

CITY OF LOS ALAMITOS

3191 Katella Avenue
Los Alamitos, CA 90720

AGENDA CITY COUNCIL REGULAR MEETING

Monday, April 2, 2012 – 7:00 P.M.

NOTICE TO THE PUBLIC

This Agenda contains a brief general description of each item to be considered. Except as provided by law, action or discussion shall not be taken on any item not appearing on the agenda. Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at www.ci.los-alamitos.ca.us once the agenda has been publicly posted.

Any written materials relating to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 3191 Katella Ave., Los Alamitos CA 90720, during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting.

It is the intention of the City of Los Alamitos to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee, or a participant at this meeting, you will need special assistance beyond what is normally provided, please contact the City Clerk's Office at (562) 431-3538, extension 220, 48 hours prior to the meeting so that reasonable arrangements may be made. Assisted listening devices may be obtained from the City Clerk at the meeting for individuals with hearing impairments.

Persons wishing to address the City Council on any item on the City Council Agenda will be called upon at the time the agenda item is called or during the City Council's consideration of the item and may address the City Council for up to three minutes.

1. **CALL TO ORDER**
2. **ROLL CALL**
Council Member Graham-Mejia
Council Member Kusumoto
Council Member Stephens
Mayor Pro Tem Poe
Mayor Edgar
3. **PLEDGE OF ALLEGIANCE** Council Member Stephens
4. **INVOCATION** Council Member Kusumoto

5. PRESENTATIONS

- A. Presentation of a Proclamation for National Dispatcher Week to West-Com Representatives**
- B. Presentation of Certificates of Appreciation to the Race on the Base Sponsors**

6. ORAL COMMUNICATIONS

At this time, any individual in the audience may come forward to speak on any item within the subject matter jurisdiction of the City Council. Remarks are to be limited to not more than five minutes per speaker.

7. REGISTER OF MAJOR EXPENDITURES

April 2, 2012.

Roll Call Vote

- Council Member Graham-Mejia
- Council Member Kusumoto
- Council Member Stephens
- Mayor Pro Tem Poe
- Mayor Edgar

8. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Council Member requests separate action on a specific item.

*****CONSENT CALENDAR*****

- A. Approval of Minutes (City Clerk)**
Approve Minutes of the Regular Meeting of March 19, 2012.

- B. Warrants (Finance)**
April 2, 2012.

- C. Emergency Roof Repairs - Reaffirmation of Emergency Conditions (Public Works)**

The City of Los Alamitos, when approving emergency public projects, is required to reaffirm such decisions at subsequent Council Meetings until the emergency is resolved. This staff report reaffirms the December 19, 2011, decision to approve an emergency contract for roof repairs to several City buildings to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings.

Recommendation: City Council, by a 4/5ths vote, ratify and reaffirm the December 19, 2011, City Council action to:

1. Find that significant damage has occurred to the roofs on several City buildings as a result of recent weather events, that the roofs are leaking into work spaces currently in use by employees, that future wind and storm events are predicted in the near future, and that the roofing issues have been inspected and assessed by professionals with pertinent experience who have recommended immediate repair to avoid further damage and possible health and safety issues; and,
2. Find that the roofing problems identified in this report are an emergency, that there is not time to conduct a competitive bid process and that the roofs must be repaired immediately to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings; and,
3. Authorize the award of contract for emergency roof repairs to Emercon Construction, Inc. via the Joint Powers Insurance Authority (JPIA) while authorizing an expenditure of \$5,000.00 for the deductible; and,
4. Authorize the City Manager to spend up to \$15,000 to repair and/or replace roof top air conditioning equipment if needed in order to repair the roofing leaks.

D. Approval of Plans and Specifications, and Authorization to Bid for Public Works Yard, Gas Tanks Removal Project (CIP No. 11/12-01) (Public Works)

This report recommends actions to begin facilitating the construction of the Public Works Yard, Gas Tanks Removal Project.

Recommendation:

1. Approve the plans and specifications for the construction of Public Works Yard, Gas Tanks Removal Project (CIP No. 11/12-01); and,
2. Authorize staff to advertise and solicit bid proposals.

E. Award Bid for Americans with Disabilities Act (ADA) Curb Ramp Improvement Project in Apartment Row (CIP No. 11/12-02) Using Community Development Block Grant (CDBG) Funds (Public Works)

This report recommends actions to begin facilitating the construction of ADA access ramps in Apartment Row.

Recommendation:

1. Award construction of the ADA Curb Ramp Improvement Project in Apartment Row (CIP No. 11/12-02) to Mora's Equipment & Construction, Inc.; and,
2. Authorize the Mayor to execute the contract with Mora's Equipment & Construction, Inc., for the project; and,
3. Authorize staff to execute change orders, if necessary, in an amount not to exceed the contingency reserve of \$10,160, which is 20% of the original contract amount.

*****END OF CONSENT CALENDAR*****

9. ORDINANCES

A. Consideration of an Amendment to the Los Alamitos Municipal Code to Provide for One City Council Meeting Per Month (City Manager)

This report requests City Council consideration of an amendment to the Los Alamitos Municipal Code to provide for one City Council meeting per month.

Recommendation:

1. Introduce by title only and waive further reading of Ordinance No. 12-02, and set for second reading; and,
2. Mayor Edgar read the title of City Council Ordinance No. 12-02, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING SECTION 2.04.010 OF THE LOS ALAMITOS MUNICIPAL CODE RELATING TO REGULAR MEETINGS OF THE CITY COUNCIL"; and,
3. Authorize staff to issue advance warrants as necessary to conduct the City's business; and,
4. Other action as deemed appropriate by the City Council.

10. DISCUSSION ITEMS

A. **Consideration of an Investment Policy for Fiscal Years 2011-12 and 2012-13** (Finance)

This report seeks City Council consideration for the adoption of an Investment Policy for Fiscal Years 2011-12 and 2012-13.

Recommendation: Adopt the Investment Policy for Fiscal Years 2011-12 and 2012-13 as recommended in Attachment 1.

B. **Summary of Alley Related Safety Measures Since 2010(Public Works)**

Complaints were received about speeding in the alley between Katella Avenue and Green Avenue, from Noel Street to Lexington Drive. Several speed surveys were completed; speed limit signs and caution children signs were posted; white stops bars were painted at the entrances and exits of the alleys; and test speed humps were installed. The average speed was 15 to 17 miles per hour (mph) before the speed humps were installed, which is 0 - 2 mph more than the speed limit. The speed humps did slow the traffic down by only 1 mph on average. The Traffic Commission and staff, feel the existing speeds driven down the alley, with an average speed of 15 to 17 mph are acceptable and find it is difficult to justify \$1,500 for each permanent additional speed hump. Increased police presence could be used to slow down the small percentage of speeders in the alley.

Recommendation: Review the staff report and direct staff accordingly.

11. MAYOR AND COUNCIL INITIATED BUSINESS

Council Announcements

At this time, Council Members may also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken except to provide staff direction to report back or to place the item on a future Agenda.

12. ITEMS FROM THE CITY MANAGER

13. CLOSED SESSION

Conference with Legal Counsel

The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

A. **Anticipated Litigation: G.C. 54956.9(b)**

A point has been reached where, in the opinion of the City Council on the advice of its legal counsel, there is a significant exposure to litigation

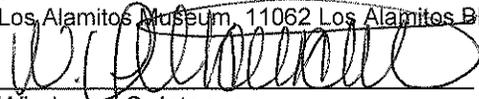
against the City based upon facts and circumstances that might result in litigation but which the City believes are not yet known to potential plaintiff or plaintiffs. G.C. 54956.9(b)(3)(A)

B. Initiation of Litigation: G.C. 54956.9(c)
One Item

14. ADJOURNMENT

The next meeting of the City Council is scheduled for **Monday, April 16, 2012**, in the City Council Chambers.

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted at the following locations: Los Alamitos City Hall, 3191 Katella Ave.; Los Alamitos Community Center, 10911 Oak Street; and, Los Alamitos Museum, 11062 Los Alamitos Blvd.; not less than 72 hours prior to the meeting.



Windmera Quintanar
Department Secretary

3/29/12
Date

CITY OF LOS ALAMITOS
Register of Major Expenditures
April 2, 2012

Pages:

01	\$ 57,686.43	Major Warrants	04/02/2012
	\$ 144,583.87	Payroll	03/16/2012
	\$ 90,812.88	Payroll Benefits	03/16/2012

Total \$ 293,083.18

Statement:

I hereby certify that the claims or demands covered by the foregoing listed warrants have been audited as to accuracy and availability of funds for payment thereof. Certified by Anita Agramonte, Finance Director.



this 28th day of March, 2012

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
REFLEX TRAFFIC SYSTEMS, INC.	FEB 12 PHOTO ENFORCEMENT	GENERAL FUND	TRAFFIC	13,500.00
	AT&T INTERSECT COMM	GENERAL FUND	TRAFFIC	65.00
	TOTAL:			13,565.00
RUN RACING	RACE MANAGEMENT	GENERAL FUND	SPECIAL EVENTS	12,075.64
	TOTAL:			12,075.64
SOUTH BAY HEATING & AIR CONDITIONING	COMM CNTR HVAC #2	GENERAL FUND	BUILDING MAINTENANCE	6,400.00
	COMM CNTR HVAC #2	BUILDING IMPROVEME	CAPITAL PROJECTS	6,400.00
	TOTAL:			12,800.00
SOUTHERN CALIFORNIA EDISON	TRAFFIC SIGS/ST LIGHTS	GENERAL FUND	STREET MAINTENANCE	14,433.19
	SLO-PITCH FLD/LAUREL PRK	GENERAL FUND	PARK MAINTENANCE	535.14
	MCAULIFFE PARK	GENERAL FUND	PARK MAINTENANCE	316.11
	PUMP STATIONS	GENERAL FUND	BUILDING MAINTENANCE	287.44
	CITY HALL	GENERAL FUND	BUILDING MAINTENANCE	655.46
	POLICE STATION	GENERAL FUND	BUILDING MAINTENANCE	1,330.77
	COMMUNITY CENTER	GENERAL FUND	BUILDING MAINTENANCE	1,687.68
	TOTAL:			19,245.79

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===== FUND TOTALS =====
10  GENERAL FUND                51,286.43
25  BUILDING IMPROVEMENT         6,400.00
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GRAND TOTAL:                    57,686.43
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ITEM NO. 8A

MINUTES OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS

REGULAR MEETING – March 19, 2012

THESE MINUTES ISSUED FOR
INFORMATION ONLY AND ARE
SUBJECT TO AMENDMENT AND
APPROVAL AT NEXT MEETING.

