



CITY OF LAGUNA HILLS

CITY COUNCIL/PLANNING AGENCY

REGULAR MEETING AGENDA

Tuesday, September 13, 2016 – 10:00 PM
(Closed Session at 6:00 PM when scheduled)

Barbara Kogerman, Mayor

Don Sedgwick, Mayor Pro Tempore

Melody Carruth, Councilmember

Andrew Blount, Councilmember

Dore Gilbert, Councilmember

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, CA 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 limit 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.

General Business- Convening at 7:00 P.M.

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

ROLL CALL OF CITY COUNCIL MEMBERS

CLOSED SESSION REPORT

1. PRESENTATIONS AND PROCLAMATIONS

- 1.1 Appointment of Laguna Hills High School Student Liaison Jennifer Bommarito and Alternate Delaney Horchover for the 2016 Fall Semester

Recommendation: That Mayor Kogerman Present Certificates of Appointment to Student Liaison Jennifer Bommarito and Student Liaison Alternate Delaney Horchover

- 1.2 Recognition of Owen Litfin, 73Rd Assembly District Veteran of the Year

Recommendation: That Mayor Kogerman present a Certificate of Recognition to Owen Litfin in honor of being named as the 73rd Assembly District Veteran of the Year.

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. 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.

- 3.1 WAIVE READING IN FULL OF ALL ORDINANCES AND RESOLUTIONS 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 read by title and further reading waived.

- 3.2 Approval of Minutes for August 23, 2016, Regular Meeting

Recommendation: That the City Council approve the minutes of the August 23, 2016, Regular Meeting.

- 3.3 Approval of Warrant Register for Period Ended September 13, 2016

Recommendation: That the City Council approve the Warrant Register in the amount of \$586,954.59.

3.4 Resolution Amending and Restating the City's General and Automobile Liability Claims Administration Procedures

Recommendation: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, amending and restating in its entirety the City's General and Automobile Liability Claims Administration Procedures and rescinding all prior actions taken concerning the establishment of Claims Administration Procedures.

3.5 Agreement with the City of Lake Forest for Fair Share Payment for Improvements to the Paseo De Valencia & Avenida De La Carlota Intersection and the El Toro Road & Avenida De La Carlota Intersection

Recommendation: That the City Council approve the Agreement with the City of Lake Forest for Fair Share Payment for Improvements to the Paseo de Valencia & Avenida de la Carlota Intersection and the El Toro Road & Avenida de la Carlota Intersection and authorize the Mayor to sign the Agreement.

3.6 Updated Master Agreement for Administering Agency-State Agreement for Federal-Aid Projects, Agreement No. 12-5468F15

Recommendation: That the City Council Adopt a Resolution Entitled: "A Resolution of the City Council of the City of Laguna Hills, California, Approving the Updated Master Agreement for Administering Agency-State Agreement for Federal-Aid Projects, Agreement No. 12-5468F15, and Authorizing the City Manager to Approve the Master Agreement and Program Supplement Agreements Thereto"

3.7 Proposed Lease with Vilma Aarons, and Individual, and Genevieve Wall, and Individual, for 24031 El Toro Road, Suite 200, Laguna Hills, California

Recommendation: That the City Council approve the lease with Vilma Aarons, an individual, and Genevieve Wall, an individual, for 24031 El Toro Road, Suite 200, Laguna Hills, California, and authorize the City Manager to execute the lease.

3.8 Community Center and Sports Complex Rental Fees for the 3/5 Marine Support Committee's Showcase for Valor Memorial Day Weekend Benefit Concert Scheduled for May 26, 2017

Recommendation: That City Council waive the rental fees for the 3/5 Marine Support Committee's use of the Community Center and Sports Complex's Town Green, Gazebo, and Picnic Shelter areas for the Showcase for Valor Memorial Day Weekend Benefit Concert.

3.9 Server Virtualization and Backup System Project

Recommendation: That the City Council approve and authorize the City Manager to: (1) execute an Agreement with TCS Network Consulting, Inc. For a VMware with high availability and SSD Acceleration Solution (Server Virtualization Project); and (2) execute an Agreement with TCS Network Consulting, Inc. for a QNAP and VEEAM Backup Solution (Backup System Project).

3.10 City's Conflict of Interest Code

Recommendation: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting an updated Conflict of Interest Code and rescinding Resolution No. 2014-05-21-1."

ITEMS REMOVED FROM THE CONSENT CALENDAR

4. PLANNING AGENCY

4.1. ROLL CALL OF PLANNING AGENCY MEMBERS

4.2. 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 over time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

4.3. APPROVAL OF MINUTES FOR

4.3.1 Approval of Minutes for August 23, 2016, Regular Meeting

Recommendation: That the Planning Agency approve the minutes of the August 23, 2016, Regular Meeting.

4.4. ADMINISTRATIVE REPORTS

4.5. PLANNING AGENCY PUBLIC HEARINGS

4.5.1 Conditional Use Permit/Site Development Permit/Variance (CUP/SDPM/VA) No. 2-16-3436, a Request by HC&D Architects, Inc., on Behalf of IBRA Farms Restaurants, Inc., to Redevelop the Property at 23952 Avenida De La Carlota in the Village Commercial Zone Including Demolition of the Existing Vacant Restaurant Building and Construction and Operation of a New Farmer Boys Drive-Thru Restaurant.

Recommendation: That the Planning Agency: (1) conduct a Public Hearing for CUP/SDPM/VA No. 2-16-3436; and (2) adopt a Resolution entitled: "A Resolution of the Planning Agency of the City of Laguna Hills, California, approving Conditional Use Permit/Site Development Permit/Variance (CUP/SDPM/VA) No. 2-16-3436, a request by HC&D Architects, Inc., on behalf of IBRA Farms Restaurants, Inc., to redevelop the property at 23952 Avenida de la Carlota in the Village Commercial Zone including demolition of the existing vacant restaurant building and construction and operation of a new Farmer Boys drive-thru restaurant.

PLANNING AGENCY ADJOURNMENT

5. CITY COUNCIL PUBLIC HEARINGS

- 5.1 Presentation of Comprehensive Fee Study and Proposed Resolution Establishing and Adopting Updated Development Processing Fees and Other City Rates, Charges, and User Fees for Various Governmental Services

Recommendation: That the City Council: (1) conduct a Public Hearing; and (2) adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, establishing and adopting updated development processing fees and other City rates, charges, and user fees for various governmental services."

6. ADMINISTRATIVE REPORTS

- 6.1. City Manager
- 6.2. Assistant City Manager
- 6.3. City Attorney
- 6.4. City Clerk
- 6.5. Public Services Director/City Engineer

- 6.5.1 Zoning Text Amendment No. 8-16-3624, an Amendment to Title 9 of the Laguna Hills Municipal Code (Zoning and Subdivisions), to Prohibit Marijuana Business in All Zoning Districts.

Recommendation: That the City Council: (1) conduct a Public Hearing, and (2) introduce for first reading, read by title only, and waive further reading, an Ordinance entitled: "An Ordinance of the City of Laguna Hills,

California, adopting Zoning Code Text Amendment No. 8-16-3624 adding Chapter 9-103, Marijuana Businesses, to the Laguna Hills Municipal Code to prohibit all marijuana business in all zoning districts, including an exemption from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15061(B)(3).

6.5.2 Winter Holiday Banner Installation

Recommendation: That the City Council defer consideration of the installation of winter holiday banners on various arterial highways until the evaluation and adoption of the next biennial budget.

6.6. Community Development Director

6.7. Deputy City Manager/Community Services

6.8. Chief of Police Services

7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS

8. CITY COUNCIL MEMBER COMMENTS

ADJOURNMENT

The next Regular Meeting of the City Council/Planning Agency will be , in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills California.

9. Staff Reports

9.1 Conditional Use Permit/Site Development Permit/Variance (CUP/SDPM/VA) No. 2-16-3436, a Request by HC&D Architects, Inc., on Behalf of IBRA Farms Restaurants, Inc., to Redevelop the Property at 23952 Avenida De La Carlota in the Village Commercial Zone Including Demolition of the Existing Vacant Restaurant Building and Construction and Operation of a New Farmer Boys Drive-Thru Restaurant.

Recommendation: That the Planning Agency continue this agenda item to its regular meeting of September 13, 2016.

CERTIFICATION

I, Melissa Au-Yeung, 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 the Courtyard at La Paz Center by September 14, 2016 at 01:54 PM.



City Clerk

September 14, 2016

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/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Melissa Au-Yeung
City Clerk
ISSUE: Appointment of Laguna Hills High School Student Liaison Jennifer

Bommarito and Alternate Delaney Horchover for the 2016 Fall Semester

RECOMMENDATION: That Mayor Kogerman Present Certificates of Appointment to Student Liaison Jennifer Bommarito and Student Liaison Alternate Delaney Horchover

SUMMARY:

The City of Laguna Hills and the Laguna Hills High School PTSA established a Student Liaison Program in 1993.

FISCAL IMPACT:



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Recognition of Owen Litfin, 73Rd Assembly District Veteran of the Year

RECOMMENDATION: That Mayor Kogerman present a Certificate of Recognition to Owen Litfin in honor of being named as the 73rd Assembly District Veteran of the Year.

