AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

The City Council, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of the City Council regarding any matter on this agenda that the City received after issuing the agenda packet, are available for public inspection in the City Clerk’s office during normal business hours. Such Documents may also be posted on the City’s website at www.elsegundo.org and additional copies will be available at the City Council meeting.

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Before speaking to the City Council, please come to the podium and state: Your name and residence and the organization you represent, if desired. Please respect the time limits.

Members of the Public may place items on the Agenda by submitting a Written Request to the City Clerk or City Manager’s Office at least six days prior to the City Council Meeting (by 2:00 p.m. the prior Tuesday). The request must include a brief general description of the business to be transacted or discussed at the meeting. Playing of video tapes or use of visual aids may be permitted during meetings if they are submitted to the City Clerk two (2) working days prior to the meeting and they do not exceed five (5) minutes in length.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Clerk, 524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, FEBRUARY 16, 2010 – 6:00 P.M.

Next Resolution # 4644
Next Ordinance # 1441

5:00 P.M. SESSION

CALL TO ORDER

ROLL CALL

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.
SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -1- matter

1. City of El Segundo vs. City of Los Angeles, et. Al. LASC Case No. BS094279

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- potential case (no further public statement is required at this time); Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): - 0- matters

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -0- matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0- matters

SPECIAL MATTERS: - 0- matter
AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, FEBRUARY 16, 2010 - 7:00 P.M.

Next Resolution # 4644
Next Ordinance # 1441

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Pastor Jason Dionne, El Segundo Foursquare Church

PLEDGE OF ALLEGIANCE – Council Member Bill Fisher
PRESENTATIONS


ROLL CALL

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.
Recommendation – Approval.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

C. UNFINISHED BUSINESS

1. Consideration and possible action to select the City of La Mirada to exchange the City of El Segundo’s Fiscal Year 2010-2011 and prior year unallocated Community Development Block Grant (CDBG) funds totaling $94,023 at an exchange rate of $0.55 per CDBG dollar, for a total of $51,712.65 in General Revenue Funds and to allocate the funds to the City’s Home Delivered Meals, Juvenile Diversion, Administration and Senior In-Home Care programs for Fiscal Year 2010-2011. (Fiscal Impact: $51,712.65).
Recommendation – (1) Adopt Resolution authorizing the exchange of CDBG funds with the City of La Mirada; (2) Authorize the City Manager to execute any and all contracts and documents, as to form approved by the City Attorney, necessary to complete the exchange of CDBG funds on behalf of the City; (3) Approve allocation of the funds for Home Delivered Meals, Juvenile Diversion, Administration and Senior In-Home Care projects for Fiscal Year 2010-2011; (4) Alternatively, discuss and take other possible action related to this item.
2. Consideration and possible action to disqualify S&L Specialty Contracting, Inc. as a bidder for Group 39 (Project No. RSI 10-01) and Group 40 (Project No. RSI 10-02) of the City's Residential Sound Insulation Program and select the next apparent lowest responsible Bidder for each Project. (Estimated construction costs and retention: $716,705)

Recommendation – (1) Direct the City Manager to not execute contracts 4037 and 4038 with S&L Specialty Contracting, Inc.; (2) Select the next apparent lowest responsible Bidder for each project; (3) Waive minor irregularity in the Bid from Big West Construction Corporation, Inc.; (4) Award contract to Big West Construction Corporation, Inc. for Group 39 (RSI 10-01); (5) Waive minor irregularity in the Bid from G&G Specialty Contractors, Inc.; (6) Award contract to G&G Specialty Contracting, Inc. for Group 40 (RSI 10-02); (7) Authorize the City Manager to execute contracts in a form approved by the City Attorney; (8) Alternatively discuss and take other action related to this item.

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

3. Warrant Numbers 2575810 to 2576015 on Register No. 9 in the total amount of $728,745.37 and Wire Transfers from 1/22/10 through 2/4/10 in the total amount of $1,693,827.22.

Recommendation – Approve Warrant Demand Register and authorize staff to release. Ratify: Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.


Recommendation – Approval.

5. Consideration and possible action to approve the use of the City of El Segundo logo and vehicle graphics of the El Segundo Fire Department on a new special edition “Matchbox” die-cast replica toy fire vehicle, to be designed and produced by Mattel, Inc. (Fiscal Impact: None)

Recommendation – (1) Authorize the City Manager to execute a License Agreement with Mattel, Inc., in a form approved by the City Attorney, to allow the use of the City of El Segundo logo and vehicle graphics of the El Segundo Fire Department for production of die-cast replica toy fire vehicles; (2) Alternatively, discuss and take other action related to this item.
6. Consideration and possible action regarding the resolution Amending resolution No. 4640 in its entirety to authorize the City Manager, or designee, to apply for, receive, and appropriate grant funds through the California Energy Commission to implement energy efficiency improvements at El Segundo City Hall (Fiscal Impact: Potentially $90,691.00)

Recommendation – (1) Adopt the draft resolution; (2) Alternatively, discuss and take other action related to this item.

7. Consideration and possible action authorizing the City Manager to issue a letter of concurrence to the County of Ventura to modify a radio frequency co-channeled with one assigned to the City. (Fiscal Impact: None)

Recommendation – (1) Authorize the City Manager to issue a letter of concurrence to the County of Ventura Fire Department to utilize a radio frequency co-channeled with one assigned to the City; (2) Alternatively discuss and take other action related to this item.

8. Consideration and possible action to renew the General Services Agreement between the City of El Segundo and the County of Los Angeles for an additional five years commencing on July 1, 2010 which would allow the City to access on an as needed basis municipal support services performed by the County, such as traffic signal maintenance and other public works activities. (Fiscal Impact: None)

Recommendation – (1) Authorize the Mayor to sign the General Services Agreement in a form approved by the City Attorney and, (2) Alternatively, discuss and take other action related to this item.

9. Consideration and possible action regarding acceptance of the project for the slurry sealing of the streets in the area bounded by Sheldon Street, Mariposa and Imperial Avenues and Sepulveda Boulevard. Project No.: PW 09-10. (Fiscal Impact: $207,431.35)

Recommendation – (1) Accept the work as complete; (2) Authorize the City Clerk to file a Notice of Completion in the County Recorder’s Office; (3) Alternatively, discuss and take other action related to this item.
10. Consideration and possible action authorizing the City Manager or his designee to enter into an agreement with West Basin Municipal Water District ("West Basin") for the development of a Local Water Use Efficiency Compliance Plan in a form approved by the City Attorney. (Fiscal Impact: $2,465 in matching funds)

Recommendation – (1) Authorize the City Manager or his designee to enter into an agreement with West Basin Municipal Water District for the development of a Local Water Use Efficiency Plan; (2) Alternatively, discuss and take other action related to this item.

11. Consideration and possible action regarding the adoption of Ordinance No. 1440 for a zone change from the General Commercial (C-3) Zone to the Corporate Office (CO) Zone on the site located at 1916 East Imperial Highway and Assessor Parcel Number 4138-005-057. Applicant: The City of El Segundo (Fiscal Impact: None)

Recommendation – (1) Waive second reading and adopt Ordinance No. 1440; (2) Alternatively, discuss and take other action related to this item.

CALL ITEMS FROM CONSENT AGENDA

F. NEW BUSINESS

12. Consideration and possible action regarding the Fiscal Year 2008-2009 Yearend report and Fiscal Year 2009-2010 First Quarter Financial Review. (Fiscal Impact: None)

Recommendation – (1) Receive and file FY 2008-2009 Yearend and FY 2009-2010 First Quarter Financial staff report; (2) Approve staff recommendation to transfer sufficient funds from the Internal Service Funds back to the General Fund to maintain 20% unreserved/undesignated fund balance in the General Fund; (3) Alternatively, discuss and take other action related to this item.

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK
J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Brann –

Council Member Fisher –

Council Member Jacobson –

Mayor Pro Tem Busch –

Mayor McDowell –

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MEMORIALS –

CLOSED SESSION

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REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)
ADJOURNMENT

POSTED:

DATE: 2/10/10
TIME: 4:45 pm
NAME: M. Jennings
Certificate of Appreciation

To:

For donating a Green Building Klaxon in support of the City of El Segundo's environmental programs and green building principles.

Northrop Grumman Integrated Systems Section

This certificate is presented to:

on this 16th day of February, 2010

The Mayor and Members of the City Council of the City of El Segundo, California,
Residents and business in El Segundo on water conservation.

Concert "A Drop of Water is a drop of... Earth-Conserve" to further its mission to educating the

In recognition of her artistic contribution to the El Segundo Environmental Expo 2010 Student Art

Hamad Bensed

Hereby commend

on this 16th day of February, 2010

The Mayor and Members of the City Council of the City of El Segundo, California,

Certificate of Commendation
AGENDA DESCRIPTION:
Consideration and possible action to select the City of La Mirada to exchange the City of El Segundo’s Fiscal Year 2010-2011 and prior year unallocated Community Development Block Grant (CDBG) funds totaling $94,023 at an exchange rate of $0.55 per CDBG dollar, for a total of $51,712.65 in General Revenue Funds and to allocate the funds to the City’s Home Delivered Meals, Juvenile Diversion, Administration and Senior In-Home Care programs for Fiscal Year 2010-2011. (Fiscal Impact: $51,712.65).

RECOMMENDED COUNCIL ACTION:
1. Adopt Resolution authorizing the exchange of CDBG funds with the City of La Mirada;
2. Authorize the City Manager to execute any and all contracts and documents, as to form approved by the City Attorney, necessary to complete the exchange of CDBG funds on behalf of the City;
3. Approve allocation of the funds for Home Delivered Meals, Juvenile Diversion, Administration and Senior In-Home Care projects for Fiscal Year 2010-2011; and/or
4. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Resolution
2. CDBG Exchange Agreement
3. CDBG Exchange Worksheet with the City of La Mirada

FISCAL IMPACT:
Amount Budgeted: $51,712.65 - FY 2010/2011 estimated revenue received from CDBG Exchange of Funds totaling $94,023
Account Number: CDBG Fund 111-400-2778-6214 (Home Delivered Meals); 111-400-2743-6214 (Senior In-Home Care); 111-400-2779-6206 (General Administration); 111-400-2747-6214 (Juvenile Diversion)

ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager
REVIEWED BY: Greg Carpenter, Director of Planning and Building Safety
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:
On December 15, 2009, the City Council authorized staff to proceed with identifying an interested participating city under the Los Angeles Urban County’s Community Development Block Grant (CDBG) Program to begin negotiations for the exchange of the City’s proposed...
Fiscal Year 2010-2011 CDBG allocation; establish a mutually agreeable exchange rate generally between $0.50 to $0.60 for every CDBG dollar exchanged; and, return to the City Council with a resolution authorizing the exchange of CDBG funds. The City’s CDBG FY 2010-2011 allocation is estimated at approximately $86,523. Also $7,500 in prior year unallocated CDBG funds have been identified for a total CDBG amount available to exchange of $94,023.

Staff solicited offers from participating cities through the Los Angeles County Community Development Commission (CDC). The City of La Mirada is interested in exchanging CDBG funds. The City of La Mirada offered $0.55 per CDBG dollar for a total amount of $51,712.65 to be received from the City of La Mirada in General Funds.

RECOMMENDED ACTION:

Staff recommends that the City Council accept the offer from the City of La Mirada and adopt the attached Resolution authorizing the exchange of the City’s CDBG funds at a rate of $0.55 per CDBG dollar for a total amount of $51,712.65 in General Funds. Following City Council action, all documents pertaining to the exchange of CDBG funds will be forwarded to the Los Angeles County Community Development Commission (CDC) for approval by the Los Angeles County Board of Supervisors. Once approved by the Los Angeles County Board of Supervisors, the CDC will process the transaction and issue the payment to the City. The process is anticipated to take approximately two to three months.

Proceeds from the exchange of CDBG funds will support the continuation of the City’s Home Delivered Meals, Juvenile Diversion, General Administration, and Senior In-Home Care projects for Fiscal Year 2010-2011. The proceeds have not been specifically allocated yet. The allocation of these revenues will be refined through the City’s 2010-2011 budget process. The proceeds will be placed in the Miscellaneous Revenue Account and they will be carried over to the 2010-2011 Fiscal Year.

P:\Planning & Building Safety\0 Planning - New\CDBG\ 2010-2011 EXCHANGE OF CDBG FUNDS\2010.02.16 CDBG Exchange of Funds FY 2010_2011 ccmtg.doc
RESOLUTION NO. _____

A RESOLUTION APPROVING THE EXCHANGE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS (CDBG) FOR THE FISCAL YEAR 2010-2011 BETWEEN THE CITY OF EL SEGUNDO AND THE CITY OF LA MIRADA

BE IT RESOLVED by the Council of the City of El Segundo as follows:

SECTION 1: The City Council finds as follows:

A. The City Council of the City of El Segundo conducted a public hearing, pursuant to applicable law, on December 15, 2009, to consider the allocation of CDBG funds for the Fiscal Year (FY) 2010-2011;

B. The use of CDBG funds is strictly limited by law;

C. The City of El Segundo has executed a three-year Cooperation Agreement with the County of Los Angeles concerning CDBG funds for Fiscal Years 2009-2010, 2010-2011, and 2011-2012;

D. The City of El Segundo, a recipient of CDBG funds desires to exchange $86,523.00 of its FY 2010-2011 CDBG funds and $7,500.00 in prior year unallocated CDBG funds for $51,712.65 of General Funds with the City of La Mirada.