1. CALL TO ORDER

The City Council met in Regular Session at 7:02 p.m., Monday, March 19, 2012, in the Council Chambers, 3191 Katella Avenue, Mayor Edgar presiding.

2. ROLL CALL

Present: Council Members: Kusumoto, Stephens, Mayor Pro Tem Poe, Mayor Edgar

Absent: Council Members: Graham-Mejia

Present: Staff:
Angie Avery, City Manager
Sandra J. Levin, City Attorney
Anita Agramonte, Finance Director
Tony Brandyberry, Public Works Super
Dave Hunt, City Engineer
Corey Lakin, Community Services Director
Todd Mattern, Police Chief
Steven Mendoza, Community Development Director
Windmera Quintanar, Department Secretary

3. PLEDGE OF ALLEGIANCE

Mayor Pro Tem Poe led the Pledge of Allegiance.

4. INVOCATION

Mayor Edgar gave the invocation.

5. PRESENTATIONS

A. Presentation by Consolidated Disposal - 2011 Update

Mayor Edgar advised this presentation would be postponed until a later date.

6. ORAL COMMUNICATIONS

Mayor Edgar opened Oral Communications. There being no one present wishing to speak, Mayor Edgar closed Oral Communications.

7. REGISTER OF MAJOR EXPENDITURES

March 19, 2012.

Motion/Second: Poe/Stephens

Unanimously Carried: The City Council approved the Register of Major Expenditures for March 19, 2012, in the amount of \$474,051.83.

Roll Call Vote

Council Member Graham-Mejia	Absent
Council Member Kusumoto	Aye
Council Member Stephens	Aye
Mayor Pro Tem Poe	Aye
Mayor Edgar	Aye

8. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Council Member requests separate action on a specific item.

Council Member Kusumoto pulled item 8A.

Motion/Second: Poe/Stephens

Unanimously Carried: The City Council authorized the following Consent Calendar items:

*****CONSENT CALENDAR*****

B. Warrants (Finance)

The City Council approved the Warrants of March 19, 2012, in the amount of \$102,792.22

C. Emergency Roof Repairs - Reaffirmation of Emergency Conditions (Public Works)

The City of Los Alamitos, when approving emergency public projects, is required to reaffirm such decisions at subsequent Council Meetings until the emergency is resolved. This staff report reaffirms the December 19, 2011, decision to approve an emergency contract for roof repairs to several City buildings to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings.

The City Council, by a 4/5ths vote, ratified and reaffirmed the December 19, 2011, City Council action:

1. Found that significant damage has occurred to the roofs on several City buildings as a result of recent weather events, that the roofs are leaking into work spaces currently in use by employees, that future wind and storm events are predicted in the near future, and that the roofing issues have been inspected and assessed by professionals with pertinent experience who have recommended immediate repair to avoid further damage and possible health and safety issues; and,

2. Found that the roofing problems identified in this report are an emergency, that there is not time to conduct a competitive bid process and that the roofs must be repaired immediately to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings; and,
3. Authorized the award of contract for emergency roof repairs to Emercon Construction, Inc. via the Joint Powers Insurance Authority (JPIA) while authorizing an expenditure of \$5,000.00 for the deductible; and,
4. Authorized the City Manager to spend up to \$15,000 to repair and/or replace roof top air conditioning equipment if needed in order to repair the roofing leaks.

D. Replacement of Police Department's 1997 Ford Aerostar Using Grant Funds (Public Works)

This was a request to purchase a new Ford Escape to replace an aging 1997 Ford Aerostar used by the Police Department as transport to the courts. In order to use grant funds, staff recommended the purchase of a hybrid. This report sought to "piggy back" on the National Joint Powers Alliance (NJPA) contract for acquisition of the vehicle.

The City Council:

1. Authorized the City Manager to purchase one (1) 2012 Ford Escape Hybrid Vehicle from National Auto Fleet Group, a subsidiary of Wondries Fleet Group; and,
2. Declared the 1997 Ford Aerostar surplus.

E. Approval of Notice of Completion, Katella Avenue Median Modifications at Chestnut Street – CIP 10/11-07 (Public Works)

The Katella Avenue center median project at Chestnut Street is complete and in compliance with the plans and specifications. Staff recommended that City Council accept the work as complete, direct filing of the Notice of Completion, and authorize retention release as prescribed by the Public Contracts Codes.

The City Council:

1. Accepted as complete the construction contract by HYM Engineering, Inc. for the Katella Avenue Median Modifications at Chestnut Street; and,
2. Directed the City Clerk to record the Notice of Completion/Final Report with the County Recorder's office; and,
3. Authorized staff to release the 10% retention to the contractor, in the amount of \$6,652.03, thirty-five (35) days after recordation of the Notice of Completion.

F. Approval of Notice of Completion for Community Pool Deck Shading System - CIP 10/11-06 (Public Works)

The Community Pool Deck Shading System project was completed and in compliance with the plans and specifications. Staff recommended that City Council accept the work as complete, direct filing of the Notice of Completion, and authorize retention release as prescribed by the Public Contracts Codes.

The City Council:

1. Accepted as complete the construction contract by Peace of Mind Construction, Inc. for the Community Pool Deck Shading System; and,
2. Directed the City Clerk to record the Notice of Completion/Final Report with the County Recorder's office; and,
3. Authorized staff to release the 10% retention to the contractor, in the amount of \$1,921.70, thirty-five (35) days after recordation of the Notice of Completion.

G. Approval to Purchase Materials for Lighting Retrofit (Public Works)

This item sought authorization for the City Manager to purchase the necessary materials needed to complete the grant funded lighting retrofit to City facilities. It has been placed on the agenda because the materials cost exceeds the purchasing limit of the City Manager.

The City Council authorized the City Manager to purchase light bulbs and ballasts, as described in the bid from Spot Lighting Supplies, Inc., in an amount of \$11,944.12.

*****END OF CONSENT CALENDAR*****

A. Approval of Minutes (City Clerk)

Approve the Minutes of the Regular Meeting of March 5, 2012.

Council Member Kusumoto thanked City Attorney Levin for responding to his questions from the March 5, 2012, City Council meeting and requested the questions and answers be attached to the minutes. He indicated he would abstain from voting as an item had specially pertained to him.

Motion/Second: Edgar/Poe

Carried 3/0 (Kusumoto abstained): The City Council approved the Minutes of the Regular Meeting of March 5, 2012.

9. DISCUSSION ITEMS

A. Consideration of an Investment Policy for Fiscal Years 2011-12 and 2012-13 (Finance)

This report sought City Council consideration for the adoption of an Investment Policy for Fiscal Years 2011-12 and 2012-13.

Recommendation: Adopt the Investment Policy for Fiscal Years 2011-12 and 2012-13.

Mayor Edgar requested this item be postponed until the next meeting. He indicated it was an important policy that needed to be adopted before June 30, but would like to discuss when the entire Council was present.

Council consensus was received to postpone the item.

10. MAYOR AND COUNCIL INITIATED BUSINESS

Mayor Pro Tem Poe discussed the following topics: attendance at the March 9th General Plan Open House; upcoming General Plan Open House on March 14th; attendance at the Shade Structure dedication at the Joint Forces Training Base (JFTB); Los Alamitos tribute wall at Southland Credit Union; upcoming eWaste collection and bake sale at American Legion on Saturday, March 24th to benefit Relay for Life; recent article about Rainbow Disposal; and, upcoming dedication ceremony on April 15th for St. Isidore being recognized as a historical site by the Museum Association.

Council Member Stephens reported attendance at the Orange County Fire Authority (OCFA) Budget and Finance Committee meeting and discussed the likelihood of other cities turning to OCFA for fire services.

Council Member Kusumoto thanked City Attorney Levin for her response and submitted additional questions for review.

Mayor Edgar discussed the following topics: attendance at the Sunburst Youth Academy's Grand Opening of state of the art classrooms; requested an update on the Rivers and Mountains Conservancy (RMC) grant; and, requested an update on Laurel Park.

City Manager Avery advised the RMC grant application has made it to the Public Utilities Commission in Sacramento and staff would receive a tracking number for the application shortly.

City Engineer Hunt stated a grant extension letter had been sent to RMC over a month ago and receipt had been confirmed.

Public Works Superintendent Brandyberry provided a project overview and update on Laurel Park. Mayor Edgar reiterated the Council's desire to have a rededication once the Park was open.

11. ITEMS FROM THE CITY MANAGER

City Manager Avery inquired when Laurel Park would be open. Public Works Superintendent Brandyberry indicated the expected opening would be late May.

City Manager Avery discussed the upcoming General Plan Open Houses and advised of the upcoming joint Parks, Recreation, and Cultural Arts, Planning, and Traffic Commission meeting on April 4, 2012, at 7:00 p.m. in the Council Chambers. She encouraged everyone to attend this entertaining and informative event.

Mayor Edgar encouraged residents to attend the General Plan outreach events and requested an update on the Police Officer Appreciation Lunch.

Police Chief Mattern gave an overview of the upcoming event and indicated the presentation would focus on the Police Department's 50th Anniversary.

12. CLOSED SESSION

Mayor Edgar advised Item 12 would not be discussed.

Conference with Legal Counsel

The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

A. Anticipated Litigation: (G.C. 54956.9(b))

A point has been reached where, in the opinion of the City Council on the advice of its legal counsel, there is a significant exposure to litigation against the City based upon facts and circumstances that might result in litigation but which the City believes are not yet known to potential plaintiff or plaintiffs. G.C. 54956.9(b)(3)(A)

B. Initiation of Litigation: G.C. 54956.9(c)

One Item

13. ADJOURNMENT

The meeting adjourned at 7:25 p.m. The next meeting of the City Council is scheduled for **Monday, April 2, 2012**, in the City Council Chambers.

