



LA MESA CITY COUNCIL AGENDA

A Regular Meeting

Date: Tuesday, February 13, 2024, 6:00 p.m.
Location: City Council Chambers, 8130 Allison Avenue
La Mesa, California

Elected Officials: Mayor Mark Arapostathis
Vice Mayor Laura Lothian
Councilmember Patricia N. Dillard
Councilmember Colin Parent
Councilmember Jack Shu
City Treasurer Matthew Strabone

Staff: City Manager Greg Humora
City Attorney Glenn Sabine
City Clerk Megan Wiegelman

The City Council meeting may be viewed in-person or live on Cox Cable Channel 24 (within La Mesa City limits), AT&T U-Verse Channel 99 (in the San Diego Region), the City's website (www.cityoflamesa.us), Facebook Live (www.facebook.com/lamesaca) or using the following Zoom Webinar options:

The public may view the meeting live using the following remote options:

Teleconference Meeting Webinar

<https://us06web.zoom.us/j/84472650722>

Telephone (Audio only)

(669) 900-6833 or (253) 215-8782 Webinar ID: 844 7265 0722

Copy and paste the webinar link into your internet browser if the webinar link does not work directly from the agenda.

PUBLIC COMMENTS

- **In-Person comments during the meeting:** Join us for the City Council meeting at the time and location specified on this agenda to make your comments. Please complete a “Request to Speak” card and submit it to the Council Hostess. When the Mayor calls your name, step to the podium and state your name for the record. Comments will be limited to three (3) minutes.
- **Zoom Audio Comments:** To provide oral public comments during the meeting, join the Zoom meeting by computer, mobile phone, or dial in number. On Zoom video conference by computer or mobile phone, use the “Raise Hand” feature. This will notify the moderator that you wish to speak during a specific item on the agenda or during non-agenda Public Comment. Members of the public will not be shown on video but will be able to speak when called upon. If joining the meeting using the Zoom dial-in number, you may raise your hand by pressing *9. Comments will be limited to three (3) minutes. No further comments will be entertained after the Mayor closes public comment.
- **How to submit eComments:** eComments are available once an agenda is published. Locate the meeting in "upcoming meetings" and click the comment bubble icon. Click on the item you wish to comment on. eComments can be submitted when the agenda is published and until **24 hours prior** to the meeting. eComments are limited to 500 words. eComments may be viewed by the City Council and members of the public following the close of the eComment submission period (24 hours prior to the meeting). Email your comment to cityclrk@cityoflamesa.us if you have difficulty submitting an eComment. eComments will not be read aloud as a regular meeting item; however any member of the Council or member of the public may do so during their respective comment time.

PLEASE NOTE: Public Comment will be limited to 3 minutes per item. The timer begins when the participant begins speaking. Time cannot be combined or yielded to another speaker.

Citizens who wish to make an audio/visual presentation pertaining to an item on the agenda, or during Public Comments, should contact the City Clerk's office at 619.667.1120, no later than 12:00 p.m., the Monday prior to the meeting day. Advance notification will ensure compatibility with City equipment and allow Council meeting presentations to progress smoothly and in a consistent and equitable manner. Please note that all presentations/digital materials are considered part of the maximum time limit provided to speakers.

Agenda reports for items on this agenda are available for public review at the City Clerk's Office, 8130 Allison Avenue, during normal business hours.

Materials related to an item on this agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 8130 Allison Avenue, during normal business hours.

ACCESSIBILITY: The City of La Mesa encourages the participation of disabled individuals in the

services, activities and programs provided by the City. Individuals with disabilities, who require reasonable accommodation in order to participate in the City Council meetings, should contact the Administrative Services Department 48 hours prior to the meeting at 619.667.1175, fax 619.667.1163, or alee@cityoflamesa.us.

Hearing assisted devices are available for the hearing impaired. A City staff member is available to provide these devices upon entry to City Council meetings, commission meetings or public hearings held in the City Council Chambers. A photo i.d. or signature will be required to secure a device for the meeting.

Pages

1.	<u>CALL TO ORDER</u>	
1.1	INVOCATION - COUNCILMEMBER DILLARD	
1.2	PLEDGE OF ALLEGIANCE	
2.	<u>CITY MANAGER COMMENTS</u>	
3.	<u>COMMUNITY BULLETIN REPORTS</u>	
4.	<u>ADDITIONS AND/OR DELETIONS TO THE AGENDA</u>	
5.	<u>PRESENTATIONS</u>	
5.1	MAYOR'S STATE OF THE CITY REPORT	1
5.2	BUDGET MONITORING REPORT	2
5.3	CITY TREASURER'S QUARTERLY REPORT	14
5.4	BOARD AND COMMISSION WORK PLANS	23
	• ARTS AND CULTURE COMMISSION	
	• COMMUNITY SERVICES COMMISSION	
	• PLANNING COMMISSION	
	• YOUTH ADVISORY COMMISSION	
6.	<u>PUBLIC COMMENTS – (TOTAL TIME – 15 MINUTES)</u>	
	NOTE: In accordance with state law, an item not scheduled on the agenda may be brought forward by the general public for comment; however, the City Council will not be able to discuss or take any action on the item at this meeting. If appropriate, the item will be referred to Staff or placed on a future agenda.	
7.	<u>CONFLICT DISCLOSURES</u>	
8.	<u>BOARD AND COMMISSION INTERVIEWS</u>	

8.1 ANNUAL INTERVIEW OF APPLICANTS FOR OPENINGS ON THE CITY'S COMMUNITY POLICE OVERSIGHT BOARD 31

Staff Reference: Ms. Wiegelman

9. BOARD AND COMMISSION APPOINTMENTS

9.1 RESOLUTION APPOINTING A MEMBER TO FILL THE UNSCHEDULED VACANCY ON THE ARTS AND CULTURE COMMISSION 34

Staff Reference: Ms. Wiegelman

Recommended Motion:

Approve the appointment of Sherida Bonton to the Arts and Culture Commission and adopt Resolution confirming the appointment.

9.2 RESOLUTION APPOINTING A MEMBER TO FILL THE UNSCHEDULED VACANCY ON THE DESIGN REVIEW BOARD 38

Staff Reference: Ms. Wiegelman

Recommended Motion:

Approve the appointment of Alison Morita to the Design Review Board and adopt Resolution confirming the appointment.

10. PUBLIC COMMENTS ON CONSENT CALENDAR

This is the time in which members of the Council or audience may pull items from the CONSENT CALENDAR for discussion. Public Comments are also invited on Consent Calendar items.

11. CONSENT CALENDAR

(Items 11.1 through 11.7)

The Consent Calendar includes items considered to be routine. Unless discussion is requested by members of the Council or audience, all Consent Calendar items may be approved by one motion.

*If a public hearing item is part of the Consent Calendar, the public hearing shall be deemed held if the item is not removed from the Consent Calendar for discussion and possible action (Item 11.7).

Recommended Motion:

Approve Consent Calendar Items 11.1 through 11.7.

11.1 APPROVAL OF MOTION TO WAIVE THE READING OF THE TEXT OF ALL ORDINANCES AND RESOLUTIONS AT THIS MEETING

Recommended Motion:

Approve.

- | | | |
|------|---|-----|
| 11.2 | APPROVAL OF THE MINUTES FOR THE CITY COUNCIL REGULAR MEETINGS HELD TUESDAY, JANUARY 9 AND JANUARY 23, 2024 | 42 |
| | Recommended Motion:
Approve. | |
| 11.3 | APPROVAL OF THE MINUTES FOR THE CITY COUNCIL SPECIAL MEETING HELD TUESDAY, JANUARY 23, 2024 | 55 |
| | Recommended Motion:
Approve. | |
| 11.4 | HOMELESS OUTREACH AND MOBILE ENGAGEMENT (HOME) PROGRAM QUARTERLY REPORT (OCTOBER 2023 - DECEMBER 2023) | 57 |
| | Staff Reference: Chief Sweeney | |
| | Recommended Motion:
Receive and file. | |
| 11.5 | RESOLUTION AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO A MEMORANDUM OF AGREEMENT BETWEEN THE POLICE DEPARTMENT AND THE SAN DIEGO COUNTY SHERIFF'S DEPARTMENT FOR THE OPERATION STONEGARDEN GRANT | 67 |
| | Staff Reference: Chief Sweeney | |
| | Recommended Motion:
Adopt Resolution. | |
| 11.6 | RESOLUTIONS FOR A STATE REVOLVING FUND LOAN (NO. 8608-110) WITH THE STATE OF CALIFORNIA | 108 |
| | Staff Reference: Mr. Throne | |
| | Recommended Motion:
Adopt Resolutions. | |
| | <div style="margin-left: 40px;">a. RESOLUTION AUTHORIZING EXECUTION OF A LOAN AGREEMENT (NO. 8608-110) WITH THE STATE OF CALIFORNIA FOR A STATE REVOLVING FUND LOAN</div> | |
| | <div style="margin-left: 80px;">Recommended Motion:
Adopt Resolution.</div> | |

- b. RESOLUTION ACCEPTING THE FUNDS FROM THE STATE
REVOLVING FUND LOAN (NO. 8608-110) AND
APPROPRIATING THE EXPENDITURE IN THE CAPITAL
IMPROVEMENT PROGRAM PROJECT ACCOUNT

Recommended Motion:

Adopt Resolution.

- 11.7 *RESOLUTION ORDERING THE SUMMARY VACATION OF AN EASEMENT FOR PUBLIC SIDEWALK AND UTILITY PURPOSES ENCUMBERING 4757 PALM AVENUE 179

Staff Reference: Mr. Throne

Recommended Motion:

Adopt Resolution.

12. STAFF REPORT

- 12.1 RESOLUTION AWARDDING RFP 24-06 TO RICK ENGINEERING COMPANY FOR PROFESSIONAL SERVICES FOR THE PREPARATION OF PHASE 1 OF THE DOWNTOWN VILLAGE SPECIFIC PLAN UPDATE 185

Staff Reference: Ms. Santos

Recommended Motion:

Adopt Resolution awarding a Professional Services Contract to Rick Engineering Company for Phase 1 of the Downtown Village Specific Plan Update.

13. COUNCIL INITIATED

- 13.1 CONSIDERATION OF DIRECTING STAFF TO DRAFT AN ORDINANCE OR ORDINANCES LIMITING THE USE OF SINGLE USE PLASTICS AND OTHER PRODUCTS WHICH ARE MAJOR CONTRIBUTORS TO TRASH AND POLLUTION 239

COUNCILMEMBER DILLARD AND COUNCILMEMBER SHU

- 13.2 CONSIDERATION OF DIRECTING STAFF TO DRAFT A CITY POLICY PROHIBITING SPONSORED EVENTS FROM PROVIDING, USING, OR ALLOWING THE SALE OF PLASTIC BOTTLED WATER - COUNCILMEMBER DILLARD AND COUNCILMEMBER SHU 240

14. COUNCIL COMMITTEE REPORTS (3 MINUTE LIMIT)

15. AB 1234 REPORTS (GC 53232.3 (d))

16. CITY ATTORNEY REMARKS

17. ADJOURNMENT



CITY OF
LA MESA

JEWEL of the HILLS

INTEROFFICE MEMO

DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Grecia Aguilar, Communications Manager GA

VIA: Greg Humora, City Manager GH

SUBJECT: Mayor's State of the City Report

Each year, the Mayor delivers a State of the City address to celebrate the community and showcase the City's yearly accomplishments. Tonight's State of the City video presentation provides an overview of the City's ongoing progress made in 2023 and looks towards the future in continuing to deliver high-quality public services that enhance the quality of life for all.



CITY OF
LA MESA

JEWEL of the HILLS

INTEROFFICE MEMO

DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Tammi Royales, Director of Finance

VIA: Greg Humora, City Manager *GH*

SUBJECT: Budget Monitoring Report FY24QTR2



2023-2024 Budget Monitoring Report

Quarter Ending December 31, 2023

The Finance Department produces the quarterly Budget Monitoring Report using month-end financial information from the City's financial system, input from staff in City departments, and relevant information from local, regional, and national sources (e.g., newspapers, economists, League of California Cities, etc.).

If you are new to this report, we suggest that you start by first reviewing the Reader's Guide located at the end of the document for information on the organization and layout of the report.

Please contact Tammi Royales at (619) 667-1122 if you have any questions, comments, or suggestions.

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EXECUTIVE SUMMARY

This Budget Monitoring Report details and analyzes economic indicators and forecasts based on certain assumptions and published projections through the quarter ending December 31, 2023. In the past, this report focused on economic factors across the nation that influenced the budget monitoring report. We are shifting focus by concentrating more on local factors that directly affect our economy that help the City prepare our annual budget and forecasts. This quarters report will focus on taxes and how we use data to better forecast future spending.

NATIONAL ECONOMIC INDICATORS AND FORECASTS

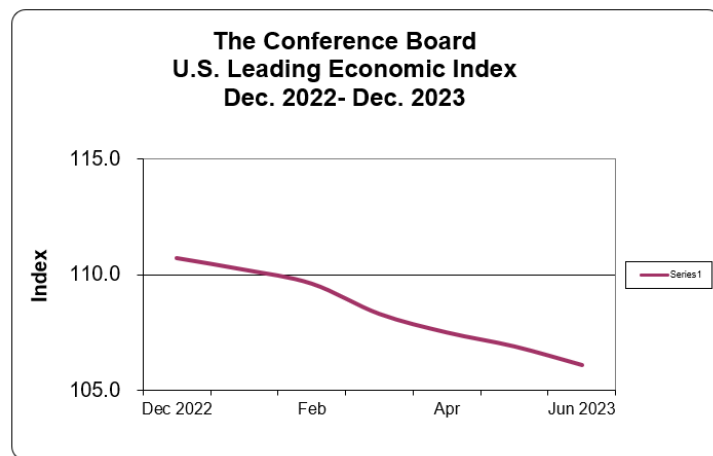
U.S. Leading Economic Index

The Conference Board Leading Economic Index® (LEI) for the U.S. fell by 0.1 percent in December 2023 to 103.1 (2016=100), following a 0.5 percent decline in November. The LEI contracted by 2.9 percent over the six-month period between June and December 2023, a smaller decrease than its 4.3 percent contraction over the previous six months.

“The US LEI fell slightly in December, continuing to signal underlying weakness in the US economy,” said Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board. “Despite the overall decline, six out of ten leading indicators made positive contributions to the LEI in December. Nonetheless, these improvements were more than offset by weak conditions in manufacturing, the high interest-rate environment, and low consumer confidence. As the magnitude of monthly declines has lessened, the LEI’s six-month and twelve-month growth rates have turned upward but remain negative, continuing to signal the risk of recession ahead. Overall, we expect GDP growth to turn negative in Q2 and Q3 of 2024 but begin to recover late in the year.”

**The Conference Board
U.S. Leading Economic Index
(2016 = 100)**

	Index	% Change
Dec 2022	110.7	-0.70%
Jan	110.2	-0.50%
Feb	109.6	-0.50%
Mar 2023	108.3	-1.20%
Apr	107.5	-0.70%
May	106.9	-0.60%
Jun 2023	106.1	-0.70%
Jul	105.8	-0.30%
Aug	105.3	-0.50%
Sep 2023	104.6	-0.70%
Oct	103.7	-0.90%
Nov	103.2	-0.50%
Dec 2023	103.1	-0.10%

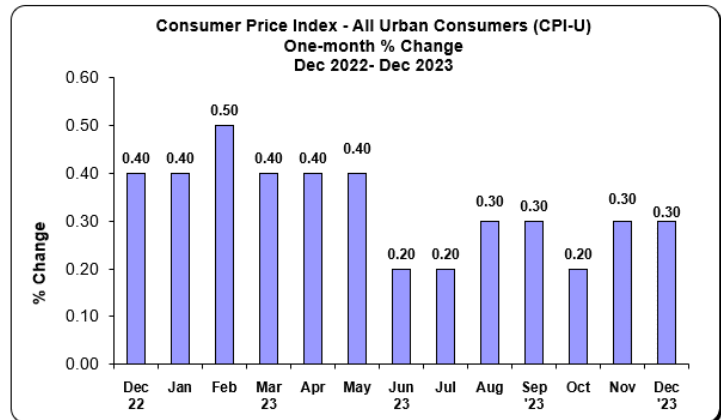


Consumer Price Index

The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.3 percent in December on a seasonally adjusted basis, after rising 0.1 percent in November, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 3.4 percent before seasonal adjustment.

The index for all items less food and energy rose 0.3 percent in December, the same monthly increase as in November. Indexes which increased in December include shelter, motor vehicle insurance, and medical care. The index for household furnishings and operations and the index for personal care were among those that decreased over the month.

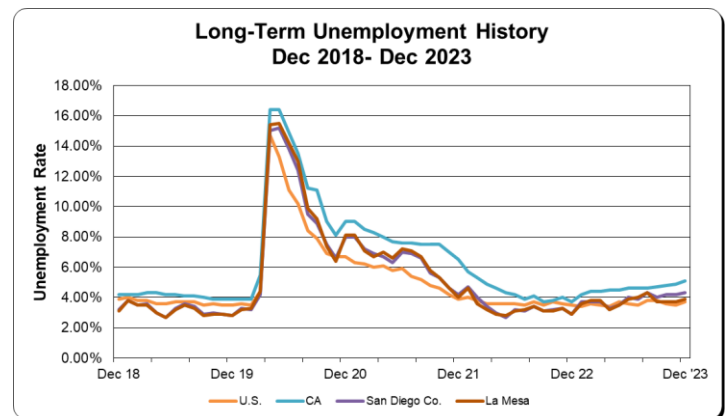
The all items index rose 3.4 percent for the 12 months ending December, a larger increase than the 3.1-percent increase for the 12 months ending November. The all items less food and energy index rose 3.9 percent over the last 12 months, after rising 4.0 percent over the 12 months ending November. The energy index decreased 2.0 percent for the 12 months ending December, while the food index increased 2.7 percent over the last year.



LOCAL ECONOMIC INDICATORS AND FORECASTS

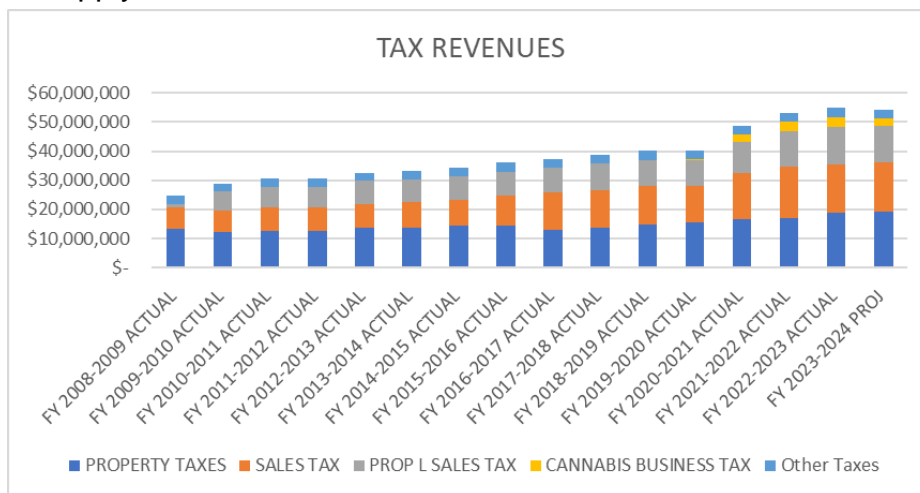
Unemployment Rate

One statistic we look at is the overall unemployment rate. The overall U.S. unemployment rate doesn't give a true reflection of what is going on locally so we drill down to La Mesa to better understand how unemployment is impacting our local economy. The U.S. Bureau of Labor Statistics reported that the total U.S. nonfarm payroll employment slightly decreased to 3.7 percent in December 2023. In comparison, California's unemployment rate rose from 4.7 percent to 5.1 percent. San Diego County has a more positive rate at 4.1 percent. La Mesa ended the year at 3.9 percent. As you can see from the chart, La Mesa is back in line with pre-pandemic unemployment rates.



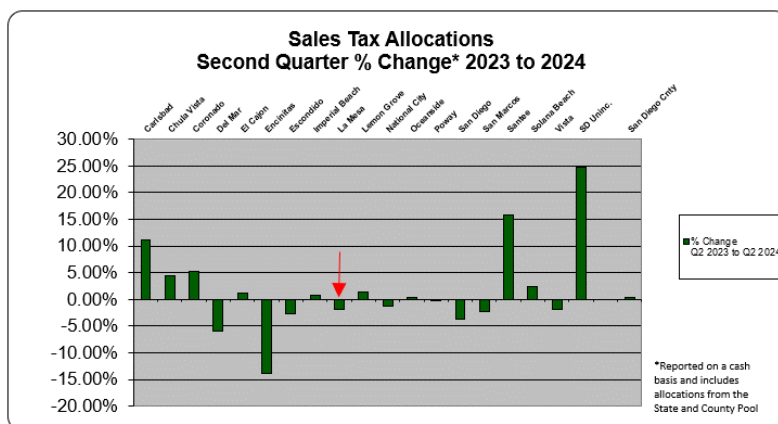
Local Sales Tax Allocations

Taxes are the main revenue source for our City. Many factors effect taxes including federal interest rates, inflation, valuation, supply chain, and consumer trends. The chart below shows tax earnings since FY09 with the passing of Prop L. Property tax revenue is based on sales from the previous year and may not be in alignment with current economic conditions. Sales tax is driven by sales at the local level and online sales which are part of the County Pool. The opening of a San Diego County distribution center has negatively impacted our portion of the County Pool. Prop L sales tax revenue is directly related to purchases made within the city limits. Cannabis tax seems to have stabilized for now. As additional jurisdictions allow the retail sales of cannabis, these numbers will fluctuate. Other taxes are derived from citywide agreements with utilities such as refuse, cable tv, gas and electricity.



La Mesa's receipts from July through September were 2.6% below the third sales period in 2022. However, after adjusting for reporting modifications such as audit adjustments and delayed payments, actual sales were down 1.2%.

General retail reflected a slowing in consumer spending, edging down 4.2%. The City's share of the countywide use tax pool shrunk 4.1% due to waning third-party auto and internet sales. Furthermore, a shift by online retailers to fill more internet orders from out-of-state locations to instate fulfillment centers resulted in some revenues moving out of the pools and into direct jurisdictions. Additionally, fuel prices dipped, and service station revenues dropped accordingly.



Voter-approved Measure L posted slightly lower results, as local consumers pulled back on retail and transportation-related spending.

STATE BUDGET

The state budget has an indirect effect on the City as we do not receive direct state funding. But there is a trickle-down effect on what resources the State allocates funding sources for or programs it cuts. With a projected \$37.9 billion budget deficit, we are mindful of cuts to the budget and how it may affect La Mesa. One of the items that was discussed in Sacramento is how the

transition to EV's will reduce revenues from fuel tax. These funds pay for road repairs and maintenance. Local cities may have to use general funds to offset future revenue decreases. A proposed budget cut to community colleges will provide less funding for student services. Our proximity to Grossmont College tells us that this may impact La Mesa. Additional cuts have been proposed to climate programs, school arts, and public transit systems.

GENERAL FUND SUMMARY

General Fund Resources

General Fund revenues received through the second quarter of fiscal year 2023-2024 are in line with budget expectations at 38.3 percent. The General Fund's major revenue sources, property tax and sales tax (both base sales & use tax and Proposition L transaction tax) are not received at regular intervals throughout the fiscal year, but rather towards the middle and end of the fiscal year with a final accrual received and recorded in mid-August. For this reason, revenue streams received from these sources through the second quarter of the fiscal year will not equate to 50 percent of the total annual revenues that are eventually received.

General Fund Resources	Current Fiscal Tear			Prior Year Comparison	
	2023 - 2024 Budget ¹	YTD Collected (unaudited)	% of Budget Collected	YTD Collected (unaudited)	% of Budget Collected
Through 50% of Fiscal Year					
Revenues:					
Taxes					
Property Tax	\$ 18,610,380.00	\$ 4,253,074.40	22.9%	\$ 814,000.00	4.4%
Former Tax Increment (RDA)	300,000.00	-	0.0%	-	0.0%
Sales	17,000,000.00	7,651,891.41	45.0%	5,567,335.00	32.7%
Proposition L	12,500,000.00	4,983,092.72	39.9%	4,049,045.00	32.4%
Cannabis Business Tax	2,500,000.00	732,818.00	29.3%	648,440.00	25.9%
Other	3,207,680.00	1,105,980.57	34.5%	996,826.00	31.1%
Subtotal Taxes	\$ 54,118,060.00	18,726,857.10	34.6%	12,075,646.00	22.3%
Licenses & permits	\$ 1,752,300.00	\$ 1,016,403.33	58.0%	\$ 740,220.00	42.2%
Fines, forfeitures & penalties	469,000.00	237,869.13	50.7%	92,430.00	19.7%
Use of money and property	1,904,000.00	1,358,290.35	71.3%	550,970.00	28.9%
Revenue from other agencies	1,530,750.00	786,829.39	51.4%	513,690.00	33.6%
Service charges	2,534,150.00	1,314,051.28	51.9%	1,296,510.00	51.2%
Other revenue	5,499,190.00	2,548,398.62	46.3%	(94,400.00)	-1.7%
Total Revenues	\$ 67,807,450.00	25,988,699.20	38.3%	15,175,066.00	6.0%
Other financing sources:					
Interfund transfers in	3,090,200.00	489,886.60	15.9%	888,410.00	29%
Interfund transfers out	(2,448,450.00)	-	0.0%	(556,250.00)	23%
Total other financing sources	641,750.00	489,886.60	76.3%	332,160.00	52%
Plus: Fund Balance at July 1	50,122,196.00	50,122,196.00	100%	39,777,922.00	79%
Total resources	\$ 118,571,396.00	\$ 76,600,781.80	65%	\$ 55,285,148.00	47%
¹ Budget reflects any amendments approved by the City Council through end of the quarter					

- ✓ Overall, total general fund revenues are meeting budgetary expectations for the fiscal year but came in higher when compared to the same period last fiscal year.
- ✓ The first large payment of property taxes is not received until the third quarter.
- ✓ Sales tax revenues received through the second quarter FY24 are meeting budgetary expectations and are above when compared to the same time last year
- ✓ Proposition L sales tax revenues are meeting budgetary expectations and, consistent with base sales tax, are above the same time last fiscal year.
- ✓ Cannabis Tax second quarter is due in January and will be reflected next report.
- ✓ Other General Fund revenues, including licenses and permits, mostly due to building permit fees; revenue from other agencies, and service charge revenue from recreation classes and engineering fees are within budgetary expectations.

General Fund Appropriations

General Fund Expenditures			
Through 50% of Fiscal Year	2023-2024 Budget¹	YTD Encumbered/ Expended²	% of Budget
General Fund Department Expenditures			
Police	\$ 26,218,750.00	\$ 8,660,467.00	33.0%
Fire	16,189,490.00	5,856,199.00	36.2%
Public Works	12,985,960.00	5,251,148.00	40.4%
Administrative Services	12,362,280.00	6,127,481.00	49.6%
Community Development	3,769,710.00	1,486,704.00	39.4%
Community Services	2,538,090.00	998,496.00	39.3%
Total General Fund Expenditures	\$ 74,064,280.00	\$ 28,380,495.00	38.3%
¹ Budget reflects any amendments approved by the City Council through the end of the quarter			
² Includes expenditures encumbered through end of quarter reported			

- ✓ Most departments are at or slightly below expectations through 50 percent of the fiscal year.

General Fund Reserves

The *estimated* available reserves for the current fiscal year 2023-2024 are \$50,122,196

	Actuals		Forecasted	Final Budget	Final Budget	FY
	FY 20-21	FY 21-22	FY 22-23	FY 23-24	24-25	
Available Reserves at June 30	36,598,856.00	42,293,571.00	50,122,196.00	41,920,331.00	36,826,970.00	
Reserves as % of Operating Expenditures	69.6%	61.6%	79%	59%	57%	
<i>Source of Revenues:</i>						
Property Sale (Police Station)	3,050,000.00	3,050,000.00	3,050,000.00	3,050,000.00	3,050,000.00	
Property Sale (Other land)	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	4,000,000.00	
Proposition L Revenues	10,900,549.00	11,900,000.00	10,301,000.00	12,500,000.00	12,656,300.00	
Reserves from Operations	18,648,307.00	23,343,571.00	32,771,196.00	22,370,331.00	20,687,757.00	
Total Ending General Fund Reserves	36,598,856.00	42,293,571.00	50,122,196.00	41,920,331.00	40,394,057.00	

The City Council's reserve policies formally establish two General Fund reserve targets: a Rainy Day Reserve target of 15 percent and an additional Cash Flow Reserve target of 25 percent. Because of the additional Proposition L Sales Tax revenues, a projected small but steady recovery of base sales and property taxes, the General Fund reserves are projected to meet both the 15 percent Rainy Day Reserve target and the additional Cash Flow Reserve target of 25 percent in fiscal year 2023-2024.

CONCLUSIONS

As we head into the mid-biennium budget update for Fiscal Year 2025, we pay more attention to our local economy and how we are seeing sales tax allocations coming in. This helps us to gauge the market and make changes as needed. Other concerns are what is happening in the Middle East, the continuing crisis in Ukraine, the upcoming Presidential election and continuous high federal interest rates. La Mesa has strong reserves to whether possible storms and will continue on the path of responsible government decisions.

READER'S GUIDE

Managing a municipality the size of La Mesa is, in many ways, like managing a for profit corporation. Instead of focusing upon bottom-line profits, La Mesa managers must skillfully steward public dollars and ensure the effectiveness and efficiency of the City's operations. They must live within legislatively approved budgets that are reviewed by residents, business leaders, and others interested in the City.

Like private corporations, public entities report their financial condition on a regular basis. Corporations make reports to stockholders while public entities report to their "stakeholders" -- the individuals and organizations that have a "stake" in the entity's operations.

In addition to an annual financial report and biennial budget document, the City of La Mesa publishes a quarterly Budget Monitoring Report to provide stakeholders with current information about the City's financial condition and performance in the essential areas of the City's operations.

This report is designed to give the reader a sense of how well La Mesa is doing fiscally and what its current successes or challenges might be. It includes a high level overview of the City's financial condition followed by more detailed information on resources and expenditures for those readers who are interested in going beyond the bottom line.

This Reader's Guide has been developed to assist you in reviewing the City of La Mesa's quarterly Budget Monitoring Report. It highlights the type of information contained in each section and presents a glossary of commonly used budget terms.

Please contact Tammi Royales at 619.667.1122 if you have any questions, comments, or suggestions.

QUARTERLY BUDGET MONITORING REPORT ORGANIZATION

Executive Summary – A broad level overview of the City of La Mesa’s current financial condition. It begins with comments on the economy, followed by a summary financial table and graph along with any comments highlighting resources and expenditures.

Resources – A more detailed discussion of revenue collections and other resources supporting the City’s expenditures. Included in the discussion is a financial table showing the current year’s budget, year-to-date collections, and calculated percent of budget collected. The discussion also includes comments on the significant factors and conditions affecting these items.

Appropriations – A more detailed discussion of expenditures and reserves. Included in the discussion is a financial table showing the current year’s budget by department, year-to-date expenditures, and calculated percent of budget expended. The discussion also includes comments on the significant factors and conditions affecting these items.

Reserves - Commentary on estimated ending fund balance and its relationship to reserve targets. Included is a table displaying historical ending fund balance related to reserve targets.

FUNDS NOT REPORTED ON

This report focuses on the General Fund which provides the majority of government services. Other funds have been excluded from this report.

GLOSSARY

The following are definitions of some of the more common terms one may encounter in reviewing this document.

Accrual Basis – The basis of accounting under which revenues are recorded when they are earned and expenditures are recorded when they result in liabilities for benefits received.

Accrued Revenue – Revenue earned during the current accounting period but which is not collected until a subsequent accounting period.

Appropriation – Amount authorized for expenditure by the City Council.

Beginning Fund Balance – An account used to record resources available for expenditure in one fiscal year because of revenues collected in excess of the budget and/or expenditures less than the budget in the prior fiscal year.

Budget - A financial operating plan for a given period which displays the expenditures to provide services or to accomplish a purpose during that period together with the estimated sources of revenue (income) to pay for those expenditures. Once the fund totals shown in the budget are appropriated by the City Council, they become maximum spending limits.

Ending Fund Balance - An account used to record resources available at year end as a result of revenues collected in excess of the budget and/or expenditures less than the budget during the fiscal year. The City's operating reserves are budgeted in the General Fund ending fund balance.

Expenditure – The payment for City obligations, goods, and services.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes. The City of La Mesa's fiscal year is July 1 through June 30.

Fund - Governmental accounting systems are organized and operated on a fund basis. A fund is an independent financial and accounting entity with a self-balancing set of accounts in which financial transactions relating to revenues, expenditures, assets, and liabilities are recorded. Funds are established to account for the use of restricted revenue sources and, normally, to carry on specific activities or pursue specific objectives.

General Fund – The financial and accounting entity that comprises typical operations of a municipality such as police, fire, public works, and other departments.

Grants – A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantor.

M&O (Maintenance and Operating) Costs – Expenditure category that represents amounts paid for supplies and other services and charges.

Proposition L – The La Mesa Vital City Services Measure which was passed by voters on November 4, 2008 authorizing a ¾ cent local transactions and use tax (commonly referred to as a sales tax). This general purpose tax became effective on April 1, 2009.

Reserve – An account used either to set aside budgeted revenues that are not required for expenditure in the current budget or to earmark revenues for a specific future purpose.

Resources - Total dollars available for appropriation, including estimated revenues, interfund transfers, and beginning fund balances.

Revenue - Sources of income received during the fiscal year, operating transfers from other funds, and other financing sources such as the proceeds derived from the sale of fixed assets.

Revenues from Other Agencies – Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Taxes – Compulsory charges levied by a government for financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Trust Funds – Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds. Examples are pension trust funds, nonexpendable trust funds, and expendable trust funds.

REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: February 13, 2024

SUBJECT: Treasurer's Report for the Quarter Ending
December 31, 2023

ISSUING DEPARTMENT: Finance Department – City Treasurer

SUMMARY

PORTFOLIO VALUE:

The City's portfolio ended the quarter with a market value of \$72,718,913. This represents a discount of \$2,551,277 from par value, or purchase price. As the City maintains an Investment Policy that follows a strict "buy and hold" strategy, there is no economic gain or loss upon call or maturity. The City's securities continue to earn interest at the stated rates through the dates of redemption.

LIQUIDITY:

Liquidity meets the statutory requirements with \$24,662,190 in LAIF for immediate availability. "LAIF" stands for Local Agency Investment Fund, and is operated by the California State Treasurer to act as an immediate-access account for local governments and special districts in California.

EARNINGS:

Investment earnings from the invested portfolio of government agency bonds, corporate securities, and certificates of deposit, but excluding LAIF, for the current quarter collected from October 1, 2023, through December 31, 2023, total \$285,523, which represents an annualized rate of 2.26%. Investment earnings from LAIF for the current quarter total \$238,885, which represents an annualized rate of 3.87%. Combined, investment earnings were \$524,407, representing a total annualized rate of return of 2.79% for this quarter. Please note that this represents interest payments and dividends actually earned by the City during the quarter, and may not necessarily reflect all interest payments and dividends payable to the City for the current quarter due to differing payment schedules and variable interest rates.

City's Strategic Goal

**To maintain a financially sound and affordable
city government**

SAFETY

Federal Agencies

- Carry the implied guarantee of the United States government

Corporate Securities

- The City's Investment Policy requires ratings of Double A (AA) or better

Certificates of Deposit

- Guaranteed by the FDIC to \$250,000

Local Agency Investment Fund (LAIF)

- Managed by the California State Treasurer; consists primarily of U.S. Treasuries, government agency bonds, and other short-term investments.

LIQUIDITY

The City's LAIF balance of \$24,662,190 represents the City's immediate cash and is 36.66% of the portfolio. Additionally, as investments mature, they can be reinvested at then-current rates or redeemed to provide additional operating cash. The invested portfolio of government agency bonds, corporate securities, and certificates of deposit has an average maturity of 2.5 years with \$3,975,000 maturing within one year for added liquidity.

EARNINGS

As noted above, the City's portfolio earned \$524,407 this quarter, representing an annualized yield of 2.79%.

PORTFOLIO PROFILE

To achieve the City's strategic goal, the City's primary investment objectives, in order of priority, are: **Safety, Liquidity, and Earnings**. Key to each of these objectives is a well-diversified portfolio that minimizes credit and interest rate risk and provides necessary liquidity. The City's portfolio is designed to meet these objectives as summarized in the following table which is presented at par values. This table represents the City's holdings as of December 31, 2023:

Years to Maturity	Government Agencies	Corporate Securities	Certificates of Deposit	LAIF	Totals	%of Portfolio	Interest Rate
0 – 1	1,000,000	500,000	2,975,000	24,662,190	29,137,190	38.71%	2.76%*
1 – 2	7,000,000	0	2,464,000	-	9,464,000	12.57%	2.42%
2 – 3	16,000,000	1,000,000	2,977,000	-	19,977,000	26.54%	1.32%
3 – 4	9,000,000	0	3,958,000	-	12,958,000	17.22%	3.15%
4 – 5	1,750,000	0	1,984,000	-	3,734,000	4.96%	5.23%
Totals	34,750,000	1,500,000	14,358,000	24,662,190	75,270,190	100.00%	
Portfolio %	46.17%	1.99%	19.08%	32.76%	100.00%		
Interest Rate	2.24%	1.82%	2.87%	3.87%	2.89%		

**Interest rate for assets with 0-1 years to maturity excludes LAIF*

PORTFOLIO ACTIVITY

During the quarter, one federal agency bond was purchased, three certificates of deposit matured, and one federal agency bond was called. No other holdings in the City's portfolio matured, were called, or were purchased.

<u>Federal Agencies Purchased:</u>	<u>Maturity</u>	<u>Rate</u>	<u>Par Value</u>
FHLMC (callable)	5 year	6.25%	\$1,000,000

<u>Certificates of Deposit Matured:</u>	<u>Maturity</u>	<u>Rate</u>	<u>Par Value</u>
Wells Fargo Bank	5 year	3.55%	\$249,000
National City Bank	5 year	3.40%	\$245,000
Merrick Bank South	4.5 year	2.40%	\$249,000

<u>Federal Agencies Called:</u>	<u>Maturity</u>	<u>Rate</u>	<u>Par Value</u>
FHLMC	5 year	5.00%	\$1,000,000

PORTFOLIO COMPLIANCE

The portfolio complies with California code sections concerning safety and liquidity in the investment of public funds. Investment strategies are based on liquidity requirements and interest rate projections and have been collaboratively determined by the City Treasurer, City Manager, and Director of Finance. The City Treasurer executes trades in accordance with these strategies.

Required Contents of Investment Reports

California Government Code Section 53646(b) suggests that the quarterly investment report of a local agency contain certain items. These items include the type of investment, the issuer's name, the date of maturity of the security, the par amount of the instrument, the market value, and the dollar amount invested in each security. The source of the market value also should be included in the report. The report also must reference all funds that are under the management of external investment providers, such as investment advisors and investment managers. A local government's quarterly report, if submitted, must state the portfolio's compliance with the agency's investment policy or manner in which the portfolio is not in compliance. Finally, the investment report must include a statement regarding the local agency's ability to meet its cash flow needs for the next six months.

Accordingly, I advise you of the following facts in compliance with Government Code Section 53646(b):

1. The source of the valuations included herein is U.S. Bank, Saint Paul, MN 55107.
2. No funds are under the management of external providers or managers. Investment decisions are made by a consensus of the City Treasurer, City Manager, and Director of Finance.
3. The City's portfolio remains in strict compliance with the Investment Policy of the City of La Mesa for FY 2023-2024.
4. The City of La Mesa's investment portfolio more than adequately assures the City's ability to meet its cash flow needs during the ensuing six months.

Reviewed by

Respectfully submitted by

Greg Humora
City Manager

Matt Strabone
City Treasurer

Attachments:

- A - Schedule of Investments – Summary
- B - Schedule of Investments – Detail

City of La Mesa
Schedule of Investments (Summary)
As of December 31, 2023

Issuer	Type of Investment	Maturity Date	Par Value	Book Value	Market Value
State of California	LAIF 98-37-421	Demand	24,662,190	24,662,190	24,502,949
Federal Agencies	U.S. Agency Obligations	10/2024 - 11/2028	34,750,000	34,748,500	32,920,875
Financial/Banking Institutions	Certificates of Deposit	02/2024 - 09/2028	14,358,000	14,358,000	13,892,444
Corporate Obligations	Medium Term Notes	07/2024 - 02/2026	1,500,000	1,492,425	1,402,645
Total			75,270,190	75,261,115	72,718,913

I certify that the investment of funds is in conformance with California Government Code section 53600. Those investments valued at below market cost will be held until maturity or until they can be sold without a loss. I also certify that the investment of funds provides the cash flow liquidity to meet the next six month's estimated expenditure requirements.

Matt Strabone, City Treasurer

City of La Mesa
Schedule of Investments, December 31, 2023

Type of Investment	CUSIP Id	Asset Short Name	Issue Date	Maturity Date	Interest Rate	Par Value	Book Value	Market Value
CERTIFICATE OF DEPOSIT	61760AVJ5	MORGAN STANLEY C D	02/07/2019	02/07/2024	3.10%	246,000.00	246,000.00	245,362.86
CERTIFICATE OF DEPOSIT	58117WAD9	MCHENRY SVGS BK C D	03/14/2019	03/14/2024	2.80%	246,000.00	246,000.00	244,742.94
CERTIFICATE OF DEPOSIT	7954502D6	SALLIE MAE BANK C D	04/10/2019	04/10/2024	2.75%	246,000.00	246,000.00	244,231.26
CERTIFICATE OF DEPOSIT	81407SBG1	SECURITY BK NEW C D	06/10/2019	06/10/2024	2.50%	249,000.00	249,000.00	246,124.05
CERTIFICATE OF DEPOSIT	726547BK7	PLAINS ST BK C D 2.300%	06/21/2019	06/21/2024	2.30%	249,000.00	249,000.00	245,728.14
CERTIFICATE OF DEPOSIT	46256YBB4	IOWA ST BK C D 2.10%	07/10/2019	07/10/2024	2.10%	247,000.00	247,000.00	243,144.33
CERTIFICATE OF DEPOSIT	20143PDY3	COMMERCIAL BK C D	07/15/2019	07/15/2024	2.00%	249,000.00	249,000.00	244,881.54
CERTIFICATE OF DEPOSIT	43719LAB1	HOME LN INVT BK C D	07/19/2019	07/19/2024	2.00%	249,000.00	249,000.00	244,816.80
CERTIFICATE OF DEPOSIT	29278TKJ8	ENERBANK USA C D 2.150%	08/07/2019	08/07/2024	2.15%	247,000.00	247,000.00	242,642.92
CERTIFICATE OF DEPOSIT	15118RRH2	CELTIC BANK C D 1.88548%	08/30/2019	08/30/2024	1.82%	249,000.00	249,000.00	243,708.75
CERTIFICATE OF DEPOSIT	938828BM1	WASHINGTON C D 2.000%	08/30/2019	08/30/2024	2.00%	249,000.00	249,000.00	243,950.28
CERTIFICATE OF DEPOSIT	29367SJQ8	ENTERPRISE BANK C D	11/08/2019	11/08/2024	1.80%	249,000.00	249,000.00	242,030.49
CERTIFICATE OF DEPOSIT	32117WAN2	FNB OF ALBANY C D 1.600%	02/28/2020	02/28/2025	1.60%	225,000.00	225,000.00	216,126.00
CERTIFICATE OF DEPOSIT	29260MAV7	ENCORE BK C D 1.150%	03/25/2020	03/25/2025	1.15%	249,000.00	249,000.00	237,301.98
CERTIFICATE OF DEPOSIT	73319FAK5	POPPY BANK C D 1.100%	03/27/2020	03/27/2025	1.10%	249,000.00	249,000.00	237,105.27
CERTIFICATE OF DEPOSIT	79772FAF3	SAN FRANCISCO C D	03/27/2020	03/27/2025	1.10%	249,000.00	249,000.00	237,105.27
CERTIFICATE OF DEPOSIT	020080BX4	ALMA BANK C D 1.400%	03/30/2020	03/28/2025	1.40%	249,000.00	249,000.00	238,019.10
CERTIFICATE OF DEPOSIT	51210SSD0	LAKESIDE BK C D 1.400%	03/30/2020	03/31/2025	1.40%	249,000.00	249,000.00	237,956.85
CERTIFICATE OF DEPOSIT	694231AC5	PACIFIC C D 1.150%	03/31/2020	03/31/2025	1.15%	249,000.00	249,000.00	237,192.42
CERTIFICATE OF DEPOSIT	856285TF8	STATE BK INDIA C D 1.600%	04/29/2020	04/29/2025	1.60%	248,000.00	248,000.00	237,100.40
CERTIFICATE OF DEPOSIT	33847E3F2	FLAGSTAR BK FSB C D	04/30/2020	04/30/2025	1.05%	248,000.00	248,000.00	235,347.04
CERTIFICATE OF DEPOSIT	06063HMS9	BANK BARODA NEW C D	07/22/2020	07/22/2025	0.70%	249,000.00	249,000.00	233,265.69
CERTIFICATE OF DEPOSIT	89235MKY6	TOYOTA FINL C D 0.900%	04/22/2021	04/22/2026	0.90%	248,000.00	248,000.00	226,929.92
CERTIFICATE OF DEPOSIT	02007GQQ9	ALLY BK UT C D 2.850%	05/02/2022	05/05/2026	2.85%	246,000.00	246,000.00	235,306.38
CERTIFICATE OF DEPOSIT	90348JQ29	UBS BK USA SALT C D	07/14/2021	07/14/2026	0.90%	249,000.00	249,000.00	225,549.18
CERTIFICATE OF DEPOSIT	30960QAS6	FARMERS INS C D 5.100%	07/26/2023	07/27/2026	5.10%	248,000.00	248,000.00	249,465.68
CERTIFICATE OF DEPOSIT	16141BAH4	CHARTWAY FED C D	07/28/2023	07/28/2026	5.25%	248,000.00	248,000.00	250,398.16
CERTIFICATE OF DEPOSIT	68584JAG4	OREGON CMNTY CR C D	07/28/2023	07/28/2026	5.10%	248,000.00	248,000.00	249,497.92
CERTIFICATE OF DEPOSIT	37424PAH7	GESA CR UN C D 5.250%	07/31/2023	07/31/2026	5.25%	248,000.00	248,000.00	250,363.44
CERTIFICATE OF DEPOSIT	67054NBL6	NUMERICA CR UN C D	07/31/2023	07/31/2026	5.20%	248,000.00	248,000.00	250,063.36
CERTIFICATE OF DEPOSIT	32022RSC2	FIRST FINL BK C D 3.250%	08/01/2022	08/03/2026	3.25%	249,000.00	249,000.00	239,308.92
CERTIFICATE OF DEPOSIT	70962LAE2	PENTAGON C D 0.850%	09/01/2021	09/01/2026	0.85%	249,000.00	249,000.00	224,007.87
CERTIFICATE OF DEPOSIT	14042RQB0	CAPITAL ONE NATL C D	11/17/2021	11/17/2026	1.10%	248,000.00	248,000.00	222,971.84
CERTIFICATE OF DEPOSIT	14042TDW4	CAPITAL ONE BANK C D	11/17/2021	11/17/2026	1.10%	248,000.00	248,000.00	222,971.84
CERTIFICATE OF DEPOSIT	07371CE88	BEAL BK USA C D 1.900%	02/23/2022	02/17/2027	1.90%	247,000.00	247,000.00	225,854.33
CERTIFICATE OF DEPOSIT	02589ABQ4	AMERICAN EXPRESS C D	03/09/2022	03/09/2027	2.00%	247,000.00	247,000.00	226,271.76
CERTIFICATE OF DEPOSIT	06740KPK7	BARCLAYS BK DEL C D	04/13/2022	04/13/2027	2.65%	246,000.00	246,000.00	229,697.58
CERTIFICATE OF DEPOSIT	58404DPC9	MEDALLION BK C D 3.200%	05/24/2022	05/24/2027	3.20%	249,000.00	249,000.00	236,335.86
CERTIFICATE OF DEPOSIT	20825WAX8	CONNEXUS CR UN C D	05/26/2022	05/26/2027	3.10%	249,000.00	249,000.00	235,568.94
CERTIFICATE OF DEPOSIT	90352RCN3	USALLIANCE FCU C D	05/31/2022	05/28/2027	3.30%	249,000.00	249,000.00	237,122.70
CERTIFICATE OF DEPOSIT	50625LBN2	LAFAYETTE FED C D 3.250%	06/15/2022	06/15/2027	3.25%	249,000.00	249,000.00	236,627.19