SECTION 2: The exchange of FY 2010-2011 CDBG funds between the City of El Segundo and the City of La Mirada (CDC) is hereby approved.

SECTION 3: In accordance with this Resolution, the City of El Segundo will exchange $86,523.00 of its FY 2010-2011 CDBG funds and $7,500.00 in prior year unallocated CDBG funds for $51,712.65 of General Funds with the City of La Mirada.

SECTION 4: The City Manager is authorized and directed to execute any and all documents necessary to complete the exchange of funds on behalf of the City of El Segundo.

SECTION 5: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City’s original resolutions; and make a minute of the adoption of the Resolution in the City Council’s records and the minutes of this meeting.

SECTION 6: This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.
PASSED AND ADOPTED this 16th day of February, 2010.

Kelly McDowell,
Mayor

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF EL SEGUNDO )

I, Cindy Mortesen, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. 015 was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the 16th day of February, 2010, and the same was so passed and adopted by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Cindy Mortesen,
City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By:  ____________________________
Karl H. Berger
Assistant City Attorney
AGREEMENT

This Agreement is made on this 16th day of February, 2010, by and between the City of La Mirada, a municipal corporation, and the City of El Segundo, a municipal corporation.

RECITALS

A. The City of La Mirada has executed a three-year cooperation agreement with the County of Los Angeles concerning Community Development Block Grant (CDBG) Funds for Fiscal Years 2009-2010, 2010-2011 and 2011-2012;

B. The City of El Segundo has executed a three-year cooperation agreement with the County of Los Angeles concerning Community Development Block Grant Funds (CDBG) for Fiscal Years 2009-2010, 2010-2011, and 2011-2012;

C. The City of El Segundo will receive CDBG Funds which can be made available to the City of La Mirada during fiscal year 2010-2011. In exchange for the assignment by the City of La Mirada of the amount of its general funds indicated in Section 1 below, the City of El Segundo is willing to assign unexpended CDBG funds to La Mirada.

D. The two cities now desire to enter into an agreement under which the City of La Mirada would exchange approximately $51,712.65 of its general funds for the City of El Segundo’s unexpended entitlement of approximately $86,523 in Fiscal Year 2010-2011 CDBG Funds plus $7,500 in prior year unallocated CDBG funds for a total amount of approximately $94,023.

NOW, THEREFORE, the Cities agree as follows:

1. EXCHANGE. The City of El Segundo agrees to assign a total of approximately ninety four thousand twenty-three dollars and zero cents ($94,023) of its unexpended CDBG allocation to the City of La Mirada. In return, the City of La Mirada agrees to assign approximately fifty-one thousand, seven hundred and twelve dollars and sixty-five cents ($51,712.65) of its general funds to the City of El Segundo. The exchange rate is $.55/100.

The table below summarizes the amount(s), to be exchanged and any public service and/or administration authority to be transferred to the City of La Mirada.

<table>
<thead>
<tr>
<th>FY</th>
<th>Amount</th>
<th>Public Service Authority Received</th>
<th>Administrative Authority Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2010-11</td>
<td>$86,523</td>
<td>$12,978</td>
<td>$8,652</td>
</tr>
<tr>
<td>Unallocated Balance</td>
<td>$7,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$94,023</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. **CONSIDERATION.** The City of El Segundo shall assign the agreed upon CDBG Funds in one lump sum payment. The City of La Mirada shall assign the agreed upon general funds to the City of El Segundo in one lump sum payment. The City of La Mirada’s lump sum payment shall be due and payable 15 days after the Community Development Commission of the County of Los Angeles notifies the City of La Mirada in writing and on its letterhead that the funds have been transferred to the City of La Mirada’s unallocated funds account.

3. **BEST EFFORTS.** The City of El Segundo shall use its best efforts to obtain any consent required of any other governmental or administrative agency to effectuate the assignment of $94,023 of its CDBG funds to the City of La Mirada no later than 30 days after both cities have executed the agreement and any required documents. The City of El Segundo and City of La Mirada agree to execute any and all additional documents which such agencies may request in connection with the assignment and receipt of grant.

4. **TERM.** The Agreement is effective on the date above written and for such time as is necessary for both parties to complete their mutual obligations under this Agreement.

5. **TERMINATION.** Termination of this Agreement may be made by either party so long as written notice of intent to terminate is given to the other party at least five (5) days prior to the termination.

6. **NOTICE.** Notices shall be given pursuant to this Agreement by personal service on the party to be notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

   CITY OF LA MIRADA  
   Thomas E. Robinson, City Manager  
   13700 La Mirada Boulevard  
   La Mirada, CA 90638

   CITY OF EL SEGUNDO  
   Jack Wayt, City Manager  
   350 Main Street  
   El Segundo, CA 90245

7. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of California.
IN WITNESS WHEREOF, the parties have executed this Agreement the 16th day of February 2010.

CITY OF LA MIRADA:  

__________________________  
Thomas E. Robinson, City Manager

CITY OF EL SEGUNDO:

__________________________  
Jack Wayt, City Manager

ATTEST:  

__________________________  
Anne Haraksin, City Clerk

ATTEST:  

__________________________  
Cindy Mortesen, City Clerk
CDBG EXCHANGE OF FUNDS WORKSHEET

This worksheet is to be used for planning the exchange of Community Development Block Grant (CDBG) funds between jurisdictions participating in the Los Angeles County's CDBG Program.

Completion of the worksheet will be the responsibility of the jurisdiction offering CDBG funds for exchange and will include only funding information specific to the two (2) jurisdictions exchanging funds (the transferring and recipient jurisdictions). If additional exchanges are planned, involving jurisdictions other than those indicated below they must be identified on a separate form.

This exchange will involve actions between __________ (Transferring Jurisdiction) and __________ (Recipient Jurisdiction) and must be approved by both participants' governing bodies, as well as the Los Angeles County Board of Supervisors before becoming effective. Completion of this worksheet and approval by the Community Development Commission will formally start the authorization and approval process.

<table>
<thead>
<tr>
<th>CDBG FUNDS TO BE EXCHANGED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Funding</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>New Allocation (Fiscal Year 2010-2011)</td>
</tr>
<tr>
<td>Prior Year Unallocated Funds</td>
</tr>
<tr>
<td>District Funds</td>
</tr>
<tr>
<td>Total Funding</td>
</tr>
</tbody>
</table>

* Available for exchanges of total new allocation only. Partial exchanges of new allocation or midyear exchanges will not result in transfer of any additional authority to the recipient jurisdiction.

Approval of the intent to exchange CDBG funding:

[Signature] 12/23/09
Exchanging Jurisdiction

[Signature] 1/19/10
Recipient Jurisdiction

Approval of the availability of CDBG funds to be exchanged:

[Signature] Raymond White
Community Development Commission

[Signature] Date
AGENDA DESCRIPTION:
Consideration and possible action to disqualify S&L Specialty Contracting, Inc. as a bidder for Group 39 (Project No. RSI 10-01) and Group 40 (Project No. RSI 10-02) of the City's Residential Sound Insulation Program and select the next apparent lowest responsible Bidder for each Project.
(Estimated construction costs and retention: $716,705)

RECOMMENDED COUNCIL ACTION:
1. Direct the City Manager to not execute contracts 4037 and 4038 with S&L Specialty Contracting, Inc.;
2. Select the next apparent lowest responsible Bidder for each project;
3. Waive minor irregularity in the Bid from Big West Construction Corporation, Inc.;
4. Award contract to Big West Construction Corporation, Inc. for Group 39 (RSI 10-01);
5. Waive minor irregularity in the Bid from G&G Specialty Contractors, Inc.;
6. Award contract to G&G Specialty Contracting, Inc. for Group 40 (RSI 10-02);
7. Authorize the City Manager to execute contracts in a form approved by the City Attorney; and/or
8. Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Section 00 51 00 of the Contract Documents (the Section is the same for both projects)
2. Copies of the sign-in sheets for the Pre-Construction meeting for Groups 39 and 40
3. Product Submittal Logs for Groups 39 and 40 as provided by S&L Specialty Contracting, Inc.
4. Email correspondence between City staff and S&L Specialty Contractors' president

FISCAL IMPACT: None

Amount Budgeted: $14,000,000
Additional Appropriation: N/A
Account Number(s): 116-400-0000-8960

ORIGINATED BY: James S. O'Neil, Program Manager
REVIEWED BY: Greg Carpenter, Director of Planning and Building Safety
APPROVED BY: Jack Wayt, City Manager
Failure to conform with Contract Specifications

The Contract Documents for each project also require that the Contractor assign and designate one (1) Superintendent who is primarily responsible for the project and is assigned to one project only. Two representatives from S&L attended the pre-construction meeting on Tuesday, February 2nd. One representative identified himself during the meeting as the “Project Manager” and the other individual identified himself as one of the Superintendents. However, the Project Manager could not specify on which project the Superintendent would be employed.

Staff brought these issues to the attention of S&L’s president, and the response provided indicated S&L’s intention was and is to have a “Project manager” responsible for all work on both projects until “physical construction, at which time, the identified Superintendents will assume all responsibility for delivery of the Projects.”

Therefore, staff recommends that the City exercise its rights in the Contract Specifications to:

1. not execute the two (2) contracts with S&L;
2. select the next apparent lowest responsible Bidder until all bids have been exhausted; and
3. utilize the Bid Bonds provided by S&L for each project to fund the difference between the amount of the disqualified Bid and the larger amount for which the City procures the Work

Next Apparent Lowest Responsible Bidder

Besides S&L, the bid results for Group 39 (RSI 10-01) of the City’s Residential Sound Insulation (RSI) Program were as follows:

1. DAB Construction, Inc. .................................................$624,000
2. S&L Specialty Contracting, Inc.................................$651,550
3. Sam Boo Construction Corporation, Inc..............$663,000
4. Big West Construction Corporation..............................$717,800
5. G&G Specialty Contractors, Inc.........................$733,226
6. Professional Building Contractors, Inc...............$764,550

The lowest Bid, submitted by DAB Construction (DAB) was determined to be non-responsive for several reasons as described in the January 19, 2010 staff report.

The third lowest Bid, submitted by Sam Boo Construction Corporation, Inc, (Sam Boo) is non-responsive for the following reasons:

- Used wrong “Designation of Subcontractors” form
- Failed to document that the Underutilized Disadvantaged Business Enterprise (UDBE) goal of 7% was met, nor did Sam Boo include documentation showing a “Good Faith Effort.”
- No C39 roofing license

The fourth lowest Bid, submitted by Big West Construction Corporation (Big West), appears to be responsive, and staff recommends awarding the contract for Group 39 (RSI 10-01) to Big West Construction Corporation, Inc.
BACKGROUND AND DISCUSSION:

Failure to submit required documents

On January 19, 2010 the City Council awarded contracts to S&L Specialty Contracting, Inc. (S&L) for Group 39 (Project No. RSI 10-01) and Group 40 (Project No. RSI 10-02) of the City's Residential Sound Insulation Program. A Notice of Award and contract for each project was emailed to S&L’s President on Thursday, January 21st.

The Contract Documents (Section 00 51 00, item 3.01, attached) require that S&L sign and return the Contract along with all properly executed certificates of insurance, product submittals and a number of other items, within ten calendar days of receipt of the Notice of Award. These items were required by the contract terms on February 1st (a Monday). However, no documents were received by the City for either project on or before that date.

S&L submitted two signed contracts, bonds, and insurance during a “pre-construction meeting” on Tuesday, February 2nd. However, the certificates of insurance provided were not properly executed and none of the other required documents were provided, including without limitation:

- Copies of City of El Segundo business licenses for Bidder and each listed Subcontractor
- Evidence of responsibility of Subcontractors
- References for Subcontractors whose contract values are in excess of $10,000
- Schedule of Values
- Product Submittals

As of February 9th, S&L has not provided any of the items listed above (except for a few of the required product submittals).

S&L submitted revised insurance certificates to the City via email on two separate occasions on Friday, February 5th (fourteen days after the Notice of Award), and originals were received via UPS on Monday, February 8th. Despite this, half of the insurance certificates still were not properly executed (at minimum, the cancellation clause has not been properly modified); and corrected insurance information has not been provided for any of the subcontractors.

Some product submittals were delivered to the City on Wednesday, February 3rd, and were incomplete, as they did not include the following required submittals:

- Contact Information
- Schedule of Values
- Sample Warranty Packages
- Hazardous Material Abatement Submittal
- Construction Schedule
- Sample Certified Payroll
- Finishes (Paint and Stain)
- Equipment pads (for HVAC equipment)
- Smoke Detectors and Carbon Monoxide detectors
- Electrical submittal

Additionally, many of the submittals that were provided do not meet the requirements of the Contract Documents.
At its meeting on January 19, the City Council waived as a minor irregularity the requirement of primary and secondary sliding glass doors being manufactured by the same manufacturer for S&L’s bid. Staff recommends the same be minor irregularity waived for the Bid from Big West.

