOA CONTRACT FOR THE FY12-13 ALISO MEADOWS CDBG PROJECT

**CITY OF LAGUNA HILLS
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
REHABILITATION SERVICES CONTRACT
(Program Year 2012-13)**

TITLE OF PROJECT: Rehabilitation Services – Aliso Meadows Condominium Association

This **CONTRACT** is entered into the _____ day of _____, **2013**.

BY AND BETWEEN

City of Laguna Hills, a municipal corporation, in the State of California, and hereinafter referred to as "**CITY**".

AND

Aliso Meadows Condominium Association, a Non-Profit Corporation, hereinafter referred to as "**CONTRACTOR**"

RECITALS

This Contract is made with reference to the following facts, among others:

WHEREAS, the County of Orange has applied for and anticipates receiving funds from the United States Department of Housing and Urban Development, hereinafter referred to as "**HUD**", under Title I of the Housing and Community Development Act of 1974 (Public Law 93-383, as amended) for the purpose of funding projects meeting one of the HUD national objectives; and

WHEREAS, the County of Orange and Participating Cities (of which the CITY is a member) previously entered into a Cooperation Agreement dated July 1, 2009, as amended, in which both parties agreed to cooperate in the undertaking, or assist in the undertaking, of community development and housing assistance activities; and

WHEREAS, the County of Orange adopted its Annual Action Plan, including any mid-year amendments, which sets forth the PROJECT described herein; and

WHEREAS, the CITY is a Participating City covered by the County's Annual Action

Plan, and

WHEREAS, the CITY submitted to the County of Orange an application for funding of the project described herein, and

WHEREAS, the CITY has entered into a separate contract for the period July 1, 2012 - June 30, 2013 with the County of Orange (CDBG-CFDA Number 14.218, File # 613031, entitled "Contract Between County of Orange and City of Laguna Hills for Housing Rehabilitation —Aliso Meadows Rehabilitation Project, a copy of which is attached hereto as Exhibit B, (hereinafter, the "Funding Contract")) to receive Community Development Block Grant (CDBG) funds under Title I of the Housing and Community Development Act of 1974 (Public Law 93-838, as amended) for the purpose of assisting the Aliso Meadows rehabilitation project which meets one of the HUD national objectives, and

WHEREAS, the Funding Contract, a copy of which is attached hereto as Exhibit B, provides that it is conditional upon: County being funded by HUD and the release of funds to County; Certification of Insurance; and environmental compliance by CITY with 24 CFR 570.

NOW, THEREFORE, BASED ON THE MUTUAL PROMISES AND COVENANTS HEREIN, IT IS AGREED AS FOLLOWS:

I. SCOPE OF SERVICES

A. ACTIVITIES

(1) CONTRACTOR shall be responsible for carrying out a CDBG Rehabilitation Services Project in a manner satisfactory to the CITY and consistent with the standards and obligations of the Funding Contract, a copy of which is attached hereto as Exhibit B. The project is described as follows:

(a) Nine (9) or more condominium dwelling units will be rehabilitated

within the Aliso Meadows Condominium complex. The actual number of units completed will be based on the outcome of the Davis-Bacon bids submitted. The construction project will focus on the exterior improvements of each pod. The proposed construction work includes exterior wood repairs, heating system repairs, water heaters replacement, water closet repairs, roof replacement/ repairs, fumigation, and exterior preparation and painting.

(b) If funds become available, this Contract may also include follow-up work to previous units rehabbed under County Contracts KC04050, KC05027, KC06704, KC07729, KC08794, KC09843, and KC10919.

(c) The project shall be performed in conformance with this Contract, the Funding Contract, attached hereto as Exhibit B, and required County approvals therein. The CONTRACTOR shall provide the oversight, administration, and project management necessary to accomplish contracted activities in accordance with this Contract, the County approved Scope of Work, completion milestones (provided by County), State and Federal laws, applicable regulations, and authorities having jurisdiction.

(2) The construction project contemplated herein is a “public work”, under California Labor Code Section 1720, and the contractor shall be paid prevailing wages in accordance with State law unless exempted thereby. In addition, the Federal Labor Standards (Section 33.12 of the Funding Contract), including Davis-Bacon prevailing wages shall apply. A current and appropriate Davis-Bacon wage decision approved by the County shall be included in the Construction Bid Package, along with HUD – 4010 form, “Federal Labor Standards Provisions”.

(3) Prior to advertising for bids, the Construction Bid Package for the work shall be submitted to the CITY for review and written approval by the County’s

Director of Housing and Community Services. A County representative shall be invited to a preconstruction conference to review Federal Labor Standards compliance procedures with the CONTRACTOR and its construction contractors.

(4) No costs shall be incurred prior to receipt of written certification of approval by County of the fulfillment of the requirements of Section V.C. (1) of this Contract.

B. BUDGET

This Contract is for an amount not to exceed \$162,000 (One Hundred Sixty Two Thousand Dollars and no cents). As described further in Section III, the CONTRACTOR will provide the funds for the project and will submit proof of payment to CITY, whereupon after approval by CITY, the CITY shall seek reimbursement of Eligible Costs from the County pursuant to the Funding Contract. Funds shall be used for the following Eligible Costs: The proposed construction work includes exterior wood repairs, heating system repairs, water heaters replacement, water closet repairs, roof replacement/ repairs, fumigation, and exterior preparation and painting. Attention will also be given to any other building code violations identified through-out on-going inspections of the Aliso Meadows units.

C. PERFORMANCE MONITORING

The CITY shall, in accordance with the Funding Contract, monitor the performance of the CONTRACTOR against the goals and performance standards required therein and in this Contract. The CONTRACTOR shall cooperate by providing completed Quarterly Performance Reports on a Grantee Performance Report Information Form (GPR Form). Such reports shall be filed with the CITY fifteen (15) days before: December 15, 2012, January 15, 2013, and March 15, 2013. The CITY shall report any deficiencies in

performance to the CONTRACTOR. If it is determined by the CITY that CONTRACTOR's performance or progress on performance is unsatisfactory, the CITY may withhold further funding on the project pending resolution of the unsatisfactory condition(s), or may terminate this Contract as prescribed in 24 CFR Parts 85.43 and 85.44. In addition, the CITY may require the CONTRACTOR to reimburse the CITY any funds that it determines to be improperly expended based on applicable CDBG Program Regulations.

II. TIME FOR PERFORMANCE

The services of the CONTRACTOR shall begin on, or about, July 1, 2012, and the scope of services shall be completed by June 30, 2013. The term of this Contract and the provisions herein may be extended to cover an additional time period pursuant to Section V.A.(1) of this Contract.

III. PAYMENTS BY CITY

A. REIMBURSEMENTS

Subject to availability of funds from HUD to County, County approval of CONTRACTOR'S Insurance, County approval of CONTRACTOR'S Federal Labor Standards submittals, environmental compliance by CITY and CONTRACTOR'S timely completion and submission of complete Requests for Reimbursements to CITY, payment shall be made by CITY and shall be in the form of reimbursement for Eligible Costs. It is expressly agreed and understood that the total amount to be paid by the CITY under this Contract after reimbursement by County shall not exceed the amount stated in Section I.B of this Contract. Reimbursement for Eligible Costs shall be made on a quarterly basis deducted from the total Budget specified in Section I.B herein, and in accordance with "Exhibit A" GENERAL CONDITIONS, attached hereto and incorporated herein by this reference.

B. REQUESTS FOR REIMBURSEMENT

On a quarterly basis and within fifteen (15) days of the end of a quarter, the CONTRACTOR may invoice CITY for reimbursement of Eligible Costs (see Exhibit A). Concurrently with its request for the aforementioned funds, CONTRACTOR shall submit to the CITY the following supporting documentation: Copies of paid invoices, receipts, certified payroll records, bank statements, canceled checks, attendance records, and other items adequate to document project expenditures. CONTRACTOR shall also provide a Quarterly Performance Report, on a GPR Form, which addresses its level of performance for each activity undertaken relative to the scope of services set forth in Section I. CITY will not authorize reimbursement if any preceding quarter's reports or invoices are incomplete, or have not been submitted.

C. Records shall be kept by CONTRACTOR in accordance with Exhibit A.

IV. NOTICES

Communication and details concerning this Contract shall be directed to the following representatives:

City of Laguna Hills
Community Development Department
24035 El Toro Road
Laguna Hills, California 92653
Attn: David Chantarangsu, Community Development Director

Aliso Meadows Homeowners Association
C/O Merit Property Management
1 Polaris Way, Suite 100
Aliso Viejo, CA 92656
Attn: David Garibay, Community Manager

V. SPECIAL CONDITIONS

A. PROJECT TO BE COMPLETED BY JUNE 30, 2013

(1) The project shall be completed and all costs incurred on eligible project activities prior to June 30, 2013. A final Invoice for Eligible Costs shall be submitted within 15 days after the Contract expiration date. The date for project completion and incurring of Eligible Costs may be extended by the CITY at the CITY'S sole discretion for up to six months from the Contract expiration date, upon written notification to the CONTRACTOR. In the event of such extension, the deadline for submittal of a final invoice shall be 15 days after the new completion date. After Contract expiration, all unexpended funds remaining from this Contract, either due to costs not incurred or costs not approved by City, may be allocated by the CITY to other eligible CDBG projects within the City of Laguna Hills program.

(2) CONTRACTOR agrees that the project shall be implemented and appropriately maintained for Community Development purposes as defined by applicable HUD provisions to ensure maximum feasible benefit and utilization of the project by low- and moderate-income persons.

B. AUDIT

(1) All contractors receiving \$25,000 or more in total Federal financial assistance shall cause, if requested to do so by CITY or County, an annual audit to be performed in accordance with OMB Circular A-128. CONTRACTOR shall comply with this obligation. A copy shall be forwarded to CITY within 180 days after the end of the CITY'S Fiscal Year (JUNE 30, 2013). CITY shall have the right to ensure that necessary corrective actions are made by the CONTRACTOR due to any audit findings pertinent to CONTRACTOR handling of funding attributable to the CDBG Program per Federal

requirements, including requiring CONTRACTOR to return funds paid by CITY.

C. PERFORMANCE TO CONFORM TO FEDERAL & COUNTY REQUIREMENTS

This Contract includes the Funding Contract, which is attached hereto as Exhibit B and is incorporated herein by this reference. CONTRACTOR shall comply with all applicable County and Federal requirements.

(1) CONTRACTOR shall provide Certificates of Insurance as follows:

CONTRACTOR, at its own expense, agrees to deposit with CITY prior to the execution and provision of services under this Contract, Certificates of Insurance, including all endorsements required herein, necessary to satisfy County that the Insurance provisions of the Funding Contract have been complied with, and to keep such insurance and the certificates therefore on deposit with CITY and County during the entire term of this Contract. In addition, all construction contractors and subcontractors performing work on behalf of CONTRACTOR pursuant to this Contract shall be covered under CONTRACTOR'S insurance or shall obtain insurance subject to the same terms and conditions as set forth herein for CONTRACTOR and shall require that any subcontractor working for CONTRACTOR have the insurance required by this section and not allow subcontractors to work if the subcontractors have less than the level of coverage required by the CITY under this Contract. CONTRACTOR shall provide notice of the insurance requirements to every subcontractor, and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by CONTRACTOR or subcontractor through the entirety of this Contract for inspection by County and CITY representatives at any reasonable time. All insurance policies required by this Contract shall declare any deductible or self-insured retention (SIR) in an amount in

excess of \$25,000 (\$5,000 for automobile liability) which shall specifically be approved by the County's Executive Office/Office of Risk Management. CONTRACTOR shall be responsible for reimbursement of any deductible to the insurer.

(a) CONTRACTOR shall maintain insurance acceptable to CITY and County in full force and effect throughout the term of this Contract. If CONTRACTOR fails to maintain insurance acceptable to CITY and County for the full term of this Contract, CITY may terminate this Contract.

(b) The policy or policies of insurance must be issued by an insurer licensed to do business in the State of California (California Admitted Carrier).

(c) Minimum insurance company ratings as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com shall be A- (Secure Best's Rating) and VIII (Finance Size Category). CONTRACTOR will file with CITY (who shall forward to County), prior to the commencement of performance of services under this Contract, an original Certificate of Insurance and all required endorsements evidencing that coverage required by this Contract is in effect.

(d) If the carrier is a non- admitted carrier in the State of California, the County's Executive Office/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings.

(e) The policy or policies of insurance maintained by CONTRACTOR or sub-contractor shall provide the minimum limits and coverage as set forth herein below:

Coverage

Minimum Limits

Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including	\$1,000,000 per occurrence. Coverage for owned, non-owned and hired vehicles
Workers' Compensation	Statutory
Employer's Liability	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims made or per occurrence
Sexual Misconduct	\$1,000,000 per occurrence

(f) Each insurance policy required by this Contract shall be endorsed to contain the following provisions:

i. This insurance shall not be changed, canceled, limited in scope of coverage or non-renewed until 30-days prior written notice has been given to CITY and County of Orange/HCS (Endorsement must be attached to Certificate of Insurance). If a 30-day notice of cancellation endorsement is not received, the cancellation clause must include language as follows, which edits the pre-printed ACORD certificate:

Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will mail 30 days written notice to the certificate holders named as: City of Laguna Hills and County of Orange/Housing and Community Services Department.

ii. All rights of subrogation are hereby waived against CITY and County, its respective elective and appointed officials, officers and employees when acting within the scope of their employment or appointment, and County and their

Board or Commissions, which are governed by County Board of Supervisors.
(Endorsement must be attached to Certificate of Insurance).

iii. As respects operations of the named insured performed on behalf of CITY and County, CITY and County are each added as an additional insured except for Workers' Compensation/Employers' Liability. (Endorsement must be attached to Certificate of Insurance).

iv. CONTRACTOR's insurance is primary and any insurance or self-insurance maintained by the CITY and/or County shall be excess and non-contributing.

(g) Insurance information shall be submitted to:

City of Laguna Hills
Community Development Department
Attn: David Chantarangsu, Community Development Director
24035 El Toro Rd
Laguna Hills, CA 92653

For submittal also to:

County of Orange
Housing and Community Services Department
Attn: Contract Administration and Compliance
1770 North Broadway
Santa Ana, CA 92706-2642

(h) Upon written advice of County's Risk Manager to CITY, any of the above insurance types may be increased or waived due to current insurance marketplace conditions. In addition, County Risk Manager retains the right to require additional insurance coverage as may be deemed appropriate to adequately protect County. County's requirements shall be reasonable and shall be designed to assure protection from and against the kind and extent of risks, which exist at the time a change in insurance is required.

(i) CITY shall notify CONTRACTOR in writing of changes required by County in the insurance requirements. CONTRACTOR does not deposit copies of acceptable certificates of insurance and endorsements with CITY incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in default without further notice to CONTRACTOR, and CITY shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit CONTRACTOR'S liability hereunder or to fulfill the indemnification provisions and requirements of this Contract.

(2) Indemnity

CONTRACTOR shall hold harmless, defend with counsel approved in writing by CITY and indemnify CITY, its elected officials, officers, directors, employees, agents, and volunteers from any and all claims, actions, suits, charges, and judgment whatsoever that arise out of CONTRACTOR'S or it's construction contractor or subcontractor's performance or non-performance of the project and/or scope of work called for in this Contract.

(3) Assignability

CONTRACTOR shall not assign or transfer any interest in this Contract without the prior written consent of CITY.

(4) Independent Contractor

Nothing contained in this Contract is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. CONTRACTOR and its construction contractor and subcontractors shall at all times remain independent contractors with respect to the

services to be performed under this Contract. CITY shall be exempt from payment of any Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance. CONTRACTOR and/or its construction contractor and subcontractors are independent contractor(s).

(5) Section 3 Clause

"The work to be performed under this Contract is a project assigned under a program providing direct federal assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the areas of the project."

(6) County Amendment

CONTRACTOR agrees that County may, at its sole discretion, amend the Funding Contract to conform with federal, state or local governmental guidelines, policies, and available funding amounts. County may further terminate the Funding Contract upon thirty days notice for convenience. If any amendment or termination results in a change in the funding amount under this Contract, the Scope of Services, threshold and milestone dates or schedule of activities to be undertaken as part of this Contract, such modifications will be incorporated only by written amendment executed by CITY and CONTRACTOR.

(7) Anti-Lobbying

CONTRACTOR certifies that:

(i.) No Federal appropriated funds will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, then entering into of any Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or Cooperative Agreement;

(ii.) CONTRACTOR will complete and submit Standard Form-“Disclosure of Lobbying Activities,” if any funds other than Federal appropriated funds have been paid, in accordance with its instructions; and

(iii.) CONTRACTOR shall include the above anti-lobbying certification in award documents for all subcontractors and that all subcontractors shall certify and disclose accordingly.

(iv.) CONTRACTOR shall abide by the Section 3 clause, as set forth in 24 CFR, 135.20(b), below, and shall also cause this Section 3 clause to be inserted into any and all subcontracts executed with third parties for work covered by this Contract:

“The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. The parties to this contract agree to comply with HUD’s regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding if any, a notice advising the labor organization or workers’ representative of the contractor’s

commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b)."

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, CITY has caused this Contract to be executed by its City Manager, having been duly authorized by the City Council of City of Laguna Hills and the Laguna Hills Municipal Code. CONTRACTOR has caused this Contract to be executed by its duly authorized representatives.

EXECUTED:

CITY OF LAGUNA HILLS
A Municipal corporation

ALISO MEADOWS CONDOMINIUM
ASSOCIATION
A California non-profit corporation

By: _____
Bruce Channing, City Manager

By: _____
Manuel Hernandez, President

Dated: _____

Date: _____

ATTEST:

ATTEST:

By: _____
Peggy J. Johns, City Clerk

By: _____
Gilbert Mayandia, Secretary

EXHIBIT A
GENERAL CONDITIONS

I. REQUESTS FOR REIMBURSEMENT

A. CONTRACTOR shall complete and submit a GPR Information Form in support of all requests for reimbursement. This shall consist of a description of project-related accomplishments for the preceding Quarter relative to the Scope of Services of this Contract. If CONTRACTOR has no activity during the Quarter, CONTRACTOR shall still prepare and submit the GPR Information Form to the CITY.

B. Certified copies of CONTRACTOR'S (and subcontractor's) payroll shall be submitted to CITY on a weekly basis. Such documentation shall also accompany the CONTRACTOR'S request for reimbursement.

C. Complete requests for reimbursement, which includes, IA and IB, and the items specified in Section III.B of this Contract shall be submitted thirty (30) days prior to the Minimum Required Expenditure Threshold dates, as contained in Exhibit B (attached), and shown below:

December 15, 2012

January 15, 2013

March 15, 2013

II. ADMINISTRATIVE REQUIREMENTS

A. FINANCIAL MANAGEMENT

(1). Accounting Standards

The CONTRACTOR agrees to comply with Attachment C of OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize

adequate internal controls, and maintain necessary source documentation for all costs incurred.

(2). Cost Principles

The CONTRACTOR shall administer its program in conformance with the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Contracts to State and Local Governments," for all costs incurred whether charged on a direct or indirect basis.

B. DOCUMENTATION AND RECORD-KEEPING

(1). Records to be Maintained

The CONTRACTOR shall maintain all records required by the federal regulations specified in 24 CFR Parts 570.503(b)(2), 570.506, 570.507, 570.508 that are pertinent to the activities to be funded under this Contract. Such records shall include but not be limited to:

- (a.) Records providing a full description of each activity undertaken;
 - (b.) Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
 - (c.) Records required to determine the eligibility of activities;
 - (d.) Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
 - (e.) Records documenting compliance with the fair housing and equal opportunity components of CDBG program;
 - (f.) Financial records as required by 24 CFR Part 570.502, and OMB Circular A-87;
- and

(g.) Other records necessary to document compliance with Subpart K of 24 CFR 570.

These records shall be kept available at CONTRACTOR'S office during the project's contract period and thereafter for five (5) years from the date CONTRACTOR receives final payment from this contract.

(2.) Close-Outs

CONTRACTOR'S obligation to the CITY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, submitting final invoice(s), report(s), disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and receivable accounts to the CITY) and determining the custodianship of records.

C. AUDITS AND INSPECTIONS

All CONTRACTOR records with respect to any matters covered by this Contract shall be made available to the CITY, County, their designees or the Federal Government at any time during normal business hours, as often as the CITY or County deems necessary, to audit, examine, and make excerpt or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the CONTRACTOR with 30 days after receipt by the CONTRACTOR. Failure of the CONTRACTOR to comply with the above audit requirements will constitute a violation of this Contract and may result in the withholding of future payments. The CONTRACTOR hereby agrees to have an annual agency audit conducted in accordance with current CITY policy concerning audits.