Troy D. Edgar, Mayor

ATTEST:

Windmera Quintanar, Department Secretary

CITY OF LOS ALAMITOS
A/P Warrants
April 2, 2012

Pages:

01-06	\$ 64,580.48	A/P Warrants	04/02/2012
	\$ 1,525.31	Retiree Benefits	04/01/2012

Total **\$ 66,105.79**

Statement:

I hereby certify that the claims or demands covered by the foregoing listed warrants have been audited as to accuracy and availability of funds for payment thereof. Certified by Anita Agramonte, Finance Director.



this 28th day of March, 2012

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
10-8 RETROFIT, INC.	2012 CHEVY TAHOE RETROFIT	GARAGE FUND	GARAGE	6,267.12
	BRACKETS	GARAGE FUND	GARAGE	67.34
	CONSOLE & REPAIRS	GARAGE FUND	GARAGE	569.78
	PARTS	GARAGE FUND	GARAGE	207.72
	TOTAL:			7,111.96
AHERN RENTALS	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	352.71
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
	FLOOD LIGHT	GENERAL FUND	SPECIAL EVENTS	92.28
TOTAL:			906.39	
ALL AMERICAN SIGN COMPANY	TAHOE LETTERING	GARAGE FUND	GARAGE	201.94
				TOTAL:
ALLIANCE PRINTING ASSOCIATES	BUILDING INSPECTOR SHIRTS	GENERAL FUND	BUILDING INSPECTION	117.88
				TOTAL:
ALLIANT INSURANCE SERVICES, INC.	LIABILITY INS/CC RENTALS	GENERAL FUND	SPECIAL CLASSES	176.15
				TOTAL:
AMERICAN RENTALS	STUMP GRINDER RENTAL	GENERAL FUND	PARK MAINTENANCE	107.78
				TOTAL:
ANIMAL PEST MANAGEMENT SERVICES	GOPHER CONTROL	GENERAL FUND	PARK MAINTENANCE	250.00
			PARK MAINTENANCE	365.00
		TOTAL:	615.00	
ARBOR NURSERY PLUS	TREE	GENERAL FUND	PARK MAINTENANCE	34.80
				TOTAL:
ART INNOVATORS	INSTRUCTOR - ART	GENERAL FUND	SPECIAL CLASSES	302.40
				TOTAL:
BEE REMOVERS	BEE REMOVAL	GENERAL FUND	STREET MAINTENANCE	105.00
				TOTAL:
ROY BOORMAN	INSTRUCTOR - PHOTOGRAPHY	GENERAL FUND	SPECIAL CLASSES	141.00
			SPECIAL CLASSES	56.40
	TOTAL:	197.40		
BUSINESS PRODUCTS DISTRIBUTORS	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATIVE SERVICE	46.00
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATIVE SERVICE	50.21
	OFFICE SUPPLIES	GENERAL FUND	PUBLIC WORKS ADMIN	26.33
	TOTAL:			122.54
CALPERS	1959 SURVIVOR BENEFIT	GENERAL FUND	CITY MANAGER	55.38
	1959 SURVIVOR BENEFIT	GENERAL FUND	ADMINISTRATIVE SERVICE	83.08
	1959 SURVIVOR BENEFIT	GENERAL FUND	POLICE ADMINISTRATION	110.80
	1959 SURVIVOR BENEFIT	GENERAL FUND	PATROL	387.80
	1959 SURVIVOR BENEFIT	GENERAL FUND	INVESTIGATION	110.80
	1959 SURVIVOR BENEFIT	GENERAL FUND	RECORDS	27.70
	1959 SURVIVOR BENEFIT	GENERAL FUND	TRAFFIC	27.70

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	1959 SURVIVOR BENEFIT	GENERAL FUND	COMMUNITY DEVEL ADMIN	55.38
	1959 SURVIVOR BENEFIT	GENERAL FUND	NEIGHBORHOOD PRESERVAT	27.70
	1959 SURVIVOR BENEFIT	GENERAL FUND	PUBLIC WORKS ADMIN	55.38
	1959 SURVIVOR BENEFIT	GENERAL FUND	STREET MAINTENANCE	110.80
	1959 SURVIVOR BENEFIT	GENERAL FUND	PARK MAINTENANCE	83.10
	1959 SURVIVOR BENEFIT	GENERAL FUND	BUILDING MAINTENANCE	55.38
	1959 SURVIVOR BENEFIT	GENERAL FUND	RECREATION ADMINISTRAT	138.50
	1959 SURVIVOR BENEFIT	GARAGE FUND	GARAGE	27.70
			TOTAL:	<u>1,357.20</u>
CARD INTEGRATORS CORPORATION	ID CARD DEPOSIT	GENERAL FUND	PATROL	99.13
			TOTAL:	<u>99.13</u>
CHARLES ABBOTT ASSOCIATES, INC.	WQMP SERVICES	GENERAL FUND	BUILDING INSPECTION	985.50
			TOTAL:	<u>985.50</u>
COMMERCIAL AQUATIC SERVICES	POOL HEATER REPAIR	GENERAL FUND	NON-DEPARTMENTAL	1,652.43
	POOL HEATER REPAIR	GENERAL FUND	BUILDING MAINTENANCE	1,401.68
			TOTAL:	<u>3,054.11</u>
COMPUTER SERVICE CO.	SIGNAL REPAIR	GENERAL FUND	STREET MAINTENANCE	1,240.00
			TOTAL:	<u>1,240.00</u>
COUNTY OF ORANGE AUDITOR-CONTROLLER	PARKING CITATIONS	GENERAL FUND	NON-DEPARTMENTAL	1,562.50
			TOTAL:	<u>1,562.50</u>
DAPEER, ROSENBLIT & LITVAK, LLP	MUNI CODE ENFORCE	GENERAL FUND	NEIGHBORHOOD PRESERVAT	1,377.05
			TOTAL:	<u>1,377.05</u>
DECKSIDE POOL SERVICE	POOL MAINTENANCE	GENERAL FUND	AQUATICS	1,290.00
			TOTAL:	<u>1,290.00</u>
CYNTHIA E. EMAMI	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	308.00
			TOTAL:	<u>308.00</u>
ENTENMANN-ROVIN COMPANY	CITY PINS	GENERAL FUND	POLICE ADMINISTRATION	65.06
			TOTAL:	<u>65.06</u>
FEDEX	SHIPPING	GENERAL FUND	CITY COUNCIL	25.37
	SHIPPING	GENERAL FUND	CITY COUNCIL	29.94
			TOTAL:	<u>55.31</u>
CARRI FOX	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	18.90
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	12.60
			TOTAL:	<u>31.50</u>
GANAHL LUMBER COMPANY	RAGS & GLOVES	GENERAL FUND	STREET MAINTENANCE	7.52
	SPEED BUMP MATERIALS	GENERAL FUND	STREET MAINTENANCE	130.85
	GLOVES	GENERAL FUND	STREET MAINTENANCE	9.68
	TENNIS COURT MATERIALS	GENERAL FUND	PARK MAINTENANCE	66.73
	IRRIGATION PARTS	GENERAL FUND	PARK MAINTENANCE	13.85
	SHRINK WRAP	GENERAL FUND	BUILDING MAINTENANCE	86.18
	PLUNGER	GENERAL FUND	BUILDING MAINTENANCE	6.45
	RODENT TRAPS	GENERAL FUND	BUILDING MAINTENANCE	16.10
	DROP CLOTH	GENERAL FUND	BUILDING MAINTENANCE	34.66
	STOP RUST	GENERAL FUND	BUILDING MAINTENANCE	29.67

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	TAPE	GENERAL FUND	BUILDING MAINTENANCE	6.98
	LUMBER	PARK DEVELOPMENT	CAPITAL PROJECTS	882.46
	PAINT	PARK DEVELOPMENT	CAPITAL PROJECTS	113.04
	HARDWARE	PARK DEVELOPMENT	CAPITAL PROJECTS	99.11
	PAINT	PARK DEVELOPMENT	CAPITAL PROJECTS	49.55
	GLOVES & PAINT	PARK DEVELOPMENT	CAPITAL PROJECTS	47.92
			TOTAL:	1,600.75
GLENN E. THOMAS CO.	RIMS	GARAGE FUND	GARAGE	326.25
	HEATER HOSE	GARAGE FUND	GARAGE	40.74
			TOTAL:	366.99
GOLDEN STATE WATER COMPANY	BILL CYCLE 02/07-03/07	GENERAL FUND	STREET MAINTENANCE	662.95
	BILL CYCLE 02/07-03/07	GENERAL FUND	PARK MAINTENANCE	174.28
	BILL CYCLE 02/07-03/07	GENERAL FUND	BUILDING MAINTENANCE	302.33
			TOTAL:	1,139.56
HARBOR CHEVROLET	DOOR HANDLES	GARAGE FUND	GARAGE	54.05
			TOTAL:	54.05
HI-WAY SAFETY INC.	RACE ON BASE CONES	GENERAL FUND	SPECIAL EVENTS	1,276.80
	RACE ON BASE STANDS	GENERAL FUND	SPECIAL EVENTS	125.00
			TOTAL:	1,401.80
HYDRO-SCAPE PRODUCTS, INC.	FERTILIZER	GENERAL FUND	PARK MAINTENANCE	246.20
	SPRAYER	GARAGE FUND	GARAGE	226.09
			TOTAL:	472.29
INTELLIBRIDGE PARTNERS, LLC	ACCOUNTING ASSISTANCE	GENERAL FUND	ADMINISTRATIVE SERVICE	330.00
	CITY CLERK SERVICES	GENERAL FUND	RECREATION ADMINISTRAT	5,569.50
			TOTAL:	5,899.50
JDS TANK TESTING & REPAIR	DESIGNATED OPERATOR 02/12	GARAGE FUND	GARAGE	145.00
	DESIGNATED OPERATOR 01/12	GARAGE FUND	GARAGE	145.00
			TOTAL:	290.00
JUDICIAL DATA SYSTEMS CORP.	CITATIONS	GENERAL FUND	TRAFFIC	254.40
			TOTAL:	254.40
KREUZER CONSULTING GROUP	5 IN 1 PROJECT	MEASURE M	CAPITAL PROJECTS	2,500.00
			TOTAL:	2,500.00
YING LIU	INSTRUCTOR - ART	GENERAL FUND	SPECIAL CLASSES	87.75
			TOTAL:	87.75
LOS ALAMITOS AUTO PARTS	BELTS	GARAGE FUND	GARAGE	75.86
			TOTAL:	75.86
LOS ALAMITOS MEDICAL CENTER	BLOOD DRAWS	GENERAL FUND	PATROL	100.00
			TOTAL:	100.00
LOWE'S	POTHOLE REPAIR SUPPLIES	GENERAL FUND	STREET MAINTENANCE	818.43
			TOTAL:	818.43
MAILFINANCE	POSTAGE MACHINE	GENERAL FUND	ADMINISTRATIVE SERVICE	166.50
			TOTAL:	166.50