SUMMARY:

Assemblyman William P. Brough recognized Owen Litfin as the Veteran of the Year for the 73rd Assembly District at the Ninth Annual Veteran of the Year Recognition Luncheon on June 29, 2016, in Sacramento. Owen Litfin served as a Corporal in the U.S. Marine Corp as a member of the Marine Rifle Platoon stationed in Camp Pendleton, San Mateo, Hawaii, Okinawa, Vietnam, and San Diego during the Vietnam War.

Owen Litfin and his wife Karen have been residents of the City of Laguna Hills for 35 years, and Owen continues his service and dedication to Marines and their families through the Laguna Hills' Team Dark Horse. It is City Council's pleasure to recognize Owen Litfin for being named as the 73rd Assembly District Veteran of the Year by Assemblyman William P. Brough, and for his dedication and service to our Country.

ATTACHMENTS:

- 160913 Cert of Recog Litfin

CERTIFICATE OF RECOGNITION

OWEN LITFIN

73RD ASSEMBLY DISTRICT

VETERAN OF THE YEAR

WHEREAS, the City of Laguna Hills gratefully acknowledges that citizens live in freedom today because of the many sacrifices that have been made and are being made by valiant men and women in the Armed Forces; and

WHEREAS, our Veterans are part of an unbroken chain of men and women who have served our Country with honor and distinction; and

WHEREAS, Owen Litfin served as a Corporal in the U.S. Marine Corp as a member of the Marine Rifle Platoon stationed in Camp Pendleton, San Mateo, Hawaii, Okinawa, Vietnam, and San Diego during the Vietnam war; and

WHEREAS, Owen Litfin continues his service and dedication to Marines and their families through Team Dark Horse; and

WHEREAS, Assemblyman William P. Brough recognized Owen Litfin as the Veteran of the Year for the 73rd Assembly District at the California State Assembly Ninth Annual Veteran of the Year Recognition Luncheon on June 29, 2016, at the State Capitol.

NOW, THEREFORE, I, Barbara D. Kogerman, on behalf of the City Council of the City of Laguna Hills, California, do hereby recognize, honor, and thank Marine Veteran Owen Litfin for his dedication and service to our Country, and urge all Laguna Hills citizens to join the City in this expression of our appreciation.

Dated this 13th day of September 2016.

BARBARA D. KOGERMAN, MAYOR



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Approval of Minutes for August 23, 2016, Regular Meeting

RECOMMENDATION: That the City Council approve the minutes of the August 23, 2016, Regular Meeting.

ATTACHMENTS:

- 160823 CC Minutes

**CITY OF LAGUNA HILLS, CALIFORNIA
CITY COUNCIL/PLANNING AGENCY
REGULAR MEETING
MINUTES
AUGUST 23, 2016**

GENERAL BUSINESS - CONVENING AT 7:00 PM

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 p.m. in the Laguna Hills City Council Chamber, 24035 El Toro Road, Laguna Hills, California.

PLEDGE OF ALLEGIANCE: MAYOR PRO TEMPORE SEDGWICK

ROLL CALL OF CITY COUNCIL MEMBERS

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

CLOSED SESSION REPORT

There was no Closed Session Report.

1. PRESENTATIONS AND PROCLAMATIONS

1.1 RECOGNITION FOR HEROIC ACTIONS IN SAVING DUCKLINGS

MAYOR KOGERMAN PRESENTED A CERTIFICATE OF RECOGNITION TO MIA RABII FOR HER EFFORTS IN RESCUING EIGHT DUCKLINGS STUCK IN A DRAINAGE PIPE.

1.2 TWENTY YEAR ANNIVERSARY AWARD

MAYOR KOGERMAN RECOGNIZED JANICE REYES, FINANCE MANAGER, FOR TWENTY YEARS OF SERVICE TO THE CITY OF LAGUNA HILLS AND PRESENTED A CERTIFICATE OF RECOGNITION.

1.3 SPOTLIGHT ON LOCAL BUSINESS

THE CITY COUNCIL RECEIVED AN ORAL PRESENTATION FROM GLORIA COULSTON, EXECUTIVE DIRECTOR, BRAILLE INSTITUTE ORANGE COUNTY.

2. PUBLIC COMMENTS**WAIVING OF FEES**

Karen Robbins, Team Darkhorse Committee Chair, reported that Team Darkhorse would like to change the location of their annual "Showcase for Valor" concert from Gallup Park, in Nellie Gail Ranch, to the Community Center and requested that the City waive the fees for this event.

Laura Dickson, a resident of Laguna Hills, spoke in favor of this request.

Mayor Kogerman requested that staff return to City Council with a report regarding waiving the fees for this event.

PAN HANDLERS/SOLICITORS

Mary Wall, a resident of Laguna Woods, expressed concerns regarding the number of pan handlers/solicitors in the vicinity of the Civic Center.

COYOTE TRAPPING

Tara Charvet, a resident of Laguna Hills, spoke in opposition to the trapping and euthanizing of coyotes in Laguna Hills.

GOLF CARTS

Shari Horne, a resident of Laguna Woods and City of Laguna Woods Council Member, requested that the City of Laguna Hills permit golf carts to cross Paseo de Valencia at Calle de la Plata and Health Center Drive.

Denise Welch, a resident of Laguna Woods, spoke in favor of permitting golf cart crossings on Paseo de Valencia at Calle de la Plata and Health Center Drive.

Mayor Kogerman requested that staff return to City Council at a future date with a report evaluating the appropriateness of permitting golf cart crossings on Paseo de Valencia.

CORRESPONDENCE FROM STEPHEN M. WONTROBSKI

Mayor Kogerman referred to letters received from Stephen M. Wontrobski regarding OCFA pension liability which he requested be submitted as written public comment at this meeting.

3. CONSENT CALENDAR

MOTION TO APPROVE THE CONSENT CALENDAR, WITH COUNCIL MEMBER CARRUTH REMOVING ITEM NO. 3.10, AND MAYOR KOGERMAN REMOVING ITEM NO. 3.6, BY M/COUNCIL MEMBER CARRUTH, S/MAYOR PRO TEMPORE SEDGWICK.

APPROVED BY A VOTE OF 5-0.

3.1 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 APPEAR ON THE PUBLIC AGENDA SHALL BE DETERMINED TO HAVE BEEN READ BY TITLE AND FURTHER READING WAIVED.

3.2 APPROVAL OF MINUTES FOR JULY 12, 2016

THE CITY COUNCIL APPROVED THE MINUTES OF THE JULY 12, 2016, REGULAR MEETING.

3.3 APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED AUGUST 23, 2016.

THE CITY COUNCIL APPROVED THE WARRANT REGISTER IN THE AMOUNT OF \$3,020,625.15.

3.4 SECOND AMENDMENT TO OPERATING MEMORANDUM NO. 1 TO DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND LAGUNA HILLS INVESTMENT COMPANY (OAKBROOK VILLAGE PROJECT)

THE CITY COUNCIL APPROVED AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE SECOND AMENDMENT TO OPERATING MEMORANDUM NO. 1 TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF LAGUNA HILLS AND THE LAGUNA HILLS INVESTMENT COMPANY.

3.5 DESIGNATION OF VOTING DELEGATE FOR LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE

THE CITY COUNCIL APPOINTED MAYOR KOGERMAN AS THE VOTING DELEGATE AND APPOINTED MAYOR PRO TEMPORE SEDGWICK AS THE VOTING DELEGATE ALTERNATE FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL CONFERENCE.

3.7 PROGRESS PAYMENT NO. 1 AND CONTRACT CHANGE ORDER NO. 1 FOR LAGUNA HILLS COMMUNITY CENTER AND SPORTS COMPLEX TURF RENOVATION PROJECT, CIP NO. 238-B

THE CITY COUNCIL APPROVED PROGRESS PAYMENT NO. 1, IN THE NET AMOUNT OF \$69,540.00, AND CONTRACT CHANGE ORDER NO. 1 TO SPORTS FIELD SERVICES FOR LAGUNA HILLS COMMUNITY CENTER AND SPORTS COMPLEX TURF RENOVATION PROJECT, CIP NO. 238-B.

3.8 MODIFICATION OF ON-STREET PARKING CONTROLS ON VISTA GRANDE DRIVE AND EXTENSION OF PARKING HOURS

THE CITY COUNCIL ADOPTED RESOLUTION NO. 2016-08-23-1, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, ESTABLISHING NO PARKING ANYTIME ZONES TO ADDRESS SIGHT VISIBILITY RESTRICTIONS AT VARIOUS LOCATIONS ON VISTA GRANDE DRIVE, TO EXTEND PARKING HOURS FROM 6:00 AM TO 9:00 PM ON OTHER PORTIONS OF VISTA GRANDE DRIVE, AND RESCINDING RESOLUTION NO. 2014-10-28-3.

3.9 20TH ANNUAL INNER-COASTAL & WATERSHED CLEANUP DAY

THE CITY COUNCIL DECLARED SEPTEMBER 17, 2016, AS INNER-COASTAL & WATERSHED CLEANUP DAY AND ENCOURAGED VOLUNTEER PARTICIPATION IN THIS EVENT.

3.11 RESPONSE TO ORANGE COUNTY GRAND JURY REPORT ENTITLED: "DRONES: KNOW BEFORE YOU FLY"

THE CITY COUNCIL AUTHORIZED THE MAYOR TO SIGN THE LETTER OF RESPONSE TO THE ORANGE COUNTY GRAND JURY'S MAY 18, 2016 REPORT, ENTITLED: "DRONES: KNOW BEFORE YOU FLY."