EXHIBIT B
COUNTY OF ORANGE CONTRACT FOR THE
FY12-13 ALISO MEADOWS CDBG PROJECT

CONTRACT
BETWEEN
COUNTY OF ORANGE
AND
CITY OF LAGUNA HILLS
FOR
HOUSING REHABILITATION
ALISO MEADOWS REHABILITATION PROJECT
CDBG – CFDA NUMBER 14.218



CONTRACT

Table of Contents.....	2
Recitals.....	4
Definitions.....	5

ARTICLES

GENERAL TERMS AND CONDITIONS

A. Governing Law and Venue	6
B. Entire Contract	6
C. Amendments	7
D. Taxes	7
E. Delivery	7
F. Acceptance/Payment.....	7
G. Warranty.....	7
H. Patent/Copyright Materials/Proprietary Infringement.....	7
I. Assignment or Sub-Contracting.....	7
J. Non-Discrimination	8
K. Termination	8
L. Consent to Breach Not Waiver.....	8
M. Remedies Not Exclusive.....	8
N. Independent Contractor.....	8
O. Performance.....	8
P. Insurance.....	8
Q. Bills and Liens	11
R. Changes.....	11
S. Change of Ownership.....	11
T. Force Majeure	11
U. Confidentiality.....	11
V. Compliance with Laws.....	11
W. Freight (F.O.B. Destination).....	12
X. Pricing	12
Y. Waiver of Jury Trial.....	12
Z. Terms and Conditions	12
AA. Headings.....	12
BB. Severability.....	12
CC. Calendar Days	12
DD. Attorney Fees.....	12
EE. Interpretation	12
FF. Authority.....	12
GG. Employee Eligibility Verification	13
HH. Indemnification.....	13

ADDITIONAL TERMS AND CONDITIONS

1. Scope of Services	13
2. Term	13
3. Contingency of Funds.....	14
4. Fiscal Appropriations.....	14

5. Adjustments – Scope of Services	14
6. Changes/Extra Work	14
7. Breach of Contract.....	15
8. Conditions Affecting Work	15
9. Conflict of Interest – SUBRECIPIENT's Personnel	15
10. Conflict of Interest – COUNTY Personnel.....	16
11. Consulting Contract – Follow On Work	16
12. Contingent Fees.....	16
13. Bankruptcy/Insolvency.....	16
14. SUBRECIPIENT Personnel – Reference Checks	16
15. SUBRECIPIENT's Project Manager and Key Personnel.....	16
16. Data – Title To.....	17
17. County Of Orange Child Support Enforcement.....	17
18. EDD Independent Contractor Reporting Requirements	17
19. Appointment and Acceptance	18
20. Emergency/Declared Disaster Requirements	18
21. SUBRECIPIENT's Responsibilities.....	18
22. Business License	18
23. Substantial Amendments.....	18
24. Payment Requirements	19
25. Program Income	20
26. Performance.....	20
27. Performance Monitoring	22
28. Disputes – Contract	22
29. Gratuities.....	23
30. Termination – Convenience of the County.....	23
31. Termination – Orderly.....	25
32. Stop Work	25
33. Federal Administrative Requirements	26
34. Environmental Conditions.....	33
35. General Administration	34
36. News/Information Release.....	36
37. Notices	36
38. Ownership of Documents	36
39. Precedence	37
40. Project Manager, County	37
41. Errors and Omissions	37
CONTRACT Signature Page.....	38

ATTACHMENTS / EXHIBITS

Attachment A – Scope of Services
 Attachment B – Compensation/Payment
 Attachment C – SUBRECIPIENT's Cost Proposal
 Attachment D – Staffing Plan
 Attachment E – Project Schedule
 Exhibit A – County of Orange Child Support Enforcement Certification
 Exhibit B – OC Community Resources Contract Reimbursement Policy
 Exhibit C – Drug-Free Workplace
 Exhibit D – Lobbying Form LLL

AGREEMENT

This Agreement, hereinafter referred to as "CONTRACT" is made between the County of Orange, a political subdivision of the State of California and recognized Urban County under the Federal Housing and Community Development Act of 1974 (Public Law 93-383), as amended, with a place of business at 1770 North Broadway, Santa Ana, CA 92706-2642; hereinafter referred to as "COUNTY," and City of Laguna Hills, a municipal corporation, in the State of California with a place of business at 24035 El Toro Road, Laguna Hills, CA 92653, hereinafter referred to as "SUBRECIPIENT," with COUNTY and SUBRECIPIENT sometimes referred to as "PARTY", or collectively as "PARTIES."

This Agreement, hereinafter referred to as CONTRACT, is entered into on 8/15/12.

RECITALS

This CONTRACT is made with reference to the following facts, among others:

WHEREAS, COUNTY has applied for and anticipates receiving funds from the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", under Title I of the Housing and Community Development Act of 1974 (Public Law 93-383, as amended) for the purpose of funding programs meeting one of the HUD national objectives; and

WHEREAS, a Grant Agreement between HUD and the County of Orange has been entered; and

WHEREAS, COUNTY and Participating Cities previously entered into a Cooperation Agreement dated July 1, 2012 as amended, in which both parties agreed to cooperate in the undertaking, or assist in the undertaking, of community development and housing assistance activity; and

WHEREAS, SUBRECIPIENT has submitted to COUNTY an application for funding of a housing and community development activity; and

WHEREAS, COUNTY adopted its FY 2012-13 Annual Action Plan, (hereinafter referred to as "Annual Action Plan"), including any substantial amendments, which sets forth the PROGRAM described herein; and

WHEREAS, HUD, in accordance with 24 CFR Part 570 Subpart O, 570.902, will annually review the performance of COUNTY to determine whether COUNTY has carried out its Community Development Block Grant (CDBG) assisted activities in a timely manner and has significantly disbursed CDBG funds and met the mandated "1.5 ratio" threshold; and

WHEREAS, COUNTY approved an allocation of \$162,000.00 (One Hundred Sixty-Two Thousand Dollars and 00 Cents) in program funding to SUBRECIPIENT for the Fiscal Year 2012-13; and

WHEREAS, HUD has accepted and certified the aforementioned ANNUAL ACTION PLAN; and

WHEREAS, COUNTY engages SUBRECIPIENT to assist COUNTY in utilizing aforesaid funds:

NOW, THEREFORE, the PARTIES mutually agree as follows:

DEFINITIONS

For the purposes of this CONTRACT the following definitions shall apply:

1. HUD: United States Department of Housing and Urban Development.
2. OC COMMUNITY RESOURCES (OCCR): Designated as the Lead for the development and implementation of County of Orange Urban County Program's Consolidated Plan.
3. DIRECTOR: DIRECTOR of OC Community Resources, or designee.
4. PROGRAM INCOME: The gross income received by SUBRECIPIENT directly generated from the use of the subject program funds.
5. GRANTEE PERFORMANCE REPORT (GPR) INFORMATION FORM: A PROGRAM activity data document provided by COUNTY to SUBRECIPIENT used to monitor and track the performance of SUBRECIPIENT.
6. OC COMMUNITY RESOURCES CONTRACT REIMBURSEMENT POLICY: A COUNTY document setting policies regarding types of documentation required to support the costs incurred and paid (including but not limited to copies of paid invoices, certified payroll registers, bank statements, etc.)
7. PROJECT: Any site or sites, including buildings, and/or activities assisted with federal program funds.
8. OMB: Federal Office of Management and Budget.
9. CAPER: Consolidated Annual Performance and Evaluation Report. An annual published report to HUD and the public on all housing-related activities.
10. CDBG: 24 CFR Part 570 - Community Development Block Grant -- the CDBG regulations set forth eligible activities and the national objectives that each activity must meet. The Catalog of Federal Domestic Assistance (CFDA) # 14.218 distributes formula grants (CDBG) to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income.
11. CONTINUUM OF CARE: An Orange County group composed of representatives of relevant organizations that serve homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of services to address the various needs of homeless persons and persons at risk of homelessness.
12. HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS): The information system designated by the Continuum of Care to comply with HUD's data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. (24 CFR Part 580)
13. EQUIPMENT: Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

14. **SUBSTANTIAL AMENDMENT:** The following criteria will be used by the COUNTY – if any one criteria applies, a substantial amendment will be required:
- 14.1 A new activity not previously listed and described in the Consolidated Plan/Annual Action Plan;
 - 14.2 When a proposal is made to amend the description of an existing activity in such a way that the newly described purpose, scope, or beneficiaries differ significantly from the original activity's purpose, scope, or beneficiaries; or
 - 14.3 An increase in the amount of Federal Community Planning Development and/or local funds allocated to an existing activity when the following apply:
 - 14.3.1 An increase in funding for a public service activity in an amount greater than a 50% increase over the current funded amount.
 - 14.3.2 An increase in the funding for public facility improvements/housing rehabilitation in an amount greater than a 50% increase over the current funded amount.
15. **CONSTRUCTION BID PACKAGE:** A package of bidding documents which includes the proposal, bidding instructions, CONTRACT documents, detailed estimated costs, and plans and specifications for a construction project, all prepared in accordance with applicable Federal regulations.
16. **PROGRAM ADMINISTRATION:** An activity relating to the general management, oversight and coordination of community development programs. Costs directly related to carrying out eligible activities are not included.

ARTICLES

General Terms and Conditions:

- A. **Governing Law and Venue:** This CONTRACT has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this CONTRACT, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange COUNTY, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another COUNTY.
- B. **Entire CONTRACT:** This CONTRACT, including Attachments A, B, C, D and E and Exhibits A, B, C and D which are attached hereto and incorporated herein by this reference, when accepted by the SUBRECIPIENT either in writing or by the shipment of any article or other commencement of performance hereunder, contains the entire CONTRACT between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on COUNTY unless authorized by COUNTY in writing. Electronic acceptance of any additional terms, conditions or supplemental CONTRACTs by any COUNTY

employee or agent, including but not limited to installers of software, shall not be valid or binding on COUNTY unless accepted in writing by COUNTY's Purchasing Agent or his designee, hereinafter "Purchasing Agent."

- C. **Amendments:** No alteration or variation of the terms of this CONTRACT shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on COUNTY unless authorized by COUNTY in writing.
- D. **Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax.
- E. **Delivery:** Time of delivery of services is of the essence in this CONTRACT. COUNTY reserves the right to refuse any services and to cancel all or any part of the descriptions or services that do not conform to the prescribed scope of services. Delivery shall not be deemed to be complete until all services have actually been received and accepted in writing by COUNTY.
- F. **Acceptance/Payment:** Unless otherwise agreed to in writing by the COUNTY, 1) acceptance shall not be deemed complete unless in writing and until all the services have actually been received to the satisfaction of COUNTY, and 2) payment shall be made in arrears after satisfactory acceptance.
- G. **Warranty:** SUBRECIPIENT expressly warrants that the services covered by this CONTRACT are fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon SUBRECIPIENT's part to indemnify, defend and hold COUNTY and its indemnities as identified in paragraph "P" below, and as more fully described in paragraph "P", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by COUNTY by reason of the failure of the services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. **Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this CONTRACT, SUBRECIPIENT shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this CONTRACT. SUBRECIPIENT warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. SUBRECIPIENT agrees that, in accordance with the more specific requirement contained in paragraph "P" below, it shall indemnify, defend and hold COUNTY and COUNTY Indemnities harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, but not limited to, attorney's fees, costs and expenses.
- I. **Assignment or Sub-Contracting:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this CONTRACT nor any portion thereof may be assigned or sub-contracted by SUBRECIPIENT without the express written consent of COUNTY. Any attempt by SUBRECIPIENT to assign or sub-

contract the performance or any portion thereof of this CONTRACT without the express written consent of COUNTY shall be invalid and shall constitute a breach of this CONTRACT.

- J. **Non-Discrimination:** In the performance of this CONTRACT, SUBRECIPIENT agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any sub-SUBRECIPIENTs to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. SUBRECIPIENT acknowledges that a violation of this provision shall subject SUBRECIPIENT to all the penalties imposed for a violation of Section 1720 et seq. of the California Labor Code.
- K. **Termination:** In addition to any other remedies or rights it may have by law, COUNTY has the right to terminate this CONTRACT without penalty immediately with cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of CONTRACT, any misrepresentation or fraud on the part of the SUBRECIPIENT. Exercise by COUNTY of its right to terminate the CONTRACT shall relieve COUNTY of all further obligations.
- L. **Consent to Breach Not Waiver:** No term or provision of this CONTRACT shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. **Remedies Not Exclusive:** The remedies for breach set forth in this CONTRACT are cumulative as to one another and as to any other provided by law, rather than exclusive; and the expression of certain remedies in this CONTRACT does not preclude resort by either party to any other remedies provided by law.
- N. **Independent Contractor:** SUBRECIPIENT shall be considered an independent CONTRACTOR and neither SUBRECIPIENT nor its employees; nor anyone working under SUBRECIPIENT shall be considered an agent or an employee of COUNTY. Neither SUBRECIPIENT nor its employees; nor anyone working under SUBRECIPIENT shall qualify for workers' compensation or other fringe benefits of any kind through COUNTY.
- O. **Performance:** SUBRECIPIENT shall perform all work under this CONTRACT, taking necessary steps and precautions to perform the work to COUNTY's satisfaction. SUBRECIPIENT shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other services furnished by the SUBRECIPIENT under this CONTRACT. SUBRECIPIENT shall perform all work diligently, carefully, and in a good and workman-like manner; shall furnish all labor, supervision, machinery, equipment, materials, and supplies necessary therefore; shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of COUNTY required in its governmental capacity, in connection with performance of the work; and, if permitted to sub-contract, shall be fully responsible for all work performed by sub-SUBRECIPIENTs.
- P. **Insurance:**

Insurance Provisions

Prior to the provision of services under this CONTRACT, the SUBRECIPIENT agrees to purchase all required insurance at SUBRECIPIENT's expense and to deposit with the COUNTY Certificates of Insurance, including all endorsements required herein,

necessary to satisfy the COUNTY that the insurance provisions of this CONTRACT have been complied with and to keep such insurance coverage and the certificates therefore on deposit with the COUNTY during the entire term of this CONTRACT. In addition, all sub-SUBRECIPIENTs performing work on behalf of SUBRECIPIENT pursuant to this CONTRACT shall obtain insurance subject to the same terms and conditions as set forth herein for SUBRECIPIENT.

All self-insured retentions (SIRs) and deductibles shall be clearly stated on the Certificate of Insurance. If no SIRs or deductibles apply, indicate this on the Certificate of Insurance with a 0 by the appropriate line of coverage. Any self-insured retention (SIR) or deductible in an amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the COUNTY Executive Office (CEO)/Office of Risk Management.

If the SUBRECIPIENT fails to maintain insurance acceptable to the COUNTY for the full term of this CONTRACT, the COUNTY may terminate this CONTRACT.

Qualified Insurer

The policy or policies of insurance must be issued by an insurer licensed to do business in the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com

If the insurance carrier is not an admitted carrier in the state of California and does not have an A.M. Best rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by the SUBRECIPIENT shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence; \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned, and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims made or per occurrence
Sexual Misconduct Liability	\$1,000,000 per occurrence

Required Coverage Forms

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

Required Endorsements

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least as broad naming the COUNTY of Orange, its elected and appointed officials, officers, employees, agents as Additional Insureds.
- 2) A primary non-contributing endorsement evidencing that the SUBRECIPIENT's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

All insurance policies required by this CONTRACT shall waive all rights of subrogation against the County of Orange and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees.

All insurance policies required by this CONTRACT shall give the County of Orange 30 day notice in the event of cancellation and 10 days for non-payment of premium. This shall be evidenced by policy provisions or an endorsement separate from the Certificate of Insurance.

If SUBRECIPIENT's Professional Liability policy is a "claims made" policy, SUBRECIPIENT shall agree to maintain professional liability coverage for two years following completion of CONTRACT.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the agency/department address listed on the solicitation.

If the SUBRECIPIENT fails to provide the insurance certificates and endorsements within seven (7) days of notification to OC Community Resources/Contract Development and Management, award may be made to the next qualified vendor.

COUNTY expressly retains the right to require SUBRECIPIENT to increase or decrease insurance of any of the above insurance types throughout the term of this CONTRACT. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect COUNTY.

COUNTY shall notify SUBRECIPIENT in writing of changes in the insurance requirements. If SUBRECIPIENT does not deposit copies of acceptable certificates of insurance and endorsements with COUNTY incorporating such changes within thirty days of receipt of such notice, this CONTRACT may be in breach without further notice to SUBRECIPIENT, and COUNTY shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit SUBRECIPIENT's liability hereunder nor to fulfill the indemnification provisions and requirements of this CONTRACT, nor act in any way to reduce the policy coverage and limits available from the insurer.

- Q. Bills and Liens:** SUBRECIPIENT shall pay promptly all indebtedness for labor, materials, and equipment used in performance of the work. SUBRECIPIENT shall not permit any lien or charge to attach to the work or the premises, but if any does so attach, SUBRECIPIENT shall promptly procure its release and, in accordance with the requirements of paragraph "P" above, indemnify, defend, and hold COUNTY harmless and be responsible for payment of all costs, damages, penalties and expenses related to or arising from or related thereto.
- R. Changes:** SUBRECIPIENT shall make no changes in the work or perform any additional work without the COUNTY's specific written approval.
- S. Change of Ownership:** SUBRECIPIENT agrees that if there is a change or transfer in ownership of SUBRECIPIENT's business prior to completion of this CONTRACT, the new owners shall be required under terms of sale or other transfer to assume SUBRECIPIENT's duties and obligations contained in this CONTRACT and complete them to the satisfaction of COUNTY.
- T. Force Majeure:** SUBRECIPIENT shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this CONTRACT caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided SUBRECIPIENT gives written notice of the cause of the delay to COUNTY within thirty-six (36) hours of the start of the delay and SUBRECIPIENT avails himself of any available remedies.
- U. Confidentiality:** SUBRECIPIENT agrees to maintain the confidentiality of all COUNTY and COUNTY-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this CONTRACT. All such records and information shall be considered confidential and kept confidential by SUBRECIPIENT and SUBRECIPIENT's staff, agents and employees.
- V. Compliance with Laws:** SUBRECIPIENT represents and warrants that services to be provided under this CONTRACT shall fully comply, at SUBRECIPIENT's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by COUNTY in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by COUNTY. SUBRECIPIENT acknowledges that COUNTY is relying on SUBRECIPIENT to ensure such compliance, and pursuant to the requirements of paragraph "P" above, SUBRECIPIENT agrees that it shall defend, indemnify and hold COUNTY and COUNTY Indemnities harmless from all liability, damages, costs, and expenses arising from or related to a violation of such laws.

- W. Freight (F.O.B. Destination):** SUBRECIPIENT assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this CONTRACT.
- X. Pricing:** The CONTRACT bid price shall include full compensation for providing all required goods in accordance with required specifications, or services as specified herein or when applicable, in the scope of services attached to this CONTRACT, and no additional compensation will be allowed therefore, unless otherwise provided for in this CONTRACT.
- Y. Waiver of Jury Trial:** Each Party acknowledges that it is aware of and has had the opportunity to seek advise of counsel of its choice with respect to its rights to trial by jury, and each Party, for itself and its successors, creditors, and assigns, does hereby expressly and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim brought by any Party hereto against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on or with regard to any matters whatsoever arising out of or in any way connected with this CONTRACT and /or any other claim of injury or damage.
- Z. Terms and Conditions:** SUBRECIPIENT acknowledges that it has read and agrees to all terms and conditions included in this CONTRACT.
- AA. Headings:** The various headings and numbers herein, the grouping of provisions of this CONTRACT into separate clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not limit or otherwise affect the meaning hereof.
- BB. Severability:** If any term, covenant, condition, or provision of this CONTRACT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- CC. Calendar Days:** Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.
- DD. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this CONTRACT, or where any provision hereof is validly asserted as a defense, each party shall bear its own attorney's fees, costs and expenses.
- EE. Interpretation:** This CONTRACT has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this CONTRACT. In addition, each party has been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this CONTRACT by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this CONTRACT against the party that has drafted it is not applicable and is waived. The provisions of this CONTRACT shall be interpreted in a reasonable manner to affect the purpose of the parties and this CONTRACT.
- FF. Authority:** The Parties to this CONTRACT represent and warrant that this CONTRACT has been duly authorized and executed and constitutes the legally binding obligation of their respective organization or entity, enforceable in accordance with its terms.

GG. Employee Eligibility Verification: The SUBRECIPIENT warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this CONTRACT meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The SUBRECIPIENT shall obtain, from all employees, consultants and sub-SUBRECIPIENTS performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The SUBRECIPIENT shall retain all such documentation for all covered employee, consultants and sub-SUBRECIPIENTS for the period prescribed by the law. The SUBRECIPIENT shall indemnify, defend with counsel approved in writing by COUNTY, and hold harmless, the COUNTY, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the SUBRECIPIENT or the COUNTY or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this CONTRACT.