City of La Mesa

Schedule of Investments, December 31, 2023

CERTIFICATE OF DEPOSIT	88413QDL9	THIRD FED SVGS C D	3.500%	06/28/2022	06/28/2027	3.50%	245,000.00	245,000.00	234,761.45
CERTIFICATE OF DEPOSIT	254673L38	DISCOVER BK C D	3.400%	07/06/2022	07/06/2027	3.40%	245,000.00	245,000.00	233,943.15
CERTIFICATE OF DEPOSIT	32026UU20	FIRST FNDTN BK C D	4.600%	07/19/2023	07/19/2027	4.60%	244,000.00	244,000.00	242,379.84
CERTIFICATE OF DEPOSIT	307811EM7	FARMERS C D	3.200%	08/05/2022	08/05/2027	3.20%	249,000.00	249,000.00	235,984.77
CERTIFICATE OF DEPOSIT	08016PEH8	BELMONT BK TR C D		08/24/2022	08/24/2027	3.15%	249,000.00	249,000.00	235,479.30
CERTIFICATE OF DEPOSIT	19075JAB4	COBALT FED CR C D	3.600%	09/15/2022	09/15/2027	3.60%	249,000.00	249,000.00	239,186.91
CERTIFICATE OF DEPOSIT	052392BT3	AUSTIN TELCO C D	3.800%	09/21/2022	09/21/2027	3.80%	249,000.00	249,000.00	240,870.15
CERTIFICATE OF DEPOSIT	87164YT95	SYNCHRONY C D	4.600%	10/28/2022	10/28/2027	4.60%	244,000.00	244,000.00	242,765.36
CERTIFICATE OF DEPOSIT	25460FDW3	DIRECT FED CR C D	4.800%	11/07/2022	11/08/2027	4.80%	248,000.00	248,000.00	248,634.88
CERTIFICATE OF DEPOSIT	61690U5K2	MORGAN STANLEY C D		05/03/2023	05/03/2028	4.45%	244,000.00	244,000.00	242,213.92
CERTIFICATE OF DEPOSIT	804767AB7	SAVANNAH BK C D	4.100%	05/03/2023	05/03/2028	4.10%	249,000.00	249,000.00	243,783.45
CERTIFICATE OF DEPOSIT	91527PBW6	UNIVEST NATL BK C D		05/05/2023	05/05/2028	4.10%	249,000.00	249,000.00	243,785.94
CERTIFICATE OF DEPOSIT	92834ABT2	VISIONBANK ST C D	4.050%	05/12/2023	05/12/2028	4.05%	249,000.00	249,000.00	243,310.35
CERTIFICATE OF DEPOSIT	05765LBU0	BALBOA THRIFT C D	4.400%	07/19/2023	07/19/2028	4.40%	249,000.00	249,000.00	255,625.89
CERTIFICATE OF DEPOSIT	89854LAD5	TTCU FED CR UN C D	5.000%	07/26/2023	07/26/2028	5.00%	248,000.00	248,000.00	252,223.44
CERTIFICATE OF DEPOSIT	898812AC6	TUCSON FED CR C D	5.000%	09/08/2023	09/08/2028	5.00%	248,000.00	248,000.00	252,573.12
CERTIFICATE OF DEPOSIT	39573LEM6	GREENSTATE CR UN C D		09/26/2023	09/26/2028	5.00%	248,000.00	248,000.00	252,724.40
Subtotal:							14,358,000.00	14,358,000.00	13,892,443.57

Type of Investment	CUSIP Id	Asset Short Name	Issue Date	Maturity Date	Interest Rate	Par Value	Book Value	Market Value
CORPORATE BONDS	48133DN55	JPMORGAN MTN L P	07/29/2022	07/29/2024	4.05%	500,000.00	500,000.00	490,035.00
CORPORATE BONDS	46632FRU1	JPMORGAN CHASE MTN	01/22/2021	01/22/2026	0.70%	500,000.00	500,000.00	449,525.00
CORPORATE BONDS	037833EB2	APPLE INC 0.700%	02/08/2021	02/08/2026	0.70%	500,000.00	492,425.00	463,085.00
Subtotal:						1,500,000.00	1,492,425.00	1,402,645.00

Type of Investment	CUSIP Id	Asset Short Name	Issue Date	Maturity Date	Interest Rate	Par Value	Book Value	Market Value
US AGENCIES	3130ASPM5	F H L B DEB 3.550%	07/29/2022	10/28/2024	3.55%	1,000,000.00	1,000,000.00	990,010.00
US AGENCIES	3130ASQP7	F H L B DEB 3.625%	07/28/2022	01/28/2025	3.63%	1,000,000.00	1,000,000.00	988,750.00
US AGENCIES	3130ASF61	F H L B DEB 3.450%	06/27/2022	06/27/2025	3.45%	1,000,000.00	1,000,000.00	986,280.00
US AGENCIES	3134GXZY3	F H L M C M T N 4.000%	06/30/2022	06/30/2025	4.00%	1,000,000.00	1,000,000.00	987,210.00
US AGENCIES	31422XB50	F A M C M T N 3.630%	07/28/2022	07/28/2025	3.63%	1,000,000.00	1,000,000.00	982,970.00
US AGENCIES	3134GXF66	F H L M C M T N 4.000%	08/01/2022	08/01/2025	4.00%	1,000,000.00	1,000,000.00	986,570.00
US AGENCIES	3136G4G98	F N M A 0.560%	08/12/2020	08/12/2025	0.56%	1,000,000.00	1,000,000.00	940,300.00
US AGENCIES	3136G4C43	F N M A 0.650%	08/14/2020	08/14/2025	0.65%	1,000,000.00	1,000,000.00	941,520.00
US AGENCIES	3130ALD76	F H L B DEB 0.700%	02/25/2021	02/25/2026	0.70%	1,000,000.00	1,000,000.00	925,470.00
US AGENCIES	3130ALGB4	F H L B DEB 0.800%	03/17/2021	03/17/2026	0.80%	1,000,000.00	1,000,000.00	925,260.00
US AGENCIES	3130ALMM3	F H L B DEB 1.000%	03/30/2021	03/30/2026	1.00%	1,000,000.00	1,000,000.00	928,320.00
US AGENCIES	3130AMDY5	F H L B DEB 1.000%	05/20/2021	05/20/2026	1.00%	1,000,000.00	1,000,000.00	924,700.00
US AGENCIES	3133EMH21	F F C B DEB 0.900%	06/12/2021	06/15/2026	0.90%	1,000,000.00	1,000,000.00	920,490.00
US AGENCIES	3130AMPT3	F H L B DEB 1.030%	06/23/2021	06/23/2026	1.03%	1,000,000.00	1,000,000.00	922,820.00
US AGENCIES	3130AMWX6	F H L B DEB 1.020%	06/30/2021	06/30/2026	1.02%	1,000,000.00	1,000,000.00	922,020.00

City of La Mesa
Schedule of Investments, December 31, 2023

US AGENCIES	3130ANHW3	F H L B DEB	0.930%	07/29/2021	08/25/2026	0.93%	1,000,000.00	1,000,000.00	915,380.00
US AGENCIES	3130ANSB7	F H L B DEB	1.000%	09/17/2021	09/17/2026	1.00%	1,000,000.00	1,000,000.00	915,130.00
US AGENCIES	3130ANYR5	F H L B DEB	0.950%	09/30/2021	09/30/2026	0.95%	1,000,000.00	1,000,000.00	912,780.00
US AGENCIES	3130AP6M2	F H L B DEB	1.020%	09/30/2021	09/30/2026	1.02%	1,000,000.00	1,000,000.00	914,570.00
US AGENCIES	3130APB87	F H L B DEB	1.100%	10/13/2021	10/13/2026	1.10%	1,000,000.00	1,000,000.00	915,750.00
US AGENCIES	3130AP6U4	F H L B DEB	1.000%	10/14/2021	10/14/2026	1.00%	1,000,000.00	1,000,000.00	913,080.00
US AGENCIES	3130APDQ5	F H L B DEB	1.250%	10/28/2021	10/28/2026	1.25%	1,000,000.00	1,000,000.00	918,500.00
US AGENCIES	3130APL78	F H L B DEB	1.375%	10/28/2021	10/28/2026	1.38%	1,000,000.00	1,000,000.00	921,790.00
US AGENCIES	3130APQA6	F H L B DEB	1.400%	11/24/2021	11/24/2026	1.40%	1,000,000.00	1,000,000.00	920,110.00
US AGENCIES	3130AQUD3	F H L B DEB	2.010%	02/25/2022	02/25/2027	2.01%	1,000,000.00	1,000,000.00	934,990.00
US AGENCIES	3130AQZ55	F H L B DEB	2.500%	03/10/2022	03/10/2027	2.50%	1,000,000.00	1,000,000.00	949,020.00
US AGENCIES	3130ARAH4	F H L B DEB	2.350%	03/04/2022	03/29/2027	2.35%	1,000,000.00	998,500.00	943,730.00
US AGENCIES	3130ARDY4	F H L B DEB	2.500%	03/29/2022	03/29/2027	2.50%	1,000,000.00	1,000,000.00	948,230.00
US AGENCIES	3130ARGE5	F H L B DEB	3.000%	04/21/2022	04/21/2027	3.00%	1,000,000.00	1,000,000.00	963,760.00
US AGENCIES	3130ARW56	F H L B DEB	3.650%	05/12/2022	05/12/2027	3.65%	1,000,000.00	1,000,000.00	982,580.00
US AGENCIES	3130ARYA3	F H L B DEB	4.000%	05/26/2022	05/26/2027	4.00%	1,000,000.00	1,000,000.00	980,460.00
US AGENCIES	3130AS7J2	F H L B DEB	3.200%	06/10/2022	06/10/2027	3.20%	1,000,000.00	1,000,000.00	968,480.00
US AGENCIES	3134GXZN7	F H L M C M T N	4.250%	07/12/2022	07/12/2027	4.25%	1,000,000.00	1,000,000.00	983,400.00
US AGENCIES	3130AWMJ6	F H L B DEB	5.750%	07/26/2023	07/26/2028	5.75%	750,000.00	750,000.00	747,465.00
US AGENCIES	3134H1JL8	F H L M C M T N	6.250%	11/28/2023	11/28/2028	6.25%	1,000,000.00	1,000,000.00	998,980.00
						Subtotal:	34,750,000.00	34,748,500.00	32,920,875.00

Type of Investment	CUSIP Id	Asset Short Name	Issue Date	Maturity Date	Interest Rate	Par Value	Book Value	Market Value
Demand	98-37-421	LAIF State of California			4.00%	24,662,189.62	24,662,189.62	24,502,949.09
					Grand Total:	75,270,189.62	75,261,114.62	72,718,912.66



CITY OF
LA MESA

JEWEL of the HILLS

INTEROFFICE MEMO

DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Megan Wiegelman, City Clerk *MW*

VIA: Greg Humora, City Manager *GH*

SUBJECT: BOARD AND COMMISSION WORK PLANS

At the start of each calendar year, the City's Boards and Commissions meet to update their respective Work Plans. The Work Plans provide a roadmap for the major initiatives and projects each commission will work to achieve over the year.

During the February meetings, each Chair will present their commission's updated Work Plan to the City Council. Staff has attached the Work Plans that will be presented at the February 13, 2024, meeting.

Attachments:

- A. Arts and Culture Commission
- B. Community Services Commission
- C. Planning Commission
- D. Youth Advisory Commission

Work Plan FY2024

Goals should be consistent with the City's goals:

- Maintain a community where residents and visitors feel safe
- Ensure a strong financial outlook through careful planning, sustainable service levels, and fiscal sustainability
- Promote a high quality of life that current and future generations can afford to call home
- Invest in infrastructure to serve the needs of the community
- Nurture an organizational culture where employees are recognized for the delivery of high-quality services to the community

Staffing Department: Community Services Department

GOALS	DUE DATE	TRACKING MILESTONES	STATUS
1. Promote, encourage and increase awareness and support for the arts and the Commission.	1. Ongoing 2. Ongoing 3. Ongoing 4. Mar 2024 5. Mar 2024 6. Jun 2024	1. Attend and participate in community events 2. Share information of ongoing activities with Commission 3. Identify marketing resources that can raise awareness and promote arts and culture in La Mesa 4. Create list of media resources to help organizations promote arts and culture 5. Explore branding to help promote Commission 6. Create an Arts & Culture Commission brochure and newsletter	
2. Identify locations of public art in La Mesa	Apr 2024	Map public visual art installation locations	
3. Make recommendations on ways to integrate arts and culture into community life	1. Mar 2024 2. Jun 2024	1. Create recommendations based on 2023 survey 2. Map recommended sites for future murals and art pieces in City owned spaces	
4. Research funding opportunities for an Arts and Culture Masterplan and future art installations	Ongoing	Identify projects and apply for grants.	
5. Administer Walkway of the Stars Mural Project	1. Feb 2024 2. Mar 2024 3. May 2024 4. Dec 2024	1. Identify funding for project 2. Announce call for artists RFP 3. Select artists and create murals 4. Ribbon Cutting	

2.87.070 - Mission, duties and functions.

- (a) The mission of the arts and culture commission is to promote the arts, along with the historical, aesthetic, and cultural aspects of the community by using the arts as a mechanism to promote diversity, equity, and inclusion.
- (b) The commission shall have the following duties and functions:
 - (1) Serve in an advisory capacity to the city council on policies relating to public art;
 - (2) Promote, encourage and increase support for the art;
 - (3) Make recommendations on new ways to integrate arts and culture into community life;
 - (4) Plan, participate in, and/or help sponsor events showcasing art throughout the city;
 - (5) Consult and work with community organizations to coordinate activities of the commission.

Work Plan FY2024

Goals should be consistent with the City's goals:

- Maintain a community where residents and visitors feel safe
- Ensure a strong financial outlook through careful planning, sustainable service levels, and fiscal sustainability
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- Nurture an organizational culture where employees are recognized for the delivery of high-quality services to the community

Staffing Department: Community Services Department

GOALS	DUE DATE	TRACKING MILESTONES	STATUS
1. Inspect parks and relay maintenance and program related information via Google Docs digital form.	March, June, September and December	Commissioners inspect assigned parks and return inspection sheets prior to the 9 th of that month. Public Works will report back at the following meeting.	
2. Communicate services, facilities and programs offered by City to public.	Ongoing	Attendance and participation at programs. Assist in disseminating information.	
3. Assist in planning and implementation of Recreation and Parks Master Plan	June 2024	Participate in public meetings. Make recommendations to City Council.	
4. Assist in planning and implementation of MacArthur Park Master Plan	May 2024	Participate in outreach, and public meeting. Coordinate with Council Sub-Committee to advise of updated plan. Make recommendations to City Council.	
5. Assist in implementation of Waite Park Master Plan design.	Ongoing	Provide input to construction documents.	
6. Collier Park Phase II and Spring House	Ongoing	Monitor use of new park. Provide feedback for future use of Spring House activation and reuse.	
7. Collaborate with community partners to explore ways to activate/improve parks.	Ongoing	Seek opportunities to engage with organizations such as La Mesa Park and Recreation Foundation, SDFC, and the Arts and Culture Commission that can assist with park programs and improvements.	
8. Advocate for additional park land, open space and/or public space in underserved areas and recommend capital improvement projects.	Ongoing	Review proposed park CIP projects and recommend priorities based on 2024 Recreation and Park Master Plan.	



COMMUNITY SERVICES COMMISSION

9. Coordinate with Court Sub-Committee to make recommendations for rules, hours, and locations of City pickleball and tennis court use.	January-April	Subcommittee to study current use and make recommendations to Commission.	
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La Mesa Municipal Code:

2.32.110 - Duties generally.

The board shall provide for and do any other acts which may be found necessary and proper by it to carry out the provisions of this chapter.

2.32.120 - Recommendations—Land acquisition.

The commission may recommend to the city council and the planning commission the acquisition of lands for recreation and park purposes.

2.32.130 - Recommendations—Needs and policies.

The community services commission shall have the power and it shall be its duty to consider, advise or recommend to the city council:

(a) Need pertaining to the acquisition, development and use of facilities, buildings and structures for recreational and park purposes;

(b) Policies relating to the management, maintenance, control and improvement of facilities and land used for public recreational and park purposes within or without the corporate limits of the city.

2.32.140 - Recommendations—Ordinances and regulations.

The community services commission shall develop and recommend ordinances and resolutions necessary in the establishing of administrative rules and regulations as deemed proper to regulate and govern the use of recreational and park facilities.

2.32.150 - Recommendations—Budget.

The community services commission shall review the proposed administration budget for recreation and park purposes and make recommendations to the city council concerning its adoption.

2.32.160 - Public improvement program.

The community services commission shall recommend a program of public improvement and land acquisitions which it deems necessary or desirable.

2.32.170 - Promotion of public interest.

The community services commission shall promote public interest in and understanding of the recreation and park program and regulations relating thereto.

2.32.180 - Consulting of public.

The community services commission may consult and confer with public officials and agencies, civic educational, professional and other organizations, and with the citizens generally, with relation to the effecting of such program.

2.32.190 - Contracts for facilities.

The community services commission shall make recommendations to the city council concerning desirable contractual relations between city and public schools and other agencies for use of buildings, playgrounds, and other recreational facilities.

2.32.200 - Additional powers and duties.

The community services commission shall have such other powers and duties as the city council may, by ordinance or resolution, confer upon it.

Work Plan 2024

Goals should be consistent with the City's goals:

- Maintain a community where residents and visitors feel safe
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Staffing Department: Community Development

GOALS	DUE DATE	TRACKING MILESTONES	STATUS
1. Interpret, administer and enforce LMMC 2.60.060 and 24.02.010	As needed	Regular Duties as identified in LMMC 2.60.060 and 24.02.010	Ongoing
2. Support of the City's Climate Action Plan (CAP) and the reduction of greenhouse gases and pollution.	As needed	In performing all actions and duties, seek and promote support of the City's Climate Action Plan (CAP) and the reduction of greenhouse gases and pollution.	Ongoing
3. Zoning Code Clean-up Amendments.	As needed	Review and comment on proposed zoning code clean up amendments in alignment with City Strategic Goals	Ongoing
4. Assist in the update of the Downtown Village Specific Plan.	2024	Review and provide comment as presented and provide recommendations to staff and/or Council as needed.	Pending
5. Assist the City in advancing goals with focus on economic development and housing		Hold a workshop in 2024 to discuss potential ways the Planning Commission can assist in advancing City goals with focus on economic development and housing	Ongoing
6. Support the Citywide Strategic Plan	As needed	Support and implement the Citywide Strategic Plan while performing all actions and duties.	Ongoing



PLANNING COMMISSION

La Mesa Municipal Code (LMMC) Title 2 – Administration and Government
2.60.060 - Powers and duties.

The Planning Commission shall have, and is hereby vested with all the powers and duties provided by said act and amendments thereto, and such other powers and duties as may be conferred upon the Planning Commission by any and all laws of the State of California and the City Council.

2.60.140 - La Mesa relocation appeals board.

The planning commission shall also act as the "La Mesa relocation appeals board" and shall have the power when it acts in that capacity as provided by the by-laws for the relocation appeals board and shall carry out its duties and obligations pursuant to said by-laws. Said by-laws shall be adopted at the first meeting of the planning commission acting as the relocation appeals board and shall not thereafter be amended without the prior approval of the city council.

LMMC Title 24 – Zoning Ordinance
24.02.010 - Administration and enforcement agencies

B. Planning Agency. The city council, planning commission and community development department are hereby designated collectively as the planning agency. The planning agency shall perform all functions required by California state law. The specific duties and functions of the council, commission, and departments relative to this title are given below.

1. Perform all functions required by California law of a planning agency.
2. Furnish information and general assistance to the public in the administration of this title.
3. Maintain the Zone Map.
4. Review site development plans as to their compliance with the requirements of this title.
5. Review applications for adjustments in development regulations.
6. Interpret, administer and enforce this title.
7. Assist the planning commission in performance of its functions.

E. Planning Commission. The authority and functions of the planning commission in the administration of this title shall be to:

1. Review and approve plans, including site development plans when either required of or when appealed or referred to the commission, and to perform such other functions as provided by this title.
2. Resolve the question as to whether or not a proposed use is permitted in one or more zones in keeping with the general description and intent of such zones and the Land Use Element of the General Plan.
3. Consider appeals from any determination made in the administration or enforcement of this title.
4. Review applications for special permits, conditional use permits and variances.
5. Perform other functions as provided by state law.
6. Resolve questions or alleged ambiguity on appeal from the determination of the Community Development Department.

Work Plan FY2024

Goals should be consistent with the City's goals:

- Maintain a community where residents and visitors feel safe
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- Nurture an organizational culture where employees are recognized for the delivery of high-quality services to the community

Staffing Department: Community Services Department

GOALS	DUE DATE	TRACKING MILESTONES	STATUS
1. Coordinate volunteer service opportunities	Spring & Fall 2024	Attend City operated service events, Park Appreciation Day, Earth Day, and cleanup events.	
2. Host a Teen Night	April 2024	Create an event for teens to enjoy a safe and fun environment.	
3. Learn about government agency operations	Fall 2024	Schedule a day and time to tour City Hall. Meet the Directors of each department and get a brief description of their department's operation.	

La Mesa Municipal Code:

2.71.060 - Mission, duties and functions.

The Youth Advisory Commission shall have the following duties and functions:

- (a) The mission of the Youth Advisory Commission is to advise the city council on policy matters pertaining to programs, projects, and issues which address the concerns of youth in the community.
- (b) The duties and functions of the commission shall include:
 - (1) Prepare an annual work program;
 - (2) Participate in, and help sponsor workshops dealing with youth issues;
 - (3) Plan and execute an annual event to promote positive youth awareness in the community;
 - (4) Provide a forum for discussion by the commission and the community on youth issues;
 - (5) Consult with other youth groups to best coordinate the activities of the commission with these other groups;
 - (6) Explore and develop other activities/issues which will promote positive youth relations in the city of La Mesa;
 - (7) Recommend awards and recognition of individuals or groups.



DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Megan Wiegelman, CMC, City Clerk *MW*

VIA: Greg Humora, City Manager *GH*

SUBJECT: ANNUAL INTERVIEW OF APPLICANTS FOR OPENINGS ON THE
CITY'S COMMUNITY POLICE OVERSIGHT BOARD

The Community Police Oversight Board ("CPOB") has five Board Member seats open for appointment or reappointment. The openings are for the following seats:

- An Advocate for people experiencing homelessness, substance abuse, mental health or other social issues
- Police Beat 1 representative
- Police Beat 2 representative
- Police Beat 3 representative
- Police Beat 4 representative

The applications from the citizens who wish to be considered for appointment or reappointment to the CPOB are on file in the office of the City Clerk. Attached is a matrix outlining the categories each applicant is eligible to fill. The applicants have been invited to attend the meeting and make a brief presentation describing their qualifications and interest in serving on the CPOB.

The applicants will be called forward by the City Clerk and after each presentation you may ask questions of the applicants, if you wish.

The appointments will be made at a following Council meeting.

Attachment

APPLICATIONS ARE AVAILABLE FOR REVIEW IN THE CITY CLERK'S OFFICE

Police Beat 1	Police Beat 2	Police Beat 3	Police Beat 4	Advocate for People Experiencing Homelessness, Substance Abuse, Mental Health, or Other Social Issues
Manuel Gomez	Leroy Johnson			Aaron Landau
Ana L. Gonzalez Seda	Peggy Lewis			
Frank Harris III	Rebekah Winfree			
Aaron Landau				
Dr. Jeffrey Scott McIlwain				



CITY OF
LA MESA

JEWEL of the HILLS

INTEROFFICE MEMO

DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Megan Wiegelman, CMC, City Clerk *MW*

VIA: Greg Humora, City Manager *GH*

SUBJECT: RESOLUTION APPOINTING A MEMBER TO FILL THE UNSCHEDULED
VACANCY ON THE ARTS AND CULTURE COMMISSION

On January 23rd, the City Council interviewed applicants who were interested in being appointed to fill a vacancy on the City's Arts and Culture Commission. Applicant Ana L. Gonzalez Seda has since withdrawn her application for consideration of appointment to the Commission. At the Council meeting on February 13th, the Mayor will make the appointment with the approval of the Council.

Attached is a brief description of the requirements, the number of openings, and the names of each applicant seeking to be appointed.

Staff recommends the Mayor make the appointment to fill the vacancy, with the approval of the Council and adopt the attached resolution confirming the appointment.

Attachments

RESOLUTION NO. 2024-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA APPOINTING
A MEMBER TO FILL THE UNSCHEDULED VACANCY ON THE ARTS AND
CULTURE COMMISSION

WHEREAS, a position on the City of La Mesa Arts and Culture Commission has been vacated; and

WHEREAS, the person below has been recommended to the City Council for appointment to said City of La Mesa Commission.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that the following is hereby appointed as a member of the City of La Mesa Arts and Culture Commission, with their term to commence after the oath or affirmation of allegiance for public officers or employees is executed as required by Article XX, Section 3 of the Constitution of the State of California, and to expire on the dates stated below, or until their successor is appointed and qualified:

Arts and Culture Commission: 1 appointment

(Name) is appointed to fill the unscheduled vacancy created by Renee Bareno whose term expires June 30, 2024 and represents the general population

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)

Arts and Culture Commission: 1 position – four-year term

One appointee will fill the vacant at-large position with term expiring June 30, 2024.

Members shall be residents of the City of La Mesa

First Appointed

Number of Terms

Sherida Bonton

THE APPLICATION IS AVAILABLE FOR REVIEW IN THE CITY CLERK'S OFFICE



DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Megan Wiegelman, CMC, City Clerk *MW*

VIA: Greg Humora, City Manager *GH*

SUBJECT: RESOLUTION APPOINTING A MEMBER TO FILL THE UNSCHEDULED
VACANCY ON THE DESIGN REVIEW BOARD

On January 23rd, the City Council interviewed an applicant who was interested in being appointed to fill the unscheduled vacancy on the City's Design Review Board. At the Council meeting on February 13th, the Mayor will make the appointment with the approval of the Council.

Attached is a brief description of the requirements, the number of openings, and the names of each applicant seeking to be appointed.

Staff recommends the Mayor make the appointment to fill the unscheduled vacancy, with the approval of the Council, and adopt the attached resolution confirming the appointment.

Attachments

RESOLUTION NO. 2024-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA APPOINTING
A MEMBER TO FILL THE UNSCHEDULED VACANCY ON THE DESIGN REVIEW
BOARD

WHEREAS, a position on the City of La Mesa Design Review Board has been vacated; and

WHEREAS, the person below has been recommended to the City Council for appointment to said City of La Mesa Board.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that the following is hereby appointed as a member of the City of La Mesa Design Review Board, with their term to commence after the oath or affirmation of allegiance for public officers or employees is executed as required by Article XX, Section 3 of the Constitution of the State of California, and to expire on the date stated below, or until their successor is appointed and qualified:

Design Review Board: 1 appointment

(Name) is appointed to fill the unscheduled vacancy created by David Taylor Jr. whose term expires June 30, 2024

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)

Design Review Board: 1 position – three-year term

One appointee will fill the vacant position with term expiring June 30, 2024.

Members shall be design professionals, which are defined as registered architect or landscape architect, building designer, urban designer or urban planner. Members are subject to the Conflict of Interest Code.
--

	<u>First Appointed</u>	<u>Terms</u>
Alison Morita		

THE APPLICATION IS AVAILABLE FOR REVIEW IN THE CITY CLERK'S OFFICE



La Mesa City Council

Minutes of a Regular Meeting

Date: January 9, 2024, 6:00 pm
Location: City Council Chambers, 8130 Allison Avenue
La Mesa, California

Present: Mayor Arapostathis
Vice Mayor Lothian
Councilmember Dillard
Councilmember Parent
Councilmember Shu

Staff: City Manager Humora
Assistant City Manager Lee
City Attorney Sabine
City Clerk Wiegelman

1. **CALL TO ORDER**

The City Council minutes are prepared and ordered to correspond to the City Council Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

Mayor Arapostathis called the meeting to order at 6:01 p.m.

1.1 INVOCATION - COUNCILMEMBER SHU

1.2 PLEDGE OF ALLEGIANCE

2. **CITY MANAGER COMMENTS**

There were no comments.

3. **COMMUNITY BULLETIN REPORTS**

The Mayor, Council and staff made announcements and reported on various events taking place in the City. No action was taken.

4. ADDITIONS AND/OR DELETIONS TO THE AGENDA

The Development Services Process Improvement Plan Update presentation was deleted from the agenda.

5. PRESENTATIONS

5.1 COMMUNITY COLLABORATION AWARD PRESENTATION BY I LOVE A CLEAN SAN DIEGO

Ann Marie Sack, Director of Community Engagement, I Love a Clean San Diego, presented the Community Collaboration Award to the City.

5.2 DEVELOPMENT SERVICES PROCESS IMPROVEMENT PLAN UPDATE

This presentation was deleted from the agenda.

6. PUBLIC COMMENTS – (TOTAL TIME – 15 MINUTES)

Dianne Osterling spoke regarding her concerns with septic systems.

Brenda Hammond spoke regarding walking in La Mesa and the La Mesa Library.

7. CONFLICT DISCLOSURES

There were no conflict of interest disclosures.

8. PUBLIC COMMENTS ON CONSENT CALENDAR

There were no public comments on Consent Calendar.

9. CONSENT CALENDAR

(Items 9.1 through 9.2)

Moved By Mayor Arapostathis

Seconded By Councilmember Parent

Approve Consent Calendar Items 9.1 through 9.2.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

9.1 APPROVAL OF MOTION TO WAIVE THE READING OF THE TEXT OF ALL ORDINANCES AND RESOLUTIONS AT THIS MEETING

Approve.

9.2 APPROVAL OF THE 2024 LIST OF PROCLAMATIONS

Approve.

10. STAFF REPORT

10.1 CONSIDERATION OF APPOINTING AND/OR REAPPOINTING COUNCILMEMBERS TO OUTSIDE BOARDS, COMMISSIONS AND COMMITTEES, AND TO THE COUNCIL AD HOC AND STANDING SUBCOMMITTEES

Mayor Arapostathis explained the appointment process for the outside boards, commissions, and committees, and the Council ad hoc and standing subcommittees.

Council questions and comments ensued.

Moved By Mayor Arapostathis

Seconded By Councilmember Dillard

Appoint: (1) Vice Mayor Lothian as the primary representative on the East County Economic Development Council; (2) Mayor Arapostathis as the primary representative on the Harry Griffen Park JPA; (3) Councilmember Dillard as the primary representative and Councilmember Shu as the alternate representative on the Heartland Communications Facility Authority; (4) Councilmember Dillard as the primary representative and Councilmember Shu as the alternate representative on the Heartland Fire Training Facility Authority; (5) Mayor Arapostathis as the primary representative and Vice Mayor Lothian as the alternate representative on the La Mesa-Spring Valley School District/City of La Mesa Joint Steering Committee; (6) Vice Mayor Lothian as the primary representative on the League of California Cities San Diego County Division; (7) William Baber as the primary representative and Councilmember Shu as the alternate representative on the Metro Wastewater Joint Powers Authority; (8) Councilmember Parent as the primary representative on the Mission Trails Regional Task Force; (9) Councilmember Parent as the primary representative and Councilmember Shu as the alternate representative on the San Diego Community Power Board of Directors; and (10) Councilmember Dillard as the primary representative on the Sweetwater River Watershed Advisory Panel.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

Moved By Mayor Arapostathis
Seconded By Councilmember Parent

(1) Appoint: (a) Councilmember Dillard and Councilmember Shu to the Animal Welfare Standing Subcommittee; (b) Mayor Arapostathis and Councilmember Shu to the Audit Standing Subcommittee; (c) Vice Mayor Lothian and Councilmember Dillard to the Development Services Council Liaison Standing Subcommittee; (d) Vice Mayor Lothian and Councilmember Dillard to the Downtown Events Standing Subcommittee; (e) Councilmember Dillard and Councilmember Shu to the Future of MacArthur Park Standing Subcommittee; (f) Vice Mayor Lothian and Councilmember Parent to the Accessory Dwelling Units Ad Hoc Subcommittee; (g) Vice Mayor Lothian and Councilmember Parent to the American Rescue Plan Act Funding Ad Hoc Subcommittee; (h) Mayor Arapostathis and Councilmember Shu to the Citizen Emergency Preparedness Ad Hoc Subcommittee; (i) Mayor Arapostathis and Councilmember Parent to the Civic Center Master Plan Ad Hoc Subcommittee; (j) Councilmember Dillard and Councilmember Shu to the Climate Action Plan Updates Ad Hoc Subcommittee; (k) Mayor Arapostathis and Councilmember Dillard to the Extension of Proposition L Ad Hoc Subcommittee; (l) Councilmember Parent and Councilmember Shu to the Housing Affordability Ad Hoc Subcommittee; and (m) Vice Mayor Lothian and Councilmember Parent to the Review of the Design Review Board Ad Hoc Subcommittee; and (2) dissolve the AB 2449 Teleconference Policies Ad Hoc Subcommittee, Business Rebound Ad Hoc Subcommittee, Parking Management Ad Hoc Subcommittee, Public Comment Policy Ad Hoc Subcommittee, and Review of City Streets for Greater Pedestrian Access Ad Hoc Subcommittee.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

Moved By Councilmember Parent
Seconded By Councilmember Dillard

Appoint Councilmember Shu as the primary representative on the San Diego Association of Governments (SANDAG) Board of Directors.

For (4): Mayor Arapostathis, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Against (1): Vice Mayor Lothian

Approved (4 to 1)

Moved By Mayor Arapostathis
Seconded By Councilmember Dillard

Appoint Vice Mayor Lothian as the first alternate representative and Councilmember Dillard as the second alternate representative on the SANDAG Board of Directors.

Substitute Motion:

Moved By Councilmember Parent
Seconded By Councilmember Shu

Appoint Councilmember Dillard as the alternate representative on the SANDAG Board of Directors.

For (4): Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Against (1): Mayor Arapostathis

Approved (4 to 1)

Moved By Councilmember Shu
Seconded By Councilmember Parent

Leave the second alternate representative seat on the SANDAG Board of Directors vacant.

For (4): Mayor Arapostathis, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Against (1): Vice Mayor Lothian

Approved (4 to 1)

Moved By Mayor Arapostathis
Seconded By Councilmember Parent

Appoint Councilmember Dillard as the primary representative and Mayor Arapostathis as the alternate representative on the San Diego Metropolitan Transit System Board of Directors.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

11. ORDINANCES: SECOND READING

11.1 CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MESA ADDING CHAPTER 6.07 TO THE LA MESA MUNICIPAL CODE REQUIRING THE LICENSING OF TOBACCO RETAILERS

City Clerk Wiegelman stated a scrivener's error was found following the introduction and first reading of the Ordinance; language was inadvertently added in the Ordinance, but the error was corrected and the Ordinance was ready for the second reading and adoption.

City Attorney Sabine read the title of the Ordinance.

Ordinance No. 2023-2906

Moved By Councilmember Shu

Seconded By Councilmember Dillard

Approve the second reading and adoption of the Ordinance.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

11.2 CONSIDERATION OF AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MESA REPEALING CHAPTER 3.24 OF THE LA MESA MUNICIPAL CODE RELATED TO PERSONNEL MATTERS IN ITS ENTIRETY

City Attorney Sabine read the title of the Ordinance.

Ordinance No. 2023-2907

Moved By Councilmember Shu

Seconded By Councilmember Parent

Approve the second reading and adoption of the Ordinance.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

12. COUNCIL COMMITTEE REPORTS (3 MINUTE LIMIT)

The Mayor and Council reported on various outside boards, commissions and committee meetings they attended. No action was taken.

13. AB 1234 REPORTS (GC 53232.3 (d))

There were no reports.

14. CITY ATTORNEY REMARKS

There were no remarks.

15. ADJOURNMENT

At 6:56 p.m., Mayor Arapostathis adjourned the meeting in honor and memory of former City Councilmember Ernest Ewin, a person of integrity and dignity who challenged everyone to do better and helped make La Mesa a better place.

City Clerk



La Mesa City Council

Minutes of a Regular Meeting

Date: January 23, 2024, 6:00 pm
Location: City Council Chambers, 8130 Allison Avenue
La Mesa, California

Present: Mayor Arapostathis
Vice Mayor Lothian
Councilmember Dillard
Councilmember Parent
Councilmember Shu

Staff: City Manager Humora
Assistant City Manager Lee
City Attorney Sabine
City Clerk Wiegelman

1. CALL TO ORDER

The City Council minutes are prepared and ordered to correspond to the City Council Agenda. Agenda Items can be taken out of order during the meeting.

The Agenda Items were considered in the order presented.

Mayor Arapostathis called the meeting to order at 6:00 p.m.

1.1 INVOCATION - COUNCILMEMBER SHU

1.2 PLEDGE OF ALLEGIANCE

2. CITY MANAGER COMMENTS

City Attorney Sabine announced there were no reportable actions from the 5:30 p.m. City Council Special Meeting (Closed Session).

City Manager Humora reported that three inches of rain fell in La Mesa on Monday, January 22, 2024, and provided an update on the impact the rain had on City infrastructure.

3. COMMUNITY BULLETIN REPORTS

The Mayor, Council and staff made announcements and reported on various events taking place in the City. No action was taken.

4. ADDITIONS AND/OR DELETIONS TO THE AGENDA

There were no additions or deletions to the agenda.

5. PRESENTATIONS

5.1 LETTERS OF APPRECIATION TO PUBLIC WORKS CREW MEMBERS JUSTIN PICHAY AND GEORGE ZAPATA

Mayor Arapostathis presented Letters of Appreciation to Justin Pachay, Maintenance Worker I, and George Zapata, Maintenance Worker I.

Fire Chief Koch awarded Justin Pachay and George Zapata with Firefighter Challenge Coins.

5.2 CLIMATE ACTION PLAN AND ORGANICS RECYCLING PROGRESS REPORT PRESENTATION

Environmental Program Manager Ego, Administrative Analyst Lee, and CivicSpark Fellows Carlyn Bacci and Liam Conley provided a PowerPoint presentation on the progress of the City's Climate Action Plan (CAP) and organics recycling, highlighting the CAP resolutions and implementation, the progress of the CAP update, the CAP team, events and milestones that occurred in the past six months, City staff engagement, recognitions and grants awarded to the City, youth outreach, projects in the areas of energy, transportation, water, and green infrastructure, the Litter Free La Mesa cleanup series, Senate Bill (SB) 1383 requirements, the SB 1383 compliance rate, edible food recovery and procurement projects, and the 2024 priority projects.

Following Council questions and comments, no action was taken.

5.3 2023 CERTIFIED LA MESA GREEN BUSINESS RECOGNITION PRESENTATION

Mayor Arapostathis recognized the 2023 Certified La Mesa Green Businesses for their ongoing efforts in reducing emissions.

2023 Certified La Mesa Green Businesses:

Helix Soap Company

Kai's Refills

La Mesa Library
Homes with my Realty
Dental House
Scisters Salon
Four Fin Creative

5.4 DEVELOPMENT SERVICES PROCESS IMPROVEMENT PLAN UPDATE

Director of Community Development Santos, Associate Planner Traffenstedt, and Management Analyst Flores provided a PowerPoint presentation on the improvements made to the development services process, highlighting the process improvement recommendations, the implementation plan accomplishments in the areas of process improvements, customer service, and tracking and data collection, the online permit portal, the instant residential solar permitting process through Symbium, the network and technology upgrades, the additional staff positions, the interdepartmental development services team meetings, efforts to update the Community Development webpage including applications, forms, handouts, and guides, pre-application meetings, the Accessory Dwelling Unit (ADU) Guidebook, ADU applications and issued permits, the community workshop series, code compliance resources, tutorial videos, ways the public can stay informed of various development projects in the City, the improved communication protocols, the new methods for tracking and data collection, and the new customer survey.

Following Council questions and comments, no action was taken.

6. PUBLIC COMMENTS – (TOTAL TIME – 15 MINUTES)

Brenda Hammond spoke regarding the recent storm and the homeless.

Mairs Ryan submitted a comment regarding plastic trash and the goal of the City's CAP.

7. CONFLICT DISCLOSURES

There were no conflict of interest disclosures.

8. BOARD AND COMMISSION INTERVIEWS

8.1 INTERVIEW OF APPLICANTS FOR AN UNSCHEDULED VACANCY ON THE ARTS AND CULTURE COMMISSION

City Clerk Wiegelman stated Ana Gonzalez-Seda and Sherida Bonton were not able to attend the City Council meeting due to prior commitments. City Clerk Wiegelman said the appointment would be made at the February 13th City Council meeting.

8.2 INTERVIEW OF APPLICANT FOR AN UNSCHEDULED VACANCY ON THE DESIGN REVIEW BOARD

City Clerk Wiegelman briefly explained the interview process.

Alison Morita spoke regarding their qualifications and interest in being appointed to the Design Review Board.

City Clerk Wiegelman said the appointment would be made at the February 13th City Council meeting.

Following the interview, no action was taken.

9. PUBLIC COMMENTS ON CONSENT CALENDAR

Melissa Weiss spoke in support of Item 10.5.

Mickey Mounarath spoke in support of Item 10.5.

10. CONSENT CALENDAR

(Items 10.1 through 10.6)

Moved By Mayor Arapostathis

Seconded By Councilmember Shu

Approve Consent Calendar Items 10.1 through 10.6.

For (5): Mayor Arapostathis, Vice Mayor Lothian, Councilmember Dillard, Councilmember Parent, and Councilmember Shu

Approved (5 to 0)

10.1 APPROVAL OF MOTION TO WAIVE THE READING OF THE TEXT OF ALL ORDINANCES AND RESOLUTIONS AT THIS MEETING

Approve.

10.2 APPROVAL OF THE MINUTES FOR THE CITY COUNCIL REGULAR MEETING HELD TUESDAY, NOVEMBER 28, 2023

Approve.

10.3 APPROVAL OF THE MINUTES FOR THE CITY COUNCIL REGULAR MEETING AND CITY OF LA MESA SUCCESSOR AGENCY SPECIAL MEETING HELD TUESDAY, DECEMBER 12, 2023

Approve.

10.4 RESOLUTION AUTHORIZING CONTRACT CHANGE ORDER NO. 1 FOR THE CITYWIDE GUARDRAIL UPGRADES PROJECT, BID NO. 23-15, TO S.B. GENERAL ENGINEERING, INC.

Resolution No. 2024-001

Adopt Resolution.

10.5 RESOLUTION APPROVING FUNDS FOR PUBLIC ART PROJECTS

Resolution No. 2024-002

Adopt Resolution.

10.6 RESOLUTION AUTHORIZING CONTRACT CHANGE ORDER 1 TO ARDURRA GROUP, INC., AND INCREASE THE BUDGET FOR PUBLIC WORKS ENGINEERING DIVISION PROFESSIONAL AND SPECIALIZED SERVICES ACCOUNT

Adopt Resolutions.

a. RESOLUTION AUTHORIZING CONTRACT CHANGE ORDER 1 TO ARDURRA GROUP, INC., FOR ADDITIONAL ENGINEERING INSPECTION SERVICES

Resolution No. 2024-003

Adopt Resolution.

b. RESOLUTION TO INCREASE THE BUDGET FOR PUBLIC WORKS ENGINEERING DIVISION PROFESSIONAL AND SPECIALIZED SERVICES ACCOUNT BY \$189,600 FOR FISCAL YEAR 2023-2024, FOR A TOTAL OF \$320,439.66 FOR THE FISCAL YEAR

Resolution No. 2024-004

Adopt Resolution.

11. COUNCIL COMMITTEE REPORTS (3 MINUTE LIMIT)

The Mayor and Council reported on various outside boards, commissions and committee meetings they attended. No action was taken.

12. AB 1234 REPORTS (GC 53232.3 (d))

There were no reports.

13. CITY ATTORNEY REMARKS

There were no remarks.

14. ADJOURNMENT

Mayor Arapostathis adjourned the meeting at 7:21 p.m.

City Clerk



La Mesa City Council

Minutes of a Special Meeting

Date: January 23, 2024, 5:30 p.m.
Location: City Manager's Conference Room, 8130 Allison Avenue
La Mesa, California

Present: Mayor Arapostathis
Vice Mayor Lothian
Councilmember Dillard
Councilmember Parent
Councilmember Shu

Staff: City Manager Humora
Assistant City Manager Lee
City Attorney Sabine
City Clerk Wiegelman

1. **CALL TO ORDER**

Mayor Arapostathis called the meeting to order at 5:32 p.m.

2. **PUBLIC COMMENTS**

There were no public comments.

Mayor Arapostathis adjourned the meeting to Closed Session at 5:32 p.m.

Councilmember Parent arrived at the meeting at 5:34 p.m.

Councilmember Dillard arrived at the meeting at 5:36 p.m.

3. **CLOSED SESSION**

3.1 **CONFERENCE WITH LEGAL COUNSEL REGARDING PENDING WORKERS COMPENSATION CLAIM PURSUANT TO GOVERNMENT CODE SECTION 54956.9**

Michael Stanton vs. City of La Mesa

The meeting reconvened at 5:44 p.m. with all members present.

4. **REPORT FROM CLOSED SESSION - CITY ATTORNEY**

City Attorney Sabine announced there were no reportable actions.

5. **ADJOURNMENT**

Mayor Arapostathis adjourned the meeting at 5:44 p.m.

City Clerk



CITY OF
LA MESA

JEWEL of the HILLS

INTEROFFICE MEMO

DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Ray Sweeney, Chief of Police

VIA: Greg Humora, City Manager *GH*

SUBJECT: HOME Program 2023 4th Quarter Report

The Homeless Outreach and Mobile Engagement (HOME) Team continues to interact with and serve those experiencing homelessness in La Mesa. As part of their continued efforts, they track the interactions and services provided in a quarterly report. The report depicts the total number of clients served, the number of calls for service handled, demographics, and a narrative that shares recent successes, partnerships, and community engagement. Thank you for the continued support for this program as we continue to assist those experiencing homelessness.

City of La Mesa Homeless Outreach & Mobile Engagement (HOME) Program

Quarterly Report: October – December 2023



HOME Program Overview

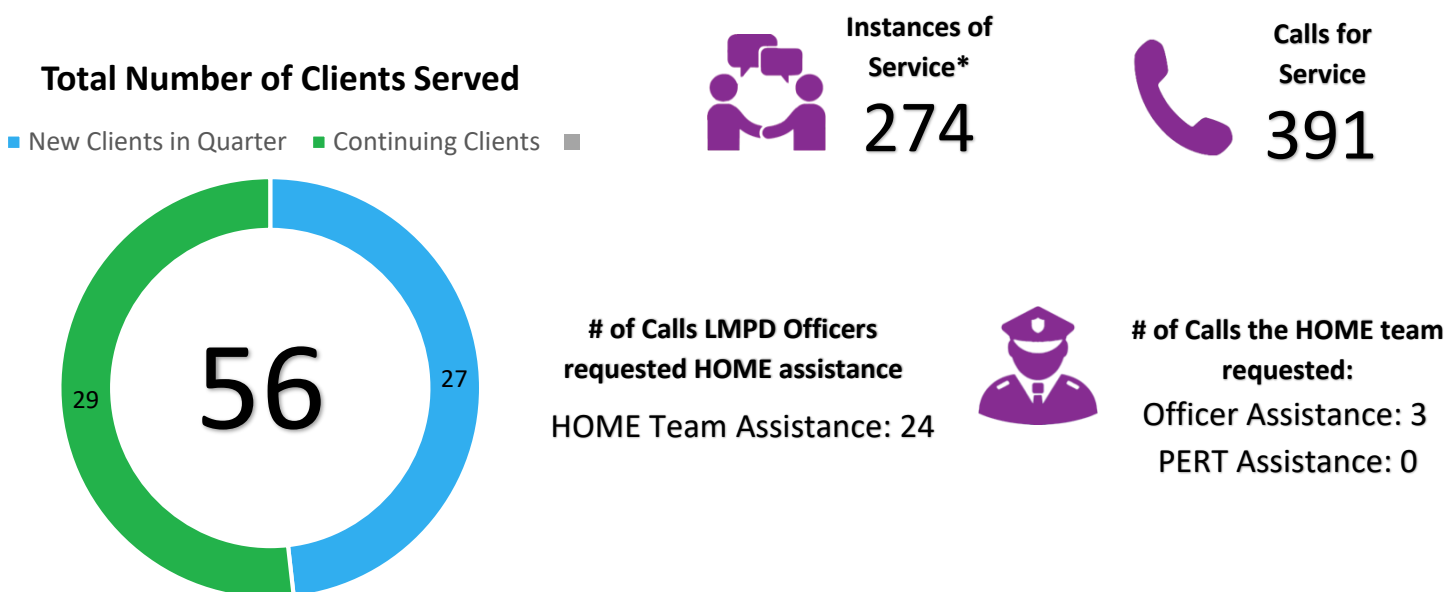
The Homeless Outreach and Mobile Engagement (HOME) Team is an initiative of the City of La Mesa and the La Mesa Police Department (LMPD). The HOME Team provides a **housing-first** and **trauma-informed** approach to addressing homelessness in La Mesa. The HOME Team utilizes **progressive engagement** and **harm reduction** to assist individuals who are unable to access homeless services on their own. This report breaks down the the HOME Team efforts and successes during the 4th quarter of 2023.

Since the beginning of the quarter, the HOME program outreach specialists have:

- Contacted 56 total individuals experiencing homelessness and newly enrolled 27 adults and 0 children. Many of these newly enrolled adults are one-time contacts that were provided short-term services as they passed through La Mesa. A total of 11 individuals contacted this quarter were connected to a temporary or permanent home.
- Responded to 391 service calls routed through LMPD dispatch, HOME hotline or city email, and as follow-ups to previous contacts. Historically, many of these calls would have been handled by city emergency response services and law enforcement.
- Prioritized the most vulnerable individuals in the City of La Mesa, including individuals living on the street with chronic physical and mental health conditions, households with children, and individuals facing chronic homelessness.