ITEMS REMOVED FROM THE CONSENT CALENDAR

3.6 PROPOSED LEASE WITH DONALD C. LEWELLAN, AN INDIVIDUAL, FOR 24031 EL TORO ROAD, SUITE 220, LAGUNA HILLS, CALIFORNIA

Mayor Kogerman removed Item No. 3.6 from the Consent Calendar to recuse herself from the vote as she is acquainted with the lessee.

THE CITY COUNCIL APPROVED THE LEASE WITH DONALD C. LEWELLAN, AN INDIVIDUAL, FOR 24031 EL TORO ROAD, SUITE 220, LAGUNA HILLS, CALIFORNIA, AND AUTHORIZED THE CITY MANAGER TO EXECUTE THE LEASE, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER BLOUNT.

APPROVED BY A VOTE OF 4-0 WITH MAYOR KOGERMAN ABSTAINING.

3.10 AWARD OF CONTRACT FOR THE CABOT PARK RENOVATION, CIP NO. 241-A

Council Member Carruth removed Item No. 3.10 to briefly comment on how pleased she is to see the renovation of Cabot Park moving forward including the installation of shade structures.

THE CITY COUNCIL AWARDED THE CONTRACT FOR THE CABOT PARK RENOVATION, CIP NO. 241-A, TO HORIZONS CONSTRUCTION COMPANY INTERNATIONAL, INC., IN THE LOW BASE BID AMOUNT OF \$277,320, PLUS THE ALTERNATE ADDITIVE BID FOR SHADE STRUCTURES IN THE AMOUNT OF \$86,450.62, FOR A TOTAL CONTRACT AMOUNT OF \$363,770.62, REJECTED ALL OTHER BIDS, AND AUTHORIZED THE MAYOR TO SIGN THE CONSTRUCTION CONTRACT, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER GILBERT.

APPROVED BY A VOTE OF 5-0.

4. 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 7:51 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Sedgwick, Agency Member Blount, Agency Member Carruth, Agency Member Gilbert

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR JULY 12, 2016, REGULAR MEETING

**THE PLANNING AGENCY APPROVED THE MINUTES OF THE JULY 12, 2016, REGULAR MEETING, BY M/VICE CHAIR SEDGWICK, S/AGENCY MEMBER CARRUTH
APPROVED BY A VOTE OF 4-0 (AGENCY MEMBER BLOUNT ABSTAINING).**

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT/SITE DEVELOPMENT PERMIT/ VARIANCE (CUP/SDPM/VA) NO. 2-16-3436, A REQUEST BY HC&D ARCHITECTS, INC. ON BEHALF OF IBRA FARMS RESTAURANTS, INC. TO REDEVELOP THE PROPERTY AT 23952 AVENIDA DE LA CARLOTA IN THE VILLAGE COMMERCIAL ZONE INCLUDING DEMOLITION OF THE EXISTING VACANT RESTAURANT BUILDING AND CONSTRUCTION AND OPERATION OF A NEW FARMER BOYS DRIVE-THRU RESTAURANT.

**THE PLANNING AGENCY CONTINUED THIS AGENDA ITEM TO ITS REGULAR MEETING OF SEPTEMBER 13, 2016, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER GILBERT.
APPROVED BY A VOTE OF 5-0.**

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council meeting at 7:52 p.m. All Council Members were present.

5. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

6. ADMINISTRATIVE REPORTS

6.1 City Manager

The City Manager gave no Administrative Reports.

6.2 Assistant City Manager

6.2.1 EVALUATION OF CITY SLOGAN PROJECT MODELS

Management Assistant James Haston briefly reviewed the information provided in the Staff Report and responded to City Council requests for additional information.

**THE CITY COUNCIL DIRECTED STAFF TO PROPOSE A CITY BRAND DEVELOPMENT PROGRAM AS A MAJOR PLAN IN THE UPCOMING 2017-2019 BIENNIAL BUDGET PROCESS, BY M/MAYOR KOGERMAN, S/MAYOR PRO TEMPORE SEDGWICK.
APPROVED BY A VOTE OF 4-1 (COUNCIL MEMBER CARRUTH VOTING NO).**

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

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

8. CITY COUNCIL MEMBER COMMENTS

COUNCIL MEMBER CARRUTH

Council Member Carruth reported that she attended the La Pata Gap Connector Ribbon-Cutting Celebration on Saturday, August 13, 2016.

Council Member Carruth inquired about the portable toilet located on Pike Road near McKenzie Park, she stated that she had received emails from concerned residents regarding the placement of the Porta-Potty in front of their homes. Deputy City Manager Reynolds reported that the portable toilet was placed there temporarily for use during the summer tennis camp program.

MAYOR KOGERMAN

Mayor Kogerman requested City Council's approval to request staff to prepare a staff report detailing current restrictions to resident's requests for driveway widening and current regulations.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Kogerman declared the meeting adjourned at 8:13 p.m.

MELISSA AU-YEUNG, CITY CLERK

ATTEST:

BARBARA D. KOGERMAN, MAYOR

APPROVED AT MEETING OF SEPTEMBER 13, 2016.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Approval of Warrant Register for Period Ended September 13, 2016

RECOMMENDATION: That the City Council approve the Warrant Register in the amount of \$586,954.59.

ATTACHMENTS:

- Warrant Register 091316



City of Laguna Hills City Council Meeting Agenda Staff Report

DATE: SEPTEMBER 13, 2016
TO: MAYOR AND COUNCIL MEMBERS
FROM: DONALD J. WHITE, ASSISTANT CITY MANAGER
ISSUE: APPROVAL OF WARRANT REGISTER FOR PERIOD ENDED
SEPTEMBER 13, 2016.

RECOMMENDATION: THAT THE CITY COUNCIL APPROVE THE WARRANT REGISTER IN THE AMOUNT OF \$586,954.59.

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

9-7-16
DATE

FISCAL IMPACT:

The warrant register total is \$586,954.59.

ATTACHMENTS:

1. Warrant Register

Attachment: Warrant Register 091316 (2016-28 : Approval of Warrant Register for Period Ended September 13, 2016)

Check Register Report

Warrant Register 09/13/16

3.3.a

Date: 09/01/2016

Time: 4:28 pm

Page:

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amou
UNION BANK- GENERAL Checks							
8811473	08/18/2016	Reconciled		B-0430	BASICS OF SKATEBOARDING	Contract Inst Svcs, Skateboard	840.0
8811474	08/18/2016	Reconciled		C-1078	CITY OF LAGUNA BEACH	Refund, Citation Payment	77.0
8811475	08/18/2016	Reconciled		M-1302	MOULTON NIGUEL WATER DISTRICT	Water Usage, Pub Svcs, Jul	17,715.5
8811476	08/18/2016	Reconciled		N-1489	NAVARRETE, ANA PATRICIA	Claim Settlement	570.0
8811477	08/18/2016	Reconciled		R-1943	RAMIREZ, CHRISTINA	Mileage Reimb., Admin, Jul-Aug	8.4
8811478	08/18/2016	Printed		R-1889	REFUND,FACILITY RENTAL DEPOSIT	S. O'Reilly, V# 2003869.002	500.0
8811479	08/18/2016	Printed		R-1889	REFUND,FACILITY RENTAL DEPOSIT	OC Bombers, V# 2003867.002	500.0
8811480	08/18/2016	Reconciled		S-1902	SAN DIEGO GAS & ELECTRIC	ST Lites, TC, Jul '16	291.0
8811481	08/18/2016	Reconciled		S-1949	SMART & FINAL	Program Supplies, CS, Jul '16	255.4
8811482	08/18/2016	Reconciled		S-1904	SOUTHERN CALIFORNIA EDISON	ST Lites, TC, Jun '16	8,848.8
8811483	08/18/2016	Printed		C-1002	ANIMAL SHELTER SERVICES	Animal Care Services, Apr-Jun	48,955.0
8811484	08/18/2016	Printed		C-1179	CANON SOLUTIONS AMERICA	Gen Gov Copier Usage, May-Jul	285.4
8811485	08/18/2016	Printed		H-0955	HR GREEN CALIFORNIA, INC.	Plan Chk, Bldg & Safety, 15-16	274,856.9
8811486	08/18/2016	Reconciled		R-1943	RAMIREZ, CHRISTINA	Mileage Reimb., Admin, Jun '16	5.9
8811487	08/25/2016	Reconciled		A-0309	AT&T- CALNET 2	Traffic Signal, PS, Aug '16	19.2
8811488	08/25/2016	Reconciled		A-0304	AU-YEUNG, MELISSA	Travel Advance, ICSC, Aug '16	225.0
8811489	08/25/2016	Reconciled		C-1159	CHANTARANGSU, DAVID	Travel Advance, ICSC, Aug '16	150.0
8811490	08/25/2016	Reconciled		C-0023	COX COMMUNICATION	T-1 Line CC, Signal System, Aug	902.5
8811491	08/25/2016	Reconciled		D-0552	DUNBAR ARMORED, INC.	Courier Fee, Armored Trans, Aug	125.6
8811492	08/25/2016	Reconciled		J-1051	JOHNS, PEGGY	Professional Services, Aug '16	650.0
8811493	08/25/2016	Reconciled		K-1197	KNIGHT, EDWARD	Professional Svcs, Com Dev	2,643.7
8811494	08/25/2016	Reconciled		M-1567	MOIR, CASEY	Build-A-Fort Director Svcs	4,040.0
8811495	08/25/2016	Reconciled		O-1500	ORANGE COUNTY REGISTER	Subscription, CC, 7/18 - 10/17	99.6
8811496	08/25/2016	Reconciled		R-1964	REFUND, COMMUNITY DEV FEES	M. Bishop, Variance Refund	1,147.0
8811497	08/25/2016	Reconciled		R-1841	ROSENFELD, KEN	Travel Reimb, Eng, Aug '16	241.1
8811498	08/25/2016	Reconciled		S-1902	SAN DIEGO GAS & ELECTRIC	ST Lites, TC, Jul '16	13,913.6
8811499	08/25/2016	Printed		U-2163	USA DANCE, INC.	Contract Inst Svcs, Dancing	42.0
8811500	08/25/2016	Reconciled		W-2300	WHITE, DONALD	Travel Advance, ICMA, Aug '16	225.0
8811501	08/25/2016	Reconciled		U-2121	U.S. POSTAL SERVICE	Postage, City Views, Aug	2,500.0
8811502	09/01/2016	Printed		A-0254	A. C. LANDSCAPE, INC.	Irrigation Repairs, Aug '16	1,853.5
8811503	09/01/2016	Printed		A-0359	ANDERSON PENNA PARTNERS, INC.	Inspection Services, May - Jul	14,131.2
8811504	09/01/2016	Printed		A-0309	AT&T- CALNET 2	Alarm, CC, Aug '16	73.5
8811505	09/01/2016	Printed		B-0430	BASICS OF SKATEBOARDING	Contract Inst Svcs, Skateboard	420.0
8811506	09/01/2016	Printed		B-0304	BEE MAN, THE	Bee Removal, Pub Svcs, Aug	150.0
8811507	09/01/2016	Printed		C-0412	C&D ELECTRIC, INC.	Park Repairs, Pub Svcs, Aug	214.9
8811508	09/01/2016	Printed		C-1133	CALIFORNIA YELLOW CAB	Senior Mobility Program, Jul	3,512.0
8811509	09/01/2016	Printed		C-1177	CANON FINANCIAL SERVICES, INC.	Lease - Copier, Gen Gov, Aug	221.4
8811510	09/01/2016	Printed		C-1144	CHARLES ABBOTT ASSOCIATES, INC	Road & Landscape Maint, Jul	42,376.1
8811511	09/01/2016	Printed		C-1139	COMPLETE OFFICE OF CALIFORNIA	Computer, Office&Operating Sup	1,257.2
8811512	09/01/2016	Printed		C-1176	COMPUTER SERVICE CO.	Traffic Sig. Maint, Jul '16	3,181.6
8811513	09/01/2016	Printed		C-0023	COX COMMUNICATION	T-1 Line, Wi-Fi & Cable, CH	531.6
8811514	09/01/2016	Printed		C-1158	CREATIVE KIDS PLAYHOUSE	Contract Inst Svcs., Theatre	7,795.2
8811515	09/01/2016	Printed		D-0461	DATA TICKET, INC.	Processing Fee, Park Cit, Jul	781.2
8811516	09/01/2016	Printed		D-0491	DELL COMPUTER CORPORATION	Computer Hardware, Aug, '16	203.0
8811517	09/01/2016	Printed		D-0561	DOCU-TRUST	Offsite Data Storage, Jul '16	65.0
8811518	09/01/2016	Printed		E-0593	EISENBERG, DALE	Contract Inst Svcs., Aikido	1,006.2
8811519	09/01/2016	Printed		E-0504	EL TORO WATER DISTRICT	Water Usage, Public Svcs, Jul	14,054.2
8811520	09/01/2016	Printed		E-0553	ELKINS, CHRISTINA	Contract Inst Svcs., Dance	291.2
8811521	09/01/2016	Printed		E-0587	EMC DESIGN	City Views, Fall Issue	3,515.0
8811522	09/01/2016	Printed		F-0604	FEDERAL EXPRESS CORPORATION	Delivery Services, Jul '16	43.4
8811523	09/01/2016	Printed		G-0788	GAIL MATERIALS, INC.	Professional Svcs, CIP# 238	1,052.0
8811524	09/01/2016	Printed		G-0774	GOVERNMENTJOBS.COM, INC.	Recruitment Advertising, Aug	175.0
8811525	09/01/2016	Printed		G-0844	GREEN MART, INC.	Operating Supplies, Pub Svcs	1,134.00

Attachment: Warrant Register 091316 (2016-28 : Approval of Warrant Register for Period Ended September 13, 2016)

Check Register Report

Warrant Register 09/13/16

Date:

3.3.a

Time:

4:28 pm

Page:

CITY OF LAGUNA HILLS

BANK: UNION BANK- GENERAL

Check Number	Check Date	Status	Void/Stop Date	Vendor Number	Vendor Name	Check Description	Amount
UNION BANK- GENERAL Checks							
8811526	09/01/2016	Printed		H-0829	HARTZOG & CRABILL, INC.	Traf Signal Mgmt Svs, Jul '16	3,236.7
8811527	09/01/2016	Printed		H-0934	HOME DEPOT	Program Supplies, CS, Jul-Aug	2,655.6
8811528	09/01/2016	Printed		H-0955	HR GREEN CALIFORNIA, INC.	Professional Svcs, CIP # 514	64.6
8811529	09/01/2016	Printed		J-1057	JAMEY CLARK, INC.	Park Repair & Graffiti Removal	4,886.6
8811530	09/01/2016	Printed		G-0709	JOE A. GONSALVES & SON	Legislative Services, Sep	2,900.0
8811531	09/01/2016	Printed		J-1051	JOHNS, PEGGY	Professional Services, Jul '16	2,350.0
8811532	09/01/2016	Printed		C-1007	LAW ENFORCEMENT	FingerprintID Sys, Comm Sys	1,696.3
8811533	09/01/2016	Printed		L-1368	LONG, AURORA	Contract Inst Svcs, Theatre	609.0
8811534	09/01/2016	Printed		M-1552	MARTIN-RUSK, DINA	Contract Instr Svcs, Zumba	432.6
8811535	09/01/2016	Printed		M-1388	MOBILE MINI, INC.	Storage Rental, CC, 8/16-9/12	83.1
8811536	09/01/2016	Printed		M-1302	MOULTON NIGUEL WATER DISTRICT	Water Usage, CC, Pub Svcs	6,088.8
8811537	09/01/2016	Printed		N-1474	NIEVES LANDSCAPE, INC.	Other Assorted Landscape	734.9
8811538	09/01/2016	Printed		C-1008	NPDES	Annual NPDES Cost, CIP #410	516.6
8811539	09/01/2016	Printed		O-1528	OCTA	Annual Encroachment Fee, Cabot	519.0
8811540	09/01/2016	Printed		O-1546	OFFICE SOLUTIONS	Office/Operating Supplies	315.5
8811541	09/01/2016	Printed		O-1552	ORANGE COUNTY FIRE AUTHORITY	Remit, Fire Fees Coll, Jul '16	204.0
8811542	09/01/2016	Printed		O-1575	ORANGE COUNTY REGISTER-FREEDOM	Legal Advertising, Jul '16	965.9
8811543	09/01/2016	Printed		P-1755	P. W. GILLIBRAND CO., INC.	Professional Fees, CIP # 238B	9,618.0
8811544	09/01/2016	Printed		C-1003	PARKING VIOLATIONS	Parking Fee Surcharge, Jul	2,246.5
8811545	09/01/2016	Printed		P-1828	PARSONS, ROSS	Program Expense, Umpire Fees	60.0
8811546	09/01/2016	Printed		P-1804	PATROL ONE	Security 4th of July & Lugo	2,592.0
8811547	09/01/2016	Printed		P-1805	PLAN BAGS.COM	Operating Supplies, Pub Svcs	51.5
8811548	09/01/2016	Printed		Q-1704	QUICK CRETE PRODUCTS CORP.	Misc Park Maintenance, Aug '16	2,287.4
8811549	09/01/2016	Printed		R-1830	RALPHS GROCERY COMPANY	Program Expense, CS, Jul '16	116.6
8811550	09/01/2016	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Crew Builders, C&D Deposit	1,284.5
8811551	09/01/2016	Printed		R-1964	REFUND, COMMUNITY DEV FEES	Parkway Const, Grading Permit	515.2
8811552	09/01/2016	Printed		R-1964	REFUND, COMMUNITY DEV FEES	C. Samuel, Grading Permit	802.2
8811553	09/01/2016	Printed		R-1964	REFUND, COMMUNITY DEV FEES	So Ca Edison, Encroachment Per	91.2
8811554	09/01/2016	Printed		R-1964	REFUND, COMMUNITY DEV FEES	So Cal Edison, Enroachment Per	1,087.2
8811555	09/01/2016	Printed		R-1939	REYES, JANICE MATEO	Petty Cash Replenishment, Jul	1,074.9
8811556	09/01/2016	Printed		R-1855	RICHARD FISHER ASSOCIATES	Prof. Svcs, CIP# 241 & 410	12,541.1
8811557	09/01/2016	Printed		R-1813	RPW SERVICES, INC.	Rodent Control, Pub Svcs, Jul	1,560.0
8811558	09/01/2016	Printed		R-1967	RUSSELL, RICHARD WYATT	Contract Inst Svcs, Tennis	993.6
8811559	09/01/2016	Printed		S-1904	SOUTHERN CALIFORNIA EDISON	ST Lites, TC, Aug '16	2,128.3
8811560	09/01/2016	Printed		S-2059	STAPLETON, VIVIAN	Cntr Inst Svcs Early Childhood	718.3
8811561	09/01/2016	Printed		T-2656	TYLER TECHNOLOGIES, INC.	Maint,Fundbalance, 10/16-9/17	4,050.9
8811562	09/01/2016	Printed		U-2164	UNITED SITE SERVICES OF CA.	4th of July & Summer Camp Exp.	322.1
8811563	09/01/2016	Printed		U-2163	USA DANCE, INC.	Contract Inst Svcs, Dancing	168.0
8811564	09/01/2016	Printed		U-2166	UTILITY COST MANAGEMENT LLC	Prof Services, Utility Savings	96.1
8811565	09/01/2016	Printed		W-2337	WEST COAST ARBORISTS, INC.	Tree Trimming, Jul - Aug	8,299.0
8811566	09/01/2016	Printed		W-2302	WEST PUBLISHING CORPORATION	Subscription, City Clk, Jul	207.2
8811567	09/01/2016	Printed		W-2377	WILLDAN ENGINEERING	Professional Svcs, 5 Lagunas	180.0
8811568	09/01/2016	Printed		W-2438	WILLDAN FINANCIAL SERVICES	Professional Svcs, Fee Study	3,876.0
8811569	09/01/2016	Printed		R-1801	WOODRUFF, SPRADLIN & SMART	Professional Svcs, Legal, Jul	22,588.9
8811570	09/01/2016	Printed		Y-2511	YALE CHASE MATERIALS HANDLING	Maint, Cart, CC, Aug '16	463.8