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
MAJOR LEAGUE SOFTBALL, INC.	ASSIGNING SERVICES	GENERAL FUND	SPORTS	96.00
			TOTAL:	96.00
MAXUM PETROLEUM	OIL & DIESEL	GARAGE FUND	GARAGE	1,920.34
			TOTAL:	1,920.34
MEMORIAL OCCUPATIONAL MEDICAL SERVICES	PRE-EMPLOYMENT PHYSICAL	GENERAL FUND	ADMINISTRATIVE SERVICE	115.00
			TOTAL:	115.00
MISC. VENDOR	REFUND - TODDLER CLASS	GENERAL FUND	NON-DEPARTMENTAL	62.00
	REFUND - TODDLER CLASS	GENERAL FUND	NON-DEPARTMENTAL	70.00
	REFUND - GYM RENTAL	GENERAL FUND	NON-DEPARTMENTAL	1,080.00
	REFUND - GYM RENTAL	GENERAL FUND	NON-DEPARTMENTAL	220.00
	REFUND - SECURITY DEPOSIT	GENERAL FUND	NON-DEPARTMENTAL	100.00
	RACE ON BASE REGISTRATIONS	GENERAL FUND	SPECIAL EVENTS	96.00
			TOTAL:	1,628.00
NEWPORT EXTERMINATING	GENERAL PEST CONTROL	GENERAL FUND	BUILDING MAINTENANCE	175.00
	RODENT CONTROL	GENERAL FUND	BUILDING MAINTENANCE	60.00
	RODENT CONTROL	GENERAL FUND	BUILDING MAINTENANCE	60.00
			TOTAL:	295.00
NEWS ENTERPRISE	GENERAL PLAN AD	GENERAL FUND	PLANNING	580.80
			TOTAL:	580.80
NORM'S AUTOMOTIVE CENTER INC.	HEATER HOSE FITTING	GARAGE FUND	GARAGE	65.80
	SERPENTINE BELT/TENSIONER	GARAGE FUND	GARAGE	147.66
	SMOG INSPECTION	GARAGE FUND	GARAGE	45.00
			TOTAL:	258.46
NORMS AUTO COLLISION CENTER INC.	PAINT PATROL CAR 48-3	GARAGE FUND	GARAGE	3,777.13
	PARTS	GARAGE FUND	GARAGE	725.89
			TOTAL:	4,503.02
PACIFICA T-SHIRTS INC.	RACE ON BASE SHIRTS	GENERAL FUND	SPECIAL EVENTS	576.46
			TOTAL:	576.46
ANNE COREEN PENNYPACKER	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	165.75
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	66.30
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	165.75
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	78.00
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	39.00
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	351.00
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	78.00
	INSTRUCTOR - DANCE	GENERAL FUND	SPECIAL CLASSES	78.00
			TOTAL:	1,021.80
DIANA C. PEREZ	INSTRUCTOR - TODDLER CLASS	GENERAL FUND	SPECIAL CLASSES	260.00
	INSTRUCTOR - TODDLER CLASS	GENERAL FUND	SPECIAL CLASSES	227.50
			TOTAL:	487.50
PERSONNEL CONCEPTS	COMPLIANCE POSTERS	GENERAL FUND	ADMINISTRATIVE SERVICE	389.86
			TOTAL:	389.86
PHILLIPS STEEL COMPANY	STEEL	GENERAL FUND	STREET MAINTENANCE	23.65
			TOTAL:	23.65

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
PINE VALLEY ECO PRODUCTS, INC.	WEED CONTROL	GENERAL FUND	PARK MAINTENANCE	1,054.78
			TOTAL:	1,054.78
QUARTERMASTER	UNIFORM	GENERAL FUND	PATROL	53.27
	UNIFORM	GENERAL FUND	PATROL	88.08
	UNIFORMS	GENERAL FUND	PATROL	125.46
			TOTAL:	266.81
RICOH AMERICAS CORPORATION	COPIER LEASE	GENERAL FUND	RECREATION ADMINISTRAT	572.92
			TOTAL:	572.92
THE RINKS WESTMINSTER ICE	INSTRUCTOR - ICE SKATING	GENERAL FUND	SPECIAL CLASSES	23.10
	INSTRUCTOR - ICE SKATING	GENERAL FUND	SPECIAL CLASSES	69.30
	INSTRUCTOR - ICE SKATING	GENERAL FUND	SPECIAL CLASSES	69.30
			TOTAL:	161.70
REINA RIVERA	INSTRUCTOR - TODDLER CLASS	GENERAL FUND	SPECIAL CLASSES	386.10
	INSTRUCTOR - TODDLER CLASS	GENERAL FUND	SPECIAL CLASSES	526.50
			TOTAL:	912.60
ROSSMOOR CAR WASH	CAR WASHES - P/D	GARAGE FUND	GARAGE	119.00
	CAR WASHES - REC	GARAGE FUND	GARAGE	28.00
	CAR WASHES - P/W	GARAGE FUND	GARAGE	249.94
			TOTAL:	396.94
SIR SPEEDY	TREE PICTURES	GENERAL FUND	PARK MAINTENANCE	101.46
			TOTAL:	101.46
SMART & FINAL	PROPERTY/EVIDENCE SUPPLIES	GENERAL FUND	RECORDS	46.30
			TOTAL:	46.30
SO CAL SANITATION LLC	RESTROOM SERVICES	GENERAL FUND	SPORTS	1,102.22
			TOTAL:	1,102.22
SOUTH COAST SUPPLY & GARDEN DAZE	ROBERTS PARK SUPPLIES	GENERAL FUND	PARK MAINTENANCE	80.60
			TOTAL:	80.60
SOUTHERN PACIFIC MASTERS ASSOCIATION	MEMBERSHIP FEES	GENERAL FUND	AQUATICS	88.00
			TOTAL:	88.00
SPARKLETT'S DRINKING WATER	WATER COOLERS	GENERAL FUND	BUILDING MAINTENANCE	115.11
			TOTAL:	115.11
SPOT LIGHTING SUPPLIES, INC.	LIGHT BULBS	GENERAL FUND	BUILDING MAINTENANCE	25.59
			TOTAL:	25.59
STATE OF CALIFORNIA DEPARTMENT	FINGERPRINT APPLICANT	GENERAL FUND	ADMINISTRATIVE SERVICE	32.00
			TOTAL:	32.00
UNITED RENTALS NORTHWEST, INC.	LIFT RENTAL	GENERAL FUND	BUILDING MAINTENANCE	140.60
			TOTAL:	140.60
UNITED STATES POSTMASTER	BULK MAIL POSTAGE	GENERAL FUND	RECREATION ADMINISTRAT	400.00
	BROCHURE POSTAGE	GENERAL FUND	RECREATION ADMINISTRAT	1,366.00
			TOTAL:	1,766.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
VERIZON CALIFORNIA, INC.	POLICE ALARMS	GENERAL FUND	COMMUNICATIONS TECHNOL	114.86
			TOTAL:	114.86
VOYAGER FLEET SYSTEMS, INC.	FUEL	GARAGE FUND	GARAGE	7,366.29
	FUEL TAX CREDIT	GARAGE FUND	GARAGE	341.55-
	CNG FUEL	GARAGE FUND	GARAGE	248.95
			TOTAL:	7,273.69
WEST COAST ARTWEAR	GENERAL PLAN T-SHIRTS	GENERAL FUND	PLANNING	802.74
			TOTAL:	802.74
WEST COAST TENNIS SERVICES	INSTRUCTOR - TENNIS	GENERAL FUND	SPECIAL CLASSES	874.34
			TOTAL:	874.34
WEST PAYMENT CENTER	SUBSCRIPTION	GENERAL FUND	INVESTIGATION	102.85
			TOTAL:	102.85

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===== FUND TOTALS =====
10  GENERAL FUND                38,181.36
26  MEASURE M                    2,500.00
40  PARK DEVELOPMENT             1,192.08
50  GARAGE FUND                  22,707.04
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      GRAND TOTAL:                64,580.48
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TOTAL PAGES: 6

City of Los Alamitos

Agenda Report Consent Calendar

April 2, 2012
Item No: 8C

To: Mayor Troy D. Edgar & Members of the City Council
Via: Angie Avery, City Manager
From: Steven A. Mendoza, Community Development Director
Subject: Emergency Roof Repairs - Reaffirmation of Emergency Conditions

Summary: The City of Los Alamitos, when approving emergency public projects, is required to reaffirm such decisions at subsequent Council Meetings until the emergency is resolved. This staff report reaffirms the December 19, 2011, decision to approve an emergency contract for roof repairs to several City buildings to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings.

Recommendation: City Council, by a 4/5ths vote, ratify, and reaffirm the December 19, 2011, City Council action to:

1. Find that significant damage has occurred to the roofs on several City buildings as a result of recent weather events, that the roofs are leaking into work spaces currently in use by employees, that future wind and storm events are predicted in the near future, and that the roofing issues have been inspected and assessed by professionals with pertinent experience who have recommended immediate repair to avoid further damage and possible health and safety issues; and,
2. Find that the roofing problems identified in this report are an emergency, that there is not time to conduct a competitive bid process and that the roofs must be repaired immediately to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings; and,
3. Authorize the award of contract for emergency roof repairs to Emercon Construction, Inc. via the Joint Powers Insurance Authority (JPIA) while authorizing an expenditure of \$5,000.00 for the deductible; and,
4. Authorize the City Manager to spend up to \$15,000 to repair and/or replace roof top air conditioning equipment if needed in order to repair the roofing leaks.