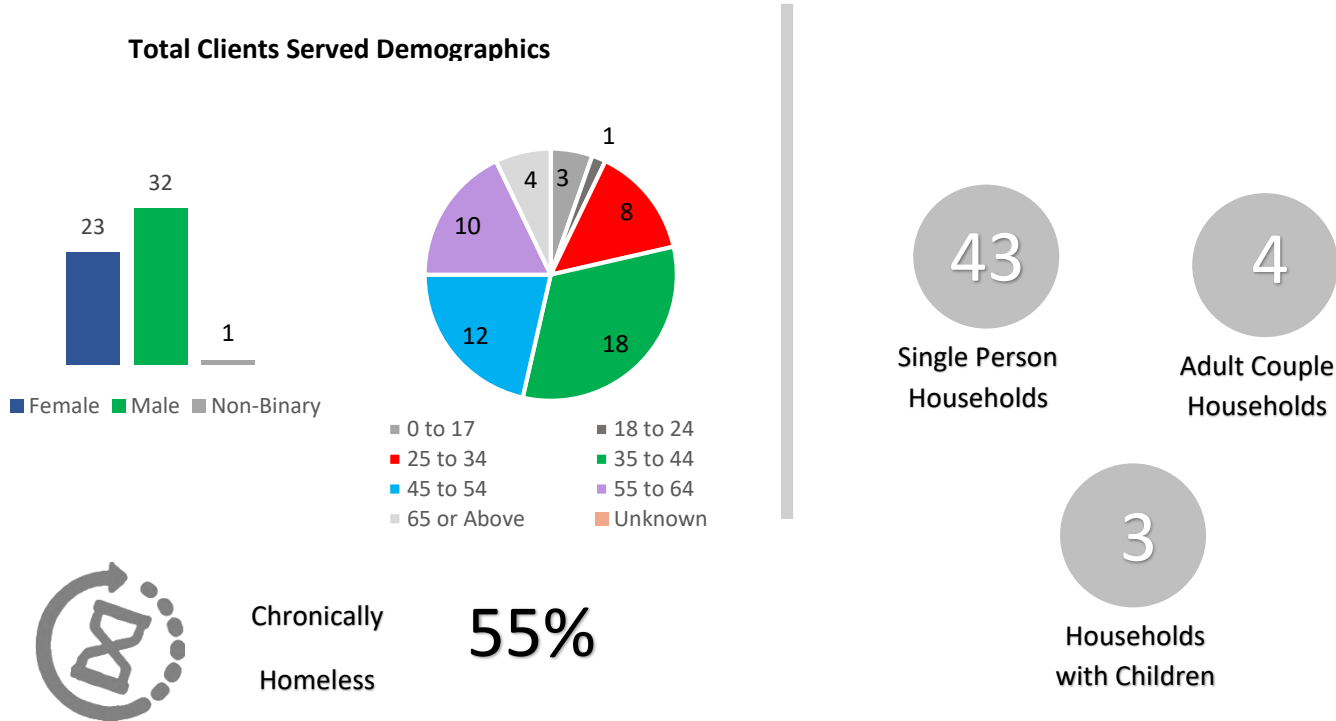
Clients Served

The HOME Team operates out of LMPD headquarters in downtown La Mesa and responds to non-emergency calls for service related to homelessness that are generated through police dispatch, HOME email, and The HOME Hotline. Each of these calls is first attended by a HOME Team outreach specialist; PD or PERT officers are only requested for rare cases involving legal or safety concerns.



*Instances of service are included in the total calls for service. This number represent interactions with clients that are enrolled in the county's case management system. More than one client may be present during a single call for service.

Client Demographics and Household Composition



Housing Outcomes

	9 households (11 people) people left the HOME program to a temporary or permanent placement during the quarter.
	1 household (1 person) exited to temporary housing , defined as an emergency shelter, transitional housing, or other location that provides housing/shelter without tenure.
	8 households (10 people) exited to permanent housing , defined as a leased unit meeting United States Department of Housing and Urban Development (HUD) occupancy standards with or without supportive services, such as mental health counseling.
	4 housing matches was provided through the Coordinated Entry System.

Housing Matches

Housing matches provided through the Coordinated Entry System (CES) are an essential part of people attempting to access permanent housing. In short, a housing match is when a person is connected to a housing provider for assistance in the form of a subsidized room or ongoing rental assistance. Once a person has been matched through CES, the HOME Team does their best to help a client connect with the housing provider to complete the housing process. During this quarter, the HOME Team received 4 housing matches. Connecting people to housing without matches continues to be a significant struggle for the HOME Team.

Client Services

The HOME Team continues to excel in helping clients navigate and connect with a variety of existing services within the community. Some of these services include ongoing nutritional, medical, and financial support through programs such as Cal-Fresh, Medical, and General Relief.

The HOME Team was able to connect multiple people with these services by transporting and supporting these clients through the Family Resource Centers located in Lemon Grove and El Cajon.







The HOME Team began providing Housing Navigation during the middle of the 3rd quarter, and this is the first quarter where it is included in the reporting. Housing Navigation assists individuals who have an income, housing voucher, or rental assistance subsidy that could support a rental unit on an ongoing basis. The HOME Team Housing Navigator works with these clients to identify suitable units, pay for application fees, advocate to landlords, and provide financial assistance to cover the move-in costs related to the rental unit.

The HOME Team continues to assist with acquiring identifying documentation. Almost all of the clients who successfully exited the program during this quarter worked with the HOME Team to acquire both State Identification cards and/ or Social Security Cards; attaining these documents was a necessity for their housing placements.

The HOME Team has begun working closely with a non-profit: 2nd Chance. This non-profit provides a Job Readiness Training (JRT) course for clients who struggle with connecting to employment due to their homelessness status and/ or involvement with the justice system. As part of the JRT, the participants are provided with professional interview attire. During the last week of JRT, the participants take part in a round of interviews with potential employers including but not limited to Western Towing, ACE Parking, and Sycuan Casino.

The HOME Team having consistent access to a van continues to be an important resource for clients. During the quarter, the HOME Team utilized the van to view units for rent in El Cajon, Downtown San Diego, and San Diego County. Being able to go to units quickly and with little notice has resulted in clients being able to successfully exit our program into rental assistance programs. The HOME Team has also utilized this van to clear encampments by taking clients and their belongings to storage, housing opportunities, or alternative camping locations. Most importantly, this van is accessible to people that have disabilities or are experiencing mobility issues.

During this quarter, the HOME Team has provided some form of financial and/or basic-needs assistance to all enrolled clients with the dual objectives of moving them toward a housing outcome and keeping them safe during the COVID-19 pandemic. These objectives have not changed throughout this quarter.

	All clients received COVID-19-related services, including updates related to local public-health guidelines, vaccine information, hygiene supplies, and personal protective equipment (PPE), such as face masks and hand sanitizer.
	All clients received food, water, or other nutrition services, with approximately 56 prioritized for on-going meal support.
	HOME program staff distributed \$1,344.96 in direct financial assistance, including vehicle repair, and funds used to secure new rental units.
	1 household received accommodation in a motel, designed to provide short-term, bridge shelter for those with a concrete housing plan.
	HOME program staff arranged 91 rides to apartment viewings, shelter stays, program intake interviews, and other critical appointments via ridesharing service.
	4 clients were connected to ongoing physical, mental, and/or behavioral healthcare.

Ongoing Care

Throughout the life of the program, HOME has noticed that the majority of calls related to someone experiencing homelessness were generated because of another community member's concern for a person's mental, physical, or behavioral health. Because of this, the HOME Team has prioritized connecting people to ongoing healthcare through organizations such as Family Health Centers, East County Behavioral Health, and Jane Westin. All of these organizations provide low to no-cost services to people experiencing homelessness. Connecting people to ongoing and preventative care such as what is being offered at these organizations is essential to addressing issues that invariably result in emergent health situations for people experiencing homelessness. These situations result in overburdened emergency rooms, ambulances, and other emergency services. Additionally, due to the limited nature of HOME services provided to a person after they are housed, having connections to ongoing community support is an important part of someone maintaining housing stability.

Calls for Service

The HOME Team responded to 391 calls for service during the quarter. This number includes service calls routed through LMPD dispatch, HOME hotline or city email, and follow-ups to previous contacts. Of these calls for service, 88 calls were new requests for assistance related to homelessness in the City. Historically, these calls would have been addressed by city emergency response services and law enforcement.

Additionally, some calls were service-driven appointments with clients or proactive rapport-building contacts in support of the HOME Team's mission.

During the entirety of this quarter, the HOME Team was connected to the La Mesa Police Department's dispatch center via police radio. Starting the 4th quarter of 2021, the HOME Team has been able to realize the benefits of the technology and partnerships with call-takers through decreased response times to current calls for service, improved support to police officers, enhanced understanding of the program workload and service provision through data tracking, and improved safety of the HOME Team members and the community.

Hotel Utilization

The HOME Team provided motel assistance to 1 client during the quarter. One of the clients that the HOME Team met during the quarter was a young person who was currently working as a CNA. This person needed to leave the living situation they were in due to a family dispute. After coming in contact with the HOME Team. The HOME Team Housing Navigator was able to work with this person on creating a budget and identifying a unit within their price range.

Client success stories

One of the people that was able to get connected to housing this quarter was a veteran that the HOME Team had been working with since 12/1/2022. This veteran and their disabled girlfriend had been experiencing chronic homelessness for the greater part of a decade. After meeting this veteran, the HOME Team was able to complete a HUD – VASH referral which is a section 8 adjacent voucher reserved for veterans. The HOME Team worked closely with this veteran and their partner to collect and submit all of the necessary paperwork, provide transportation to vital appointments, and liaise between the client and VA. The HOME Team Housing Navigator provided essential assistance by completing & submitting multiple rental applications on behalf of the client. Due to the rental market in San Diego County, the Housing Navigator assisted the veteran with applying for a time-extension on their voucher. Eventually, the veteran was able to secure a unit in Otay. This veteran's unit is within walking distance to a variety of stores and public transportation. The veteran will be responsible for paying 30% of their income towards rent. This veteran and their girlfriend were officially housed on 11/8/2023. This veteran has agreed to share some pictures of them signing their first lease in over 10 years as well as them in their new home.



The HOME Team was also able to help a person who was newly experiencing homelessness for the first time. This person was awaiting an employment start date at a local restaurant located in La Mesa. This person reached out to the HOME Team to see what type of assistance they could get connected to. The HOME Team was able to provide access to appropriate clothing and purchased a pair of non-slip shoes. The HOME Team was then able to connect them with the housing navigator who was able to map out a budget with this person to determine their budget for a rental unit. Once their budget was determined, the housing navigator contacted a local landlord and advocated on behalf of this client to secure a lease. Once this lease was secured, the HOME Team was able to provide some bridge housing in the form of a motel room until the move-in date occurred. The HOME Team provided this person with both the deposit and 1st month's rent, and the person was able to secure a year-long lease in a unit that is close to a form of public transportation that goes near this person's place of employment. This case was open and closed in 21 days and is a great example of how rapid and effective responses can resolve some cases of homelessness quickly.

Community Support Partnerships

- Journey Community Church continues to provide any and all food items to the HOME Program, allowing HOME staff to feed up to 60 people per week
- La Mesa Village Association
- La Mesa Thrift Shop
- La Mesa First United Methodist Church
- Empire Thrift Store of El Cajon
- Eagle Scouts

Community Resource Partnerships

- Home-Start, Inc.
- East County Behavioral Health
- Center Star ACT
- McAlister Inc.
- La Mesa – Spring Valley School District Social Workers
- East County Homeless Task Force
- San Diego County Mental Health
- In addition, HOME staff has developed a word-of-mouth network of donors and residents and regularly interface with anyone interested in helping those facing hardship on the streets of La Mesa.
- Assisted Replacement Medication Therapy Medical Specialists
- The Lodge of La Mesa (Transition Age Youth)
- Borrego Health-Centro Medico El Cajon
- New Found Homes ILF
- Mission Academy
- 2nd Chance

HOME Program Historical Statistics

Client Enrollment

Quarter	Total Clients Served	New Clients	Continuing Clients
Q4 2020	56	n/a	n/a
Q1 2021	108	61	47
Q2 2021	75	44	31
Q3 2021	86	44	31
Q4 2021	25	10	15
Q1 2022	69	48	21
Q2 2022	96	62	34
Q3 2022	73	38	35
Q4 2022	108	65	43
Q1 2023	71	28	43
Q2 2023	72	53	19
Q3 2023	71	43	28
Q4 2023	56	27	29
Grand Total	966	523	376

Calls for Service

Quarter	Instances of Service ¹	Calls for Service	Calls Officers requested HOME Assistance	Calls HOME requested Officer Assistance	Calls HOME requested PERT assistance
Q4 2020	191	110	---	1	1
Q1 2021	397	187	---	0	1
Q2 2021	349	355	---	0	0
Q3 2021	393	134	---	0	0
Q4 2021	237	81	---	0	0
Q1 2022	373	617	24	10	0
Q2 2022	626	657	11	22	4
Q3 2022	584	549	26	5	1
Q4 2022	744	417	16	3	0
Q1 2023	633	435	19	7	0
Q2 2023	494	384	16	2	0
Q3 2023	173	447	12	3	0
Q4 2023	274	391	24	3	0
Grand Total	5468	4764	148	56	7

¹ Instances of service are included in the total calls for service. This number represent interactions with clients that are enrolled in the county's case management system. More than one client may be present during a single call for service.

Services and Housing

Quarter	HOME Rides	Direct Financial Assistance	Clients who Received Motel Vouchers	Clients Permanently Housed	Households Permanently Housed	Clients Temporarily Housed	Households Temporarily Housed
Q4 2020	18	\$ 3,357.00	7	5	---	3	---
Q1 2021	16	\$ 10,506.00	7	---	4	---	19
Q2 2021	7	\$ 4,967.00	9	8	7	---	5
Q3 2021	144	\$ 16,623.42	7	8	3	---	5
Q4 2021	84	\$ 1,071.40	0	12	11	---	4
Q1 2022	92	\$ 6,579.56	5	10	9	6	6
Q2 2022	96	\$ 3,727.96	2	16	11	5	3
Q3 2022	68	\$ 3,445.75	3	8	6	4	4
Q4 2022	69	\$ 3,411.55	3	15	6	2	2
Q1 2023	56	\$ 2,210.47	2	17	7	2	2
Q2 2023	59	\$ 2,581.44	0	4	2	5	5
Q3 2023	59	\$ 7,560.47	2	2	2	6	6
Q4 2023	91	\$ 1,344.96	1	10	8	1	1
Grand Total	859	\$ 67,386.98	48	115	76	34	62

Total People Housed: 149



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: February 13, 2024

SUBJECT: RESOLUTION AUTHORIZING THE CHIEF OF POLICE
TO ENTER INTO A MEMORANDUM OF AGREEMENT
BETWEEN THE POLICE DEPARTMENT AND THE SAN
DIEGO COUNTY SHERIFF'S DEPARTMENT FOR THE
OPERATION STONEGARDEN GRANT

ISSUING DEPARTMENT: POLICE

SUMMARY:

Issues:

1. Should the City Council approve the Police Department's participation with the San Diego Sheriff's Department (SDSD) in the Operation Stonegarden Grant for the reimbursement of expenses related to enforcement of regional crime with a border nexus?
2. Should the City Council authorize the Chief of Police to sign a MOA with the San Diego Sheriff's Department for the Operation Stonegarden Grant which will reimburse personnel overtime and equipment expenses related to enforcement of regional crime with a border nexus?

Recommendation:

Staff recommends that the City Council:

1. Approve the Police Department's participation with the San Diego Sheriff's Department for the Operation Stonegarden Grant, which will reimburse expenses related to the enforcement of regional crime with a border nexus.
2. Authorize the Chief of Police to sign a MOA with the San Diego Sheriff's Department for the Operation Stonegarden Grant, which will reimburse

personnel overtime and equipment expenses related to the enforcement of regional crime with a border nexus.

Fiscal Impact:

There will be no fiscal impact for the City of La Mesa. This grant will allow the Police Department to receive full reimbursement for the cost of overtime, vehicle mileage, and equipment up to \$266,000 within the context of the grant. The reimbursements will consist of up to \$190,000 for operation funding and up to \$76,000 for approved equipment funding. The operational funding consists of \$170,300 in operation overtime, \$10,048 for fringe benefits, and \$9,652 for mileage costs. The \$76,000 in approved equipment funding consists of two handheld narcotics analyzers. Staff work to oversee the grant will not result in added expenditures.

City's Strategic Goals:

- Maintain a community where residents and visitors feel safe.

BACKGROUND:

Operation Stonegarden was established by the United States Department of Homeland Security in 2005. The intent of this grant is to enhance cooperation and coordination among federal, state, tribal, and local law enforcement in an effort to reduce border related state crimes. The Stonegarden grant is designed to address crime and is not immigration enforcement related (MOA Section 4.2). The La Mesa Police Department shall comply with the California Values Act (SB 54) and department policy when conducting Stonegarden Operations. This is a competitive grant sponsored by the State Homeland Security Program (SHSP) which is awarding approximately \$8.7 million dollars toward combating border violence in the San Diego Region.

DISCUSSION:

La Mesa has three major freeways running through it with multiple on and off ramps. It also has several trolley stations that have a direct link to the US/Mexico border. These transportation corridors have the potential to bring border related crime (drug smuggling and human trafficking) into the surrounding areas, including La Mesa.

This grant would allow officers, detectives, dispatchers and sergeants from the Police Department to work with other police personnel throughout the County on reimbursable overtime to address border related criminal activity, which affects La Mesa and the entire county. Some operations may take place within La Mesa. Most other San Diego County

police agencies are participating with the SDSD on this grant. Staffing Operation Stonegarden will be on an overtime basis only and not affect the normal daily operations within the Police Department.

This grant process involves each local agency submitting their overtime requests to the SDSD. The Sheriff's Department will forward the San Diego County request to the State Administrative Agency (SAA) who will then submit the reimbursement request to Federal Emergency Management Agency (FEMA).

On grant overtime, La Mesa Police personnel would normally work with SDSD and other allied local, state, and federal agency personnel conducting activities similar to:

- High visibility enforcement and traffic stop activity in high intensity drug trafficking areas along the beaches and land borders.
- Offer ground support for aerial flights during the day and night.
- High visibility criminal interdiction and/or covert interdiction operations.
- Specific operations targeting urban and rural border areas of San Diego County.

CONCLUSION:

Staff recommends that the City Council approve the Police Department's participation and entering into a MOA with the San Diego Sheriff's Department for the Operation Stonegarden Grant, which will reimburse expenses related to addressing regional crime with a border nexus.

Staff Reference: Lieutenant Matthew Conlon

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Ray Sweeney
Chief of Police

- Attachments:
- A. OPSG Worksheet / La Mesa Grant Fund Allocation (Exhibit A)
 - B. FY2022 Standard Assurances (Exhibit B)
 - C. 2022 OPSG Required Federal Grant Provisions (Exhibit C)
 - D. 2022 OPSG Byrd Anti-Lobbying Certification Form (Exhibit D)
 - E. Memorandum of Agreement

F. Resolution

RESOLUTION NO. 2024-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA
AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO A MEMORANDUM OF
AGREEMENT BETWEEN THE POLICE DEPARTMENT AND THE SAN DIEGO
COUNTY SHERIFF'S DEPARTMENT FOR THE OPERATION STONEGARDEN
GRANT

WHEREAS, the City of La Mesa has a goal to maintain a community where residents and visitors feel safe.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the City Council of the City of La Mesa, that the City Council authorizes the Chief of Police to sign and enter into a Memorandum of Agreement with the San Diego County Sheriff's Department and the La Mesa Police Department for the reimbursement of overtime and equipment expenditures incurred while increasing law enforcement presence in the County of San Diego to reduce crime with a border nexus by enforcing state and local laws.

BE IT FURTHER RESOLVED that the City, if awarded the grant, appropriates the funds in the amount of \$266,000 for Operation Stonegarden; provided however, that if the actual revenue received from the source specified should be more or less than the amount set forth herein, that the appropriations shall be adjusted to equal the amount actually received.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-_____, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)

**FY 2022 OPERATION STONEGARDEN
ANNUAL BUDGET WORKSHEET
SUMMARY**

AGENCY NAME	Budget Narrative Category									TOTAL
	A	B	C	D	E	F	G	H	I	
	Operational OT	Fringe Benefits	Vehicle/Vessel Maint	Equip Maint	New/Replace Equip	Fuel Costs	Mileage	Flight Costs	M&A	
San Diego County Sheriff's Department	2,649,747	172,870	-	70,710	655,000	-	390,052	54,743	433,678	4,426,800
Chula Vista Police Department	177,427	2,573	-	-	-	-	-	-	-	180,000
El Cajon Police Department	76,820	3,180	-	-	9,000	-	-	-	-	89,000
Escondido Police Department	10,000	-	-	-	-	-	-	-	-	10,000
La Mesa Police Department	170,300	10,048	-	-	76,000	-	9,652	-	-	266,000
Oceanside Police Department	152,359	2,209	17,397	-	-	28,035	-	-	-	200,000
San Diego Harbor Police Department	43,936	5,400	17,000	-	-	32,400	1,264	-	-	100,000
Sycuan Tribal Police Department	20,000	-	-	-	-	-	-	-	-	20,000
University of California San Diego Police Department	9,135	237	-	-	-	-	628	-	-	10,000
Orange County Sheriff's Department	224,211	21,816	53,973	-	542,000	-	-	-	-	842,000
San Luis Obispo County Sheriff's Office	121,008	18,938	7,338	1,440	24,882	6,075	10,819	4,500	-	195,000
Santa Barbara County Sheriff's Office	144,180	-	11,100	-	555,000	9,720	6,884	28,116	-	755,000
Ventura County Sheriff's Office	366,858	-	17,730	-	129,324	11,700	-	53,688	-	579,300
Monterey County Sheriff's Office	72,176	1,047	-	-	68,704	-	6,773	-	-	148,700
San Mateo County Sheriff's Office	71,608	8,392	-	-	-	-	-	-	-	80,000
CA Highway Patrol	420,688	6,100	-	-	-	-	35,095	38,117	-	500,000
CA Department of Fish and Wildlife	39,428	572	-	-	-	-	-	-	-	40,000
CA Department of Parks and Recreation	97,330	1,411	21,840	-	128,200	5,760	3,659	-	-	258,200
Grand Total San Diego County Region	\$ 4,867,211	\$ 254,793	\$ 146,378	\$ 72,150	\$ 2,188,110	\$ 93,690	\$ 464,826	\$ 179,164	\$ 433,678	\$ 8,700,000

Homeland Security Grant Program - Operation Stonegarden Grant (OPSG)
FY 2022 Standard Assurances
(All OPSG Participating Agencies)

Name of Agency: _____

Address: _____

City: _____ State: _____ Zip Code: _____

As the duly authorized representative of the Agency ("Agency") named above, I hereby certify that the Agency has the legal authority to apply for federal assistance and has the institutional, managerial and financial capability (including sufficient funds to pay any non-federal share of project cost or to retroactively repay any reimbursement found out of compliance which was paid to Agency, for as long as the grant is active) to ensure proper planning, management and completion of the project described in this application, within prescribed timelines.

I further acknowledge that the Agency is responsible for reviewing and adhering to all requirements within the:

- (a) Applicable Federal Regulations (see below);
- (b) Federal Program Notice of Funding Opportunity (NOFO);
- (c) Federal Preparedness Grants Manual;
- (d) HSGP California State Supplement to the NOFO; and
- (e) Federal and State Grant Program Guidelines.

Federal Regulations

Government cost principles, uniform administrative requirements and audit requirements for federal grant programs are set forth in Title 2, Part 200 of the Code of Federal Regulations (C.F.R.). Updates are issued by the [Office of Management and Budget \(OMB\)](http://www.whitehouse.gov/omb/) and can be found at <http://www.whitehouse.gov/omb/>.

Significant state and federal grant award requirements (some of which appear in the documents listed above) are set forth below. The Agency hereby agrees to comply with the following:

1. Proof of Authority

The Agency will obtain written authorization from the city council, governing board or authorized body in support of this project. This written authorization must specify that the Agency and the city council, governing board or authorized body agree:

- (a) To provide all matching funds required for said project and that any cash match will be appropriated as required;
- (b) That any liability arising out of the performance of this agreement shall be the responsibility of the Agency and the city council, governing board or authorized body;
- (c) That grant funds shall not be used to supplant expenditures controlled by the city council, governing board or authorized body;
- (d) That the Agency is authorized by the city council, governing body, or authorized body to apply for federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-federal share of project cost, if any, or to retroactively repay any reimbursement found

- out of compliance, which was paid to Agency, for as long as the grant is active) to ensure proper planning, management and completion of the project described in this application; and
- (e) That the official executing this agreement is, in fact, authorized to do so.

This Proof of Authority must be maintained on file and readily available upon request.

2. Period of Performance

The Agency is only authorized to perform allowable activities approved under the award, within the period of performance specified in the grant. Allowable activities may be initiated after approval of the award.

3. Lobbying and Political Activities

As required by Section 1352, Title 31 of the U.S. Code (U.S.C.), for persons entering into a contract, grant, loan or cooperative agreement from an agency or requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan, the Agency certifies that:

- (a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (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 agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Agencies shall certify and disclose accordingly.

The Agency will also comply with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and §§7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

Finally, the Agency agrees that federal funds will not be used, directly or indirectly, to support the enactment, repeal, modification or adoption of any law, regulation or policy without the express written approval from the California Governor's Office of Emergency Services (Cal OES) or the federal awarding agency.

4. Suspension and Debarment

As required by Executive Orders (EO) 12549 and 12689, and 2 C.F.R §200.214 and codified in 2 C.F.R Part 180, Debarment and Suspension, the Agency will provide protection against waste, fraud and abuse by debarment or suspending those persons deemed irresponsible in their dealings with the federal government. The Agency certifies that it and its principals, contractors, or subcontractors:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- (b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2)(b) of this certification; and
- (d) Have not within a three-year period preceding this application had one or more public transaction (Federal, State, or local) terminated for cause or default.

Where the Agency is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

5. Non-Discrimination and Equal Employment Opportunity

The Agency will comply with all state and federal statutes relating to non-discrimination. These include, but are not limited to the following:

- (a) Title VI of the Civil Rights Act of 1964 (Public Law (P.L.) 88-352 and 42 U.S.C. § 2000d et. seq.) which prohibits discrimination on the basis of race, color or national origin and requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services;
- (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex in any federally funded educational program or activity;
- (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination against those with disabilities or access and functional needs;
- (d) Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, and requires buildings and structures be accessible to those with disabilities and access and functional needs (42 U.S.C. § 12101-12213);
- (e) Age Discrimination Act of 1975, (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age;
- (f) Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd --- 2), relating to confidentiality of patient records regarding substance abuse treatment;
- (g) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), relating to nondiscrimination in the sale, rental or financing of housing as implemented by the Department of Housing and Urban Development at 24 C.F.R Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units --- i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) --- be designed and constructed with certain accessible features (See 24 C.F.R § 100.201);
- (h) Executive Order (E.O.) 11246, which prohibits federal contractors and federally assisted construction contractors and subcontractors, who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identification, or national origin;
- (i) Executive Order (E.O.) 11375, which bans discrimination on the basis of race, color, religion, sex, sexual orientation, gender identification, or national origin in hiring and employment in both the United States federal workforce and on the part of government contractors;
- (j) California Public Contract Code § 10295.3, which prohibits discrimination based on domestic partnerships and those in same sex marriages;
- (k) DHS policy to ensure the equal treatment of faith-based organizations, under which all recipients must comply with equal treatment policies and requirements contained in 6 C.F.R. Part 19;
- (l) The Agency will comply with California's Fair Employment and Housing Act (FEHA) (California Government Code § 12940, 12945, 12945.2), as applicable. FEHA prohibits harassment and discrimination in employment because of ancestry, familial status, race, color, religious creed (including religious dress and grooming practices), sex (which includes pregnancy, childbirth, breastfeeding and medical conditions related to pregnancy, childbirth or breastfeeding), gender, gender identity, gender

expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, genetic information, medical condition, age, pregnancy, denial of medical and family care leave, or pregnancy disability leave, military and veteran status, and/or retaliation for protesting illegal discrimination related to one of these categories, or for reporting patient abuse in tax supported institutions;

- (m) Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made; and
- (n) The requirements of any other nondiscrimination statute(s) which may apply to the application.

6. Drug-Free Workplace

As required by the Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.), the Agency certifies that it will maintain a drug-free workplace and a drug-free awareness program as outlined in the Act.

7. Environmental Standards

The Agency will comply with State and Federal environmental standards, including:

- (a) California Environmental Quality Act (CEQA) (California Public Resources Code §§ 21000-21177), to include coordination with the city or county planning agency;
- (b) CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, §§ 15000-15387);
- (c) Federal Clean Water Act (CWA) (33 U.S.C. § 1251 et seq.), which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters;
- (d) Federal Clean Air Act of 1955 (42 U.S.C. § 7401), which regulates air emissions from stationary and mobile sources;
- (e) Institution of environmental quality control measures under the National Environmental Policy Act (NEPA) of 1969 (P.L. 91-190); the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of NEPA; and Executive Orders (EO) 12898 which focuses on the environmental and human health effects of federal actions on minority and low-income populations with the goal of achieving environmental protection for all communities;
- (f) Evaluation of flood hazards in floodplains in accordance with Executive Order (EO) 11988
- (g) Executive Order (EO) 11514 which sets forth national environmental standards;
- (h) Executive Order (EO) 11738 instituted to assure that each federal agency empowered to enter into contracts for the procurement of goods, materials, or services and each federal agency empowered to extend federal assistance by way of grant, loan, or contract shall undertake such procurement and assistance activities in a manner that will result in effective enforcement of the Clean Air Act and the Federal Water Pollution Control Act Executive Order (EO) 11990 which requires preservation of wetlands;
- (i) The Safe Drinking Water Act of 1974, (P.L. 93-523);
- (j) The Endangered Species Act of 1973, (P.L. 93-205);
- (k) Assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.);
- (l) Conformity of Federal Actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§ 7401 et seq.);
- (m) Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

The Agency shall not be: 1) in violation of any order or resolution promulgated by the State Air Resources Board or an air pollution district; 2) subject to a cease and desist order pursuant to § 13301 of the California Water Code for violation of waste discharge requirements or discharge prohibitions; or 3) determined to be in violation of federal law relating to air or water pollution.

8. Audits

For grant recipients expending \$750,000 or more in federal grant funds annually, the Agency will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and Title 2 of the Code of Federal Regulations, Part 200, Subpart F Audit Requirements.

9. Cooperation and Access to Records

The agency must cooperate with any compliance reviews or investigations conducted by DHS. In accordance with 2 C.F.R § 200.337, the Agency will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award. The Agency will require any subrecipients, contractors, successors, transferees and assignees to acknowledge and agree to comply with this provision.

10. Conflict of Interest

The Agency will establish safeguards to prohibit the Agency's employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

11. Financial Management

False Claims for Payment - The Agency will comply with 31 U.S.C § 3729-3733 which sets forth that no subgrantee, recipient or subrecipient shall submit a false claim for payment, reimbursement or advance.

12. Reporting - Accountability

The Agency agrees to comply with applicable provisions of the Federal Funding Accountability and Transparency Act (FFATA) (P.L. 109-282), specifically (a) the reporting of subawards obligating \$30,000 or more in federal funds and (b) executive compensation data for first tier subawards. This includes the provisions of FFATA, which includes requirements for executive compensation, and also requirements implementing the Act for the non-federal entity at 2 C.F.R. part 25 Financial Assistance Use of Universal Identifier and Central Contractor Registration and 2 C.F.R. part 170 Reporting Subaward and Executive Compensation Information.

13. Whistleblower Protections

The Agency also must comply with statutory requirements for whistleblower protections at 10 U.S.C. § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. § 4304 and § 4310.

14. Human Trafficking

The Agency will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. § 7104) which prohibits grant award recipients or a subrecipient from: (1) engaging in trafficking in persons during the period of time that the award is in effect; (2) procuring a commercial sex act during the period of time that the award is in effect; or (3) using forced labor in the performance of the award or subawards under the award.

15. Labor Standards

The Agency will comply with the following federal labor standards:

- (a) The Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), as applicable, and the Copeland Act (40 U.S.C. § 3145 and 18 U.S.C. § 874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally-assisted construction contracts or subcontracts, and
- (b) The Federal Fair Labor Standards Act (29 U.S.C. § 201 et al.) as they apply to employees of institutes of higher learning (IHE), hospitals and other non-profit organizations.

16. Worker's Compensation

The Agency must comply with provisions which require every employer to be insured to protect workers who may be injured on the job at all times during the performance of the work of this Agreement, as per the workers compensation laws set forth in California Labor Code §§ 3700 et seq.

17. Property-Related

If applicable to the type of project funded by this federal award, the Agency will:

- (a) Comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchase;
- (b) Comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires Agencies in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more;
- (c) Assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), Executive Order (EO) 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. § 469a-1 et seq.); and
- (d) Comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4831 and 24 C.F.R. Part 35) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

18. Certifications Applicable Only to Federally Funded Construction Projects

For all construction projects, the Agency will:

- (a) Not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with federal assistance funds to assure nondiscrimination during the useful life of the project.
- (b) Comply with the requirements of the awarding agency with regard to the drafting, review and approval of construction plans and specifications; and
- (c) Provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms to the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

19. Use of Cellular Device While Driving is Prohibited

Agencies are required to comply with California Vehicle Code sections 23123 and 23123.5. These laws prohibit driving motor vehicle while using an electronic wireless communications device to write, send, or read a text-based communication. Drivers are also prohibited from the use of a wireless telephone without hands-free listening and talking, unless to make an emergency call to 911, law enforcement, or similar services.

20. California Public Records Act and Freedom of Information Act

The Agency acknowledges that all information submitted in the course of applying for funding under this program, or provided in the course of an entity's grant management activities that are under federal control, is subject to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and the California Public Records Act, California Government Code section 6250 et seq. The Agency should consider these laws and consult its own State and local laws and regulations regarding the release of information when reporting sensitive matters in the grant application, needs assessment, and strategic planning process.

**HOMELAND SECURITY GRANT PROGRAM (HSGP) –
PROGRAM SPECIFIC ASSURANCES / CERTIFICATIONS**

21. Acknowledgement of Federal Funding from DHS

All Agencies must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

22. Activities Conducted Abroad

All Agencies must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

23. Best Practices for Collection and Use of Personally Identifiable Information (PII)

DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. All Agencies who collect PII are required to have a publicly available privacy policy that describes standards on the usage and maintenance of PII they collect. Agencies may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template a useful resource respectively.

24. Copyright

All Agencies must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.

25. Duplication of Benefits

Any cost allocable to a particular federal financial assistance award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions, or for other reasons. However, these prohibitions would not preclude Agencies from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.

26. Energy Policy and Conservation Act

All Agencies must comply with the requirements of 42 U.S.C. § 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

27. Federal Debt Status

All Agencies are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

28. Fly America Act of 1974

All Agencies must comply with Preference for U.S. Flag Air Carriers: (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

29. Hotel and Motel Fire Safety Act of 1990

In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, all Agencies must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, as amended, 15 U.S.C. § 2225a.

30. Non-supplanting Requirement

All Agencies who receive federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.

31. Patents and Intellectual Property Rights

Unless otherwise provided by law, Agencies are subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 et seq. All Agencies are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14.

32. SAFECOM

All Agencies who receive federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

33. Terrorist Financing

All Agencies must comply with Executive Order (EO) 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Agencies are legally responsible to ensure compliance with the EO and laws.

34. Reporting of Matters Related to Subrecipient Integrity and Performance

If the total value of the Agency's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds \$10,000,000 for any period of time during the period of performance of this federal financial assistance award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.

35. USA Patriot Act of 2001

All Agencies must comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§ 175-175c.

36. Use of DHS Seal, Logo, and Flags

All Agencies must obtain permission from DHS Financial Assistance Office, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

37. Performance Goals

In addition to the Biannual Strategy Implementation Report submission requirements outlined in the Preparedness Grants Manual, agencies must demonstrate how the grant-funded project addresses the core capability gap associated with each project and identified in the Threat and Hazard Identification and Risk Analysis or Stakeholder Preparedness Review or sustains existing capabilities, as applicable. The capability gap reduction or capability sustainment must be addressed in the Project Description of the BSIR for each project.

38. Applicability of DHS Standard Terms and Conditions to Tribes

The DHS Standard Terms and Conditions are a restatement of general requirements imposed upon recipients and flow down to subrecipients as a matter of law, regulation, or executive order. If the requirement does not apply to Indian tribes or there is a federal law or regulation exempting its application to Indian tribes, then the acceptance by Tribes of, or acquiescence to, DHS Standard Terms and Conditions does not change or alter its inapplicability to an Indian tribe. The execution of grant documents is not intended to change, alter, amend, or impose additional liability or responsibility upon the Tribe where it does not already exist.

IMPORTANT

The purpose of the assurance is to obtain federal and state financial assistance, including any and all federal and state grants, loans, reimbursement, contracts, etc. The Agency recognizes and agrees that state financial assistance will be extended based on the representations made in this assurance. This assurance is binding on the Agency, its successors, transferees, assignees, etc. Failure to comply with any of the above assurances may result in suspension, termination, or reduction of grant funds.

All appropriate documentation, as outlined above, must be maintained on file by the Agency and available for Cal OES or public scrutiny upon request. Failure to comply with these requirements may result in suspension of payments under the grant or termination of the grant or both and the Agency may be ineligible for award of any future grants if Cal OES determines that any of the following has occurred: (1) the Agency has made false certification, or (2) violates the certification by failing to carry out the requirements as noted above.

All of the language contained within this document must be included in the award documents for all subawards at all tiers. All Agencies are bound by the [Department of Homeland Security Standard Terms and Conditions 2021, Version 11.4](https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions), hereby incorporated by reference, which can be found at: <https://www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions>.

The undersigned represents that he/she is authorized to enter into this agreement for and on behalf of the above-named Agency.

Name of Agency: _____

Signature of Authorized Agent: _____

Printed Name of Authorized Agent: _____

Title: _____ Date: _____

Email Address: _____

Homeland Security Grant Program – FY2022 Operation Stonegarden Grant (OPSG)**REQUIRED FEDERAL GRANT PROVISIONS**

1. Termination for Default. In the event of Contractor's breach of this Agreement, County shall have the right to terminate this Agreement in whole or in part.
 - (a) Prior to termination for default, Contracting Officer will send Contractor written notice specifying the default. Contractor shall have ten (10) days from issuance (unless a different time is given in the notice) to respond to the notice as directed by County to acknowledge the default or show cause as to why Contractor is not in default. Such notice may provide Contractor the opportunity to cure the default or to demonstrate progress towards curing the default. If Contractor fails to respond, or if Contractor's response is not satisfactory to the County, County may terminate this Agreement for default upon written notice from Contracting Officer.
 - (b) If County determines that the default contributes to the curtailment of an essential service; poses an immediate threat to life, health, or property; or constitutes fraud or other serious misconduct, County may terminate this Agreement for default by written notice from the Contracting Officer.
 - (c) In the event of termination for default, all finished or unfinished documents, and other materials, prepared by Contractor under this Agreement shall become the sole and exclusive property of County.
 - (d) If, after termination for default, it is determined for any reason that Contractor was not in default under this Agreement, the rights and obligations of the parties shall be the same as if terminated for convenience under section 2. "Termination for Convenience."
2. Termination for Convenience. The County may, by written notice from Contracting Officer, terminate this Agreement for convenience, in whole or in part, at any time. Upon receipt of such notice, Contractor shall promptly report to County all undelivered or unaccepted work performed in accordance with this Agreement prior to termination ("Incomplete Work"). Contractor may, at County's option, be required to complete some or all Incomplete Work during disentanglement.
 - (a) The County shall pay Contractor as full compensation for work performed and costs of termination:
 - i. The unit or pro rata price for any delivered and accepted portion of the work.
 - ii. Actual and reasonable Contractor costs for Incomplete Work not mitigable or otherwise recoverable by Contractor. Such compensation shall not exceed the unit or pro rata price due to Contractor had the work been completed.
 - (b) In no event shall the County be liable for any loss of profits or any other consequential damages.
 - (c) County's termination of this Agreement for convenience shall not preclude it from changing the termination to a default, as set forth in section 1. of this Agreement, nor from taking any action in law or equity against Contractor for:
 - i. Fraud, waste, or abuse of Agreement funds, or
 - ii. Improperly submitted claims, or
 - iii. Any failure to perform the work in accordance with the Statement of Work, or
 - iv. Any breach of any terms or conditions of the Agreement, or

- v. Any actions under any warranty, express or implied, or
- vi. Any claim of unprofessional negligence, or
- vii. Any other matter arising from or related to this Agreement, whether know, knowable, or unknown before, during, or after the date of termination.

3. Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms. Contractor shall, in accordance with 2 CFR 200.321, take affirmative steps to include minority business, women's business enterprises, and labor surplus area firm by:

- (a) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (b) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (d) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- (e) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

4. Clean Air Act and The Federal Water Pollution Control Act. [for contracts in excess of \$150,000]

- (a) The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. 7401 et seq.
- (b) The Contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the appropriate federal agency, and the appropriate Environmental Protection Agency Regional Office.
- (c) The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance.
- (d) The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (e) The Contractor agrees to report each violation to the County and understands and agrees that the County will, in turn, report each violation as required to assure notification to the appropriate federal agency, and the appropriate Environmental Protection Agency Regional Office.
- (f) The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with federal assistance.

5. Debarment and Suspension.

- (a) This Agreement is a covered transaction for purposes of 2 C.F.R. 180 and 2 C.F.R. 3000. As such, the Contractor is required to verify that none of the Contractor's principals (defined at 2 C.F.R. 180.995) or its affiliates (defined at 2 C.F.R. 180.905) are excluded (defined at 2 C.F.R. 180.940) or disqualified (defined at 2 C.F.R. 180.935).
- (b) The Contractor must comply with 2 C.F.R. 180, subpart C and 2 C.F.R. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

- (c) This certification is a material representation of fact relied upon by County. If it is later determined that the Contractor did not comply with 2 C.F.R. 180, subpart C and 2 C.F.R. 3000, subpart C, in addition to remedies available to County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
6. Byrd Anti-Lobbying Amendment. In accordance with 31 U.S.C. 1352 and related regulations, (a) Contractor certifies, and shall require each lower-tier recipient (as that term is defined in 31 U.S.C. 1352) to certify to the tier above, that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any covered federal contract, grant or any other award covered by 31 U.S.C. 1352, and (b) Contractor shall disclose, and shall require each lower-tier recipient to disclose to the tier above, any lobbying with non-federal funds that takes place in connection with obtaining any covered federal award.
7. Procurement of Recovered Materials.
- (a) In the performance of this Agreement, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:
- i. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - ii. Meeting contract performance requirements; or
 - iii. At a reasonable price.
- (b) Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site: <https://www.epa.gov/smm/comprehensiveprocurement-guideline-cpg-program>.
- (c) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.
8. Domestic Preferences. In accordance with 2 CFR 200.322, as appropriate and to the extent consistent with law, Contractor shall, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). This requirement shall be included in all subcontracts under this Agreement.
- (a) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, must occur in the United States.
- (b) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.
9. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. In accordance with 2 CFR 200.216, Contractor and its subcontractors are prohibited from expending funds under this Agreement to:
- (a) Procure or obtain;
 - (b) Extend or renew a contract to procure or obtain; or
 - (c) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - ii. Telecommunications or video surveillance services provided by such entities or using such equipment.
 - iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
10. Contract Work Hours and Safety Standards Act. [for contracts in excess of \$100,000 that involve the employment of mechanics or laborers] If mechanics or laborers are to be employed under this Agreement, Contractor shall comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR 5). Contractor shall compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Contractor shall not require any laborer or mechanic to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous.
11. Equal Employment Opportunity. During the performance of this Agreement, the Contractor agrees as follows:
 - (a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. 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. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
 - (b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
 - (c) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
 - (d) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - (e) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

- (f) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (g) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (h) The Contractor will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Agreement. The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance. The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

12. Davis-Bacon Act. [for construction contracts in excess of \$2,000]

- (a) All transactions regarding this Agreement shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. 5 as may be applicable. The Contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. 5 as applicable.
- (b) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (c) Additionally, contractors are required to pay wages not less than once a week.

13. Copeland Anti-Kickback Act. [for construction or repair contracts in excess of \$2,000]

- (a) Contractor. The Contractor shall comply with 18 U.S.C. 874, 40 U.S.C. 3145, and the requirements of 29 C.F.R. 3 as may be applicable, which are incorporated by reference into this Agreement.
- (b) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the federal funding agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- (c) Breach. A breach of the contract clauses above may be grounds for termination of the Agreement, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. 5.12.

Homeland Security Grant Program - Operation Stonegarden Grant (OPSG)
CERTIFICATION REGARDING LOBBYING UNDER FY2022 OPSG
(All OPSG Participating Agencies)

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. 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 agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, 'Disclosure of Lobbying Activities,' in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person 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.

Homeland Security Grant Program - Operation Stonegarden Grant (OPSG)
CERTIFICATION REGARDING LOBBYING UNDER FY2021 OPSG
(All OPSG Participating Agencies)

The Subrecipient, as identified below, certifies, or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Subrecipient understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Name of Agency: _____

Signature of Authorized Agent: _____

Printed Name of Authorized Agent: _____

Title: _____ Date: _____

**AGREEMENT FOR
FISCAL YEAR 2022
OPERATION STONEGARDEN (OPSG)**

1. PARTIES TO THE AGREEMENT

This Agreement is between the COUNTY OF SAN DIEGO (COUNTY), the CITY OF CHULA VISTA, CITY OF EL CAJON, CITY OF ESCONDIDO, CITY OF LA MESA, CITY OF OCEANSIDE (collectively the CITIES), SAN DIEGO UNIFIED PORT DISTRICT (SDUPD), SYCUAN BAND OF THE KUMEYAAY NATION (SBKN), UNIVERSITY OF CALIFORNIA SAN DIEGO (UCSD), COUNTY OF ORANGE (OC), COUNTY OF SAN LUIS OBISPO (SLOC), COUNTY OF SANTA BARBARA (SBC), COUNTY OF VENTURA (VC), COUNTY OF MONTEREY (MC), COUNTY OF SAN MATEO (SMC), CALIFORNIA HIGHWAY PATROL (CHP), DEPARTMENT OF FISH AND WILDLIFE (DFW), and the CALIFORNIA DEPARTMENT OF PARKS AND RECREATION (DPR), each a PARTY and collectively the PARTIES, for support of the Operation Stonegarden (OPSG) program.

1.1 Party Departments or Agencies Participating In The Agreement

- 1.1.1 For the COUNTY, participating agency is the Sheriff's Department (SHERIFF).
- 1.1.2 For the CITIES, SDUPD, SBKN, and UCSD, participating agencies are their respective police departments.
- 1.1.3 For OC, LAC, SLOC, SBC, VC, MC, and SMC participating agencies are their respective Sheriff's Departments.
- 1.1.4 CHP, DFW, and DPR do not have subordinate agencies or department participants.

2. RECITALS

2.1 WHEREAS, COUNTY through SHERIFF applied for, and was awarded grant funds from the U. S. Department of Homeland Security (DHS) passed through the California Governor's Office of Emergency Services (Cal OES), under the Fiscal Year (FY) 2022 Operation Stonegarden (OPSG) grant program. As an applicant for the San Diego Border Patrol Sector, SHERIFF shall be the lead agency to manage the OPSG program.

2.2 WHEREAS, funds shall be used to support the OPSG program to enhance law enforcement preparedness and operational readiness along the land and water borders of the United States.

2.3 WHEREAS, Government Code § 55632 authorizes COUNTY and PARTIES to contract for provision of joint law enforcement services.

2.4 WHEREAS, PARTIES desire to enter into an agreement with provisions concerning the nature and extent of OPSG collaboration, services rendered, and compensation.

2.5 WHEREAS, COUNTY, by action of the Board of Supervisors Minute Order No. 17 on June 27, 2023, approved the appropriation and use of FY 2022 OPSG funds to reimburse PARTIES for program related overtime and fringe benefits; equipment purchases and maintenance costs; fuel; mileage; flight; and management and administration costs incurred not to exceed the amounts described in Exhibit A – FY 2022 OPSG Budget Worksheet in paragraph 2.9 (a), during the period of performance (POP) September 1, 2022 through May 31, 2025 but, the operational project period for PARTIES shall be the date of FEMA's approval, April 13, 2023 through February 28, 2025.

2.6 WHEREAS, PARTIES shall retain documentation supporting all expenditures reimbursed from OPSG grant funds, ensure all expenditures are allowable under grant requirements, adhere to the federal procurement standards found in Title 2 of the Code of Federal Regulations, Part 200, Subpart D, Section § 200.317-§ 200.327, and comply with the Single Audit Act Amendments of 1996 and Title 2 of the Code of Federal Regulations, Part 200, Subpart F - Audit Requirements regarding organization-wide financial and compliance audit reports if \$750,000 or more of OPSG federal funds are expended in a fiscal year.

2.6.1 Documentation shall be retained in accordance with the [FEMA Preparedness Grants Manual](#) and other OPSG grant requirements and shall be available for audit and inspection.

2.7 WHEREAS, PARTIES agree that this Agreement does not provide Federal authority to PARTIES to enforce immigration laws (Title 8 USC).