Total Checks: 98

Checks Total (excluding void checks):

586,954.5

Total Payments: 98

Bank Total (excluding void checks):

586,954.5

Attachment: Warrant Register 091316 (2016-28 : Approval of Warrant Register for Period Ended September 13, 2016)



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Resolution Amending and Restating the City's General and Automobile Liability Claims Administration Procedures

RECOMMENDATION: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, amending and restating in its entirety the City's General and Automobile Liability Claims Administration Procedures and rescinding all prior actions taken concerning the establishment of Claims Administration Procedures."

SUMMARY:

BACKGROUND:

<Delete if not used>

CEQA FINDINGS:

<Delete if not used>

FISCAL IMPACT:

Resolution Amending and Restating the City's General and Automobile Liability Claims
Administration
September 13, 2016
Page 2

<Delete If not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Mayor and Council Members

FROM: Bruce E. Channing
City Manager

ISSUE: Agreement with the City of Lake Forest for Fair Share Payment for

Improvements to the Paseo De Valencia & Avenida De La Carlota Intersection and the El Toro Road & Avenida De La Carlota Intersection

RECOMMENDATION: That the City Council approve the Agreement with the City of Lake Forest for Fair Share Payment for Improvements to the Paseo de Valencia & Avenida de la Carlota Intersection and the El Toro Road & Avenida de la Carlota Intersection and authorize the Mayor to sign the Agreement.

SUMMARY:

In advance of land development on the easterly side of the City of Lake Forest, the City of Lake Forest adopted the Lake Forest Transportation Mitigation (LFTM) Program for the purpose of providing funding for the coordinated and phased installation of traffic and transportation improvements to offset the impact the land development would have on the region. Based upon traffic studies, the land development was determined to impact two intersections within the City of Laguna Hills to include the intersections of Paseo de Valencia at Avenida de la Carlota and El Toro Road at Avenida de la Carlota. The attached Agreement will authorize the City of Lake Forest to disperse the fair share funding toward these improvements to the City of Laguna Hills. The City of Laguna Hills has already implemented the improvements at these intersections and the funding will reimburse the City of Laguna Hills for advancing the funding for these improvements. Approval of the Agreement is recommended.

FISCAL IMPACT:

Agreement with the City of Lake Forest for Fair Share Payment for Improvements to the
Paseo

September 13, 2016

Page 2

The LFTM Program will provide the City of Laguna Hills with \$157,000 of reimbursement funding to offset traffic impacts on the intersections of El Toro Road at Avenida de la Carlota and Paseo de Valencia at Avenida de la Carlota resulting from development activity in the City of Lake Forest. No additional funding will be provided.

ATTACHMENTS:

- City of Lake Forest Agreement

**AGREEMENT FOR FAIR SHARE PAYMENT
FOR IMPROVEMENTS
TO THE PASEO DE VALENCIA & AVENIDA DE LA CARLOTA INTERSECTION
AND THE EL TORO ROAD & AVENIDA DE LA CARLOTA INTERSECTION**

This agreement ("Agreement") is made and entered into on _____, 2016 by and between the City of Lake Forest ("Lake Forest"), a California municipal corporation, and the City of Laguna Hills ("Laguna Hills"), a California municipal corporation.

Recitals

A. WHEREAS, Lake Forest adopted the Lake Forest Transportation Mitigation Program ("LFTM Program") "for the purpose of providing funding for the coordinated and phased installation of traffic and transportation improvements which will serve, benefit, and/or mitigate the impacts of development of certain parcels of land within the City" (Lake Forest Municipal Code ["LFMC"] section 7.19.010); and

B. WHEREAS, the LFTM Program identifies 17 such traffic and transportation improvements and respective estimated costs to Lake Forest for each improvement (LFMC section 7.19.50); and

C. WHEREAS, two of the LFTM Program's traffic and transportation improvements are the Paseo De Valencia & Carlota intersection and the El Toro & Avenida Carlota intersection ("Intersections") (LFMC section 7.19.50); and

D. WHEREAS, the Intersections are located in Laguna Hills' jurisdiction and the Intersections' improvements are specified in Laguna Hills' *Urban Village Specific Plan*; and

E. WHEREAS, the Intersections are located approximately 600 feet from Lake Forest's jurisdiction and are an extension of Lake Forest's circulation network;

F. WHEREAS, the Intersections are used regularly by Lake Forest residents, for travel to and from Lake Forest, and such uses impact parcels within Lake Forest; and

G. WHEREAS, Lake Forest projected the improvements to the Intersections to decrease the Intersections' intersection capacity utilization ("ICU") to the benefit of parcels in Lake Forest consistent with the purpose of the LFTM Program; and

H. WHEREAS, the LFTM Program estimates costs to Lake Forest of \$78,000 for the Paseo De Valencia & Avenida de la Carlota intersection improvements and \$79,000 for the El Toro & Avenida de la Carlota intersection improvements, which totals \$157,000 for the Intersections' improvements (LFMC section 7.19.50); and

I. WHEREAS, Lake Forest and Laguna Hills expected Laguna Hills to perform and complete the Intersections' improvements; and

J. WHEREAS, Lake Forest and Laguna Hills expected Lake Forest to pay Laguna Hills for Lake Forest's fair share of the costs for the Intersections' improvements; and

K. WHEREAS, Lake Forest's fair share of the costs for the Intersections' improvements is represented by the LFTM Program total estimate for the improvements of \$157,000, based on the provisions of the Urban Village Traffic Impact/Mitigation Fee Program (Laguna Hills Municipal Code, chapter 9-102); and

L. WHEREAS, Laguna Hills completed the Intersections' improvements.

Agreement

NOW THEREFORE, Lake Forest and Laguna Hills agree as follows:

1. Laguna Hills completed the Intersections' improvements provided in the LFTM Program and consistent with the LFTM Program's purpose.

2. Lake Forest herewith remits to Laguna Hills the amount of \$157,000 as payment for Lake Forest's fair share of the Intersections' improvements. Laguna Hills herewith acknowledges receipt and acceptance of this payment. This payment satisfies any duty or obligation owed by Lake Forest to Laguna Hills regarding the Intersections' improvements.

3. Neither party to this Agreement nor any officer, agent, or employee thereof will be responsible for any damage or liability occurring by reason of anything done or omitted to be done by any other party under or in connection to any work, authority or jurisdiction delegated to such other party under this Agreement.

4. Lake Forest and Laguna Hills will comply with all applicable federal, state, and local laws, statutes, ordinances and regulations of any governmental authority having jurisdiction over the subject of this Agreement.

5. If any term, provisions, covenant, or condition of this Agreement is held to be invalid, void, or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement will not be affected, and each remaining term, provision, covenant, or condition of this Agreement will be valid and enforceable to the fullest extent permitted by law.

6. All notices and communications regarding the interpretation of the terms of this Agreement will be effected by delivery of said notices in person or by deposit in U.S. mail, registered, or certified mail and addressed as follows:

To Lake Forest:
City of Lake Forest
Attention: Robert C. Dunek
City Manager

To Laguna Hills:
City of Laguna Hills
Attention: Bruce E. Channing
City Manager

7. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered will be deemed an original and all of which together will constitute the same agreement. Facsimile or electronic signatures will be permitted.

8. Neither this Agreement, nor any of the parties' rights, obligations, duties, or authority hereunder may be assigned in whole or in part by either party without the prior written consent of the other party in its sole and absolute discretion. Any such attempt of assignment may be deemed void and of no force and effect. Consent to one assignment may not be deemed consent to any subsequent assignment, nor the waiver of any right to consent to such subsequent assignment.

9. The laws of the State of California and applicable local and federal laws, regulations, and guidelines will govern this Agreement. Venue will be in Orange County.