HH. Indemnification: SUBRECIPIENT agrees to indemnify, defend with counsel approved in writing by COUNTY, and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special districts and agencies which COUNTY's Board of Supervisors acts as the governing Board ("COUNTY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by SUBRECIPIENT pursuant to this CONTRACT. If judgment is entered against SUBRECIPIENT and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of COUNTY or COUNTY INDEMNITEES, SUBRECIPIENT and COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

Additional Terms and Conditions:

1. **Scope of Services:** This CONTRACT specifies the Contractual terms and conditions by which the COUNTY will procure services from SUBRECIPIENT as further detailed in the Scope of Services, identified and incorporated herein by this reference as "Attachment A".
2. **Term of CONTRACT:** This CONTRACT shall be effective from July 1, 2012 through June 30, 2013, unless otherwise terminated by the COUNTY. The term of this CONTRACT may be extended upon mutual agreement of the parties in writing in accordance with paragraph 2.2.
 - 2.1 Eligible costs related to services provided by SUBRECIPIENT must be incurred during the period beginning July 1, 2012. The Project shall be completed and all funds provided through this CONTRACT shall be expended on eligible Project activities through and including June 30, 2013.
 - 2.2 Housing Rehabilitation CONTRACTS and Public Facilities & Improvement CONTRACTS.
 - 2.2.1 SUBRECIPIENT may be eligible to request additional funding up to the maximum set forth in the applicable FY 2012-13 Annual Action Plan if SUBRECIPIENT meets or exceeds any one of the Required Expenditure Thresholds at 50%, 70% or 80% on or prior to the milestone date as set forth in paragraph 24.3.3.
 - 2.2.2 If additional funding is available for allocation to SUBRECIPIENT, SUBRECIPIENT and COUNTY shall first amend the SUBRECIPIENT

SCOPE OF SERVICES component of this CONTRACT. Furthermore, SUBRECIPIENT shall demonstrate, to the satisfaction of DIRECTOR, that the required Performance Expenditure and Accomplishment Thresholds set forth in paragraph 26.3., will continue to be met before such extension and additional allocation shall be granted.

2.2.3 CONTRACT Extension

2.2.3.1 The term of this CONTRACT and the provisions herein may be extended to cover an additional time period as specified herein.

2.2.3.2 The date for PROJECT completion and expenditure of all funds may be extended by the DIRECTOR without further action by the BOARD for a period not to exceed six (6) months from June 30, 2013. For all extensions, the deadline for submittal of invoices shall be forty-five (45) days after the new expiration date.

2.2.3.3 CONTRACT extension provisions are not applicable to PROGRAM ADMINISTRATION activities.

2.3 Housing Rehabilitation CONTRACTS and Public Services CONTRACTS may be renewed on the same terms, conditions, and scope of services for up to two (2) individual consecutive one-year periods upon mutual written agreement by the COUNTY and SUBRECIPIENT.

3. Contingency of Funds: SUBRECIPIENT acknowledges that funding or portions of funding for this CONTRACT may also be contingent upon the receipt of funds from, and/or appropriation of funds by Federal, State of California or local Government funds to COUNTY. If such funding and/or appropriations are not forthcoming, or are otherwise limited, COUNTY may immediately terminate or modify this CONTRACT without penalty.

3.1 If funding levels are significantly affected by Federal budget and funds are not allocated and available for the continuance of the function performed by SUBRECIPIENT, the CONTRACT may be terminated by the COUNTY at the end of the period for which funds are available. The COUNTY shall notify SUBRECIPIENT at the earliest possible time of any service, which will or may be affected by a shortage of funds. No penalty shall accrue to the COUNTY in the event this provision is exercised and the COUNTY shall not be obligated nor liable for any damages as a result of termination under this provision of this CONTRACT, and nothing herein shall be construed as obligating the COUNTY to expend or as involving the COUNTY in any CONTRACT or other obligation for future payment of money in excess of appropriations authorized by law.

4. Fiscal Appropriations: This CONTRACT is subject to and contingent upon applicable budgetary appropriations being approved by the County of Orange Board of Supervisors for each fiscal year during the term of this CONTRACT. If such appropriations are not approved, the CONTRACT will be terminated without penalty to the COUNTY.

5. Adjustments – Scope of Services: No adjustments made to the scope of services will be authorized without prior written approval of the COUNTY assigned Purchasing Agent.

6. Changes/Extra Work: The SUBRECIPIENT shall make no changes to this CONTRACT without the COUNTY's written consent. In the event that there are new or unforeseen requirements, the COUNTY with the SUBRECIPIENT's concurrence has the discretion to request official changes at any time without changing the Intent of this CONTRACT.

If COUNTY-initiated changes or changes in laws or government regulations affect price, the SUBRECIPIENT's ability to deliver services, or the program schedule, the SUBRECIPIENT shall give the COUNTY written notice no later than seven calendar days from the date the law or regulation went into effect or the date the change was proposed by the COUNTY and the SUBRECIPIENT was notified of the change. Such changes shall be agreed to in writing and incorporated into a CONTRACT Amendment; said Amendment shall be issued by the COUNTY-assigned Purchasing Agent, shall require the mutual consent of all Parties, and may prohibit the SUBRECIPIENT from proceeding with the work as set forth in this CONTRACT.

7. **Breach of CONTRACT:** The failure of the SUBRECIPIENT to comply with any of the provisions, covenants or conditions of this CONTRACT shall be a material breach of this CONTRACT. In such event the COUNTY may, and in addition to any other remedies available at law, in equity, or otherwise specified in this CONTRACT:

Terminate the CONTRACT immediately, pursuant to paragraph K and paragraphs 30 through 32 herein;

Afford the SUBRECIPIENT written notice of the breach and ten calendar days or such shorter time that may be specified in this CONTRACT within which to cure the breach;

Discontinue payment to the SUBRECIPIENT for and during the period in which the SUBRECIPIENT is in breach; and

Offset against any monies billed by the SUBRECIPIENT but yet unpaid by the COUNTY those monies disallowed pursuant to the above.

8. **Conditions Affecting Work:** The SUBRECIPIENT shall be responsible for taking all steps reasonably necessary, to ascertain the nature and location of the work to be performed under this CONTRACT; and to know the general conditions which can affect the work or the cost thereof. Any failure by the SUBRECIPIENT to do so will not relieve SUBRECIPIENT from responsibility for successfully performing the work without additional cost to the COUNTY. The COUNTY assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this CONTRACT, unless such understanding or representations by the COUNTY are expressly stated in the CONTRACT.
9. **Conflict of Interest – SUBRECIPIENT's Personnel:** The SUBRECIPIENT shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the COUNTY. This obligation shall apply to the SUBRECIPIENT; the SUBRECIPIENT's employees, agents, and relatives; sub-tier SUBRECIPIENTS; and third Parties associated with accomplishing work and services hereunder. The SUBRECIPIENT's efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of the COUNTY.

SUBRECIPIENT agrees to abide by the provisions of OMB Circulars 102 and 110, as applicable, 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this CONTRACT.

SUBRECIPIENT further covenants that in the performance of this CONTRACT no person having such a financial interest shall be employed or retained by SUBRECIPIENT hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of COUNTY or SUBRECIPIENT, or any designated public agencies which are receiving funds under the CDBG Entitlement Program.

10. **Conflict of Interest – COUNTY Personnel:** The County of Orange Board of Supervisors' policy prohibits its employees from engaging in activities involving a conflict of interest. The SUBRECIPIENT shall not, during the period of this CONTRACT, employ any COUNTY employee for any purpose.
11. **Consulting Contract – Follow-On Work:** No person or firm or subsidiary thereof who has been awarded a consulting services contract or a contract which includes a consulting component may be awarded a CONTRACT for the provision of services, the delivery of goods or supplies, or the provision of any other related action which is required, suggested, or otherwise deemed appropriate as an end product of the consulting services contract. Therefore, any consultant that contracts with a COUNTY agency/department to develop a feasibility study or to provide formal recommendations is precluded from contracting for any work recommended in the study or included in the recommendations.
12. **Contingent Fees:** The SUBRECIPIENT warrants 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, except bona fide employees of the SUBRECIPIENT or bona fide established commercial or selling agencies maintained by the SUBRECIPIENT for the purpose of securing business.

For breach or violation of this warranty, the COUNTY shall have the right to terminate this CONTRACT in accordance with the termination clause and at its sole discretion to deduct from the CONTRACT price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee from the SUBRECIPIENT.
13. **Bankruptcy/Insolvency:** If the SUBRECIPIENT should be adjudged bankrupt or should have a general assignment for the benefit of its creditors or if a receiver should be appointed on account of the SUBRECIPIENT's insolvency, the COUNTY may terminate this CONTRACT.
14. **SUBRECIPIENT Personnel – Reference Checks:** The SUBRECIPIENT warrants that all persons employed to provide service under this CONTRACT have satisfactory past work records indicating their ability to accept the kind of responsibility anticipated under this CONTRACT. SUBRECIPIENT's employees assigned to this program must meet character standards as demonstrated by reference checks, coordinated by the agency/department issuing this CONTRACT.
15. **SUBRECIPIENT's Project Manager and Key Personnel:** SUBRECIPIENT shall appoint a Project Manager to direct the SUBRECIPIENT's efforts in fulfilling SUBRECIPIENT's obligations under this CONTRACT. This Project Manager shall be subject to approval by the COUNTY and shall not be changed without the written consent of the COUNTY's Project Manager, which consent shall not be unreasonably withheld.

The SUBRECIPIENT's Project Manager shall be assigned to this project for the duration of this CONTRACT and shall diligently pursue all work and services to meet the program time lines. The COUNTY's Project Manager shall have the right to require the removal

and replacement of the SUBRECIPIENT's Project Manager from providing services to the COUNTY under this CONTRACT. The COUNTY's Project Manager shall notify the SUBRECIPIENT in writing of such action. The SUBRECIPIENT shall accomplish the removal within three (3) business days after written notice by the COUNTY's Project Manager. The COUNTY's Project Manager shall review and approve the appointment of the replacement for the SUBRECIPIENT's Project Manager. The COUNTY is not required to provide any additional information, reason or rationale in the event it elects to request the removal of SUBRECIPIENT's Project Manager from providing services to the COUNTY under this CONTRACT.

16. **Data – Title To:** All materials, documents, data or information obtained from the COUNTY data files or any COUNTY medium furnished to the SUBRECIPIENT in the performance of this CONTRACT will at all times remain the property of the COUNTY. Such data or information may not be used or copied for direct or indirect use by the SUBRECIPIENT after completion or termination of this CONTRACT without the express written consent of the COUNTY. All materials, documents, data or information, including copies, must be returned to the COUNTY at the end of this CONTRACT.
17. **County Of Orange Child Support Enforcement:** In order to comply with the child support enforcement requirements of the County of Orange, within ten (10) days of award of CONTRACT, the selected SUBRECIPIENT agrees to furnish to the CONTRACT administrator, the Purchasing Agent, or the agency/department deputy purchasing agent:
 - 17.1 In the case of an individual SUBRECIPIENT, his/her name, date of birth, Social Security number, and residence address;
 - 17.2 In the case of a SUBRECIPIENT doing business in a form other than as an individual, the name, date of birth, Social Security number, and residence address of each individual who owns an interest of ten (10) percent or more in the contracting entity;
 - 17.3 A certification that the SUBRECIPIENT has fully complied with all applicable federal and State reporting requirements regarding its employees; and
 - 17.4 A certification that the SUBRECIPIENT has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment and will continue to so comply.

Failure of the SUBRECIPIENT to timely submit the data and/or certifications required may result in the CONTRACT being awarded to another SUBRECIPIENT. In the event a CONTRACT has been issued, failure of the SUBRECIPIENT to comply with all federal, state, and local reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment shall constitute a material breach of the CONTRACT. Failure to cure such breach within ten (10) calendar days of notice from the COUNTY shall constitute grounds for termination of the CONTRACT.

18. **EDD Independent Contractor Reporting Requirements:** Effective January 1, 2001, the County of Orange is required to file federal Form 1099-Misc for services received from a "service provider" to whom the COUNTY pays \$600 or more or with whom the COUNTY enters into a CONTRACT for \$600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations as set forth in Exhibit A., attached hereto and incorporated herein by reference.

The term "service provider" is defined in California Unemployment Insurance Code Section 1068.8, subparagraph B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a CONTRACT for services performed for that service recipient within or without the state." The term is further defined by the California Employment Development Department to refer specifically to independent contractors. An independent contractor is defined as "an individual who is not an employee of the government entity for California purposes and who receives compensation or executes a CONTRACT for services performed for that ... government entity either in or outside of California."

The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.

Additional information on this reporting requirement can be found at the California Employment Development Department web site located at www.edd.ca.gov/bicr.htm.

19. **Appointment and Acceptance:** The COUNTY designates the SUBRECIPIENT as the exclusive SUBRECIPIENT for the management of the Program, and the SUBRECIPIENT accepts the appointment, subject to the terms and conditions set forth in this CONTRACT. SUBRECIPIENT hereby agrees to manage the Program in an efficient and satisfactory manner to the best of its ability.
20. **Emergency/Declared Disaster Requirements:** In the event of an emergency or if Orange County is declared a disaster area by the COUNTY, state or federal government, this CONTRACT may be subjected to unusual usage. The SUBRECIPIENT shall service the COUNTY during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions. The pricing quoted by the SUBRECIPIENT shall apply to serving the COUNTY's needs regardless of the circumstances. If the SUBRECIPIENT is unable to supply the goods/services under the terms of the CONTRACT, then the SUBRECIPIENT shall provide proof of such disruption and a copy of the invoice for the goods/services from the SUBRECIPIENT's supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster shall not be permitted. In the event of an emergency or declared disaster, emergency purchase order numbers will be assigned. All applicable invoices from the SUBRECIPIENT shall show both the emergency purchase order number and the CONTRACT number.
21. **SUBRECIPIENT's Responsibilities:** The SUBRECIPIENT shall:
 - 21.1 Operate and manage the Project and provide Services/Activities as set forth herein. In this regard the SUBRECIPIENT will assess current services being provided, assess what Services/Activities are needed, or have been requested, and structure the Services/Activities accordingly.
22. **Business License:** At its own expense, SUBRECIPIENT shall qualify to do business and obtain and maintain such licenses as may be required for the performance by SUBRECIPIENT of its services under this CONTRACT.
23. **Substantial Amendments:**
 - 23.1 If any amendment results in a change in the funding amount, that does not trigger a SUBSTANTIAL AMENDMENT, as defined, SUBRECIPIENT SCOPE OF SERVICES, threshold and milestone dates or schedule of activities to be undertaken as part of this CONTRACT, such modifications will be incorporated only by written amendment executed by Director and SUBRECIPIENT.

- 23.2 In an effort to efficiently utilize CDBG funds within timeframes required by HUD, the COUNTY will consider the reprogramming of unspent CDBG balances from completed and cancelled CDBG-funded activities to other eligible activities as a "Non-Substantial Amendment". In the event that any of these "administrative" reprogramming actions fall under the "Substantial Amendment" criteria, the proposed actions to the Citizen Participating process, requires formal action by the Board of Supervisors, and subsequent approval by HUD.

24. Payment Requirements:

- 24.1 **CONTRACT Amount:** It is expressly agreed and understood that the total amount to be paid by COUNTY under this CONTRACT shall not exceed the total COUNTY funding as set forth in Attachment B., - Compensation to SUBRECIPIENT attached hereto and incorporated herein by reference.

- 24.2 COUNTY will reclaim any unused balance of funds for reallocation to other COUNTY approved projects.

- 24.3 **Payment of Project Activities:**

- 24.3.1 **Payment of Project Activities:** COUNTY will reimburse SUBRECIPIENT for eligible project-related costs only. SUBRECIPIENT shall submit requests for reimbursement to COUNTY on a monthly basis beginning on July 1, 2012, and must provide adequate documentation as required by COUNTY in accordance with the *OC COMMUNITY RESOURCES CONTRACT REIMBURSEMENT POLICY*, as set forth in Exhibit B., attached hereto and incorporated herein by reference. In addition, SUBRECIPIENT will provide a progress performance report ("GPR INFORMATION FORM") for the time period covered, as prescribed by COUNTY. Failure to provide any of the required documentation and reporting will cause COUNTY to withhold all or a portion of a request for reimbursement, or return the entire reimbursement package to SUBRECIPIENT, until such documentation and reporting has been received and approved by COUNTY.

- 24.3.2 If SUBRECIPIENT has no request for reimbursement during any quarter during the term of this CONTRACT, a GPR Information Form, including and explanation as to why no invoices were being processed, shall be required in lieu of a request for reimbursement.

- 24.3.3 The following "Required Expenditure Threshold" criteria have been established to guide the SUBRECIPIENT in structuring and scheduling their expenditure of funds received through this CONTRACT, through term of CONTRACT. The criteria thresholds are consistent with the criteria used by OC Community Resources to determine performance including, but not limited to, determinations of future award of funds, additional funding requests and/or determinations for the recapture of funding.

<u>Milestone Date</u>	<u>Minimum Required Expenditure Threshold</u>
December 15 th	50% of Contracted Amount Expended
January 15 th	70% of Contracted Amount Expended
March 15 th	80% of Contracted Amount Expended

- 24.3.4 SUBRECIPIENT will have forty-five (45) days following the expiration of the CONTRACT to submit outstanding invoices for reimbursement of eligible costs incurred during the CONTRACT period. After the forty-five (45) day period for submitting invoices has expired, COUNTY shall

reallocate the remaining balance under this CONTRACT for other program purposes and SUBRECIPIENT shall be ineligible for any further reimbursement.

- 24.4 Funds shall not be disbursed for any costs incurred prior to the certification by COUNTY and HUD of Certificate(s) of Insurance and environmental compliance as further defined in paragraph P and paragraph 34 of this CONTRACT. Additionally, no funds shall be disbursed prior to submittal of certified payroll documentation to COUNTY with each invoice package/request for payment, as further defined in paragraph 33.

- 24.5 Readiness – for Housing Rehabilitation and Public Facilities & Improvement Projects:

SUBRECIPIENT shall be required to demonstrate to COUNTY its readiness to immediately initiate its Project upon execution of this CONTRACT by providing to the COUNTY documentation including, but not limited to, the following: Board or Council Minutes/Resolution; Awarded bid documents with timeline requirements; and, executed Architect and Engineer (hereafter referred to as "A&E") contracts with specific project timelines consistent with funding. By September 30 of contract term, SUBRECIPIENT shall provide COUNTY a Project Readiness Checklist incorporating the status of all Project-phasing milestones. In the case of milestones not yet reached, SUBRECIPIENT shall provide projected target dates for when said milestones would be met. The Project Readiness Checklist shall clearly demonstrate that SUBRECIPIENT will meet the "Required Expenditure Thresholds" as set forth in paragraph 24.3.3. SUBRECIPIENT acknowledges that said Project Readiness Checklist may be considered to evaluate the performance of the SUBRECIPIENT.

25. Program Income

- 25.1 SUBRECIPIENT shall comply with regulations set forth in 24 CFR 570.504, as well as all applicable State or COUNTY regulations concerning the reporting and payment procedures for program income.
- 25.2 All Program Income accrued shall be returned to COUNTY on a quarterly basis prior to SUBRECIPIENT receiving any reimbursement from grant funds provided under this CONTRACT.
- 25.3 SUBRECIPIENT shall provide information of the receipt of Program Income by SUBRECIPIENT related to Program on all GPR INFORMATION FORMS submitted with requests for reimbursement.
- 25.4 SUBRECIPIENT shall complete and submit a Year-End Program Income letter, indicating amount of Program Income and include any reimbursement remittance necessitated therein, by July 15, after the close of the CONTRACT fiscal year.

26. Performance:

- 26.1 SUBRECIPIENT shall provide the oversight, administration, and project management necessary to accomplish all contracted activities in a timely manner. SUBRECIPIENT also agrees to comply with all applicable Federal, State, and local laws and regulations governing the funds provided under this CONTRACT.
- 26.2 SUBRECIPIENT shall comply with all applicable HUD regulations, as described in paragraph 35 General Administration of this CONTRACT, concerning administrative requirements and maintain records as to services provided and total number of persons served through the project, including but not limited to, population-served analysis (i.e., extremely-low income persons, very-low income persons, and low-income persons as defined by HUD). Such information shall

be available for periodic monitoring by representatives of COUNTY or HUD and shall be submitted by SUBRECIPIENT in report form to COUNTY by dates specified by COUNTY.

- 26.3 The following "Performance Threshold" criteria shall be used to assess the level of performance of the SUBRECIPIENT, including Attachment A. - Scope of Services, attached hereto and incorporated herein by reference. Furthermore, the criteria will be considered by OC Community Resources when determining future funding. In order to be considered in compliance with the performance threshold criteria, the SUBRECIPIENT must, on or before the required milestone date, submit to OC Community Resources a request for reimbursement which demonstrates that SUBRECIPIENT has expended funds and met their proposed accomplishment goals at the required levels, unless exempted in writing by the DIRECTOR.

<u>Milestone Date</u>	<u>Minimum Required Expenditure Threshold</u>
December 15 th	50% of Contracted Amount Expended 50% of Proposed Accomplishments Met
January 15 th	70% of Contracted Amount Expended 70% of Proposed Accomplishments Met
March 15 th	80% of Contracted Amount Expended 80% of Proposed Accomplishments Met

Failure to achieve at least the aforementioned 50% drawdown, without written exception approved by the DIRECTOR, may cause any remaining balance in this CONTRACT to be reclaimed by COUNTY, and will negatively affect future funding to SUBRECIPIENT. Failure to achieve the aforementioned 80% drawdown goal, without written exception approved by the DIRECTOR, may cause any remaining balance in this CONTRACT to be reclaimed by COUNTY, and will impact future funding to SUBRECIPIENT.