2.8 WHEREAS, PARTIES acknowledge the following information for the OPSG grant program:

- (a) Federal Grantor Agency: U. S. Department of Homeland Security (DHS)
- (b) Administrative Authority: Federal Emergency Management Agency (FEMA)
- (c) Operational Oversight: U. S. Customs and Border Protection (CBP)
- (d) State Administrative Agency (SAA) or Pass-Through Agency: California Governor's Office of Emergency Services (Cal OES)
- (e) Program Title: Homeland Security Grant Program (HSGP) Operation Stonegarden (OPSG)
- (f) Grant Identification Number: 2022-0043
- (g) Federal CFDA Number: 97.067

2.9 WHEREAS, PARTIES agree and shall utilize and adhere to the Exhibits attached hereto and/or available using the referenced links:

- (a) Exhibit A – FY 2022 OPSG Budget Worksheet
- (b) Exhibit B – FY 2022 OPSG Standard Assurances
- (c) Exhibit C – FY 2022 OPSG - Required Federal Grant Provisions
- (d) Exhibit D - FY 2022 OPSG – Byrd Anti-Lobbying Certification Form
- (e) Exhibit E – FY 2022 OPSG Operations Order
- (f) Exhibit F – [Title 2 of the Code of Federal Regulations Part 200](#),
- (g) Exhibit G – [Appendix II Part 200](#)
(includes instructions to develop specific language for the provisions to be incorporated within a contract)
- (h) Exhibit H - [FY 2022 Homeland Security Grant Program \(HSGP\) Notice of Funding Opportunity \(NOFO\)](#)
- (i) Exhibit I - [FY 2022 Homeland Security Grant Program \(HSGP\) California Supplement to the Federal Notice of Funding Opportunity \(NOFO\)](#)
- (j) Exhibit J – [FEMA Preparedness Grants Manual](#) (PGM)

Nothing in the Exhibits above shall limit the requirements of this Agreement.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, PARTIES jointly intend that COUNTY will reimburse, and PARTIES will provide, a level of OPSG services as set forth in this Agreement.

3. PURPOSE AND INTENT

The purpose of this Agreement is to satisfy the OPSG grant program proposal awarded by the DHS and passed through to Cal OES, under the FY 2022 Operation Stonegarden grant program.

4. SCOPE OF SERVICES

4.1 Method of Service Delivery

SHERIFF shall manage the OPSG grant program, oversee the funding allocation of PARTIES, and be administratively responsible for coordination of PARTIES' obligations under this Agreement. SHERIFF's OPSG grant program team will be staffed as described in paragraph 6. STANDARDS OF SERVICE: OBLIGATIONS OF THE PARTIES.

4.2 Overview of Basic Services

PARTIES shall perform OPSG Operations ("Operations") by increasing law enforcement presence in each PARTY's designated jurisdiction and in coordination with other OPSG partner agencies to support the U. S. Customs and Border Protection (CBP) efforts to improve border security in the region. PARTIES shall enforce local and state laws within their designated jurisdiction subject to the California Values Act (SB 54; Chapter 495) and shall not enforce or aid in the enforcement of immigration laws on behalf of U. S. Customs and Border Protection (CBP) and U. S. Border Patrol (BP). This Agreement does not provide Federal authority to PARTIES to enforce immigration laws (Title 8 USC).

5. TERM OF AGREEMENT

The OPSG grant program Period of Performance (POP) is September 1, 2022 through May 31, 2025, but the operational project period for PARTIES shall be the date of FEMA's approval, April 13, 2023 through February 28, 2025.

5.1 Initial Term

The term of this Agreement shall be retroactive to 12:01 a.m. on April 13, 2023 and shall continue in effect through and terminate at midnight on May 31, 2025; subject to the termination provision in paragraph 5.3.

5.2 Option to Extend

Renewal or extension of the Agreement beyond May 31, 2025 shall be subject to remaining grant funds and to a time extension approved by Cal OES. PARTIES that choose not to renew shall terminate its participation at the end of the term of this Agreement.

5.3 Termination

Subject to the applicable provisions of state law, each PARTY may terminate its participation in this Agreement upon ninety (90) days minimum written notice to the other PARTIES.

5.3.1 A PARTY may terminate its participation in this Agreement immediately upon written notice to the other PARTIES in the event it becomes ineligible to receive grant funds under this Agreement.

5.3.2 As the lead agency, SHERIFF, with approval from FEMA, CBP, and/or Cal OES as needed, may require the termination of a PARTY's participation if it is determined that the PARTY has violated the provisions of this Agreement, including failure to provide the Anticipated Outcome set forth in section 6.3.

6. STANDARDS OF SERVICE: OBLIGATIONS OF THE PARTIES

6.1 Suspension and Debarment

SHERIFF will request, and PARTIES shall provide a copy of the SAM.gov report for their agency which shows their Active and Inactive Exclusions. Any PARTY with Active Exclusions at the onset of, or any time during, the term of this Agreement is not eligible to participate as set forth in Executive Orders 12549 and 12689, 2 CFR 200.214, and codified in 2 CFR Part 180, and shall terminate its participation in this Agreement as provided for in paragraph 5.3 Termination.

6.2 Byrd Anti-Lobbying Amendment

PARTIES that receive an award greater than \$100,000 shall certify to SHERIFF on the Byrd Anti-Lobbying Certification Form attached hereto as Exhibit D, that it will not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each

PARTY shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from agency to agency up to the recipient who in turn will forward the certifications to the federal awarding agency.

6.3 Anticipated Outcome

The anticipated outcome of Operations to be performed by PARTIES under this Agreement is increased law enforcement presence in each PARTY's designated jurisdiction to support U. S. DHS and U. S. CBP efforts in the region to improve border security and reduce border related crime. The anticipated outcome will be reached by achieving the goals and accomplishing the missions set forth below by PARTIES and in Exhibit E – FY 2022 OPSG Operations Order.

6.3.1 PARTIES shall provide enhanced enforcement by increasing patrol presence in proximity to the border and/or routes of ingress from the border, including the water borders. In addition, PARTIES shall utilize their unique investigatory areas of expertise in operations.

6.3.2 Increased intelligence/information sharing among PARTIES, including but not limited to:

- (a) Conducting bi-monthly meetings with a minimum of one representative from each PARTY.
- (b) Increasing information sharing during operations.

6.3.3 Prior to Operations, PARTIES' Designated Operations Coordinator, in paragraph 6.4.3, shall submit an operational plan and schedule to the Integrated Planning Team (IPT) at least 72 hours prior to the operation.

6.3.3.1 The IPT is comprised of SHERIFF and CBP sworn personnel.

6.3.3.2 The role of the IPT is to provide support and guidance to the local, state, and federal law enforcement stakeholders within the grant.

6.3.4 Within 48 hours following the conclusion of each Operation:

6.3.4.1 Each PARTY shall complete a Daily Activity Report (DAR) form in Excel format, which will be submitted as supporting documentation for any reimbursement request. Information entered in the Narrative section of the DAR form shall include statistical data and reports from Field Interviews (FIs), Arrest Reports, and/or Citations.

6.3.4.2 PARTIES' Designated Operations Coordinator in paragraph 6.4.3, or designee, shall enter and submit the same DAR information directly into DHS's Homeland Security Information Network (HSIN).

6.3.4.3 PARTIES' Designated Operations Coordinator or designee shall ensure DAR information entered in HSIN is correct and shall make necessary corrections until it is processed for approval.

6.4 Personnel Qualifications and Assignment

6.4.1 Qualifications

Each PARTY shall ensure that personnel assigned to perform Operations pursuant to this Agreement meet the minimum qualifications for their specific classification.

6.4.1.1 Personnel assigned to perform law enforcement activities in support of OPSG initiative to enhance border security must be peace officers who are certified to act as public safety officers, including but not limited to rangers, lifeguards, detectives, and investigators who work in a patrol capacity, along with assistance from other law enforcement direct support personnel such as communication officers/dispatchers and patrol pilots.

6.4.2 Management, Direction, and Supervision; Independent Contractors

The hiring, firing, management, direction, and supervision of each PARTY's personnel, the standards of performance, the discipline of each PARTY's personnel, and all other matters incident to the performance of such services, shall be performed by and be the responsibility of each PARTY in each PARTY's sole but reasonable judgment and in accord with the provisions of applicable labor agreements. Each PARTY shall be the appointing authority for all its personnel provided to OPSG by this Agreement. PARTIES shall have no liability for any direct payment of salary, wages, indemnity, or other compensation or benefit to any other PARTY's personnel.

Each PARTY and its respective officers, agents, and employees are independent contractors and are not officers, agents, and employees of any other PARTY. Each PARTY's personnel are under the direct and exclusive supervision of that PARTY, and each PARTY assumes full responsibility for the performance of its own personnel in connection with this Agreement. No PARTY has the authority to bind any other PARTY.

6.4.3 Designated Operations Coordinators

SHERIFF shall select a Designated Operations Coordinator, at the rank of Sheriff's Lieutenant or higher, who shall manage and direct OPSG operations. All other PARTIES shall select a Designated Operations Coordinator for their respective agency under this Agreement. The Designated Operations Coordinator for each PARTY shall serve as their agency contact and shall implement, as needed, appropriate procedures governing the performance of all requirements under this Agreement and shall be responsible for meeting and conferring in good faith to address any disputes which may arise concerning implementation of this Agreement.

6.4.4 Staffing for Basic Services

PARTIES shall ensure that adequate numbers of their qualified respective personnel are always provided to Operations during the term of this Agreement to meet the Basic Services, Scope of Services, and Standards of Service commitments set forth herein.

6.4.5 Equipment and Supplies

COUNTY will provide SHERIFF OPSG personnel with all supplies and/or prescribed safety gear, body armor, and/or standard issue equipment necessary to perform Operations. Similarly, all other PARTIES will provide their respective OPSG personnel with all supplies and/or prescribed safety gear, body armor, and/or standard issue equipment necessary to perform Operations unless otherwise specified in Exhibit E - FY 2022 OPSG Operations Order.

6.4.5.1 PARTIES are responsible for the procurement of their own equipment to be used in Operations.

6.4.5.2 PARTIES shall maintain an inventory list of all equipment purchased with OPSG funds and when practicable, equipment shall be labeled with: *"Purchased with funds provided by the U. S. Department of Homeland Security"*.

7. COST OF SERVICES/CONSIDERATION

7.1 General

7.1.1 As full consideration for the satisfactory performance and completion by PARTIES of Operations set forth in this Agreement, COUNTY shall reimburse PARTIES for personnel assigned to perform Operations based on claims and submittals as set forth hereunder. Such payments by COUNTY are dependent on the continued availability of funds from the DHS passed through the Cal OES.

7.1.2 PARTIES agree that awarded funds identified as allowable costs, as set forth in Exhibit J – FY 2022 FEMA Preparedness Grants Manual (PGM), shall be expended only for approved Operations operating expenses and equipment as detailed in Exhibit A – FY 2022 OPSG Budget Worksheet, and that unallowable costs are not reimbursable as set forth in Exhibit J – FEMA PGM.

7.1.2.1 Law enforcement activities, such as operational overtime costs incurred by increased patrol operations, in support of enhanced border security will be performed by peace officers who are certified to act as public safety officers, as described in paragraph 6.4.1.1 of this Agreement.

7.1.2.2 Personnel assigned to perform Operations may not work an overtime shift that exceeds 16 hours worked in any 24-hour period.

7.1.2.3 Unallowable OPSG activities include but are not limited to, costs associated with evidence collection, arrest processing, prosecution and Traffic/DUI checkpoints, such as evidence documentation cameras, fingerprinting supplies, alcohol breathalyzers, traffic barricades, and similar law enforcement expenses. General IT computing equipment, construction and/or renovation expenses, as well as exercise program costs are also prohibited under OPSG.

7.1.3 No reimbursement shall be made to a PARTY during any period within which that PARTY is in default on filing any informational or financial reports required by SHERIFF. SHERIFF shall make any necessary adjustments to PARTY claims to correct for overpayments, underpayments, or disallowances.

7.2 Project Costs/Rate of Compensation

SHERIFF shall reimburse PARTIES for overtime worked by personnel assigned to perform Operations and shall reimburse for costs approved in Exhibit E – FY 2022 OPSG Operations Order, based upon available funding and the actual costs incurred by PARTIES to provide Operations.

7.3 Reimbursement Method

PARTIES shall submit to SHERIFF, accurate and complete reimbursement forms, labor reports, timesheets, DARs, equipment and equipment maintenance invoices, procurement documents, purchase orders and/or contracts, and proof of payment, that represent amounts to be reimbursed under this Agreement within ninety (90) days from the date when expenditure was incurred. All requests for reimbursement shall be sent to:

San Diego County Sheriff's Department
O-41 Grants Unit (OPSG)
P. O. Box 939062
San Diego, CA 92193-9062

7.3.1 Reimbursement forms and invoices must have the signature of PARTY's Authorized Agent, certifying that the invoice and substantiating documentation, e.g., DARs, timesheets, payroll and labor reports, procurement documents, etc., are true and correct.

7.3.2 PARTIES shall provide payroll records for each person whose costs are reimbursable under this Agreement, to include, at a minimum, the person's name, classification, duty position, task, regular hourly rate, overtime hourly rate, overtime hours worked, date(s) overtime worked, and fringe benefit rate and cost.

7.3.2.1 PARTIES shall make available to SHERIFF for inspection, upon request, all payroll records and any other records that relate to the Basic Services provided under this Agreement.

7.3.3 PARTIES shall submit to SHERIFF, verifiable and complete supporting documentation to substantiate reimbursement requests for service maintenance and/or equipment purchase, to include the equipment inventory ledger, certified copies of invoice, purchase order, proof of payment to vendor and other procurement documentation. Compliance with the disclosure requirements of this Agreement by any PARTY shall not otherwise waive Attorney-Client privilege or any other privilege or exemption.

7.3.3.1 PARTIES shall provide procurement records that show proof of compliance to 2 CFR 200.317-200.327 requirements, and documents that substantiate full and open competition, to include but not limited to, copies of solicitation (RFQ, RFB, RFP), rationale for the method of procurement, contract policy, basis for the contract type and price, purchase request, statement of work and other pre-solicitation documents, cost/price analysis (if applicable), profit negotiation (if applicable), purchase orders, federal contract provisions with required language incorporated within contracts under federal award (as directed herein by Exhibit G – Appendix II Part 200), notice of award, record of protest, performance or other bond documents, specialized endorsements and request form approvals (if applicable), suspension and debarment listing, etc.

7.3.3.2 PARTIES shall make available to SHERIFF for inspection and upon request, all procurement records that provide historical and background information to answer inquiries pertaining to the acquisition of service maintenance and/or equipment that may arise in a review or audit or until the grant record retention period expires.

7.3.4 PARTIES shall ensure awareness, understanding, and compliance to all grant rules and procurement requirements. PARTIES shall be responsible in making sure that proper authorizations are in place for any OPSG equipment purchase that requires specialized endorsement or approvals, including waiver request forms or Environmental and Historic Preservation (EHP) review and compliance.

7.3.5 Noncompetitive procurements of equipment exceeding the \$250,000 simplified acquisition threshold established by Federal Acquisition Regulation (FAR) 48 CFR Subpart 2.1, in accordance with 41 U.S.C. 1908, requires prior written approval from Cal OES.

7.3.5.1 Prior to purchasing equipment determined to be noncompetitive, PARTIES shall email SHERIFF a copy of their Purchasing Agent's approval for the noncompetitive procurement which SHERIFF will submit to Cal OES for approval.

7.3.6 PARTIES shall obtain a performance bond from vendors prior to procuring equipment over \$250,000, or any vehicle, aircraft, or watercraft, to be paid at the time of purchase, to ensure delivery of the equipment within ninety (90) days of the performance period end date.

7.3.6.1 Performance bond shall be included for reimbursement with invoice.

7.3.7 Within ninety (90) days of receipt of valid invoice and supporting documentation specified in subparagraphs under 7.3, SHERIFF will reimburse PARTIES for the Basic Services agreed to.

7.3.8 Each PARTY shall manage their allocation and track their claims to remain within their allocated amount as specified in Exhibit A – FY 2022 OPSG Budget Worksheet.

7.4 Reimbursement Disallowances

PARTIES not in compliance with procedures in paragraph 7.3 above risk having incurred expenditures disallowed for reimbursement by SHERIFF. PARTIES that fail to submit claims for reimbursement within ninety (90) days will be notified in writing by SHERIFF that the claim(s) is/are past due, and funds allocated to the PARTY for that period may be redistributed among other PARTIES.

8. PROGRAM/FINANCIAL ADMINISTRATION

8.1 PARTIES shall use as the primary reference in all programmatic, financial, and grant administration matters and adhere to the policies and regulations in Exhibit F - Title 2 of the Code of Federal Regulations Part 200 (2 CFR Part 200), Exhibit H – FY 2022 HSGP NOFO, Exhibit I – FY 2022 HSGP CA Supplement to the NOFO, and Exhibit J – FEMA Preparedness Grants Manual, in conjunction with updates issued by the Office of Management and Budget (OMB), Grants & Training (G&T) information bulletins, and Cal OES policy, regulations, and statutes.

8.1.1 Contract Provisions

PARTIES shall ensure that *all* contracts adhere to all applicable procurement rules and regulations stated in 2 CFR 200.317–200.327 and described in Appendix II Part 200 - Contract Provisions for Non-Federal Entity Contracts under Federal Awards. Reimbursement claims associated with contracts found to be out of compliance will be denied.

8.1.2 Methods of Procurement

PARTIES shall adhere to the procurement methods found in 2 CFR 200, Subpart D, § 200.320.

8.1.3 Grant Requirements

PARTIES shall comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. 200 Subpart D, including requiring their contractors to comply with the applicable Federal Requirements contained in Exhibit C hereto.

9. REPAYMENT OF REIMBURSEMENTS

9.1 Any PARTY found through compliance assessments, audits, or monitoring site visits, to be out of compliance with paragraphs 7.3 and 8 above, shall retroactively repay SHERIFF, within ninety (90) days of notification, any reimbursement found out of compliance which was paid to PARTY during the term of, and even after the term, of this Agreement. This provision shall survive termination or expiration of this Agreement.

10. INDEMNIFICATION – WORKERS' COMPENSATION, EMPLOYMENT AND CLAIMS AND LIABILITY ISSUES

10.1 The COUNTY shall fully indemnify and hold harmless non-County PARTIES and their respective officers, employees and agents, from any claims, losses, fines, expenses (including attorneys' fees and court costs and/or arbitration costs), costs, damages or liabilities arising from or related to (1) any workers' compensation claim or demand or other workers' compensation proceeding arising from or related to, or claimed to arise from or relate to, employment which is brought by an employee of the COUNTY or any contract labor provider retained by the COUNTY, or (2) any claim, demand, suit, or other proceeding arising from or related to, or claimed to arise from or relate to, the status of employment (including without limitation, compensation, demotion, promotion, discipline, termination, hiring, work assignment, transfer, disability, leave or other such matters) which is brought by an employee of the COUNTY or any contract labor provider retained by the COUNTY.

10.2 Each non-County PARTY shall fully indemnify and hold harmless the COUNTY, its officers, employees, and agents, from any claims, losses, fines, expenses (including attorneys' fees and court costs or arbitration costs), costs, damages or liabilities arising from or related to (1) any workers' compensation claim or demand or other workers' compensation proceeding arising from or related to, or claimed to arise from or relate to, employment which is brought by an employee of that respective non-County PARTY or any contract labor provider retained by non-County PARTY, or (2) any claim, demand, suit, or other proceeding arising from or related to, or claimed to arise from or relate to, the status of employment (including without limitation, compensation, demotion, promotion, discipline, termination, hiring, work assignment, transfer, disability, leave or other such matters) which is brought by an employee of that respective non-County PARTY or any contract labor provider retained by the non-County PARTY.

10.3 Each non-County PARTY shall fully indemnify and hold harmless the other non-County PARTIES, its officers, employees, and agents, from any claims, losses, fines, expenses (including attorneys' fees and court costs or arbitration costs), costs, damages or liabilities arising from or related to (1) any workers' compensation claim or demand or other workers' compensation proceeding arising from or related to, or claimed to arise from or relate to, employment which is brought by an employee of that respective non-County PARTY or any contract labor provider retained by non-County PARTY, or (2) any claim, demand, suit, or other proceeding arising from or related to, or claimed to arise from or relate to, the status of employment (including without limitation, compensation, demotion, promotion, discipline, termination, hiring, work assignment, transfer, disability, leave or

other such matters) which is brought by an employee of that respective non-County PARTY or any contract labor provider retained by the non-County PARTY.

11. INDEMNIFICATION RELATED TO ACTS OR OMISSIONS; NEGLIGENCE

11.1 Claims Arising from Sole Acts or Omissions of a PARTY

Each PARTY to this Agreement hereby agrees to defend and indemnify the other PARTIES to this Agreement, their agents, officers, and employees, from any claim, action, or proceeding against the other PARTIES, arising solely out of its own acts or omissions in the performance of this Agreement. At each PARTY's sole discretion, each PARTY may participate at its own expense in the defense of any claim, action, or proceeding, but such participation shall not relieve any PARTY of any obligation imposed by this Agreement. PARTIES shall notify each other promptly of any claim, action, or proceeding and cooperate fully in the defense.

11.2 Claims Arising from Concurrent Acts or Omissions

The PARTIES hereby agree to defend themselves from any claim, action, or proceeding arising out of the concurrent acts or omissions of the PARTIES. In such cases, PARTIES agree to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs, except as provided in paragraph 11.4 below.

11.3 Joint Defense

Notwithstanding paragraph 11.2 above, in cases where PARTIES agree in writing to a joint defense, PARTIES may appoint joint defense counsel to defend the claim, action, or proceeding arising out of the concurrent acts or omissions of PARTIES. Joint defense counsel shall be selected by mutual agreement of PARTIES. PARTIES agree to share the costs of such joint defense and any agreed settlement in equal amounts, except as provided in paragraph 11.4 below. PARTIES further agree that no PARTY may bind the others to a settlement agreement without the written consent of the others.

11.4 Reimbursement and/or Reallocation

Where a trial verdict or arbitration award allocates or determines the comparative fault of the parties, PARTIES may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments, and awards, consistent with such comparative fault.

12. GENERAL PROVISIONS

12.1 Notices

Any notice, request, demand, or other communication required or permitted hereunder shall be in writing and may be personally delivered or given as of the date of mailing by depositing such notice in the United States mail, first-class postage prepaid and addressed as follows, or, to such other place as each PARTY may designate by subsequent written notice to each other:

To SHERIFF:
Sheriff
San Diego County Sheriff's Department
P. O. Box 939062
San Diego, CA 92193-9062

To Non-County PARTIES:
Chief
Chula Vista Police Department
315 Fourth Avenue
Chula Vista, CA 91910

Chief
Escondido Police Department
1163 North Centre City Parkway
Escondido, CA 92026

Chief
Oceanside Police Department
3855 Mission Avenue
Oceanside, CA 92054

Chief
University of California-San Diego
Police Department
9500 Gilman Drive, MC 0017
La Jolla, CA 92093

Sheriff
Orange County Sheriff's Department
550 North Flower Street
Santa Ana, CA 92703

Sheriff
Santa Barbara County Sheriff's Office
4434 Calle Real
Santa Barbara, CA 93110

Sheriff
San Luis Obispo County Sheriff's Office
1585 Kansas Avenue
San Luis Obispo, CA 93405

Chief
El Cajon Police Department
100 Civic Center Way
El Cajon, CA 92020

Chief
La Mesa Police Department
8085 University Avenue
La Mesa, CA 91942

Chief
San Diego Harbor Police Department
3380 North Harbor Drive
San Diego, CA 92101

Chief
Sycuan Tribal Police Department
4 Kwaaypaay Road
El Cajon, CA 92019

Sheriff
Ventura County Sheriff's Office 550
800 South Victoria Avenue
Ventura, CA 93009

Sheriff
Monterey County Sheriff's Office
1414 Natividad Road
Salinas, CA 93906

Sheriff
San Mateo County Sheriff's Office
400 County Center
Redwood City, CA 94063

Chief
California Highway Patrol
9330 Farnham Street
San Diego, CA 92123

Chief of Enforcement
California Department of Fish and
Wildlife
1416 9th Street, Room 1326
Sacramento, CA 95814

Chief
California Department of Parks and Recreation
1416 9th Street
Sacramento, CA 95814

A notice shall be effective on the date of personal delivery if personally delivered before 5:00 p.m. on a business day or otherwise on the first business day following personal delivery; or two (2) business days following the date the notice is postmarked, if mailed; or on the first business day following delivery to the applicable overnight courier, if sent by overnight courier for next business day delivery and otherwise when received.

12.2 Amendment; Assignment

This Agreement may be modified or amended only by a written document signed by the COUNTY through SHERIFF and the affected PARTY or PARTIES, and no oral understanding or agreement shall be binding on any PARTY or PARTIES. No PARTY shall assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other PARTIES.

12.3 Entire Agreement

This Agreement constitutes the complete and exclusive statement of agreement among the COUNTY and non-County PARTIES with respect to the subject matter hereto. As such, all prior written and oral understandings are superseded in total by this Agreement.

12.4 Construction

This Agreement will be deemed to have been made and shall be construed, interpreted, governed, and enforced pursuant to, and in accordance with, the laws of the State of California. The headings and captions used in this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand, or limit the terms of the Agreement and shall not be construed against any one PARTY.

12.5 Waiver

A waiver by COUNTY or non-County PARTIES of a breach of any of the covenants to be performed by COUNTY or non-County PARTIES shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions, or conditions of this Agreement. In addition, the failure of any PARTY to insist upon strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by COUNTY or non-County PARTIES of either performance or payment shall not be considered a waiver of PARTY's preceding breach of this Agreement.

12.6 Authority to Enter Agreement

COUNTY and non-County PARTIES have all requisite power and authority to conduct their respective business and to execute, deliver, and perform the Agreement. Each PARTY warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective PARTY.

12.7 Cooperation

COUNTY through SHERIFF and Non-County PARTIES will cooperate in good faith to implement this Agreement.

12.8 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. SHERIFF will provide each PARTY with a copy of this Agreement once fully executed.

12.9 Severability

This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed upon by the PARTIES, to conflict with any law or regulation, then the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of this Agreement to any PARTY is lost, then the Agreement may be terminated at the option of the affected PARTY, with the notice as required in this Agreement. In all other cases, the remainder of this Agreement shall be severable and shall continue in full force and effect.

12.10 Legislative Changes

If any changes are made to regulations pursuant to which this Agreement is made or to any successor legislation or regulations, or if the DHS imposes any budget requirements or limitations applicable to this Agreement and the services to be provided hereunder, then (1) to the extent any of the changes are of mandatory application, such change(s) shall apply to the PARTIES in this Agreement, and this Agreement shall be deemed to be amended to be consistent with such changes(s) except to the extent that such change(s) alter(s) a material provision of this Agreement in which case such material provision shall be voidable and the PARTIES will negotiate in good faith to amend the Agreement as necessary, and (2) to the extent any of the changes are not of mandatory application, such change(s) shall not affect this Agreement or the right or obligations of COUNTY and non-COUNTY under this Agreement unless the PARTIES mutually agree to subject themselves to such changes(s).

12.11 Representation

Each PARTY's Chief, and/or Sheriff, or their respective designee, shall represent its PARTY in all discussions pertaining to this Agreement. SHERIFF, or his or her designee, shall represent COUNTY in all discussions pertaining to this Agreement.

12.12 Dispute Resolution Concerning Services and Payment

In the event of any dispute concerning services and payment arising from this Agreement, representatives described in paragraph 12.11, will meet, and confer within ten (10) business days after receiving notice of the dispute to resolve the dispute.

12.13 Termination of Funding

If funding for reimbursement of costs related to Operations is terminated by the DHS, this Agreement in its entirety shall be considered null and void and COUNTY through SHERIFF and PARTIES shall no longer be required to provide Operations as described herein. In such event, PARTIES shall meet immediately, and if agreed upon by the PARTIES, mutually develop and implement within a reasonable time frame, a transition plan for the provision of Operations through alternate means.

12.14 Obligation

This Agreement shall be binding upon the successors of the PARTIES.

12.15 California Law

This Agreement is executed and delivered within the State of California and the rights and obligations of the PARTIES hereto shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

IN WITNESS WHEREOF, the PARTIES hereto approve and agree to the terms of this Agreement, such Agreement being effective April 13, 2023, unless otherwise specified.

**SAN DIEGO COUNTY
SHERIFF'S DEPARTMENT**

Kelly A. Martinez
Sheriff

**CHULA VISTA POLICE
DEPARTMENT**

Roxana Kennedy
Chief

Approved as to form and legality:
CLAUDIA G. SILVA
OFFICE OF COUNTY COUNSEL
COUNTY OF SAN DIEGO

Mark Day
Senior Deputy

**EL CAJON POLICE
DEPARTMENT**

Mike Moulton
Chief

**ESCONDIDO POLICE
DEPARTMENT**

Ed Varso
Chief

**OCEANSIDE POLICE
DEPARTMENT**

Kedrick Sadler
Chief

**UNIVERSITY OF CALIFORNIA
SAN DIEGO POLICE DEPARTMENT**

Lamine Secka
Chief

**ORANGE COUNTY
SHERIFF'S DEPARTMENT**

Don Barnes
Sheriff-Coroner

**SAN LUIS OBISPO COUNTY
SHERIFF'S OFFICE**

Ian Parkinson
Sheriff

**LA MESA POLICE
DEPARTMENT**

Ray Sweeney
Chief

**SAN DIEGO HARBOR POLICE
DEPARTMENT**

Magda Fernandez
Chief

**SYCUAN TRIBAL POLICE
DEPARTMENT**

William Denke
Chief

Approved as to form and legality:
LEON J. PAGE
THE OFFICE OF COUNTY COUNSEL
COUNTY OF ORANGE

Nicole A. Sims
Supervising Deputy

**VENTURA COUNTY
SHERIFF'S OFFICE**

James Fryhoff
Sheriff

**SANTA BARBARA COUNTY
SHERIFF'S OFFICE**

Bill Brown
Sheriff-Coroner

**SAN MATEO COUNTY
SHERIFF'S OFFICE**

Christina Corpus
Sheriff

**CALIFORNIA DEPARTMENT
OF FISH AND WILDLIFE**

Melinda Peacock
Section Chief
Contracts and Procurement Section
Business Management Branch

**MONTEREY COUNTY
SHERIFF'S OFFICE**

Tina Nieto
Sheriff-Coroner

**CALIFORNIA HIGHWAY PATROL
BORDER DIVISION**

Tommie Cocroft
Chief

**CALIFORNIA DEPARTMENT
OF PARKS AND RECREATION**

Gina Moran
District Superintendent



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: February 13, 2024

SUBJECT: A. Resolution Authorizing Execution of a Loan Agreement
(No. 8608-110) with the State of California for a State
Revolving Fund Loan

B. Resolution Accepting the Funds from the State
Revolving Fund Loan (No. 8608-110) and Appropriating
the Expenditure in a Capital Improvement Program
Project Account for Inflow and Infiltration Project Phase 6

ISSUING DEPARTMENT: Public Works

SUMMARY:

Issues:

- A. Should the City of La Mesa authorize execution of a loan agreement (No. 8608-110) with the State of California for a State Revolving Fund Loan?
- B. Should the City of La Mesa accept the funds from the State Revolving Fund Loan (No. 8608-110) and appropriate the expenditure in a Capital Improvement Program Project Account for Inflow and Infiltration Project Phase 6?

Recommendation:

- A. Authorize execution of a loan agreement (No. 8608-110) with the State of California for a State Revolving Fund Loan.
- B. Accept the funds from the State Revolving Fund loan (No. 8608-110) and appropriate the expenditure in a Capital Improvement Program Project Account for Inflow and Infiltration Project Phase 6.

Fiscal Impact:

The loan amount is for up to \$7M, but only the amount necessary for the design and construction will be charged to Inflow and Infiltration Project Phase 6. The repayment of the loan will start one calendar year after the construction completion and acceptance of the construction by the City and will be for a period of 20 years at 1.65% interest.

City's Strategic Goals:

- Invest in infrastructure to serve the needs of the community.
- Promote a high quality of life that current and future generations can afford to call home.

Environmental Review:

The project is categorically exempt under California Environmental Quality Act Exemption Class 2: 15302(c)- Replacement of Existing Facilities Filed April 23, 2023.

Climate Action Plan Reduction Strategy:

- W-3 Pure Water Program – Participate in the Pure Water Program to convert wastewater to potable drinking water.

BACKGROUND:

In December 2010, during a very heavy rain event, the sewer system across the City was inundated by storm water inflow and infiltration resulting in sanitary sewer overflows.

In March 2011, the Regional Water Quality Control Board issued Investigative Order R9-2011-0040 directing the City to show the circumstances involved in the spills, and to provide technical reports.

In December 2012, the Regional Water Quality Control Board issued Administrative Civil Liability (ACL) R9-2012-0014 for \$948,816 based on the findings following the Investigative Order. The City was able to settle the ACL for \$413,856 and was also required to complete a Supplementary Environmental Project.

As a response, the City prioritized sewer capital projects both included in the Wastewater Master Plan, and those designed protect the environment. The City of La Mesa's

wastewater CIP goals are to:

- Avoid sanitary sewer overflows;
- Reduce financial burdens;
- Enhance the environment;
- Eliminate liabilities; and
- Reduce the required maintenance efforts.

In December 2020, the City Council approved resolution 2020-144 authorizing submitting an initial application to the State for the SRF loan. A required modified version was also approved by the City Council May 23, 2023, by resolution 2023-060.

In March 2021, the City hired environmental and engineering design consultants to prepare environmental documents and design replacement and rehabilitation of sewer in the Vista La Mesa neighborhood of La Mesa. The scope of work for Inflow and Infiltration Project Phase 6 includes determining the optimum alignment, and system improvements.

In October 2021, the City submitted the loan applications to the State Board. The State Board notified the City of eligibility and placement on the funding list in 2022. The final agreement was drafted and issued in December 2023.

DISCUSSION:

The Inflow and Infiltration Project Phase 6 contains a notable amount of concrete sewer pipe and slip-lined pipe that generally contribute a significant amount of inflow and infiltration due their poor condition or restricted capacity. Additionally, concrete sewer has limited lifespan due to sewer gas corrosion. Consequently, these pipes will be replaced.

Sewer and manholes will be replaced/rehabilitated within roadway and easements in portions of: (**Attachment C**)

- Shirlene Place
- King Street
- Lois Street
- Marian Street
- Charles Street
- Violet Street
- Hybeth Drive
- Blackton Drive

The scope of the project includes replacement and rehabilitation of 15,377 feet of sewer

pipe and 54 manholes. The project time is estimated at 250 working days and the tentative project start date is Spring 2024 with completion in winter of 2024/2025.

In order to be able to complete a project of this magnitude, the City requires the SRF funding to augment its CIP budget. The SRF loan is a low interest loan available to local agencies and districts from the State Water Resources Control Board to fund sewer and water projects. The loan provides a means to construct projects that otherwise would not be completed due to the agencies' available funding restrictions. The City has previously taken advantage of the low interest loan program and has upgraded other portions of the sewer system over the past 20 years.

The City of La Mesa has previously received six State Revolving Fund (SRF) loans for Inflow and Infiltration Mitigation and trunk line projects beginning in 2004. Please see **Attachment D** for the SRF loans and status.

Upon approval of the resolutions to execute the loan agreement and appropriate funds, the City will set up a Capital Improvement Program project account to proceed with the execution of the construction and construction management contracts.

Depending on bid results, the total cost of the project may exceed \$7M, and an additional funding source and/or adding on additional SRF loan funds may be required. A separate bid award will require approval by La Mesa City Council following the advertisement period.

CONCLUSION:

Staff recommends that the City Council adopt the attached resolutions:

- A. Authorizing execution of a loan agreement (No. 8608-110) with the State of California for a State Revolving Fund Loan;
- B. Accepting the funds from the State Revolving Fund Loan (No. 8608-110) and appropriating its expenditure in a Capital Improvement Project Inflow and Infiltration Project Phase 6.

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Michael Throne, PE
Director of Public Works

Attachments: A – Resolution- SRF Agreement
 Appendix A to Resolution A- SRF Agreement
 B – Resolution- Appropriation of Funds
 C – Project Map
 D – Current SRF Loans and Status

RESOLUTION NO. 2024-

RESOLUTION AUTHORIZING EXECUTION OF A LOAN AGREEMENT (No. 8608-110) WITH THE STATE OF CALIFORNIA FOR A STATE REVOLVING FUND LOAN

WHEREAS, the City of La Mesa continues to invest in infrastructure to serve the needs of the community;

WHEREAS, on May 23, 2023, the City Council approved Resolution No. 2023-060 to apply for a State Revolving fund loan for the Inflow and Infiltration Mitigation Project Phase 6;

WHEREAS, the State Revolving Fund Loan has been approved by the State of California Water Resources Control Board; and

WHEREAS, a copy of the loan is attached to this Resolution as Appendix A.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, by the City Council of the City of La Mesa, California, that:

The Mayor is authorized to execute the loan agreement on behalf of the City of La Mesa.

BE IT FURTHER RESOLVED, that the Mayor is authorized to approve and execute any subsequent amendments or changes to this agreement.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February, 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF THE CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-, duly passed and adopted by the City Council of said City on the 13th of February 2024, and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)



CLEAN WATER

CITY OF LA MESA

AND

CALIFORNIA STATE WATER RESOURCES CONTROL BOARD



CONSTRUCTION

INSTALLMENT SALE AGREEMENT

INFLOW AND INFILTRATION MITIGATION PROJECT PHASE 6

PROJECT NO.C-06-8608-110

AGREEMENT NO. D2301002

PROJECT FUNDING AMOUNT: \$7,000,000

ESTIMATED REASONABLE PROJECT COST: \$7,000,000

ELIGIBLE WORK START DATE: SEPTEMBER 1, 2020
ELIGIBLE CONSTRUCTION START DATE: AUGUST 4, 2023
COMPLETION OF CONSTRUCTION DATE: JANUARY 15, 2025
FINAL REIMBURSEMENT REQUEST DATE: JULY 15, 2025
FINAL PAYMENT DATE: JANUARY 15, 2045
RECORDS RETENTION END DATE: JANUARY 15, 2061

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AGREEMENT

1. AUTHORITY.

- (a) The State Water Resources Control Board (State Water Board) is authorized, and implements its authority, to provide financial assistance under this Agreement pursuant to Section 13475 et seq. of the Water Code, and Resolution Nos. 2019-0064 and 2022-0040.
- (b) The Recipient is authorized to enter into this Installment Sale Agreement (Agreement) pursuant to Resolution No. 2020-144.

2. INTENTION.

- (a) The Recipient desires to receive financial assistance for and undertake work required for the wastewater construction Project according to the terms and conditions set forth in this Agreement.
- (b) The State Water Board proposes to assist in providing financial assistance for eligible costs of the Project in the amount set forth in Exhibit B, according to the terms and conditions set forth in this Agreement, with the expectation that the Recipient shall repay all of the financial assistance to the State Water Board.
- (c) The Recipient intends to evidence its obligation to submit Payments to the State Water Board and secure its obligation with Net Revenues of its wastewater enterprise, as set forth in Exhibit B, according to the terms and conditions set forth in this Agreement.
- (d) The Recipient intends to certify and evidence its compliance with the Tax Covenants set forth in Exhibit F.

3. AGREEMENT, TERM, DOCUMENTS INCORPORATED BY REFERENCE.

In consideration of the mutual representations, covenants and agreements herein set forth, the State Water Board and the Recipient, each binding itself, its successors and assigns, do mutually promise, covenant, and agree to the terms, provisions, and conditions of this Agreement.

- (a) The Recipient hereby sells to the State Water Board and the State Water Board hereby purchases from the Recipient the Project. Simultaneously therewith, the Recipient hereby purchases from the State Water Board, and the State Water Board hereby sells to the Recipient, the Project in accordance with the provisions of this Agreement. All right, title, and interest in the Project shall immediately vest in the Recipient on the date of execution and delivery of this Agreement by both parties without further action on the part of the Recipient or the State Water Board.
- (b) Subject to the satisfaction of any condition precedent to this Agreement, this Agreement shall become effective upon the signature of both the Recipient and the State Water Board. Conditions precedent are not limited to the following:
- i. The Recipient must deliver to the Division a resolution authorizing this Agreement.
 - ii. The Recipient must deliver an opinion of bond counsel and general counsel satisfactory to the State Water Board's counsel dated on or after the date that the Recipient signs this Agreement.
- (c) Upon execution, the term of the Agreement shall begin on the Eligible Work Start Date and extend through the Final Payment Date.

(d) This Agreement includes the following exhibits and attachments thereto:

- i. EXHIBIT A – SCOPE OF WORK
- ii. EXHIBIT B – FUNDING TERMS
- iii. EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS
- iv. EXHIBIT D – SPECIAL CONDITIONS
- v. EXHIBIT E – PAYMENT SCHEDULE
- vi. EXHIBIT F – TAX CERTIFICATE

(e) This Agreement includes the following documents incorporated by reference, as well as any documents incorporated by reference in Exhibit D:

- i. the Final Plans & Specifications, which are the basis for the construction contract to be awarded by the Recipient;
- ii. the Recipient's Reimbursement Resolution No. 2021-044 dated May 11, 2021;
- iii. the Recipient's Tax Questionnaire dated November 30, 2021.
- iv. the Davis-Bacon requirements found at:
https://www.waterboards.ca.gov/water_issues/programs/grants_loans/srf/docs/2023/davis-bacon-2023-cwsrf-governmental-entities-public.pdf

(f) This Agreement, and any amendments hereto, may be executed and delivered in any number of counterparts, each of which when delivered shall be deemed to be an original, but such counterparts shall together constitute one document. The parties may sign this Agreement, and any amendments hereto, either by an electronic signature using a method approved by the State Water Board or by a physical, handwritten signature. The parties mutually agree that an electronic signature using a method approved by the State Water Board is the same as a physical, handwritten signature for the purposes of validity, enforceability, and admissibility.

4. PARTY CONTACTS

State Water Board		City of La Mesa	
Section:	Division of Financial Assistance		
Name:	Melky Calderon, Project Manager	Name:	Mark Arapostathis, Mayor
Address:	1001 I Street, 16 th Floor	Address:	8130 Allison Avenue
City, State, Zip:	Sacramento, CA 95814	City, State, Zip:	La Mesa, CA 91942
Phone:	(916) 341-5646	Phone:	(619) 667-1105
Email:	melky.calderon@waterboards.ca.gov	Email:	marapostathis@cityoflamesa.us

The Recipient may change its contact upon written notice to the Division, which notice shall be accompanied by authorization from the Recipient's Authorized Representative. The State Water Board will notify the Recipient of any changes to its contact.

While the foregoing are contacts for day-to-day communications regarding Project work, the Recipient shall provide official communications and events of Notice as set forth in Exhibit C to the Division's Deputy Director.

5. DEFINITIONS.

Unless otherwise specified, each capitalized term used in this Agreement has the following meaning:

"Additional Payments" means the reasonable extraordinary fees and expenses of the State Water Board, and of any assignee of the State Water Board's right, title, and interest in and to this Agreement, in

connection with this Agreement, including all expenses and fees of accountants, trustees, staff, contractors, consultants, costs, insurance premiums and all other extraordinary costs reasonably incurred by the State Water Board or assignee of the State Water Board.

"Allowance" means an amount based on a percentage of the accepted bid for an eligible project to help defray the planning, design, and construction engineering and administration costs of the Project.

"Agreement" means this agreement, including all exhibits and attachments hereto.

"Authorized Representative" means the duly appointed representative of the Recipient as set forth in the certified original of the Recipient's authorizing resolution that designates the authorized representative by title.

"Bank" means the California Infrastructure and Economic Development Bank.

"Bond Funded Portion of the Project Funds" means any portion of the Project Funds which was or will be funded with Bond Proceeds.

"Bond Proceeds" means original proceeds, investment proceeds, and replacement proceeds of Bonds.

"Bonds" means any series of bonds issued by the Bank, the interest on which is excluded from gross income for federal tax purposes, all or a portion of the proceeds of which have been, are, or will be applied by the State Water Board to fund all or any portion of the Project Costs or that are secured in whole or in part by Payments paid hereunder.

"Charge In Lieu of Interest" means any fee or charge in lieu of some or all of, but not to exceed, the interest that would otherwise be owed under this Agreement, as set forth in Exhibit E.

"Code" as used in Exhibit F of this Agreement means the Internal Revenue Code of 1986, as amended, and any successor provisions and the regulations of the U.S. Department of the Treasury promulgated thereunder.

"Completion of Construction" means the date, as determined by the Division after consultation with the Recipient, that the work of building and erection of the Project is substantially complete, and is identified in Exhibit A of this Agreement.

"Cover Page" means the front page of this Agreement.

"Days" means calendar days unless otherwise expressly indicated.

"Debt Service" means, as of any date, with respect to outstanding System Obligations and, in the case of the additional debt tests in Exhibit B of this Agreement, any System Obligations that are proposed to be outstanding, the aggregate amount of principal and interest scheduled to become due (either at maturity or by mandatory redemption), together with any Charge In Lieu of Interest on this Obligation or other System Obligations to the State Water Board, calculated with the following assumptions:

a. Principal payments (unless a different subdivision of this definition applies for purposes of determining principal maturities or amortization) are made in accordance with any amortization schedule published for such principal, including any minimum sinking fund payments;

b. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a tax-exempt obligation under federal law, is the average of the SIFMA

Municipal Swap Index, or its successor index, during the 24 months preceding the date of such calculation;

c. Interest on a variable rate System Obligation that is not subject to a swap agreement and that is issued or will be issued as a taxable obligation under federal law, is the average of SOFR, or its successor index, during the 24 months preceding the date of such calculation;

d. Interest on a variable rate System Obligation that is subject to a swap agreement is the fixed swap rate or cap strike rate, as appropriate, if the variable rate has been swapped to a fixed rate or capped pursuant to an interest rate cap agreement or similar agreement;

e. Interest on a fixed rate System Obligation that is subject to a swap agreement such that all or a portion of the interest has been swapped to a variable rate shall be treated as variable rate debt under subdivisions (b) or (c) of this definition of Debt Service;

f. Payments of principal and interest on a System Obligation are excluded from the calculation of Debt Service to the extent such payments are to be paid from amounts then currently on deposit with a trustee or other fiduciary and restricted for the defeasance of such System Obligations;

g. If 25% or more of the principal of a System Obligation is not due until its final stated maturity, then principal and interest on that System Obligation may be projected to amortize over the lesser of 30 years or the Useful Life of the financed asset, and interest may be calculated according to subdivisions (b)-(e) of this definition of Debt Service, as appropriate.

"Deputy Director" means the Deputy Director of the Division.

"Division" means the Division of Financial Assistance of the State Water Board or any other segment of the State Water Board authorized to administer this Agreement.

"Eligible Construction Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which construction costs may be incurred and eligible for reimbursement hereunder.

"Eligible Work Start Date" means the date set forth on the Cover Page of this Agreement, establishing the date on or after which any non-construction costs may be incurred and eligible for reimbursement hereunder.

"Enterprise Fund" means the enterprise fund of the Recipient in which Revenues are deposited.

"Event of Default" means the occurrence of any of the following events:

- a) Failure by the Recipient to make any payment required to be paid pursuant to this Agreement, including Payments;
- b) A representation or warranty made by or on behalf of the Recipient in this Agreement or in any document furnished by or on behalf of the Recipient to the State Water Board pursuant to this Agreement shall prove to have been inaccurate, misleading or incomplete in any material respect;
- c) A material adverse change in the condition of the Recipient, the Revenues, or the System, which the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement.
- d) Failure by the Recipient to comply with the additional debt test or reserve fund requirement, if any, in Exhibit B or Exhibit D of this Agreement;
- e) Failure to operate the System or the Project without the Division's approval;

- f) Failure by the Recipient to observe and perform any covenant, condition, or provision in this Agreement, which failure shall continue for a period of time, to be determined by the Division;
- g) The occurrence of a material breach or event of default under any System Obligation that results in the acceleration of principal or interest or otherwise requires immediate prepayment, repurchase or redemption;
- h) Initiation of proceedings seeking arrangement, reorganization, or any other relief under any applicable bankruptcy, insolvency, or other similar law; the appointment of or taking possession of the Recipient's property by a receiver, liquidator, assignee, trustee, custodian, conservator, or similar official; the Recipient's entering into a general assignment for the benefit of creditors; the initiation of resolutions or proceedings to terminate the Recipient's existence, or any action in furtherance of any of the foregoing;
- i) A determination pursuant to Gov. Code section 11137 that the Recipient has violated any provision in Article 9.5 of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code; or
- j) Loss of the Recipient's rights, licenses, permits, or privileges necessary for the operation of the System or the Project, or the occurrence of any material restraint on the Recipient's enterprise by a government agency or court order.

"Final Payment Date" is the date by which all principal and accrued interest due under this Agreement is to be paid in full to the State Water Board and is specified on the Cover Page of this Agreement.

"Final Reimbursement Request Date" means the date set forth as such on the Cover Page of this Agreement, after which date, no further Project Funds disbursements may be requested.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year, or any other annual period selected and designated by the Recipient as its Fiscal Year in accordance with applicable law.

"Force Account" means the use of the Recipient's own employees, equipment, or resources for the Project.

"GAAP" means generally accepted accounting principles, the uniform accounting and reporting procedures set forth in publications of the American Institute of Certified Public Accountants or its successor, or by any other generally accepted authority on such procedures, and includes, as applicable, the standards set forth by the Governmental Accounting Standards Board or its successor, or the Uniform System of Accounts, as adopted by the California Public Utilities Commission for water utilities.