10. Should litigation arise out of this Agreement or the performance thereof, each party will be responsible for its own costs and expenses, including attorneys' fees.

IN WITNESS WHEREOF, Lake Forest and Laguna Hills have caused this Agreement to be executed by their respective city managers and attested by their respective city clerks, all duly authorized by their respective city councils.

CITY OF LAKE FOREST

CITY OF LAGUNA HILLS

By: _____
Andrew Hamilton
Mayor

By: _____
Barbara D. Kogerman
Mayor

Attest:

Attest:

By: _____
Stephanie D. Smith
City Clerk

By: _____
Melissa Au-Yeung
City Clerk

Approved as to Form:

Approved as to Form:

By: _____
Matthew Richardson
City Attorney

By: _____
Gregory E. Simonian
City Attorney



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Director of Public Services/City Engineer

ISSUE: Updated Master Agreement for Administering Agency-State Agreement
for Federal-Aid Projects, Agreement No. 12-5468F15

RECOMMENDATION: That the City Council Adopt a Resolution Entitled: “A Resolution of the City Council of the City of Laguna Hills, California, Approving the Updated Master Agreement for Administering Agency-State Agreement for Federal-Aid Projects, Agreement No. 12-5468F15, and Authorizing the City Manager to Approve the Master Agreement and Program Supplement Agreements Thereto”

SUMMARY:

From time to time, the City avails itself of State or Federal Funds as supplemental funding sources for Capital Improvement Program projects. The use of these funds is governed by a Master Agreement with the State of California. The Master Agreement has been updated to reflect current regulations and policies at the State and Federal level, and the California Department of Transportation (Caltrans) has provided a new Agreement for the City’s approval. The next project to take advantage of Federal Funds is the Arterial Pavement Management Project Street Rehabilitation, CIP No. 175, and it is necessary to approve the Master Agreement and the Program Supplement in order to access \$500,000 of Federal Funds for this project. The adoption of a Resolution approving the Master Agreement and authorizing the City Manager to execute this and similar agreements with the State of California is recommended.

BACKGROUND:

The City accesses both State and Federal Funds on a grant or competitive basis in order to supplement the City’s budget towards the construction of capital improvements. The

Arterial Pavement Management Program (APM) administered by the Orange County Transportation Authority allocates Federal Funds to local agencies for pavement rehabilitation purposes. The City was successful in acquiring funding for the Arterial Pavement Management Project Street Rehabilitation, CIP No. 175, that is in the current fiscal year Capital Improvement Program Budget. In order to access the Federal Funds, it is necessary to execute an Agreement with the State. The State has updated its Master Agreement form and has requested the City approve the Administering Agency-State Agreement for Federal-Aid Projects, Agreement No. 12-5468F15. The 26-page Agreement, attached, defines the conditions under which State or Federal funding can be utilized by the City.

In addition, the next project to be funded with Federal Funds through the APM Program is the Arterial Pavement Management Project Street Rehabilitation, CIP No. 175. This project is scheduled to utilize \$500,000 of Federal Funds towards the \$1,266,156 project. In order to access these funds, in addition to the approval of the Master Agreement, it is necessary to approve the Program Supplement Agreement No. 010-F, also attached, to the Master Agreement.

The State requires that the execution of these Agreements be accompanied by an authorizing Resolution. The attached Resolution designates the City Manager as the authorized representative of the City of Laguna Hills with the authority to execute the Master Agreement, the Program Supplement, and other similar agreements.

FISCAL IMPACT:

The approval of the Master Agreement No. 12-5468F15 with the State of California will allow the City to access \$500,000 in Federal Funds for the Arterial Pavement Management Project Street Rehabilitation, CIP No. 175, and remain eligible to access other Federal Funds as additional opportunities are provided to the City for grants or competitive allocation of State and Federal Funds.

ATTACHMENTS:

- Resolution for Master Agreement No. 12-5468F15
- Master Agreement No. 12-5468F15
- Program Supplement Agreement No. 010-F

RESOLUTION NO. 2016-XX-XX-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, APPROVING THE UPADATED MASTER AGREEMENT FOR ADMINISTERING AGENCY-STATE AGREEMENT FOR FEDERAL-AID PROJECTS, AGREEMENT NO. 12-5468F15, AND AUTHORIZING THE CITY MANAGER TO APPROVGE THE MASTER AGREEMENT AND PROGRAM SUPPLEMENT AGREEMENTS THERETO

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City is eligible to receive Federal and/or State funding for certain transportation projects through the California Department of Transportation; and

WHEREAS, Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements need to be executed with the California Department of Transportation before such funds can be claimed; and

WHEREAS, the City desires to delegate authorization to execute these Agreements, any amendments thereto, to the City Manager and he is to be authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements, Fund Transfer Agreements and/or any amendments thereto with the California Department of Transportation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. The Master Agreement Administering Agency-State Agreement for Federal-Aid Projects, Agreement No. 12-5468F15, a copy of which is attached hereto, is approved.

SECTION 2. The Program Supplement Agreement No. 010-F to Administering Agency-State Agreement for Federal-Aid Projects No. 12-5468F15 is approved.

SECTION 3. The City Manager, Bruce E. Channing, is authorized to execute Master Agreement No. 12-5468F15 and Program Supplement Agreement No. 010-F.

SECTION 4. The City Manager is authorized to execute Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements and/or any amendments thereto with the California Department of Transportation.

PASSED, APPROVED, AND ADOPTED this 13th day of September 2016.

BARBARA KOGERMAN, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

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

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No.
_____ adopted by the City Council of the City of Laguna Hills, California,
at a Regular Meeting thereof held on the 13th day of September 2016, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

Attachment: Resolution for Master Agreement No. 12-5468F15 (2016-31 : Updated Master Agreement)

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

12 City of Laguna Hills

District Administering Agency

Agreement No. 12-5468F15

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

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs; and
2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and
3. WHEREAS, before federal funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:

ARTICLE I - PROJECT ADMINISTRATION

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

8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".
9. ADMINISTERING AGENCY shall conform to all state statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.
10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.
11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and, where appropriate, an executed Cooperative Agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.
12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.
13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.
14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.

15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT who is not a consultant.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY.

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

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

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

ARTICLE II - RIGHTS OF WAY

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

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

ARTICLE III - MAINTENANCE AND MANAGEMENT

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

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

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

ARTICLE IV - FISCAL PROVISIONS

1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).
2. STATE'S financial commitment of federal funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.
3. ADMINISTERING AGENCY may submit signed invoices in arrears for reimbursement of participating PROJECT costs on a regular basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.
4. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period.
5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.
6. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.
7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.
8. Indirect Cost Allocation Plans/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.
9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess federal funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).
10. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

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

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

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

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

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

16. Federal funds encumbered for PROJECT are available for liquidation for a period of six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless a Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

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

18. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

19. ADMINISTERING AGENCY agrees, and will assure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

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

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

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

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

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

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

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.
2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.
3. ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.
4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends \$750,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205.
5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.
6. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contract over \$10,000, or other contracts over \$25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions 5, 6, 17, 19 and 20 of ARTICLE IV, FISCAL PROVISIONS, and provisions 1, 2, and 3 of this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS.

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

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

ARTICLE VI - FEDERAL LOBBYING ACTIVITIES CERTIFICATION

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

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

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

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

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

ARTICLE VII - MISCELLANEOUS PROVISIONS

1. ADMINISTERING AGENCY agrees to use all state funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.
2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.
3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.
4. Each project-specific E-76 or E-76 (AMOD), PROGRAM SUPPLEMENT and Finance Letter shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.
5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.
6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE's discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.
7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY's failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.
8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or Federal Transit Administration (FTA) that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.
9. ADMINISTERING AGENCY hereby certifies that it does not have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT.

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

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

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

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

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

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

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

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

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

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

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

STATE OF CALIFORNIA

DEPARTMENT OF TRANSPORTATION City of Laguna Hills

By _____

By _____

Chief, Office of Project Implementation
Division of Local Assistance

City of Laguna Hills
Representative Name & Title
(Authorized Governing Body Representative)

Date _____

Date _____

EXHIBIT A

FAIR EMPLOYMENT PRACTICES ADDENDUM

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

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY'S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

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

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

5. Remedies for Willful Violation:

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

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

EXHIBIT B

NONDISCRIMINATION ASSURANCES

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

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

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

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

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

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

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

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

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

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

Appendix C;

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

Appendix D;

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

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

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

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

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

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

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

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

APPENDIX A TO EXHIBIT B

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

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

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

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

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

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

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

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

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

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

(GRANTING CLAUSE)

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

(HABENDUM CLAUSE)

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

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

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

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

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

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

APPENDIX C TO EXHIBIT B

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

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

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

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

(Include in deeds)*

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

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

APPENDIX D TO EXHIBIT B

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

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

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

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

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

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

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

(Include in deeds)*

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

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

PROGRAM SUPPLEMENT NO. F010
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO 12-5468F15

Adv Project ID **Date:** August 3, 2016
1216000023 **Location:** 12-ORA-0-LGNH
Project Number: STPL-5468(015)
E.A. Number:
Locode: 5468

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

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

PROJECT LOCATION:

Alicia Parkway - westerly city limits to Moulton Parkway; Cabot Road - two locations within the city limits, and Los Alisos Boulevard - Paseo de Valencia to the east city limits

TYPE OF WORK: Road rehabilitation

LENGTH: 1.0(MILES)

Estimated Cost	Federal Funds		Matching Funds	
	M23E	\$500,000.00	LOCAL	OTHER
\$1,266,156.00			\$766,156.00	\$0.00

CITY OF LAGUNA HILLS

STATE OF CALIFORNIA
Department of Transportation

By _____

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

Title _____

Date _____

Date _____

Attest _____

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

Accounting Officer _____

Jennie Yoo

Date _____

8/4/16

\$500,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT

STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION
PROGRAM SUPPLEMENT AND CERTIFICATION FORM
PSCF (REV. 01/2010)

Page 1 of 1

TO: STATE CONTROLLER'S OFFICE Claims Audits 3301 "C" Street, Rm 404 Sacramento, CA 95816	DATE PREPARED: 8/4/2016	PROJECT NUMBER 1216000023
	REQUISITION NUMBER / CONTRACT NUMBER RQS # 121700000028	

FROM: Department of Transportation

SUBJECT:
Encumbrance Document

VENDOR / LOCAL AGENCY:
City of Laguna Hills

CONTRACT AMOUNT:
\$500,000.00

PROCUREMENT TYPE
Local Assistance

[illegible]

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

STPL-5468(015)

SPECIAL COVENANTS OR REMARKS

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

B. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).