As the City Council is aware, Big West has been awarded Groups 37 and 38, and is successfully working on both currently.

The amount requested for the Group 39 contract is $789,580, which represents the Total Bid amount and an additional 10% for potential change orders related to unforeseen conditions.

Besides S&L, the bid results for Group 40 (RSI 10-02) of the City’s Residential Sound Insulation (RSI) Program are as follows:

2. G&G Specialty Contractors, Inc. ........................................$528,251
3. Sam Boo Construction Corporation, Inc. ..........................$558,000
4. Professional Building Contractors, Inc. ............................$578,791
5. Big West Construction Corporation..................................$592,000

The second lowest Bid, submitted by G&G Specialty Contractors, Inc. (G&G) appears responsive.

The City Council is hereby that G&G Specialty Contracting, Inc. successfully completed construction for Groups 11, 14 and 18 of the Residential Sound Insulation Program and actually completed Groups 14 and 18 ahead of schedule.

The amount requested for the Group 40 contract is $581,076, which represents the Total Bid amount and an additional 10% for potential change orders related to unforeseen conditions.

City Council is reminded that eighty percent (80%) of costs associated with the Residential Sound Insulation Program are covered by federal grant funding from the Federal Aviation Administration (FAA). This remains a funding source until those funds identified in the Grant Implementation Plan to the City of Los Angeles are exhausted. Remaining expenses, except for elective “Owner Upgrades” selected by property owners, are paid for by funding received as part of the settlement agreement with LAWA.

The Contract specifications are clear as to funding. As S&L did not meet the requirements of the contract conditions, the Bid Bonds provided by S&L are to be used to fund the difference between S&L’s Bids and the amount of the work procured. For the Group 39 project, the amount is $66,250 (the difference between the Bid from S&L of $651,550 and the Bid from Big West Construction Corporation of $717,800) and for the Group 40 project the amount is $8,801 (the difference between the Bid from S&L of $519,450 and the Bid from G&G of $528,251)
Section 00 51 00 – Award and Execution of Contract

Part 1  General

1.01  The City may retain all Bids and related Bid Security for a period of sixty (60) days for examination and comparison, or until a Contract is executed, during which time the City will either:
   A.  Execute a Contract and issue a Notice to Proceed, or
   B.  Reject all Bids

1.02  Bidder agrees that the City will have the right to waive non-material irregularities in any Bid, or delete any portion of the Work, and to accept the lowest responsive Bid as determined by the City.

1.03  The Award of Contract will be on the basis of lowest Bid as established by the Total Bid (Contract Sum) of Bids received, minus any portions that are deleted by the City before the Award of Contract.

Part 2  Award of Contract

2.01  After completing a review of Bids received, the City will consider the Award of Contract for the Project at one of its City Council meetings.

2.02  Within five (5) working days, the City will deliver the following to the successful Bidder:
   A.  Notice of Award
   B.  An original Agreement for signature

2.03  The City will not award a contract to any Bidder whose Bid:
   A.  Is legally withdrawn in accordance with the Public Contracts Code
   B.  Is determined by the City to be non-responsive

Part 3  Execution of Contract

3.01  Bidder must, within ten (10) calendar days of receipt of the Notice of Award, sign and return the Contract included with the Notice of Award along with each of the following:
   A.  a properly executed Faithful Performance Bond
   B.  a properly executed Labor and Materials Bond
   C.  properly executed Certificates of Insurance
   D.  Copies of City of El Segundo Business Licenses for Bidder and each listed Subcontractor
   E.  Evidence of responsibility of Subcontractors
   F.  References for Subcontractors whose contact values are in excess of $10,000
   G.  Schedule of Values
   H.  Product Submittals
3.02 In the event Contractor fulfills all obligations stated above in accordance with the requirements of the Contract Documents, the City will finalize the Award of Contract by executing a Contract, which involves:
   A. signing the Agreement
   B. recording a copy of the contract at the County of Los Angeles Recorder’s office
   C. returning to the Bidder/Contractor the following:
      1. a copy of the signed Agreement
      2. Notice to Proceed

3.03 Bidder agrees that that City is not required to execute a contract with any Bidder who is awarded a Contract if any of the following occurs:
   A. Bidder fails or refuses to sign the Agreement within ten (10) calendar days of receiving the City’s Notice of Award
   B. Bidder fails to submit any of the following to the City within ten (10) days of receiving the City’s Notice of Award:
      1. a properly executed Faithful Payment Bond.
      2. a properly executed Labor and Materials Bond.
      3. properly executed Certificates of Insurance
   C. City determines that the Bidder is not financially or otherwise qualified to perform the Contract

3.04 In the event Bidder fails to execute a Contract in accordance with the requirements of the Contract Documents after being awarded the Contract,
   A. City will either:
      1. disqualify such Bidder and select the next apparent lowest responsible Bidder until all bids have been exhausted, or
      2. reject all bids
   B. Bidder will be liable for and forfeit to the City the amount of the difference between the amount of the disqualified Bid and the larger amount for which the City procures the Work.

End of Section 00 51 00
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<td>Lisa Wilkinson</td>
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Frank Haywood
Construction Coordinator

From: Jim Leana [mailto:jim@slcontracting.com]
Sent: Thursday, February 04, 2010 8:17 AM
To: Haywood, Frank
Cc: Gray, Tom; Joe Romeo
Subject: RE: Group 39 & 40 Pre-Construction Meeting

Frank-

My opinion regarding the return of contracts is based upon well established case law. Why would you mail us an original on high quality paper on your official colored letterhead, if we could use the emailed version. None the less we will just have to agree to disagree as I feel any further dialogue on such a trivial matter is a waste of both of our time.

In regards to insurance certificate issues we have our insurance agent reviewing Appendices C-03, and should be able to forward you by email today but no later than tomorrow a revised certificates for both Projects.

In regards to Superintendents, the submittals hand delivered to you yesterday included our proposed superintendents for the two projects. The Superintendents will be present for the measurement walk-throughs, to be conducted under the direction of our Project Manager for the Projects Joe Romeo.

Joe Romeo is our designated Project Manager for the Projects who is responsible for all work efforts necessary to prepare for actual physical construction, at which time, the identified Superintendents will assume all responsibility for delivery of the Projects. I am respectfully requesting that all correspondence regarding these projects be directed directly to Joe Romeo until such time as actual construction commences. It is standard industry practice to have a Project Manager as well as Superintendent for a construction project.

If we can't come to a reasonable agreement on lines of communication and responsibility for the Project consistent with the industry and the Contract than I would propose we set up a meeting to discuss this issue with the appropriate representatives of the City and S&L.

Thanks Jim

From: Haywood, Frank [mailto:fhaywood@elsegundo.org]
Sent: Wednesday, February 03, 2010 4:51 PM
To: Jim Leana
Cc: Gray, Tom
Subject: RE: Group 39 & 40 Pre-Construction Meeting
Jim,

Thanks for getting back to me. The Notice of Award and contract were sent via email on January 21, and thus the contracts were due ten calendar days from that date.

The City received Insurance and Bond submittals for Group 39 and Group 40 yesterday, February 2, 2010, hand delivered by Joe Romeo.
The Insurance requirements have not been met. (Please resubmit with special attention paid to Section 00 73 16 and Appendixes C-02 and C-03.)
The Contract cannot be executed until the Insurance and Bond requirements comply with the Contract Documents.

All associated delays to the execution of the contract will not constitute a basis for approving any changes to the Construction schedule.

The Contract Documents for each contract (Section 01 31 00) require one individual who is primarily responsible for the Work. As discussed in the meeting yesterday, all communication must be received by the Superintendent, not a "Project Manager." Therefore, to further clarify, the City will require Submittals be provided by the Superintendent for each project (Group 39 and 40). Submittals will not be accepted by anyone other than the Superintendent to help ensure that the Superintendent is fully aware of all project issues.

Thanks for clearing up the superintendent assignment issue, however until we receive the Superintendent submittal - including the contact information (as we do not know how to contact Mr. Stracqualursi), we will direct all communication to you to forward to the Superintendents.

Please clarify how submittals will be submitted today. (Hand delivered, FedEx, etc.)

Also, it is a requirement that representatives from each subcontractor participate in the Site Examination of each Home. As all subcontractors did not have representatives at the Pre-Construction meeting yesterday, please provide written assurance that representatives for each Subcontractor will participate in the Site Examination of each Home.

Frank Haywood
Construction Coordinator

From: JIm Leana [mailto:jim@slcontracting.com]
Sent: Wednesday, February 03, 2010 9:50 AM
To: Haywood, Frank
Cc: Joe Romeo
Subject: RE: Group 39 & 40 Pre-Construction Meeting

Frank -

Per Contract we have 10 days from receipt of original Contracts to return them with the appropriate bonds and insurance. We received the original Contracts on 1/25/10 at our Syracuse Office, effectively giving us until 2/4/10 to return the documents.

In regards to preconstruction submittals they were sent by Fedex for delivery prior to the preconstruction meeting, however Fedex mixed up the paper work and delivered the package late yesterday. We will deliver the preconstruction submittal package to you today.
Our Superintendents for the Projects are as follows: Lee Wilkinson Group 39, Mike Stracqualursi Group 40. The Superintendent qualifications will be included with the preconstruction submittals delivered today.

Any other issues please let me know. Thanks Jim Leana

From: Haywood, Frank [mailto:fhaywood@elsegundo.org]
Sent: Wednesday, February 03, 2010 11:17 AM
To: Jim Leana
Cc: Gray, Tom
Subject: Group 39 & 40 Pre-Construction Meeting

Good Morning Jim,

As you know the Pre-Construction Meetings for Groups 39 & 40 were held yesterday. The meeting was still held even with several required key issues not having been prepared or brought to the meetings as required by the specifications. The only paperwork we received yesterday was the Insurance Certificates, and the Contract (which was due the day before).

The specifications call for the balance of all Submittals to have been turned in at the time of the Pre-Construction meeting as well as all parties to be represented, which several of the sub contractors did not attend. The specifications call for the Superintendent for each project to be present, we understand that an employee is to be relocated to the area to run one of the Groups. The City will expect this person to be solely responsible for the Group which he is assigned to. However, we have not received any of the Informational Submittals regarding the Superintendents or as to who will be assigned to which Group.

We were told that we would have the required information with in the next few days. We need to be in receipt of the required information by the end of the week, February 5th so we can have time to review properly and respond if necessary.

Franklin W. Haywood Jr.
Construction Coordinator
RSI Program
City of El Segundo
BIDDER'S PROPOSAL AND STATEMENT

Project Number RSI 10-01
"Residential Sound Insulation Program – Group 39"

To the Mayor and City Council
City of El Segundo
350 Main St.
El Segundo, CA 90245

The undersigned declares that he/she has examined the Contract Documents, including without limitation the "Instructions to Bidders" and the "Conditions of the Contract," and otherwise satisfied himself/herself as to the nature and location of the Work, and is fully informed as to all conditions and matters which can in any way affect the Work or its cost, and agrees to the following:

To perform all Work in strict conformity with the requirements of the Contract Documents and at the following lump sum price:

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<thead>
<tr>
<th>ID</th>
<th>Address</th>
<th>Description</th>
<th>Engineer's Estimate</th>
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### City of El Segundo
#### Residential Sound Insulation Program

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**Total Bid (Contract Sum)**

Seven Hundred Seventeen Thousand Eight Hundred Dollars

$717,800.00

In case of discrepancy between the words and figures, the words must prevail.

**Notices:**
- Illegible Bids must be disqualified
- If the Total Bid does not equal the total of the Schedule of Values, it is grounds for rejection of the Bid or rescinding a Notice of Award.
- Inconsistencies between the Schedule of Values and the Plans for each Home are grounds for rejection of the Bid.

If awarded the Contract for the Work, the undersigned hereby agrees to execute the Contract within ten (10) calendar days as required by the Contract Documents (See Section 00 51 00).

Bid Security, which must not be less than ten percent (10%) of the Total Bid (Contract Sum), is enclosed as a guarantee that the undersigned will enter into a Contract if awarded to the undersigned. Bidder further agrees that in the event Bidder fails to execute the Contract in accordance with the requirements of the Contract Documents after being awarded the Contract, Bidder will be liable for and forfeit to the City the amount of the difference between the amount of its Bid and the larger amount for which the City procures the Work.
Name of Firm: Big West Construction Corp.

Address: 2629 Richter Ave. #123, Irvine CA 92606

Telephone Number: (949)253-9082

Contractor’s License Number: 812085

Type of License: B-General

License Expiration Date: 8-31-2010

Type of Entity: ☑ Corporation ☐ Sole Proprietorship ☐ Partnership ☐ Other

I declare under penalty of perjury that the foregoing is true and correct.

Contractor Representative: Thomas Carr

Title: Vice President

Signature: [Signature]

Dated this 4th day of JANUARY, 2010.