"Initiation of Construction" means the date that notice to proceed with work is issued for the Project, or, if notice to proceed is not required, the date of commencement of building and erection of the Project.

"Listed Event" means, so long as the Recipient has outstanding any System Obligation subject to Rule 15c2-12, any of the events required to be reported with respect to such System Obligation pursuant to Rule 15c2-12(b)(5).

"Material Obligation" means an obligation of the Recipient that is material to this transaction, including System Obligations.

"Maximum Annual Debt Service" means the maximum amount of Debt Service due on System Obligations in a Fiscal Year during the period commencing with the Fiscal Year for which such calculation is made and within the next five years in which Debt Service for any System Obligations will become due.

"Net Revenues" means, for any Fiscal Year, all Revenues received by the Recipient less the Operations and Maintenance Costs for such Fiscal Year.

"Obligation" means the obligation of the Recipient to make Payments (including Additional Payments) as provided herein, as evidenced by the execution of this Agreement, proceeds of such obligations being used to fund the Project as specified in the Project Description in Exhibit A and Exhibit B and in the documents thereby incorporated by reference.

"Operations and Maintenance Costs" means the reasonable and necessary costs paid or incurred by the Recipient for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the Recipient that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.

"Parity Obligation" means a debt obligation of the Recipient on parity with this Obligation. The Recipient's Parity Obligations are these:

- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of August 31, 2006 (Agreement No. 05-811-550-0, Project No. C-06-4729-110).
- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of February 08, 2009 (Agreement No. 07-818-550-0, Project No. C-06-4729-120).
- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of September 12, 2008 (Agreement No. 08-804-550, Project No. C-06-4729-130).
- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of September 15, 2009 (Agreement No. 08-854-550, Project No. C-06-4729-140).
- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of November 03, 2015 (Agreement No. D15-01014, Project No. C-06-7824-110).
- The Installment Sale Agreement by and between the City of La Mesa and the California State Water Resources Control Board dated as of July 07, 2020 (Agreement No. D1901038, Project No. C-06-8394-110).

"Payment" means any payment due to the State Water Board from the Recipient pursuant to this Agreement.

"Policy" means the State Water Board's "Policy for Implementing the Clean Water State Revolving Fund," as amended from time to time, including the Intended Use Plan in effect as of the execution date of this Agreement.

"Project" means the Project financed by this Agreement as described in Exhibits A and B and in the documents incorporated by reference herein.

"Project Completion" means the date, as determined by the Division after consultation with the Recipient, that operation of the Project is initiated or is capable of being initiated, whichever comes first.

"Project Costs" means the incurred costs of the Recipient which are eligible for financial assistance under this Agreement, which are allowable costs as defined under the Policy, and which are reasonable, necessary and allocable by the Recipient to the Project under GAAP, and may include capitalized interest.

"Project Funds" means all moneys disbursed to the Recipient by the State Water Board for eligible Project Costs pursuant to this Agreement.

"Recipient" means City of La Mesa.

"Records Retention End Date" means the last date that the Recipient is obligated to maintain records and is set forth on the Cover Page of this Agreement.

"Regional Water Quality Control Board" or "Regional Water Board" means the appropriate Regional Water Quality Control Board.

"Reimbursement Resolution" means the Recipient's reimbursement resolution identified and incorporated by reference in this Agreement.

"Reserve Fund" means the reserve fund required pursuant to Exhibit B of this Agreement.

"Revenues" means, for each Fiscal Year, all gross income and revenue received or receivable by the Recipient from the ownership or operation of the System, determined in accordance with GAAP, including

- (i) all rates, fees, and charges (including connection fees and charges) as received by the Recipient for the services of the System, and

- (ii) all other income and revenue howsoever derived by the Recipient from the ownership or operation of the System or arising from the System, including all income from

- a. the deposit or investment of any money in the Enterprise Fund or any rate stabilization fund of the Recipient or held on the Recipient's behalf,

- b. any refundable deposits made to establish credit, and

- c. advances or contributions in aid of construction.

For the avoidance of doubt, refundable deposits and advances or contributions are not included in the definition of Revenues.

"Rule 15c2-12(b)(5)" means Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

"Senior Obligation" means a debt obligation of the Recipient that is senior to this Obligation. There are no Senior Obligations.

"SRF" means the Clean Water State Revolving Fund.

"State" means State of California.

"State Water Board" means the State Water Resources Control Board.

"Subordinate Obligation" means a debt obligation of the Recipient that is subordinate to this Obligation. There are no Subordinate Obligations.

"System" means all wastewater collection, pumping, transport, treatment, storage, and disposal facilities, including land and easements thereof, owned by the Recipient, including the Project, and all other properties, structures, or works hereafter acquired and constructed by the Recipient and determined to be a part of the System, together with all additions, betterments, extensions, or improvements to such facilities, properties, structures, or works, or any part thereof hereafter acquired and constructed.

"System Obligation" means any obligation of the Recipient payable from the Revenues, including but not limited to this Obligation, any Parity Obligation, any Subordinate Obligation, and such additional obligations as may hereafter be issued in accordance with the provisions of such obligations and this Agreement.

"Useful Life" means the economically useful life of the Project beginning at Completion of Construction and is set forth in Exhibit A.

"Year" means calendar year unless otherwise expressly indicated.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CITY OF LA MESA:

By: _____
Name: Mark Arapostathis
Title: Mayor

Date: _____

STATE WATER RESOURCES CONTROL BOARD:

By: _____
Name: Joe Karkoski
Title: Deputy Director
Division of Financial Assistance

Date: _____

EXHIBIT A – SCOPE OF WORK

A.1. PROJECT DESCRIPTION, USEFUL LIFE, AND SCOPE OF WORK.

- (a) The Project is the project set forth on the Cover Page of this Agreement.
- (b) The Useful Life of this Project is at least 20 years.
- (c) Scope of Work.

The Recipient agrees to do the following:

- Rehabilitate approximately 3,800 linear feet of existing pipelines with cured-in-place pipe (CIPP),
- Remove approximately 11,300 linear feet of existing pipeline and replace with 8-inch diameter polyvinyl chloride (PVC) pipelines, and
- Install, replace, or rehabilitate approximately 46 manholes and abandon/remove approximately 9 manholes.

A.2. STANDARD PROJECT REQUIREMENTS.

A.2.1 Acknowledgements.

The Recipient shall include the following acknowledgement in any document, written report, or brochure prepared in whole or in part pursuant to this Agreement:

“Funding for this project has been provided in full or in part through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds. The contents of this document do not necessarily reflect the views and policies of the foregoing, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.”

A.2.2 Reports

A.2.2.1 Progress Reports.

- (a) The Recipient must provide a progress report to the Division each quarter, beginning no later than 90 days after execution of this Agreement.
- (b) The Recipient must provide a progress report with each reimbursement request. Failure to provide a complete and accurate progress report may result in the withholding of Project Funds, as set forth in Exhibit B.
- (c) A progress report must contain the following information:
 - i. A summary of progress to date including a description of progress since the last report, percent construction complete, percent contractor invoiced, and percent schedule elapsed;
 - ii. A description of compliance with environmental requirements;
 - iii. A listing of change orders including amount, description of work, and change in contract amount and schedule; and

- iv. Any problems encountered, proposed resolution, schedule for resolution, and status of previous problem resolutions.

A.2.2.2 Project Completion Report.

(a) The Recipient must submit a Project Completion Report to the Division with a copy to the appropriate Regional Water Board on or before the due date established by the Division and the Recipient at the time of final project inspection. The Project Completion Report must include the following:

- i. Description of the Project,
- ii. Description of the water quality problem the Project sought to address,
- iii. Discussion of the Project's likelihood of successfully addressing that water quality problem in the future, and
- iv. Summary of compliance with applicable environmental conditions.

(b) If the Recipient fails to submit a timely Project Completion Report, the State Water Board may stop processing pending or future applications for new financial assistance, withhold disbursements under this Agreement or other agreements, and begin administrative proceedings.

A.2.2.3 As Needed Reports.

The Recipient must provide expeditiously, during the term of this Agreement, any reports, data, and information reasonably required by the Division, including but not limited to material necessary or appropriate for evaluation of the funding program or to fulfill any reporting requirements of the state or federal government.

A.2.2.4 [Reserved.]

A.2.2.5 DBE Reports for SRF Projects.

The Recipient must report Disadvantaged Business Enterprise (DBE) utilization to the Division on the DBE Utilization Report, State Water Board Form DBE UR334. The Recipient must submit such reports to the Division annually within ten (10) calendar days following October 1 until such time as the "Notice of Completion" is issued. The Recipient must comply with 40 CFR § 33.301 and require its contractors and subcontractors on the Project to comply.

A.2.3 Signage.

(a) The Recipient shall place a sign at least four feet tall by eight feet wide made of ¾ inch thick exterior grade plywood or other approved material in a prominent location on the Project site and shall maintain the sign in good condition for the duration of the construction period.

(b) Building A Better America Emblem: The Recipient will ensure that a sign is placed at construction sites supported under this award displaying the official Building A Better America emblem and must identify the project as a "project funded by President Biden's Bipartisan Infrastructure Law." Construction is defined at 40 CFR 33.103 as "erection, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other improvements to real property, and activities in response to a release or a threat of a release of a hazardous substance into the environment, or activities to prevent the introduction of a hazardous substance into a water supply." The sign must be placed at construction sites

in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The Recipient will ensure compliance with the guidelines and design specifications for using the official Building A Better America emblem and corresponding logomark available at:

<https://www.whitehouse.gov/wp-content/uploads/2022/08/Building-A-Better-America-Brand-Guide.pdf>.

(c) United States Environmental Protection Agency (USEPA) Logo: The Recipient will ensure that signage displays the USEPA logo along with the official Building A Better America emblem. The USEPA logo must not be displayed in a manner that implies that USEPA itself is conducting the project. Instead, the USEPA logo must be accompanied with a statement indicating that the recipient received financial assistance from USEPA for the project.

The Recipient will ensure compliance with the sign specifications provided by the USEPA Office of Public Affairs (OPA) available at: <https://www.epa.gov/grants/epa-logo-seal-specifications-signage-produced-epa-assistance-agreement-recipients>. As provided in the sign specifications from OPA, the USEPA logo is the preferred identifier for assistance agreement projects and use of the USEPA seal requires prior approval from the USEPA. To obtain the appropriate USEPA logo or seal graphic file, the Recipient should send a request directly to OPA and include the USEPA Project Officer in the communication. Instructions for contacting OPA is available on the Using the EPA Seal and Logo page at: <https://www.epa.gov/aboutepa/using-epa-seal-and-logo>.

(d) Procuring Signs: Consistent with section 6002 of the Resource Conservation and Recovery Act, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Building A Better America emblem or USEPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

(e) The sign shall include the following logos:



(f) The sign shall include the following statement:

“Funding for this Inflow and Infiltration Mitigation Project Phase 6 project has been provided in full or in part by the Clean Water State Revolving Fund and President Biden’s Bipartisan Infrastructure Law through an agreement with the State Water Resources Control Board. California’s Clean Water State Revolving Fund is capitalized through a variety of funding sources, including grants from the United States Environmental Protection Agency and state bond proceeds.”

(g) The Project sign may include another agency's required promotional information so long as the above requirements are satisfied. The sign shall be prepared in a professional manner.

A.2.4 Commencement of Operations.

Upon Completion of Construction of the Project, the Recipient must expeditiously initiate Project operations.

A.3 DATES & DELIVERABLES.

- (a) Time is of the essence.
- (b) The Recipient must expeditiously proceed with and complete construction of the Project.
- (c) The following dates are established as on the Cover Page of this Agreement:
 - i. Eligible Work Start Date
 - ii. Eligible Construction Start Date
 - iii. Completion of Construction Date
 - iv. Final Reimbursement Request Date
 - v. Records Retention End Date
 - vi. Final Payment Date
- (d) The Recipient must award the prime construction contract timely.
- (e) The Recipient agrees to start construction no later than July 15, 2024
- (f) The Recipient must deliver any request for extension of the Completion of Construction date no less than 90 days prior to the Completion of Construction date.
- (g) The undisbursed balance of this Agreement will be deobligated if the Recipient does not provide its final reimbursement request to the Division on or before the Final Reimbursement Request Date.

A.4 SCHEDULE.

Failure to provide items by the due dates indicated in the table below may constitute a material violation of this Agreement. The Project Manager may adjust the dates in the "Estimated Due Date" column of this table, but Critical Due Date adjustments will require an amendment to this Agreement. The Recipient must complete and submit all work in time to be approved by the Division prior to Project Completion. As applicable for specific submittals, the Recipient must plan adequate time to solicit, receive, and address comments prior to submitting the final submittal. The Recipient must submit the final reimbursement request prior to the Final Reimbursement Request Date set forth on the Cover Page.

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
SCOPE OF WORK			
A.	ADDITIONAL SUBMITTAL(S) TO DIVISION		
1.	Final Plans and Specifications		March 31, 2024
2.	Final Budget Approval Package		March 31, 2024
3.	Construction Completion	January 15, 2025	
B.	REPORTS		
1.	Progress Reports		Quarterly

ITEM	DESCRIPTION OF SUBMITTAL	CRITICAL DUE DATE	ESTIMATED DUE DATE
SCOPE OF WORK			
2.	Final Inspection and Certification		TBD
3.	Project Completion Report		July 15, 2025
4.	As Needed Reports		TBD
REIMBURSEMENTS, BUDGET DETAIL, AND REPORTING PROVISIONS			
A.	REIMBURSEMENTS		
1.	Reimbursement Requests		Quarterly
2.	Final Reimbursement Request	July 15, 2025	

EXHIBIT B – FUNDING TERMS

B.1. FUNDING AMOUNTS AND REIMBURSEMENTS

B.1.1 Funding Contingency and Other Sources.

(a) If this Agreement's funding for any fiscal year expires due to reversion or is reduced, substantially delayed, or deleted by the Budget Act, by Executive Order, or by order or action of the Department of Finance, the State Water Board has the option to either cancel this Agreement with no liability accruing to the State Water Board, or offer an amendment to the Recipient to reflect the reduced amount.

(b) If funding for Project Costs is made available to the Recipient from sources other than this Agreement, the Recipient must notify the Division. The Recipient may retain such funding up to an amount which equals the Recipient's share of Project Costs. To the extent allowed by requirements of other funding sources, excess funding must be remitted to the State Water Board to be applied to Payments due hereunder, if any.

B.1.2 Estimated Reasonable Cost.

The estimated reasonable cost of the total Project, including associated planning and design costs is seven million dollars and no cents (\$7,000,000.00).

B.1.3 Project Funding Amount.

Subject to the terms of this Agreement, the State Water Board agrees to provide Project Funds not to exceed the amount of the Project Funding Amount set forth on the Cover Page of this Agreement.

B.1.4 [Reserved.]

B. 1.5 Budget Costs.

(a) Estimated budget costs are contained in the Summary Project Cost Table below:

LINE ITEM	TOTAL ESTIMATED COST	PROJECT FUNDING AMOUNT
Construction	\$5,900,000	\$5,900,000
Pre-Purchased Material/Equipment	\$0	\$0
Real Property/Easement Acquisition	\$0	\$0
Change Order Contingency	\$300,000	\$300,000
Force Account	\$0	\$0
Allowances (Soft Costs)	\$800,000	\$800,000
TOTAL	\$7,000,000	\$7,000,000

The Division's Final Budget Approval and related Form 259 and Form 260 will document a more detailed budget of eligible Project Costs and Project funding amounts.

Upon written request by the Recipient, the Division may adjust the line items of the Summary Project Cost Table at the time of Division's Final Budget Approval. Upon written request by the Recipient, the Division may also adjust the line items of the Summary Project Cost Table as well as the detailed budget at the time of Recipient's submittal of its final claim. Any line item adjustments to the Summary Project Cost Table that are due to a change in scope of work will require an Agreement amendment. The sum of adjusted line items in both the Summary Project Cost Table and the detailed budget must not exceed the Project Funding Amount. The Division may also propose budget adjustments.

(b) Under no circumstances may the sum of line items in the budget approved through the Final Budget Approval process exceed the Project Funding Amount. Any increase in the Project Funding Amount will require an Agreement amendment.

B.1.6 Contingent Disbursement.

(a) The State Water Board's disbursement of funds hereunder is contingent on the Recipient's compliance with the terms and conditions of this Agreement.

(b) The State Water Board's obligation to disburse Project Funds is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason, including but not limited to failure of the federal or State government to appropriate funds necessary for disbursement of Project Funds, the State Water Board shall not be obligated to make any disbursements to the Recipient under this Agreement. This provision shall be construed as a condition precedent to the obligation of the State Water Board to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Recipient with a right of priority for disbursement over any other entity. If any disbursements due the Recipient under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the State Water Board that such disbursement will be made to the Recipient when sufficient funds do become available, but this intention is not binding.

(c) Construction costs and disbursements are not available until after the Division has approved the final budget form submitted by the Recipient.

(d) No costs incurred prior to the Eligible Work Start Date are eligible for reimbursement.

(e) Construction costs incurred prior to the Eligible Construction Start Date are not eligible for reimbursement.

(f) Failure to proceed according to the timelines set forth in this Agreement may require the Recipient to repay to the State Water Board all disbursed Project Funds.

(g) The Recipient agrees to ensure that its final reimbursement request is received by the Division no later than the Final Reimbursement Request Date. If the final reimbursement request is not received timely, the undisbursed balance of this Agreement will be deobligated.

(h) The Recipient is not entitled to interest earned on undisbursed funds.

B.1.7 Reimbursement Procedure.

Except as may be otherwise provided in this Agreement, disbursement of Project Funds will be made as follows:

(a) Upon execution and delivery of this Agreement by both parties, the Recipient may request immediate reimbursement of any eligible incurred planning and design allowance costs through submission to the State Water Board of the Reimbursement Request Form 260 and Form 261, or any amendment thereto, duly completed and executed. To be eligible for reimbursement, Project Costs, including any planning and design allowance costs, must have been incurred in compliance with all applicable requirements, including the state and federal cross-cutting requirements listed in Exhibit C.

(b) The Recipient must submit a reimbursement request for costs incurred prior to the date this Agreement is executed by the State Water Board no later than ninety (90) days after this

Agreement is executed by the State Water Board. Late reimbursement requests may not be honored.

- (c) The Recipient may request reimbursement of eligible construction and equipment costs consistent with budget amounts approved by the Division in the Final Budget Approval.
- (d) Additional Project Funds will be promptly disbursed to the Recipient upon receipt of reimbursement request Form 260 and Form 261, or any amendment thereto, duly completed and executed by the Recipient for incurred costs consistent with this Agreement, along with receipt of progress reports due under Exhibit A.
- (e) The Recipient must not request reimbursement for any Project Cost until such cost has been incurred and is currently due and payable by the Recipient, although the actual payment of such cost by the Recipient is not required as a condition of reimbursement request. Supporting documentation (e.g., receipts) must be submitted with each reimbursement request. The amount requested for administration costs must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = total amount claimed). Disbursement of Project Funds will be made only after receipt of a complete, adequately supported, properly documented, and accurately addressed reimbursement request. Reimbursement requests submitted without supporting documents may be wholly or partially withheld at the discretion of the Division.
- (f) The Recipient must spend Project Funds within 30 days of receipt. If the Recipient earns interest earned on Project Funds, it must report that interest immediately to the State Water Board. The State Water Board may deduct earned interest from future disbursements.
- (g) The Recipient shall not request a reimbursement unless that Project Cost is allowable, reasonable, and allocable.
- (h) Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, policies, or regulations.
- (i) No work or travel outside the State of California is permitted under this Agreement unless the Division provides prior written authorization. Failure to comply with this restriction may result in termination this Agreement, pursuant to Exhibit C. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources at <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>, as of the date costs are incurred by the Recipient.

B.1.8 Withholding of Disbursements.

Notwithstanding any other provision of this Agreement, the State Water Board may withhold all or any portion of the Project Funds upon the occurrence of any of the following events:

- (a) The Recipient's failure to maintain reasonable progress on the Project as determined by the Division;
- (b) Placement on the ballot or passage of an initiative or referendum to repeal or reduce the Recipient's taxes, assessments, fees, or charges levied for operation of the System or payment of debt service on System Obligations;
- (c) Commencement of litigation or a judicial or administrative proceeding related to the Project, System, or Revenues that the State Water Board determines may impair the timely satisfaction of Recipient's obligations under this Agreement;
- (d) Any investigation by the State Water Board, District Attorney, California State Auditor, Bureau of State Audits, the United States Environmental Protection Agency's (USEPA) Office of

- Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (e) A material adverse change in the condition of the Recipient, the Revenues, or the System, that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement, or any other event that the Division reasonably determines would materially impair the Recipient's ability to satisfy its obligations under this Agreement;
 - (f) The Recipient's material violation of, or threat to materially violate, any term of this Agreement;
 - (g) Suspicion of fraud, forgery, embezzlement, theft, or any other misuse of public funds by the Recipient or its employees, or by its contractors or agents regarding the Project or the System;
 - (h) An event requiring Notice as set forth in Exhibit C;
 - (i) An Event of Default or an event that the Division determines may become an Event of Default.

B.1.9 Fraud and Misuse of Public Funds; Enforcement.

All requests for reimbursement submitted must be accurate and signed by the Recipient's Authorized Representative under penalty of perjury. All costs submitted pursuant to this Agreement must only be for the work or tasks set forth in this Agreement. The Recipient must not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., match costs). Any eligible costs for which the Recipient is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is improper and will not be compensated. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements and, notwithstanding any other section in this Agreement, the termination of this Agreement requiring the repayment of all Project Funds disbursed hereunder. Additionally, the Deputy Director of the Division may request an audit; refer the matter for appropriate administrative action, including but not limited to the recovery of financial assistance provided and the imposition of civil penalties; and/or refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. A person who knowingly makes or causes to be made any false statement, material misrepresentation, or false certification in any submittal may be subject to a civil penalty, criminal fine, or imprisonment. (Wat. Code, § 13490 et seq.)

B.2 RECIPIENT'S PAYMENT OBLIGATION, PLEDGE, AND RESERVE

B.2.1 Project Costs.

The Recipient must pay any and all costs connected with the Project including, without limitation, any and all Project Costs and Additional Payments. If the Project Funds are not sufficient to pay the Project Costs in full, the Recipient must nonetheless complete the Project and pay that portion of the Project Costs in excess of available Project Funds, and shall not be entitled to any reimbursement therefor from the State Water Board.

B.2.2 Estimated Principal Payment Due.

The estimated amount of principal that will be due to the State Water Board from the Recipient under this Agreement is seven million dollars and no cents (\$7,000,000.00).

B.2.3 Interest Rate and In-Lieu of Interest Charges.

(a) The Recipient agrees to make all Payments according to the schedule in Exhibit E, and as otherwise set forth herein, at an interest rate of one point sixty-five percent (1.65%) per annum.

(b) Interest will accrue beginning with each disbursement.

(c) In lieu of, and not to exceed, interest otherwise due under this Agreement, the Recipient agrees to pay the following charge(s), as further set forth in Exhibit E:

- an Administrative Service Charge
- a Small Community Grant Fund Charge

B.2.4 [Reserved.]

B.2.5 Obligation Absolute.

The obligation of the Recipient to make the Payments and other payments required to be made by it under this Agreement, from the Net Revenues and/or other amounts legally available to the Recipient therefor, is absolute and unconditional, and until such time as the Payments and Additional Payments have been paid in full, the Recipient must not discontinue or suspend any Payments or other payments required to be made by it hereunder when due, whether or not the Project, or any related part thereof is operating or operable or has been completed, or its use is suspended, interfered with, reduced or curtailed or terminated in whole or in part, and such Payments and other payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party of any agreement for any cause whatsoever.

B.2.6 Payment Timing.

(a) Beginning one year after Completion of Construction, the Recipient must submit an annual Payment of the principal of the Project Funds, together with all interest accruing thereon. The Recipient must make Payments fully amortizing the total principal of the Project by the Final Payment Date. Payments are based on a standard fully amortized assistance amount with equal annual payments.

(b) The remaining balance is the previous balance, plus the disbursements, plus the accrued interest on both, plus any Charge In Lieu of Interest, less the Payment. Payment calculations will be made beginning one (1) year after Completion of Construction. Exhibit E is a payment schedule based on the provisions of this Exhibit and an estimated disbursement schedule. Actual payments will be based on actual disbursements.

(c) Upon Completion of Construction and submission of necessary reports by the Recipient, the Division will prepare an appropriate payment schedule and supply the same to the Recipient. The Division may amend this schedule as necessary to accurately reflect amounts due under this Agreement. The Division will prepare any necessary amendments to the payment schedule and send them to the Recipient. The Recipient must make each Payment on or before the due date therefor. A ten (10) day grace period will be allowed, after which time a penalty in the amount of costs incurred by the State Water Board will be assessed for late payment. These costs may include, but are not limited to, lost interest earnings, staff time, bond debt service default penalties, if any, and other related costs. For purposes of penalty assessment, payment will be deemed to have been made if payment is deposited in the U.S. Mail within the grace period with postage prepaid and properly addressed. Any penalties assessed will not be added to the assistance amount balance, but will be treated as a separate account and obligation of the Recipient. The interest penalty will be assessed from the payment due date.

(d) The Recipient is obligated to make all payments required by this Agreement to the State Water Board, notwithstanding any individual default by its constituents or others in the payment to the Recipient of fees, charges, taxes, assessments, tolls or other charges ("Charges") levied or imposed by the Recipient. The Recipient must provide for the punctual payment to the State Water Board of all amounts which become due under this Agreement and which are received from constituents or others in the payment to the Recipient. In the event of failure, neglect or refusal of any officer of the Recipient to levy or cause to be levied any Charge to provide payment by the Recipient under this Agreement, to enforce or to collect such Charge, or to pay over to the State Water Board any money collected on account of such Charge necessary to satisfy any amount due under this Agreement, the State Water Board may take such action in a court of competent jurisdiction as it deems necessary to compel the performance of all duties relating to the imposition or levying and collection of any of such Charges and the payment of the money collected therefrom to the State Water Board. Action taken pursuant hereto shall not deprive the State Water Board of, or limit the application of, any other remedy provided by law or by this Agreement.

(e) Each Payment must be paid in lawful money of the United States of America by check or other acceptable form of payment set forth at www.waterboards.ca.gov/make_a_payment. The Recipient must pay Payments and Additional Payments from Net Revenues and/or other amounts legally available to the Recipient therefor.

B.2.7 Pledged Revenues.

B.2.7.1 Establishment of Enterprise Fund and Reserve Fund.

In order to carry out its System Obligations, the Recipient covenants that it shall establish and maintain or shall have established and maintained the Enterprise Fund. All Revenues received shall be deposited when and as received in trust in the Enterprise Fund. As required in this Exhibit, the Recipient must establish and maintain a Reserve Fund.

B.2.7.2 Pledge of Net Revenues, Enterprise Fund, and Reserve Fund.

The Obligation hereunder shall be secured by a lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund on parity with the Parity Obligations. The Recipient hereby pledges and grants such lien on and pledge of the Enterprise Fund, Net Revenues, and any Reserve Fund to secure the Obligation, including payment of Payments and Additional Payments hereunder. The Enterprise Fund, Net Revenues in the Enterprise Fund, and any Reserve Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Recipient.

B.2.7.3 Application and Purpose of the Enterprise Fund.

Subject to the provisions of any outstanding System Obligation, money on deposit in the Enterprise Fund shall be applied and used first, to pay Operations and Maintenance Costs, and thereafter, all amounts due and payable with respect to the System Obligations in order of priority. After making all payments hereinabove required to be made in each Fiscal Year, the Recipient may expend in such Fiscal Year any remaining money in the Enterprise Fund for any lawful purpose of the Recipient.

B.2.8 No Prepayment.

Pursuant to State Water Board's Debt Management Policy, adopted on October 3, 2017, the Recipient may not prepay any portion of the principal and interest due under this Agreement without the written consent of the Deputy Director of the Division.

B.2.9 Reserve Fund.

Prior to Completion of Construction, the Recipient must establish a restricted Reserve Fund, held in its Enterprise Fund, equal to one year's Debt Service on this Obligation. The Recipient must maintain the Reserve Fund throughout the term of this Agreement. The Reserve Fund is subject to lien and pledged as security for this Obligation, and its use is restricted to payment of this Obligation during the term of this Agreement.

B.3 RATES, FEES AND CHARGES.

(a) The Recipient must, to the extent permitted by law, fix, prescribe and collect rates, fees and charges for the System during each Fiscal Year which are reasonable, fair, and nondiscriminatory and which will be sufficient to generate Revenues in the amounts necessary to cover Operations and Maintenance Costs, and must ensure that Net Revenues are equal to the sum of (i) at least 120% of the Maximum Annual Debt Service with respect to all outstanding System Obligations senior to and on parity with the Obligation and (ii) at least 100% of the Maximum Annual Debt Service with respect to all outstanding System Obligations subordinate to the Obligation, so long as System Obligations other than this Obligation are outstanding. Upon defeasance of all System Obligations other than this Obligation, this ratio must be at least 120%, except where System Obligations are defeased pursuant to refunding obligations.

(b) The Recipient may make adjustments from time to time in such fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rates, fees and charges then in effect unless the Net Revenues from such reduced rates, fees, and charges will at all times be sufficient to meet the requirements of this section.

(c) Upon consideration of a voter initiative to reduce Revenues, the Recipient must make a finding regarding the effect of such a reduction on the Recipient's ability to satisfy the rate covenant set forth in this Section. The Recipient must make its findings available to the public. The Recipient's Authorized Representative must request, if necessary, the authorization of the Recipient's decision-maker or decision-making body to file litigation to challenge any such initiative that it finds will render it unable to satisfy the rate covenant set forth in this Agreement and its obligation to operate and maintain the Project for its Useful Life. The Recipient must diligently pursue and bear any and all costs related to such challenge. The Recipient must notify and regularly update the State Water Board regarding the status of any such challenge.

B.4 ADDITIONAL DEBT.

(a) The Recipient's future debt that is secured by Revenues pledged herein may not be senior to this Obligation.

(b) The Recipient may issue additional parity or subordinate debt only if all of the following conditions are met:

- i. No Event of Default (or no event with respect to which notice has been given and which, once all notice of grace periods have passed, would constitute an Event of Default) has occurred and is continuing;
- ii. Net Revenues in the most recent Fiscal Year, excluding transfers from a rate stabilization fund, if any, meet the ratio for rate covenants set forth in this Exhibit with respect to any outstanding and proposed additional obligations;
- iii. The Recipient is in compliance with any reserve fund requirement of this Obligation.

B.5 NO LIENS.

The Recipient must not make any pledge of or place any lien on the Project, System, or Revenues except as otherwise provided or permitted by this Agreement.

EXHIBIT C – GENERAL & PROGRAMMATIC TERMS & CONDITIONS

C.1 REPRESENTATIONS & WARRANTIES.

The Recipient represents, warrants, and commits to the following as of the Eligible Work Start Date and continuing thereafter for the term of this Agreement.

C.1.1 Application and General Recipient Commitments.

The Recipient has not made any untrue statement of a material fact in its application for this financial assistance, or omitted to state in its application a material fact that makes the statements in its application not misleading.

The Recipient agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents.

The Recipient agrees to fulfill all assurances, declarations, representations, and commitments in its application, accompanying documents, and communications filed in support of its request for funding under this Agreement.

C.1.2 Authorization and Validity.

The execution and delivery of this Agreement, including all incorporated documents, has been duly authorized by the Recipient. Upon execution by both parties, this Agreement constitutes a valid and binding obligation of the Recipient, enforceable in accordance with its terms, except as such enforcement may be limited by law.

C.1.3 No Violations.

The execution, delivery, and performance by Recipient of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date of execution of this Agreement by the Recipient, or result in any breach or default under any contract, obligation, indenture, or other instrument to which Recipient is a party or by which Recipient is bound as of the date of execution of this Agreement by the Recipient.

C.1.4 No Litigation.

There are, as of the date of execution of this Agreement by the Recipient, no pending or, to Recipient's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which materially affect the financial condition or operations of the Recipient, the System, the Revenues, and/or the Project.

There are no proceedings, actions, or offers by a public entity to acquire by purchase or the power of eminent domain the System or any of the real or personal property related to or necessary for the Project.

C.1.5 Property Rights.

The Recipient owns or has sufficient property rights in the Project property for the longer of the Useful Life or the term of this Agreement, either in fee simple or for a term of years that is not subject to third-party revocation during the Useful Life of the Project.

C.1.6 Solvency and Insurance.

None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of Recipient. The Recipient is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Recipient is able to pay its debts as they become due. The Recipient maintains sufficient insurance coverage considering the scope of this Agreement, including, for example but not necessarily limited to, general liability, automobile liability, workers compensation and employer liability, professional liability.

C.1.7 Legal Status and Eligibility.

The Recipient is duly organized and existing and in good standing under the laws of the State of California. Recipient must at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority. The Recipient acknowledges that changes to its legal or financial status may affect its eligibility for funding under this Agreement and commits to maintaining its eligibility. Within the preceding ten years, the Recipient has not failed to demonstrate compliance with state or federal audit disallowances.

C.1.8 Financial Statements and Continuing Disclosure.

The financial statements of Recipient previously delivered to the State Water Board as of the date(s) set forth in such financial statements: (a) are materially complete and correct; (b) present fairly the financial condition of the Recipient; and (c) have been prepared in accordance with GAAP. Since the date(s) of such financial statements, there has been no material adverse change in the financial condition of the Recipient, nor have any assets or properties reflected on such financial statements been sold, transferred, assigned, mortgaged, pledged or encumbered, except as previously disclosed in writing by Recipient and approved in writing by the State Water Board.

The Recipient is current in its continuing disclosure obligations associated with its material debt, if any.

C.1.9 System Obligations

The Recipient has no System Obligations other than those defined in this Agreement.

C.1.10 No Other Material Debt.

The Recipient has no Material Obligations other than System Obligations

C.1.11 Compliance with State Water Board Funding Agreements.

The Recipient represents that it is in compliance with all State Water Board funding agreements to which it is a party.

C.2 DEFAULTS AND REMEDIES

In addition to any other remedy set forth in this Agreement, the following remedies are available under this Agreement.

C.2.1 Return of Funds; Acceleration; and Additional Payments.

Notwithstanding any other provision of this Agreement, if the Division determines that an Event of Default has occurred, the Recipient may be required, upon demand, immediately to do each of the following:

Exhibit C

- i. return to the State Water Board any grant or principal forgiveness amounts received pursuant to this Agreement;
- ii. accelerate the payment of any principal owed under this Agreement, all of which shall be immediately due and payable;
- iii. pay interest at the highest legal rate on all of the foregoing; and
- iv. pay any Additional Payments.

C.2.2 [Reserved.]

C.2.3 Administrative remedies.

Whenever the State Water Board determines that the Recipient, the Recipient's contractor, consultant, employee, agent, assignee, or grantee has violated any requirement or term of the Agreement, the State Water Board may impose civil penalties in accordance with Water Code, section 13497. The State Water Board may impose civil liability administratively against the Recipient or the Recipient's consultant or contractor or other agent furnishing any information related to funds disbursed or costs claimed for reimbursement if the Recipient or the Recipient's consultant or contractor or other agent fails to personally attest that the information is true, accurate, and complete to the best of one's knowledge. (Wat. Code, § 13498.) The State Water Board may impose civil liability administratively against any person who makes a misrepresentation in any submittal to the State Water Board, including, but not limited to, an application, report, certification, record, invoice, form, or other document that is submitted to the State Water Board relating to a financial assistance agreement. (Wat. Code, § 13499.)

C.2.4 Judicial remedies.

Whenever the State Water Board determines that an Event of Default shall have occurred, the State Water Board may enforce its rights under this Agreement by any judicial proceeding, whether at law or in equity. Without limiting the generality of the foregoing, the State Water Board may:

- i. by suit in equity, require the Recipient to account for amounts relating to this Agreement as if the Recipient were the trustee of an express trust;
- ii. by mandamus or other proceeding, compel the performance by the Recipient and any of its officers, agents, and employees of any duty under the law or of any obligation or covenant under this Agreement, including but not limited to the imposition and collection of rates for the services of the System sufficient to meet all requirements of this Agreement; and
- iii. take whatever action at law or in equity as may appear necessary or desirable to the State Water Board to collect the Payments then due or thereafter to become due, or to enforce performance of any obligation or covenant of the Recipient under this Agreement.

C.2.5 Termination.

Upon an Event of Default, the State Water Board may terminate this Agreement. Interest shall accrue on all amounts due at the highest legal rate of interest from the date that the State Water Board delivers notice of termination to the Recipient.

C.2.6 Damages for Breach of Tax-Exempt Status.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the loss of tax-exempt status for any bonds of the State or any subdivision or agency thereof, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government by reason of any arbitrage profits, the Recipient must immediately reimburse the

State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.7 Damages for Breach of Federal Conditions.

In the event that any breach of any of the provisions of this Agreement by the Recipient results in the failure of Project Funds to be used pursuant to the provisions of this Agreement, or if such breach results in an obligation on the part of the State or any subdivision or agency thereof to reimburse the federal government, the Recipient must immediately reimburse the State or any subdivision or agency thereof in an amount equal to any damages paid by or loss incurred by the State or any subdivision or agency thereof due to such breach.

C.2.8 Remedies and Limitations.

None of the remedies available to the State Water Board shall be exclusive of any other remedy, and each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. The State Water Board may exercise any remedy, now or hereafter existing, without exhausting and without regard to any other remedy.

Any claim of the Recipient is limited to the rights and remedies provided to the Recipient under this Agreement and is subject to the claims procedures provided to the Recipient under this Agreement.

C.2.9 Non-Waiver.

Nothing in this Agreement shall affect or impair the Recipient's Obligation to pay Payments as provided herein or shall affect or impair the right of the State Water Board to bring suit to enforce such payment. No delay or omission of the State Water Board in the exercise of any right arising upon an Event of Default shall impair any such right or be construed to be a waiver of any such Event of Default. The State Water Board may exercise from time to time and as often as shall be deemed expedient by the State Water Board, any remedy or right provided by law or pursuant to this Agreement.

C.2.10 Status Quo.

If any action to enforce any right or exercise any remedy shall be brought and either discontinued or determined adversely to the State Water Board, then the State Water Board shall be restored to its former position, rights and remedies as if no such action had been brought.

C.3 STANDARD CONDITIONS

C.3.1 Access, Inspection, and Public Records.

The Recipient must ensure that the State Water Board, the Governor of the State, the USEPA, the USEPA's Office of Inspector General, any member of Congress, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of the Agreement. The Recipient acknowledges that, except for a subset of information regarding archaeological records, the Project records and locations are public records, including but not limited to all of the submissions accompanying the application, all of the documents incorporated into this Agreement by reference, and all reports, reimbursement requests, and supporting documentation submitted hereunder.

C.3.2 Accounting and Auditing Standards; Financial Management Systems; Records Retention.

(a) The Recipient must maintain project accounts according to GAAP as issued by the Governmental Accounting Standards Board (GASB) or its successor. The Recipient must maintain GAAP-compliant project accounts, including GAAP requirements relating to the reporting of infrastructure assets.

(b) The Recipient must comply with federal standards for financial management systems. The Recipient agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit preparation of reports required by the federal government and tracking of Project funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal or state law or the terms of this Agreement. To the extent applicable, the Recipient is bound by, and must comply with, the provisions and requirements of the federal Single Audit Act of 1984 and 2 CFR Part 200, subpart F, and updates or revisions, thereto.

(c) Without limitation of the requirement to maintain Project accounts in accordance with GAAP, the Recipient must:

- i. Establish an official file for the Project which adequately documents all significant actions relative to the Project;
- ii. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Project, including all assistance funds received under this Agreement;
- iii. Establish separate accounts which will adequately depict all income received which is attributable to the Project, specifically including any income attributable to assistance funds disbursed under this Agreement;
- iv. Establish an accounting system which will accurately depict final total costs of the Project, including both direct and indirect costs;
- v. Establish such accounts and maintain such records as may be necessary for the State to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
- vi. If Force Account is used by the Recipient for any phase of the Project, other than for planning, design, and construction engineering and administration provided for by allowance, accounts will be established which reasonably document all employee hours charged to the Project and the associated tasks performed by each employee.

(d) The Recipient must maintain separate books, records and other material relative to the Project. The Recipient must also retain such books, records, and other material for itself and for each contractor or subcontractor who performed or performs work on this project for a minimum of thirty-six (36) years after Completion of Construction. The Recipient must require that such books, records, and other material are subject at all reasonable times (at a minimum during normal business hours) to inspection, copying, and audit by the State Water Board, the California State Auditor, the Bureau of State Audits, the USEPA, the USEPA's Office of Inspector General, the Internal Revenue Service, the Governor, or any authorized representatives of the aforementioned. The Recipient must allow and must require its contractors to allow interviews during normal business hours of any employees who might reasonably have information related to such records. The Recipient agrees to include a similar duty regarding audit, interviews, and records retention in any contract or subcontract related to the performance of this Agreement. The provisions of this section survive the term of this Agreement.

C.3.3 Amendment.

No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by both the Recipient and the Deputy Director or designee.

Requests for amendments must be in writing and directed to the contact listed in Section 4 and to the Division's Chief of Loans and Grants Administration Section.

C.3.4 Assignability.

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of the State Water Board in the form of a formal written amendment to this Agreement.

C.3.5 Audit.

(a) The Division may call for an audit of financial information relative to the Project if the Division determines that an audit is desirable to assure program integrity or if an audit becomes necessary because of state or federal requirements. If an audit is called for, the audit must be performed by a certified public accountant independent of the Recipient and at the cost of the Recipient. The audit must be in the form required by the Division.

(b) Audit disallowances must be returned to the State Water Board.

C.3.6 Bonding.

Where contractors are used, the Recipient must not authorize construction to begin until each contractor has furnished a performance bond in favor of the Recipient in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00.

C.3.7 Competitive Bidding

Recipient must adhere to any applicable state law or local ordinance for competitive bidding and applicable labor laws.

C.3.8 Compliance with Applicable Laws, Rules, and Requirements.

The Recipient must, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, to the extent applicable, the Recipient must:

(a) Comply with the provisions of the adopted environmental mitigation plan, if any, for the term of this Agreement;

(b) Comply with the Policy; and

(c) Comply with and require compliance with the state and federal requirements set forth elsewhere in this Agreement.

C.3.9 Computer Software.

The Recipient certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

C.3.10 Conflict of Interest.

The Recipient certifies that its owners, officers, directors, agents, representatives, and employees are in compliance with applicable state and federal conflict of interest laws.

Exhibit C

C.3.11 Continuous Use of Project; No Lease, Sale, Transfer of Ownership, or Disposal of Project.

The Recipient agrees that, except as provided in this Agreement, it will not abandon, substantially discontinue use of, lease, sell, transfer ownership of, or dispose of all or a significant part or portion of the Project during the Useful Life of the Project without prior written approval of the Division. Such approval may be conditioned as determined to be appropriate by the Division, including a condition requiring repayment of all disbursed Project Funds or all or any portion of all remaining funds covered by this Agreement together with accrued interest and any penalty assessments that may be due.

C.3.12 Data Management.

The Recipient will undertake appropriate data management activities so that Project data can be incorporated into statewide data systems.

C.3.13 Disputes.

(a) The Recipient may appeal a staff decision within 30 days to the Deputy Director of the Division or designee, for a final Division decision. The Recipient may appeal a final Division decision to the State Water Board within 30 days. The Office of the Chief Counsel of the State Water Board will prepare a summary of the dispute and make recommendations relative to its final resolution, which will be provided to the State Water Board's Executive Director and each State Water Board Member. Upon the motion of any State Water Board Member, the State Water Board will review and resolve the dispute in the manner determined by the State Water Board. Should the State Water Board determine not to review the final Division decision, this decision will represent a final agency action on the dispute.

(b) This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the State Water Board, or any official or representative thereof, on any question of law.

(c) Recipient must continue with the responsibilities under this Agreement during any dispute.

(d) This section relating to disputes does not establish an exclusive procedure for resolving claims within the meaning of Government Code sections 930 and 930.4.

C.3.14 [Reserved.]

C.3.15 Environmental Clearance.

(a) No work that is subject to CEQA or NEPA may proceed under this Agreement unless the State Water Board has provided environmental clearance. The State Water Board may require changes in the scope of work or additional mitigation as a condition to providing construction or implementation funding under this Agreement. Recipient shall not perform any work subject to CEQA and/or NEPA before the State Water Board completes its environmental review and specifies any changes in scope or additional mitigation that may be required. Proceeding with work subject to CEQA and/or NEPA without approval by the State Water Board shall constitute a breach of a material provision of this Agreement.

(b) If this Project includes modification of a river or stream channel, the Recipient must fully mitigate environmental impacts resulting from the modification. The Recipient must provide documentation that the environmental impacts resulting from such modification will be fully mitigated considering all of the impacts of the modification and any mitigation, environmental enhancement, and environmental benefit resulting from the Project, and whether, on balance, any environmental enhancement or benefit equals or exceeds any negative environmental impacts of the Project.

C.3.16 Governing Law.

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

C.3.17 Income Restrictions.

The Recipient agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Recipient under this Agreement must be paid by the Recipient to the State Water Board, to the extent that they are properly allocable to costs for which the Recipient has been reimbursed by the State Water Board under this Agreement.

C.3.18 Indemnification and State Reviews.

The parties agree that review or approval of Project plans and specifications by the State Water Board is for administrative purposes only, including conformity with application and eligibility criteria, and expressly not for the purposes of design defect review or construction feasibility, and does not relieve the Recipient of its responsibility to properly plan, design, construct, operate, and maintain the Project. To the extent permitted by law, the Recipient agrees to indemnify, defend, and hold harmless the State Water Board, the Bank, and any trustee, and their officers, employees, and agents for the Bonds, if any (collectively, "Indemnified Persons"), against any loss or liability arising out of any claim or action brought against any Indemnified Persons from and against any and all losses, claims, damages, liabilities, or expenses, of every conceivable kind, character, and nature whatsoever arising out of, resulting from, or in any way connected with (1) the System or the Project or the conditions, occupancy, use, possession, conduct, or management of, work done in or about, or the planning, design, acquisition, installation, or construction, of the System or the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the Toxic Substances Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the California Hazardous Waste Control Law, and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System or the Project; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Recipient for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement, except those arising from the gross negligence or willful misconduct of the Indemnified Persons. The Recipient must also provide for the defense and indemnification of the Indemnified Persons in any contractual provision extending indemnity to the Recipient in any contract let for the performance of any work under this Agreement, and must cause the Indemnified Persons to be included within the scope of any provision for the indemnification and defense of the Recipient in any contract or subcontract. To the fullest extent permitted by law, the Recipient agrees to pay and discharge any judgment or award entered or made against Indemnified Persons with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section survive the term of this Agreement.

C.3.19 Independent Actor.

The Recipient, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State Water Board.

C.3.20 Integration.

This Agreement constitutes the complete and final agreement between the parties. No oral or written understanding or agreement not incorporated in this Agreement shall be binding on either party.

C.3.21 Leveraging Covenants.

- (a) Notwithstanding any other provision hereof, the Recipient covenants and agrees that it will comply with the Tax Covenants set forth in Exhibit F of this Agreement.
- (a) The Recipient covenants to furnish such financial, operating and other data pertaining to the Recipient as may be requested by the State Water Board to: (i) enable the State Water Board to cause the issuance of Bonds and provide for security therefor; or (ii) enable any underwriter of Bonds issued for the benefit of the State Water Board to comply with Rule 15c2-12(b)(5).
- (b) The Recipient further covenants to provide the State Water Board with copies of all continuing disclosure documents or reports that are disclosed pursuant to (i) the Recipient's continuing disclosure undertaking or undertakings made in connection with any outstanding System Obligation, (ii) the terms of any outstanding System Obligation, or (iii) a voluntary disclosure of information related to an outstanding System Obligation. The Recipient must disclose such documents or reports to the State Water Board at the same time such documents or reports are submitted to any dissemination agent, trustee, nationally recognized municipal securities information repository, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) website or other person or entity.

C.3.22 No Discrimination.

- (a) The Recipient must comply with Government Code section 11135 and the implementing regulations (Cal. Code Regs, tit. 2, § 11140 et seq.), including, but not limited to, ensuring that no person is unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination in the operation of, the Project or System on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, genetic information, marital status, or sexual orientation as such terms are defined under California law, for as long as the Recipient retains ownership or possession of the Project.
- (b) If Project Funds are used to acquire or improve real property, the Recipient must include a covenant of nondiscrimination running with the land in the instrument effecting or recording the transfer of such real property.
- (c) The Recipient must comply with the federal American with Disabilities Act of 1990 and implementing regulations as required by Government Code section 11135(b).
- (d) The Recipient's obligations under this section shall survive the term of this Agreement.
- (e) During the performance of this Agreement, Recipient and its contractors and subcontractors must not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, sexual orientation, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, denial of family care leave, or genetic information, gender, gender identity, gender expression, or military and veteran status.
- (f) The Recipient, its contractors, and subcontractors must ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.

(g) The Recipient, its contractors, and subcontractors must comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder. (Gov. Code, §12990, subds. (a)-(f) et seq.; Cal. Code Regs., tit. 2, § 7285 et seq.) Such regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

(h) The Recipient, its contractors, and subcontractors must comply with all applicable federal civil rights regulations, including statutory and national policy requirements. (2 CFR § 200.300). This includes, to the greatest extent practicable and to the extent permitted by law, the requirement to respect and protect the freedom of persons and organizations to engage in political and religious speech. (Executive Order 13798).