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

D. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer within 60 days of project contract award and prior to the submittal of the ADMINISTERING AGENCY'S first invoice for the construction contract.

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

E. ADMINISTERING AGENCY agrees, as a minimum, to submit invoices at least once every six months commencing after the funds are encumbered for each phase by the execution of this Project Program Supplement Agreement, or by STATE's approval of an applicable Finance Letter. STATE reserves the right to suspend future authorizations/obligations for Federal aid projects, or encumbrances for State funded projects, as well as to suspend invoice payments for any on-going or future project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six-month period.

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

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

F. Administering Agency shall not discriminate on the basis of race, religion, age, disability, color, national origin, or sex in the award and performance of any Federal-

STPL-5468(015)

SPECIAL COVENANTS OR REMARKS

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

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

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

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

2. A. ADMINISTERING AGENCY shall conform to all State statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of

SPECIAL COVENANTS OR REMARKS

Federal Regulation (CFR) and 2 CFR Part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

B. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.

C. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.

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

E. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or \$40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.

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

G. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

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

STPL-5468(015)

SPECIAL COVENANTS OR REMARKS

48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.

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

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

K. STATE reserves the right to conduct technical and financial audits of PROJECT WORK and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by the following paragraph:

ADMINISTERING AGENCY, ADMINISTERING AGENCY'S contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT, and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

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

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

N. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in

STPL-5468(015)

SPECIAL COVENANTS OR REMARKS

ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

O. ADMINISTERING AGENCY shall not award a non-A&E contract over \$5,000, construction contracts over \$10,000, or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.

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



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Mayor and Council Members

FROM: Bruce E. Channing
City Manager

ISSUE: Proposed Lease with Vilma Aarons, and Individual, and Genevieve Wall,
and Individual, for 24031 El Toro Road, Suite 200, Laguna Hills, California

RECOMMENDATION: That the City Council approve the lease with Vilma Aarons, an individual, and Genevieve Wall, an individual, for 24031 El Toro Road, Suite 200, Laguna Hills, California, and authorize the City Manager to execute the lease.

SUMMARY:

Staff has negotiated a three-year lease renewal with the tenant in Suite 200. Vilma Aarona and Genevieve Wall operate a law firm and have been leasing space in Suite 200 since September 2013. The following is a summary of the key lease terms and financial analysis:

FISCAL IMPACT:

The lease has a positive net present value and requires minimal upfront capital.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Community Center and Sports Complex Rental Fees for the 3/5 Marine

Support Committee's Showcase for Valor Memorial Day Weekend Benefit Concert
Scheduled for May 26, 2017

RECOMMENDATION: That City Council waive the rental fees for the 3/5 Marine Support Committee's use of the Community Center and Sports Complex's Town Green, Gazebo, and Picnic Shelter areas for the Showcase for Valor Memorial Day Weekend Benefit Concert.

SUMMARY:

BACKGROUND:

<Delete if not used>

CEQA FINDINGS:

<Delete if not used>

FISCAL IMPACT:

Community Center and Sports Complex Rental Fees for the 3/5 Marine Support
Committee's Showcase For
September 13, 2016
Page 2

<Delete If not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Server Virtualization and Backup System Project

RECOMMENDATION: That the City Council approve and authorize the City Manager to: (1) execute an Agreement with TCS Network Consulting, Inc. For a VMware with high availability and SSD Acceleration Solution (Server Virtualization Project); and (2) execute an Agreement with TCS Network Consulting, Inc. for a QNAP and VEEAM Backup Solution (Backup System Project).

SUMMARY:

A major plan in the City's Current budget is to implement

BACKGROUND:

<Delete if not used>

FISCAL IMPACT:

<Delete If not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
 City Manager
ISSUE: City's Conflict of Interest Code

RECOMMENDATION: That the City Council adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, adopting an updated Conflict of Interest Code and rescinding Resolution No. 2014-05-21-1."

SUMMARY:

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially, at a minimum, or as changes occur in designated positions.

BACKGROUND:

<Delete if not used>

CEQA FINDINGS:

<Delete if not used>

FISCAL IMPACT:

City's Conflict of Interest Code
September 13, 2016
Page 2

<Delete If not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Chair and Agency Members
FROM: Bruce E. Channing
City Manager
ISSUE: Approval of Minutes for August 23, 2016, Regular Meeting

RECOMMENDATION: That the Planning Agency approve the minutes of the August 23, 2016, Regular Meeting.

ATTACHMENTS:

- PA Minutes 082316

THE CITY COUNCIL AWARDED THE CONTRACT FOR THE CABOT PARK RENOVATION, CIP NO. 241-A, TO HORIZONS CONSTRUCTION COMPANY INTERNATIONAL, INC., IN THE LOW BASE BID AMOUNT OF \$277,320, PLUS THE ALTERNATE ADDITIVE BID FOR SHADE STRUCTURES IN THE AMOUNT OF \$86,450.62, FOR A TOTAL CONTRACT AMOUNT OF \$363,770.62, REJECTED ALL OTHER BIDS, AND AUTHORIZED THE MAYOR TO SIGN THE CONSTRUCTION CONTRACT, BY M/COUNCIL MEMBER CARRUTH, S/COUNCIL MEMBER GILBERT.

APPROVED BY A VOTE OF 5-0.

4. 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 7:51 p.m.

4.1 ROLL CALL OF PLANNING AGENCY MEMBERS

Present: Chair Kogerman, Vice Chair Sedgwick, Agency Member Blount, Agency Member Carruth, Agency Member Gilbert

4.2 PUBLIC COMMENTS

There were no Public Comments.

4.3 APPROVAL OF MINUTES FOR JULY 12, 2016, REGULAR MEETING

THE PLANNING AGENCY APPROVED THE MINUTES OF THE JULY 12, 2016, REGULAR MEETING, BY M/VICE CHAIR SEDGWICK, S/AGENCY MEMBER CARRUTH APPROVED BY A VOTE OF 4-0 (AGENCY MEMBER BLOUNT ABSTAINING).

4.4 ADMINISTRATIVE REPORTS

There were no Administrative Reports.

4.5 PLANNING AGENCY PUBLIC HEARINGS

4.5.1 CONDITIONAL USE PERMIT/SITE DEVELOPMENT PERMIT/ VARIANCE (CUP/SDPM/VA) NO. 2-16-3436, A REQUEST BY HC&D ARCHITECTS, INC. ON BEHALF OF IBRA FARMS RESTAURANTS, INC. TO REDEVELOP THE PROPERTY AT 23952 AVENIDA DE LA CARLOTA IN THE VILLAGE COMMERCIAL ZONE INCLUDING DEMOLITION OF THE EXISTING VACANT RESTAURANT BUILDING AND CONSTRUCTION AND OPERATION OF A NEW FARMER BOYS DRIVE-THRU RESTAURANT.

**THE PLANNING AGENCY CONTINUED THIS AGENDA ITEM TO ITS REGULAR MEETING OF SEPTEMBER 13, 2016, BY M/AGENCY MEMBER CARRUTH, S/AGENCY MEMBER GILBERT.
APPROVED BY A VOTE OF 5-0.**

PLANNING AGENCY ADJOURNMENT

Mayor Kogerman reconvened the City Council meeting at 7:52 p.m. All Council Members were present.

5. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

6. ADMINISTRATIVE REPORTS

6.1 City Manager

The City Manager gave no Administrative Reports.

6.2 Assistant City Manager

6.2.1 EVALUATION OF CITY SLOGAN PROJECT MODELS

Management Assistant James Haston briefly reviewed the information provided in the Staff Report and responded to City Council requests for additional information.