- 26.4 SUBRECIPIENT shall complete and submit a Year End GPR INFORMATION FORM by July 15, after the close of the CONTRACT fiscal year.
- 26.5 Should the activity being funded through this CONTRACT be completed, cancelled or terminated prior to the termination date set forth herein in paragraph 2. Additional Terms and Conditions, SUBRECIPIENT shall complete and submit a Mid-Year GPR INFORMATION FORM at the time of the completion, cancellation or termination. Said GPR INFORMATION FORM shall consist of a cumulative reporting of project-related expenditures and accomplishments relative to the SCOPE OF SERVICES, as set forth in Attachment A., attached hereto and incorporated herein by reference. If activity funded through this CONTRACT is completed, or if funds allocated through this CONTRACT are fully expended, prior to end of CONTRACT term, SUBRECIPIENT must continue to serve its clients for the entire term of this CONTRACT.
- 26.6 SUBRECIPIENT shall complete and submit a GPR INFORMATION FORM in support of all requests for reimbursement. Said GPR INFORMATION FORM shall consist of a cumulative report of project related accomplishments as set forth in Attachment A., SCOPE OF SERVICES, attached hereto and incorporated herein by reference, for the subject quarter. If at any time during the term of this CONTRACT SUBRECIPIENT has no activity occur during any quarter, SUBRECIPIENT shall prepare and submit to COUNTY a Quarterly GPR INFORMATION FORM, regardless of actual activity.

- 26.7 SUBRECIPIENT acknowledges that the GPR INFORMATION FORM is a monitoring tool that will be reviewed and evaluated to determine SUBRECIPIENT's level of performance relative to this CONTRACT.
- 26.8 SUBRECIPIENT shall submit all requested data necessary to complete the Consolidated Annual Performance and Evaluation Report (CAPER), and monitor program accountability and progress in accordance with HUD requirements, in the format and at the time designated by COUNTY.

27. Performance Monitoring:

- 27.1 Performance Monitoring of SUBRECIPIENT by COUNTY and/or HUD shall consist of requested and/or required written reporting, as well as onsite monitoring by COUNTY or HUD representatives.
- 27.2 COUNTY shall periodically evaluate SUBRECIPIENT's progress in complying with the terms of this CONTRACT. SUBRECIPIENT shall cooperate fully during such monitoring. COUNTY shall report the findings of each monitoring to SUBRECIPIENT.
- 27.3 COUNTY shall monitor the performance of SUBRECIPIENT against the goals, outcomes, milestones and performance standards required herein. Substandard performance, as determined by COUNTY, will constitute non-compliance with this CONTRACT for which COUNTY may immediately terminate the CONTRACT. If action to correct such substandard performance is not taken by SUBRECIPIENT within the time period specified by COUNTY, payment(s) will be denied in accordance with the provisions contained in paragraph 41 of this CONTRACT.

28. Disputes – CONTRACT:

- 28.1 The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this CONTRACT is not disposed of in a reasonable period of time by the SUBRECIPIENT's Project Manager and the COUNTY's Project Manager, such matter shall be brought to the attention of the Purchasing Agent by way of the following process:
 - 28.1.1 The SUBRECIPIENT shall submit to the agency/department assigned COUNTY Purchasing Agent a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this CONTRACT, unless the COUNTY, on its own initiative, has already rendered such a final decision.
 - 28.1.2 The SUBRECIPIENT's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the CONTRACT, the SUBRECIPIENT shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the CONTRACT adjustment for which the SUBRECIPIENT believes the COUNTY is liable.
- 28.2 Pending the final resolution of any dispute arising under, related to, or involving this CONTRACT, the SUBRECIPIENT agrees to diligently proceed with the provision of services under this CONTRACT. The SUBRECIPIENT's failure to diligently proceed shall be considered a material breach of this CONTRACT.

Any final decision of the COUNTY shall be expressly identified as such, shall be in writing, and shall be signed by the COUNTY Purchasing Agent or his designee. If the COUNTY fails to render a decision within ninety (90) days after receipt of the SUBRECIPIENT's demand, it shall be deemed a final decision adverse to the SUBRECIPIENT's contentions. Nothing in this section shall be construed as affecting the COUNTY's right to terminate the CONTRACT for Cause as stated in paragraph K herein.

29. **Gratuities:** The SUBRECIPIENT warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the SUBRECIPIENT or any agent or representative of the SUBRECIPIENT to any officer or employee of the COUNTY with a view toward securing the CONTRACT or securing favorable treatment with respect to any determinations concerning the performance of the CONTRACT. For breach or violation of this warranty, the COUNTY shall have the right to terminate the CONTRACT, either in whole or in part, and any loss or damage sustained by the COUNTY in procuring on the open market any services which the SUBRECIPIENT agreed to supply shall be borne and paid for by the SUBRECIPIENT. The rights and remedies of the COUNTY provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the CONTRACT.
30. **Termination – Convenience of the COUNTY:** The COUNTY may terminate performance of work under this CONTRACT for its convenience in whole, or, from time to time, in part if the user agency/department determines that a termination is in the COUNTY's interest. The agency/department assigned buyer shall terminate the CONTRACT by delivering to the SUBRECIPIENT a written notice of termination specifying the extent of the termination and the effective date thereof. The parties agree that, as to the terminated portion of the CONTRACT, the CONTRACT shall be deemed to remain in effect until such time as the termination settlement, if any, is concluded and the CONTRACT shall not be void.
- After receipt of a notice of termination and, except as directed by the assigned buyer, the SUBRECIPIENT shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. The SUBRECIPIENT shall:
- 30.1 Stop work as specified in the notice of termination;
 - 30.2 Place no further subcontracts or orders for materials, services, or facilities, except as necessary to complete the continued portion of the CONTRACT;
 - 30.3 Terminate all orders and subcontracts to the extent they relate to the work terminated;
 - 30.4 Settle all outstanding liabilities and termination settlement proposals arising from the termination of any subcontracts, the approval or ratification of which will be final for purposes of this clause;
 - 30.5 As directed by the assigned buyer transfer title and deliver to the COUNTY (a) fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced or acquired for the work terminated, and (b) completed or partially completed plans, drawings, information, and other property that, if the CONTRACT had been completed, would be required to be furnished to the COUNTY;
 - 30.6 Complete performance of the work not terminated; and
 - 30.7 Take any action that may be necessary or as the COUNTY may direct for the protection and preservation of the property related to this CONTRACT that is in the possession of the SUBRECIPIENT and in which the COUNTY has or may

acquire an interest and to mitigate any potential damages or requests for CONTRACT adjustment or termination settlement to the maximum practical extent.

At the completion of the SUBRECIPIENT's termination efforts, the SUBRECIPIENT may submit to the assigned buyer a list indicating quantity and quality of termination inventory not previously disposed of and request instructions for disposition of the residual termination inventory.

After termination the SUBRECIPIENT shall submit a final termination settlement proposal to the user agency/department in a format acceptable to the COUNTY.

The SUBRECIPIENT shall submit the proposal promptly, but no later than 60 days from the effective date of the termination, unless extended in writing by the COUNTY upon written request of the SUBRECIPIENT within the ninety-day (90-day) period. However, if the agency/department determines that the facts justify it, a termination settlement proposal may be received and acted on after the expiration of the filing period or any extension. The SUBRECIPIENT and the COUNTY may agree upon the whole or any part of the amount to be paid because of the termination. The amount may include a reasonable allowance for profit on work done, including a reasonable amount for accounting, legal, clerical and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data, and storage, transportation and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory. However, the agreed amount may not exceed the total CONTRACT price as reduced by (a) the amount of payment previously made and (b) the CONTRACT price of work not terminated. The CONTRACT shall be amended and the SUBRECIPIENT paid the agreed amount.

If the SUBRECIPIENT and the COUNTY fail to agree on the whole amount to be paid because of the termination of work, the COUNTY shall pay the SUBRECIPIENT the amounts determined by the COUNTY as follows, but without duplication of any amounts agreed on as set forth above:

30.8 The CONTRACT price for completed supplies or services accepted by the COUNTY (or sold or acquired) not previously paid for, adjusted for any savings of freight and other charges; and

30.9 Except for normal spoiling and except to the extent that the COUNTY expressly assumes the risk of loss, the COUNTY shall exclude from the amounts payable to the SUBRECIPIENT the fair value, as determined by the agency/department, of property that is destroyed, lost, stolen, or damaged so as to become undeliverable to the COUNTY.

The SUBRECIPIENT shall use generally accepted accounting principles and sound business practices in determining all costs claimed, agreed to, or determined under this clause. Such costs shall be allocable to the terminated CONTRACT or portion thereof, allowable under applicable laws, regulations, generally accepted accounting principles and good business judgment and objectively reasonable.

The SUBRECIPIENT shall have the right to appeal, under the COUNTY's protest procedure, any determination made by the COUNTY, except that if the SUBRECIPIENT failed to submit the termination settlement proposal within the time provided and failed to request a time extension, there is no right of appeal.

In arriving at the amount due the SUBRECIPIENT under this clause, there shall be deducted:

30.10 All payment to the SUBRECIPIENT under the terminated portion of this CONTRACT;

- 30.11 Any claim which the COUNTY has against the SUBRECIPIENT under this or any other CONTRACT; and
- 30.12 The agreed price for or proceeds of sale of materials, supplies, or other things acquired by the SUBRECIPIENT or sold under the provisions of this clause and not recovered by or credited to the COUNTY.
If the termination is partial, the SUBRECIPIENT may file a proposal with the agency/department for an equitable adjustment of the price(s) of the continued portion of the CONTRACT. The agency/department shall make any equitable adjustment agreed upon. Any proposal by the SUBRECIPIENT for an equitable adjustment under this clause shall be requested within thirty (30) days from the effective date of termination unless extended in writing by agency/department. The COUNTY may:
- 30.13 Under the terms and conditions it prescribes, make partial payment and payments against costs incurred by the SUBRECIPIENT for their terminated portion of the CONTRACT, if the COUNTY believes that the total of these payments will not exceed the amount to which the contractor will be entitled; and
- 30.14 If the total payments exceed the amount finally determined to be due, the SUBRECIPIENT shall repay the excess to the COUNTY upon demand.
In determining the amount payable to the SUBRECIPIENT and notwithstanding any other provision, if it appears that the SUBRECIPIENT would have sustained a loss on the entire CONTRACT had it been completed, the COUNTY shall allow no profit and shall reduce the settlement to reflect the indicated rate of loss. Unless otherwise provided in this CONTRACT or by statute, the SUBRECIPIENT shall maintain all records and documents relating to the terminated portion of this CONTRACT for five (5) years after final settlement. This includes all books and other evidence bearing on the SUBRECIPIENT's costs and expenses under this CONTRACT. The SUBRECIPIENT shall make these records and documents available to the COUNTY, at the SUBRECIPIENT's office, at all reasonable times, without any direct charge. If approved by the COUNTY, photographs, microphotographs, electronic storage, or other authentic reproductions may be maintained instead of original records and documents.
31. **Termination – Orderly:** After receipt of a termination notice from the County of Orange, the SUBRECIPIENT shall submit to the COUNTY a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than sixty (60) days from the effective date of the termination, unless one or more extensions in writing are granted by the COUNTY upon written request of the SUBRECIPIENT. Upon termination COUNTY agrees to pay the SUBRECIPIENT for all services performed prior to termination which meet the requirements of the CONTRACT, provided, however, that such compensation plus previously paid compensation shall not exceed the total compensation set forth in the CONTRACT. Upon termination or other expiration of this CONTRACT, each Party shall promptly return to the other Party all papers, materials, and other properties of the other held by each for purposes of execution of the CONTRACT. In addition, each Party will assist the other Party in orderly termination of this CONTRACT and the transfer of all aspects, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each Party.
32. **Stop Work:** The COUNTY may, at any time, by written stop work order to the SUBRECIPIENT, require the SUBRECIPIENT to stop all or any part of the work called for by this CONTRACT for a period of 90 days after the stop work order is delivered to the SUBRECIPIENT and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate it is issued under this

clause. Upon receipt of the stop work order, the SUBRECIPIENT shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within a period of 90 days after a stop work order is delivered to the SUBRECIPIENT or within any extension of that period to which the parties shall have agreed, the COUNTY shall either:

32.1 Cancel the stop work order; or

32.2 Terminate work covered by the stop work order as provided for in the termination for default or the termination for convenience clause of this CONTRACT.

If a stop work order issued under this clause is canceled or the period of the stop work order or any extension thereof expires, the SUBRECIPIENT shall resume work. The COUNTY shall make an equitable adjustment in the delivery schedule, the CONTRACT price, or both, and the CONTRACT shall be modified in writing accordingly if:

32.3 The stop work order results in an increase in the time required or in the SUBRECIPIENT's cost properly allocable to the performance of any part of this CONTRACT; and

32.4 The SUBRECIPIENT asserts its right to an equitable adjustment within 30 days after the end of the period of work stoppage, provided that if the COUNTY decides the facts justify the action, the COUNTY may receive and act upon a proposal submitted at any time before final payment under this CONTRACT.

If a stop work order is not canceled and the work covered by the stop work order is terminated in accordance with the provision entitled, "Termination - Convenience of COUNTY," the COUNTY shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement.

If a stop work order is not canceled and the work covered by the stop work order is terminated for default, the COUNTY shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop work order.

An appropriate equitable adjustment may be made in any related CONTRACT of the SUBRECIPIENT that provides for adjustment and is affected by any stop work order under this clause. The COUNTY shall not be liable to the SUBRECIPIENT for loss of profits because of a stop work order issued under this clause.

If any provisions of this agreement are invalid under any applicable statute or rule of law, they are, to that extent, omitted, but the remainder of this agreement shall continue to be binding upon the parties hereto.

33. Federal Administrative Requirements:

33.1 Financial Management:

33.1.1 Accounting Standards: SUBRECIPIENT agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

33.1.2 Cost Principles: SUBRECIPIENT shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," or A-87, "Cost Principles for State and Local Governments" (and if SUBRECIPIENT is a governmental or quasi-governmental agency, the applicable sections of 24 CFR 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,") as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

33.2 Civil Rights Compliance

33.2.1 SUBRECIPIENT agrees to comply with California Civil Rights Act Ordinances and Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246, as amended by Executive Orders 11375, 11478, 12107 and 12086.

33.2.2 Rehabilitation Act

SUBRECIPIENT agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped in any federally assisted program. COUNTY shall provide SUBRECIPIENT with any guidelines necessary for compliance with that portion of the regulations in force during the term of this CONTRACT.

33.2.3 Nondiscrimination in Employment and Contracting

SUBRECIPIENT agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279, including 24 CFR Part 8, 24 CFR 570.602 and Section 504 of Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, Executive Order 11063. The applicable non-discrimination provisions in Section 109 of the Housing and Community Development Act (HCDA) are still applicable.

33.3 Drug-Free Workplace:

The SUBRECIPIENT hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace as set forth in Exhibit C., attached hereto and incorporated herein by reference. The SUBRECIPIENT will:

33.3.1 Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

33.3.2 Establish a drug-free awareness program as required by Government Code Section 8355(b) to inform employees about all of the following:

33.3.2.1 The dangers of drug abuse in the workplace;

33.3.2.2 The SUBRECIPIENT's policy of maintaining a drug free workplace;

33.3.2.3 Any available counseling, rehabilitation, and employee assistance programs; and

33.3.2.4 Penalties that may be imposed upon employees for drug abuse violations.

33.3.3 Provide as required by Government Code Section 8355(c) that every employee who works under this CONTRACT:

33.3.3.1 Will receive a copy of the company's drug-free policy statement; and

33.3.3.2 Will agree to abide by the terms of the company's statement as a condition of employment under this CONTRACT.

Failure to comply with these requirements may result in suspension of payments under the contract or termination of the contract or both, and the SUBRECIPIENT may be ineligible for award of any future COUNTY contracts if the COUNTY determines that any of the following has occurred:

33.3.3.3 The SUBRECIPIENT has made false certification, or

33.3.3.4 The SUBRECIPIENT violates the certification by failing to carry out the requirements as noted above.

33.4 **Affirmative Action:** SUBRECIPIENT agrees that it shall be committed to carry out an Affirmative Action Program that encompasses that principals provided in President's Executive Order 11246, as revised on January 4, 2002.

33.5 **Americans with Disabilities Act:** SUBRECIPIENT agrees to comply with Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 2, Title 22: California Government Code, Sections 11135, et seq; and other federal and state laws and executive orders prohibit discrimination. All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities.

33.6 **Employment Restrictions:**

33.6.1 **Prohibited Activity:** SUBRECIPIENT is prohibited from using funds provided herein, or personnel employed in the administration of the program, for: political activities, sectarian or religious activities, lobbying, political patronage, and nepotism activities.

33.6.2 **OSHA:** Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained, or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participants' health or safety.

33.6.3 **Employee Rights**

Federal Minimum Wage

33.6.3.1 SUBRECIPIENT must follow the Fair Labor Standards Act (FLSA), as it currently exists and it may be amended, which sets basic minimum wage and overtime pay standards. These standards are enforced by The United States Department of Wage and Hour Division under Department's Wage and Hour Division. The Federal minimum wage provisions are contained in the FLSA. Many states also have minimum wage laws. In cases where an employee is subject to both state and federal minimum wage laws, the employee is entitled to the higher minimum wage.

33.6.4 **California Minimum Wage**

33.6.4.1 SUBRECIPIENT must follow the California enacted legislation signed by the Governor of California, raising the minimum wage for all industries (MW-2007). (AB 1835, CH230, Stats of 2006, adding sections 1182.12 and 1182.13 to the California Labor Code.) Pursuant to its authority under Labor Code section 1182.13, the Department of Industrial Relations amends and republishes Sections, 1, 2, 3, and 5 of the General Minimum Wage Order. MW-2001, Section 4, Separability,

has not been changed. Consistent with this enactment, amendments are made to the minimum wage, and the meals and lodging credits sections of all of the IWC's industry and occupation orders. This summary must be made available to employees in accordance with the IWC's wage orders. Copies of the full text of the amended wage orders may be obtained by ordering on-line at www.dlr.ca.gov/WP.asp or by contacting your local Division of Labor Standards Enforcement office.

- 33.7 **Hatch Act:** SUBRECIPIENT agrees that no funds provided, nor personnel employed under this CONTRACT, shall be in any way or to any extent engaged in the conduct of political activities in violation of the Hatch Act, 5 U.S.C. Section 1501 et seq. and Chapter 15 of Title V of the U.S.C.
- 33.8 **Religious Organization/Activities:** In accordance with 24 CFR 570.200(j), SUBRECIPIENT shall not discriminate against faith-based organizations in administering its federal HUD activities. However, SUBRECIPIENT agrees that funds provided under this CONTRACT will not be utilized for inherently religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with 24 CFR 570.200 (j)(2).
- 33.9 **Anti-Lobbying:** SUBRECIPIENT certifies that:
 - 33.9.1 No Federal appropriated funds will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of any Federal CONTRACT, the making of any Federal grant, the making of any Federal loan, the entering into of any Cooperative Agreement, and the extension, continuation, renewal, amendment, or modification of any Federal CONTRACT, grant, loan, or Cooperative Agreement; and
 - 33.9.2 SUBRECIPIENT will complete and submit Standard Form-LLL "Disclosure of Lobbying Activities," if any funds other than Federal appropriated funds have been paid, in accordance with its instructions; and
 - 33.9.3 SUBRECIPIENT shall include subject anti-lobbying certification in award documents for all sub-SUBRECIPIENTS at all tiers (including sub-subcontracts, sub-subgrants, and CONTRACT under grants, loans, and Cooperative Agreements) and that all sub-SUBRECIPIENTS shall certify and disclose accordingly.
- 33.10 **Audits:** If SUBRECIPIENT expends Federal funds in a fiscal year which equal or exceed \$500,000 (Five hundred thousand dollars and no cents) as specified in OMB Circular A-133-Revised, SUBRECIPIENT shall cause an audit to be prepared by a Certified Public Accountant (CPA) who is a member in good standing with the American Institute of Certified Public Accountants (AICPA) of the California Society of CPA's. The audit must be performed annually in accordance with Generally Accepted Auditing Standards (GAAS) authorized by the AICPA and Federal laws and regulations governing the programs in which it participates.
 Furthermore, COUNTY retains the authority to require SUBRECIPIENT to submit similarly prepared audit at SUBRECIPIENT's expense even in instances when SUBRECIPIENT's expenditure is less than \$500,000. SUBRECIPIENT will be required to identify corrective action taken in response to any findings identified by CPA related to their funded activity or program.