(i) The Recipient, its contractors, and subcontractors must give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

(j) The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

C.3.23 No Third Party Rights.

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein.

C.3.24 No Obligation of the State.

Any obligation of the State Water Board herein contained shall not be an obligation, debt, or liability of the State and any such obligation shall be payable solely out of the moneys encumbered pursuant to this Agreement.

C.3.25 Notice.

Upon the occurrence of any of the following events, the Recipient must provide notice as set forth below.

- (a) Within 24 hours of the following, the Recipient must notify the Division by phone at (916) 327-9978 and by email to melky.calderon@waterboards.ca.gov, lisa.hong@waterboards.ca.gov, and CleanWaterSRF@waterboards.ca.gov:
 - i. The seizure of, or levy on, any Revenues securing this Agreement;
 - ii. Any discovery of any potential tribal cultural resource and/or archaeological or historical resource (also notify the Division's Senior Cultural Resources Officer, Lisa.Machado@waterboards.ca.gov or (916) 323-0626). Should a potential tribal cultural resource and/or archaeological or historical resource be discovered during construction or Project implementation, the Recipient must ensure that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Division has determined what actions should be taken to protect and preserve the resource. The Recipient must implement appropriate actions as directed by the Division.
- (b) [Reserved.]
- (c) Within five (5) business days, the Recipient must notify the Division by phone at (916) 327-9978; by email to Lance.Reese@waterboards.ca.gov, melky.calderon@waterboards.ca.gov, lisa.hong@waterboards.ca.gov, and CleanWaterSRF@waterboards.ca.gov; and by mail to the contact address set forth in Section 4 of this Agreement of the occurrence of any of the following events:

Exhibit C

- i. Bankruptcy, insolvency, receivership or similar event of the Recipient, or actions taken in anticipation of any of the foregoing;
 - ii. Change of ownership of the Project or the System or change of management or service contracts, if any, for operation of the System;
 - iii. Loss, theft, damage, or impairment to Project, the Revenues or the System;
 - iv. Failure to meet any debt service coverage test in Exhibit B of this Agreement;
 - v. Draws on the Reserve Fund;
 - vi. Listed Events and Events of Default, except as otherwise set forth in this section;
 - vii. Failure to observe or perform any covenant or comply with any condition in this Agreement;
 - viii. An offer from a public entity to purchase the Project or the System or any portion thereof, or any of the real or personal property related to or necessary for the Project;
 - ix. A proceeding or action by a public entity to acquire the Project or the System by power of eminent domain;
 - x. Incurrence of a System Obligation or other Material Obligation by the Recipient; or
 - xi. A default, event of acceleration, termination event, modification of terms, or other similar event under the terms of a System Obligation or other Material Obligation of the Recipient, any of which reflect financial difficulties.
- (d) Within ten (10) business days, the Recipient must notify the Division by phone at (916) 327-9978, by email to melky.calderon@waterboards.ca.gov, lisa.hong@waterboards.ca.gov, and CleanWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of the following events:
- i. Material defaults on Material Obligations, other than this Obligation;
 - ii. Unscheduled draws on material debt service reserves or credit enhancements, reflecting financial difficulties;
 - iii. Substitution of credit or liquidity providers, if any or their failure to perform;
 - iv. Any litigation pending or threatened with respect to the Project or the Recipient's technical, managerial or financial capacity to operate the System or the Recipient's continued existence, or any judgment or court order relating to such litigation that has a significant effect on the Project or the System;
 - v. Circulation of a petition to repeal, reduce, or otherwise challenge the Recipient's rates for services of the System;
 - vi. Consideration of dissolution, or disincorporation, or any other event that could materially impair the Revenues;
 - vii. Adverse tax opinions, the issuance by the Internal Revenue Service or proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of any tax-exempt bonds;
 - viii. Rating changes on outstanding System Obligations, if any;
 - ix. Enforcement actions by or brought on behalf of the State Water Board or Regional Water Board; or
 - x. Any investigation by the District Attorney, California State Auditor, Bureau of State Audits, USEPA's Office of Inspector General, the Internal Revenue Service, Securities and Exchange Commission, a grand jury, or any other state or federal agency, relating to the Recipient's financial management, accounting procedures, or internal fiscal controls;
- (e) The Recipient must notify the Division promptly by phone at (916) 327-9978, by email to melky.calderon@waterboards.ca.gov, lisa.hong@waterboards.ca.gov, and

CleanWaterSRF@waterboards.ca.gov, and by mail to the contact address set forth in Section 4 of this Agreement of any of the following events:

- i. The discovery of a false statement of fact or representation made in this Agreement or in the application to the Division for this financial assistance, or in any certification, report, or request for reimbursement made pursuant to this Agreement, by the Recipient, its employees, agents, or contractors;
- ii. Any substantial change in scope of the Project. The Recipient must undertake no substantial change in the scope of the Project until prompt written notice of the proposed change has been provided to the Division and the Division has given written approval for the change;
- iii. Cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more;
- iv. Any circumstance, combination of circumstances, or condition, which is expected to or does delay Completion of Construction for a period of ninety (90) days or more;
- v. Discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. Should a federally protected species be unexpectedly encountered during construction of the Project, the Recipient agrees to promptly notify the Division. This notification is in addition to the Recipient's obligations under the federal Endangered Species Act;
- vi. Any Project monitoring, demonstration, or other implementation activities required in Exhibit A or Exhibit D of this Agreement, if any;
- vii. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by state representatives with at least ten (10) working days' notice to the Division. The Recipient is encouraged to notify the EPA project officer ;
- viii. Any allegation of research misconduct involving research activities that are supported in whole or in part with EPA funds under this Project, as required by Exhibit C.4.3(xxvii);
- ix. Any events requiring notice to the Division pursuant to the provisions of this Agreement;
- x. Completion of Construction of the Project, and actual Project Completion;
- xi. The award of the prime construction contract for the Project;
- xii. Initiation of construction of the Project.

C.3.26 Operation and Maintenance; Insurance.

The Recipient agrees to sufficiently and properly staff, operate and maintain all portions of the System during the Useful Life of the Project in accordance with all applicable state and federal laws, rules, and regulations.

The Recipient will procure and maintain or cause to be maintained insurance on the System with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the System) as are usually covered in connection with systems similar to the System. Such insurance may be maintained by a self-insurance plan so long as such plan provides for (i) the establishment by the Recipient of a separate segregated self-insurance fund in an amount determined (initially and on at least an annual basis) by an independent insurance consultant experienced in the field of risk management employing accepted actuarial techniques and (ii) the establishment and maintenance of a claims processing and risk management program.

In the event of any damage to or destruction of the System caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the System. The Recipient must begin such reconstruction, repair or

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replacement as expeditiously as possible, and must pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same must be completed and the System must be free and clear of all claims and liens. If such net proceeds are insufficient to reconstruct, repair, or restore the System to the extent necessary to enable the Recipient to pay all remaining unpaid principal portions of the Payments, if any, in accordance with the terms of this Agreement, the Recipient must provide additional funds to restore or replace the damaged portions of the System.

Recipient agrees that for any policy of insurance concerning or covering the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing the State Water Board, its officers, agents, employees, and servants as additional insured; and must provide the Division with a copy of all such certificates prior to the commencement of construction of the Project.

C.3.27 Permits, Subcontracting, and Remedies.

Recipient must procure all permits, licenses and other authorizations necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Signed copies of any such permits or licenses must be submitted to the Division before any construction begins.

The Recipient must not contract or allow subcontracting with excluded parties. The Recipient must not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which this funding is authorized. For any work related to this Agreement, the Recipient must not contract with any individual or organization on the State Water Board's List of Disqualified Businesses and Persons that is identified as debarred or suspended or otherwise excluded from or ineligible for participation in any work overseen, directed, funded, or administered by the State Water Board program for which funding under this Agreement is authorized. The State Water Board's List of Disqualified Businesses and Persons is located at

http://www.waterboards.ca.gov/water_issues/programs/enforcement/fwa/dbp.shtml

C.3.28 Professionals.

The Recipient agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for. All technical reports required pursuant to this Agreement that involve planning, investigation, evaluation, design, or other work requiring interpretation and proper application of engineering, architectural, or geologic sciences, shall be prepared by or under the direction of persons registered to practice in California pursuant to Business and Professions Code, sections 5536.1, 6735, 7835, and 7835.1. To demonstrate compliance with California Code of Regulations, title 16, sections 415 and 3065, all technical reports must contain a statement of the qualifications of the responsible registered professional(s). As required by these laws, completed technical reports must bear the signature(s) and seal(s) of the registered professional(s) in a manner such that all work can be clearly attributed to the professional responsible for the work.

C.3.29 Prevailing Wages.

The Recipient agrees to be bound by all applicable provisions of State Labor Code regarding prevailing wages. The Recipient must monitor all agreements subject to reimbursement from this Agreement to ensure that the prevailing wage provisions of the State Labor Code are being met.

In addition, the Recipient agrees to comply with the Davis-Bacon provisions incorporated by reference in Section 3 of this Agreement.

C.3.30 Public Funding.

This Project is publicly funded. Any service provider or contractor with which the Recipient contracts must not have any role or relationship with the Recipient, that, in effect, substantially limits the Recipient's ability to exercise its rights, including cancellation rights, under the contract, based on all the facts and circumstances.

C.3.31 Recipient's Responsibility for Work.

The Recipient shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The State Water Board will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.

C.3.32 Related Litigation.

Under no circumstances may the Recipient use funds from any reimbursement under this Agreement to pay costs associated with any litigation the Recipient pursues against the State Water Board or any Regional Water Quality Control Board. Regardless of the outcome of any such litigation, and notwithstanding any conflicting language in this Agreement, the Recipient agrees to repay all of the disbursed funds plus interest in the event that Recipient does not complete the project.

C.3.33 Rights in Data.

The Recipient agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Recipient may copyright the same, except that, as to any work which is copyrighted by the Recipient, the State reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so, and to receive electronic copies from the Recipient upon request.

C.3.34 State Water Board Action; Costs and Attorney Fees.

Any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the State Water Board as a result of breach of this Agreement by the Recipient, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the State Water Board shall not preclude the State Water Board from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that each party shall bear its own costs and attorney fees.

C.3.35 Timeliness.

Time is of the essence in this Agreement.

C.3.36 Unenforceable Provision.

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

C.3.37 Venue.

Any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California.

C.3.38 Waiver and Rights of the State Water Board.

Any waiver of rights by the State Water Board with respect to a default or other matter arising under this Agreement at any time shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State Water Board provided for in this Agreement are in addition to any other rights and remedies provided by law.

C.4 MISCELLANEOUS STATE AND FEDERAL REQUIREMENTS

C.4.1 [Reserved.]

C.4.2 State Cross-Cutters.

Recipient represents that, as applicable, it complies and covenants to maintain compliance with the following with respect to all Project Costs for the term of this Agreement:

- i. The California Environmental Quality Act (CEQA), as set forth in Public Resources Code 21000 et seq. and in the CEQA Guidelines at Title 14, Division 6, Chapter 3, Section 15000 et seq.
- ii. Water Conservation requirements, including regulations in Division 3 of Title 23 of the California Code of Regulations.
- iii. Monthly Water Diversion Reporting requirements, including requirements set forth in Water Code section 5103.
- iv. Public Works Contractor Registration with Department of Industrial Relations requirements, including requirements set forth in Sections 1725.5 and 1771.1 of the Labor Code.
- v. Volumetric Pricing & Water Meters requirements, including the requirements of Water Code sections 526 and 527.
- vi. Urban Water Management Plan requirements, including the Urban Water Management Planning Act (Water Code, § 10610 et seq.).
- vii. Urban Water Demand Management requirements, including the requirements of Section 10608.56 of the Water Code.
- viii. Delta Plan Consistency Findings requirements, including the requirements of Water Code section 85225 and California Code of Regulations, title 23, section 5002.
- ix. Agricultural Water Management Plan Consistency requirements, including the requirements of Water Code section 10852.
- x. Charter City Project Labor Requirements, including the requirements of Labor Code section 1782 and Public Contract Code section 2503.

- xi. The Recipient agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with directives or orders issued pursuant to Division 7 of the Water Code.
- xii. Regulations in Division 4 of Title 22 of the California Code of Regulations, including but not limited to California Waterworks Standards in Chapter 16, and Lead and Copper regulations in Chapter 17.5.

C.4.3 Federal Requirements and Cross-Cutters for SRF Funding.

The Recipient acknowledges, warrants compliance with, and covenants to continuing compliance with the following federal terms and conditions with Respect to all Project Costs for the term of this Agreement and for the Useful Life of the Project:

- i. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient shall not purchase "iron and steel products" produced outside of the United States on this Project. Unless the Recipient has obtained a waiver from USEPA on file with the State Water Board or unless this Project is not a project for the construction, alteration, maintenance or repair of a public water system or treatment work, the Recipient hereby certifies that all "iron and steel products" used in the Project were or will be produced in the United States. For purposes of this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials. "Steel" means an alloy that includes at least 50 percent iron, between .02 and 2 percent carbon, and may include other elements.
- ii. [Reserved.]
- iii. The Recipient acknowledges that funds received under this Agreement are subject to the Build America Buy America (BABA) requirements of Public Law 117-58 (the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), signed into law on November 15, 2021), which are in addition to "iron and steel products" requirements described in section C.4.3 (i) above. Specifically, unless (1) the Recipient has requested and obtained a waiver from USEPA on file with the State Water Board pertaining to the Project or the Project is otherwise covered by a general applicability waiver, as confirmed in writing by the State Water Board; or (2) the State Water Board and, to the extent the Project is co-funded by any other agency using federal funds subject to BABA requirements, each such agency, has advised the Recipient in writing that the BABA requirements are not applicable to the Project, the Recipient shall ensure and certifies that, as these terms are defined within and made applicable by Public Law 117-58:
 - (a) all iron and steel used in the Project are produced in the United States;
 - (b) the manufactured products used in the Project are produced in the United States; and
 - (c) the construction materials used in the Project are produced in the United States.

The Recipient must comply and require its contractors and subcontractors to comply with all applicable BABA requirements and reporting and must inform the State Water Board immediately of any information regarding a violation of the foregoing.

Based on representations made by the Recipient and corresponding evidence on file with the State Water Board, the Project qualifies for the "Adjustment Period Waiver of Section 70914(a) of P.L. 117-58, Build America, Buy America Act, 2021 for SRF Projects that have Initiated Design

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Planning”, found at [EPA - SRF - Final Waiver - Adjustment Period September 2022 - Signed.pdf](#). This waiver applies to projects that have initiated project design planning prior to May 14, 2022, the statutory effective date of the BABA requirements, and permits the use of non-domestic manufactured products and construction materials that would otherwise be prohibited under the BABA requirements. This program waiver does not waive the iron and steel requirements under BABA. Sections 70917(a) and (b) of BIL provide a savings provision for existing statutory requirements that meet or exceed BABA requirements, such as the “iron and steel products” requirements applicable to SRF funded projects referenced in section C.4.3 (i) above, which will continue to apply as part of BABA requirements.

- iv. The Recipient must include in full the Wage Rate Requirements (Davis-Bacon) language incorporated by reference in Section 3 of this Agreement in all construction contracts and subcontracts.
- v. The Recipient must comply with the signage requirements set forth in Exhibit A.
- vi. The Recipient shall notify the State Water Board and the USEPA contact of public or media events publicizing the accomplishment of significant events related to this Project and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days’ notice.
- vii. The Recipient shall comply with applicable USEPA general terms and conditions found at <https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later>.
- viii. No Recipient may receive funding under this Agreement unless it has provided its Unique Entity Identifier, assigned by the System for Award management, to the State Water Board.
- ix. [Reserved.]
- x. The Recipient represents and warrants that it and its principals are not excluded or disqualified from participating in this transaction as such terms are defined in Parts 180 and 1532 of Title 2 of the Code of Federal Regulations (2 CFR). If the Recipient is excluded after execution of this Agreement, the Recipient shall notify the Division within ten (10) days and shall inform the Division of the Recipient’s exclusion in any request for amendment of this Agreement. The Recipient shall comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR. Such compliance is a condition precedent to the State Water Board’s performance of its obligations under this Agreement. When entering into a covered transaction as defined in Parts 180 and 1532 of 2 CFR, the Recipient shall require the other party to the covered transaction to comply with Subpart C of Part 180 of 2 CFR, as supplemented by Subpart C of Part 1532 of 2 CFR.
- xi. To the extent applicable, the Recipient shall disclose to the State Water Board any potential conflict of interest consistent with USEPA’s Final Financial Assistance Conflict of Interest Policy at <https://www.epa.gov/grants/epas-final-financial-assistance-conflict-interest-policy>. A conflict of interest may result in disallowance of costs.
- xii. USEPA and the State Water Board have the right to reproduce, publish, use and authorize others to reproduce, publish and use copyrighted works or other data developed under this assistance agreement.
- xiii. Where an invention is made with Project Funds, USEPA and the State Water Board retain the right to a worldwide, nonexclusive, nontransferable, irrevocable, paid-up license to practice the invention owned by the Recipient. The Recipient must utilize the Interagency Edison extramural

invention reporting system at <http://Edison.gov> and shall notify the Division when an invention report, patent report, or utilization report is filed.

- xiv. The Recipient agrees that any reports, documents, publications or other materials developed for public distribution supported by this Agreement shall contain the Disclosure statement set forth in Exhibit A.
- xv. The Recipient acknowledges that it is encouraged to follow guidelines established under Section 508 of the Rehabilitation Act, codified at 36 CFR Part 1194, with respect to enabling individuals with disabilities to participate in its programs supported by this Project.
- xvi. The Recipient, its employees, contractors and subcontractors and their employees warrants that it will not engage in severe forms of trafficking in persons, procure a commercial sex act during the term of this Agreement, or use forced labor in the performance of this Agreement. The Recipient must include this provision in its contracts and subcontracts under this Agreement. The Recipient must inform the State Water Board immediately of any information regarding a violation of the foregoing. The Recipient understands that failure to comply with this provision may subject the State Water Board to loss of federal funds. The Recipient agrees to compensate the State Water Board for any such funds lost due to its failure to comply with this condition, or the failure of its contractors or subcontractors to comply with this condition. The State Water Board may unilaterally terminate this Agreement if the Recipient that is a private entity is determined to have violated the foregoing.
- xvii. The Recipient certifies to the best of its knowledge and belief that:
 - a. No federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
 - 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 agency, a Member of Congress in connection with this Agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions, and notify the State Water Board.

The Recipient shall require this certification from all parties to any contract or agreement that the Recipient enters into and under which the Recipient incurs costs for which it seeks reimbursements under this Agreement.

- xviii. The Recipient must comply with the following federal non-discrimination requirements:
 - a. Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency (LEP).
 - b. Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities.
 - c. The Age Discrimination Act of 1975, which prohibits age discrimination.
 - d. Section 13 of the Federal Water Pollution Control Act Amendments of 1972, which prohibits discrimination on the basis of sex.
 - e. 40 CFR Part 7, as it relates to the foregoing.
- xix. If the Project relates to construction of a publicly owned treatment works, where the Recipient contracts for program management, construction management, feasibility studies, preliminary

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engineering, design, engineering, surveying, mapping, or architectural related services, the Recipient shall ensure that any such contract is negotiated in the same manner as a contract for architectural and engineering services is negotiated under chapter 11 of title 40, United States Code, or an equivalent State qualifications-based requirement as determined by the State Water Board.

- xx. If the Project relates to construction of a publicly owned treatment works, the Recipient certifies that it has developed and is implementing a fiscal sustainability plan for the Project, except as set forth in Exhibit D, that includes an inventory of critical assets that are a part of the Project, an evaluation of the condition and performance of inventoried assets or asset groupings, a certification that the Recipient has evaluated and will be implementing water and energy conservation efforts as part of the plan, and a plan for maintaining, repairing, and, as necessary, replacing the Project and a plan for funding such activities.
- xxi. Executive Order No. 11246. The Recipient shall include in its contracts and subcontracts related to the Project the following provisions:

"During the performance of this contract, the contractor agrees as follows:"(a) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. 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. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

"(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

"(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

"(d) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

"(e) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

"(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept 24, 1965, and such other sanctions may be imposed and remedies invoked as

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provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

"(g) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

- xxii. The Recipient agrees to comply with the requirements of USEPA's Program for Utilization of Small, Minority and Women's Business Enterprises.
- xxiii. Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans; 42 USC § 7606; 33 USC § 1368. Except where the purpose of this Agreement is to remedy the cause of the violation, the Recipient may not procure goods, services, or materials from suppliers excluded under the federal System for Award Management: sam.gov
- xxiv. Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended; 42 USC §§4601-4655. The Recipient must comply with the Act's implementing regulations at 49 CFR 24.101 through 24.105.
- xxv. The Recipient agrees that if its network or information system is connected to USEPA networks to transfer data using systems other than the Environmental Information Exchange Network or USEPA's Central Data Exchange, it will ensure that any connections are secure.
- xxvi. All geospatial data created pursuant to this Agreement that is submitted to the State Water Board for use by USEPA or that is submitted directly to USEPA must be consistent with Federal Geographic Data Committee endorsed standards. Information on these standards may be found at www.fgdc.gov.
- xxvii. If the Recipient is a water system that serves 500 or fewer persons, the Recipient represents that it has considered publicly-owned wells as an alternative drinking water supply.
- xxviii. The Recipient represents that it is not a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability; and it is not a corporation that was convicted of a felony criminal violation under a Federal law within the preceding 24 months.
- xxix. The Recipient agrees to immediately notify the Project Manager in writing about any allegation of research misconduct involving research activities that are supported in whole or in part with EPA funds under this Project, including fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results, or ordering, advising, or suggesting that subordinates engage in research misconduct.

- xxx. The Recipient agrees to comply with, and require all contractors and subcontractors to comply with, EPA's Scientific Integrity Policy, available at <https://www.epa.gov/osa/policy-epa-scientific-integrity>, when conducting, supervising, and communicating science and when using or applying the results of science. For purposes of this condition scientific activities include, but are not limited to, computer modelling, economic analysis, field sampling, laboratory experimentation, demonstrating new technology, statistical analysis, and writing a review article on a scientific issue.

The Recipient shall not suppress, alter, or otherwise impede the timely release of scientific findings or conclusions; intimidate or coerce scientists to alter scientific data, findings, or professional opinions or exert non-scientific influence on scientific advisory boards; knowingly misrepresent, exaggerate, or downplay areas of scientific uncertainty; or otherwise violate the EPA's Scientific Integrity Policy. The Recipient must refrain from acts of research misconduct, including publication or reporting, as described in EPA's Policy and Procedures for Addressing Research Misconduct, Section 9.C, and must ensure scientific findings are generated and disseminated in a timely and transparent manner, including scientific research performed by contractors and subcontractors.

- xxxi. The Recipient agrees to comply with the Animal Welfare Act of 1966 (7 USC 2131-2156). Recipient also agrees to abide by the "U.S. Government Principles for the Utilization and Care of Vertebrate Animals used in Testing, Research, and Training," available at <http://grants.nih.gov/grants/olaw/references/phspol.htm#USGovPrinciples>.

- xxxii. The Recipient certifies that no Project Funds will be used on:

- a. Video surveillance or telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities), telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- b. Telecommunications or video surveillance services produced by such entities;
- c. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country; or
- d. Other telecommunications or video surveillance services or equipment in violation of [2 CFR 200.216](#).

- xxxiii. The Recipient agrees to comply with all Environmental Cross-Cutters:

- a. Archeological and Historic Preservation Act (54 U.S.C. §§ 312501-312508)
- b. Bald and Golden Eagle Protection Act (16 U.S.C. §§ 668-668c)
- c. Clean Air Act (42 U.S.C. § 7401)
- d. Coastal Barriers Resources Act (16 U.S.C. § 3501 et seq.)
- e. Coastal Zone Management Act (16 U.S.C. § 1451 et seq.)
- f. Endangered Species Act (16 U.S.C. § 1531 et seq.)
- g. Environmental Justice (Executive Order 12898)
- h. Farmland Protection Policy Act (7 U.S.C. § 4201 et seq.)
- i. Fish and Wildlife Coordination Act (16 U.S.C. § 661 et seq.)
- j. Floodplain Management (Executive Order 11988, as amended by Executive Orders 12148 and 13690)
- k. Historic Sites Act (54 U.S.C. § 320101 et seq.)

- l. Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et seq.)
- m. Marine Mammal Protection Act (16 U.S.C. § 1361 et seq.)
- n. Migratory Bird Treaty Act (16 U.S.C. § 703 et seq.)
- o. National Historic Preservation Act (54 U.S.C. §§ 300101 et seq.)
- p. Protection of Wetlands (Executive Order 11990 (1977), as amended by Executive Order 12608 (1997))
- q. Rivers and Harbors Act (33 U.S.C. § 403 et seq.)
- r. Safe Drinking Water Act (42 U.S.C. § 300f et seq.)
- s. Wild and Scenic Rivers Act (16 U.S.C. § 1271 et seq.)
- t. Wilderness Act (16 U.S.C. § 1131 et seq.)

EXHIBIT D – SPECIAL CONDITIONS

Environmental:

1. The documents identified below are incorporated by reference and the Recipient shall comply with the conditions and recommendations therein:
 - a. The Biological Resources Report (dated June 2021), including, but not limited to, the following recommended minimization measures:
 - i. If construction activities commence during the migratory bird breeding season, from January 1 for raptors and hummingbirds and February 15 to August 31 for all other avian species, a preconstruction survey will be conducted for active nests by a qualified avian biologist within 36 hours prior to construction activities.
 - ii. The preconstruction nest survey will be conducted within all suitable habitat within the Project Site and within a 500-foot buffer where access is permitted. An active nest is defined by active nest building, incubating adults on a nest, or the presence of eggs and/or nestlings. If eggs are present without adults, the qualified avian biologist will determine if the nest is active or has been abandoned after a pre-determined observation period has been conducted.
 - iii. If active bird nests are identified in the Project Site during the preconstruction nest survey, an Environmentally Sensitive Area (ESA) will be established and remain until it has been determined that the young have fledged or nesting activities have ceased. The qualified avian biologist, in consultation with the California Department of Fish and Wildlife, will determine the extent of the ESA, which is typically set at 500-feet for raptors and 100-feet for all other avian species. The extent of the ESA and the type of disturbance allowed in areas adjacent to the site will be determined based by the Migratory Bird Treaty Act and California Fish and Game Code (CFGF).
 - iv. The environmentally sensitive area will be clearly marked in the field with appropriate signage and fencing, wherever appropriate. Additional preconstruction nest surveys will be required if there is a lapse in construction activities for more than seven days during the nesting season.
2. The Recipient shall make no changes in the Project, construction area, or special conditions, without obtaining the appropriate and necessary prior approval from the State Water Board.
3. The Recipient shall provide notice to the Division's Senior Cultural Resources Officer, Lisa.Machado@waterboards.ca.gov or (916) 323-0626 within 24 hours of the discovery of any potential tribal cultural resource and/or archaeological or historical resource, and shall notify the Division promptly upon the discovery of any unexpected endangered or threatened species, as defined in the federal Endangered Species Act. For additional requirements, please refer to Exhibit C of this Agreement.
4. REPORTING TO THE STATE WATER BOARD
 - a. In the Recipient's Progress Reports and the Project Completion Report, submitted pursuant to this Agreement, the Recipient shall include a discussion of the status of its compliance with all environmental measures identified in this Exhibit D, with separate sections clearly labeled with section titles, discussing the status of Recipient's compliance with:
 - i. Biological Resources Report recommended minimization measures.

Executive Order N-6-22 — Russian Sanctions.

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to

sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State Water Board determine Recipient is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State Water Board shall provide Recipient advance written notice of such termination, allowing Recipient at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State Water Board.

The Recipient represents that the Recipient is not a target of economic sanctions imposed in response to Russia's actions in Ukraine imposed by the United States government or the State of California. The Recipient is required to comply with the economic sanctions imposed in response to Russia's actions in Ukraine, including with respect to, but not limited to, the federal executive orders identified in California Executive Order N-6-22, located at <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf> and the sanctions identified on the United States Department of the Treasury website (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>). The Recipient is required to comply with all applicable reporting requirements regarding compliance with the economic sanctions, including, but not limited to, those reporting requirements set forth in California Executive Order N-6-22 for all Recipients with one or more agreements with the State of California with an aggregated value of Five Million Dollars (\$5,000,000) or more. Notwithstanding any other provision in this Agreement, failure to comply with the economic sanctions and all applicable reporting requirements may result in termination of this Agreement.

For Recipients with an aggregated agreement value of Five Million Dollars (\$5,000,000) or more with the State of California, reporting requirements include, but are not limited to, information related to steps taken in response to Russia's actions in Ukraine, including but not limited to:

1. Desisting from making any new investments or engaging in financial transactions with Russian institutions or companies that are headquartered or have their principal place of business in Russia;
2. Not transferring technology to Russia or companies that are headquartered or have their principal place of business in Russia; and
3. Direct support to the government and people of Ukraine.

EXHIBIT E – PAYMENT SCHEDULE

See the attached preliminary Payment Schedule. The final Payment Schedule will be forwarded to the Recipient after all disbursements have been paid and construction of the Project has been completed.

California CWSRF Payment Schedule

Principal is paid over: 20 Years
Interest rate: 1.65000%

Project No. 8608-110 - La Mesa, City of
Agreement: D2301002 - based on Actual + Projected Disbursements

Inflow and Infiltration Mitigation Project Phase 6

Ref Num	Due Date	Date Received	Principal Payment	Interest Rate%	Interest Payment	Total P and I Payment	Total Payment	Ending Balance	CPI Interest
1	1/15/2026		202,977.20	1.650	42,570.00	245,547.20	245,547.20	3,977,022.80	0.00
2	1/15/2027		324,529.00	1.650	94,028.38	418,557.38	418,557.38	6,472,493.80	0.00
3	1/15/2028		311,761.23	1.650	106,796.15	418,557.38	418,557.38	6,160,732.57	0.00
4	1/15/2029		316,905.29	1.650	101,652.09	418,557.38	418,557.38	5,843,827.28	0.00
5	1/15/2030		322,134.23	1.650	96,423.15	418,557.38	418,557.38	5,521,693.05	0.00
6	1/15/2031		327,449.44	1.650	91,107.94	418,557.38	418,557.38	5,194,243.61	0.00
7	1/15/2032		332,852.36	1.650	85,705.02	418,557.38	418,557.38	4,861,391.25	0.00
8	1/15/2033		338,344.42	1.650	80,212.96	418,557.38	418,557.38	4,523,046.83	0.00
9	1/15/2034		343,927.11	1.650	74,630.27	418,557.38	418,557.38	4,179,119.72	0.00
10	1/15/2035		349,601.90	1.650	68,955.48	418,557.38	418,557.38	3,829,517.82	0.00
11	1/15/2036		355,370.34	1.650	63,187.04	418,557.38	418,557.38	3,474,147.48	0.00
12	1/15/2037		361,233.95	1.650	57,323.43	418,557.38	418,557.38	3,112,913.53	0.00
13	1/15/2038		367,194.31	1.650	51,363.07	418,557.38	418,557.38	2,745,719.22	0.00
14	1/15/2039		373,253.01	1.650	45,304.37	418,557.38	418,557.38	2,372,466.21	0.00
15	1/15/2040		379,411.69	1.650	39,145.69	418,557.38	418,557.38	1,993,054.52	0.00
16	1/15/2041		385,671.98	1.650	32,885.40	418,557.38	418,557.38	1,607,382.54	0.00
17	1/15/2042		392,035.57	1.650	26,521.81	418,557.38	418,557.38	1,215,346.97	0.00
18	1/15/2043		398,504.15	1.650	20,053.23	418,557.38	418,557.38	816,842.82	0.00
19	1/15/2044		405,079.47	1.650	13,477.91	418,557.38	418,557.38	411,763.35	0.00
20	1/15/2045		411,763.35	1.650	6,794.10	418,557.45	418,557.45	0.00	0.00
			7,000,000.00		1,198,137.49	8,198,137.49	8,198,137.49		0.00

EXHIBIT F – TAX CERTIFICATE

F.1 Purpose.

The purpose of this Exhibit F is to establish the reasonable expectations of the Recipient regarding the Project and the Project Funds, and is intended to be and may be relied upon for purposes of Sections 103, 141 and 148 of the Code and as a certification described in Section 1.148-2(b)(2) of the Treasury Regulations. This Exhibit F sets forth certain facts, estimates and circumstances which form the basis for the Recipient's expectation that neither the Project nor the Bond Funded Portion of the Project Funds is to be used in a manner that would cause the Obligation to be classified as "arbitrage bonds" under Section 148 of the Code or "private activity bonds" under Section 141 of the Code.

F.2 Tax Covenant.

The Recipient agrees that it will not take or authorize any action or permit any action within its reasonable control to be taken, or fail to take any action within its reasonable control, with respect to the Project which would result in the loss of the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Code.

F.3 Governmental Unit.

The Recipient is a state or local governmental unit as defined in Section 1.103-1 of the Treasury Regulations or an instrumentality thereof (a "Governmental Unit") and is not the federal government or any agency or instrumentality thereof.

F.4 Financing of a Capital Project.

The Recipient will use the Project Funds to finance capital expenditures it has incurred or will incur for the construction, reconstruction, installation or acquisition of the Project in accordance with the terms of this Agreement. Such expenditures shall not have previously been financed with the proceeds of any other issue of indebtedness except for interim financing by the Recipient, the date of maturity, prepayment or redemption of which is within thirty (30) days of the date of disbursement of Project Funds under this Agreement. All Project Funds shall be allocated to expenditures by the Recipient within thirty (30) days of the date of disbursement, including (if at all) Project Funds allocated to repay interim financing of the Recipient. For purposes of this Section F.4, "interim financing" means notes, commercial paper, loans, lines of credit and other forms of short-term borrowing.

F.5 Ownership and Operation of Project.

The Recipient exclusively owns and, except as provided in Section F.12 hereof, operates the Project.

F.6 Temporary Period.

The Recipient reasonably expects that at least eighty-five percent (85%) of the Bond Funded Portion of the Project Funds will be allocated to expenditures for the Project within three (3) years of the earlier of the effective date of this Agreement or the date the Bonds are issued ("Applicable Date"). The Recipient has incurred, or reasonably expects that it will incur within six (6) months of the Applicable Date, a substantial binding obligation (i.e., not subject to contingencies within the control of the Recipient or a related party) to a third party to expend at least five percent (5%) of the Bond Funded Portion of the Project Funds on Project Costs. The completion of acquisition, construction, improvement and equipping of the Project and the allocation of the Bond Funded Portion of the Project Funds to Project Costs will proceed with due diligence.

F.7 Working Capital.

No operational expenditures of the Recipient or any related entity are being, have been or will be financed or refinanced with Project Funds.

F.8 Expenditure of Proceeds.

The Bond Funded Portion of the Project Funds shall be used exclusively for the following purposes: (i) Reimbursement Expenditures (as defined in Section F.20 below), (ii) Preliminary Expenditures (as defined in Section F.20 below) in an aggregate amount not exceeding twenty percent (20%) of the Bond Funded Portion of the Project Funds, (iii) capital expenditures relating to the Project originally paid by the Recipient on or after the date hereof, (iv) interest on the Obligation through the later of three (3) years after the Applicable Date or one (1) year after the Project is placed in service, and (v) initial operating expenses directly associated with the Project in the aggregate amount not more than five percent (5%) of the Bond Funded Portion of the Project Funds.

F.9 Private Use and Private Payments.

No portion of the Project Funds or the Project is being, has been or will be used in the aggregate for any activities that constitute a Private Use (as defined below). No portion of the principal of or interest with respect to the Payments will be secured by any interest in property (whether or not the Project) used for a Private Use or in payments in respect of property used for a Private Use, or will be derived from payments in respect of property used for a Private Use. "Private Use" means any activity that constitutes a trade or business that is carried on by persons or entities, other than a Governmental Unit. The leasing of the Project or the access by or the use of the Project by a person or entity other than a Governmental Unit on a basis other than as a member of the general public shall constitute a Private Use. Use by or on behalf of the State of California or any of its agencies, instrumentalities or subdivisions or by any local Governmental Unit and use as a member of the general public will be disregarded in determining whether a Private Use exists. Use under an arrangement that conveys priority rights or other preferential benefits is generally not use on the same basis as the general public. Arrangements providing for use that is available to the general public at no charge or on the basis of rates that are generally applicable and uniformly applied do not convey priority rights or other preferential benefits. For this purpose, rates may be treated as generally applicable and uniformly applied even if (i) different rates apply to different classes of users, such as volume purchasers, if the differences in rates are customary and reasonable; or (ii) a specially negotiated rate arrangement is entered into, but only if the user is prohibited by federal law from paying the generally applicable rates, and the rates established are as comparable as reasonably possible to the generally applicable rates. An arrangement that does not otherwise convey priority rights or other preferential benefits is not treated, nevertheless, as general public use if the term of the use under the arrangement, including all renewal options, is greater than 200 days. For this purpose, a right of first refusal to renew use under the arrangement is not treated as a renewal option if (i) the compensation for the use under the arrangement is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal; and (ii) the use of the financed property under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business.

F.10 No Sale, Lease or Private Operation of the Project.

The Project (or any portion thereof) will not be sold or otherwise disposed of, in whole or in part, to any person who is not a Governmental Unit prior to the final maturity date of the Obligation. The Project will not be leased to any person or entity that is not a Governmental Unit prior to the final maturity date of the Obligation. Except as permitted under Section F.12 hereof, the Recipient will not enter any contract or arrangement or cause or permit any contract or arrangement to be entered with persons or entities that are not Governmental Units if that contract or arrangement would confer on such persons or entities any right to use the Project on a basis different from the right of members of the general public. The contracts or arrangements contemplated by the preceding sentence include but are not limited to management contracts, take or pay contracts or put or pay contracts, and capacity guarantee contracts.

F.11 No Disproportionate or Unrelated Use.

No portion of the Project Funds or the Project is being, has been, or will be used for a Private Use that is unrelated or disproportionate to the governmental use of the Project Funds.

F.12 Management and Service Contracts.

The Recipient represents that, as of the date hereof, it is not a party to any contract, agreement or other arrangement with any persons or entities engaged in a trade or business (other than Governmental Units) that involve the management or operation of property or the provision of services at or with respect to the Project that does not comply with the standards of the Treasury Regulations, or Revenue Procedure 2017-13, as applicable. The Recipient represents that it will not be party to any such contract, agreement or arrangement with any person or entity that is not a Governmental Unit for the management of property or the provision of services at or with respect to the Project, while the Obligation (including any obligation or series thereof issued to refund the Obligation, as the case may be) is outstanding, except: (a) with respect to any contract, agreement or arrangement that does not constitute "private business use" of the Project under Code §141(b), or (b) with respect to any contract, agreement or arrangement that complies with (i) Revenue Procedure 97-13, 1997-1 C.B. 632, as amended by Revenue Procedure 2001-39, 2001-2 C.B. 38, and as amplified by Notice 2014-67, with respect to contracts entered into before August 18, 2017 and not materially modified or extended after August 18, 2017, or (ii) Revenue Procedure 2017-13, with respect to contracts entered into or materially modified or extended on or after August 18, 2017, or (c) with respect to any contract, agreement or arrangement that does not give rise to use of the Bond Funded Portion of the Project Funds or the Project by a non-Governmental Unit of more than the amount of such non-qualified use permitted by the Code, or (d) in the event that the Recipient receives an opinion of counsel, satisfactory to the State Water Board and the Bank and expert in the issuance of state and local government bonds the interest on which is excluded from gross income under Section 103 of the Code ("Nationally-Recognized Bond Counsel"), that such contract, agreement or arrangement will not adversely affect the exclusion of the interest on the Obligation from gross income for federal income taxation purposes.

F.13 No Disposition of Financed Property.

As of the date hereof, the Recipient does not expect to sell or otherwise dispose of any portion of the Project, in whole or in part, prior to the final maturity date of the Obligation.

F.14 Useful Life of Project.

As of the date hereof, the Recipient reasonably expects that the economic useful life of the Project, commencing at Project Completion, will be at least equal to the term of this Agreement, as set forth in Exhibit A hereto.

F.15 Payments.

Payments generally are expected to be derived from assessments, taxes, fees, charges or other current Revenues of the Recipient in each year, and such current Revenues are expected to equal or exceed the Payments during each payment period. Any amounts accumulated in a sinking fund or bona fide debt service fund to pay Payments (whether or not deposited to a fund or account established by the Recipient) will be disbursed to pay Payments within thirteen months of the initial date of accumulation or deposit. Any such fund used for the payment of Payments will be depleted once a year except for a reasonable carryover amount not exceeding the greater of earnings on such fund or one-twelfth of the Payments in either case for the immediately preceding year.

F.16 No Other Replacement Proceeds.

The Recipient will not use any of the Bond Funded Portion of the Project Funds to replace or substitute other funds of the Recipient that were otherwise to be used to finance the Project or which are or will be used to acquire securities, obligations or other investment property reasonably expected to produce a yield that is materially higher than the yield on the Bonds.

F.17 No Sinking or Pledged Fund.

Except as set forth in Section F.18 below, the Recipient will not create or establish any sinking fund or pledged fund which will be used to pay Payments on the Obligation within the meaning of Section 1.148-1(c) of the Treasury Regulations. If any sinking fund or pledged fund comes into being with respect to the Obligation before the Obligation has been fully retired which may be used to pay the Payments, the Recipient will invest such sinking fund and pledged fund moneys at a yield that does not exceed the yield on the Bonds.

F.18 Reserve Amount.

The State Water Board requires that the Recipient maintain and fund a separate account in an amount equal to one (1) year of debt service with respect to the Obligation (the "Reserve Amount") as set forth in Exhibit B. The Recipient represents that the Reserve Amount is and will be available to pay debt service with respect to the Obligation, if and when needed. The Reserve Amount consists solely of revenues of the Recipient and does not include any proceeds of any obligations the interest on which is excluded from gross income for federal income tax purposes or investment earnings thereon. The aggregate of the Reserve Amount, up to an amount not exceeding the lesser of (i) ten percent of the aggregate principal amount of the Obligation, (ii) the maximum annual debt service with respect to the Obligation, or (iii) 125 percent of the average annual debt service with respect to the Obligation, will be treated as a reasonably required reserve fund.

F.19 Reimbursement Resolution.

The "reimbursement resolution" adopted by the Recipient is incorporated herein by reference.

F.20 Reimbursement Expenditures.

Reimbursements are disallowed, except as specifically authorized in Exhibit B or Exhibit D of this Agreement. To the extent so authorized, a portion of the Bond Funded Portion of the Project Funds may be applied to reimburse the Recipient for Project Costs paid before the date hereof, so long as the Project Cost was (i) not paid prior to sixty (60) days before the Recipient's adoption of a declaration of official intent to finance the Project, (ii) not paid more than eighteen (18) months prior to the date hereof or the date the Project was placed-in-service, whichever is later, and (iii) not paid more than three (3) years prior to the date hereof (collectively, "Reimbursement Expenditures"), unless such cost is attributable to a "preliminary expenditure." Preliminary expenditure for this purpose means architectural, engineering, surveying, soil testing and similar costs incurred prior to the commencement of construction or rehabilitation of the Project, but does not include land acquisition, site preparation and similar costs incident to the commencement of acquisition, construction or rehabilitation of the Project. Preliminary expenditures may not exceed 20% of the Bond Funded Portion of the Project Funds.

F.21 Change in Use of the Project.

The Recipient reasonably expects to use all of the Bond Funded Portion of the Project Funds and the Project for the entire stated term to maturity of the Obligation. Absent an opinion of Nationally-Recognized Bond Counsel to the effect that such use of the Bond Funded Portion of the Project Funds will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code, the Recipient will use the Bond Funded Portion of the Project Funds and the Project solely as set forth in this Agreement.

F.22 Rebate Obligations.

If the Recipient satisfies the requirements of one of the spending exceptions to rebate specified in Section 1.148-7 of the Treasury Regulations, amounts earned from investments, if any, acquired with the Bond Funded Portion of the Project Funds will not be subject to the rebate requirements imposed under Section 148(f) of the Code. If the Recipient fails to satisfy such requirements for any period, it will notify the State Water Board and the Bank immediately and will comply with the provisions of the Code and the Treasury Regulations at such time, including the payment of any rebate amount calculated by the State Water Board or the Bank.

F.23 No Federal Guarantee.

The Recipient will not directly or indirectly use any of the Bond Funded Portion of the Project Funds in any manner that would cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code, taking into account various exceptions including any guarantee related to investments during an initial temporary period until needed for the governmental purpose of the Bonds, investments as part of a bona fide debt service fund, investments of a reasonably required reserve or replacement fund, investments in bonds issued by the United States Treasury, investments in refunding escrow funds or certain other investments permitted under the Treasury Regulations.

F.24 Amendments.

The provisions in this Exhibit may be amended, modified or supplemented at any time to reflect changes in the Code upon obtaining written approval of the State Water Board and the Bank and an opinion of Nationally-Recognized Bond Counsel to the effect that such amendment, modification or supplement will not adversely affect the exclusion from federal gross income of interest on the Bonds pursuant to Section 103 of the Code.

F.25 Reasonable Expectations.

The Recipient warrants that, to the best of its knowledge, information and belief, and based on the facts and estimates as set forth in the tax covenants in this Exhibit, the expectations of the Recipient as set forth in this Exhibit are reasonable. The Recipient is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in the provisions in this Exhibit.

F.26 Assignment.

The Recipient consents to any pledge, sale, or assignment to the Bank or a trustee for the benefit of the owners of the Bonds, if any, at any time of any portion of the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement and the right to make all related waivers and agreements in the name and on behalf of the State Water Board, as agent and attorney-in-fact, and to perform all other related acts which are necessary and appropriate under this Agreement, if any, and the State Water Board's estate, right, title, and interest and claim in, to and under this Agreement to Payments (but excluding the State Water Board's rights to Additional Payments and to notices, opinions and indemnification under each Obligation).

RESOLUTION NO. 2024-

RESOLUTION ACCEPTING THE FUNDS FROM THE STATE REVOLVING
FUND LOAN (NO. 8608-110) AND APPROPRIATING THE EXPENDITURE IN
THE CAPITAL IMPROVEMENT PROGRAM PROJECT ACCOUNT

WHEREAS, the City Council has authorized the Mayor to execute a loan agreement with the State of California Water Resources Control Board;

WHEREAS, the amount of the loan is \$7,000,000 and the expenditure for Inflow and Infiltration Mitigation Project Phase 6 is approved by the City Council; and

WHEREAS, only the amount necessary for the design and construction will be charged to the project.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of La Mesa, California, that:

The City accepts the loan and appropriates the expenditure for Inflow and Infiltration Mitigation Project Phase 6 Project in a capital improvement program project account however, that if the actual revenue received from the source specified should be more or less than the amount set forth herein, that the appropriations shall be adjusted to the amount actually received.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

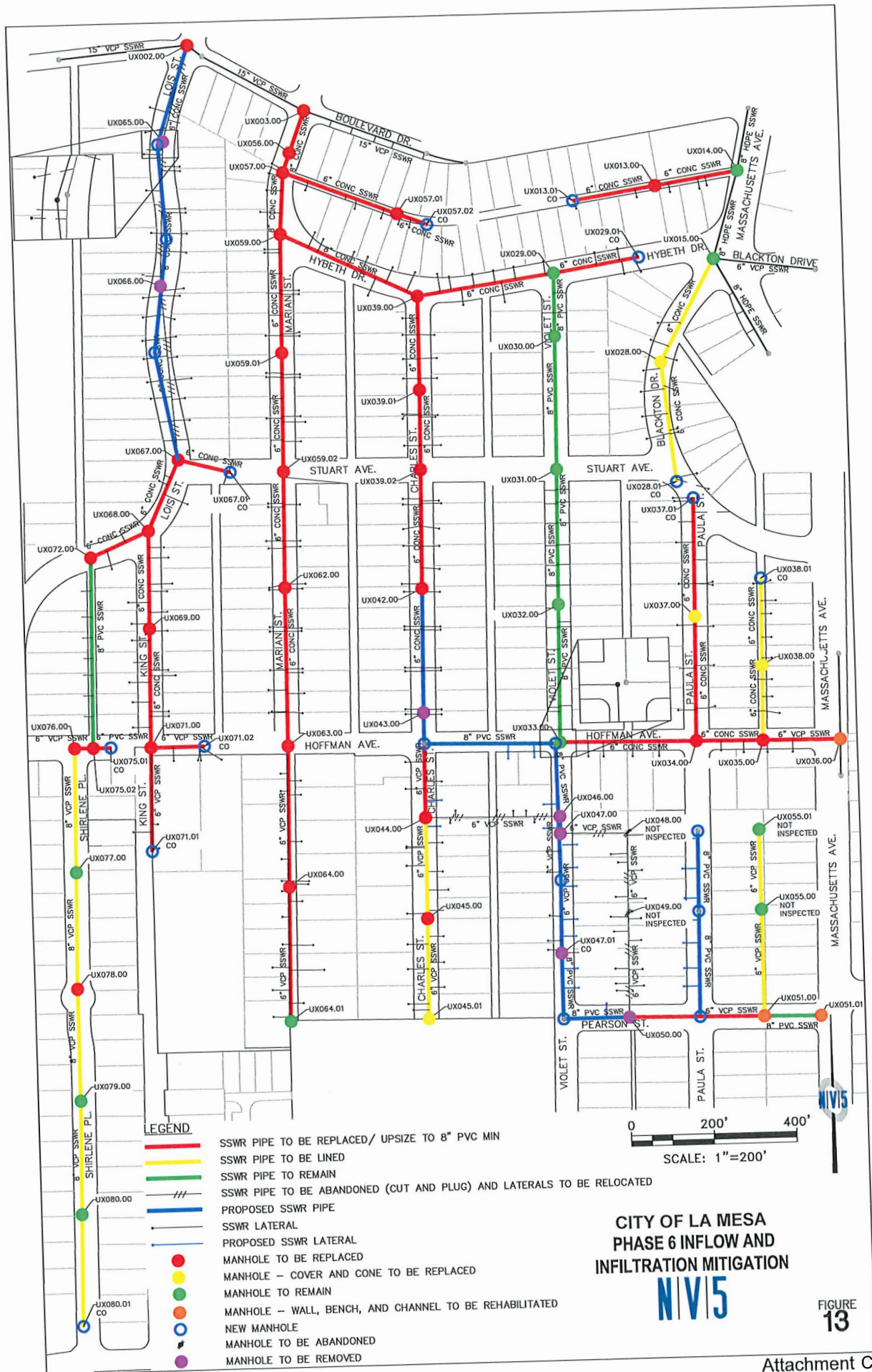
ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-, duly passed and adopted by the City Council of said City on the 13th of February 2024, and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)



State Revolving Fund- Current Agreements and Financing Schedule

Project Name	Agreement Number	2021-2022	2022-2023	2023-2024	2025-2026	Final Payment
I&I Mitigation Phase 1	C-06-4729-110	\$304,569	\$304,569	\$304,569	\$304,569	2/1/28
I&I Mitigation Phase 2	C-06-4729-120	\$189,473	\$189,473	\$189,473	\$189,473	7/31/28
I&I Mitigation Phase 3	C-06-4729-130	\$178,076	\$178,076	\$178,076	\$178,076	7/15/29
I&I Mitigation Phase 4	C-06-4729-140	\$184,991	\$184,991	\$184,991	\$184,991	1/21/30
Alvarado Trunk Sewer Improvements Phase 2	C-06-7824-110	\$213,494	\$213,494	\$213,494	\$213,494	5/31/37
Parkway Drive and Alvarado Rd Trunk Sewer Phase 3 Upgrade	C-06-8394-110	\$0	\$264,380	\$398,555	\$398,555	7/30/41
	Total	\$1,070,603	\$1,334,983	\$1,469,158	\$1,469,158	



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: February 13, 2024

SUBJECT: APPROVAL OF SUMMARY VACATION OF AN
EXISTING EASEMENT FOR PUBLIC SIDEWALKS AND
UTILITY PURPOSES ENCUMBERING 4757 PALM
AVENUE

ISSUING DEPARTMENT: Public Works

SUMMARY:

Issues:

Should the City of La Mesa vacate an existing an existing easement for public sidewalk and utility purposes encumbering 4757 Palm Avenue?