Background

At its December 19, 2011 meeting, the Los Alamitos City Council authorized staff to award a contract for emergency roof repairs. It was determined that the roofing problems were an emergency, that there was no time to conduct a competitive bid process, and that the roofs needed immediate repair to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings.

California Public Contract Code permits this action, but further requires that during every subsequent Council meeting that City Council reaffirm the need for the emergency contract still exists.

Discussion

In the current situation, the emergency need still exists. The roofer is proceeding with all due speed and has been issued a building permit to proceed. The project has begun, but the roof repairs are still ongoing.

The roofing contractor began work on Monday, January 9, 2012. Repairs to the roofs were completed shortly thereafter, pending rain to test the repairs. The January 23, 2012 rain event demonstrated that the repairs on the Police Building were adequate. Repairs to the Community Center required another rain to determine if the repairs were adequate. Subsequently, the rain event on February 27, 2012 produced no new leaks, thus passing the rain inspection. The interior repairs will commence now that the roof repairs have been completed. Emercon Construction has ordered interior ceiling tiles. As of March 27th, the tiles have not been received. Installation will begin promptly after the tiles are received.

The second component of this emergency repair was the air conditioning unit located above Activity Room 2/3 of the Community Center. At the December 19, 2011 meeting, Council authorized the City Manager to approve this one time expenditure up to \$15,000. Staff utilized the bid process as stated in the City's Purchasing Ordinance and the bid was awarded to South Bay Heating and Air Conditioning for \$12,800.

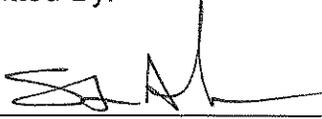
The air conditioner above Activity Room 2/3 was repaired and tested February 10, 2012, by South Bay Heating and Air Conditioning. An extra roofing membrane was installed for added protection. No wood rot damage was found. Testing of the unit was done on Tuesday, February 14, 2012. Testing was successful and this phase of the project is completed.

Staff will continue to seek reaffirmation from City Council at each Council meeting until the emergency project is complete as required by law.

Fiscal Impact

None.

Submitted By:



Steven A. Mendoza
Community Development Director

Approved By:



Angie Avery
City Manager

Attachment: 1. City Council Staff Report - December 19, 2011

City of Los Alamitos

**Agenda Report
Consent Calendar**

**December 19, 2011
Item No: 8G**

To: Mayor Kenneth Stephens & Members of the City Council

Via: Jeffrey L. Stewart, City Manager

From: Steven A. Mendoza, Community Development Director
Tony Brandyberry, Public Works Superintendent

Subject: Emergency Roof Repairs

Summary: The roofs of several city buildings have incurred significant damage. In order to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings, staff is requesting the City Council identify the repair of the roofs as an emergency and authorize staff to make the necessary repairs. Staff is also seeking authorization to replace and/or repair roof top air conditioning equipment if needed.

Recommendation: It is recommended that the Los Alamitos City Council by a 4/5ths vote:

1. Find that significant damage has occurred to the roofs on several city buildings as a result of recent weather events, that the roofs are leaking into work spaces currently in use by employees, that future wind and storm events are predicted in the near future, and that the roofing issues have been inspected and assessed by professionals with pertinent experience who have recommended immediate repair to avoid further damage and possible health and safety issues; and,
2. Find that the roofing problems identified in this report are an emergency, that there is not time to conduct a competitive bid process and that the roofs must be repaired immediately to avoid further damage to public facilities and avoid injury to the health of the occupants of the buildings; and,
3. Authorize the award of contract for emergency roof repairs to Emercon Construction, Inc. via the Joint Powers Insurance Authority (JPIA) while authorizing an expenditure of \$5,000.00 for the deductible; and,
4. Authorize the City Manager to spend up to \$15,000.00 to repair and/or replace roof top air conditioning equipment if needed in order to repair the roofing leaks.

Background

The Police Department, Community Center, and Youth Center roofs are greatly in need of repair. The preexisting roof problems were greatly exacerbated by the recent wind and rain events. Even before those events, Public Works staff and the City's insurance carrier, SCJPIA, had been addressing water damage to the City's Police Department and Youth Center's leaking roofs. The JPIA had sent out its representative to investigate the claim. Staff also filed a claim for the damages with the JPIA. The claims specialist from JPIA then sent out a roofing specialist to investigate the problems. The claims specialist met with staff to review the claims process and presented their recommendations for repair. In this meeting it was determined that the recent rain and wind storms caused significant damage and that the City can no longer wait to complete the repairs. Further storm events are predicted this season. JPIA's representatives felt that there was a significant risk of further damage to the facilities as well as potential health and safety issues if the repairs are not made. Staff has likewise concluded that the repairs are needed on an urgent basis.

Discussion

Repairs that are needed consist of two parts. First, there are roof repairs that require the removing of the roofing tiles, replacing any damaged wood, replacing the underlayment, and concluding with reinstalling the roofing tiles. If flashing is determined not reusable, it too will be replaced. JPIA has also agreed to pay for the cost of the roofing repairs, subject to a \$5,000 deductible.

The second part is repairing or replacing the rooftop air conditioning pans. This is the metal pan that rests underneath the air conditioning unit to prevent water from entering the roof. Three of these pans are rusted and allowing water to leak into the roofs. To repair/replace the pans it is necessary for the air conditioning unit to be removed. This requires a crane service to lift the unit. This work is included in JPIA's covered roof repair costs as well.

However, the air conditioning unit that services the community center is 22 years old, severely rusted, and not economical. (An air conditioner's life span is normally fifteen to twenty years.) JPIA does *not* cover the cost of repair or replacement of the air conditioning units. Nonetheless, if the air conditioning unit is not repaired now, it is highly likely that the repair will be needed in the near future and will be much more costly. Staff therefore recommends that the city replace this unit now while the crane is in position to save on costs.

Due to the timeliness of the needed repairs, staff is recommending that City Council accept JPIA's recommended Contractor for the work in question under the City emergency powers of awarding contracts. The awarding of this suggested contractor would speed up the repair process, minimize additional damage in the upcoming expected rain and wind events and reduce employees' exposure to any health and safety hazards associated with water-damaged office areas.

Under California law, contracts may be awarded without competitive bidding if the legislative body makes a finding by a four-fifths vote that an emergency exists that requires the immediate expenditure of public money to safeguard life, health, or property and that the emergency will not permit a delay resulting from a competitive solicitation for bids. (Public Contract Code Sections 1102, 20168, 22050).

Fiscal Impact

The ultimate cost to the City of Los Alamitos of the roofing repairs will not exceed its \$5,000.00 deductible. The deductible will be paid directly to the contractor from account 25.570.5503.1211, City Hall Complex Roof Repairs. The balance of the roofing repair costs will be paid by JPIA.

The City will also incur costs of up to \$15,000.00 for air conditioner replacement and repair in conjunction with the roof repairs. This portion of the repairs will come from accounts 10.544.5293 (Facility Maintenance, Buildings) and 25.570.5503.1212(City Hall Complex facility Repairs).

Prepared By:

Submitted By:

Tony Brandyberry
Public Works Superintendent

Steven Mendoza
Community Development Director

Approved By:

Jeffrey L. Stewart
City Manager

City of Los Alamitos

Agenda Report Consent Calendar

April 2, 2012
Item No: 8D

To: Mayor Troy D. Edgar & Members of the City Council

Via: Angie Avery, City Manager

From: David L. Hunt, City Engineer
Steven A. Mendoza, Director of Community Development

Subject: Approval of Plans and Specifications, and Authorization to Bid for Public Works Yard, Gas Tanks Removal Project (CIP No. 11/12-01)

Summary: This report recommends actions to begin facilitating the construction of the Public Works Yard, Gas Tanks Removal Project.

Recommendations:

1. Approve the plans and specifications for the construction of Public Works Yard, Gas Tanks Removal Project (CIP No. 11/12-01); and,
2. Authorize staff to advertise and solicit bid proposals.

Background

The Public Works Yard, Gas Tanks Removal Project is part of the Capital Improvements Project's (CIP) list for Fiscal Year 2011/12, approved by the City Council on June 20, 2011. The gas tanks' Underground Storage System (UST) is comprised of two (2) 5,000-gallon tanks. Both gasoline and diesel products have been stored at various times in the tanks.

To stay in compliance with State mandates, the City's underground gasoline storage tanks are monitored on an annual basis at a cost of \$5,000. Also, in order to continue to dispense gasoline, the tanks are mandated to be upgraded to the Early Vapor Recovery II (EVR II) system at a cost of approximately \$30,000.

Staff has found that the City does not use enough diesel fuel from these tanks to justify the ongoing maintenance costs. Therefore, staff recommends the removal of the tanks.

Discussion

The Public Works Yard, Gas Tanks Removal Project plans/specifications have been completed and are ready to go out to bid. The project consists of the following:

- Removal of the UST system under the direction of the Orange County Health Care Agency – Environmental Health (OCHCA).
- The UST system will be uncovered and exposed, triple-rinsed and degassed in accordance with OCHCA regulations, inspected, excavated and removed from the ground.
- Conduct all required VOC vapor monitoring in accordance with current guidance of the South Coast Air Quality Management District (SCAQMD) Rule 1166.
- Collect and analyze soil confirmation samples in accordance with current County of Orange Health Care Agency guidelines.
- Segregate and stockpile soil/fill material determined to be potentially impacted by petroleum hydrocarbons based on meter readings and physical observation.
- Disposition of the excavated material as determined by laboratory results.
- Backfill UST excavations with a combination of crush rock and clean imported soil material.
- Prepare and submit a UST Closure Report to the Orange County Health Care Agency.