SUBRECIPIENT will ensure an annual financial audit is performed in compliance with the Federal Single Audit Act and will submit two (2) copies of such audit report, including a copy of the management letter, to COUNTY within six (6) months of the end of each CONTRACT year in which SUBRECIPIENT has received federal funding (i.e., July 1 – June 30). Failure to meet this requirement may result in COUNTY denying reimbursement of funds to SUBRECIPIENT, as well as future funding qualification. SUBRECIPIENTS, which are exempt from statutory audit requirements, shall maintain records, which are available for review by COUNTY or Federal officials. SUBRECIPIENT acknowledges that any and all "Financial Statements" submitted to COUNTY pursuant to this COUNTY become Public Records and are subject to public inspection pursuant to Sec. 6250 et seq. of the California Government Code.

33.11 Modifications/Transfers of Real Property:

33.11.1 Any proposed modification or change in use of real property acquired or improved, in whole or in part, by CDBG funds from the use planned at the time of the acquisition or improvement, including disposition, is prohibited.

33.11.2 SUBRECIPIENT shall ensure that any real property under SUBRECIPIENT's control that was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 is either:

33.11.2.1 Used to meet one of the national objectives contained in 24 CFR 570.208 for a period not less than five years, or for such period of time as determined to be appropriate by COUNTY, after expiration of the CONTRACT and close-out of SUBRECIPIENT's participation in the CDBG Program, or, until five years after the close-out of the grant from which the assistance to the property, whichever occurs first; or,

33.11.2.2 Disposed of in a manner which results in COUNTY being reimbursed in an amount equal to the current fair market value of the property less any portion thereof attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with paragraph 33.11.2.1 above.

33.12 Labor Standards

33.12.1 SUBRECIPIENT agrees to contact COUNTY no less than fourteen (14) days prior to the Pre-Construction Meeting date to seek consultation regarding application of requirements per federal labor standards regulations or Davis-Bacon related Acts.

33.12.2 SUBRECIPIENT will comply with Davis-Bacon Act and/or State Prevailing Wage requirements, when applicable.

33.12.3 SUBRECIPIENT agrees to comply with all applicable requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, the provisions of CONTRACT work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333), and all other applicable Federal, State and local laws and regulations pertaining to labor standards. SUBRECIPIENT shall maintain all applicable documentation, which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to COUNTY for review upon request.

- 33.12.4 SUBRECIPIENT agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) units, all contractors engaged in contracts of \$2,000.00 or more for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this CONTRACT, shall comply with all applicable federal requirements including Department of Labor regulations, under 29 CFR, Parts 3, 1, 5, 7 and 1926 governing the payment of wages and ratio of apprentices and trainees to journeymen. Nothing hereunder is intended to relieve SUBRECIPIENT of its obligation, if any, to require payment of the higher rate under state or local laws SUBRECIPIENT shall insert provisions meeting the requirements of this paragraph in all such CONTRACTS.
- 33.12.5 In case where the Davis-Bacon Act applies, SUBRECIPIENT agrees to submit the Construction Bid Package for this project to DIRECTOR for modification, SUBRECIPIENT shall construct project in accordance with the approved Construction Bid Package.
- 33.13 **California Labor Code Compliance**
- 33.13.1 If Prevailing Wage laws apply, SUBRECIPIENT hereby agrees to pay, or cause its subcontractors to pay, Prevailing Wage rates at all times for all construction, improvements, or modifications to be completed for COUNTY under this CONTRACT. SUBRECIPIENT herein agrees that SUBRECIPIENT shall post, or cause to be posted, a copy of the most current, applicable Prevailing Wage rates at the site where the construction, improvements, or modifications are performed.
- 33.13.2 **Payroll Records**
SUBRECIPIENT agrees that:
Certified copies of all payroll records for this project shall be required pursuant to the provisions of California Labor Code "Section 1776". The reporting format and words of certification shall be as indicated in Title 8 of the California Code of Regulations, Section 16401.
Certified copies of the payroll records of all subcontractors working on this project are required. It shall be the responsibility of the prime contractor to ensure subcontractor compliance.
Certified copies of all payroll records shall be submitted on a weekly basis to COUNTY through the duration of this CONTRACT.
SUBRECIPIENT acknowledges that failure to comply with Section 1776 may result in a forfeiture of twenty-five dollars (\$25) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated, and it should be recognized that a contractor or subcontractor, or agent or representative thereof who neglects to comply is guilty of a misdemeanor pursuant to California Labor Code Section 1777.
- 33.14 **Economic Opportunities**
- 33.14.1 **Compliance**
This Contract is subject to the requirements of 12 USC 1701u, the HUD regulations issued pursuant thereto at 24 CFR, 135.1 et seq., and any applicable rules and orders of HUD issued Federal financial assistance shall be conditioned upon compliance with 12 USC 1701u. Failure to fulfill these requirements shall subject SUBRECIPIENT and

any sub-subrecipients, their successors and assigns, to those remedies specified herein. SUBRECIPIENT certifies and agrees that no conflict exists which would prevent compliance with requirements.

The Contractor agrees to abide by 24 CFR, 135.38, below and will insert the following clause in any subcontracts executed with third parties for work covered by this Contract:

"The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

The contractor agree to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts. With respect to work

performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b)."

34. Environmental Conditions:

- 34.1 SUBRECIPIENT shall comply with HUD Environmental Review under HUD regulations at 24 CFR 58 et seq., which implement the National Environmental Policy Act (NEPA); and, the California Environmental Quality Act (CEQA). No costs shall be incurred and no funds shall be disbursed prior to certification by COUNTY and/or HUD of environmental compliance.
- 34.2 SUBRECIPIENT shall incur no costs for any project-related activity defined in SUBRECIPIENT SCOPE OF SERVICES and COUNTY shall not disburse funds prior to certification by COUNTY and/or HUD for environmental compliance.
- 34.3 SUBRECIPIENT shall provide requested material to COUNTY for the Environmental Review process required by applicable regulations.
- 34.4 **Air and Water:** SUBRECIPIENT agrees to comply with the following regulations in so far as they apply to the performance of this CONTRACT:
 - 34.4.1 Clean Air Act, 42 U.S.C., 1857, et seq.
 - 34.4.2 Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq.
 - 34.4.3 Environmental Protection Agency (EPA) regulations pursuant to 40 CFR 50 and 40 CFR 58.
- 34.5 **Flood Disaster Protection:** SUBRECIPIENT agrees to comply with the requirements of the Flood Disaster Protection Act of 1973, including as applicable any regulations set forth in 24 CFR 55, (implementing Executive Order 11988) in regard to the sale, lease or other transfer of land acquired, cleared, or improved under the terms of this CONTRACT, as it may apply to the provisions of this CONTRACT.
- 34.6 **Lead-Based Paint:** SUBRECIPIENT agrees that any construction or rehabilitation of residential structures with assistance provided under this CONTRACT shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR 35, particularly, 24 CFR 35.100 through 35.175. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified with the "Protect Your Family From Lead In Your Home" publication, found at <http://www.epa.gov/lead> that such properties may include lead-based paint.
- 34.7 **Historic Preservation:** SUBRECIPIENT agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR 800, Protection of Historic Properties, insofar as they apply to the performance of this CONTRACT.

- In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or local historic property list.
- 34.8 **Energy Efficiency Standards:** SUBRECIPIENT agrees to comply with the California Energy Commission Assembly Bill 970, Title 24, Part I of the California Code of Regulations (AB970: Building Efficiency Energy Standards), in regard to construction and property development, when applicable.

35. General Administration:

- 35.1 **Fair Housing:** SUBRECIPIENT shall affirmatively further fair housing in accordance with 24 CFR 570.904.
- 35.2 **Grantor Recognition:** SUBRECIPIENT shall insure recognition of the role of the COUNTY in providing services through this CONTRACT. All activities, facilities and items utilized pursuant to this CONTRACT shall be prominently labeled as to funding source. In addition, SUBRECIPIENT will include a reference to the support provided herein in all publications made possible with funds made available under this CONTRACT. SUBRECIPIENT will retain documentation of such recognition, which shall be available for periodic monitoring by representatives of COUNTY or HUD.
- 35.3 **Records to be Maintained:** SUBRECIPIENT shall maintain all records required by the Federal regulations specified in 24 CFR 570.503(b)(2), 570.506, 570.507, 570.508 that are pertinent to the activities to be funded under this CONTRACT. Such records shall include, but not be limited to:
- 35.3.1 Records providing a full description of each activity undertaken;
 - 35.3.2 Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
 - 35.3.3 Records required to determine the eligibility of activities;
 - 35.3.4 Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG assistance;
 - 35.3.5 Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
 - 35.3.6 Financial records as required by 24 CFR 570.502, and OMB Circular A-87; and
 - 35.3.7 Other records necessary to document compliance with Subpart K of 24 CFR 570.
 - 35.3.8 **Retention:** SUBRECIPIENT shall retain all records pertinent to expenditures incurred under this CONTRACT for a period of five (5) years after the termination of all activities funded under this CONTRACT, or after the resolution of all Federal audit finding, whichever occurs later. Records for non-expendable property acquired with funds under this CONTRACT shall be retained for five (5) years after final disposition of such property. Records for any displaced person must be kept for five (5) years after s/he has received final payment.
- 35.4 **Client Data**
- 35.4.1 SUBRECIPIENT shall maintain client data demonstrating client Eligibility for services provided for a period of five (5) years after the termination of all activities funded under this CONTRACT, or after the resolution of all Federal audit finding, whichever occurs later. Such data shall be consistent and include, but not limited to, client name,

address, verifiable income level (as documented by income tax returns, employee payroll records, retirement statements, etc. or other third party documentation acceptable to COUNTY, for determining eligibility), and description of service provided. Such information shall be made available to HUD representatives, COUNTY monitors, or their designees, for review upon request.

35.4.2 SUBRECIPIENT shall develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the subject program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

35.5 **Property Records:** SUBRECIPIENT shall maintain real property inventory records, which clearly identify properties purchased, improved, or sold. Properties retained shall continue to meet eligibility criteria, rental limitations, health, safety and building codes, etc., and shall conform to 24 CFR 570.505.

35.6 **Close-Out:** SUBRECIPIENT's obligation to COUNTY shall not end until all close-out requirements are completed. Activities during this close-out period shall be completed in accordance with 24 CFR 570.509 and shall include, but are not limited to: making final payments; submitting final invoice(s), report(s), in accordance with the requirements of paragraph 24.3.4 above, and documentation; disposing of program assets (including the return to COUNTY of all unused materials and equipment); remitting any program income balances and receivable accounts to COUNTY, and determining the custodianship of records.

35.7 **Equipment:** SUBRECIPIENT shall use, manage and dispose of equipment in accordance with 24 CFR 85.32 and 24 CFR 570.502.

35.8 **Subcontracts:**

35.8.1 SUBRECIPIENT shall submit all subcontract agreements to COUNTY for review and consent prior to entering into such subcontracts. For construction subcontracts, SUBRECIPIENT shall submit the Construction Bid Package to COUNTY for review and written approval by DIRECTOR or designee prior to advertising for bids and award for the construction contract. SUBRECIPIENT shall construct Project in accordance with the Construction Bid Package, which DIRECTOR approved, unless prior written approval is received from DIRECTOR for modification thereof.

35.8.2 SUBRECIPIENT shall assume responsibility for all subcontracted services to assure CONTRACT compliance.

35.8.3 SUBRECIPIENT shall cause all of the provisions of this CONTRACT in entirety to be included in and made a part of any subcontract executed in the performance of this CONTRACT.

35.8.4 SUBRECIPIENT shall monitor all subcontracted services on a quarterly basis to assure CONTRACT compliance. Results of said monitoring efforts shall be summarized in written form, and supported with documented evidence of follow-up actions(s) to correct any area(s) of CONTRACT non-compliance. Documentation shall be made available for periodic monitoring by representatives of COUNTY and/or HUD.

35.9 Relocation:

SUBRECIPIENT shall, in all matters relating to the project:

- 35.9.1** Take all reasonable steps to minimize displacement by providing tenants reasonable opportunity to lease and occupy dwelling units in the project being improved; and,
- 35.9.2** Submit to COUNTY a Plan outlining financial and advisory assistance in securing temporary housing for any eligible tenant who is temporarily or permanently relocated due to the project.
- 35.9.3** Comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended by the Uniform Relocation Act/URA, 49 CFR Part 24 and 24 CFR 570.606 for persons displaced by the project; and
- 35.9.4** Have in effect and follow a residential anti-displacement and relocation plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in conjunction with any activity assisted with funding under the subject project.

36. News/Information Release: The SUBRECIPIENT agrees that it will not issue any news releases in connection with either the award of this CONTRACT or any subsequent amendment of or effort under this agreement without first obtaining review and written approval of said news releases from the COUNTY through the COUNTY's Project Manager.

37. Notices: Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the parties' Project Managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

For COUNTY:

County of Orange
OC Community Services
Housing Community Development
1770 North Broadway
Santa Ana, CA 92706-2642

For SUBRECIPIENT:

Bruce Channing, City Manager
City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653-3103

38. Ownership of Documents: The COUNTY has permanent ownership of all directly connected and derivative materials produced under this CONTRACT by the SUBRECIPIENT. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the COUNTY and may be used by the COUNTY as it may require without additional cost to

the COUNTY. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the SUBRECIPIENT without the express written consent of the COUNTY.

39. Precedence: The CONTRACT documents consist of this CONTRACT and its attachments and exhibits. In the event of a conflict between or among the CONTRACT documents, the order of precedence shall be the provisions of the main body of this CONTRACT, i.e., those provisions set forth in the articles of this CONTRACT, and then the exhibits and attachments.

40. Project Manager, COUNTY: The COUNTY shall appoint a Project Manager to act as liaison between the COUNTY and the SUBRECIPIENT during the term of this CONTRACT. The COUNTY's Project Manager shall coordinate the activities of the COUNTY staff assigned to work with the SUBRECIPIENT.

The COUNTY's Project Manager shall have the right to require the removal and replacement of the SUBRECIPIENT's Project Manager and key personnel. The COUNTY's Project Manager shall notify the SUBRECIPIENT in writing of such action. The SUBRECIPIENT shall accomplish the removal within 14 calendar days after written notice by the COUNTY's Project Manager. The COUNTY's Project Manager shall review and approve the appointment of the replacement for the SUBRECIPIENT's Project Manager and key personnel. Said approval shall not be unreasonably withheld.

41. Errors and Omissions: All reports, files and other documents prepared and submitted by SUBRECIPIENT shall be complete and shall be carefully checked by the professional(s) identified by SUBRECIPIENT as Project Manager and key personnel attached hereto, prior to submission to the COUNTY. SUBRECIPIENT agrees that COUNTY review is discretionary and SUBRECIPIENT shall not assume that the COUNTY will discover errors and/or omissions. If the COUNTY discovers any errors or omissions prior to approving SUBRECIPIENT's reports, files and other written documents, the reports, files or documents will be returned to SUBRECIPIENT for correction. Should the COUNTY or others discover errors or omissions in the reports, files or other written documents submitted by SUBRECIPIENT after COUNTY approval thereof, COUNTY approval of SUBRECIPIENT's reports, files or documents shall not be used as a defense by SUBRECIPIENT in any action between the COUNTY and SUBRECIPIENT, and the reports, files or documents will be returned to SUBRECIPIENT for correction.

CONTRACT SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto certify that they have read and understand all the terms and conditions contained herein and have hereby cause this CONTRACT to be executed.

***City of Laguna Hills**

By: 

Title: MAYOR

Dated: May 8, 2012

By: 

Title: CITY MANAGER

Dated: May 8, 2012

COUNTY OF ORANGE

A Political Subdivision of the State of California

By: 
Orange County Community Resources

Dated: 8/15/12

**APPROVED AS TO FORM:
COUNTY COUNSEL,**

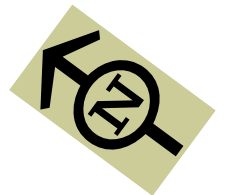
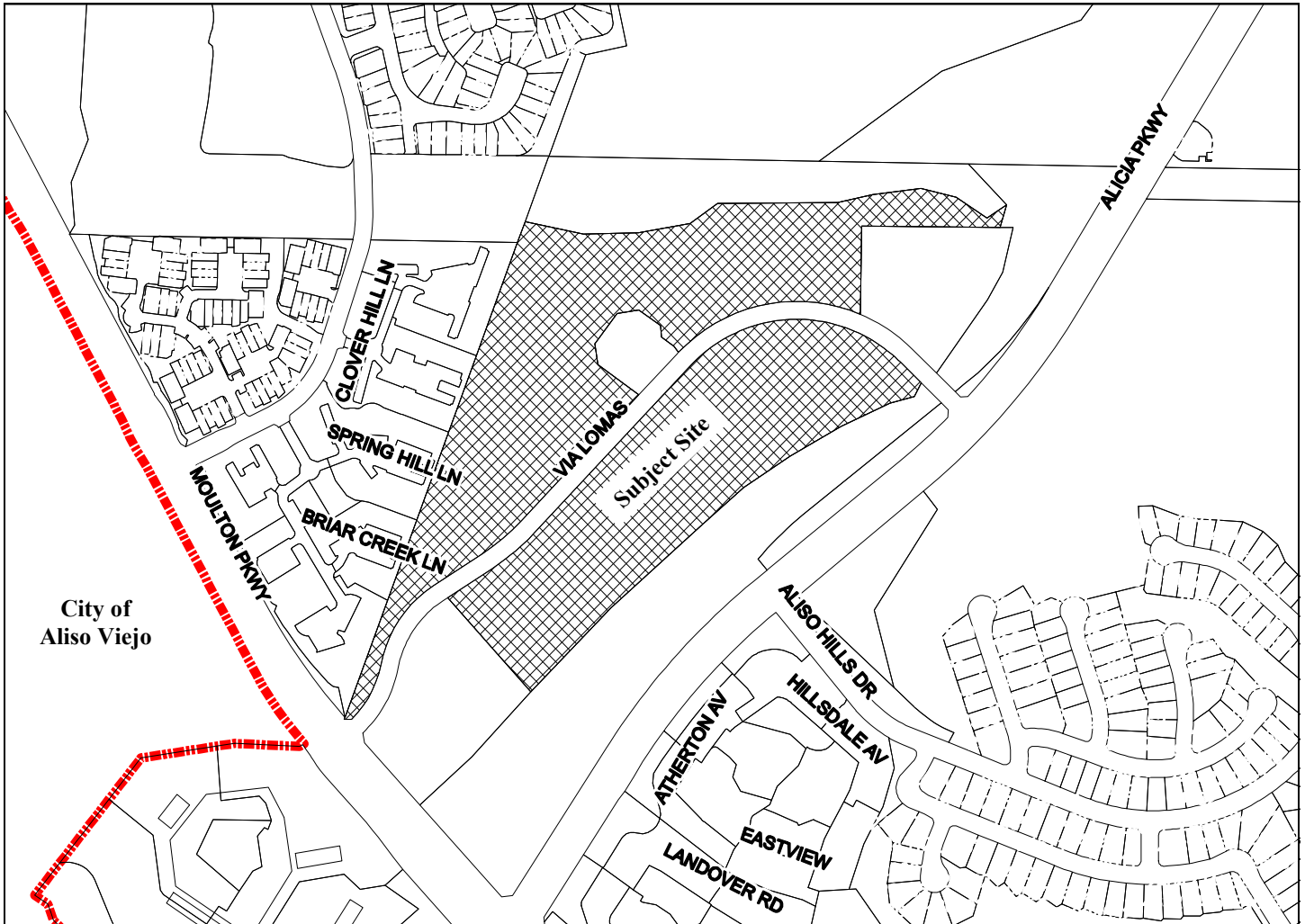
By: _____
Jacqueline Guzman, DEPUTY

***For SUBRECIPIENTS that are corporations, signature requirements are as follows: 1) One signature by the Chairman of the Board, the President or any Vice President; and 2) One signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or an Assistant Treasurer.**

For SUBRECIPIENTS that are not corporations, the person who has authority to bind the SUBRECIPIENT to a CONTRACT, must sign on one of the lines above.

ATTACHMENT 2
VICINITY MAP

ATTACHMENT 2—VICINITY MAP





City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFELD, P.E.
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: PROGRESS PAYMENT NO. 3 FOR COMMUNITY CENTER BUILDING
REFURBISHMENT, CIP NO. 513A

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE PROGRESS
PAYMENT NO. 3, IN THE NET AMOUNT OF \$39,347.76, TO N.S. CONSTRUCTION &
PAINTING, FOR COMMUNITY CENTER BUILDING REFURBISHMENT, CIP NO. 513A.

SUMMARY:

Work on the Community Center Building Refurbishment, CIP No. 513A, began on December 17, 2012, and is being performed by N.S. Construction & Painting. Work performed in February included mobilization, unclassified removals, painting, and concrete wall cap installation. The contractor has submitted the third progress payment request for approval.