If Corporation, please attach evidence of authority to sign.
City of El Segundo
Residential Sound Insulation Program

BIDDERS'S PROPOSAL AND STATEMENT

Project Number RSI 10-02
"Residential Sound Insulation Program – Group 40"

To the Mayor and City Council
City of El Segundo
350 Main St.
El Segundo, CA 90245

The undersigned declares that he/she has examined the Contract Documents, including without limitation the "Instructions to Bidders" and the "Conditions of the Contract," and otherwise satisfied himself/herself as to the nature and location of the Work, and is fully informed as to all conditions and matters which can in any way affect the Work or its cost, and agrees to the following:

To perform all Work in strict conformity with the requirements of the Contract Documents and at the following lump sum price:

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**Total Bid (Contract Sum)**

Five Hundred Twenty Eight Thousand Two Hundred Fifty One Dollars

\( \$\ 528,251.00 \)

In case of discrepancy between the words and figures, the words must prevail.

**Notices:**
- Illegible Bids must be disqualified
- If the Total Bid does not equal the total of the Schedule of Values, it is
City of El Segundo
Residential Sound Insulation Program

grounds for rejection of the Bid or rescinding a Notice of Award.
- Inconsistencies between the Schedule of Values and the Plans for each Home are grounds for rejection of the Bid.

If awarded the Contract for the Work, the undersigned hereby agrees to execute the Contract within ten (10) calendar days as required by the Contract Documents (See Section 00 51 00).

Bid Security, which must not be less than ten percent (10%) of the Total Bid (Contract Sum), is enclosed as a guarantee that the undersigned will enter into a Contract if awarded to the undersigned. Bidder further agrees that in the event Bidder fails to execute the Contract in accordance with the requirements of the Contract Documents after being awarded the Contract, Bidder will be liable for and forfeit to the City the amount of the difference between the amount of its Bid and the larger amount for which the City procures the Work.

Name of Firm: G & G Specialty Contractors, Inc.
Address: 4633 S. 36th Street, Phoenix, AZ 85040
Telephone Number: (480) 921-4079
Contractor’s License Number: 839072
Type of License: B, D52, ASB
License Expiration Date: 05/31/2010

Type of Entity: □ Sole Proprietorship □ Partnership □ Corporation □ Other

I declare under penalty of perjury that the foregoing is true and correct.

Contractor Representative: Charles E. GoodBallet
Title: Vice-President
Signature: [Signature]

Dated this 4th day of January, 2010.

If Corporation, please attach evidence of authority to sign.
CITY OF EL SEGUNDO
PAYMENTS BY WIRE TRANSFER
1/22/10 THROUGH 2/4/10

<table>
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<th>Date</th>
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<th>Amount</th>
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<td>West Basin</td>
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<td>1/22-2/4/10</td>
<td>Workers Comp Activity</td>
<td>21,374.74</td>
<td>SCRMA checks issued</td>
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DATE OF RATIFICATION: 2/16/10
TOTAL PAYMENTS BY WIRE: 1,693,827.22

Certified as to the accuracy of the wire transfers by:

Deputy City Treasurer

Director of Finance

City Manager

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, FEBRUARY 2, 2010 – 6:00 P.M.

CALL TO ORDER – Mayor McDowell at 6:00 p.m.

ROLL CALL

Mayor McDowell - Present
Mayor Pro Tem Busch - Present
Council Member Brann - Present
Council Member Fisher - Present
Council Member Jacobson - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City's Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City's Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov't Code §54956.9(a) -0- matter

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- potential case (no further public statement is required at this time); Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov't Code §54957): - 0- matters

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -0- matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): - 1- matters

Property: 2161 El Segundo Boulevard, El Segundo (Fire Station No. 2)
City Negotiators: City Manager, Assistant City Manager
Negotiating Parties: Out of Site, LLC
Under Negotiation: Price and Terms (potential lease or sale)
SPECIAL MATTERS: - 0- matter

Council recessed at 6:50 p.m.
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, FEBRUARY 2, 2010 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor McDowell

INVOCATION – Pastor Justin Beck, Calvary Chapel LAX

PLEDGE OF ALLEGIANCE – Council Member Don Brann

PRESENTATIONS

a. Council Member Jacobson presented a Proclamation to Nancy Franklin, Board Member, National Heart Association, announcing National Wear Red Day in support of women and the fight against heart disease.

ROLL CALL

Mayor McDowell - Present
Mayor Pro Tem Busch - Present
Council Member Brann - Present
Council Member Fisher - Present
Council Member Jacobson - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed. NONE

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Council Member Jacobson, SECONDED by Council Member Fisher to read all ordinances and resolutions on the Agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0
B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to open a public hearing and receive testimony regarding: 1) an Environmental Assessment of Environmental Impacts for a proposed Negative Declaration; 2) a General Plan Amendment to change the Land Use Designation from General Commercial to Corporate Office; and 3) a Zone Change from the General Commercial (C-3) Zone to the Corporate Office (CO) Zone for the site located at 1916 East Imperial Highway (Assessor Parcel Number 4138-005-042); and Assessor Parcel Number 4138-005-057. Applicant: The City of El Segundo (Fiscal Impact: None)

Mayor McDowell stated that this was the time and place to receive testimony regarding: 1) an Environmental Assessment of Environmental Impacts for a proposed Negative Declaration; 2) a General Plan Amendment to change the Land Use Designation from General Commercial to Corporate Office; and 3) a Zone Change from the General Commercial (C-3) Zone to the Corporate Office (CO) Zone for the site located at 1916 East Imperial Highway (Assessor Parcel Number 4138-005-042); and Assessor Parcel Number 4138-005-057. Applicant: The City of El Segundo (Fiscal Impact: None)

Clerk Domann stated that proper notice was completed and no written communications had been received by City Clerk's Office.

Greg Carpenter, Planning and Building Safety Director, gave a report.

MOTION by Council Member Jacobson, SECONDED by Council Member Fisher to close the public hearing. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0 UNFINISHED BUSINESS

Mark Hensley, City Attorney, read by title only:

RESOLUTION NO. 4641

A RESOLUTION APPROVING A NEGATIVE DECLARATION FOR ENVIRONMENTAL ASSESSMENT NO. 852, GENERAL PLAN AMENDMENT NO. 09-01 AND ZONE CHANGE NO. 09-01 FOR THE SATCO, INC. PROPERTY (1916 EAST IMPERIAL HIGHWAY, ASSESSOR PARCEL NUMBER 4138-005-042 AND ASSESSOR PARCEL NUMBER 4138-005-057.

MOTION by Council Member Jacobson, SECONDED by Mayor Pro Tem Busch to adopt Resolution No. 4641 approving a Negative Declaration for Environmental Assessment No. 852, General Plan Amendment No. 09-01 and Zone Change No. 09-01 for the SATCO, Inc. property (1916 East Imperial Highway, Assessor Parcel Number 4138-005-042 and Assessor Parcel Number 4138-005-057. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0
Mark Hensley, City Attorney, read by title only:

ORDINANCE NO. 1440

AN ORDINANCE APPROVING ZONE CHANGE NO. 09-01 FOR THE SATCO, INC. PROPERTY 1916 EAST IMPERIAL HIGHWAY (ASSESSOR PARCEL NUMBER 4138-005-042 AND ASSESSOR PARCEL NUMBER 4138-005-057).

Council Member Jacobson introduced the Ordinance.

Second reading and adoption scheduled for February 16, 2010.

C. UNFINISHED BUSINESS

2. Consideration and possible action to declare Rescue Ambulance 33 (Unit #3304) to be a surplus vehicle. Additionally, authorize the surplused Rescue Ambulance 33 to be donated to the Red Cross in Guaymas, Mexico, which is the Sister City of El Segundo. (Fiscal Impact: None)

Kevin Smith, Fire Chief, gave a report.

MOTION by Council Member Fisher, SECONDED by Mayor McDowell to declare Rescue Ambulance 33 (Unit #3304) to be a surplus vehicle. Staff to determine if the unit can be sold and if there is no market, authorize the surplused Rescue Ambulance 33 to be donated to the Red Cross in Guaymas, Mexico. MOTION PASSED BY THE FOLLOWING VOICE VOTE: AYES: MAYOR MCDOWELL, COUNCIL MEMBERS FISHER AND JACOBSON; NOES: MAYOR PRO TEM BUSCH AND COUNCIL MEMBER BRANN. 3/2

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

E. CONSENT AGENDA
All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

3. Approved Warrant Numbers 2575597 to 2575809 on Register No. 8 in the total amount of $1,098,814.65 and Wire Transfers from 1/8/10 through 1/21/10 in the total amount of $2,464,840.12. Authorized staff to release. Ratified: Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.


5. PULLED FOR DISCUSSION BY COUNCIL MEMBER JACOBSON

6. PULLED FOR DISCUSSION BY MAYOR MCDOWELL
7. Adopted Resolution No. 4642 establishing a ticket and pass distribution policy in accordance with Fair Political Practice Commission regulations. The policy would identify the public purposes that are fulfilled when the City distributes tickets and passes to public officials for attendance at various functions.

8. Authorized the City Clerk to file the City's Planning and Building Safety Director's recording of the Notice of Completion in the County Recorder's Office and authorized the City Manager to accept completion of work for 23 homes related to the City's Residential Sound Insulation Program's Group 31 (Project No. RSI 09-06). (Final Contract Amount: $755,138.37, less liquidated damages as authorized by the City Manager) Authorized the City Manager, or designee, to close out Project No. RSI 09-06.

MOTION by Council Member Brann, SECONDED by Council Member Jacobson to approve Consent Agenda items 3, 4, 7, and 8. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0.

5. Consideration and possible action to accept a cash donation totaling $7,500 from DirecTV in support of Super CPR (Cardio-Pulmonary Resuscitation) Saturday and other Fire Department supplies and equipment. (Fiscal Impact: $7,500) Authorize the City Manager to transfer the monies into the CPR General Fund account ($2,000), and the Suppression supplies account ($5,500).

MOTION by Council Member Jacobson, SECONDED by Mayor McDowell to accept a cash donation totaling $7,500 from DirecTV in support of Super CPR (Cardio-Pulmonary Resuscitation) Saturday and other Fire Department supplies and equipment. (Fiscal Impact: $7,500) and authorize the City Manager to transfer the monies into the CPR General Fund account ($2,000), and the Suppression supplies account ($5,500). MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

6. Consideration and possible action regarding (1) the adoption of a Resolution to approve the design and plans and to authorize the City Manager to execute a contract with Tomark Sports without the need of competitive bidding. (2) the acceptance of a donation from the El Segundo Girls Softball League to pay $10,880.89 to Tomark Sports for wall padding and its installation on the new retaining wall on the Softball Field at Recreation Park. (Fiscal Impact: None)

MOTION by Mayor McDowell, SECONDED by Council Member Jacobson to adopt Resolution No. 4643 and authorize the City Manager to execute Contract No.4041 without the need of competitive bidding in a form approved by the City Attorney with Tomark Sports. Accepted the donation from the El Segundo Girls Softball League to pay $10,880.89 to Tomark Sports for wall padding and its installation on the new retaining wall on the Softball Field at Recreation Park. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

CALL ITEMS FROM CONSENT AGENDA

F. NEW BUSINESS
G. REPORTS – CITY MANAGER - NONE

H. REPORTS – CITY ATTORNEY - NONE

I. REPORTS – CITY CLERK - NONE

J. REPORTS – CITY TREASURER - NONE

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Brann – Spoke regarding the opening of the Northrop-Grumman Innovation Lab at the Di Vinci School and the Council of Governments Social Media Program held last week. Also recognized the Recreation and Parks Department for the improvements made on Washington Park and Sycamore Park.

Council Member Fisher – Announced that on Arbor Day, March 6, the Tree Musketeers along with the community will be planting trees along Washington Street, North of Mariposa Avenue.

Council Member Jacobson – NONE

Mayor Pro Tem Busch – Spoke on the recent Memorial held for Coach John Stevenson. Thanked staff for their work on this Memorial.

Mayor McDowell – Spoke on his recent knee surgery.

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MEMORIALS – John Stevenson.

ADJOURNMENT at 7:35 p.m.

Cathy Domann, Deputy City Clerk
AGENDA DESCRIPTION:
Consideration and possible action to approve the use of the City of El Segundo logo and vehicle graphics of the El Segundo Fire Department on a new special edition “Matchbox” die-cast replica toy fire vehicle, to be designed and produced by Mattel, Inc. Fiscal Impact: None

RECOMMENDED COUNCIL ACTION:
1) Authorize the City Manager to execute a License Agreement with Mattel, Inc., in a form approved by the City Attorney, to allow the use of the City of El Segundo logo and vehicle graphics of the El Segundo Fire Department for production of die-cast replica toy fire vehicles;

2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
First Amendment to Agreement Between the City Of El Segundo and Mattel, Inc.

FISCAL IMPACT: None
Amount Budgeted: None
Additional Appropriation: None
Account Number(s): n/a

ORIGINATED BY: Kevin S. Smith, Fire Chief
REVIEWED BY: Kevin S. Smith, Fire Chief
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:
Mattel, Inc. is proposing to manufacture an additional “Matchbox” toy version of an El Segundo Fire Department vehicle. To date, Mattel has manufactured replicas of three El Segundo Fire Department vehicles. They are again requesting permission to use the El Segundo Fire Department name and a graphic image of the City of El Segundo logo for another vehicle replica. The City will not receive any profits made from this production. The City retains the right to purchase units at wholesale price.