**THE CITY COUNCIL DIRECTED STAFF TO PROPOSE A CITY BRAND DEVELOPMENT PROGRAM AS A MAJOR PLAN IN THE UPCOMING 2017-2019 BIENNIAL BUDGET PROCESS, BY M/MAYOR KOGERMAN, S/MAYOR PRO TEMPORE SEDGWICK.
APPROVED BY A VOTE OF 4-1 (COUNCIL MEMBER CARRUTH VOTING NO).**

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

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

8. CITY COUNCIL MEMBER COMMENTS

COUNCIL MEMBER CARRUTH

Council Member Carruth reported that she attended the La Pata Gap Connector Ribbon-Cutting Celebration on Saturday, August 13, 2016.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Chair and Agency Members

FROM: Bruce E. Channing
City Manager

ISSUE: Conditional Use Permit/Site Development Permit/Variance

(CUP/SDPM/VA) No. 2-16-3436, a Request by HC&D Architects, Inc., on Behalf of IBRA Farms Restaurants, Inc., to Redevelop the Property at 23952 Avenida De La Carlota in the Village Commercial Zone Including Demolition of the Existing Vacant Restaurant Building and Construction and Operation of a New Farmer Boys Drive-Thru Restaurant.

RECOMMENDATION: That the Planning Agency: (1) conduct a Public Hearing for CUP/SDPM/VA No. 2-16-3436; and (2) adopt a Resolution entitled: "A Resolution of the Planning Agency of the City of Laguna Hills, California, approving Conditional Use Permit/Site Development Permit/Variance (CUP/SDPM/VA) No. 2-16-3436, a request by HC&D Architects, Inc., on behalf of IBRA Farms Restaurants, Inc., to redevelop the property at 23952 Avenida de la Carlota in the Village Commercial Zone including demolition of the existing vacant restaurant building and construction and operation of a new Farmer Boys drive-thru restaurant.

SUMMARY:

This item was continued from the August 23, 2016, Planning Agency meeting.

BACKGROUND:

ConditionalUse Permit/Site Development Permit/Variance (CUP/SDPM/VA) No. 2-16-3436, a Request By
September 13, 2016
Page 2

<Delete if not used>

CEQA FINDINGS:

<Delete if not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Mayor and Council Members

FROM: Bruce E. Channing
City Manager

ISSUE: Presentation of Comprehensive Fee Study and Proposed Resolution

Establishing and Adopting Updated Development Processing Fees and Other City Rates, Charges, and User Fees for Various Governmental Services

RECOMMENDATION: That the City Council: (1) conduct a Public Hearing; and (2) adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California, establishing and adopting updated development processing fees and other City rates, charges, and user fees for various governmental services."

SUMMARY:

User fees may not exceed reasonable

BACKGROUND:

<Delete if not used>

CEQA FINDINGS:

<Delete if not used>

Presentation of Comprehensive Fee Study and Proposed Resolution Establishing and
Adopting Updated
September 13, 2016
Page 2

FISCAL IMPACT:

<Delete If not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Mayor and Council Members

FROM: Bruce E. Channing
City Manager

ISSUE: Zoning Text Amendment No. 8-16-3624, an Amendment to Title 9 of the

Laguna Hills Municipal Code (Zoning and Subdivisions), to Prohibit Marijuana Business in All Zoning Districts.

RECOMMENDATION: That the City Council: (1) conduct a Public Hearing, and (2) introduce for first reading, read by title only, and waive further reading, an Ordinance entitled: "An Ordinance of the City of Laguna Hills, California, adopting Zoning Code Text Amendment No. 8-16-3624 adding Chapter 9-103, Marijuana Businesses, to the Laguna Hills Municipal Code to prohibit all marijuana business in all zoning districts, including an exemption from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15061(B)(3).

SUMMARY:

BACKGROUND:

<Delete if not used>

CEQA FINDINGS:

Zoning Text Amendment No. 8-16-3624,
September 13, 2016
Page 2

<Delete if not used>



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016
TO: Mayor and Council Members
FROM: Bruce E. Channing
City Manager
ISSUE: Winter Holiday Banner Installation

RECOMMENDATION: That the City Council defer consideration of the installation of winter holiday banners on various arterial highways until the evaluation and adoption of the next biennial budget.

SUMMARY:

The City Council has requested a discussion of the opportunities and costs associated with the installation of winter holiday banners as an addition to the annual installation of patriotic banners. Staff has prepared a review of the City's historic Winter Holiday Banner Program including the banner installation location options and the associated costs for this work effort. In preparation for the current biennial budget, the City Council voted on Major Plans including the topic of the reintroduction of winter holiday banners to the City's community events. The City Council did not support this work effort at that time with a group rating of 0.2. The installation of winter holiday banners is not included in the current budget and, accordingly, staff recommends this matter be deferred for a future discussion at the time of the adoption of the next biennial budget.

BACKGROUND:

A few years after the City's incorporation the City initiated community events which, over time, included a modest recreation program and City identity efforts. The City identity efforts included the installation of entry monuments at primary boundary locations, the utilization of a newsletter to communicate to the residents and businesses, and the eventual installation of winter holiday banners on select arterial

Winter Holiday Banner Installation

September 13, 2016

Page 2

highways. The winter holiday banners were typically installed for public observation from the last week in November (following the Thanksgiving Holiday) to the first week of January (following the New Year Holiday). The Winter Holiday Banner Program was then soon followed by the installation of Patriotic Banners, typically installed for public observation from mid-May (in advance of the Memorial Day Holiday) to the first week of July (after the 4th of July Holiday).

Following the downturn in the economy in 2008, both the Winter Holiday Banner and Patriotic Banner Programs were curtailed. The winter holiday banners have been in storage since that time. The Patriotic Banner Program was reinstituted as a part of the "3rd Battalion, 5th Marine Regiment" support efforts. The current Patriotic Banner Program is on a smaller scale than in the past with the banners being placed only along a portion of Paseo de Valencia and a portion of Alicia Parkway to coincide with the general alignment of the City's Half Marathon running event associated with the Memorial Day Holiday.

The City Council recently requested a discussion of the opportunities and costs associated with the installation of winter holiday banners as an addition to the annual installation of patriotic banners. The winter holiday banner design, as last utilized by the City, is shown on the attached picture. Approximately 300 winter holiday banners are in storage.

Staff has prepared three options to illustrate the locations and costs associated with a restart of a Winter Holiday Banner Program. The purchase of new or different winter holiday banners is not included in the cost estimates provided and relies upon the use of the stored banners.

1. The winter holiday banners can be installed on the same poles and locations matching the current patriotic banner installation locations. These locations are along Paseo de Valencia from El Toro Road to Alicia Parkway and along Alicia Parkway from Paseo de Valencia to Moulton Parkway. This would entail the installation of 61 winter holiday banners at an estimated annual cost of \$7,000.
2. The winter holiday banners can be installed along the entire length of Alicia Parkway, beginning at Interstate 5 and extending to Moulton Parkway, to become an entry feature of the community, along with the Paseo de Valencia limits described above. This would entail the installation of 99 winter holiday banners, including the replacement of some older banner hardware, at an estimated annual cost of \$9,500.
3. The winter holiday banners can be installed along Alicia Parkway and along Paseo de Valencia, as described above, along with the entire length of El Toro Road and a portion of La Paz Road from I-5 to Paseo de Valencia. This would entail the installation of 135 winter holiday banners, including the replacement of some older banner hardware, at an estimated annual cost of \$13,000.

Winter Holiday Banner Installation
September 13, 2016
Page 3

In preparation for the current biennial budget, the City Council voted on the topic of the reintroduction of winter holiday banners to the City's community events as a Major Plan. The City Council did not support this work effort at that time with a group average rating of 0.2.

FISCAL IMPACT:

The initiation of a Winter Holiday Banner Program will require annual funding in the range of \$7,000 to \$13,000, depending upon the number of banners to be installed. The installation of winter holiday banners is not included in the current budget and, accordingly, staff recommends this matter be deferred for a future discussion at the time of the adoption of the next biennial budget.

ATTACHMENTS:

- Winter Holiday Banner Picture





City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: September 13, 2016

TO: Chair and Agency Members

FROM: Cindy Sands
Admin. Assistant to City Manager

ISSUE: Conditional Use Permit/Site Development Permit/Variance

(CUP/SDPM/VA) No. 2-16-3436, a Request by HC&D Architects, Inc., on Behalf of IBRA Farms Restaurants, Inc., to Redevelop the Property at 23952 Avenida De La Carlota in the Village Commercial Zone Including Demolition of the Existing Vacant Restaurant Building and Construction and Operation of a New Farmer Boys Drive-Thru Restaurant.

RECOMMENDATION: That the Planning Agency continue this agenda item to its regular meeting of September 13, 2016.

SUMMARY:

HC&D Architects, Inc. submitted the subject application on behalf of IBRA Farms Restaurants, Inc. (Applicant) to redevelop the former Carrows site (23952 Avenida de la Carlota) in the Urban Village Specific Plan area. The project involves demolition of the Carrows building and other improvements associated with the former Carrows business, and construction of a new 3,143 square-foot fast food drive-thru restaurant building for Farmer Boys, as well as new landscape and parking lot improvements. Additionally, variances are requested to reduce the amount of on-site required parking and to deviate from a parking lot design standard involving the project driveway.

Following review and analysis of the subject application, and following public notice of this project for the August 23, 2016, Planning Agency meeting, City staff met with the Applicant to review a few final details of the site plan. As a result of this meeting staff determined that additional information of significant importance had to be

CUP/SDPM/VA No. 2-16-3436

September 13, 2016

Page 2

incorporated into the analysis for the project requiring additional review by various staff members. In order to have the most complete information available when considering the application, staff recommends that the Planning Agency continue this item to the next regularly scheduled Planning Agency meeting on September 13, 2016.