BACKGROUND:

A routine monthly action for capital improvement projects is the submission, review, and approval of the contractor's invoice. Procedurally, field staff verifies the contractor's quantities and matches them with the submitted invoice. The unit prices and total costs of the project are confirmed by the office staff and a progress payment is then processed. A five-percent (5%) retention is withheld from each payment to assure final performance of the work. The contractor for the project, N.S. Construction & Painting, has submitted the third progress payment for the subject project as follows:

ITEM #	DESCRIPTION	QUANTITY	UNIT	\$	AMOUNT
1	Mobilization	.35	LS	\$12,000.00	\$ 4,200.00
2	Unclassified Removals	.11	LS	\$ 3,000.00	\$ 330.00
6	Interior Paint	.402	LS	\$39,250.00	\$15,778.50
7	Exterior Paint	.402	LS	\$35,100.00	\$14,110.20

11	Concrete Wall Caps	1	LS	\$ 7,000.00	\$ 7,000.00
	Total To Date			\$99,790.00	
	Less Prior Billing			<u>\$58,371.30</u>	
	Total This Period			\$41,418.70	\$41,418.70
	Less 5% Retention				<u><u>\$(2,070.94)</u></u>
					\$39,347.76

FISCAL IMPACT:

The progress payment is within the Capital Improvement Program Budget for the Community Center Building Refurbishment, CIP No. 513A.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: PEGGY J. JOHNS
CITY CLERK**

ISSUE: SECOND READING AND ADOPTION OF AN ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 OF TITLE 2 OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS

RECOMMENDATION: THAT THE CITY COUNCIL ADOPT AN ORDINANCE ENTITLED: AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS.

SUMMARY:

At the City Council Workshop held on February 19, 2013, the City Council discussed the possibility of changing the time for City Council regular meetings so that the start time for Closed Session meetings would commence at 6:00 PM, one hour before the start of the General Business Session at 7:00 PM.

At the March 12, 2013, City Council meeting, the City Council introduced an Ordinance which would revise the Laguna Hills Municipal Code Section 2-04.010 to move the start time for Closed Sessions to 6:00 PM, one hour before the start of the General Business Session at 7:00 PM, while also allowing the option for Closed Session meetings to be scheduled as part of the General Business Session when necessary. The proposed Ordinance would also revise Section 2-04.020 of the City's Municipal Code to restate the location of City Council regular meetings. It is now in order to adopt the Ordinance.

ATTACHMENTS:

- Ordinance

ORDINANCE NO. 2013-

AN ORDINANCE OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS

WHEREAS, Closed Session meetings of the City Council are currently held as part of the General Business Session during City Council regular meetings, which meetings commence at 7:00 p.m., pursuant to Section 2-04.010 of the Laguna Hills Municipal Code; and

WHEREAS, following a City Council workshop held on February 19, 2013, the City Council now desires to start Closed Session meetings of the City Council at 6:00 p.m., when there is a need to schedule Closed Sessions during City Council regular meetings, which is one hour prior to the start of the General Business Session at 7:00 p.m.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-04.010 of Chapter 2-04 (City Council) of Title 2 (Administration and Personnel) of the Laguna Hills Municipal Code is hereby amended and restated in its entirety to read as follows:

"The regular meetings of the City Council of the City of Laguna Hills shall be held on the second and fourth Tuesday of each month as follows: at 6:00 p.m. for Closed Session Business and/or Study Sessions, when scheduled, and at 7:00 p.m. for the General Business Session. Notwithstanding the foregoing, Closed Session meetings of the City Council may be scheduled as part of the General Business Session, when necessary, and nothing herein shall operate to preclude the City Council from reconvening into Closed Session as part of the General Business Session for purposes of completing Closed Session discussions in the event the City Council does not complete the Closed Session discussion between 6:00 p.m. and 7:00 p.m."

SECTION 2. Section 2-04.020 of Chapter 2-04 (City Council) of Title 2 (Administration and Personnel) of the Laguna Hills Municipal Code is hereby amended and restated in its entirety to read as follows:

"Except as otherwise provided by law, the regular meetings of the City Council shall be held in the Council Chamber of the Laguna Hills City Hall, which is located at the Laguna Hills Civic Center, 24035 El Toro Road, Laguna Hills, California."

SECTION 3. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more section, subsection, subdivision, sentence, clause, phrase, or portion thereof be declared invalid or unconstitutional.

SECTION 4. The City Clerk shall certify to the adoption of this Ordinance and cause the same to be posted at the duly designated posting places within the City and published once within fifteen days after passage and adoption as may be required by law; or, in the alternative, the City Clerk may cause to be published a summary of this Ordinance and a certified copy of the text of this Ordinance shall be posted in the Office of the City Clerk five days prior to the date of adoption of this Ordinance; and, within fifteen days after adoption, the City Clerk shall cause to be published, the aforementioned summary and shall post a certified copy of this Ordinance, together with the vote for and against the same, in the Office of the City Clerk.

PASSED, APPROVED, AND ADOPTED this 26th day of March 2013.

BARBARA D. KOGERMAN, MAYOR

ATTEST:

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Peggy J. Johns, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing Ordinance No. 2013- x was duly introduced and
placed upon its first reading at a Regular Meeting of the City Council on the 12th day of
March 2013, and that thereafter, said Ordinance was duly adopted and passed at a
Regular Meeting of the City Council held on the 26th day of March 2013, by the following
vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

PEGGY J. JOHNS, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

AFFIDAVIT OF POSTING
AND PUBLICATION

PEGGY J. JOHNS, being first duly sworn, deposes and says:

That she is the duly appointed and qualified City Clerk of the City of Laguna Hills;

That in compliance with State Laws of the State of California, ORDINANCE NO. 2013-x , being:

AN ORDINANCE OF THE CITY OF LAGUNA HILLS,
CALIFORNIA, AMENDING AND RESTATING SECTIONS 2-04.010 AND 2-04.020 OF CHAPTER 2-04 (CITY COUNCIL) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE LAGUNA HILLS MUNICIPAL CODE ESTABLISHING THE DATES, TIMES AND LOCATION OF CITY COUNCIL REGULAR MEETINGS

on the 5th day of April 2013, was published in the Saddleback Valley News; and was, in compliance with City Resolution No. 2004-05-25-2, on the 27th day of March 2013, caused to be posted in three places in the City of Laguna Hills, to wit:

Laguna Hills City Hall
Laguna Hills Community Center
La Paz Center

PEGGY J. JOHNS, CITY CLERK
Laguna Hills, California



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: DAVID CHANTARANGSU, AICP
DIRECTOR OF COMMUNITY DEVELOPMENT**

ISSUE: 2012 GENERAL PLAN ANNUAL REPORT

RECOMMENDATION: THAT THE CITY COUNCIL RECEIVE THE REPORT AND DIRECT STAFF TO FORWARD THE 2012 GENERAL PLAN ANNUAL REPORT AND ANNUAL ELEMENT REPORT – HOUSING ELEMENT IMPLEMENTATION, TO THE STATE OF CALIFORNIA.

SUMMARY:

State law requires each city to submit an annual report to the state describing steps it took to implement its General Plan during the previous calendar year. The annual report provides the City Council with a snapshot of how the City implemented the General Plan and also assists the state in understanding how each jurisdiction is progressing toward meeting its regional housing need.

Attached is the City's 2012 Annual Report, which provides the status of the City's General Plan implementation efforts and the purpose of each General Plan Element (i.e. Land Use, Mobility, Conservation and Open Space, Community Services and Facilities, Safety, Noise, and Housing).

The activities described in the annual report depict the major accomplishments during 2012 and do not reflect every aspect of an adopted goal or policy which may be more routine in nature. A summary of the activities described by the annual report is described by the following:

Land Use Element: The report provides a synopsis of the significant land use processes the City approved last year such as the Moulton-La Paz Center and Oakbrook Village, and describes completed projects including Ashley Furniture, Chick-Fil-A, and the Taj Mahal Medical Center.

Mobility Element: The report describes completed major capital improvements including the widening of Avenida de la Carlota at El Toro Road and La Paz Road at Interstate 5, and the biennial street overlay project.

Housing Element: The report provides information on the City's on-going efforts to undertake rehabilitation work at the Aliso Meadows condominium complex and progress towards implementation of the City's regional housing need. During the Housing Element cycle which covers 2008-2014, two units have been built. Attached to the report is a worksheet identified as the "HCD Form" which lists each of the goals and policies identified by the Housing Element and the status of each. "HCD" is the acronym for the Department of Housing and Community Development which is the state agency that reviews Housing Elements from each city for compliance with state law.

Conservation and Open Space: The report provides a description of programs and events the City participated in or sponsored to promote the conservation of natural resources and promote sustainability of the environment.

Noise Element: The report describes the implementation of routine tasks the City undertook to ensure new or proposed uses would not be exposed to significant noise levels.

Safety Element: The report describes routine tasks the City undertook to maintain the community's safety in evaluating new development and identified a number of programs and services implemented by the Orange County Sheriff's Department on behalf of the community that promote public safety. Response times and crime statistics were also provided.

Community Services and Facilities Element: The report highlights City-sponsored special events, funding for the Florence Sylvester Senior Center, and new community outreach tools.

BACKGROUND:

The City's General Plan was adopted in 2009 and included the Housing Element (for the planning period covering 2008-2014).

Government Code Section 65400 requires that all cities and counties submit to their legislative bodies an Annual Report on the status of the General Plan and progress of its implementation. Senate Bill No. 375 requires that the General Plan Annual Report ("Annual Report") include a section describing the actions taken by the local government to complete the programs and meet the deadlines specified in the Housing Element. SB 375 builds on the existing framework of regional planning to tie together the regional allocation of housing needs and regional transportation planning in an effort to reduce greenhouse gas (GHG) emissions.

Previously, there were no consequences if a local government failed to prepare an Annual Report. However, with the enactment of SB 375, failure to comply with the reporting and hearing requirements can now lead to a court injunction and sanctions. The Annual Report must be forwarded to the State Department of Housing and Community Development (HCD) and the Governor's office of Planning and Research by April 1st of each year.

The State of California has created a standardized format that each city is expected to use in preparing an Annual Report on the status of the Housing Element and the City's progress in implementing its goals and programs. These forms are included in the City's General Plan Annual report.

Following the City Council's review and receipt of the 2012 General Plan Annual Report, staff will forward the Annual Report to the State of California as required.

FISCAL IMPACT:

None

CEQA FINDINGS:

A General Plan Annual Report is not considered a "project" subject to the California Environmental Quality Act (CEQA).

ATTACHMENTS:

- Attachment 1- 2012 Annual Report
- Attachment 2- HCD Form

Attachment 1 – 2012 General Plan Annual Report

CITY OF LAGUNA HILLS
General Plan Annual Report
Calendar Year 2012

Background

Government Code Section 65400(b) mandates that all cities and counties submit to their legislative bodies an annual report on the status of the General Plan and progress in its implementation; otherwise referred to as the “Annual Report.” The Annual Report is intended as a tool for informing local legislative bodies of the jurisdiction’s effectiveness in implementing its General Plan. A copy of the Annual Report must also be sent to the Governor’s Office of Planning and Research (OPR) and the Department of Housing and Community Development (HCD).

The purpose and intent of this statute is to ensure that the General Plan directs all land use decisions and remains an effective guide for the long-term physical development of a community. The Annual Report is a tool for monitoring the community’s efforts. The Annual Report provides a correlation between land use decisions that have been made during the 12-month reporting period and the goals, policies and implementation programs of the adopted General Plan.

Providing a copy of the Annual Report to OPR provides information that allows OPR to monitor local planning activities and to identify trends in land use planning and decision-making throughout the State of California. The information is necessary for OPR to serve in its capacity as the statewide planning agency. It can also provide the State with information to identify necessary modifications and improvements to its *General Plan Guidelines*, while serving to apprise state government of local planning activities and facilitating the legislative process as it pertains to land use and local planning issues.

Providing a copy of this report to HCD fulfills a statutory requirement to report certain housing information, including the local agency’s progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the development of housing (as defined in Government Code Sections 65583(c)(3) and 65584).

The focus of the Annual Report should be on implementation of the General Plan’s goals, policies and implementation measures. It can provide information to identify necessary “course adjustments” or modifications to the General Plan and means to improve local implementation. Since there is no specific form provided by OPR, the Annual Report can vary in format and approach from jurisdiction to jurisdiction.

City of Laguna Hills General Plan Implementation

After an extensive two year process, the City adopted a Comprehensive Update to the General Plan in July 2009. This was the first comprehensive revision of the General Plan since the City's first general Plan was adopted in 1994. The General Plan is based on extensive research and analysis of existing conditions, changing local and regional conditions, evolving trends in urban planning and a collaborative partnership with community members through an extensive public participation process.

The Laguna Hills General Plan is organized into 10 sections. The sections include an introduction, seven General Plan elements, a General Plan Implementation Program, description of related plans and programs, and a glossary of terms used throughout the General Plan.

The seven General Plan elements encompass all of the elements required by California General Plan law. The Laguna Hills General Plan combines the mandatory Open Space and Conservation Elements required by State law, and includes a separate, optional element on Community Services and Facilities. The seven General Plan elements in the Laguna Hills General Plan include: Land Use, Mobility, Conservation and Open Space, Community Services and Facilities, Safety, Noise, and Housing.

The seven elements are generally organized in a similar format. Each element contains an Introduction, Background, and Plan section. The "Introduction" indicates the purpose of each element and how it will help Laguna Hills achieve its vision for the community as articulated through the eight Guiding Themes. The "Background" provides the reader with the existing conditions and/or the environmental setting particular to that element topic. The "Plan" section is composed of three sections: issues, goals and policies, and approach. The issues section describes issues and concerns expressed by the community, City staff, and the City Council. The goals and policies section sets both broad and specific direction for the future of the City based on the identified issues and concerns. The approach section provides a general description and summary of the City's course of action to achieve the goals and policies.

The Laguna Hills General Plan also contains the following appendices, which are integral parts of the General Plan: 1) Implementation Program - The Implementation Program follows the elements and identifies the specific actions that will achieve the goals, policies, and plans identified in each element; 2) Related Plans and Programs - This section identifies plans and programs related to the General Plan and applicable to future activities and land use decisions within Laguna Hills; 3) Glossary - This section provides definitions for technical terms used throughout the General Plan.

Land Use Element

The Land Use Element is the foundation of the General Plan and serves as a compass that guides citizens, planners, and decision makers on the desired pattern of growth, development, and change in Laguna Hills. This Element describes both existing and future land use activities and unifies the other elements of the General Plan by providing an overall policy context. The Land Use Element deals with the central issues of development and growth, and the quality of the community, and helps define the desired balance among the social, environmental, and economic costs and benefits associated with growth.

The Land Use Element identifies the distribution, location, and intensity of all land use types throughout the City. Text, maps, and diagrams establish the direction for land uses within the City and describe how these uses are integrated with other General Plan Elements and policies.

As a built-out community with no remaining residential or commercial vacant land, new development opportunities are focused on larger existing developed parcels that are considered underutilized and/or can be reasonably intensified by incorporating parking structures within parking lot areas. The Laguna Hills Mall and the Oakbrook Village Shopping Center are both examples of these new development opportunities and are zoned for a range of mixed land uses, including residential uses. The General Plan focuses on those sites within the community that have redevelopment potential.

The City's Land Use Element was adopted in July 2009 with the City's comprehensive update of the General Plan. Previously, the City had amended the 1994 adopted Land Use Element twice: In July of 2000, with the West-side annexation, and in June of 2001, with the Saddleback Valley Unified School District Surplus Property Land Use Designation Change.

The following Land Use goals and programs were implemented in 2012:

- Former Circuit City Site

Circuit City closed its doors in April of 2009. At the time, the owner of the property had made it clear that there was strong retail interest in the site, including Best Buy and Ashley Furniture. Ultimately, Ashley Furniture purchased the site in January 2010 for \$11.4 million. Staff worked very closely with the new owners to ensure a desirable remodel of the existing building. Additionally, staff encouraged the new owners to build out the site with additional retail/restaurant uses. Consequently, the site was developed to add an additional 5,949 square feet of retail space that now serves as the new home to Ashley Furniture, Total Wine and More, and Chick-fil-A. The grand opening for Ashley Furniture occurred April 2012, while the grand opening for Chick-fil-A and Total Wine and More occurred in July 2012 and August 2012, respectively.

Staff continues to proactively encourage the Simon Group to move forward with a major capital investment in the renovation of the Laguna Hills Mall.

- Oakbrook Village

The owner of Oakbrook Village received approval from the City Council in November 2012 to create a mixed-use development with new retail and residential units. This project intends to turn the aging shopping center into the City's first urban village by demolishing 148,530 square feet of the existing 200,000 square-foot center and replacing it with 489 homes in multistory residential buildings and up to 82,574 square feet of new retail space. This project will be broken up in two phases. Phase One will include the demolition of 82,730 square feet of retail uses and development of 289 dwelling units and 23,974 square feet of new retail space. The new retail square footage will include 9,000 square feet of ground-level retail integrated into the proposed residential building. Construction on Phase One is anticipated to begin in the summer of 2013 and be complete in 2015.

Phase Two is anticipated to include the demolition of 65,800 square feet of retail uses and development of up to 200 dwelling units and 58,600 square feet of new retail space. The design and layout of the proposed residential and retail building have not been determined at this time for Phase Two. In addition to the project approvals, the City Council entered into a Development Agreement with the owner that provides development rights for up to 15 years to complete the project in exchange for a number of public improvements that must be made by the developer. The Development Agreement also establishes a Retail Loss Impact Fee in Phase Two for retail revenue lost as a result of demolition of retail buildings that are not replaced. Also included in the Development Agreement, is a Public Park and Community Facilities Enhancement Fee of \$7,392 per residential unit. The total payment of approximately \$2,136,000 is expected to be paid to the City in 2013 for Phase One.

- Taj Mahal Renovations

The Taj Mahal Office Complex was initially constructed in 1967 and, at the time, was considered new and cutting edge. Last year, the Muller Company obtained approval to perform a number of major improvements at the Taj Mahal Office Complex. The Taj Mahal renovations include expanding the complex by 6,100 square feet, completing interior improvements that include a second elevator, constructing a 6,300 square foot plaza at the facility's east entrance, redesigning the parking lot to improve circulation, adding 100 new parking stalls, and re-landscaping the

entire site and the median island located in Calle de la Plata. In conjunction with the renovations, the Taj Mahal has effectively converted its office space to medical office use and has changed its name to the Taj Mahal Medical Center. Construction was completed Fall 2012.

- Moulton-La Paz Center

This 11.3 acre area located on the north side of La Paz Road between Moulton Parkway to the west and Alameda to the east was identified as an Opportunity Area in the City's General Plan. Following the rezoning of this parcel from open space to commercial-retail, staff processed a tentative parcel map essentially creating a 3.055 acre lot with a 50-foot-wide open space/trail easement along La Paz Road. Last year, the City Council authorized staff to file a quiet title action in court, giving the City clear title of the property.

At the April 24, 2012 City Council meeting, the City Council approved the sale of the property to Vintage Real Estate, the owner of the adjacent Moulton-La Paz shopping center for \$2.75 million. At that meeting, the City Council also approved the addition of 29,098 square feet of general commercial space. The approved purchase and sale agreement also included a creative and first-of-its-kind water quality easement over a portion of contiguous city-owned open space that allowed the project to move forward. Without this creative solution to the new water quality rules and regulations, it is highly likely that the project would have been abandoned or the City would have had to significantly lower the purchase price on the property. City staff negotiated an additional \$211,416 in exchange for the use of these easements. The quiet title action was completed in June 2012 and escrow on the property closed in September 2012 in the amount of \$2,963,093. The Center will be anchored by The Fresh Market. The Fresh Market in Laguna Hills will be the chain's first store in Southern California and the second in the State. Construction on the property is anticipated to begin in January 2013 and be completed in the spring of 2014. The rehabilitation of the open space along the La Paz Road between Alameda and Moulton Parkway is anticipated to commence in the summer of 2013.

- DaVita Dialysis Center

In October 2011, the City approved the \$2.5 million redevelopment plan for a vacant Wells Fargo bank to accommodate a new 8,000 square foot medical building for DaVita Dialysis. The renovations also included the remodeling of a vacant 3,900 square foot automotive repair building into general retail use. The project was completed in September 2012. It is anticipated that the proposed site improvements will help revitalize the

portion of the Cabot Town Center, which has been largely vacant for some time.

- **Building Department Activity**

The total number of permits issued for the year comes to 1,316 permits (including mechanical, electrical and plumbing permits) in comparison with 1,495 permits for 2011. For the year, the City provided just over 5,000 inspections compared with about 5,100 inspections in 2011.

Plan check and permit fees were down almost 20 percent in 2012 compared to 2011 levels. The decline is likely due from a combination of a plan check/ permit fee “spike” occurring from projects that were initiated in 2011 such as Ashley Furniture, Total Wine, and Chick-fil-A (there were no permits issued for major projects in 2012), as well as an 8 percent decline in the number of permits issued in 2012 versus 2011.

Mobility Element

The Mobility Element describes existing and future transportation conditions and systems. The Element establishes goals and policies that will guide the City’s mobility system, including streets, transit facilities and services, bicycle and pedestrian facilities, and the recreational trail system. The text, maps, and diagrams are a basis for the development of the City’s approach to maintaining and improving the mobility network.