A production pilot sample will be delivered to the Fire Chief for inspection and approval prior to actual production. Staff asserts that the City and Fire Department will benefit from the public relations and promotional value of the toys.
FIRST AMENDMENT TO
AGREEMENT BETWEEN
THE CITY OF EL SEGUNDO AND
MATTEL, INC.

THIS FIRST AMENDMENT ("First Amendment") to the Agreement dated May 9, 2007 (the
"Agreement"), is made and entered into this ____ day of January, 2010, by and between the
CITY OF EL SEGUNDO, a general law city and municipal corporation existing under the laws of
California ("LICENSOR"), and Mattel, Inc., a Delaware corporation ("MATTEL").

1. Section 2 of the Agreement is amended in its entirety to read as follows:

"This Agreement becomes effective on the date first written above and continues in effect
for a term expiring on December 31, 2011. MATTEL may renew this Agreement for one
additional year period, by written notice given to LICENSOR at least sixty (60) days prior
to the expiration of the then current term."

2. This Amendment may be executed in any number or counterparts, each of which will be an
original, but all of which together constitutes one instrument executed on the same date.

3. Except as modified by this Amendment, all other terms and conditions of the Agreement
remain the same.

[SIGNATURES ON NEXT PAGE]
IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF EL SEGUNDO

Jack Wayt,
City Manager

MATTEL, INC.

Jeffrey N. Kordilek
Vice President, Legal & Business Affairs

ATTEST:

Cindy Mortensen,
City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

By:
Karl H. Berger, Assistant City Attorney
AGENDA DESCRIPTION: Consideration and possible action regarding the resolution Amending resolution No.4640 in its entirety to authorize the City Manager, or designee, to apply for, receive, and appropriate grant funds through the California Energy Commission to implement energy efficiency improvements at El Segundo City Hall (Fiscal Impact: Potentially $90, 691.00)

RECOMMENDED COUNCIL ACTION:

Recommendation - 1) Adopt the draft resolution and 2) alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Resolution

FISCAL IMPACT: Potential

Amount Budgeted: $0
Additional Appropriation: No
Account Number(s): N/A

ORIGINATED BY: Lauren Mahakian, Senior Administrative Analyst
REVIEWED BY: Dana Greenwood, Public Works Director
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:

At the regular meeting of January 19, 2010, the City Council adopted Resolution No. 4640 authorizing the submittal of a funding application to the California Energy Commission to implement energy efficiency improvements at El Segundo City Hall. The CEC has specific resolution guidelines and language to meet the Department of Energy requirements for energy grant monies. The CEC has made it clear that all Resolutions must meet their requirements for the grant payment. Therefore, the City of El Segundo must modify their current Resolution to meet all the mandated CEC requirements. Section 4 of the Resolution was modified to state the actual grant award up to the amount of $90,691.

The City of El Segundo has been allocated $90,691 in federal grants as part of this non-competitive formula grant process.

There are no matching funds required, and the City is not under any obligation to complete all of the above-mentioned projects or spend in excess of the $90,691 in total funding.

Staff recommends that the City Council approve the amendment to Resolution No 4640 authorizing the submittal of a funding application to the California Energy Commission to implement energy efficiency improvements at El Segundo City Hall.
RESOLUTION NO. __

A RESOLUTION AMENDING RESOLUTION NO. 4640 IN ITS ENTIRETY TO AUTHORIZE THE CITY MANAGER, OR DESIGNEE, TO APPLY FOR, RECEIVE, AND APPROPRIATE GRANT FUNDS THROUGH THE CALIFORNIA ENERGY COMMISSION TO IMPLEMENT ENERGY EFFICIENCY IMPROVEMENTS AT EL SEGUNDO CITY HALL

The City Council of the city of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. The City is included in the Notice of Funding Availability ("NOFA") released August 20, 2009 by the California Energy Commission for the Energy Efficiency and Conservation Block Grant ("EECBG") Funding for EECBG is made available through the California Energy Commission's EECBG Program for grants to eligible local governments for cost-effective energy efficiency project.

B. City of El Segundo is eligible for EECBG funding under the California Energy Commission's EECBG Program.

C. The City agrees to enter into a contract with the California Energy Commission and be subject to its terms and conditions. Funds from the EECBG must be used for allowable expenditures identified in Attachment "A" of the Contract.

D. In compliance with the CEQA, the City Council of the City of El Segundo finds that the approval of the energy efficiency projects described in Attachment "A" is a project that is exempt under California Code of Regulations Title 14, Article 19.

E. A copy of this Resolution should be included with the City's grant application.

F. Resolution No.4640, adopted on January 19, 2010, is amended in its entirety by this Resolution.

SECTION 2: The City Manager, or designee, is authorized to apply for a grant from the EECBG to be used for the purposes identified in Attachment "A," to the Contract with the California Energy Commission which is incorporated herein by reference.

SECTION 3: The City Council hereby amends or supplements the City's Budget for fiscal year 2010-2011 to appropriate the monies identified herein to pay for the plan proposed by the City in support of its grant application. The City Manager, or designee, is authorized to implement the purpose of this section.

SECTION 4: If recommended for funding by the California Energy Commission, the City Council authorizes the City of El Segundo to accept a grant award up to the amount of this application for $90,691, and, that the City Manager acting for the City of El Segundo is hereby authorized and empowered to execute in the name of the City of El Segundo,
all necessary contracts and agreements, and amendments hereto, to implement and carry out the purposes specified in the application.

SECTION 5: This Resolution will become effective immediately upon adoption.

PASSED AND ADOPTED this ___ day of _______________, 2010.

______________________________
Kelly McDowell,
Mayor

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF EL SEGUNDO )

I, Cindy Mortesen, City Clerk of the City of El Segundo, California, hereby certify that the whole number of members of the City Council of the City is five; that the foregoing Resolution No. _________ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the ______ day of _______________, 2010, and the same was so passed and adopted by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

______________________________
Cindy Mortesen,
City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: ___________________________
Karl H. Berger
Assistant City Attorney
AGENDA DESCRIPTION:

Consideration and possible action authorizing the City Manager to issue a letter of concurrence to the County of Ventura to modify a radio frequency co-channeled with one assigned to the City. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to issue a letter of concurrence to the County of Ventura Fire Department to utilize a radio frequency co-channeled with one assigned to the City.

2. Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Frequency Concurrence Overview Staff Report
Letter of Recommendation from Mel Samples (Cadstar)

FISCAL IMPACT: None

Amount Budgeted: $  
Additional Appropriation: N/A  
Account Number(s):

ORIGINATED BY: Carlos Mendoza, Lieutenant
REVIEWED BY: David Cummings, Chief of Police
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:

From time to time, the City receives requests from individuals, private companies and public agencies for concurrence to modify radio frequencies co-channeled with frequencies assigned to the City. The City has received such a request from the County of Ventura to operate on frequency 155.055MHZ. Ventura County is already licensed on this frequency at numerous locations and has been operating on this frequency for some time. The request from the County of Ventura is for concurrence, which would allow Ventura to add two additional communication sites (Laguna Peak in Pt. Mugu and Rocketdyne in Simi Valley) to that existing system. The City of El Segundo Public Works is currently licensed on this channel.

The City contracted with radio frequency consultant Mel Samples (Cadstar Inc.) to review the request from Ventura and its potential impact on El Segundo. Based on the parameters of the request, the pre-existing usage, and the propagation models, Mr. Samples does not believe that El Segundo would be subject to any greater interference than is already experienced. The application was also reviewed and approved by the California Public Safety Radio Association (CPRA).
The letter of concurrence will require that, in the unlikely event some interference occurs, that the requesting party works cooperatively with the City to mitigate it.

I recommended the City of El Segundo issue a letter of concurrence to support the application by the County of Ventura to the Federal Communications Commission.
City of El Segundo
Inter-Departmental Correspondence

February 2, 2010

To: Jack Wayt, City Manager

From: David Cummings, Chief of Police

Subject: Frequency Concurrence Overview

One of the Federal Communications Commission's key spectrum management goals has been to promote efficient access to and use of a finite supply of radio spectrum. The FCC has acknowledged that public safety agencies have "scarce available spectrum," particularly in large metropolitan areas.

Interference protection is central to effective spectrum management. Electromagnetic interference plays a pivotal role in the design and operation of telecommunications equipment and systems, and related costs. In today's radio frequency environment, interference generally limits the useable range or technical effectiveness of communications signals. Its effects on spectrum users and service providers range from annoyance, to threats to the safety of life and property. Interference protection is fundamentally related to spectrum rights and obligations. It also affects the efficiency of spectrum use.

Under FCC rules, some two-way radio communications channels are licensed on a shared basis, while others are licensed exclusively to one entity in a geographic area. The FCC's rules also provide the minimum distance between co-channel licensees, and in some cases, between licensees on adjacent channels. If an applicant wishes to locate a station closer than the FCC's co-channel or adjacent channel limits permit, the applicant may seek concurrence from the existing licensee to such "short spacing." The applicant may demonstrate that short spacing is permissible, despite the FCC's rules, by using computer-derived propagation maps, or by actual testing with a temporary station in the proposed location with the licensee monitoring its system to determine harmful interference. In many instances, there are clear terrain obstacles, which will prevent interference, in which case a map generally suffices. The concurrence letter may state, among other things, that the requesting party will work cooperatively with the other party (in this case the City) to mitigate and overcome any harmful interference to both parties' mutual satisfaction. In most instances the parties may agree how, and at whose expense, interference will be resolved.

There is no requirement that an existing licensee grant concurrence. If a licensee does not provide concurrence, in some cases, an applicant may demonstrate, through engineering showings, that short spacing will not cause harmful interference to the co-channel or adjacent channel licensee, despite that licensee's lack of concurrence. In the public safety community, a serious consideration of a concurrence request from another
public safety entity is a sign of being a good neighbor. It is only through this type of cooperation that we are better able to satisfy needs of local agencies. The same considerations may not apply to requests for concurrence from prospective co-channel or adjacent channel licensees who are not public safety entities.
January 18, 2010

Lieutenant Carlos Mendoza  
Police Department  
City of El Segundo  
350 Main Street  
El Segundo, CA 90245

In re: Ventura County Fire Department Request for FCC Concurrence

Lieutenant Mendoza;

Per your request we have reviewed the request for frequency concurrence as submitted to El Segundo by Holbrow and Associates, on behalf of Ventura County Fire Department.

We have been able to determine that Ventura County is already licensed on this frequency at several locations and has been operating on this frequency for some time. This request, dated November 24, 2009 is for concurrence which would allow Ventura to add two additional locations to that existing system.

Based on the parameters of the request, and the pre-existing usage, we do not believe that El Segundo would be subject to any greater interference than is already experienced. Therefore, we respectfully recommend that El Segundo grant this request at its earliest convenience.

We have prepared and enclosed a suggested draft letter of concurrence that contains customary information and conditions.

If you have any questions, please do not hesitate to call.

Sincerely,

CADSTAR, INC.

[Signature]

Mel A. Samples  
Vice-President

MAS:pc

Enc.
AGENDA DESCRIPTION: Consideration and possible action to renew the General Services Agreement between the City of El Segundo and the County of Los Angeles for an additional five years commencing on July 1, 2010 which would allow the City to access on an as needed basis municipal support services performed by the County, such as traffic signal maintenance and other public works activities. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
Recommendation: (1) Authorize the Mayor to sign the General Services Agreement in a form approved by the City Attorney and, (2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Draft General Services Agreement between the City of El Segundo and the County of Los Angeles

FISCAL IMPACT: None

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<td>Account Number(s):</td>
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ORIGINATED BY: Lauren Mahakian, Senior Administrative Analyst
REVIEWED BY: Dana Greenwood, Public Works Director
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:
The County of Los Angeles periodically provides miscellaneous services on behalf of the City of El Segundo on an “as needed” basis. Examples of such services include the City’s ongoing service agreement with the County for traffic signal maintenance and the availability to access County road crews should the need ever arise for emergency street repairs. To facilitate the City’s ability to access such services, the City and County have traditionally entered into a series of five-year General Services Agreements (GSA) that ensures that the City has access to County-provided services on an as needed basis. The standard GSA has no costs associated with it. It provides the legal mechanism and framework whereby the City has access to County services on an “as needed” basis. The current agreement expires on June 30, 2010. Staff recommends maintenance of the agreement in order to maintain continuing access to the vast pool of services potentially provided by the County of Los Angeles.
GENERAL SERVICES AGREEMENT

THIS AGREEMENT, dated for purposes of reference only, June 18, 2010, is made by and between the County of Los Angeles, hereinafter referred to as the "County", and the City of El Segundo, hereinafter referred to as the "City."

RECITALS:

(a) The City is desirous of contracting with the County for the performance by its appropriate officers and employees of City functions.

(b) The County is agreeable to performing such services on the terms and conditions hereinafter set forth.

(c) Such contracts are authorized and provided for by the provisions of Section 56½ of the Charter of the County of Los Angeles and Section 51300, et seq., of the Government Code.

THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. The County agrees, through its officers and employees, to perform those City functions, which are hereinafter provided for.

2. The City shall pay for such services as are provided under this agreement at rates to be determined by the County Auditor-Controller in accordance with the policies and procedures established by the Board of Supervisors.