Recommendation:

Vacate the City of La Mesa existing easement for public sidewalk and utility purposes encumbering 4757 Palm Avenue.

Fiscal Impact:

None.

City's Strategic Goals:

- Invest in infrastructure to serve the needs of the community.

Environmental Review:

This project is categorically exempt from the environmental review process under Section 15301 Class 1(c) of Title 14 of the California Code of Regulations.

BACKGROUND:

When the old La Mesa Appliance Center at 4757 Palm Avenue was renovated in 2008, the owners were required to dedicate an easement for public sidewalk and utilities to allow for pedestrian access and minor public drainage features to be constructed on site that would take public drainage to the bio-swale facilities at the southeast intersection of Palm Avenue and Allison Avenue (see Attachment B). The property was recently sold and under the proposed new design for the property, pedestrian access and minor drainage has been reconfigured for the site and the City will no longer need the easement for the intended purposes.

DISCUSSION:

Palm Street Ventures, LLC a California Limited Liability Company, seeks to remove the public easement in order to increase the developable area. The owner has researched the easement history and requests that the City vacate that easement encumbering the property citing that vacating that public utility easement would allow development to proceed with construction. The City has reviewed the easement, proposed development plans and supporting documents with other utility agencies and has determined that the vacation request is reasonable. San Diego Gas & Electric, Helix Water District, Cox Cable and AT&T have been contacted and each agency has submitted a letter indicating they have no objection to the vacation.

California Streets and Highways Code, Section 8330, et seq., provides the criteria for summary vacation of public service easements in any of the following cases:

- (a) The easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation;
- (b) The date of dedication or acquisition is less than five years, and more than one year, immediately preceding the proposed vacation, and the easement was not used continuously since that date; or
- (c) The easement has been superseded by relocation, or determined to be excess by the easement holder, and there are no other public facilities located within the easement.

Condition (c) applies to this request for vacation and therefore the City Council may authorize the vacation.

CONCLUSION:

Staff recommends the City vacate existing easement for public sidewalk and utility purposes encumbering 4757 Palm Avenue.

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:



Michael Throne, PE
Director of Public Works

Attachments: A. Resolution
 B. Vacation Exhibit

RESOLUTION NO. 2024-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA
ORDERING THE SUMMARY VACATION OF AN EASEMENT FOR
PUBLIC SIDEWALK AND UTILITY PURPOSES ENCUMBERING 4757
PALM AVENUE

WHEREAS, an easement for public sidewalk and utility purposes was dedicated to the City of La Mesa in easement Document No. 2008-0221874, recorded April 25, 2008;

WHEREAS, the property owner of 4757 Palm Avenue, has requested the vacation of said easement to unencumber their property and facilitate the use of the property;

WHEREAS, Section 8330, et seq., of the California Streets and Highways Code provides the criteria for summary vacation of public service easements in any of the following cases:

- a. The easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation;
- b. The date of dedication or acquisition is less than five years, and more than one year, immediately preceding the proposed vacation, and the easement was not used continuously since that date; or
- c. The easement has been superseded by relocation, or determined to be excess by the easement holder, and there are no other public facilities located within the easement.

WHEREAS, the City Council finds that:

- a. The Notice of Public Hearing on said resolution ordering the summary vacation of the easement, was published in the Daily Transcript on January 29, 2024, and February 5, 2024, in the manner prescribed by law for the publication of resolutions in and for said City.
- b. Notices of said hearing were posted conspicuously along the easement proposed to be vacated, at least fourteen days before the date set by this resolution for the hearing. Said notices were posted not more than three hundred (300) feet apart and at least three (3) such notices were posted.
- c. No persons presented evidence that said easement is necessary for present or future public purposes;
- d. There is no present or prospective use for the easement for which it was originally acquired or for any other public use of a like nature that can be anticipated;
- e. The easement for public utility purposes has been superseded by relocation and there are no other public facilities located within the easement considered to be vacated;
- f. The property owner will benefit from the vacation through improved utilization of the land; and

- g. The vacation is consistent with the general plan or an approved community plan.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, as follows:

1. That the easement for public sidewalk and utility purposes dedicated to the City of La Mesa in easement Document No. 2008-0221874, recorded April 25, 2008, be ordered vacated.
2. That the City Clerk of the City of La Mesa, California shall cause a certified copy of this Resolution, attested to under the seal of the City of La Mesa, with exhibits, to be recorded in the Office of the County Recorder of San Diego County, State of California.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

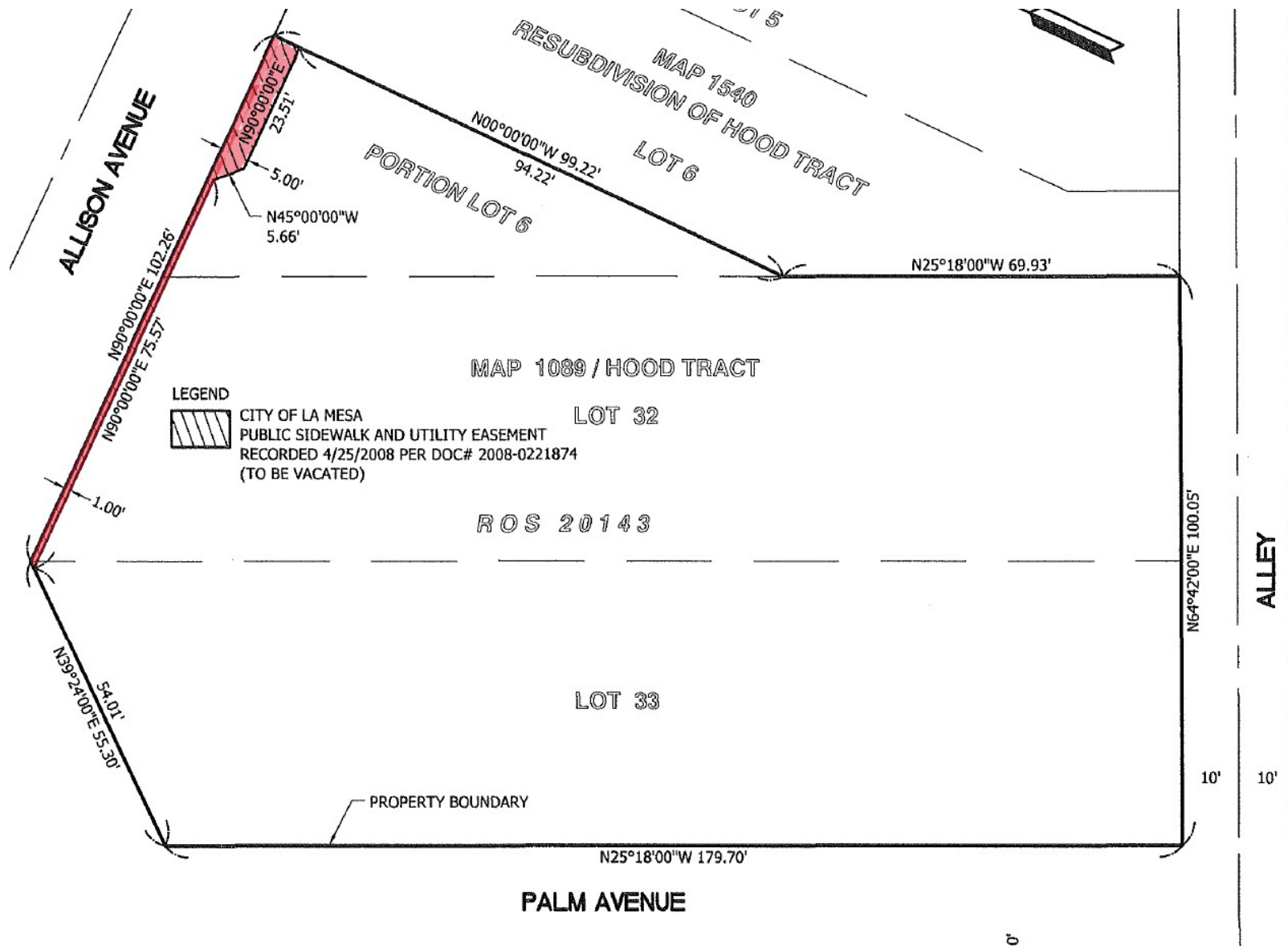
ABSENT:

CERTIFICATE OF THE CITY CLERK

I, MAGAN WIEGLEMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-__, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)



ATTACHMENT B



REPORT to the MAYOR and MEMBERS of the CITY COUNCIL
From the CITY MANAGER

DATE: February 13, 2024

SUBJECT: RESOLUTION AWARDING A PROFESSIONAL
SERVICES CONTRACT TO RICK ENGINEERING
COMPANY FOR PHASE 1 OF THE DOWNTOWN
VILLAGE SPECIFIC PLAN UPDATE

ISSUING DEPARTMENT: Community Development

SUMMARY:

Issues:

Should the City Council adopt a resolution awarding a Professional Services Contract to Rick Engineering Company for Phase 1 of the Downtown Village Specific Plan Update.

Recommendation:

Staff recommends that the City Council adopt a resolution awarding a Professional Services Contract to Rick Engineering Company for Phase 1 of the Downtown Village Specific Plan Update.

Fiscal Impact:

\$300,000 was budgeted in the Fiscal Year (FY) 2023/24 Community Development Professional and Specialized Services account.

City's Strategic Goals:

- Promote a high quality of life that current and future generations can afford to call home.
- Invest in infrastructure to serve the needs of the community.

BACKGROUND:

The current Downtown Village Specific Plan (DVSP) was adopted in 1990 and is now 34 years old. The infrastructure in the Downtown Village has recently underwent comprehensive improvements along Allison Avenue, University Avenue, Palm Avenue and La Mesa Boulevard leading to a significant revitalization in the Downtown Village. The Civic Center has also had major improvements constructed including new fire station 12, new library and post office, new police station, and the currently under construction affordable housing project at 8181 Allison Avenue. It is now necessary to update the DVSP Plan to properly plan for the continued development of the Downtown Village area.

The City of La Mesa's Downtown Village Specific Plan area consists of approximately 161 acres of land plus street right-of-way. This area extends from Interstate 8 south along Spring Street to Pasadena and Date Avenues. The Specific Plan area is roughly bounded on the east by the University Avenue – La Mesa Boulevard intersection and on the west by the University Avenue – La Mesa Boulevard intersection. The Project area encompasses Downtown Village commercial land uses, the Civic Center, surrounding residential neighborhoods including the Date Avenue Historical District, and a few larger commercial parcels north of University Avenue.

Land uses within the Specific Plan Area have remained mostly stable over the years and the City has made key infrastructure investments in the Project Area in an effort to support existing uses and encourage growth. Consistent with regional growth projections, the City expects a modest level of growth and development in this area and therefore, recognizes a need for a Specific Plan update.

The City conducts Requests for Proposals (RFP) to identify qualified professional service providers to ensure that the City retains the most qualified providers at a reasonable cost. Staff initiated the process for RFP 24-06 (**Attachment C**) in June 2023 to obtain consultant services related to land use and development regulations, urban design, infrastructure, public services, public outreach, and environmental review to prepare and adopt an update to the La Mesa Downtown Specific Plan. The City received proposals from two qualified firms, each exceeding the proposed \$300,000 project budget. After review of the submittal packages and interviews with the proposal respondents, Rick Engineering Company was selected as the preferred firm to provide services as part of a phased project approach for the Downtown Village Specific Plan update. In light of the project budget, the project scope was revised to divide tasks into two phases. This contract proposal is for Phase 1.

DISCUSSION:

Rick Engineering Company (RICK) was established in 1955. With over 65 years of experience, they support a wide variety of jurisdictions with a high level of service, expertise, and resources. Rick Engineering has prepared similar plans for several cities in San Diego County, including the City of Lemon Grove and City of Escondido.

Rick Engineering recognizes the fundamental goals of the Specific Plan, which are to facilitate commercial revitalization, retain and enhance residential uses, promote mixed use development, and improve the usability of the Specific Plan. RICK will facilitate conversations with City staff, stakeholders, developers, and the community to address the opportunity for carefully designed development within the context of the need for economic development and housing and the impact those changes will have on the community. Rick Engineering provided a comprehensive cost estimate of all the required tasks and experience sought in the RFP.

Phase 1

To stay within the budgeted amount of \$300,000, staff worked with the contractor to develop a project approach with 2 phases. Phase 1 project tasks (Attachment C) will assist in providing a better understanding of the project area and what will be needed to update the DVSP to properly plan for the continued development of the Downtown Village area in light of recent improvements, revitalization that has occurred to date in the Downtown Village, and new state laws which in certain cases may allow for streamlined development and less environmental review. The proposed Phase 1 tasks include the following:

1. Opportunities and Constraints Analysis, which will provide an overview of conditions and characteristics within the Specific Plan area, document potential opportunities and constraints to inform the land use, design, and implementation recommendations of the Specific Plan, and will be a key component of community engagement.
2. Land Use and Design Analysis, which will include review of state law and objective design standards, a circulation analysis, financial feasibility analysis, and a parking analysis that will include site options to be evaluated for a future public parking structure to serve the Civic Center and Downtown Village areas as well as evaluating the financial feasibility of a public parking structure and the review of existing parking in-lieu fee program for future development.
3. Community Engagement, which will include a Community Engagement Plan. Community Engagement will include a variety of touchpoints, including in-person, mixed with virtual activities including: in-person workshops stakeholder interviews, design charettes, pop-up events/presentations (churches, La Mesa Farmers' Market, baseball fields, etc.), interactive website activities, and digital and hard copy surveys.

4. Administrative draft Specific Plan document, which would be utilized to identify and apply for additional grant funding such as SANDAG's Smart Growth Incentive Program, which funds comprehensive public infrastructure projects and planning activities that facilitate compact, mixed-use, transit-oriented development and increase housing and transportation choices.

Rick Engineering has developed an expeditious project schedule for Phase 1, which is anticipated to be completed in late fall/early winter of 2024.

Phase 2

Phase 2 funding would not be a part of this contract. Phase 2 would cover additional community engagement, finalization of the document and technical studies for public review, and all tasks related to environmental review.

CONCLUSION:

Staff recommends that the City Council adopt a resolution (**Attachment A**) authorizing awarding a Professional Services Contract to Rick Engineering Company for the Downtown Village Specific Plan Update.

Reviewed by:



Greg Humora
City Manager

Respectfully submitted by:

Lynnette Santos

Lynnette Santos
Director of Community Development



Kristen Flores
Management Analyst

Attachments:

- A. Resolution
- B. RFP 24-06 Downtown Village Specific Plan Update, Environmental Assessment and Related Technical Studies
- C. Proposed Scope for Phase 1 from Rick Engineering Company in response to RFP 24-06

RESOLUTION NO. 2024-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MESA AWARDING
RFP 24-06 TO RICK ENGINEERING COMPANY FOR PROFESSIONAL SERVICES
FOR THE PREPARATION OF PHASE 1 OF THE DOWNTOWN VILLAGE
SPECIFIC PLAN UPDATE

WHEREAS, one of the City of La Mesa's strategic goals is to improve the usability of the Specific Plan to ensure a streamlined and predictable discretionary review process;

WHEREAS, the City has a need for professional services to prepare the Downtown Village Specific Plan Update;

WHEREAS, the City conducts Requests for Proposals (RFP) to identify qualified professional service providers to ensure that the City retains the most qualified providers at a reasonable cost;

WHEREAS, the City issued RFP 24-06 for consultant services to support the Downtown Village Specific Plan Update, on June 22, 2023;

WHEREAS, the City received proposals from two qualified firms, each exceeding the proposed \$300,000 project budget;

WHEREAS, in light of the project budget, the project scope was revised to divide tasks into two phases; and

WHEREAS, Rick Engineering Company was selected as the preferred firm to provide services as part of phase one of the Downtown Village Specific Plan update project.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of La Mesa, California, that RFP 24-06 for professional services to support Phase 1 of the Specific Plan Update is awarded to Rick Engineering Company and the Mayor is hereby authorized and instructed to execute a Standard Agreement for Professional Services between the City of La Mesa and Rick Engineering Company for professional services to prepare the Downtown Village Specific Plan Update for an amount not to exceed \$300,000.

PASSED AND ADOPTED at a Regular meeting of the City Council of the City of La Mesa, California, held the 13th day of February 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

CERTIFICATE OF CITY CLERK

I, MEGAN WIEGELMAN, City Clerk of the City of La Mesa, California, do hereby certify the foregoing to be a true and exact copy of Resolution No. 2024-_____, duly passed and adopted by the City Council of said City on the date and by the vote therein recited.

MEGAN WIEGELMAN, CMC, City Clerk

(SEAL OF CITY)

REQUEST FOR PROPOSALS



RFP 24-06

DOWNTOWN VILLAGE SPECIFIC PLAN UPDATE, ENVIRONMENTAL ASSESSMENT AND RELATED TECHNICAL STUDIES

June 22, 2023

**City of La Mesa
Community Development Department
8130 Allison Avenue
La Mesa, CA 91942**

SECTION 1

REQUEST FOR PROPOSALS

A. INVITATION

The City of La Mesa (“City”) is soliciting proposal packets from qualified consultants to provide planning, urban design, infrastructure, public services, environmental, and public outreach services necessary to assist with preparation and adoption of a comprehensive update to the La Mesa Downtown Village Specific Plan, adopted April 17, 1990 (“Project”). Interested and qualified companies who have demonstrated their ability at providing comparable services are invited to submit proposals.

Prepared in accordance with Section 65450 of the California Government Code, the Specific Plan is intended to guide both public and private development within the Downtown core in a manner consistent with the 2012 City of La Mesa General Plan (“2012 General Plan”). The Specific Plan Update will be accompanied by the applicable level of environmental review pursuant to the California Environmental Quality Act (CEQA) and a comprehensive public outreach process. The objectives of the Specific Plan Update include, but are not limited to:

- Improving the usability of the plan to ensure a streamlined and predictable discretionary review process
- Promoting economic development
- Encouraging infill mixed-use and multi-family residential uses
- Implement parking policies and programs in support of smart growth

This Request for Proposals describes the Project, proposed work program, required qualifications, consultant selection process, and minimum information that must be included in the proposal. Failure to submit information in accordance with these requirements and procedures may be cause for disqualification.

Qualified companies are invited to submit an online proposal to the City no later than **5:00 p.m. on Thursday, August 10, 2023.**

B. CITY AND DOWNTOWN OVERVIEW

The City (population approximately 60,700) is located in the eastern portion of San Diego County’s urbanized area, approximately nine miles east of downtown San Diego. The City encompasses approximately nine square miles of land and is 98 percent built out, with virtually no remaining large tracts of vacant, developable land. The City benefits from excellent transportation infrastructure with three major freeways (Interstate 8, State Route 94, and State Route 125) and two Metropolitan Transit Service (MTS) trolley lines (Green Line and Orange Line) bisecting the City. The City is also served by daily MTS bus/shuttle service.

The Specific Plan area consists of approximately 161 acres of land plus street right-of-way. This area extends from Interstate 8 south along Spring Street to Pasadena and Date Avenues. The Specific Plan area is roughly bounded on the east by the University Avenue – La Mesa Boulevard intersection and on the west by the University Avenue – La Mesa Boulevard intersection. The Project area encompasses Downtown Village commercial land uses, the Civic Center, surrounding residential neighborhoods including the Date Avenue Historical District, and a few larger commercial parcels north of University Avenue.

Land uses within the Project an Area have remained stable over the years and the City has made key infrastructure investments in the Project Area in an effort to support existing uses and encourage growth. Consistent with regional growth projections, the City expects a modest level of growth and development in this area and therefore, recognizes a need for a Specific Plan Update.

C. PROJECT DESCRIPTION

The City is inviting qualified consultants to submit proposals to assist with the Project. The Project will include an update to the Downtown Village Specific Plan, with accompanying environmental documentation and technical studies in accordance with California Government Code Sections 65450 – 65457 and the requirements of CEQA. In addition, the updated Specific Plan will need to be consistent with the 2012 General Plan and adopted regional plans of the San Diego Association of Governments (SANDAG), including the Regional Comprehensive Plan, Sustainable Communities Strategy, and Regional Transportation Plan. The Project will be an in-depth, transparent public process involving community workshops and public hearings.

Since adoption in 1990, many changes have occurred in the City, region, State, and beyond, resulting in the need to update the Specific Plan. The updated Downtown Village Specific Plan will facilitate new commercial revitalization, mixed use development, and serve as a blueprint for future growth and development. The key goals of the Project are to emphasize commercial revitalization, retain and enhance residential uses, promote mixed use development, and improve the usability of the Specific Plan. The Project will update the Downtown Village Specific Plan to plan for new population growth, new housing opportunities, and new jobs consistent with SANDAG's regional growth forecast for La Mesa in a manner that preserves single-family neighborhoods and ensures that downtown remains a focal point for community traditions. The revised Downtown Village Specific Plan will address regulatory and legislative changes as well as provide updated policy direction and detailed objective design guidelines, development regulations, and implementation measures for Downtown La Mesa, consistent with the vision and goals established by the 2012 General Plan and the City's Strategic Goals, including sustainability, complete streets, and wellness.

D. PROJECT BUDGET

The cost proposal shall be for all tasks as detailed in the Scope of Work. The total budget available for this project is \$300,000.

E. BACKGROUND INFORMATION

The project scope requires evaluation and incorporation of goals, policies, and vision from various City documents and other agency documents that address challenges and opportunities within the City. These documents are listed below.

Document Title	Status	Hyperlink
La Mesa Downtown Village Specific Plan	Adopted 1990	https://www.cityoflamesa.us/DocumentCenter/View/1172/Downtown-Village-Specific-Plan?bidId=
La Mesa Village Parking Garage Feasibility Study (Keyser Marston Associates 2011)	Conducted 2011	https://www.cityoflamesa.us/828/Parking-Permit-Program
City Of La Mesa Bicycle Facilities and Alternative Transportation Plan	Adopted 2012	https://www.cityoflamesa.us/DocumentCenter/View/2477/Bicycle-Facilities-Final-Report-LaMesa_OPT_LowRes?bidId=
City of La Mesa General Plan	Adopted 2012	https://www.cityoflamesa.us/DocumentCenter/View/2477/Bicycle-Facilities-Final-Report-LaMesa_OPT_LowRes?bidId=
2021-2029 Housing Element	Adopted by City Council 2023, pending HCD approval	https://www.cityoflamesa.us/1656/Housing-Element-Update
Climate Action Plan	Adopted 2018; update underway	https://www.cityoflamesa.us/1488/Climate-Action-Plan
La Mesa Civic Center Feasibility Study	Conducted 2016	https://www.cityoflamesa.us/DocumentCenter/View/8948/Civic-Center-Feasibility-Study-PDF?bidId=
Temporary Outdoor Display or Service Regulations	Adopted 2020	https://www.cityoflamesa.us/DocumentCenter/View/16285/Temporary-Outdoor-Display-or-Service-Regulations
Temporary Outdoor Dining Regulations	Adopted 2020	https://www.cityoflamesa.us/DocumentCenter/View/16257/Temporary-Outdoor-Dining-Regulations

La Mesa Zoning Ordinance (La Mesa Municipal Code Title 24)		https://library.municode.com/ca/la_mesa/codes/code_of_ordinances?nodeId=TIT24ZO
2012 City of La Mesa Parks Master Plan	Adopted 2012; update underway	https://www.cityoflamesa.us/DocumentCenter/View/2496/La-Mesa-Parks-Master-Plan-2012-optimized?bidId=
Targets for Action: Strategic Directions and Five-Year-Goals	Reaffirmed 2021; City Strategic Plan is in development	https://www.cityoflamesa.us/533/Targets-for-Action
2021-2026 Homeless Action Plan	Adopted 2021	https://www.cityoflamesa.us/DocumentCenter/View/17134/Homeless-Action-Plan?bidId=
Downtown Village Streetscape Improvement Project	Completed 2015	https://www.cityoflamesa.us/885/Downtown-Village-Streetscape-Project
Vision Zero CIP Projects		https://www.cityoflamesa.us/DocumentCenter/View/17755/Vision-Zero---CIP?bidId=
SANDAG Documents Regional Plan	2021 Plan; 2025 being developed	https://www.sandag.org/regional-plan
Kumeyaay Corridor Comprehensive Multimodal Corridor Plan	Currently in development; SANDAG and Caltrans District 11 Project	https://sandag.mysocialpinpoint.com/kumeyaaycorridor

SECTION 2

SCOPE OF WORK

A. SCOPE OF WORK

The City is seeking services related to land use and development regulations, urban design, infrastructure, public services, public outreach, and environmental review to prepare and adopt an update to the La Mesa Downtown Specific Plan. The consultant shall assemble a team of experts to prepare, manage, and document a rigorous, transparent, and efficient planning process that produces a regulatory plan that effectively guides development, land uses, and environmental conditions within the planning area through 2035. The consultant shall work closely with City staff and maintain consistent and open communication throughout the planning process.

Under the direction of the Director of Community Development, the selected consultant will provide the following services, which include the provision of policy, program, and project options for consideration and recommendations in the following areas:

Document Review. The consultant shall review the documents referenced in the Background Information and provide an analysis regarding how to incorporate these documents into the update and provide strategic recommendations to update the Specific Plan regulations and policies and provide appropriate development standards to implement Specific Plan goals. The selected consultant shall also review plans by SANDAG and MTS to inform the development of the Downtown Village Specific Plan update.

Economic and Feasibility Analysis. The consultant shall conduct an Economic and Feasibility Analysis to evaluate the retail mix and land uses within the Downtown Village Specific Plan area with respect to competition, opportunities, and constraints within the context of the broader San Diego economic market. The analysis shall include a market gap analysis and evaluate opportunities and constraints associated with mixed use development and potential future housing opportunities, including how additional infill housing would be accommodated in light of the State's transit-oriented development housing policies.

Land Use Analysis. The consultant shall prepare a Land Use Analysis that includes evaluation of current Downtown Village Specific Plan provisions related to permitted and conditionally permitted land uses, resident, and visitor-serving uses for potential modification and a holistic review of the existing land uses in the Specific Plan Area. Recommendations regarding land use, zoning regulation, and development standards to enhance the Specific Plan's potential to accommodate future retail and housing opportunities, including mixed-use opportunities, shall be provided. Recommendations for housing shall address housing type, occupancy, tenure, affordability, and parking requirements.

Outdoor Uses. The consultant shall develop recommendations for Outdoor Use Amendments that create more flexibility for businesses wishing to activate their private outdoor spaces, such as the creation of temporary and permanent sidewalk cafés and developing rooftop amenity uses. The amendments should include regulatory procedures and evaluation criteria to establish a streamlined review process, while maintaining a uniform aesthetic and adhering to ADA and public safety standards.

Design Standards. The consultant shall update the existing design guidelines and prepare Objective Design Standards for the Downtown Village Specific Plan. As a part of the update, the consultant shall conduct an urban design, height and massing analysis accompanied by narratives, graphics, diagrams, tables, illustrations and fly-throughs to clearly communicate recommended design and planning features to support the vision and goals of the Downtown Village Specific Plan and Design Standards. The Design Standards shall provide clear policy direction related to building architecture, building height, building color, temporary and permanent signage, vehicle and bicycle storage facilities, landscaping, lighting, and outdoor retail displays. The Downtown Village Specific Plan shall specifically call out landscape criteria such as street trees, lighting, and furnishings to enhance the area and unify the unique character of the area. The design standards shall include images of existing approved projects to depict real examples of the ideas behind the design standards.

Downtown Parking Analysis. The Specific Plan Update shall establish a roadmap for addressing parking needs to support smart growth. The consultant shall prepare an updated Downtown Parking Analysis that considers potential future intensification of commercial, mixed use, or residential uses in the Civic Center and the Downtown Village Areas. To inform the updated analysis, the consultant shall review the recommendations of the La Mesa Village Parking Garage Feasibility Study (prepared by Keyser Marston Associates, August 23, 2011) including the establishment of a parking in-lieu fee. The updated parking analysis shall evaluate siting options for a parking structure to serve both the Civic Center Campus and the downtown area; the parking analysis shall include a scenario that evaluates total available parking in the downtown area with the parking structure. The parking analysis shall also evaluate decoupling parking from uses and provide parking solutions for the potential intensification of use and/or increase in building floor area in the downtown; evaluate and update parking standards applicable to the downtown to consider recommendations related to public transit opportunities, including the nearby trolley station; and provide recommendations related to pedestrian circulation, as well as bicycle and vehicular mobility.

Streetscape, Circulation and Transit. The consultant shall provide recommendations related to streetscape improvements, pedestrian circulation, bicycle and vehicular mobility, and increasing use of, and improving access to, public transit. Recommendations shall complement the City's Bicycle Facilities and Alternative Transportation Plan, Complete Streets Plan, and Vision Zero efforts.

Downtown Village Branding. The consultant shall evaluate the downtown area and provide recommendations with regard to unique identification (branding) of the downtown district to incorporate a planned District Sign, banners, wayfinding signs, business identification signs, and additional physical design elements that distinguish the Downtown Village from other parts of the community and also create a uniform appearance throughout the downtown area. The recommendations shall include projects to improve the visual attractiveness of Downtown Village Specific Plan public areas, particularly projects that would improve the quality of the pedestrian and bicyclist experience.

Civic Center. The Specific Plan Update shall address the City's future development of the Civic Center, including a parking structure on the Civic Center campus (see Downtown Parking Analysis). The Specific Plan shall provide a broad direction for use of the site. Detailed plans are not expected.

Improve Usability of the Specific Plan. The Specific Plan Update shall reformat, reorganize, and streamline the content of the current Downtown Village Specific Plan to eliminate redundancy and provide clear guidance to staff, property owners, and developers. The new format will condense, consolidate, and/or replace text with easy to read tables, graphs, diagrams, and illustrations when appropriate. The Specific Plan Update shall streamline the development review and CEQA review processes to the extent possible to reduce the timeframe for discretionary reviews and provide more certainty to the development community.

Specific Plan Update. The consultant shall develop an updated Downtown Village Specific Plan utilizing the analyses and recommendations from the scope of work that provides a future vision for the Specific Plan Area, makes excellent use of graphics, removes redundant references, incorporates streamlined language, and reduces the overall ambiguity present in the current document. The consultant shall prepare all text, maps, graphics, references, formatting, binding, covers and table of contents for the Specific Plan Update.

Environmental Review. The consultant shall prepare an Initial Study based on Appendix G of the CEQA Guidelines to determine the level of CEQA review and associated technical analyses required for the proposed Project. The consultant shall then prepare the necessary documentation as part of the Specific Plan update process. To the extent practicable, the CEQA process for the Specific Plan shall streamline CEQA review processes for future development projects, including the Civic Center campus, within the Specific Plan Area through tiering or other means.

Public Outreach. Input for the Specific Plan Update shall be sought throughout the planning process. The consultant shall prepare and implement an outreach plan to seek focused input from City staff and City Board and Commissions who are tasked with implementing the Specific Plan. Additionally, the consultant shall develop and execute a public participation plan that will include outreach to, but not limited to, residents, property owners, the La Mesa Village Association, developers, building professionals, and other

members of the community. The City will provide meeting space and logistics for community planning workshops and any other outreach efforts. The consultant shall organize broad-based community outreach efforts to include a range of key age and interest groups, including the La Mesa Village Association, to identify meeting locations and to provide innovative methods to contact community groups. Public outreach might include stakeholder interviews, planning and facilitation of a one or two-day design charette, web and social media management and presence on the City website, presentations at locations such as churches, the La Mesa Farmers' Market, baseball fields, high school, homeowners' associations, and the preparation of specially formatted publications.

B. PROJECT DELIVERABLES:

PROJECT MANAGEMENT

1. Materials shall be delivered electronically in Microsoft Office and PDF formats. Graphics shall be prepared in a graphics file format that is editable by the City. All land use maps shall be submitted in GIS compatible digital format shape files. All files submitted will become the property of the City upon completion of the project.
2. A timeline schedule for the public participation program and preparation of all tasks outlined in the Project Scope, including staff review, and Planning Commission and City Council review.
3. Bi-weekly e-mail progress reports and memos at various Project stages to staff, and as updates to the City website and social media to communicate updates.
4. Progress meetings with staff at least once per month throughout the Project.
5. Presentation of draft and final materials, including but not limited to staff reports and presentations, to the Design Review Board, Planning Commission, and City Council at public meetings, as requested by staff.
6. Public meeting reports, presentations, and other materials; miscellaneous letters; and memos as required by City staff, in paper and electronic formats.

DOCUMENTS AND ANALYSES

7. Economic and Feasibility Analysis
8. Land Use Analysis
9. Outdoor Use Amendment Recommendations
10. Objective Design Standards

11. Downtown Parking Analysis
12. Streetscape, Circulation and Transit Recommendations
13. Downtown Branding Recommendations
14. Updated Downtown Village Specific Plan and CEQA document: Up to two administrative draft specific plan updates and the applicable environmental assessment document and related technical studies shall be provided for City review. The consultant shall then incorporate City comments into a final specific plan update, environmental assessment document and related technical studies.
15. An illustrative urban design plan, including visuals and 3-D massing and scale, to compliment and contribute to understanding the Downtown Village Specific Plan, in a form and format to be determined.

PUBLIC PARTICIPATION AND OUTREACH

16. A comprehensive public participation program to include, at a minimum, one “kick-off” meeting with staff, one meeting with the Design Review Board, up to five Planning Commission workshops, a one-day or two-day design charrette and up to three City Council Public Hearings, prior to preparing the recommendations and responses to the tasks outlined in the scope of work. Provide a report on the results of the program when concluded.
17. A stakeholder outreach plan to solicit focused input from the Planning Commission, Design Review Board, Historic Preservation Commission, City development staff, and stakeholders. Provide a report on the results of the program when concluded.

C. CONTRACT MODIFICATION

From time to time minor modifications may be required to the Scope of Work. Permanent modifications to the Scope of Work will be provided to the contractor in writing. In the event such modifications, in the opinion of the Contractor, make compliance with contract conditions impractical, Contractor shall submit a written request for modification to the requirements in the Scope of Work. This request shall set forth in detail the reasons why the specified changes make the Scope of Work impractical and include Contractor’s proposal or recommendation to relieve the impracticality.

SECTION 3

QUALIFICATIONS AND REQUIREMENTS

A. QUALIFICATIONS AND EXPERIENCE

The City is seeking a consultant (a firm or a team) with a resume of extensive, successful experience in the preparation of planning documents, particularly specific plan updates for small and/or medium-sized cities. The resume should also include examples of defensible environmental assessments for similar projects in urbanized cities in California.

The consultant must have demonstrable experience working with city planners and engineers. The consultant must have experience and expertise with the formulation and facilitation of public outreach programs including participation in public workshops, outreach surveys, public hearings, and briefings before the Governing Board, commissions, and agency staff. The consultant should offer mapping and graphics compatible with the City's GIS software. The consultant should offer visual simulation capabilities to assist with the planning and public outreach processes.

B. LICENSE/SPECIAL INSURANCE/OTHER REQUIREMENTS

All submittals must include evidence of required insurance, as per the limits stated in the attached Sample Draft Agreement – City of La Mesa Professional Services Agreement. A certificate of insurance will suffice for the submittal. The selected consultant will be expected to provide the required insurance and accompanying endorsement(s) naming the “City of La Mesa, its elected officials, officers, officials, employees, agents, and volunteers” as additionally insureds within ten (10) days of executing an agreement with the City.

SECTION 4

SUBMITTAL INSTRUCTIONS

A. SUBMISSIONS DUE

Please submit proposals online in the form of scanned documents through PlanetBids. **Only submissions made through the online system will be accepted.**

All proposals are due no later than by **5:00 p.m. on Thursday, August 10, 2023**. Proposals received after the deadline will not be considered.

B. REQUIRED COMPONENTS

Your proposal must be complete for consideration and should include the following documents:

1. Letter of Interest and Contact Information: Provide a letter of interest that includes the name and contact information for the project manager [1 page maximum].
2. Executive Summary: Brief summary explaining the consultant's overall understanding of the Project and the likely approach the consultant will apply to ensure delivery of a quality, defensible work product on time and within budget [2 pages maximum].
3. Listing of Key Personnel: Listing of and resumes for key personnel for the consultant firm and any subconsultant firms teaming with the primary consultant [10 pages maximum].
4. Project Approach: Describe the manner and methods you will use to manage and facilitate the work. This should include a discussion on how you will accomplish each project deliverable outlined in the Scope of Work [10 pages maximum].
5. Statement of Qualifications and Experience: Listing and description of the consultant's (and subconsultant's, if applicable) most relevant project experience and how it relates to and will benefit the City's objectives. Please include experience conducting community engagement for a specific plan, if applicable. All project experience summaries should include client contact information, dates of work performed and should be attributable to staff still employed at the consultant's firm. Summaries should clearly identify the ultimate outcome of the project [10 pages maximum].
6. Client References: Consultant's preferred list of at least three client references, including name, title, and contact information [3 pages maximum].

7. Time Schedule: Include a time schedule for the completion of all tasks in the scope of work. The desired overall time frame for the entire specific plan update process is 18 – 24 months [3 pages maximum].
8. Cost Proposal: The cost proposal shall be for all tasks as detailed in the Scope of Work [2 pages maximum].

A Proposal Packet (Section 6) has been included for your use. If you choose to provide your own forms you must include all information listed.

SECTION 5

EVALUATION CRITERIA AND KEY CONSIDERATIONS

A. QUALIFICATION EVALUATION PROCESS

Proposals will be evaluated by a panel of City staff. The City will use the following criteria for evaluation:

25%	Project Approach
25%	Statement of Qualifications
15%	Client References
10%	Cost Proposal
25%	Interviews

B. SCHEDULE FOR THE RFP

RFP distributed	6/22/2023
Responses to RFP due	8/10/2023
Committee review complete	8/17/2023
Interviews (week of)	8/21/2023
Selection of company	9/12/2023
Tentative agreement date	9/13/2023

C. QUESTIONS AND ANSWERS

Questions related to this RFP must be submitted through the PlanetBids system and will only be accepted through **1:00 p.m. on Thursday, July 20, 2023.**

D. REVISIONS TO THE RFP

The City reserves the right to revise the RFP prior to the date that proposals are due. Revisions to the RFP shall be communicated via PlanetBids vendor and bid management system to all prospective businesses. The City reserves the right to extend the date by which the submittals are due.

E. DISCRETION AND LIABILITY WAIVER

The City reserves the right to exercise discretion and apply its judgment with respect to any qualifications submitted.

The City reserves the right to reject any or all submittals, either in part or in their entirety, or to request and obtain, from one or more of the businesses submitting, supplementary information as may be necessary for City staff to analyze the qualifications pursuant to the contractor selection criteria contained herein.

The City may require contractors to participate in additional rounds of discussions, negotiations, or more refined submittals before the ultimate selection of a contractor is made. These rounds could encompass revisions of the submittal criteria in response to the nature and scope of the initial qualifications.

The contractor, by submitting a response to this RFP, waives all right to protest or seek any legal remedies whatsoever regarding any aspect of this RFP.

This RFP does not commit the City to award a contract, to defray any costs incurred in the preparation of a submission pursuant to this RFP, or to procure or contract for work. The company shall be responsible for all costs associated with preparation of their submission to the City.

Any and all materials submitted in response to this RFP become the property of the City. Consequently, any and all information contained in such materials shall be subject to disclosure pursuant to the California Public Records Act.

The City reserves the right to cancel or modify in part or in its entirety this RFP including, but not limited to: selection procedures, submittal date, and submittal requirements. If the City cancels or revises the RFP, all companies will be notified via PlanetBids.

F. CITY'S STANDARD GENERAL SERVICES AGREEMENT

The successful company is expected to execute the City's standard general services agreement (copy attached) as is with minor modifications as required to customize the agreement to the specific services. Successful companies shall comply with all insurance and licensing requirements as set forth in the standard agreement.

G. OTHER PUBLIC AGENCIES

Other public agencies may piggyback on this RFP or the executed agreement from this RFP award in order to enter into contracts with the successful company for any and all services specified within.

SECTION 6

PROPOSAL PACKET, RFP 24-06

DOWNTOWN VILLAGE SPECIFIC PLAN UPDATE, ENVIRONMENTAL ASSESSMENT AND RELATED TECHNICAL STUDIES

INFORMATION STATEMENT

Legal Name of Organization:

Date Established:

Legal Status, i.e., corporation, partnership, sole proprietorship

Officers/Owners of Organization:

Name: Title:

Name: Title:

Name: Title:

Name: Title:

Number of Employees: Permanent – Full Time: _____ Part Time: _____

Business Address:

Contact Information:

Organization Bank Name:

Branch:

Address:

Contact Name:

The City of La Mesa reserves the right to perform a credit check on your organization to obtain information regarding your organization's financial stability.

Are you or your organization currently engaged or involved in any litigation over the proprietary rights or patent rights for the software or services to be used for the City of La Mesa? _____ If yes, please attach explanation.

LETTER OF INTEREST

EXECUTIVE SUMMARY

LISTING OF KEY PERSONNEL

PROJECT APPROACH

STATEMENT OF QUALIFICATIONS AND EXPERIENCE

TIME SCHEDULE

COST PROPOSAL

CONTRACT EXPERIENCE – REFERENCES

(List most recent experience first and specifically include any government agency experience – List any additional on separate sheet)

Company Name	
Address	
City	
State	
Zip	
Phone	
Fax	
Email	
Principal	
Contact Name	
Contact Phone	

Company Name	
Address	
City	
State	
Zip	
Phone	
Fax	
Email	
Principal	
Contact Name	
Contact Phone	

Company Name	
Address	
City	
State	
Zip	
Phone	
Fax	
Email	
Principal	
Contact Name	
Contact Phone	

SAMPLE DRAFT AGREEMENT

STANDARD AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF LA MESA AND // NAME OF FIRM FOR // NAME OF PROJECT

This Agreement is entered into by City of La Mesa as of this ____ day of _____, 20__, by and between the City of La Mesa, a municipal corporation, hereinafter referred to as "the City", and // Business Name, hereinafter referred to as "Consultant."

WITNESSETH THAT:

WHEREAS, the City has adopted Resolution No. _____;

WHEREAS, the City has need for professional services to //perform services and is willing to compensate Consultant for such services;

WHEREAS, the City desires to engage Consultant to render certain technical and professional services in the providing of said professional services; and

WHEREAS, Consultant is qualified to provide said professional services for //service.

NOW THEREFORE, the parties do mutually agree as follows:

SECTION 1: ENGAGEMENT OF CONSULTANT

The City hereby agrees to engage Consultant and Consultant hereby agrees to perform the services set forth in this Agreement. This Agreement shall be for an initial term until the completion of the Project.

SECTION 2: SERVICES TO BE PERFORMED BY CONSULTANT

Consultant shall commence performance of the Project upon execution of this Agreement by both parties. The term "Project" as used in this Agreement shall include all of the tasks and items listed and described in Exhibit "A", attached hereto and incorporated herein as part of this Agreement.

SECTION 3: KEY PROJECT PERSONNEL

Consultant agrees to provide the services of /names/titles of Consultants respectively for the full term of this contract. No substitutions will be made without prior written approval by the City. The City reserves the right to request specific qualifications for personnel substituted under this section.

SECTION 4: CONSULTANTS

Consultant will utilize the services of the following sub-Consultants during the course of this study:

// Name/Business Name or None or n/a

Payment for such services shall be the responsibility of the Consultant. No substitution of proposed sub-Consultants shall be made without prior written approval by the City.

SECTION 5: CITY REPRESENTATION

The //Department Head for the City of La Mesa, or its designated representative, shall represent the City in all matters pertaining to the services rendered pursuant to this Agreement and shall administer said Agreement on behalf of the City. This person shall hereinafter be referred to as the "City's Representative."

SECTION 6: RESPONSIBILITIES OF THE CITY

The City will provide the Consultant, or cause to be provided with, the following documents, services and site information, at no charge to the Consultant.

- A. //
- B. //

SECTION 7: PERFORMANCE SCHEDULE

Both Consultant and the City recognize that time is of the essence in the completion of this work and the following schedule is dependent upon timely actions by the Consultant and the City. Accordingly, the Consultant shall complete all of the work outlined in Exhibit "A" and described in this Agreement in accordance with the following schedule:

<u>TASK</u>	<u>TARGET DATE</u>
A. //	//
B. //	//
C. //	//

The Consultant shall not be responsible for damages or be in default or deemed to be in default by reason of strikes, lockouts, accidents, or acts of God, or failure of City to furnish timely information or to approve or disapprove Consultant's work promptly, or delay or faulty performance by City, or governmental agencies.

SECTION 8: COMPENSATION TO CONSULTANT

Final payment of fees shall be upon delivery of approved final documents. Progress payments shall be made based upon evidence that the work is progressing satisfactorily as determined by the City's Project Manager and substantiated with detailed invoices. The amount to be billed shall be based on the Consultant schedule of fees for professional services and the actual time required for each activity. The schedule of fees and estimated time for the project are as shown in Exhibit "A" attached hereto and incorporated herein as part of this Agreement.

The total fee for professional services shall be billed on a time-and-material basis with a total amount not to exceed // thousand, / hundred // (\$//,///) Dollars as described on page // of Exhibit "A".

SECTION 9: RECORDS

Consultant shall maintain adequate records to permit inspection audit of Consultant's time-and-material charges under this Agreement. Consultant shall make such records available to the City and to other public agencies responsible for approval, funding or auditing the project, during normal business hours upon reasonable notice. Nothing herein shall convert such records into public records and they will be available only to the City or to public agencies involved with approval, funding or audit functions. Such records shall be maintained by the Consultant for three (3) years following completion of the work under this Agreement.

SECTION 10: METHOD OF COMPENSATION

The City shall compensate Consultant for the services performed hereunder on a monthly basis within thirty (30) calendar days of receipt of Consultant's invoice for the services performed. The Consultant shall provide documentation regarding time-and-material charges sufficient to meet normal auditing practice. Copies of the invoices for materials in excess of \$500 and sub-Consultant charges shall be submitted with the request for periodic payment.

The City shall promptly review invoicing and notify Consultant of any objection thereto in writing within fifteen (15) days of receipt of the invoice; absent such objection the invoice shall be deemed proper and acceptable.

In the event that any undisputed invoice is not paid within thirty (30) calendar days after receipt of the invoice by the City, it shall commence bearing interest on the date that the invoice was rendered at the rate of 1% per month and the City agrees to pay all accrued interest, together with the charges for services rendered.