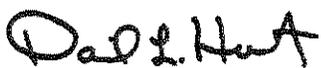
Following is an approximate timeline for the completion of the Public Works Yard, Gas Tanks Removal Project:

- 4/2/12 Approval of plans & specifications by the City Council
- 4/4/12 Advertise project
- 4/26/12 Bid opening
- 5/7/12 Award of Contract
- 5/14/12 Start of construction
- 6/15/12 End of construction

Fiscal Impact

The Public Works Yard, Gas Tanks Removal Project was budgeted in the Fiscal Year 2011/12 CIP projects using the Garage Fund. The construction estimate for this project is \$35,000. The CIP has budgeted \$40,000 for construction and inspection. Removal of the tanks will save the General Fund the \$5,000 inspection fee annually.

Prepared By:



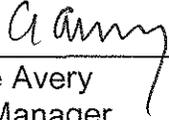
David L. Hunt, PE
City Engineer

Reviewed By:



Steven A. Mendoza
Director of Community Development

Approved By:



Angie Avery
City Manager

Attachment: 1. Plans and Specifications are available for review in the City Clerk's Office

City of Los Alamitos

Agenda Report Consent Calendar

April 2, 2012
Item No: 8E

To: Mayor Troy D. Edgar & Members of the City Council

Via: Angie Avery, City Manager

From: David L. Hunt, City Engineer
Steven A. Mendoza, Director of Community Development

Subject: Award Bid for Americans with Disabilities Act (ADA) Curb Ramp Improvement Project in Apartment Row (CIP No. 11/12-02) Using Community Development Block Grant (CDBG) Funds

Summary: This report recommends actions to begin facilitating the construction of ADA access ramps in Apartment Row.

Recommendations:

1. Award construction of the ADA Curb Ramp Improvement Project in Apartment Row (CIP No. 11/12-02) to Mora's Equipment & Construction, Inc.; and,
2. Authorize the Mayor to execute the contract for the project; and,
3. Authorize staff to execute change orders, if necessary, in an amount not to exceed the contingency reserve of \$10,160, which is 20% of the original contract amount.

Background

On December 1, 2010, City staff submitted an application for Community Development Block Grant (CDBG) funds to the County of Orange, Community Services Department. On February 17, 2011, the City received a preliminary notice of award for the ADA access ramps in Old Town East and West, and Apartment Row. A public hearing was held by the County Board of Supervisors on May 10, 2011, and the City was awarded \$88,058 for the project, that can be used for design, construction, and construction management. The City Council approved this project as part of the Fiscal Year 2011/12 Capital Improvement Projects (CIP). On March 5, 2012, the City Council approved the plans and specifications for solicitation of bids.

Discussion

The Apartment Row neighborhood has been developed with a variety of ADA accessible sidewalk standards over the years. Currently, none of twenty-nine (29) corners with ramps meet the accepted standards. Four (4) of the corners have no ramps at all. This project would provide ramps for the corners that lack them, and bring existing ramps up to current standards in order to comply with State and Federal guidelines.

The following is an approximate timeline for the completion of the project:

- 4/2/12 Award of contract
- 4/16/12 Start of construction
- 5/16/12 End of construction

Project Bid Results

Notices announcing the solicitation of bids for this project were posted in the normal locations within the City, advertised in the News-Enterprise, and advertised in the F.W. Dodge publication known as the "Green Sheet". The bids for the construction of the ADA Curb Ramp Improvements Project in Apartment Row (CIP No. 11/12-02) were publicly opened on March 23, 2012, at 2:00 pm. From the eight (8) total bids received, staff determined the construction bid submitted by Mora's Equipment & Construction, Inc. to be the lowest responsible bid, with the total bid amount of \$50,800.

The bid results are shown below.

Bidder	Total Base Bid
Mora's Equipment & Construction, Inc.	\$ 50,800
MCI - Martinez Concrete, Inc.	\$ 56,345
Nobest, Inc.	\$ 56,700
HYM Engineering	\$ 56,815
Super Technical, Inc.	\$ 57,700
Pacific Construction Co., Inc.	\$ 77,300
Vido Samarzich, Inc.	\$ 78,000
EBS General Engineering	\$ 82,350

Fiscal Impact

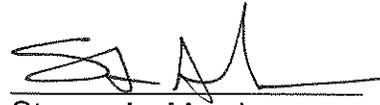
Mora's Equipment & Construction, Inc. was found to be the lowest responsible bidder, with the total bid amount of \$50,800. They are located in Pico Rivera, California. The Engineer's estimate for the project is \$58,000. There is \$72,000 in the budget for construction. The remaining budget will be used with the new CDBG funds for work in Old Town West in July, 2012.

Prepared By:



David L. Hunt, PE
City Engineer

Reviewed By:



Steven A. Mendoza
Director of Community Development

Approved By:



Angie Avery
City Manager

Attachment: 1. Contract

ARTICLES OF AGREEMENT

ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02, AGREEMENT IN THE CITY OF LOS ALAMITOS, CALIFORNIA

THIS ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02, AGREEMENT (“AGREEMENT”) is made and entered into for the above-stated project this 2nd day of April, 2012, BY AND BETWEEN the City of Los Alamitos, a municipal corporation, hereafter designated as “AGENCY”, and Mora’s Equipment & Construction, Inc., a corporation, hereafter designated as “CONTRACTOR.”

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I: Contract Documents

The contract documents for the ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02, shall consist of the Notice Inviting Sealed Bids, Instructions To Bidders, Bid Proposal, Bid Schedule, Standard Specifications, Special Provisions, and all referenced specifications, details, standard drawings, and appendices; together with two signed copies of the AGREEMENT, two signed copies of required bonds; one copy of the insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, amending, or extending the work contemplated as may be required to ensure its completion in an acceptable manner (collectively referred to herein as the “Contract Documents”). All of the provisions of the Contract Documents are made a part hereof as though fully set forth herein.

ARTICLE II: Scope of Work

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and equipment and perform all work required for the above-stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

AGENCY hereby employs CONTRACTOR to provide the materials, do the work, and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices provided herein, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in this AGREEMENT.

In entering into a public works contract or a subcontract to supply goods, services, or materials pursuant to this AGREEMENT, CONTRACTOR offers and agrees to assign to the AGENCY all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (Section 16700, et seq.) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works contract or the subcontract. This assignment shall be

made and become effective at the time the awarding body tenders final payment to CONTRACTOR, without further acknowledgment by the parties.

ARTICLE III: Compensation

A. CONTRACTOR agrees to receive and accept the prices set forth in the Bid Proposal and Bid Schedule as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. In no event shall the total compensation and costs payable to CONTRACTOR under this Agreement exceed the sum of Fifty Thousand Eight Hundred Dollars (\$50,800) unless specifically approved in advance and in writing by AGENCY

Such compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid Contract Documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

B. This AGREEMENT is subject to the provisions of Article 1.7 (commencing at Section 20104.50) of Division 2, Part 3 of the Public Contract Code regarding prompt payment of contractors by local governments. Article 1.7 mandates certain procedures for the payment of undisputed and properly submitted payment requests within 30 days after receipt, for the review of payment requests, for notice to Contractor of improper payment requests, and provides for the payment of interest on progress payment requests which are not timely made in accordance with that Article. This AGREEMENT hereby incorporates the provisions of Article 1.7 as though fully set forth herein.

C. At the request and expense of CONTRACTOR, securities equivalent to the amount withheld shall be deposited with AGENCY, or with a state or federally chartered bank in this state as the escrow agent, who shall then pay those moneys to CONTRACTOR upon Agency's confirmation of CONTRACTOR'S satisfactory completion of this AGREEMENT. At any time during the term of this AGREEMENT CONTRACTOR may, at its own expense, substitute securities for funds otherwise withheld as retention (or the retained percentage) in accordance with Public Contract Code § 22300.

ARTICLE IV: Labor Code

AGENCY and CONTRACTOR acknowledge that this AGREEMENT is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and public agencies and agree to be bound by all the provisions thereof as though set forth fully herein. Full compensation for conforming to the requirements of the Labor Code and with other Federal, State and local laws related to labor, and rules, regulations and ordinances which apply to any work performed pursuant to this AGREEMENT is included in the price for all contract items of work involved.

This AGREEMENT is further subject to prevailing wage law, including, but not limited to, the following:

A. The CONTRACTOR shall pay the prevailing wage rates for all work performed under the AGREEMENT. When any craft or classification is omitted from the general prevailing wage determinations, the CONTRACTOR shall pay the wage rate of the craft or classification most closely related to the omitted classification. The CONTRACTOR shall forfeit as a penalty to AGENCY \$50.00 or any greater penalty provided in the Labor Code for each Calendar Day, or portion thereof, for each worker paid less than the prevailing wage rates for any work done under the AGREEMENT in violation of the provisions of the Labor Code whether such worker is employed in the execution of the work by CONTRACTOR or by any Subcontractor under CONTRACTOR. In addition, CONTRACTOR shall pay each worker the difference between such prevailing wage rates and the amount paid to each worker for each Calendar Day, or portion thereof, for which each worker was paid less than the prevailing wage rate.

B. CONTRACTOR shall comply with the provisions of Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by all of its subcontractors.

C. Pursuant to Labor Code § 1776, CONTRACTOR and any subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by him or her in connection with this AGREEMENT. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: (1) The information contained in the payroll record is true and correct; and (2) The employer has complied with the requirements of Labor Code §§ 1811, and 1815 for any work performed by his or her employees on the public works project. The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours as required by Labor Code § 1776.

D. This AGREEMENT is further subject to 8-hour work day and wage and hour penalty law, including, but not limited to, Labor Code Sections 1810 and 1813, as well as California nondiscrimination laws, as follows:

CONTRACTOR shall strictly adhere to the provisions of the Labor Code regarding the 8-hour day and the 40-hour week, overtime, Saturday, Sunday and holiday work and nondiscrimination on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex or sexual orientation, except as provided in Section 12940 of the Government Code. Pursuant to the provisions of the Labor Code, eight hours' labor shall constitute a legal day's work. Work performed by CONTRACTOR's employees in excess of eight hours per day, and 40 hours during any one week, must include compensation for all hours worked in excess of eight hours per day, or 40 hours during any one week, at not less than one and one-half times the basic rate of pay. CONTRACTOR shall forfeit

as a penalty to AGENCY \$25.00 or any greater penalty set forth in the Labor Code for each worker employed in the execution of the work by CONTRACTOR or by any Subcontractor of CONTRACTOR, for each Calendar Day during which such worker is required or permitted to the work more than eight hours in one Calendar Day or more than 40 hours in any one calendar week in violation of the Labor Code.