These rates shall be readjusted by the County Auditor-Controller annually effective the first day of July of each year to reflect the cost of such service in accordance with the policies and procedures for the determination of such rates as adopted by the Board of Supervisors of County.
3. No County officer or department shall perform for said City any function not coming within the scope of the duties of such officer or department in performing services for the County.

4. No service shall be performed hereunder unless the City shall have available funds previously appropriated to cover the cost thereof.

5. No function or service shall be performed hereunder by any County officer or department unless such function or service shall have been requested in writing by the City on order of the City Council thereof or such officer as it may designate and approved by the Board of Supervisors of the County, or such officer as it may designate, and each such service or function shall be performed at the times and under circumstances which do not interfere with the performance of regular County operations.

6. Whenever the County and City mutually agree as to the necessity for any such County officer or department to maintain administrative headquarters in the City, the City shall furnish at its own cost and expense all necessary office space, furniture, and furnishings, office supplies, janitorial service, telephone, light, water, and other utilities. In all instances where special supplies, stationery, notices, forms and the like must be issued in the name of the City, the same shall be supplied by the City at its expense.

It is expressly understood that in the event a local administrative office is maintained in the City for any such County officer or department, such quarters may be used by the County officer or department in connection with the performance of its duties in territory outside the City and adjacent thereto provided, however, that the performance of such outside duties shall not be at any additional cost to the City.
7. All persons employed in the performance of such services and functions for the City shall be County employees, and no City employee as such shall be taken over by the County, and no person employed hereunder shall have any City pension, civil service, or other status or right.

For the purpose of performing such services and functions, and for the purpose of giving official status to the performance hereof, every County officer and employee engaged in performing any such service or function shall be deemed to be an officer or employee of said City while performing service for the City within the scope of this agreement.

8. The City shall not be called upon to assume any liability for the direct payment of any salary, wages or other compensation to any County personnel performing services hereunder for the City, or any liability other than that provided for in this agreement.

Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of his employment.

9. The parties hereto have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977 and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into this agreement as set out in full herein. In the event that the Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date shall supersede the agreement previously in effect between the parties hereto.
10. Each County officer or department performing any service for the City provided for herein shall keep reasonably itemized and in detail work or job records covering the cost of all services performed, including salary, wages and other compensation for labor; supervision and planning, plus overhead, the reasonable rental value of all County-owned machinery and equipment, rental paid for all rented machinery or equipment, together with the cost of an operator thereof when furnished with said machinery or equipment, the cost of all machinery and supplies furnished by the County, reasonable handling charges, and all additional items of expense incidental to the performance of such function or service.

11. All work done hereunder is subject to the limitations of the provisions of Section 23008 of the Government Code, and in accordance therewith, before any work is done or services rendered pursuant hereto, an amount equal to the cost or an amount 10% in excess of the estimated cost must be reserved by the City from its funds to insure payment for work, services or materials provided hereunder.

12. The County shall render to the City at the close of each calendar month an itemized invoice which covers all services performed during said month, and the City shall pay County therefore within thirty (30) days after date of said invoice.

If such payment is not delivered to the County office which is described on said invoice within thirty (30) days after the date of the invoice, the County is entitled to recover interest thereon. Said interest shall be at the rate of seven (7) percent per annum or any portion thereof calculated from the last day of the month in which the services were performed.

13. Notwithstanding the provisions of Government Code Section 907, if such payment is not delivered to the County office which is described on said invoice within
thirty (30) days after the date of the invoice, the County may satisfy such indebtedness, including interest thereon, from any funds of any such City on deposit with the County without giving further notice to said City of County's intention to do so.

14. This contract shall become effective on the date herein-above first mentioned and shall run for a period ending June 30, 2015, and at the option of the City Council of the City, with the consent of the Board of Supervisors of County, shall be renewable thereafter for an additional period of not to exceed five (5) years.

15. In event the City desires to renew this agreement for said five-year period, the City Council shall not later than the last day of May 2015, notify the Board of Supervisors of County that it wishes to renew the same, whereupon the Board of Supervisors, not later than the last day of June 2015, shall notify the City Council in writing of its willingness to accept such renewal. Otherwise such agreement shall finally terminate at the end of the aforesaid period.

Notwithstanding the provisions of this paragraph herein-above set forth, the County may terminate this agreement at any time by giving thirty (30) days' prior written notice to the City. The City may terminate this agreement as of the first day of July of any year upon thirty (30) days' prior written notice to the County.

16. This agreement is designed to cover miscellaneous and sundry services which may be supplied by the County of Los Angeles and the various departments thereof. In event there now exists or there is hereafter adopted a specific contract between the City and the County with respect to specific services, such contract with respect to specific services shall be controlling as to the duties and obligations of the parties anything herein to the contrary notwithstanding, unless such special contract adopts the provisions hereof by reference.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Executed this ____________ day of ________________________ 2010.

The City of El Segundo

By __________________________
Mayor

ATTEST:

City Clerk

By __________________________
Deputy

THE COUNTY OF LOS ANGELES

By __________________________
Chair Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer/Clerk
of the Board of Supervisors

By __________________________
Deputy

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By __________________________
Deputy
AGENDA DESCRIPTION:
Consideration and possible action regarding acceptance of the project for the slurry sealing of the streets in the area bounded by Sheldon Street, Mariposa and Imperial Avenues and Sepulveda Boulevard. Project No.: PW 09-10
(Fiscal Impact: $207,431.35)

RECOMMENDED COUNCIL ACTION:
1. Accept the work as complete.
2. Authorize the City Clerk to file a Notice of Completion in the County Recorder's Office.
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Notice of Completion

FISCAL IMPACT: Included in Adopted Budget
Amount Requested: $207,431.35
Additional Appropriation: No
Account Number(s): 001-400-4202-6206

ORIGINATED BY: Maryam M. Jonas, Principal Engineer
REVIEWED BY: Dana Greenwood, Public Works Director
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:
On September 1, 2009, the City Council awarded a contract to Pavement Coatings Company in the amount of $199,987.00 and approved an additional $20,000 contingency for potential change orders to slurry streets in the area bounded by Sheldon Street, Mariposa and Imperial Avenues and Sepulveda Boulevard. The final contract amount of $207,431.35 represents actual measured quantities at the completion of the job.

All work has now been completed to the satisfaction of the City and staff recommends acceptance of the project.
NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

Project Name: 2008-2009 Furnishing and Application of Slurry Seal on Various Streets

Project No.: PW 09-10

Notice is hereby given pursuant to State of California Civil Code Section 3093 et seq that:

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.

2. The full name of the owner is: City of El Segundo

3. The full address of the owner is: City Hall, 350 Main Street, El Segundo, CA, 90245

4. The nature of the interest of the owner is: Public Street

5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on January 14, 2010. The work done was: Slurry Sealing of Streets

6. On February 16, 2010, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: Pavement Coating Company.

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: Public Street.

9. The street address of said property is: Streets in the area bounded by Sheldon Street, Mariposa and Imperial Avenues, and Sepulveda Boulevard.

Dated: ____________________________

Dana Greenwood
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on ________________ 2009 at El Segundo, California.

Dana Greenwood
Public Works Director
AGENDA DESCRIPTION:
Consideration and possible action authorizing the City Manager or his designee to 1) enter into an agreement with West Basin Municipal Water District ("West Basin") for the development of a Local Water Use Efficiency Compliance Plan in a form approved by the City Attorney; 2) alternatively, discuss and take other action related to this item. (Fiscal Impact: $2,465 in matching funds)

RECOMMENDED COUNCIL ACTION:
Recommendation: 1) Authorize the City Manager or his designee to enter into an agreement with West Basin Municipal Water District for the development of a Local Water Use Efficiency Plan and 2) alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Local Water Use Efficiency Plans Program Memorandum of Understanding
Exhibit A - Program Cost

FISCAL IMPACT: Matching Funds
Amount Budgeted: $2,465
Additional Appropriation: No
Account Number(s): 501-400-7102-5204

ORIGINATED BY: Lauren Mahakian, Senior Administrative Analyst
REVIEWED BY: Dana Greenwood, Public Works Director
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:
In 2005, West Basin developed its first Conservation Master Plan. The Plan was vital in identifying opportunities within the various sectors of West Basin’s service area where significant water savings could be achieved. Based on the opportunities, West Basin developed programs and sought local, state and federal grants. As a result of the Plan, West Basin was awarded several grants to help implement the programs.

West Basin took this successful planning approach one step further, and in 2008 developed a project that would develop similar beneficial conservation Plans for its eight Customer Agencies.

West Basin staff applied for a federal grant to the United States Bureau of Reclamation (USBR) for the development of eight local Plans and was awarded a $100,000 grant as a cost-share. As part of the project, West Basin will provide USBR’s funding to each agency based on the size of the agency and each agency will provide a matching cost-share. The grant has helped to
make this project very cost-effective for each agency. By collaborating together in the South Bay, all the agencies and West basin will be able to leverage resources and identify opportunities that work in each agencies service areas. Exhibit A shows the cost-shares for all eight local water agencies.

West Basin, along with input from the eight customer agencies, will be hiring a qualified consultant in March 2010 to work with each agency to develop their own unique conservation plans. This will be a collaborative effort between all the agencies, but each agency will receive their own unique plan.

The goal of the project is for the consultant to identify all local, state and federal water conservation compliance requirements, such as the state’s new 20% x2020 legislation and Senate Bill 7x and to help each agency determine their baselines and gallon per capita goals in order to develop appropriate programs that will help each agency meet those goals and meet the legislative requirement.

By participating in this project, the City of El Segundo will contribute $2,465 from the Water Fund, which will be matched by additional $2,465 coming from the grant. The funding amount is a percentage calculated based on the number of customer connections for each agency as shown in Exhibit A. There are no General Fund dollars involved in this project.
Agreement No.
Local Water Use Efficiency Plans Program
Memorandum of Understanding

This Memorandum of Understanding ("MOU") is made between West Basin Municipal Water District ("West Basin") and the City of El Segundo ("El Segundo") as of November _____, 2009.

Recitals

A. The United States Department of the Interior -- Bureau of Reclamation (Bureau) -- Water Conservation Field Services Program awarded a grant to West Basin Municipal Water District in the amount of One-hundred Thousand Dollars ($100,000) as a 50% cost-share for the development of Local Water Use Efficiency Compliance Plans (Plans). West Basin has secured and signed the Federal Grant Agreement No. 08FG350240 for the purposes of receiving the ($100K) awarded funds and has agreed to provide the Bureau with required reports throughout the life of the Program.

B. This Program is available to all of West Basin’s customer agencies. El Segundo agrees to participate in the Program by contributing $2,465, which will be matched by an additional $2,465 coming from the grant. The funding amount is a percentage calculated based on the number of customer connections for each agency. (See Exhibit A)

C. El Segundo desires to work with West Basin to hire a consultant that will develop a local Plan. By collaborating with West Basin on this project, El Segundo will benefit from the leveraged resources being provided.

D. West Basin will enter into a consulting contract with a qualified vendor (Plan Consultant) who will work with El Segundo to develop specific Plans for El Segundo’s service area.

Terms

Section 1. West Basin Grant Obligations

1.1 West Basin shall be responsible for overall Project management and shall provide staff to oversee development of the Plan Consultant tasks along with participation of El Segundo.

1.2 West Basin shall contract (Plan Contract) for development of the El Segundo Plan with a Plan Consultant to be selected by West Basin. West Basin shall perform supervision and oversight of the Plan Consultant and administer the Plan Contract. West Basin will ensure that the Plan Contract names both West Basin and El Segundo as additional insureds under each policy of insurance and that the Plan Consultant agrees to indemnify, defend and hold both West Basin and El Segundo harmless to the maximum extent permitted by law.
1.3 West Basin will ensure that El Segundo will have access to the Plan Consultant’s work product and receives copies of the same upon request. Each party shall receive a copy of the Plan within 30 days following its completion. El Segundo will also have an opportunity to review and approve the Plan before it becomes final.

1.4 West Basin shall be responsible for the payment of the Plan Consultant and will invoice El Segundo on a monthly basis for the work completed, based on El Segundo’ cost-share as shown in Exhibit A.

1.5 West Basin shall retain the right to terminate this MOU and the Plan Contract at any time upon ten (10) days prior written notice to El Segundo and the Plan Consultant in the event the monthly invoices are not paid by El Segundo as provided above, in which event West Basin shall return all unexpended funds to El Segundo and make available to them any and all work product received to date.

Section 2. Matching Funds

2.1 El Segundo shall provide funding contributions in an amount that covers the Plan Contract, as shown in Exhibit A. For the purposes of this project, El Segundo shall contribute $2,465 for the development of a Local Water Use Compliance Plan that will be developed by the Plan Consultant and matched 50% with the Bureau’s funding.

2.2 West Basin shall establish an account (Account) in which to deposit the contributions of El Segundo, which shall be used to pay the Plan Contract expenses, for El Segundo’s cost-share of the Plan.

2.3 West Basin shall use generally accepted accounting practices applicable to public agencies to account for all funds deposited in the Account.

2.4 In the event that, upon completion of the tasks in the Plan Contract, there are funds West remaining in the Account, West Basin shall distribute the remaining funds on a pro rata basis.