SECTION 11: ITEMS TO BE DELIVERED TO CITY

The following items shall be delivered by the Consultant to the City of La Mesa:

<u>QUANTITY</u>	<u>TARGET DATE</u>
A. //	//
B. //	//
C. //	//

SECTION 12: DESIGN CHANGES OR REVISIONS

No design changes or revisions will be required and no payment therefor will be made except pursuant to the provisions of this Agreement. No extra compensation shall be paid the Consultant for revisions required by reason of omissions or errors by the Consultant in the preparation of the original document, plans, working drawings, or specifications. Changes to the scope of this Agreement shall be negotiated prior to commencement of extra work.

SECTION 13: ADDITIONAL SERVICES OUTSIDE SCOPE

Only after written authorization from the City, additional services that Consultant could provide, or cause to be provided, include the following:

- A. Additional work related to the Project but not included in the Scope of Work.
- B. Additional work caused by changes unrelated to the Scope of Work described herein.

Consultant will be compensated for Consultant time and direct personnel expenses as approved by the City. Payment for such additional services shall include Consultant's time at the rates shown on Exhibit "A".

SECTION 14: HOLD HARMLESS

Indemnity for Professional Services. To the furthest extent allowed by law, Consultant shall indemnify, hold harmless and defend City and each of its elected officials, officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, its principals, officers, employees, agents or volunteers in the performance of professional services under this Agreement.

Other Indemnities. Other than in the performance of professional services, and to the fullest extent allowed by law, Consultant shall indemnify, hold harmless and defend City and each of its elected officials, officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage), and from any and all claims, demands and actions in law or equity (including reasonable attorney's fees and litigation expenses) arising or alleged to have arisen directly or indirectly out of performance of this Agreement. Consultant's obligations under the preceding sentence shall apply regardless of whether City or any of its elected officials, officers, officials, employees, agents or volunteers are negligent, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or caused by the willful misconduct, of City, or any of its elected officials, officers, officials, employees, agents or volunteers.

If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each subconsultant to indemnify, hold harmless and defend City and each of its elected officials, officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraphs.

This section shall survive termination or expiration of this Agreement.

SECTION 15: INSURANCE

Throughout the life of this Agreement, Consultant shall pay for and maintain in full force and effect all policies of insurance required hereunder with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A:VII" in Best's Insurance Rating Guide, or (ii) authorized by the City Manager or his/her designee at any time and in his/her sole discretion. The following policies of insurance are required:

- (i) COMMERCIAL GENERAL LIABILITY insurance which shall be at least as broad as the most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01 and include insurance for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Agreement) with limits of liability of not less than the following:
 - \$1,000,000 per occurrence
 - \$2,000,000 general aggregate
- (ii) COMMERCIAL AUTOMOBILE LIABILITY insurance which shall be at least as broad as the most current version of Insurance Service Office (ISO) Business Auto Coverage Form CA 00 01 covering, Code 1 (any auto), or if Consultant has no owned

autos, Code 8 (hired) and 9 (non-owned), with limits of liability of not less than \$1,000,000 per accident for bodily injury and property damage.

- (iii) WORKERS' COMPENSATION insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- (iv) PROFESSIONAL LIABILITY (Errors and Omissions) insurance appropriate to Consultant's profession, with limits of liability of \$2,000,000 per claim/occurrence and \$2,000,000 policy aggregate.

In the event Consultant purchases an Umbrella or Excess insurance policy(ies) to meet the minimum limits of insurance set forth above, this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies).

Should Consultant maintain insurance with broader coverage and/or limits of liability greater than those shown above, City requires and shall be entitled to the broader coverage and/or the higher limits of liability maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Consultant shall be responsible for payment of any deductibles contained in any insurance policies required hereunder and Consultant shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the City Manager or his/her designee. At the option of the City Manager or his/her designee, either: (i) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to City, its elected officials, officers, officials, employees, agents and volunteers; or (ii) Consultant shall provide a financial guarantee, satisfactory to City Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall City be responsible for the payment of any deductibles or self-insured retentions.

All policies of insurance required hereunder shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after 30 calendar day written notice has been given to City. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Consultant shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Consultant shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than 15 calendar days prior to the expiration date of the expiring policy.

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and shall name City, its elected officials, officers, officials, employees, agents and volunteers as an additional insured. Such policy(ies) of insurance shall be endorsed so Consultant's insurance shall be primary and no contribution shall be required of City, its elected officials, officers, officials, employees, agents and volunteers. The coverage shall contain no

special limitations on the scope of protection afforded to City, its elected officials, officers, officials, employees, agents or volunteers. The Workers' Compensation insurance policy shall contain a waiver of subrogation as to City, its elected officials, officers, officials, employees, agents and volunteers.

If the Professional Liability (Errors and Omissions) insurance policy is written on a claims-made coverage form:

- (i) The retroactive date must be shown, and must be before the effective date of this Agreement or the commencement of work by Consultant.
- (ii) Insurance must be maintained and evidence of insurance must be provided for at least 5 years after completion of the work or termination of the Agreement, whichever first occurs.
- (iii) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of the Agreement, or work commencement date, Consultant must purchase extended reporting period coverage for a minimum of 5 years after completion of the work or termination of the Agreement, whichever first occurs.
- (iv) A copy of the claims reporting requirements must be submitted to City for review.
- (v) These requirements shall survive expiration or termination of the Agreement.

Consultant shall furnish City with all certificate(s) and applicable endorsements effecting coverage required hereunder. **All certificates and applicable endorsements are to be received by City and approved by City Manager or his/her designee prior to City's execution of the Agreement and before work commences.** Upon request of City, Consultant shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement.

If at any time during the life of this Agreement or any extension, Consultant or any of its sub-consultants fail to maintain any required insurance in full force and effect, all work under this Agreement shall be discontinued immediately, and all payments due or that become due to Consultant shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City hereunder shall in any way relieve Consultant of its responsibilities under this Agreement.

The fact that insurance is obtained by Consultant shall not be deemed to release or diminish the liability of Consultant, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City and its elected officials, officers, officials, employees, agents and volunteers shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Consultant. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Consultant, its principals, officers, employees, agents, persons under the supervision of Consultant, vendors, suppliers, invitees, consultants, sub-consultants, or anyone employed directly or indirectly by any of them.

If Consultant should subcontract all or any portion of the services to be performed under this Agreement, Consultant shall require each sub-consultant to provide insurance protection in favor of City, its elected officials, officers, officials, employees, agents and volunteers in accordance with the terms of each of the preceding paragraphs, except that the sub-consultants' certificates and endorsements shall be on file with Consultant and City prior to the commencement of any work by the sub-consultant.

SECTION 16: OWNERSHIP OF WORK

All finished or unfinished documents, studies, reports, computer files and materials prepared by Consultant and sub-consultants under this Agreement shall be considered the property of the City and will be turned over to the City upon demand, but in any event, upon completion of the Project. The Consultant shall be allowed to retain copies of documents for his permanent records, if desired.

//The City and the Consultant will agree to keep trade/business information of the //site of service// confidential and will enter into an agreement with //name of site// to protect this confidentiality.

SECTION 17: ASSIGNABILITY

Consultant shall not assign, delegate, or transfer this Agreement or any work hereunder, nor assign any monies due or to become due hereunder, except as expressly stated herein. In no event shall any contractual relation be created between any third party and the City without prior written consent of the City. A consent to one assignment shall not be deemed to be consent to any subsequent assignment.

SECTION 18: INTEGRATION; AMENDMENTS

This Agreement sets forth the entire understanding of the parties with respect to the subject matter herein. There are no other agreements, expressed or implied, oral or written, except as set forth herein. This Agreement may be amended upon written mutual consent of both parties hereto. Amendment requiring changes in compensation shall be subject to the City's change order procedures.

SECTION 19: NOTICES

Notices and requests to the City or Consultant shall be delivered at the following addresses, either served personally on the designated representative or by U.S. Postal Service at the following addresses:

City:

Title of Contact
City of La Mesa
8130 Allison Avenue
La Mesa, CA 91942
(619) 667-////
FAX (619) ///-////

Consultant:

Title of Contact
Name of Firm
Address
City, State Zip
(///) ///-////
FAX (///) ///-////

SECTION 20: DISPUTE RESOLUTION

The City shall require that all Consultants agree to submit any unresolved claims, counterclaims, disputes, controversies and other matters between them and the City or the Consultant and/or any sub-Consultants of any tier arising out of or relating to their agreement with the City or the breach thereof (“disputes”) first to mediation and then if not resolved, to non-binding arbitration prior to initiating suit or judicial proceeding.

If applicable – As provided in Public Contract Code section 9204, any claim filed by the Consultant on a public works project shall be reviewed by the City with 45 days and a written statement will be provided to the Consultant identifying what portion of the claim is disputed and what portion is undisputed. Upon receipt of a claim, the City and the Consultant may, by mutual agreement, extend the time period or it may be extended to allow City Council approval. The Consultant shall include reasonable documentation to support the claim. Any payment due on an undisputed portion of the claim shall be processed and made within 60 days after the City issues its written statement.

SECTION 21: TERMINATION OF AGREEMENT FOR CAUSE OR CONVENIENCE

If, through any cause, the Consultant shall fail to fulfill in timely and proper manner his obligations under this Agreement, or if the Consultant shall violate any of the covenants, agreements, or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement immediately by giving written notice to the Consultant of such termination and specifying the effective date thereof. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Consultant under this Agreement shall, at the option of the City, become its property and the Consultant shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

In addition to termination for cause, the City may terminate this Agreement for City’s convenience upon not less than fifteen (15) days written notice to Consultant. Upon receipt of said notice, the

Consultant shall immediately cease all work under this Agreement unless said notice provides otherwise. If this Agreement is terminated as provided in this paragraph for City's convenience, the Consultant shall be required to provide to City all finished or unfinished documents, data, studies, services, etc., prepared by the Consultant as may be requested by City and such work shall become City's property upon payment to Consultant for the value of the work performed, less payments of compensation previously made.

Notwithstanding the above, the Consultant shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Agreement by the Consultant, and the City may withhold any payments to the Consultant for the purpose of set-off until such time as the exact amount of damages due the City from the Consultant is determined.

SECTION 22: BUSINESS LICENSE

The Consultant, including all sub-Consultants, shall obtain a business license for work within the City of La Mesa pursuant to La Mesa Municipal Code Sections 6.08.010 through 6.08.240.

No payments shall be made to any Consultant until such business license has been obtained, and all fees paid therefor, by the Consultant and all sub-Consultants. Business license applications and information may be obtained from the Finance Department, City Hall, 8130 Allison Avenue, La Mesa, CA 91942-5502, (619) 667-1118 or online at cityoflamesa.us/buslic.

SECTION 23: INTEREST OF MEMBERS OF THE CITY

No member of the governing body of the City and no other officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and the Consultant shall take appropriate steps to assure compliance.

SECTION 24: INTEREST OF CONSULTANT AND EMPLOYEES; STATEMENT OF ECONOMIC INTERESTS

The Consultant covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the study area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed. City may require Consultant to complete and submit a Form 700, Statement of Economic Interests, in accordance with applicable law, to City Clerk.

SECTION 25: FACILITIES AND EQUIPMENT

Consultant shall, at its sole cost and expense, furnish all facilities and equipment which may be required for furnishing services pursuant to this Agreement.

SECTION 26: INDEPENDENT CONSULTANT

At all times during the term of this Agreement, Consultant shall be an independent Consultant and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement; however, City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement.

SECTION 27: PERS ELIGIBILITY INDEMNIFICATION

In the event that Consultant's employee providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS of the City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employer and employee contributions for PERS benefits on behalf of the employee as well as for payment of any penalties and interest on such contributions which would otherwise be the responsibility of the City.

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant's employees providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation and benefit including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contributions to be paid by City for employer contributions and/or employee contributions for PERS benefits.

SECTION 28: TIME

Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for satisfactory performance of Consultant's obligations pursuant to this Agreement.

SECTION 29: CONSULTANT NOT AGENT

Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

SECTION 30: NON-DISCLOSURE

The designs, plans, reports, investigations, materials and documents prepared or acquired by the Consultant pursuant to this Agreement (including any duplicate copies kept by the Consultant) shall not be shown to any other public or private person or entity, except as authorized by the City. The Consultant shall not disclose to any other public or private person or entity any information regarding the activities of the City except as authorized by the City.

SECTION 31: SUBCONTRACTING

None of the services covered by the Agreement shall be subcontracted without the prior consent of the City. The Consultant shall be as fully responsible to the City for the acts and omissions of his sub-contractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him. The Consultant shall insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions of this Agreement.

SECTION 32: CHANGES

The City may, from time to time, request changes in the Scope of Services of the Contract to be performed hereunder. Such changes, including any increase or decrease in the amount of the Consultant's compensation, which are mutually agreed upon by and between the City and the Consultant shall be incorporated to this Contract.

SECTION 33: JOB SITE SAFETY

The general or prime Consultant who is responsible for means, methods and procedures of the project shall be responsible for job site safety.

The prime Consultant and all sub-Consultants of all tiers shall:

- A. Be responsible for the safety of their respective employees as required by law.
- B. Come under the jurisdiction and supervision of the general or prime Consultant's job site safety program.
- C. Exercise reasonable care to avoid risk of injury to others as required by the professional standard of care.

SECTION 34: PREVAILING WAGES FOR PUBLIC WORKS PROJECTS– IF APPLICABLE

- A. No professional Consultant or sub-Consultant subject to the requirements of State of California's prevailing wages may be awarded a contract, or contracted with, for a public works project (submitted on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].
- B. This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

SECTION 35: CONFLICT BETWEEN AGREEMENT AND OTHER DOCUMENTS

In the event of a conflict between this Agreement and any documents incorporated by reference in this Agreement, the terms and conditions of this Agreement shall supersede those contained in any such document incorporated by reference.

SECTION 36: DATE OF AGREEMENT

The date of this Agreement shall be the date it shall have been signed by a duly authorized representative of City.

IN WITNESS WHEREOF, City and Consultant have executed the Agreement.

Name of Firm //

Date: _____

By: _____
name, title

CITY OF LA MESA,
A Municipal Corporation

Date: _____

By: _____
Mayor

Date: _____

Attest: _____
City Clerk

Date: _____

By: _____
City Manager or Department Head

Date: _____

By: _____
Department Head or Project Manager

APPROVED AS TO FORM

CITY ATTORNEY

Attachment: Exhibit A – Scope of Work and Fee Schedule

4 | Project Approach

Project Approach

This section describes the manner and method of services to be completed by the RICK Team for the City's Downtown Village Specific Plan Update, Environmental Assessment and Related Technical Studies (DVSP Update). To facilitate your review of this proposal, we have prepared a comprehensive scope that emphasizes key components of our approach to this project. In response to follow-up discussions with City staff, the following scope has been revised to divide the tasks into two phases: Phase 1 is to cover project tasks through the Administrative Draft Specific Plan. Phase 2 will cover the third community engagement effort, the remaining Specific Plan deliverables, the Environmental Review tasks, and the Public Hearings. RICK will remain flexible in the requirement for any scope amendments and we would be happy to work with you to ensure the successful completion of the project and a Specific Plan Update that the City and community can be proud of.

PHASE 1

Task 1: Project Management

Strong project management and collaboration will be the cornerstones of RICK's approach and crucial to successful, timely completion of the DVSP Update. The RICK Team recognizes that we will serve as an extension of the City's own staff and that the City is seeking a team that is committed to an iterative and collaborative approach.

Our Principal-in-Charge (PIC), Brooke Peterson, will be responsible for careful oversight, strategic guidance, close coordination on key components, detailed review of deliverables, budget and scheduling tracking, and management of all project team members. She will maintain close involvement throughout the project. As Project Manager, Shannon Baer will be the key point-of-contact and responsible for day-to-day management of project team members, including staff and subconsultants, and completion of all project deliverables. Using advanced management and tracking tools, Shannon will provide detailed oversight and will be intimately involved in all project coordination and engaged in constant communication with City staff.

Our project team also includes our most experienced community planning principals, Brian Mooney, FAICP, to serve as Strategic Advisor providing strategic insight and guidance and keen QA/QC review on key deliverables. Teresa Wilkinson, RICK Director of Environmental Services, will provide key environmental strategy and serve as Environmental Task Lead.

1.1 Kick-Off Meeting | Following execution of the contract, the RICK Team will attend a kick-off meeting with City staff to accomplish the following:

- ▶ Review and discuss the overall format and organization of the Downtown Village Specific Plan Update and associated work products;
- ▶ Understand key considerations, political dynamics, project background, and other important context for successfully conducting the project;
- ▶ Establish roles and responsibilities for City staff

and the RICK Team in preparing the Specific Plan, associated CEQA documentation, and public outreach efforts; and

- ▶ Determine a schedule for work products and the review process.

Following the kickoff meeting, the RICK Team will work with City staff to confirm the overall work program and refine the project schedule. This will include any refinements to the scope of work, a detailed project schedule, final roles and responsibilities, billing procedures, and lines of communication.

1.2 Client/Project Team Meetings | The RICK project team will schedule and attend virtual coordination and in-person meetings as needed, to discuss anticipated work, decisions and action items, activities, project issues, and deliverables to ensure progress occurs according to the established schedule and budget. In our experience, the best strategy for maintaining continuity and consistent communications is a bi-weekly meeting between the City, and the RICK Team PIC, Brooke, and Project Manager, Shannon. This allows us to proactively address issues and will facilitate our team working as a virtual extension of City staff. Additional team members would attend and participate, as necessary, depending on project needs. Our scope assumes up to 20 coordination meetings, most of which we assume will be conducted virtually. Meeting agendas and notes will be provided for each bi-weekly meeting.

1.3 Budget and Schedule | RICK is committed to staying within budget and on schedule. The proposed RICK schedule carefully considers interrelatedness and efficiencies and tasks that can be done concurrently in order to move the project forward, consistent with the City's priorities, as quickly as possible. We will develop a further detailed project schedule that ensures sustained staff involvement in the process, allows for meaningful public participation, allocates sufficient opportunity for information and status updates to staff and decision makers, and provides adequate time for staff and the project team to respond to data requests and review products. We will maintain an up-to-date schedule

throughout the project to ensure that staff is apprised of project status and all team members are aware of upcoming meetings and product due dates. A current Microsoft Project schedule as well as Deltek budget status will be available at City staff request at any time.

1.4 QA/QC Procedures | RICK is committed to delivering the highest quality documents. The first step in maintaining a high standard is effective workload management. In addition, by maintaining an up-to-date schedule, we will anticipate work tasks and deliverable due dates with sufficient time built in to prepare quality products. All documents will go through a rigorous editing and word formatting process, meticulous PIC review, and final QA/QC review on all key deliverables.

Task 1 Deliverables:

Kick-off meeting agenda and follow up notes

- » Final work program and project schedule
- » Bi-weekly meetings, including meeting agendas and notes
- » Microsoft Project (MS Project) schedule updates
- » Monthly invoices

Task 2: Document Review and Analysis

2.1 Opportunities and Constraints Report | The RICK Team recommends the preparation of an Opportunities and Constraints Report for the DVSP Update. Based on our experience, an Opportunities and Constraints Report supports the Specific Plan project process by documenting the foundational conditions and characteristics from which improve the usability and effectiveness of the plan. The purpose is to provide an overview of conditions and characteristics within the Specific Plan area and document potential opportunities and constraints from an objective, expert perspective to inform the land use, design, and implementation recommendations of the Specific Plan. The key issues, constraints, assets, and opportunities identified also serve to facilitate the community discussion of the DVSP Update.

The following topics will be discussed in the

Opportunities and Constraints Report:

- 1) Present conditions, including key findings from the Land Use Analysis and Parking Analysis;
- 2) Challenges and constraints to set the stage for alternatives and design strategies;
- 3) Opportunities such as design features and programs that would entice future development; and
- 4) A literature review of the documents detailed in Section E - Background of RFP 24-06.

The Parking Analysis will be included as a technical appendix to the Report.

2.1.1 Opportunity Site Identification | As part of the Opportunities and Constraints Report, the RICK Team will conduct a GIS mapping analysis to identify the sites within the Specific Plan boundary that are not eligible for Senate Bill (SB) 6 or Assembly Bill (AB) 2011 using layers of site criteria. The sites not eligible for State housing law will then be assessed for their redevelopment potential; i.e., the size of the site, the existing use, the property ownership, the location, and connectivity to transit and public services. If sites meet the established criteria, they may be identified as Opportunity Sites, to be considered for modifications of land use and zoning designations in a way that is consistent with the overall vision of the Specific Plan.

2.2 Document Review and Analysis | Following the kick-off meeting, the RICK Team will conduct a thorough review and analysis of the documents identified in Section E - Background of RFP 24-06 and others as discussed at the Kickoff Meeting.

The RICK Team will review in detail the current Design Guidelines identified in the Specific Plan appendices. This review will include the appropriate elements of geographic setting, climate, design theme, details and ornamentation, building orientation, architecture and other key issues identified in the guidelines. Bulk and scale, landscape concepts along with pedestrian orientation will also be part of the overall review.

The review and analysis of these documents will provide

strategic direction to the Specific Plan process and the RICK Team will provide the City with recommendations on how to incorporate the outcomes sought within these documents into the Specific Plan as Objective Design Standards.

2.3 Land Use and Design Analysis | The RICK team will conduct a thorough and comprehensive analysis of the current Downtown Village Specific Plan. This analysis will take a strategic approach to the existing land uses within the Specific Plan area and provide an evaluation of the current provisions related to the Opportunity Site's design standards, and permitted and conditionally permitted land uses. Further, the RICK team will explore what land uses are suitable for the Opportunity Sites to achieve the goals of the Specific Plan Update.

Following the analysis, the RICK Team will provide recommendations to the City on zoning regulations and development standard amendments. The Team will also address specific housing and residential requirements such typology, occupancy, tenure, affordability and parking.

The specific outcomes the City will receive from this analysis are as follows:

- ▶ Evaluation of permitted and conditionally permitted land uses
- ▶ Identification of land uses that are suitable for modification
- ▶ Recommendation of land use, zoning and development standard amendments
- ▶ Recommendations for development typologies, occupancy, tenure, affordability and parking.



La Mesa Farmers' Market

2.4 Circulation Analysis | Led by our in-house mobility team, RICK will evaluate existing conditions to identify travel barriers and opportunities for mobility enhancements throughout the corridor and between parcels. Currently adopted documents will be reviewed to identify planned transportation improvements. The baseline assessment will cover the demand, connectivity, quality, and safety for the four core travel modes: pedestrian; bicycle; transit; and vehicular. This information will be summarized in the Opportunities and Constraints Report, inclusive of map figures, tables, and text descriptions to depict what travel within the corridor is like today. The key findings will help inform the identification of future mobility recommendations to be included in the DVSP.

2.5.2 Financial Feasibility Analysis | LMA will work with the RICK Team to develop a financial pro forma that determines financial feasibility of various housing types in the form of housing prototypes based on different construction types. LMA will determine the upper levels of density that would be financially feasible and establish the economic development feasibility for different development prototypes. The financial analysis

will be used for ongoing sensitivity analyses so that the RICK Team and City staff can test different development scenarios. LMA will then turn to project feasibility, a critical component that determines what, in reality, can be built.

We discovered in the many land use studies in which we have participated on behalf of the public sector that simply offering the opportunity through land use planning, zoning, etc. of various development options will not result in actually achieving those developments. The key is to test these goals to determine if these developments can actually be achieved.

2.6 Parking Analysis | RICK will prepare a Downtown Parking Analysis for the DVSP Update that will evaluate the existing and future parking demand in the DVSP area. The parking analysis will also evaluate site options for a public parking structure that would serve both the Civic Center and Downtown Village areas, as well as evaluating the financial feasibility of a public parking structure and the review of existing parking in-lieu fee program for future development. The recommendations in the La Mesa Village Parking Garage Feasibility Study (Keyser Marston Associates, August 23, 2011) will be reviewed to inform the review of the existing parking in-lieu fee program. If determined to be feasible, the Downtown Parking Analysis will also make recommendations to adjust the City's current off-street parking requirements and parking in-lieu fee program.

The existing off-street and on-street parking supply will be counted in the Downtown La Mesa Village and Civic Center areas. The precise methodology for locations and occupancy counts will be scoped and submitted for staff review following the Kickoff Meeting. The results of the parking occupancy counts will be used to calculate time-of-day peak utilization factors to determine the overall, or shared, existing peak hour parking demand within the Civic Center and Downtown Village areas.

The future shared peak parking demand of the Civic Center and Downtown Village areas will be calculated based on the projected buildout of the DVSP using the

time-of-day peak utilization factors calculated from the existing parking occupancy counts. The peak future parking demand of the individual uses (office, retail, residential etc.) based on the City's current off-street parking requirements will be compared to the estimated shared peak parking demand based on the time-of-day peak utilization factors. The difference in this comparison would provide the basis in which to update the off-street parking requirements of the Civic Center and Downtown Village areas.

A comparison would also be made between the existing parking supply and future shared peak parking demand to determine how many additional parking spaces would be needed to accommodate future development. Out of the total additional parking spaces needed, it would be assumed that a proportion would be accommodated with on-site parking, and the remaining amount would be accommodated in a future public parking structure and would be subject to an parking in-lieu fee program.

Case studies of parking in-lieu fee programs in other cities will be evaluated to determine the applicability of the program for specific uses, as well as to determine the fee structure, payment options, fee amount adjustments, changes in use, duration of fee, percent of required parking applied to program, payer rights and City obligations, and the City's use of the fees. Recommendations will be made to adjust the City's off-street requirements and parking ordinance to include the parking in-lieu fee program.

Up to three (3) site options will be evaluated for a future public parking structure to serve the Civic Center and Downtown Village areas. A financial feasibility analysis will be conducted for each of the three (3) site options, and parking structure options for 2-3 stories will be considered depending on the number of parking spaces that would need to be included in the parking in-lieu fee program. Based on the findings of the financial analysis and overall parking structure cost, recommendations will be made for the amount of the parking in-lieu fee whether as lump-sum or paid on an annual basis.

Task 2 Deliverables:

- » Opportunities and Constraints Report and Supporting Studies (electronic copies of the Administrative Draft and Final in MS Word and PDF)

Task 3: Public Outreach

The RICK Team understands the City's priority goal of the Specific Plan is to create a thriving, authentic, and pedestrian-friendly area that becomes a destination for residents, both to live, work, shop and recreate. Our community engagement strategy strives to respond to this goal by creating easily accessible opportunities in which all members of the community can participate.

Stakeholder Participation: The RICK Team members are true collaborators with all interests, including residents, property owners, developers and building industry professionals, the La Mesa Village Association, and other business and community groups and organizations.

Expert Facilitation: Key to conducting productive and civil community workshops is a well trained and experienced facilitator who can build trust among all participants. Brooke Peterson will serve as Lead Facilitator and is trained in the International Association of Public Practitioners (IAP2) techniques and core values- bringing experienced facilitation with a comprehensive range of creative, innovative, and tested engagement strategies. We will facilitate meetings in a way that ensures all voices are heard

and will work with staff on strategies to avoid polarizing community interests.

3.1 Community Engagement Plan | The RICK Team will prepare a Community Engagement Plan that defines the engagement touchpoints and sequence to provide a clear framework and guide for all community engagement throughout the project life cycle. RICK will be deliberate and thoughtful when crafting the Community Engagement Plan to ensure it is uniquely tailored to fit the needs and key objectives of the project and La Mesa community. With the project's key objectives in hand, techniques such as interviews, workshops, surveys, and others will be identified from the menu provided below to collect the information or input needed from the community. The Community Engagement Plan will include:

- ▶ Stakeholder Analysis
- ▶ Objectives for each public engagement event
- ▶ Project Website and Contact Information
- ▶ Public Engagement Event Descriptions
- ▶ Project Timeline

The RICK Team recommends conducting an engagement program that provides some in-person touchpoints mixed with virtual activities that maximizes the mix of engagement strategies and opportunities for input to broaden the level of participation. Online engagement is

valuable in engaging people who don't usually participate and the RICK team has extensive experience in utilizing this for public outreach, supplemented with in-person events. We also recognize the importance of seeking input from key City staff and City Boards and Commissions such as the Arts and Culture Commission, Community Parking Commission, Design Review Board, Historic Preservation Commission, Mobility Commission, and others that are responsible for effective implementation of the DVSP.

The RICK Team will capitalize on all available forms of techniques and technology in order to reach and engage as many community members and stakeholders as possible. Below is a menu of technique options for the City to consider in developing the Community Engagement program:

- ▶ In-Person workshops
- ▶ Stakeholder interviews
- ▶ Design charette
- ▶ Pop-up events/presentations (churches, La Mesa Farmers' Market, baseball fields, etc.)
- ▶ Interactive website activities
- ▶ Drop-In Office Hours
- ▶ Digital/Hard Copy Surveys

This scope does not assume that the Project Fact Sheet, workshop fliers and limited other materials will be translated in Spanish.

3.2 Project Fact Sheet | In an effort to notify the community and stakeholders of the DVSP Update project process, the RICK Team will prepare a Project Fact Sheet that provides information on the project purpose, goals, process, schedule, and community engagement opportunities. With the understanding that the Project Fact Sheet will be used as a quick reference guide, we anticipate the informational document to be a concise two-page document (one double-sided page) that will be visually engaging and easily interpreted with infographics and succinct language.



Example of a Pop-Up Event in a heavily-trafficked space

3.4 Workshop 1: Opportunities, Constraints and Visioning

This first workshop will present the Opportunities and Constraints Report, obtain additional input on the DVSP's opportunities and constraints, and lead a visioning session for use in crafting an updated Downtown Village Specific Plan Vision. This effort will also include digital and hard copy surveys to solicit feedback on additional opportunities and constraints, Downtown Village Specific Plan Vision, and general public comment on the project process and/or questions.



Community engagement for the Northside Specific Plan

3.5 Workshop 2: Land Use & Design Alternatives | The second workshop will be held to present the land use alternatives and solicit feedback on desired urban design features, such as architectural styles and enhancement of outdoor areas. This workshop will be structured to fulfill key objectives, including, but not limited to:

- ▶ Present the Land Use & Design Alternatives formulated in Task 4.1;
- ▶ Obtain detailed input on what the Land Use & Design Alternatives are missing, and what the community likes and dislikes about the Land Use & Design Alternatives;
- ▶ Present a Visual Preference Survey to obtain specific feedback on community desires for urban design features; and

- ▶ Lead a constructive discussion that will inform the next phase of the planning process.

Following the workshop, digital copy surveys will be used to solicit feedback on community desires for urban design features up until three (3) weeks after the Workshop or as alternatively agreed upon.

Tasks 3 Deliverables:

- » Community Engagement Plan (Administrative & Final Draft)
- » Project Fact Sheet (Administrative & Final Draft)
- » Website setup and maintenance for the project duration
- » Logistics Plan (2) (Administrative Draft & Final Draft)
- » PowerPoint Presentations (2) (Administrative Draft & Final Draft)
- » Workshop Materials (as applicable, digital copies of: fliers, exhibits, presentations, graphics – Administrative Draft and Final Draft for each workshop)
- » Digital Survey and Hard Copy Survey (Administrative Draft and Final Draft)

Task 4: Downtown Village Specific Plan

There are a number of components in the specific planning process that serve as the building blocks for the Downtown Village Specific Plan. The Land Use Alternatives and associated development standards, selection of the Preferred Alternative, and Design Standards and Guidelines form the core structure around which the Specific Plan will be developed.

4.1 Land Use & Design Alternatives | During this phase, the RICK Team will create up to three alternative scenarios for the DVSP area that will provide a range of options to respond to the issues identified and vision created in preceding tasks. Through the exercise of a design charrette that brings together City staff and key stakeholders, we will prepare a series of three draft alternatives and corresponding streetscape, circulation, and transit recommendations that incorporate and build from: the information, strategies and recommendations identified in

reviews of existing plans and programs; incorporation of the opportunities and constraints analysis; and feedback and direction from City staff. The alternatives will also respond to the community input received in the prior project tasks.

Each alternative will have a defined theme that describes its emphasis in relation to the project objectives (such as housing, employment, etc.) and metrics that will provide a framework for comparison across each of the alternatives. Buildout metrics can include topics such as: population buildout, number of employees, energy use, water use, walk accessibility, emissions, and household costs; all of which are important considerations for future developers and property owners.

As a full-service firm, RICK Planning + Design Division will employ our in-house technical civil, water resources and mobility engineers to “ground truth” the land use alternatives before presenting the options to the public. Upon confirmation of the RICK Team’s technical review, the alternatives will be compiled into easy-to-understand diagram graphics for the Workshop No. 2 presentation.

4.2 Preferred Land Use & Design Plan (Preferred Alternative or Preferred Plan) | Based on input received from City staff and the community, the RICK Team will develop a Preferred Plan, which will serve as the basis for preparation of the Downtown Village Specific Plan. The Preferred Plan will outline the intended density and intensity development program and buildout metrics. We will present the preferred land use alternative in an easy-to-understand diagram graphic that will be presented at Workshop No 3. The preferred alternative will also be documented to supplement the public engagement process with background information.



The Lookout at the entrance to the La Mesa Farmers' Market

4.3 Administrative Draft Downtown Village Specific Plan | The RICK Team recognizes the significance of a well-written, easily interpreted, and visually-appealing document. The Specific Plan document will be designed with the audience in mind (the general public, developers, City staff, other public agencies, etc.). Of most importance is the Specific Plan's ability to reduce barriers to implementation, eliminate redundancy, and improve usability, clarity, and streamlining of predictable discretionary permitting processes. In addition to a user-friendly plan and streamlined development process, the City emphasized the importance of retaining community character which may be an overarching theme within the Specific Plan.

The Administrative Draft Specific Plan will tell the story of Downtown La Mesa – its history, vision for the future, and regulatory policies and actions to be fulfilled. The Draft Specific Plan will integrate compelling graphics to convey the vision for how the community will evolve and develop over time and specific design intent for the Design Standards and Guidelines. Graphics will include a detailed and comprehensive illustrative urban design plan, including 3-D massing and scale, to clearly communicate the design intent of the Specific Plan.

Further, the Administrative Draft Specific Plan will address future development of the Civic Center, including a parking structure. The final document outline will be developed in coordination with City staff; chapters may include, but are not limited to: Introduction, Vision, Regulatory Framework, Land Use and Housing, Design Standards and Guidelines, Mobility, Parks and Public Realm, Infrastructure and Public Services, and Implementation.

Outdoor Uses. The RICK team will prepare amendments for outdoor use focused on businesses wishing to better utilize their private outdoor space. These amendments shall offer streamlined permitting processes for those businesses wishing to active street frontages and provide a sense of place to the public. In consideration of these recommendations, RICK will maintain uniform aesthetic in line with proposed Design Standards, adhere to ADA regulations and ensure robust public safety standards.

Objective Design Standards. Led by Diego Velasco of Citythinkers, the RICK Team will prepare objective design standards that prioritize streamlined processing, quality of development, a walkable and livable community environment, and flexibility to adapt to market conditions. Drawing upon RICK's experience including recently approved Escondido East Valley Specific Plan and Downtown Taft Specific Plan both of which included comprehensive objective design standard and building from the review of existing development standards and guidelines conducted in Task 2, the RICK Team will then craft objective design standards that:

- ▶ Allow designers and developers the ability to achieve the Specific Plan vision with limited ambiguity;
- ▶ Provide direction for the public realm, including streetscapes, street trees, lighting, and public furnishings such as seating and trash receptacles;
- ▶ Provide direction for the private realm, including massing, architecture, building height, building articulation, color, scale, signage and gateways, car and bicycle parking and storage, and landscape; and
- ▶ Be easily administered by City staff without a steep learning curve.

This task also includes up to four (4) site-specific site design and visualizations/renderings including a 3D model of the new downtown land use plan as it relates to changes in architecture, height, and scale. The exact visualizations/renderings will be decided upon further discussion with the City and project team. Additionally, this task includes one meeting with the City's Design Review Board.

Streetscape, Circulation and Transit Recommendations.

Based on the detailed review of the Design Guidelines and Specific Plan streetscape concepts, our Landscape Architecture and Urban Design team will prepare update design concepts for the previous streets identified in the Specific Plan where appropriate.

In addition, based on the findings from the Circulation Analysis for opportunities for mobility enhancements conducted as part of Task 2.4 and the Bicycle Facilities and Alternative Transportation Plan, as well as community and stakeholder input received to-date, RICK mobility planners will identify mobility recommendations for the Specific Plan. Our landscape architects and transportation planners will work closely together to ensure all streetscape concepts work with mobility designs.



Existing sculpture in Downtown Village

Signage and Wayfinding. The RICK Team will utilize extensive expertise and project experience with our in-house landscape architects and graphics specialists in conjunction with Citythinkers to develop a unique branding for the Downtown Village area. This branding will take into

account the history, character and future desires for the downtown area and will be used to distinguish the Specific Plan area from other areas of the city. This branding will be used both within the revised Specific Plan in addition to public realm projects such as gateways, wayfinding and street signage, business identification signage, and outreach event by business associations signage such as the La Mesa Village Association and Chamber of Commerce when referring to the Specific Plan area.

Implementation. As a critical part of the Specific Plan implementation, the RICK Team will identify strategies to streamline CEQA review processes for future developments, including the Civic Center Campus, in ways that are consistent with the goals and policies of the Specific Plan. In particular, the RICK Team will outline the following as part of the Specific Plan:

- 1) Potential funding sources for the implementation of the Specific Plan components, including grants and related programs at the local, state, and federal levels.
- 2) Potential policy changes that the City may wish to make, in order to implement the vision for development and/or redevelopment in the Specific Plan area.

- 3) Potential public improvements that would help to support the implementation of the Specific Plan. These improvements could include items such as streetscape improvements, park or civic gathering space improvements, or infrastructure improvements to serve development.

The RICK Team will outline the key responsible parties involved for the implementation of various components of the Specific Plan as well as the anticipated time frames (short-term, mid-term, or long-term), and sources of funding for each implementation item. Furthermore, the RICK Team will explore various programs and funding streams for integrating in the Specific Plan, such as the Business Façade Improvement Loan Program, which would help provide funding for upgrades to the appearance and marketability of commercial properties in the area. Other jurisdictions in the State have used this type of program, which is funded by the State of California's Community Development Block Grant program to fund façade improvements.

The RICK Team will explore funding streams from the California Infrastructure Economic Development

Bank (IBank) to fund public infrastructure and private development, including enhancements such as streetscape projects, park or plaza improvements, or other infrastructure projects. IBank's programs include a revolving fund program, a bond financing program, and a small business finance center.

Additionally, the RICK Team will examine how California's Statewide Community Infrastructure Program (SCIP) can help stimulate economic development in the Downtown Village Specific Plan area. This program allows property owners to obtain financial assistance for non-residential development impact fees associated with infrastructure.



Visual simulation prepared by Citythinkers of a transit-oriented plaza supported by mixed-use residential

PHASE 2

3.6 Workshop 3: Preferred Land Use Alternative and Design Standards | The third community engagement effort will focus on the Specific Plan Design Standards and Guidelines. The third workshop may be replaced with a stakeholder roundtable meeting for a more focused discussion with community leaders. This effort will be structured to fulfill key objectives, including, but not limited to:

- ▶ Present the Specific Plan and Design Standards as part of Task 4.3;
- ▶ Obtain detailed input on the Design Standards and Guidelines, including their positive and negative attributes;
- ▶ Discuss Standards that are missing; and
- ▶ Lead a constructive discussion that will inform the Public Review Draft Specific Plan.

Tasks 3 Deliverables:

- » Workshop Summaries (3) (Administrative & Final Draft)

4.3.1 Screencheck Draft Specific Plan | The Screencheck Draft Specific Plan will address City comments on the Administrative Draft Specific Plan and resubmitted to the City for the next round of staff review.

4.3.2 Public Review Draft Specific Plan | The Public Review Draft Specific Plan will address City comments on the Screencheck Draft Specific Plan and finalized to be released for public review.

4.4 Final Downtown Village Specific Plan | The Draft Final Specific Plan will be developed upon the conclusion of Workshop No. 3 and final direction from City staff for consideration, recommendation, and adoption by decisionmakers. The Draft Final Specific Plan will be presented to the Planning Commission for consideration and recommendation and to City Council for consideration and adoption. The Final Specific Plan will be developed upon final direction from the Planning Commission and City Council at the adoption hearings.

Task 4 Deliverables:

- » Up to three (3) Land Use Alternatives and Metrics (Administrative Draft & Final Draft)
- » Outdoor Use Amendment Recommendations
- » Downtown Branding Recommendations
- » Illustrative Urban Design Plan
- » One (1) meeting with Design Review Board
- » One (1) design charrette up to two (2) days in length
- » Draft La Mesa Downtown Village Specific Plan (electronic copies of the Administrative Draft, Screencheck Draft, and Public Review Draft in MS Word and PDF)
- » Final La Mesa Downtown Village Specific Plan (electronic copies in MS Word and PDF)

Task 5: Environmental Review

Led by Teresa Wilkinson, the RICK Environmental Team will prepare an Initial Study based on Appendix G of the California Environmental Quality Act (CEQA) Guidelines for the proposed Downtown La Mesa Specific Plan Update. The Initial Study/Mitigated Negative Declaration (IS/MND) will be prepared in accordance with the California Environmental Quality Act (CEQA) to provide a programmatic-level review of potential environmental impacts associated with the proposed La Mesa Downtown Specific Plan. The Specific Plan envisions an activated mixed-use corridor with increased housing opportunities.

The overall goal for the IS/MND is to provide clear and concise analysis and conclusions regarding the environmental impacts of the project to facilitate implementation of accelerated quality redevelopment within downtown La Mesa.

The State CEQA Guidelines present several “Special Situations” that include unique requirements for environmental evaluation. Section 15183 discusses “Projects Consistent with a Community Plan, General Plan, or Zoning”. Subsection (a) states, “CEQA mandates that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-

specific significant effects which are peculiar to the project or its site. This streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.”

The proposed La Mesa Downtown Specific Plan would enable proposed future projects to consider the impact analysis in the IS/MND when evaluating their potential environmental impacts. Where sufficiently addressed, future development may be considered “within the scope” of the environmental analysis. As a programmatic-level document, however, the CEQA analysis is not anticipated to provide sufficient detail to fully address the project-specific impacts of all future development. It is anticipated that in many cases additional environmental technical studies or CEQA documentation may be needed for future projects once sufficient details are known. In such cases, the necessary environmental studies and documentation may be conducted at the time of proposal. Current legislation for infill development achieve this, would also allow for expedited CEQA review of housing development.

5.1 Technical Studies | The IS analysis will be prepared with the use of project-specific technical studies. We propose preparing technical analysis to support the Transportation/Traffic, Air Quality/GHG and Noise Sections of the EIR. We will also conduct a cultural resources database search if needed to supplement the City’s existing historical resources inventory list.

5.2 Administrative/Screencheck Draft IS/MND and MMRP | RICK will use the City’s standard format to prepare an IS to evaluate all resource areas in Appendix G of the CEQA Guidelines and complete the CEQA environmental checklist. RICK will prepare an RICK will prepare an Administrative IS/MND, including the Mitigation Monitoring and Reporting Program (MMRP) and applicable appendices, to address all the required environmental topics and analyses in full compliance with CEQA (PRC Section 21000 et seq.), the CEQA Guidelines (CCR Section 15000 et seq.), and City Guidelines for Compliance with CEQA. Information for this analysis will be gathered from various sources typically used in CEQA analysis such as the City’s General Plan EIR and

Climate Action Plan EIR. The Draft EIR will comply with the CEQA Guidelines. To facilitate a streamlined and efficient analysis, we propose to incorporate all analysis into the body of the IS/MND, with appendices as needed to convey technical information, such as noise and air/greenhouse gas (GHG) modeling outputs included as appendices.

The IS/MND will include the following resource areas: aesthetics and visual quality, air quality, biological resources, cultural resources, energy, geology and soils, greenhouse gases, hazardous materials, hydrology and water quality, land use, noise, population and housing, public services and recreation, transportation, tribal cultural resources, and utilities and services systems. Other required sections of CEQA will be addressed including cumulative impacts and project alternatives.

The analysis for each topic will include (1) Existing Conditions, a description of the existing conditions of the site specific to the resource topic, upon which potential environmental changes or impacts can be based. The impact analysis will be based on the established significance thresholds. The IS/MND will list the mitigation measures that could reduce the severity of impacts identified in the Impacts subsection. The mitigation measures will be designed to streamline future development project environmental review under CEQA by creating performance standard mitigation measures.

RICK will address all comments received from City staff on the Administrative Draft IS/MND and prepare the Screencheck Draft IS/MND, including the MMRP and appendices, for City staff review. The Screencheck Draft IS/MND will be submitted in PDF and Word format.

RICK will also prepare and submit a Draft MMRP for City staff review. The MMRP will be in tabular form acceptable to City staff containing, at a minimum, information required by CEQA Guidelines, Section 15097. Preparation of the final version of the MMRP will be deferred until preparation of the Final IS/MND.



Music event at the La Mesa Classic Car Show

5.4 Public Review Draft IS/MND | Once City staff has completed their review and determined that the Draft IS/MND is ready to be released to the public, RICK will finalize the Public Review Draft IS/MND, MMRP, and appendices and prepare the required hard copies and electronic copies, include a web-ready electronic version. RICK will be responsible for preparation, distribution, and filing of all public notices associated with the Draft IS/MND as well as distribution of the Draft IS/MND for a 4530-day public review period.

5.5 Response to Comments | After the 30-day public review period, RICK will review all written comments, organize the comments, and prepare a summary for review by the City staff. RICK will budget for responses to up to 100 individual comments and two full days of working sessions with City staff to review and discuss the Responses to Comments. The Response to Comments and any changes made to the Public Review Draft IS/MND in response to the comments will be submitted to City staff for review in PDF and Word format.

5.6 Final EIR IS/MND | Following the completion of the Response to Comments, RICK will incorporate all additional analysis and/or IS/MND revisions into the Screencheck Final IS/MND. The Screencheck Final IS/MND will be prepared in strikeout/underline format to

the Public Review Draft IS/MND to highlight changes in the document, along with an Errata chapter, and the Responses to Comments.

RICK will then prepare the Final IS/MND, including Responses to Comments, revisions to the Draft IS/MND, Final MMRP, and any new appendices for the Planning Commission and City Council based on comments received from City staff. The Final IS/MND will be integrated into the Draft IS/MND, prepared in strikeout/underline format, and will not be a separate document accompanying the Draft IS/MND. Final PDFs will be web-ready for public review including Responses to Comments, revised text, figures, and any new appendices.

Task 5 Deliverables:

- » Administrative Draft and Final Initial Study and Air Quality/GHG/Noise/Traffic Technical Studies
- » Draft Program IS/MND (electronic copies of the Administrative Draft and Screencheck Draft in MS Word and PDF)
- » Public Review Draft IS/MND, Draft MMRP, and Appendices (electronic copies in MS Word and PDF)
- » Three hard copies of the Draft IS/MND, Draft MMRP, and Appendices (electronic copies in MS Word and PDF)
- » Two USB flash-drive copies of all reference documents
- » Draft Responses to Comments (electronic copies in MS Word and PDF)
- » Final IS/MND, MMRP, and appendices in PDF and MS Word
- » Two hard copies of the Final PEIR, Responses to Comments, MMRP, and appendices
- » Two USB flash-drive copies of all reference documents

Task 6: Public Hearings

The RICK Team will collaborate and support City staff throughout the public hearing process. Key RICK Team members, including Brooke Peterson, Shannon Baer, and Teresa Wilkinson, will attend public hearings and participate in staff presentations. We will prepare components of the presentation, attend two (2) City staff preparation meetings, one (1) Planning Commission hearing, and one (1) City Council hearing. This scope and fee assumes City staff will prepare staff reports for these public hearings.

Task 6 Deliverables:

- » PowerPoint Presentation (portions of)
- » Attendance at two (2) staff meetings/practice presentations
- » Attendance and ability to answer questions at one (1) Planning Commission and one (1) City Council hearing





DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Councilmember Patricia Dillard and Councilmember Jack Shu

SUBJECT: CONSIDERATION OF DIRECTING STAFF TO DRAFT AN ORDINANCE OR ORDINANCES LIMITING THE USE OF SINGLE USE PLASTICS AND OTHER PRODUCTS WHICH ARE MAJOR CONTRIBUTORS TO TRASH AND POLLUTION

We are requesting the Council direct staff to draft an ordinance(s) which will limit the use of single use plastics and other products which are major contributors to trash and pollution. Proposed ordinances, unless noted, will become effective one year after adoption to include: 1) A ban on all use of single use plastic bags and containers from all grocery stores, retail establishments and restaurants. 2) Prohibition on the use of polystyrene foam as a packing material such as "peanuts" and as containers for any drink and food service ware, cooked and uncooked foods including such items as food trays and egg cartons. 3) Require all food services only provide eating utensils including straws and stirrers upon request and must be made of compostable materials. 4) Ban the intentional release into the sky of all lighter-than-air balloons.



DATE: February 13, 2024

TO: Mayor and Members of the City Council

FROM: Councilmember Patricia Dillard and Councilmember Jack Shu

SUBJECT: CONSIDERATION OF DIRECTING STAFF TO DRAFT A CITY POLICY PROHIBITING SPONSORED EVENTS FROM PROVIDING, USING, OR ALLOWING THE SALE OF PLASTIC BOTTLED WATER

We are requesting the Council direct staff to draft a City policy prohibiting sponsored events from providing, using or allowing the of sale of plastic bottled water. Exceptions may be made in special circumstances by the City Manager.