The City’s Mobility Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

During 2012, the following projects were substantially completed:

- **Capital Projects Completed**

In order to accommodate the redevelopment of the former Circuit City site and in anticipation of the future development plans for Oakbrook Village and the Laguna Hills Mall, construction began last year on the Avenida de la Carlota Widening project, between Paseo de Valencia and El Toro Road. Completed in 2012, this \$2.36 million dollar project included the addition of a third left-turn lane from the I-5/El Toro Road southbound off ramp onto Avenida de La Carlota and the addition of a third left-turn lane and through lane on Avenida de la Carlota at El Toro Road, along with traffic signal improvements, pedestrian access improvements, new pavement surfacing and signing and striping. No General Fund monies were used for this project. It should also be noted that absent this project,

there would have been significant traffic impacts that may have delayed or significantly increased costs for the Oakbrook Village development project.

- La Paz Widening at Interstate 5

The La Paz Widening at Interstate 5 project received final approval from the City Council in September 2010. This project includes a number of safety and traffic flow improvements, such as the widening and addition of off- and on-ramp lanes, modifying traffic signals, and landscape improvements. Favorable bid conditions allowed the City to anticipate the completion of the project below its original estimated cost of \$7.6 million. The City successfully acquired \$4.7 million in Federal funding for the project, in addition to \$1.15 million of Measure M funds. The remaining funding was acquired from various special revenue fund sources, resulting in no General Fund impact for this project. Construction on the project began in April 2011 and it was substantially completed in November 2012.

- Biennial Street Overlay Project

The City's ongoing maintenance program for residential and collector streets throughout the City continued in 2012. In this project, approximately 17 streets south of Oso Parkway and 16 streets easterly of Paseo de Valencia were rehabilitated. The work included the removal and replacement of 13,000 square feet of sidewalk, 700 linear feet of curb and gutter, 2,200 square feet of driveways/cross-gutters and 13 new access ramps. The work also included 21,000 square feet of pavement repairs and the placement of 16,000 tons of asphalt concrete overlays. Completion of this project extends the useful life of these streets for at least 20 years. This \$1.86 million dollar project was funded entirely by utilizing the City's share of gasoline tax revenues.

- Senior Transportation

Utilizing funds provided by OCTA's Senior Mobility Program, the City continues to provide transportation for seniors through the Dial-A-Taxi program. This program represents a joint venture with the City of Mission Viejo and includes a service area of both Mission Viejo and Laguna Hills with several satellite locations including the Laguna Niguel and Irvine Metrolink stations. In April of this year, the City modified this program to allow all seniors who are 60 or older, or who are 60 or older and qualify for the OCTA ACCESS program, to take advantage of the Dial-A-Taxi Senior Transportation Service. Staff has not seen a remarkable increase in members since the program modification leaving the program with 87 approved members. Currently the program averages 40 trips per month, servicing 40 passengers per month, averaging 7 unduplicated riders.

Housing Element

Every California city and county is required to include a housing element in its general plan which establishes housing goals, policies, and programs that respond to community housing conditions and needs. The purpose of the Laguna Hills Housing Element is to identify housing opportunities and solutions specific to the housing issues of the City.

The 2008-2014 Housing Element was adopted in December 2009. The City received State Certification for its 2008-2014 Housing Element in February 2010.

The following Housing goals and programs were implemented in 2012:

- **Affordable Housing Initiatives**

In 2012, the City of Laguna Hills was awarded \$162,000 in Community Development Block Grant (CDBG) funds, which are being used to renovate homes in the 248-unit Aliso Meadows Condominium Association. Over the past eight (8) years, the City has been awarded CDBG Funds totaling over \$2,100,000, which has resulted in the rehabilitation of more than 136 affordable housing units for very low, low, and moderate income households in the City. Staff may apply for available CDBG funds in the upcoming year to continue its rehabilitation work in the neighborhood.

- **Regional Housing Needs Assessment**

The City was assigned a RHNA number of 8 dwelling units for planning period 2008-2014. The RHNA for the 2008-2014 Housing Element period in the SCAG region used January 1, 2006, as the baseline for projecting housing needs. As such, housing units that have been constructed, issued building permits, or approved since January 1, 2006, can be credited toward the RHNA. During this time period, two (2) new “above moderate” units have been built in the planning area.

Note: In addition to the information provided above, the status of the housing element and progress in its implementation are described in an attachment to this Annual Report – Annual Element Progress Report - Housing Element Implementation.

Conservation and Open Space Element

The purpose of the Conservation and Open Space Element is to identify natural, cultural, and open space resources, ensuring a high-quality living environment for residents of Laguna Hills. This Element provides goals, policies, and programs related to open space and conservation as well as a wide range of other topics that together comprise the natural setting of Laguna Hills, including biological, scenic, cultural, and historical resources. The goals and policies contained in

this element also address global climate change and sustainable practices related to water conservation, energy conservation, air quality, and water quality.

The City's Conservation Element and Open Space Element were adopted in July 2009 with the Comprehensive General Plan Update. The following Conservation and Open Space goals and programs were implemented in 2012:

- Recycling Programs

At its June 26, 2012 meeting, the City Council accepted and approved CR&R's offer to continue with the commercial food waste program at the existing rate until CR&R completes construction of its Anaerobic Digestion Plant, which may take up to two years. From January 2012 to September 2012, 95 tons of food waste material was diverted from landfills. Currently, Kings Fish House, Saddleback Memorial Medical Center, and the farmers market at the Laguna Hills mall are participating in this program.

This year, a program was started to promote and increase recycling efforts at multi-family units. Using Department of Conservation recycling funds, the City purchased re-usable recycling bags for multi-family residents to collect and dispose recyclable materials in a CR&R white recycling bin. To date, the recycling bag program has been implemented at the Quail Creek, Prado, and Bella Tierra properties.

These recycling programs assist the commercial and multi-family sectors in meeting the requirements of AB 341. Under AB 341, "commercial waste generators," which includes multi-family dwellings, are required to arrange for recycling services. This measure also established a legislative declaration that it is the policy goal of the State that not less than 75% of solid waste generated be source reduced, recycled, or composted by the year 2020.

- Landfill Diversion

The 2011 Annual Disposal Report using the per capita disposal figures was submitted to the State Department of Resource Recycling and Recovery (CalRecycle) on July 31, 2012. The City achieved a per capita disposal rate (pounds/person/day) of 3.6 which is well below the per capita disposal target of 5.8 pounds per day. The City's report on its per capita disposal figures and its account of recycling programs was accepted and approved by CalRecycle by receipt of a letter dated August 9, 2012.

- Water Quality

- City staff implemented the Fourth Term NPDES permits issued by both the Santa Ana Regional Water Quality Control Board and the San Diego Regional Water Quality Control Board.
- The City participated in the 16th Annual Inner Coastal Watershed Cleanup Day on September 15, 2012. This was the ninth time the City has participated in this event where volunteers worked together and cleaned parts of the Aliso Hills Channel. The event was a great success as 28 volunteers collected 350 pounds of trash and recyclable material from the trail and creek.
- The City received a grant from the Orange County Transportation Authority to install “debris gates” or trash screens at 68 catch basins throughout the City.
- Earth Day Laguna Hills

The City held its annual Earth Day Laguna Hills (formerly Volunteer Connection Day) on Saturday, April 21, 2012. A total of 67 volunteers participated in the event and had the opportunity to explore the new "Green Expo", which included the interactive Wyland Clean Water Mobile Learning Center exhibit. Event participants then broke off into coordinated groups to assist in trail clean-up projects throughout the City, along with the planting of 15 Crepe Myrtle trees along Paseo de Valencia between Stockport and Kennington. An additional 65 people visited the Green Expo and Wyland exhibit without participating in the projects. A highlight of this year's event was the first ever "Earth Day Laguna Hills Art Contest", which drew 50 submissions from elementary school students in the City. All fifty of the submissions were displayed in the plaza area during the event. In addition, as a part of this event, the City re-qualified for its designation as a Tree City USA by the national Arbor Day Foundation.

Noise Element

The purpose of the Noise Element is to identify and assess existing noise sources in the community, and to discuss the City's role in ensuring comfortable and safe noise levels in the future. As a part of the General Plan process, citizens and City officials identified goals for the future relating to balancing land uses in the City, in part to minimize incompatibilities and exposure to excessive noise while providing the range of uses needed to maintain a high quality of life. The goals, policies, and programs will assist in achieving noise compatibility between land uses.

The City's Noise Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following goals and programs were implemented in 2012:

- Noise Standards and Acoustical Studies

The City reviewed development proposals to ensure that the noise standards and compatibility criteria set forth in the Noise Element were met.

Safety Element

The Safety Element establishes policies and programs to protect the community from risks associated with seismic, geologic, flood, and wildfire hazards.

The City's Safety Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following safety goals and programs were implemented in 2012:

- Public Safety

There were 8,409 total incidents reported in the first three quarters of 2012, which represents a decrease of 8% in reported incidents when compared to the same period in 2011.

The total number of Part I crimes also experienced a slight decrease of 2.3% when compared to last year. This decrease is largely attributed to a sharp decline in the number of reported Assaults and Burglaries.

Part II crimes are generally considered proactive, deputy initiated activities carried out while a deputy is on patrol and not responding to a call. Part II crimes, which include driving under the influence (DUI), narcotics, and vandalism incidents, have decreased significantly by 18% when compared to the same time period last year.

- Response Times Improve

Response times continue to remain within the expected parameters for all four levels of priority calls. The average response time for FY 2011/2012 are 4:50 for Priority 1 calls, 7:29 for Priority 2 calls, 11:36 for Priority 3 calls, and 20:07 for Priority 4 calls. It remains the goal of Laguna Hills Police Services to respond to all Priority 1 calls within five minutes from the time of dispatch to arrival, twelve minutes for Priority 2 calls, and twenty minutes for Priority 3 calls. There is no standard response time goal for Priority 4 calls but rather deputies are dispatched as they become available.

- Neighborhood Watch

Neighborhood Watch Programs within the City continue to flourish with the addition of two new groups and over 30 new members. Both of the new groups were generated because of the distribution of “warning notices” to areas where residential and/or vehicle burglaries have occurred. In addition, Police Services has participated in community events such as the “Every 15 Minutes” program at Laguna Hills High School, Laguna Hills 4th of July Expo, National Night Out, National Car Seat Check Saturday, Boo Bash at Valencia Elementary and National Take Back Day. Throughout the year there have been a total of 10 Neighborhood Watch meetings.

- Community Emergency Preparedness Academy

Police Services once again conducted the Community Emergency Preparedness Academy (CEPA) where 33 residents completed eight weeks of disaster preparedness training. The training included information on fire safety, search and rescue, utility and water safety procedures, disaster/terrorism overview, and CPR, first aid and AED certification. This year, the participants were invited to tour Orange County’s Emergency Operations Center and 911 Dispatch facility. The final class consisted of a mock disaster drill spanning five different scenarios allowing the participants to practice the disaster training skills learned over the course of the Academy. The graduation ceremony was held on Thursday, November 15, 2012.

Community Services and Facilities Element

The purpose of the Community Services and Facilities Element is to assess the current status of community services as well as evaluate their long-term provision to ensure that adequate services and facilities are both planned and provided proportionate with the projected growth, as well as development and redevelopment, as it occurs within the City. The Community Services and Facilities Element also establishes the City’s plan to provide and maintain infrastructure and public services for future growth, without diminishing services to existing development. Community services collectively refer to law enforcement, fire protection, water, sewer, solid waste, electricity and natural gas, communication, and animal care services. Community facilities collectively refer to schools, libraries, parks, and recreational facilities.

The City’s Community Services and Facilities Element was adopted in July 2009 with the Comprehensive General Plan Update. The City had not adopted any amendments to the previous element, which was adopted in 1994 with the original General Plan.

The following goals and programs were implemented in 2012:

- Special Events

The City successfully hosted two signature events. The 2012 Memorial Day Half Marathon, 5K, and 10K, honoring the USMC Dark Horse Battalion, was held on May 28, 2012, with 2,760 runners participating.

It is estimated that more than 11,000 people attended the City of Laguna Hills 2012 Fourth of July event.

- Senior Center Facility Grant

For the third year in a row, the City successfully competed for an award of Community Development Block Grant (CDBG) funding for Public Facilities and Improvement monies to be used at the Florence Sylvester Senior Center. Grant monies totaling \$54,000 were requested to expand the existing solar panel system and complete interior improvements to the center. This past year, the City utilized \$62,130 in grant monies to fund energy efficiencies upgrades that include the installation of a solar panel system. The construction was completed in May 2012.

- Community Bulletin Board

The City established a "Community Bulletin Board" at the Community Center in February 2012. At its November 13, 2012, City Council meeting, the City Council also approved the development of an electronic "Community Bulletin Board" tool for the City's website. These bulletin boards are for the posting of noncommercial messages that promote educational, philanthropic, civic, charitable, cultural, or recreational activities, events, or fundraisers.

- Coyote Response Efforts

In response to a number of coyote sightings and aggressive behavior in the region, staff conducted one successful trapping operation this past year. Additionally, staff has developed an outreach campaign focusing on public education and coordination with the various homeowners' associations throughout the City. The City enacted a featured link on its home page entitled "Living with Coyotes" that details the City's reporting procedures, public information and links those interested to other organizations. The City also conducted a class through the Community Services Department teaching residents hazing principles and how best to respond to coyotes.

Conclusion

This Annual report documents the City's recent progress in updating and implementing the General Plan. The information contained herein will be forwarded to the Governor's Office of Planning and Research and the Department of Housing and Community Development to serve as the City of Laguna Hills' General Plan Annual Report for calendar year 2012.

ATTACHMENT 2 – HCD FORM

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction	Reporting Period
City of Laguna Hills	1/1/2012 - 12/31/2012

Table A

Annual Building Activity Report Summary - New Construction Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information										Housing with Financial Assistance and/or Deed Restrictions			Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8		
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.		
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income							
n/a													
(9) Total of Moderate and Above Moderate from Table A3								2					
(10) Total by income Table A/A3			0	0	0	0	2						
(11) Total Extremely Low-Income Units*			0										

* Note: These fields are voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills
Reporting Period	1/1/2012 - 12/31/2012

Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity	0	0	0	0	Due to the abolishment of redevelopment, no housing rehabilitation activity could take place.
(2) Preservation of Units At-Risk	0	0	0	0	Due to the abolishment of redevelopment, no funds were available.
(3) Acquisition of Units	0	0	0	0	Due to the abolishment of redevelopment, no funds were available.
(5) Total Units by Income	0	0	0	0	

* Note: This field is voluntary

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for Moderate	0	0	0	0	0	0	0
No. of Units Permitted for Above Moderate	2	0	0	0	0	2	0

* Note: This field is voluntary

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction City of Laguna Hills
Reporting Period 1/1/2012 - 12/31/2012

Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.		2006	2007	2008	2009	2010	2011	2012		Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Very Low	Deed	2									
	Restricted Non-deed restricted		0	0	0	0	0	0			
Low	Deed	1									
	Restricted Non-deed restricted		0	0	0	0	0	0	0		
Moderate	Deed	2									
	Restricted Non-deed restricted		0	0	0	0	0	0	0		
Above Moderate		3	0	0	0	0	1	0	1		2
Total RHNA by COG. Enter allocation number:		8	0	0	0	0	1	0	1		2
Total Units											
Remaining Need for RHNA Period											

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills
Reporting Period	1/1/2012 - 12/31/2012

Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	Name of Program	Objective	Timeframe in H.E.	Status of Program Implementation
Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.				
Housing Rehabilitation		preserve affordable housing	Ongoing	Due to funding issues the City may not be able to continue this program for several years.
At-Risk Units		pursue extension of affordability controls	Ongoing	Prepared a Risk Assessment report provided by the California Housing Partnership Corporation (CHPC)
Section 8 Rental Assistance		Cooperate with OCHA	Ongoing	City continues to cooperate with OCHA
Code Enforcement Program		Preserve community housing stock	Ongoing	Code Enforcement continues to assist in preserving the community's housing stock
Urban Village Specific Plan Area for Housing Opportunities		Provide housing opportunities	Ongoing	The city approved a 498 unit project in the UVSP in 2012 and continues to solicit new development activity as appropriate.
Alicia Gateway for Housing Opportunities		Provide housing opportunities	Ongoing	City continues to inform prospective developers that housing opportunities are available in the Alicia Gateway area
Fair Housing Program		Further fair housing practices	Ongoing	City continues to advertise the Fair Housing Council's services
Reasonable Accommodation Procedures		Establish procedures for reasonable accommodation requests	2010-2010	Completed
Zoning Ordinance Update		Remove constraints for the development of housing affordable to low and moderate income households with special needs	2010-2010	The City adopted an amendment to the Urban Village Specific Plan in April 2011. An SB2 ordinance was adopted in 2012.
Second Units		Provide housing opportunities	Ongoing	City continues to implement the Second Unit provisions of the Zoning Ordinance consistent with State law - City permits second units by right in all residential zones of the City, requiring only ministerial approval
Continuum of Care Funding and Consolidation Plan Participation		Affordable housing and related social services for special needs	Ongoing	City continues to participate in the OC Consolidated Plan Programs and in the OC Continuum of Care local housing process to facilitate obtaining funds for affordable housing and related social services for special needs populations
Universal Design Features in Housing		Equal Housing Opportunity	2010-2010	Staff is researching Universal Design Ordinances from other cities and looking into preparing one for Laguna Hills
Annual Progress reports		Plan for and monitor the long-term affordability of sound, quality housing	Annual	City Council reviewed the 2010 General Plan Annual Report (including the Housing Element) in March 2011 and forwarded it to the State in March 2011

ANNUAL ELEMENT PROGRESS REPORT

Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills	
	Reporting Period	1/1/2012 - 12/31/2012
Housing Issues Monitoring	Plan for and monitor the long-term affordability of sound, quality housing	Ongoing
Local Housing Efforts Coordination	Plan for and monitor the long-term affordability of sound, quality housing	Annual
		City continues to monitor existing affordable housing developments in the City and monitors legislation, trends, and policy issues related to the development and maintenance of affordable housing
		City coordinated local housing efforts with federal, state, regional, & local government agencies & cooperated in implementation of intergovernmental housing programs to ensure maximum effectiveness in solving local & regional housing problems

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction	City of Laguna Hills	
Reporting Period	1/1/2012 -	12/31/2012



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: PEGGY J. JOHNS
CITY CLERK**

ISSUE: 2013-15 CITY COUNCIL BIENNIAL BUDGET WORKSHOPS

**RECOMMENDATION: THAT THE CITY COUNCIL CANCEL THE PROPOSED
APRIL 2, 2013, BUDGET STUDY SESSION WORKSHOP.**

SUMMARY:

As you will recall, at the March 12, 2013, City Council meeting, Assistant City Manager White provided a report on the necessary preparations for conducting the April 2, 2013, City Council Budget Strategy Study Session. It was subsequently brought to staff's attention that there were conflicts with the scheduled date of April 2, 2013, to conduct the first study session, and that not all Council Members would be able to attend. This first session focuses on goal setting through the City Council rating of proposed Major Plans and will only work properly if all Council Members participate in the rating process. Consequently, staff recommends that the April 2nd Study Session be cancelled and rescheduled for April 16th. The cancellation of the April 2nd meeting will, by necessity, require that the next two Budget Study Sessions be combined and held on May 7, 2013. Therefore, instead of three Budget Study Sessions, there will now be two and the second one will focus on both the Six-Year CIP and the proposed Operating Budget. Please note that the April 16, 2013, study session will begin at 6:00 p.m., and the May 7, 2013, session will begin at 5:00 p.m.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER

ISSUE: AWARD OF CONTRACT FOR CIVIC CENTER IMPROVEMENTS –
CARPETING & FLOORING

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER IMPROVEMENTS – CARPETING & FLOORING TO THE APPARENT LOW BIDDER, G&S CARPET MILLS, INC., IN THE LOW BID AMOUNT OF \$78,214.21, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

SUMMARY:

In accordance with City Council authorization, six bids for the subject project were received on March 19, 2013. The apparent low bidder, G&S Carpet Mills, Inc., meets the contract requirements, is currently licensed, and provides satisfactory references. Award of contract for the low bid is recommended.

BACKGROUND:

On March 19, 2013, the City received six bids for the Civic Center Improvements – Carpeting & Flooring. The Engineer's Estimate for the project was \$40,000.

The following bids were received:

COMPANY

BID

G&S Carpet Mills, Inc.	\$78,214.21*
Empire Carpets	\$86,405.36
HM Carpet, Inc.	\$91,756.81*
CTG Construction	\$92,500.00
Nick Stavrianopoulos Construction	\$124,450.00
Amtek Construction	\$168,666.92

*Adjusted total for error in submitted bid.

The lowest responsive and responsible bidder, G&S Carpet Mills, Inc., meets the contract requirements, is currently licensed, and provides satisfactory references. This project will begin late April 2013, and will last for a period of twenty (20) working days, and will be coordinated with the painting project.