Section 3. El Segundo Project Obligations

3.1 El Segundo agrees to share all necessary and relevant information, data, studies and/or documentation with the Plan Consultant for the purposes of developing the Plan. The Plan Consultant will keep all information confidential and return any and all information upon completion of the Project.

3.2 El Segundo shall review and comment on the draft version of the Plan within twenty-one (21) calendar days from the date of receipt of said Plan or comments from El Segundo will not be incorporated into the final Plan.

Section 4. Indemnification

4.1 The parties to this MOU shall defend, indemnify and hold harmless the other party and its officers, employees and agents from and against any and all liability, claims, actions, penalties, fines, fees, costs and expenses, including expert and attorney fees, arising from or related to their acts or omissions under this MOU.
Section 5. General Terms

5.1 The project term will start with the signing of this MOU and end on December 30, 2010.

5.2 Nothing in this MOU shall create any obligation for El Segundo to perform any obligation or work that may arise from the research and/or implementation of any studies and/or project arising from the work performed under the grant.

5.3 If any provision of this MOU is held, determined or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the Parties agree that the remainder of this MOU shall be given effect to the fullest extent possible.

5.4 Notices desired or required to be given under this MOU or any law now or hereafter in effect shall be given by personal delivery or by enclosing the same in a sealed envelope addressed to the party for whom intended and by deposition of such envelope with postage prepaid in the United States Post Office or any substation thereof, or any public box, and any such notice and the envelope containing the same shall be addressed to the following representatives of the parties, except that any party may change the address for notices by giving the other party at least ten (10) days written notice of the new address:

<table>
<thead>
<tr>
<th>CITY OF EL SEGUNDO:</th>
<th>WEST BASIN:</th>
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<tbody>
<tr>
<td>Mr. James Turner</td>
<td>West Basin Municipal Water District</td>
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<tr>
<td>Water Supervisor</td>
<td>Attn: Gus Meza</td>
</tr>
<tr>
<td>350 Main Street, El Segundo, CA 90245</td>
<td>Sr. Water Use Efficiency Specialist</td>
</tr>
<tr>
<td>310-524-2300</td>
<td>17140 S. Avalon Boulevard, Suite 210</td>
</tr>
<tr>
<td></td>
<td>Carson, CA 90746-1296</td>
</tr>
</tbody>
</table>

5.5 **Governing Law:** This MOU shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California, without regard to its conflict of law provisions.

5.6 **Amendment:** No variation, modification, change, or amendment of this MOU shall be binding upon any party unless such variation, modification, change, or amendment is in writing and duly authorized and executed by all the parties. This MOU shall not be amended or modified by oral agreements or understandings among the parties or by any acts or conduct of the parties.

5.7 **Entire Agreement:** This MOU constitutes the entire agreement between the parties with respect to the subject matter of this MOU and supersedes all prior and contemporaneous agreements and understandings.

5.8 **No Third Party Beneficiary/Successors and Assigns:** This MOU is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provisions of this MOU.

5.9 **Waiver:** No waiver of any breach or default by any party shall constitute a waiver of any other breach or default, nor shall any such waiver constitute a continuing waiver. Failure of any
party to enforce at any time or from time to time, any provision of this MOU shall not be
construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional
to any other remedies in law or equity.

5.10 **Interpretation:** The parties have been represented by counsel in the preparation and
negotiation of this MOU. Accordingly, this MOU shall be construed according to its fair
language and any ambiguities shall not be resolved against the drafting party.

5.11 **Assignment:** No party shall assign this MOU, or any of such party’s interest, rights, or
obligations under this MOU, without the prior written consent of the other party, which consent
shall not be unreasonably withheld, except that any party may assign the MOU, or any part
thereof, to any successor governmental agency performing the functions of the assigning party as
its successor.

5.12 **Negation of partnership:** Nothing in this MOU shall be construed to render the parties in
any way or for any purpose partners, joint ventures or associates, nor shall this MOU be
construed to authorize either party to act as agent for the other party, unless expressly provided
in this MOU.

5.13 **Savings clause:** If any provision or provisions of this MOU are for any reason adjudged
to be unenforceable or invalid, it is the specific intent of the parties that the remainder shall
subsist, be, and remain in full force and effect.

5.13 **Authority to enter into agreement:** The individual(s) executing this MOU attest, warrant,
and represent that they are duly authorized to execute this MOU on behalf of their respective
agency.

Each person signing this MOU represents that he/she has the necessary power and authority to
bind the entity on behalf of which said person is signing and each of the other Parties can rely on
that representation.

IN WITNESS WHEREOF, the parties hereto have caused this MOU to be executed on
the above written date.

<table>
<thead>
<tr>
<th>CITY OF EL SEGUNDO</th>
<th>WEST BASIN MUNICIPAL WATER DISTRICT</th>
</tr>
</thead>
<tbody>
<tr>
<td>By _________________________________</td>
<td>By _________________________________</td>
</tr>
<tr>
<td>Manager</td>
<td>General Manager</td>
</tr>
<tr>
<td>Date: _______________________________</td>
<td>Date: _______________________________</td>
</tr>
<tr>
<td>APPROVED AS TO FORM:</td>
<td>APPROVED AS TO FORM:</td>
</tr>
<tr>
<td>Legal Counsel</td>
<td>Lemieux &amp; O’Neill</td>
</tr>
<tr>
<td>By _________________________________</td>
<td>Legal Counsel</td>
</tr>
<tr>
<td>City of El Segundo</td>
<td>By _________________________________</td>
</tr>
<tr>
<td></td>
<td>West Basin Counsel</td>
</tr>
</tbody>
</table>
### Exhibit A

**USB**

<table>
<thead>
<tr>
<th>Water Purveyor</th>
<th>Number of Connections</th>
<th>% of Total Connections</th>
<th>Purveyor Cost Share Contribution</th>
<th>USBR Matching Cost-Share</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Golden State Water - Southwest District</td>
<td>56,400</td>
<td>29.1%</td>
<td>$29,117</td>
<td>$29,117</td>
<td>$58,234</td>
</tr>
<tr>
<td>2 California Water Service Company (Hermosa-Redondo, Dominguez, P.V., Hawthorne)</td>
<td>87,996</td>
<td>45.4%</td>
<td>$45,429</td>
<td>$45,429</td>
<td>$90,858</td>
</tr>
<tr>
<td>3 California-American Water Company - (Baldwin Hills, Ladera Heights, Windsor Hills, areas)</td>
<td>6,280</td>
<td>3.2%</td>
<td>$3,242</td>
<td>$3,242</td>
<td>$6,484</td>
</tr>
<tr>
<td>4 El Segundo #29 - (Malibu, Topanga, Marina Del Rey)</td>
<td>7,614</td>
<td>3.9%</td>
<td>$3,931</td>
<td>$3,931</td>
<td>$7,862</td>
</tr>
<tr>
<td>5 City of Manhattan Beach</td>
<td>12,000</td>
<td>6.2%</td>
<td>$6,195</td>
<td>$6,195</td>
<td>$12,390</td>
</tr>
<tr>
<td>6 City of Lomita</td>
<td>4,161</td>
<td>2.1%</td>
<td>$2,148</td>
<td>$2,148</td>
<td>$4,296</td>
</tr>
<tr>
<td>7 City of Inglewood</td>
<td>14,475</td>
<td>7.5%</td>
<td>$7,473</td>
<td>$7,473</td>
<td>$14,946</td>
</tr>
<tr>
<td>8 City of El Segundo</td>
<td>4,775</td>
<td>2.5%</td>
<td>$2,465</td>
<td>$2,465</td>
<td>$4,930</td>
</tr>
</tbody>
</table>

**Total Purveyor Connections**

<table>
<thead>
<tr>
<th>Number of Connections</th>
<th>% of Total Connections</th>
<th>Purveyor Cost Share Contribution</th>
<th>USBR Matching Cost-Share</th>
<th>Total</th>
</tr>
</thead>
</table>

$100,000$  

$200,000$
AGENDA DESCRIPTION:
Consideration and possible action regarding the adoption of Ordinance No. 1440 for a zone change from the General Commercial (C-3) Zone to the Corporate Office (CO) Zone on the site located at 1916 East Imperial Highway and Assessor Parcel Number 4138-005-057. Applicant: The City of El Segundo (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Waive second reading and adopt Ordinance No. 1440; and/or
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Ordinance No. 1440

FISCAL IMPACT: None

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager
REVIEWED BY: Greg Carpenter, Director of Planning and Building Safety
APPROVED BY: Jack Wayt, City Manager

I. Background and Discussion

On February 2, 2010, the City Council adopted Resolution No. 4641 approving Environmental Assessment No. 852 to adopt a Draft Negative Declaration and General Plan Amendment No. 09-01 to allow the change in General Plan Land Use Designation from General Commercial to Corporate Office for the site located at 1916 East Imperial Highway and Assessor Parcel Number 4138-005-057. The City Council also introduced and had first reading of an Ordinance to adopt Zone Change No. 09-01. If adopted, Ordinance No. 1440 will become effective in 30 days.
ORDINANCE NO. 1440

AN ORDINANCE APPROVING ZONE CHANGE NO. 09-01 FOR THE SATCO, INC PROPERTY (1916 EAST IMPERIAL HIGHWAY (ASSESSOR PARCEL NUMBER 4138-005-042) AND ASSESSOR PARCEL NUMBER 4138-005-057).

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and declares that:

A. On October 22, 2009, the City of El Segundo filed an application for an Environmental Assessment (EA-852), General Plan Amendment (GPA No. 09-01) and Zone Change (ZC No. 09-01) to re-designate and rezone an approximately 1.26-acre property at the southwest corner of Selby Street and Imperial Highway;

B. The applications from the City of El Segundo were reviewed by the City of El Segundo Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code ("ESMC");

C. In addition, the City reviewed the project's environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., “CEQA”), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the "CEQA Guidelines"), and the City's Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993);

D. An Initial Study was prepared pursuant to the requirements of CEQA. A Negative Declaration was prepared and circulated for public review and comment from December 3, 2009 to January 4, 2010;

E. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for January 14, 2010. Following the January 14th public hearing, the Planning Commission recommended that the City Council adopt this Ordinance;

F. On February 2, 2010 the City Council held a public hearing and considered the information provided by City staff and public testimony; and
G. This Ordinance and its findings are made based upon testimony and evidence presented to the Council at its February 2, 2010 hearing including, without limitation, the staff report submitted by the Department of Planning and Building Safety.

SECTION 2: Factual Findings and Conclusions. The City Council finds and declares as follows:

A. The factual findings and conclusions set forth in Resolution No. 4641, adopted on February 2, 2010, are incorporated as if fully set forth.

SECTION 3: Zone Change Findings.

A. Based on the factual findings and conclusions of this Ordinance, the proposed Zone Change is necessary to carry out the proposed project because the proposed General Plan Amendment would change the land use classification on portions of the project site from General Commercial to Corporate Office. The proposed Zone Change is necessary to maintain consistency with the proposed General Plan land uses designation of Corporate Office.

B. ESMC Title 15 is intended to be the primary tool for implementing the goals, objectives and policies of the El Segundo General Plan. The zone change will maintain consistency with the proposed change in General Plan land use designation to Corporate Office and also is consistent with the General Plan goals, objectives and policies discussed in Section 4 of Resolution No. 4641, adopted on February 2, 2010, which is incorporated as if fully set forth.

Section 4: Approvals. The City Council amends the current Zoning Map to reflect a change of the Project Site, which fronts East Imperial Highway to the north and Selby Street to the east, from General Commercial (C-3) to Corporate Office (CO). The corresponding changes to the Zoning Map as set forth in attached Exhibit “A,” which is incorporated into this Ordinance by reference.

SECTION 5: Environmental Assessment. Resolution No. 4641 adopted an Negative Declaration for this Project which, among other things, properly assesses the environmental impact of this Ordinance, and the Project, in accordance with CEQA. This Ordinance incorporates by reference the findings and analysis set forth in Resolution No. 4641.

SECTION 6: Repeal or amendment of any provision of the ESMC will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for
sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 7: The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo's book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 8: Severability. If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the city council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.
SECTION 9: Effective Date. This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED, APPROVED AND ADOPTED this 16th day of February 2010.

_____________________________________
Kelly McDowell, Mayor

ATTEST:

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF EL SEGUNDO )

I, Cindy Mortesen, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. 1440 was duly introduced by said City Council at a regular meeting held on the 2nd day of February 2010, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the 16th day of February, 2010, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____________________________________
Cindy Mortesen, City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: ___________________________________
Karl H. Berger, Assistant City Attorney
AGENDA DESCRIPTION:
Consideration and possible action regarding the Fiscal Year 2008-2009 Yearend report and FY 2009-2010 First Quarter Financial Review. (Fiscal Impact: none)

RECOMMENDED COUNCIL ACTION:
(2) Approve staff recommendation to transfer sufficient funds from the Internal Service Funds back to the General Fund to maintain 20% unreserved/undesignated fund balance in the General Fund.
(3) Alternatively discuss and take other action related to this item

ATTACHED SUPPORTING DOCUMENTS:
None

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $0
Additional Appropriation: N/A
Account Number(s): none

ORIGINATED BY: Angelina Garcia, Fiscal Services Manager
REVIEWED BY: Deborah Cullen, Director of Finance
APPROVED BY: Jack Wayt, City Manager

BACKGROUND AND DISCUSSION:

Fiscal Year 2008-2009 Yearend

FY 2008-2009 revenues ended the year $402,385 below adopted budget and expenditures ended the year over budget by $1,861,051 and, including continuing appropriations and encumbrances brings the total deficit to $2.8 million.