FISCAL IMPACT:

The project was budgeted for in the 2012-2013 Civic Center Budget and Capital Reserve Fund for the Civic Center.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

ISSUE: AWARD OF CONTRACT FOR CIVIC CENTER SUITE 100B IMPROVEMENTS

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER SUITE 100B IMPROVEMENTS TO THE APPARENT LOW BIDDER, INNOVATIVE BUILDERS & DESIGN, IN THE LOW BID AMOUNT OF \$35,797.50, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

SUMMARY:

In accordance with City Council authorization, six bids for the subject project were received on February 19, 2013. The apparent low bidder, Innovative Builders & Design, meets the contract requirements, is currently licensed, and provides satisfactory references. Award of contract for the low bid is recommended.

BACKGROUND:

On February 19, 2013, the City received six bids for the Civic Center Suite 100B Improvements. The Engineer's Estimate for the project was \$30,000.

The following bids were received:

<u>COMPANY</u>	<u>BID</u>
Innovative Builders & Design	\$35,797.50*
Damon, Inc.	\$37,454.00
Okeyness Construction, Inc.	\$45,721.50*
Dalke & Sons Construction, Inc.	\$47,655.00
R. Dependable Construction Inc.	\$60,945.00
Fortex Construction, Inc.	\$79,797.90

*Adjusted total for error in submitted bid.

The lowest responsive and responsible bidder, Innovative Builders & Design, meets the contract requirements, is currently licensed, and provides satisfactory references. This project will begin late April 2013, and will last for a period of twenty (20) working days.

FISCAL IMPACT:

The project was not specifically budgeted for in the 2012-2013 Civic Center Budget. Based on bids for painting and carpeting, there is \$8,094 in the Capital Budget that can be applied toward this project. The remaining \$27,703.50 will be paid for out of the Civic Center's Tenant Improvement Budget.

ATTACHMENTS:

- January 22, 2013 Staff Report



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: JANUARY 22, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: DONALD J. WHITE
ASSISTANT CITY MANAGER

ISSUE: AUTHORIZATION TO ADVERTISE FOR BIDS FOR CIVIC CENTER SUITE 100B IMPROVEMENTS

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE PLANS AND SPECIFICATIONS ON FILE WITH THE CITY CLERK AND AUTHORIZE THE ADVERTISEMENT FOR BIDS FOR THE CIVIC CENTER SUITE 100B IMPROVEMENTS.

SUMMARY:

Suite 100B has been vacant since 2008. A number of factors have contributed to the vacancy, one of which is the large bank vault and cosmetic columns located within the suite. These current conditions make it difficult to market and lease the space appropriately. Consequently, staff is proposing specific improvements to Suite 100B including removal of the bank vault and demolition of the existing flooring, partition walls, and column wraps, essentially bringing the suite to shell-ready condition. The Civic Center Management Committee reviewed this matter at its October 23, 2012, meeting and approved the project. Staff has prepared the plans and specifications for this project and they are on file with the office of the City Clerk. Authorization to advertise the project for bids is requested.

BACKGROUND:

The Civic Center has 33,000 square feet of leasable space. The building currently has fifteen tenants, however there are still four suites available for lease, including Suite 100B. Suite 100B is the 5,585 square feet, first-floor suite that was previously occupied by Century 21 Real Estate through April 30, 2008. As a former bank space, the rough cosmetic condition as well as the large bank vault located within the suite have made it very difficult for prospective tenants to visualize the potential of the space. These features greatly impact our ability to lease the suite.

Consequently, staff is proposing a number of improvements be made to Suite 100B include demolishing and removing the existing bank vault, as well as demolishing the floor covering, column wraps, partition walls, and portions of the ceilings, essentially bringing the suite to a shell-ready condition.

The improvements were recommended for approval by the Civic Center Management Committee at its October 23, 2012, meeting.

Given the prospect of an improving economy, improving rental rates, and modest construction costs, staff is recommending the City Council approve the plans and specifications on file with the City Clerk and authorize the advertisement for bids for the Civic Center Suite 100B improvements.

FISCAL IMPACT:

Staff estimates it will cost approximately \$25,000 to complete the Civic Center, Suite 100B improvements. To that extent, a Civic Center budget amendment in the amount of \$25,000 may be required at a future date.

CEQA FINDINGS:

Exempt in accordance with CEQA exemption Class 1 (CEQA Guidelines Section 15301 – Existing Facilities). The exemption applies to maintenance, repair, and minor alterations of existing public facilities.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

**FROM: KENNETH H. ROSENFELD
DIRECTOR OF PUBLIC SERVICES/CITY ENGINEER**

ISSUE: AWARD OF CONTRACT FOR CIVIC CENTER IMPROVEMENTS - PAINTING

RECOMMENDATION: THAT THE CITY COUNCIL AWARD THE CONTRACT FOR CIVIC CENTER IMPROVEMENTS – PAINTING TO THE APPARENT LOW BIDDER, U.S. NATIONAL CORPORATION, IN THE LOW BID AMOUNT OF \$14,925.00, AND AUTHORIZE THE MAYOR TO SIGN AND THE CITY CLERK TO ATTEST TO THE CONTRACT DOCUMENTS.

SUMMARY:

In accordance with City Council authorization, eleven bids for the subject project were received on February 19, 2013. The apparent low bidder, U.S. National Corporation, meets the contract requirements, is currently licensed, and provides satisfactory references. Award of contract for the low bid is recommended.

BACKGROUND:

On February 19, 2013, the City received eleven bids for the Civic Center Improvements - Painting. The Engineer's Estimate for the project was \$25,000.

The following bids were received:

<u>COMPANY</u>	<u>BID</u>
U.S. National Corporation	\$14,925.00
South Coast Painting.	\$15,500.00
T&M Painting & Construction, Inc.	\$18,500.00
Tony Painting	\$19,495.00
Alpha Décor & Painting.	\$21,000.00
Pacific Contractors Group	\$36,600.00
Nick Stavrianopoulous Construction	\$37,000.00

Award of Contract – Civic Center Painting
Page 2
March 26, 2013

CTG Construction	\$39,800.00
Specified Painting Systems	\$46,000.00
Astro Painting Company	\$52,000.00
Fix Painting Company	\$63,000.00

The lowest responsive and responsible bidder, U.S. National Corporation, meets the contract requirements, is currently licensed, and provides satisfactory references. This project will begin late April 2013, and will last for a period of twenty (20) working days, and will be coordinated with the carpeting and flooring project.

FISCAL IMPACT:

The project was budgeted for in the 2012-2013 Civic Center Budget and Capital Reserve Fund for the Civic Center.

MOTION TO APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$214,829.37, BY M/COUNCIL MEMBER GILBERT, S/COUNCIL MEMBER CARRUTH.

APPROVED BY A VOTE OF 5-0.

5. PLANNING AGENCY

Mayor Kogerman recessed the City Council meeting and acting in the capacity of Chair, called the regular meeting of the Planning Agency of the City of Laguna Hills, California to order at 7:32 PM.

5.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Blount, Agency Member Bressette, Agency Member Carruth, and Agency Member Gilbert

5.2 PUBLIC COMMENTS

There were no Public Comments.

5.3 MINUTES

5.3.1 REGULAR MEETING, FEBRUARY 26, 2013

MOTION TO APPROVE THE MINUTES OF THE FEBRUARY 26, 2013, REGULAR MEETING, BY M/AGENCY MEMBER GILBERT, S/AGENCY MEMBER BRESSETTE.

APPROVED BY A VOTE OF 5-0.

5.4 PLANNING AGENCY PUBLIC HEARINGS

5.4.1 TENTATIVE PARCEL MAP & VARIANCE NO. 11-12-2428, A REQUEST TO SUBDIVIDE THE CABOT TOWN CENTER PROPERTY INTO FOUR PARCELS AT 25214-25272 CABOT ROAD IN THE (FC) FREEWAY COMMERCIAL ZONING DISTRICT.

THE PLANNING AGENCY CONTINUED THE PUBLIC HEARING FOR TENTATIVE PARCEL MAP/VARIANCE NO. 11-12-2428 TO A DATE CERTAIN OF MARCH 26, 2013, BY/AGENCY MEMBER GILBERT, S/AGENCY MEMBER CARRUTH.

APPROVED BY A VOTE OF 5-0.

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council meeting at 7:33 PM. All Council Members were present.

6. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: CHAIR AND AGENCY MEMBERS

**FROM: DAVID CHANTARANGSU, AICP
DIRECTOR OF COMMUNITY DEVELOPMENT**

**ISSUE: TENTATIVE PARCEL MAP & VARIANCE NO. 11-12-2428, A REQUEST TO
SUBDIVIDE THE CABOT TOWN CENTER PROPERTY INTO FOUR
PARCELS AT 25214-25272 CABOT ROAD IN THE (FC) FREEWAY
COMMERCIAL ZONING DISTRICT**

**RECOMMENDATION: THAT THE PLANNING AGENCY CONTINUE THE PUBLIC
HEARING FOR TENTATIVE PARCEL MAP/VARIANCE NO. 11-12-2428 TO A DATE
UNCERTAIN.**

SUMMARY:

Staff recommends that the Planning Agency continue this item to a date uncertain to allow additional time for staff to consult with the applicant and property owner concerning proposed conditions of approval. Staff will re-circulate public hearing notices for this item when a public hearing date has been determined.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: MAYOR AND COUNCIL MEMBERS

FROM: COUNCIL MEMBER CARRUTH

ISSUE: SAN ONOFRE NUCLEAR GENERATING STATION

RECOMMENDATION: THAT THE CITY COUNCIL: (1) DIRECT STAFF TO SEND A LETTER (REVIEWED BY THE CITY COUNCIL AND SIGNED BY MAYOR KOGERMAN) TO THE NRC AND ELECTED REPRESENTATIVES, SENATORS BOXER, FEINSTEIN, AND CONGRESSMAN ISSA, WHICH MIGHT INCLUDE THE FOLLOWING POINTS: (A) THE CITY OF LAGUNA HILLS SUPPORTS THE NUCLEAR REGULATORY COMMISSION'S FULL AND COMPLETE INVESTIGATION INTO THE DESIGN AND APPROVAL PROCESS; AND (B) THE CITY OF LAGUNA HILLS IS CONCERNED THAT RECENT INFORMATION PLACES INTO QUESTION THE SAFE OPERATION OF UNIT 2 AT 70% OF POWER AND REQUESTS THAT THE NRC REQUIRE A LICENSE AMENDMENT BEFORE UNIT 2 CAN BE RESTARTED; AND (2) DIRECT STAFF TO SEND A LETTER (REVIEWED BY CITY COUNCIL AND SIGNED BY MAYOR KOGERMAN) TO SOUTHERN CALIFORNIA EDISON AND THE CALIFORNIA PUBLIC UTILITY COMMISSION REQUESTING INFORMATION REGARDING THE FOLLOWING: (A) HOW WILL RATEPAYERS BE REFUNDED FOR THE COST AND OPERATION OF THE \$780 MILLION STEAM GENERATORS WHICH FAILED IN LESS THAN A YEAR OF OPERATION?; (B) GIVEN THE EXTENDED SHUTDOWN, WHAT STEPS ARE BEING TAKEN TO PROVIDE ALTERNATIVE ENERGY SOURCES TO COMPENSATE FOR THE 15-19% POWER LOST?; IS SCE PUTTING TOGETHER CONSERVATION PROGRAMS, EDUCATION AND COMMUNITY OUTREACH AND/OR RESIDENTIAL SOLAR INSTALLATION INCENTIVE PROGRAMS?; (C) RATEPAYERS ARE PAYING \$54 MILLION EACH MONTH FOR AN INOPERABLE PLANT AND, WHAT STEPS ARE BEING TAKEN BY THE CPUC TO PREVENT SCE FROM FUTURE COLLECTIONS?; AND (4) WHEN WILL THE CALIFORNIA PUBLIC UTILITIES COMMISSION TAKE SAN ONOFRE NUCLEAR GENERATING STATION OUT OF THE RATE BASE?

SUMMARY:

The Nuclear Regulatory Commission continues to expand and intensify its investigation into the operation of the San Onofre Nuclear Generating Station. Recent information

released to the public indicates that NRC Chairwoman Allison Macfarlane is interested in understanding the design flaws, revisiting the license approval process and determining if the Return-to-Service Action plan submitted by Southern California Edison might result in unsafe operating conditions. It has been suggested by some experts that reducing Unit 2's capacity to 70% will not prevent the unusual tube wear and the possibility of yet another radiation leak.

The City Council should consider communicating to California Senators Boxer and Feinstein, Congressman Issa and Chairwoman Macfarlane our concerns regarding SONGS (San Onofre Generating Station). The troubled facility, located 22 miles south of the City of Laguna Hills, raises questions about public health and safety issues, meeting energy needs for the ever expanding South County region and the possibility of a short-circuited licensing procedure.

SCE appears to be reluctant to apply for a license amendment and proceed through a lengthy approval process. County residents have learned recently that Mitsubishi under the supervision of Southern California Edison, declined to make design changes to reduce vibration which might have increased the level of safety to its steam generators before the new equipment was installed. Radiation leaks and the unusual tube wear shut down the Unit 2 and Unit 3 fourteen months ago and yet the plant continues to be in the rate base.

In addition to the red flags raised over public safety, a Unit 2 restart plan which lacks technical assurances of reduced tube wear and a refusal to properly amend its license agreement, SCE has not been forthright with its ratepayers.

The \$780 million steam generators, financed in part by ratepayers, were shut down in less than 11 months. The steam generator's failure according to some experts quoted in the LA Times is "unprecedented in the nuclear power industry." One senator stated "... SCE cut corners to avoid a new Nuclear Regulatory Commission licensing process." SCE's attempt to place the blame on manufacturer Mitsubishi does not necessarily absolve the utility company of full responsibility. Given that SCE failed to properly oversee and manage the design process for equipment which was paid for by ratepayers, the Council may determine it is appropriate to direct letters to California Public Utilities Commission and California Senators Boxer and Feinstein. SCE continues to collect \$54 million each month from Southern Californians for services they no longer receive. SCE should immediately remove SONGS, a facility no longer operating, from the rate base. SCE might be advised to focus more of its efforts toward meeting future needs through the identification of new alternative sources of energy.



City of Laguna Hills

City Council Meeting Agenda

Staff Report

DATE: MARCH 26, 2013

TO: COUNCIL MEMBERS

FROM: MAYOR KOGERMAN

ISSUE: PROPOSED REVISION OF THE CONSTITUTION AND TIMING OF MEETINGS OF THE PLANNING AGENCY/COMMISSION

RECOMMENDATION: THAT THE CITY COUNCIL DIRECT STAFF TO: (1) RETURN WITH A REPORT CONTAINING THE FOLLOWING INFORMATION ON MUNICIPAL INDEPENDENT PLANNING COMMISSIONS: (A) METHODS FOR THE SELECTION OF INDEPENDENT PLANNING COMMISSIONERS; (B) RANGE OF NUMBERS OF COMMISSIONERS; (C) DUTIES AND RESPONSIBILITIES; (D) TERMS OF OFFICE AND SCOPE OF POWERS; (E) PROCESS FOR REMOVING AN INDEPENDENT PLANNING COMMISSIONER; (F) APPEALS PROCESS; (G) MEETING FREQUENCIES AND NOTICING REQUIREMENTS; (H) ESTIMATE OF ASSOCIATED COSTS, IF ANY, OF ESTABLISHING AND MAINTAINING AN INDEPENDENT PLANNING COMMISSION; AND (2) UPON CITY COUNCIL REVIEW OF THE ABOVE REPORT, TO RETURN WITH PROPOSALS FOR DISSOLVING THE CURRENT "PLANNING AGENCY," AND IN ITS PLACE ESTABLISHING AN "INDEPENDENT PLANNING COMMISSION" COMPRISED OF QUALIFIED RESIDENTS APPROVED BY THE CITY COUNCIL ACCORDING TO PROCEDURES ESTABLISHED BY THE CITY COUNCIL.

SUMMARY:

The "independent" Planning Commission model is by far the most common planning methodology employed by cities for good reasons. It is preferred by the vast majority who appear before this governmental agency, because this governmental processes and the manner of deliberation are much more conducive to rendering a more thoroughly-vetted result than by appealing directly to the ultimate decision-approval agency without prior public discussion. It permits more efficient use of the City Council's time. The independent Planning Commission process saves time, reduces minutia, and is citizen-friendly. With these compelling reasons, combined with the advent of term limits, and the maturation stage now evident in the City, it is now timely to form an independent Planning Commission in Laguna Hills.

BACKGROUND:

The purpose of this recommendation is to enable the City Council to evaluate the practices of municipal Planning Commissions which operate independently from their respective City Councils, in anticipation of replacing the current Laguna Hills Planning Agency with a separate independent Planning Commission answerable to the duly-elected City Council.

RATIONALE:

An independent Planning Commission is by far the most common planning decision-making body among Orange County cities

Of Orange County's 34 cities, only four, namely, **Aliso Viejo, Cypress, Laguna Hills, and Villa Park** do not currently have an independent Planning Commission or a committee or commission that performs the functions of an independent Planning Commission. Aliso Viejo currently follows the Laguna Hills model of planning issues coming before the City Council acting as Planning Agency. The remaining 30 Orange County Cities, regardless of size, have independent Planning Commissions or committees that perform the functions of an independent Planning Commission. City Council members in these cities, while retaining ultimate approval of decisions made by their independent Planning Commissions, rely on the broad expertise of their independent commissioners and city staff for a full, effective and impartial review of planning matters which are ultimately determined by the City Council.

Independent Planning Commissions present an efficient way to make planning decisions

Throughout the state and nation, the "independent" Planning Commission process is the norm, a fact that is in itself telling. It is the professional business decision-making arena that the public expects and to which it is entitled. Independent Planning Commission meetings foster unfettered discussion under freer circumstances without the time constraints typically imposed when a city council is conducting its general business. The main argument against using independent Planning Commissions for the planning process is the contention that they are inefficient, adding an "extra, unnecessary step," and increase costs.

These contentions have little credence. Municipalities employ independent Planning Commissions because they are far better equipped to deal with the "nitty-gritty." They fully develop background and make recommendations, yet the City Council makes the final decisions. Independent Planning Commissions act as a clearing house for an abundance of items, thus saving valuable time that might otherwise be inefficiently utilized by the City Council. The independent Planning Commission processes tend to be less formal and more conducive to investigatory exchanges on items that need not come up before the City Council. When independent Planning Commission decisions come before the City

Council, the City Council can act more effectively and decisively, and be confident that their ultimate decisions are based on a fully-vetted process. The independent Planning Commission plays the first eight innings of the game, yet the ninth inning and deciding inning remains in the hands of the City Council.

Foreseeable planning needs will require increased focus on planning issues beyond those the City has dealt with in the past

While Laguna Hills may be considered largely “built out,” the City now faces considerable planning issues due to its aging housing stock and capital improvements. There are generally considered to be four stages in the urban cycle: Growth, Maturation, Decay, and Reconstruction and Renewal. With aging commercial centers and their increasing needs for refurbishing, and some neighborhoods approaching 50 years in age, parts of Laguna Hills have reached the Maturation stage, with some capital improvements in the Decay stage, and others approaching the latter state of Reconstruction and Renewal, where careful planning becomes increasingly important. Some local “strip centers” have completed or begun efforts at modernization. Plans have recently been approved for major revisions to the La Paz/Moulton Parkway Center and Oakbrook Village; the Ashley Furniture Complex is completely new; and plans for major renovation to the Laguna Hills Mall are expected in the foreseeable future. Centers at Cabot Road have considerable needs for upgrading and modernization, among others. **It has never been true that there is little need for an independent Planning Commission based on lack of future projects. Indeed, municipal planning needs are more likely to increase from this point onwards.**

Now that Term Limits have been established in the City, a credible resource for future replacement of City leaders is imperative. A “succession plan” is needed to provide a “back bench” and training process for future City Council members. In many cities, their independent Planning Commission fills this important governance role

Independent Planning Commissions provide increased citizen participation in and exposure to the municipal process, allowing more of our residents to become involved in local governance. In the performance of their duties, independent Planning Commissioners become very familiar with major issues affecting their city’s economic and aesthetic development. While the current Parks and Recreation Commission and Traffic Commission also grapple with important matters and provide experience in governance, these commissions often deal with issues that are generally amenable to shorter-range solutions. While also involved with immediate city needs, independent Planning Commissioners must focus on long-range considerations. Their decisions are building blocks for the future. The independent Planning Commission creates an environment for an intelligent and knowledgeable continuity for future city governance. Failure to provide an environment for the development of future political leaders is short-sighted and counterproductive.

Holding Independent Planning Commission meetings separate from the City Council meetings is citizen-friendly

Residents who periodically attend City Council Meetings usually do so in order to address specific issues that are non-planning related. History demonstrates that Laguna Hills City Council meetings are frequently bogged down in lengthy planning discussions of little general interest, inconveniencing citizens who have attended to provide feedback on matters of greater interest to them. In the current Agenda structure, those matters are not addressed until after an often-lengthy Planning Agency meeting is adjourned. A separate time for independent Planning Commission meetings could increase attendance at City Council meetings, providing for a more efficient allocation of the City Council's public service and thereby increasing both valuable citizen input to City matters and improving citizen understanding of decisions made by the City Council.