Revenues that ended the year below budget include Cogenerated Electric at $1.4 million; Transient Occupancy Tax at $744,219; Business License Tax at $562,654; Charges for Services at $408,339; Gas Utility User Tax at $132,428 and License and Permits at $82,767.

Revenues that exceeded budget include Property Tax by $486,592; Sales Tax in Lieu by $267,911; Franchise Tax by $258,278; Sales and Use Tax by $137,006; and Electric Utility User Tax by $93,795.
<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>FY 2008-2009 Adopted Budget</th>
<th>FY 2008-2009 Year-End</th>
<th>Variance Over/ (Under) Budget</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business License</td>
<td>9,912,700</td>
<td>9,350,046</td>
<td>-562,654</td>
<td>-5.68%</td>
</tr>
<tr>
<td>Sales &amp; Use Tax</td>
<td>9,149,800</td>
<td>9,286,806</td>
<td>137,006</td>
<td>1.50%</td>
</tr>
<tr>
<td>Property Tax</td>
<td>5,781,000</td>
<td>6,267,592</td>
<td>486,592</td>
<td>8.42%</td>
</tr>
<tr>
<td>Transient Occupancy (TOT)</td>
<td>4,853,800</td>
<td>4,109,581</td>
<td>-744,219</td>
<td>-15.33%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>4,444,000</td>
<td>4,035,661</td>
<td>-408,339</td>
<td>-9.19%</td>
</tr>
<tr>
<td>Electric Utility Tax</td>
<td>3,502,000</td>
<td>3,595,795</td>
<td>93,795</td>
<td>2.68%</td>
</tr>
<tr>
<td>Franchise Tax</td>
<td>3,319,680</td>
<td>3,577,958</td>
<td>258,278</td>
<td>7.78%</td>
</tr>
<tr>
<td>Sales Tax in Lieu</td>
<td>3,200,000</td>
<td>3,467,911</td>
<td>267,911</td>
<td>8.37%</td>
</tr>
<tr>
<td>Cogeneration Electric</td>
<td>2,750,000</td>
<td>1,313,320</td>
<td>-1,436,680</td>
<td>-52.24%</td>
</tr>
<tr>
<td>License &amp; Permits</td>
<td>1,557,200</td>
<td>1,474,433</td>
<td>-82,767</td>
<td>-5.32%</td>
</tr>
<tr>
<td>Gas Utility Tax</td>
<td>1,250,000</td>
<td>1,117,572</td>
<td>-132,428</td>
<td>-10.59%</td>
</tr>
<tr>
<td>Interest on Investments</td>
<td>2,200,000</td>
<td>3,241,784</td>
<td>1,041,784</td>
<td>47.35%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>3,933,070</td>
<td>3,666,408</td>
<td>-266,662</td>
<td>-6.78%</td>
</tr>
<tr>
<td><strong>Total General Fund Revenues</strong></td>
<td>55,853,250</td>
<td>54,366,754</td>
<td>-1,486,496</td>
<td>-2.41%</td>
</tr>
<tr>
<td><strong>Net of Transfers</strong></td>
<td><strong>4,931,700</strong></td>
<td><strong>5,877,498</strong></td>
<td><strong>945,798</strong></td>
<td><strong>19.18%</strong></td>
</tr>
<tr>
<td><strong>Total General Fund Revenues</strong></td>
<td><strong>60,784,950</strong></td>
<td><strong>60,328,365</strong></td>
<td><strong>(402,585)</strong></td>
<td><strong>-0.66%</strong></td>
</tr>
</tbody>
</table>

The deficit of $2.8 million results in a reduction of the General Fund Undesignated/Unreserved balance to $11.87 million which is less than the 20% stated in the City’s Fund Policy. Staff has reviewed the fund balances of the Workers’ Compensation and General Liability Funds and has estimated ending balances through September 30, 2010. Based on this review and concurrence from our auditors, staff has identified a surplus of fund balances which can be transferred to the General Fund without impairing the required funding levels. Staff recommends transferring a portion of the excess fund balances at FY 2008-2009 yearend from these two Internal Service Funds to keep the General Fund undesignated/unreserved balance at 20% or $12.5 million.

**First Quarter Financial Review Fiscal Year 2009-2010**

Staff has reviewed all revenues and expenditures for the first quarter of Fiscal Year 2009-2010, with an emphasis on the General Fund, to determine if all sources and uses are on target with the originally adopted budget.
In these uncertain financial times it is extremely difficult to estimate budgetary goals with only one quarter of results but in analyzing the revenues for the 1st quarter compared to historical averages of the last 7 fiscal years most revenue streams were tracking fairly close with historical averages with the exception of Electric and Cogenerated Electric Utility User Taxes. While adjustments were made in the adopted budget the sluggish economy is continuing to impact these key revenues. As such, the revenue outlook is very guarded and expenditure reductions are still the City’s staff main focus for meeting budget targets. The following actions have been put in place since mid year 2008-2009:

- A hiring freeze has been instituted for all vacancies. Approval to fill vacant positions is at the discretion of the City Manager and only critical positions will be considered;
- Staff has been asked to review all consulting contracts and reduce where possible;
- City overtime in the Fire Department is being reduced by staffing 17 firefighters per shift instead of 19 and;
- 14 City Miscellaneous employees retired as of January 2010, many of those positions will remain vacant or filled with part time employees with no benefits. Projected savings at yearend are estimated at $815,000.

**General Fund Revenues**

All General Fund revenues earned through the end of the first quarter are at 18.25% of total FY 09/10 budget. The following is a list of major General Fund revenues, and the performance of each source through the first quarter:

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Prior Year Q1 FY 2008-2009</th>
<th>Current Year Q1 FY 2009-2010</th>
<th>Variance to Prior QTR Over/Under</th>
<th>% change to SPly</th>
<th>Adopted Budget FY 2009-2010</th>
<th>% Rec'd</th>
<th>Historical % received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business License</td>
<td>635,452</td>
<td>549,102</td>
<td>(86,350)</td>
<td>-13.6%</td>
<td>8,995,000</td>
<td>6.1%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Sales &amp; Use Tax</td>
<td>2,586,314</td>
<td>2,156,182</td>
<td>(430,132)</td>
<td>-16.6%</td>
<td>9,315,000</td>
<td>23.1%</td>
<td>25.1%</td>
</tr>
<tr>
<td>Property Tax</td>
<td>2,446,198</td>
<td>2,477,684</td>
<td>31,486</td>
<td>1.3%</td>
<td>6,350,000</td>
<td>39.0%</td>
<td>40.1%</td>
</tr>
<tr>
<td>Transient Occupancy (TOT)</td>
<td>1,044,706</td>
<td>990,346</td>
<td>(54,360)</td>
<td>-5.2%</td>
<td>4,450,000</td>
<td>22.3%</td>
<td>24.5%</td>
</tr>
<tr>
<td>Electric Utility Tax</td>
<td>993,470</td>
<td>838,501</td>
<td>(154,969)</td>
<td>-15.6%</td>
<td>3,750,000</td>
<td>22.4%</td>
<td>28.1%</td>
</tr>
<tr>
<td>Franchise Tax</td>
<td>84,095</td>
<td>73,419</td>
<td>(10,676)</td>
<td>-12.7%</td>
<td>3,700,000</td>
<td>2.0%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Cogenerated Electric</td>
<td>480,959</td>
<td>368,056</td>
<td>(112,903)</td>
<td>-23.5%</td>
<td>2,100,000</td>
<td>17.5%</td>
<td>24.5%</td>
</tr>
<tr>
<td>Gas Utility Tax</td>
<td>401,688</td>
<td>349,046</td>
<td>(52,642)</td>
<td>-13.1%</td>
<td>1,650,000</td>
<td>21.2%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Major Revenue Sources Totals</td>
<td>8,672,882</td>
<td>7,802,336</td>
<td>(870,546)</td>
<td>-10.0%</td>
<td>45,276,180</td>
<td>17.2%</td>
<td>22.6%</td>
</tr>
</tbody>
</table>
Sales & Use Tax generates approximately $9 million annually and is the City's largest revenue source. As of December 31, 2009, sales tax revenue had a total decrease of $430,132 or 16.6% decline compared to the prior year's first quarter. The first quarter's sales tax receipts indicate the second quarter in a row of negative revenue growth. Los Angeles County decrease 16.8% and Southern California as a whole was down 15.9% compared to the same quarter last year. It is anticipated that sales tax revenues will start rebounding and we have seen that last quarter of double digit losses. Business and industry tax revenues were down 8.5% to the same period last year plus lower fuel prices, decreased sales from restaurants and retail sales were primarily responsible for the decrease. The sales tax budget for this fiscal year projected virtually no-growth compared to actual revenues for fiscal year 2008-2009.

Business License Tax is the City's second largest General Fund revenue source, accounting for 18% of total revenues. The majority of this revenue stream is collected in January and February, and based on the preliminary numbers though the end of January this category is on target to meet the annual budget. Sales tax credits are down this year, which result in additional Business License Tax revenues.

Property Tax is currently 1.3% or $31,486 over the same period last year. Based on research that staff has performed and discussions with our consultants the City experienced a net taxable value increase of 2.6% for the 2009-2010 tax roll, compared to the countywide decrease of -.6%. The assessed value increase between 2008/09 and 2009/10 was $251 million.

Transient Occupancy Tax (TOT) is currently -5.2% or $54,360 below the same period last year, with 22.3% of budget received. This revenue is still very sensitive to the overall economy but appears to be rebounding slightly compared to the last three quarters of FY 08-09. The adopted budget for FY 09-10 was decreased compared to the FY 08-09 budget by 8.3%. At this time TOT seems to be on target to meet budget. Staff will continue to monitor and report any changes due to the economic conditions at mid-year.

Cogenerated Electric is 23.5% or $113,000 lower than the same period last year, and is mostly attributable to the change in natural gas prices, which impact the price per megawatt hour.

Electric Utility Users Tax is 15.6% or $154,969 lower than the same period last year. Additionally, 22.4% of revenue has been received compared to a historical average of 28.1%. Based on staff research, this tax is being impacted primarily by vacancies in commercial buildings and reductions in workforce, resulting in less electricity being used.

Franchise Tax is currently on target when compared to the same period last year. Historically, the City receives approximately 2.0% of total revenues in the first quarter, with the majority of this revenue coming from two payments that are received in April. Staff estimates that this revenue category will be on target at mid-year.
Gas Utility Tax is currently at 13.1% of budget received and 21.2% compared to the same period last year. Historically, the City receives 21.0% in the first quarter so if this revenue continues this trend it is anticipated that Gas UUT will meet budget at yearend.

General Fund Expenditures

The General Fund expenditures through December 31st, 2009 are trending on budget and are above prior year first quarter results by 4.3%. The following is an analysis of General Fund expenditures by major categories:

Elected Officials and Administrative Support Services

This category, which consists of the City Council, City Clerk, City Treasurer, City Manager’s office, Finance and Human Resources, is currently on target with budget.

Nondepartment

Nondepartment expenditures are currently on target with budget.

Public Safety

The Fire Department in total is on target with budget. First-quarter expenditures totaled $3,794,956 or 24.16% of budget. The expenditure percentage trending remains the same in comparison to the same period last year.

The Police Department in total is on target with budget. First-quarter expenditures totaled $4,537,458 or 24.31% of budget. The expenditure percentage trending is slightly higher in comparison to the same period last year. Police Patrol & Safety division was also in line with the prior year.

Planning and Building Safety

Expenditures for the first quarter are $524,101 or 14.65% of the budget. This department continues to adjust staff with consultant resources which will enable them to reduce expenditures if necessary due to the uncertain economic conditions.
Public Works

This function’s General Fund divisions consist of Government Buildings, Engineering, Street Services, Street Maintenance, Traffic Safety, Solid Waste Recycling, Wastewater, Storm Drains, Equipment Maintenance and Administration. At the end of the first quarter this department is on target with actual expenditures at $1,441,503 or 23.61% of budget.

Recreational, Cultural and Information Services

The Recreation, Cultural and Information Services function includes the Recreation and Parks Department and the Library Department.

At the end of the first quarter the Recreation and Parks department is right on target with actual expenditures at $988,763 or 19.44% of budget. Currently, the Parks Division is $504,600 or 20% of budget and the Recreation Division is $484,717 or 18.73% of budget.

Library Services is on target with budget at $511,946 or 22.29% of expenditures realized though the first quarter.

Summary

With 25% of the fiscal year complete, General Fund expenditures are at 22.04% of budget and are generally on target. Year-to-date expenditures have increased 4.29% or $569,850 over the same period last year. There are no apparent adjustments needed at this time.

Expenditures and revenues in all other funds appear to be on target with budget.