E. This AGREEMENT is subject to Public Contract Code Section 6109: CONTRACTOR shall be prohibited from performing work on this project with a subcontractor who is ineligible to perform work on the project pursuant to Sections 1777.1 or 1777.7 of the Labor Code.

ARTICLE V: Work Site Conditions

A. In compliance with and pursuant to Government Code Section 4215, AGENCY shall assume the responsibility, as between the parties to this AGREEMENT, for the timely removal, relocation, or protection of existing main- or trunk-line utility facilities located on the site of any construction project that is a subject of this AGREEMENT, if such utilities are not identified by AGENCY in the plans and specifications made a part of the invitation for bids. The Contract Documents shall include provisions to compensate CONTRACTOR for the costs of locating, repairing damage not due to the failure of CONTRACTOR to exercise reasonable care, and removing or relocating such utility facilities not indicated in the plans and specifications with reasonable accuracy, and for equipment on the project necessarily idled during such work. CONTRACTOR shall not be assessed liquidated damages for delay in completion of the project, when such delay was caused by the failure of AGENCY or the owner of a utility to provide for removal or relocation of such utility facilities.

B. To the extent that the work requires trenches in excess of five feet (5') and is estimated to cost more than \$25,000, prior to any excavation, CONTRACTOR must provide the AGENCY, or a registered civil or structural engineer employed by the AGENCY to whom authority has been delegated to accept such plans, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during the excavation of such trench or trenches. If such plan varies from the shoring system standards, the plan shall be prepared by a registered civil or structural engineer. Nothing in this section shall be deemed to allow the use of a shoring, sloping, or protective system less effective than that required by the Construction Safety Orders.

C. This AGREEMENT is further subject to Public Contract Code Section 7104 with regard to any trenches deeper than four feet (4') involved in the proposed work as follows:

CONTRACTOR shall promptly, and before the following conditions are disturbed, notify AGENCY, in writing, of any:

(1) Material that CONTRACTOR believes may be hazardous waste, as defined in Section 25117 of the Health and Safety Code, which is required to be removed to a Class I, Class II, or Class III disposal site in accordance with existing law.

(2) Subsurface or latent physical conditions at the site differing from those indicated by all available information provided prior to the deadline for submission of bids.

(3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.

AGENCY shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or involve hazardous waste, and cause a decrease or increase in CONTRACTOR's cost of, or the time required for, performance of any part of the work, AGENCY shall issue a change order under the procedures described in this AGREEMENT.

In the event that a dispute arises between AGENCY and CONTRACTOR whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in CONTRACTOR's cost of, or time required for, performance of any part of the work, CONTRACTOR shall not be excused from any scheduled completion date provided in the AGREEMENT, but shall proceed with all work to be performed under the AGREEMENT. CONTRACTOR shall retain any and all rights provided either by contract or by law which pertain to the resolution of disputes and protests between the contracting parties.

ARTICLE VI: Insurance

A. With respect to performance of work under this AGREEMENT, CONTRACTOR shall maintain, and shall require all of its subcontractors to maintain, insurance as required by Section E "Standard Specifications" of the Contract Documents.

B. This AGREEMENT is further subject to Workers' Compensation obligations, including, but not limited to, California Labor Code Sections 1860 and 1861 as follows:

CONTRACTOR shall take out and maintain, during the life of this contract, Worker's Compensation Insurance for all of CONTRACTOR's employees employed at the site of improvement; and, if any work is sublet, CONTRACTOR shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees, unless such employees are covered by the protection afforded by CONTRACTOR. CONTRACTOR and any of CONTRACTOR's subcontractors shall be required to provide AGENCY with a written statement acknowledging its obligation to secure payment of Worker's Compensation Insurance as required by Labor Code § 1861; to wit: 'I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.' If any class of employees engaged in work under this AGREEMENT at the site of the Project is not protected under any Worker's Compensation law, CONTRACTOR shall provide and shall cause each subcontractor to provide adequate insurance for the protection of employees not otherwise protected. CONTRACTOR shall indemnify and hold harmless AGENCY for any damage resulting from failure of either CONTRACTOR or any subcontractor to take out or maintain such insurance.

ARTICLE VII: Indemnification

To the fullest extent permitted by law, CONTRACTOR shall, at its sole cost and expense, fully defend, indemnify and hold harmless AGENCY, its authorized representatives and their respective subsidiaries, affiliates, members, directors, officers, employees and agents (collectively, the “Indemnitees”) from and against any and all claims, actions, demands, costs, judgments, liens, penalties, liabilities, damages, losses, and expenses, including but not limited to any fees of accountants, attorneys or other professionals (collectively “Liabilities”), arising out of, in connection with, resulting from or related to, any act, omission, fault or negligence of CONTRACTOR, CONTRACTOR’s Representative, or any of its officers, agents, employees, Subcontractors or Suppliers, or any person or organization directly or indirectly employed by any of them (Collectively, the “Indemnitors”), in connection with or relating to or claimed to be in connection with or relating to the work performed under this AGREEMENT.

If CONTRACTOR is a joint venture or partnership, each venturer or partner shall be jointly and severally liable for any and all of the duties and obligations of CONTRACTOR that are assumed under or arise out of this AGREEMENT. Each of such venturers or partners waives notice of the breach or non-performance of any undertaking or obligation of CONTRACTOR contained in, resulting from or assumed under this AGREEMENT, and the failure to give any such notice shall not affect or impair such venturer’s or partner’s joint and several liability hereunder.

ARTICLE VIII: Binding Effect

AGENCY and CONTRACTOR each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto and to its partners, successors, assigns, and legal representatives in respect of all covenants, agreements, and obligations contained in the Contract Documents. This AGREEMENT is not assignable nor the performance of either party’s duties delegable without the prior written consent of the other party. Any attempted or purported assignment or delegation of any of the rights of obligations of either party without the prior written consent of the other shall be void and of no force and effect.

ARTICLE IX: Dispute Resolution

A. In the event of a dispute arising out of the terms of this AGREEMENT, including any action brought to declare the rights granted herein or to enforce any of the terms of this AGREEMENT, the party prevailing in such dispute shall be entitled to all reasonable costs and litigation expenses actually incurred, including fees of attorneys and expert witnesses. Any court action arising out of this AGREEMENT shall be filed in the Los Angeles County Superior Court. Any alternative dispute resolution proceeding arising out of this AGREEMENT shall be heard in the City of Los Angeles or the City of Los Alamitos, California.

B. AGENCY shall have full authority to compromise or otherwise settle any claim relating to this AGREEMENT or any part hereof at any time. AGENCY shall provide timely notification to CONTRACTOR of the receipt of any third-party claim relating to this AGREEMENT. AGENCY shall be entitled to recover its reasonable costs incurred in providing the notification required by this section.

C. This AGREEMENT is further subject to the provisions of Article 1.5 (commencing at Section 20104) of Division 2, Part 3 of the Public Contract Code regarding the resolution of public works claims of less than \$375,000. Article 1.5 mandates certain procedures for the filing of claims and supporting documentation by Contractor, for the response to such claims by the Agency, for a mandatory meet and confer conference upon the request of Contractor, for mandatory nonbinding mediation in the event litigation is commenced, and for mandatory judicial arbitration upon the parties' failure to resolve the dispute through mediation. This AGREEMENT hereby incorporates the provisions of Article 1.5 as though fully set forth herein.

ARTICLE X: Independent Contractor

CONTRACTOR is and shall at all times remain as to AGENCY, a wholly independent contractor. Neither AGENCY nor any of its agents shall have control of the conduct of CONTRACTOR or any of CONTRACTOR's employees, except as herein set forth. CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of AGENCY.

ARTICLE XI: Taxes

CONTRACTOR is responsible for paying all retail, sales and use, transportation, export, import, special or other taxes and duties applicable to, and assessable against any work, materials, equipment, services, processes and operations incidental to or involved in this AGREEMENT. The CONTRACTOR is responsible for ascertaining and arranging to pay such taxes and duties. The prices established in this AGREEMENT shall include compensation for any taxes the CONTRACTOR is required to pay by laws and regulations in effect as of the execution of this AGREEMENT.

ARTICLE XII: Notices

All notices and communications shall be sent in writing to the parties at the following addresses:

AGENCY: Dave Hunt

CONTRACTOR: Dave Mora

CITY OF LOS ALAMITOS

MORA'S EQUIPMENT & CONSTRUCTION, INC.

3191 Katella Ave.

9245 Nan Street

Los Alamitos, CA 90720

Pico Rivera, CA 90660

ARTICLE XIII: Entire Agreement

This AGREEMENT supersedes any and all other agreements, either oral or written, between the parties and contains all of the covenants and agreements between the parties pertaining to the work of improvements described herein. Each party to this AGREEMENT acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that

any other agreement, statement or promise not contained in this AGREEMENT shall not be valid or binding. Any modification of this AGREEMENT will be effective only if signed by the party to be charged.

The benefits and obligations of this AGREEMENT shall inure to and be binding upon the representatives, agents, partners, heirs, successors and assigns of the parties hereto. This AGREEMENT shall be construed pursuant to the laws of the State of California.

ARTICLE XIV: Authority to Contract

The signatories hereto represent that they are authorized to sign on behalf of the respective parties they represent and are competent to do so, and each of the parties hereto hereby irrevocably waives any and all rights to challenge signatures on these bases.

ARTICLE XV: General Provisions

A. All reports, documents or other written material (“written products” herein) developed by CONTRACTOR in the performance of this Agreement shall be and remain the property of AGENCY without restriction or limitation upon its use or dissemination by AGENCY. CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

B. In the performance of this Agreement, CONTRACTOR shall not discriminate against any employee, subcontractor, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability, medical condition or any other unlawful basis.

C. The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph at the head of which it appears, the section or paragraph hereof, as the case may be, and not such heading, shall control and govern in the construction of this Agreement. Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

D. The waiver by AGENCY or CONTRACTOR of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by AGENCY or CONTRACTOR unless in writing.

E. Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the

exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this AGREEMENT to be executed in duplicate by setting hereunto their names, titles, hands, and seals this 2nd day of April, 2012.

CONTRACTOR: Mora's Equipment & Construction, Inc.

Dave Mora, Owner/President
Contractor's License No. 910902

Subscribed and sworn to this _____ day of _____, 2012.

NOTARY PUBLIC _____ (SEAL)

AGENCY: _____
Troy Edgar, Mayor of the Date
City of Los Alamitos

ATTESTED: _____
Angie Avery, City Clerk of the Date
City of Los Alamitos

APPROVED AS TO FORM: _____
Sandra Levin, City Attorney of the Date
City of Los Alamitos

(EXECUTE IN DUPLICATE)

**PAYMENT BOND
ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02
IN THE CITY OF LOS ALAMITOS, CALIFORNIA**

WHEREAS, the City of Los Alamitos, as AGENCY has awarded to Mora's Equipment, & Construction, Inc., as CONTRACTOR, a contract for the above-stated project;

AND WHEREAS, CONTRACTOR is required to furnish a bond in connection with the contract, to secure the payment of claims of laborers, mechanics, material persons, and other persons as provided by law;

NOW THEREFORE, we, the undersigned CONTRACTOR and SURETY, are held and firmly bound unto AGENCY in the sum of Fifty Thousand Eight Hundred Dollars (\$50,800) which is one hundred percent (100%) of the total contract amount for the above-stated project, for which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH that if CONTRACTOR, its heirs, executors, administrators, successors, assigns or subcontractors, shall fail to pay any of the persons named in Civil Code Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor withheld, and to pay over to the Employment Development Department from the wages of employees of the CONTRACTOR and its subcontractors pursuant to Section 13020 of the Unemployment Insurance Code, with respect to such work and labor, that the surety or sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In case suit is brought upon this bond, SURETY will pay reasonable attorneys' fees to the plaintiffs and AGENCY in an amount to be fixed by the court.

This bond shall inure to the benefit to any of the persons named in Civil Code Section 3181 as to give a right of action to such persons or their assigns in any suit brought upon this bond.

The SURETY hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or the specifications accompanying it shall in any manner affect SURETY's obligations on this bond. The SURETY hereby waives notice of any such change, extension, alteration or addition and hereby waives the requirements of Section 2845 of the Civil Code as a condition precedent to any remedies AGENCY may have.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this day of _____, 2012.

Contractor*	Dave Mora, Owner/President Mora's Equipment & Construction, Inc. 9245 Nan Street Pico Rivera, CA 90660 562-948-1838
Surety*	_____ _____ _____

*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for the respective authorized representatives. Power of Attorney must be attached.

Subscribed and sworn to this ___ day of _____, 2012.

NOTARY PUBLIC (SEAL)

(EXECUTE IN DUPLICATE)

**FAITHFUL PERFORMANCE BOND
 ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02
 IN THE CITY OF LOS ALAMITOS, CALIFORNIA**

KNOW ALL PERSONS BY THESE PRESENTS That Mora's Equipment & Construction, Inc., hereinafter referred to as "CONTRACTOR" as PRINCIPAL, and , a corporation duly organized and doing business under and by virtue of the laws of the State of California and duly licensed for the purpose of making, guaranteeing, or becoming sole surety upon bonds or undertakings as Surety, are held and firmly bound unto the CITY OF LOS ALAMITOS, CALIFORNIA, hereinafter referred to as the "AGENCY" in the sum of Fifty Thousand Eight Hundred Dollars (\$50,800); which is one hundred percent (100%) of the total contract amount for the above stated project; lawful money of the United States of America for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, assigns and successors, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that whereas CONTRACTOR has been awarded and is about to enter into a Contract with AGENCY to perform all work required pursuant to the contract documents for the project entitled: ADA CURB RAMP IMPROVEMENT PROJECT, CIP NO. 11/12-02 CONTRACT which Contract is by this reference incorporated herein, and is required by AGENCY to give this Bond in connection with the execution of the Contract;

NOW, THEREFORE, if CONTRACTOR and his or her Subcontractors shall well and truly do and perform all the covenants and obligations of the Contract on his or her part to be done and performed at the times and in the manner specified herein including compliance with all Contract specifications and quality requirements, then this obligation shall be null and void, otherwise it shall be and remain in full force and effect;

PROVIDED, that any alterations in the work to be done, or in the material to be furnished, which may be made pursuant to the terms of the Contract, shall not in any way release CONTRACTOR or the Surety thereunder, nor shall any extensions of time granted under the provisions of the Contract release either CONTRACTOR or said Surety, and notice of such alterations of extensions of the Contract is hereby waived by said Surety.

In the event suit is brought upon this Bond by AGENCY and judgment is recovered, said Surety shall pay all costs incurred by AGENCY in such suit, including a reasonable attorney's fee to be fixed by the Court.

IN WITNESS WHEREOF the parties hereto have set their names, titles, hands, and seals this ____ day of _____, 2012

Contractor*	Dave Mora, Owner/President Mora's Equipment & Construction, Inc. 9245 Nan St. Pico Rivera, CA 90660 562-948-1838	SURETY*.....
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*Provide CONTRACTOR and SURETY name, address and telephone number and the name, title, address and telephone number for their respective authorized representatives. Power of Attorney must be attached.

Subscribed and sworn to this ____ day of _____, 2012
 NOTARY PUBLIC (SEAL)

(EXECUTE IN DUPLICATE)

NON-COLLUSION AFFIDAVIT

State of California)
) ss.
County of Los Angeles)

_____, being first duly sworn, deposes and says that he or she is _____
(title) of _____ (contractor's business name), the party making the foregoing bid,
that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership,
company, association, organization, or corporation; that the bid is genuine and not collusive or sham;
that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or
sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder
or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not
in any manner, directly or indirectly, sought by agreement, communication, or conference with
anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost
element of the bid price, or of that of any other bidder, or to secure any advantage against the public
body awarding the contract of anyone interested in the proposed contract; that all statements
contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his
or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data
relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company,
association, organization, bid depository, or to any member or agent thereof to effectuate a collusive
or sham bid.

Dave Mora, Owner/President
Mora's Equipment & Construction, Inc.

Business Address
Mora's Equipment & Construction, Inc.
9245 Nan Street
Pico Rivera, CA 90660
562-948-1838

Place of Residence
Subscribed and sworn to before me this ___ day of _____, 2012.
Notary Public in and for the County
of
State of California.
My Commission Expires _____, 2012.

WORKERS' COMPENSATION INSURANCE CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: _____

Mora's Equipment & Construction, Inc.
(Contractor)

By:

(Signature)

(Title)

Attest:

By: _____
(Signature)

(Title)

Note: See Section 7 Responsibility of the Contractor, Paragraph 7-3 of the Standard Specifications for insurance carrier rating requirements.

ENDORSEMENTS TO INSURANCE POLICY

Name of Insurance Company: _____

Policy Number: _____

Effective Date: _____

The following endorsements are hereby incorporated by reference into the attached Certificate of Insurance as though fully set forth thereon:

1. The naming of an additional insured as herein provided shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured, and
2. The additional insured named herein shall not be held liable for any premium or expense of any nature on this policy or any extensions thereof, and
3. The additional insured named herein shall not by reason of being so named be considered a member of any mutual insurance company for any purpose whatsoever, and
4. The provisions of the policy will not be changed, suspended, canceled or otherwise terminated as to the interest of the additional insured named herein without first giving such additional insured twenty (20) days' written notice.
5. Any other insurance held by the additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance, which is referred to by this certificate.
6. **The company provided insurance for this certificate is a company licensed to do business in the State of California with a Best's rating of A+ VIII or greater.**

It is agreed that the City of Los Alamitos, its officers and employees, are included as Additional Insureds under the contracts of insurance for which the Certificate of Insurance is given.

Authorized Insurance Agent

Date: _____

**STATEMENT REGARDING INSURANCE COVERAGE
ADA CURB RAMP IMPROVEMENT PROJECT
CIP NO. 11/12-02
IN THE CITY OF LOS ALAMITOS, CALIFORNIA**

The undersigned representative of Bidder hereby certifies that he/she has reviewed the insurance coverage requirements specified in **7-3 LIABILITY INSURANCE** of Section E, Standard Specifications. Should Bidder be awarded the contract for the work, the undersigned further certifies that Bidder can meet all of these specification requirements for insurance including insurance coverage of his/her subcontractors.

NAME OF BIDDER:

MAILING ADDRESS:

.....

.....

AUTHORIZED SIGNATURE:

TITLE:

DATE:

STATEMENT REGARDING CONTRACTOR'S LICENSING LAWS
ADA CURB RAMP IMPROVEMENT PROJECT
CIP NO. 11/12-02
IN THE CITY OF LOS ALAMITOS, CALIFORNIA
[Business & Professions Code § 7028.15]
[Public Contract Code § 20103.5]

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code § 7028.15:

- a) **It is a misdemeanor for any person to submit a bid to a public agency to engage in the business or act in the capacity of a contractor within this state without having a license therefor**, except in any of the following cases:

(1)The person is particularly exempted from this chapter.

(2)The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now § 20103.5] of the Public Contract Code.

- b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars (\$4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both.

In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, "the price of the contract" for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.

- c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his/her individual licenser.
- d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.
- e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13, inclusive. **Any contract awarded to, or any purchase order issued to, as contractor who is not licensed pursuant to this chapter is void.**

- f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.

- g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposes of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code § 20103.5:

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of pre-qualification questionnaire and financial statement. **Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.**

Contractors License Number: _____
License Expiration Date: _____
Authorized Signature: _____
Date: _____

City of Los Alamitos

Agenda Report Ordinances

April 2, 2012
Item No: 9A

To: Mayor Troy D. Edgar & Members of the City Council

From: Angie Avery, City Manager

Subject: Consideration of an Amendment to the Los Alamitos Municipal Code to Provide for One City Council Meeting Per Month

Summary: This report requests City Council consideration of an amendment to the Los Alamitos Municipal Code to provide for one City Council meeting per month.

Recommendation:

1. Introduce by title only and waive further reading of Ordinance No. 12-02, and set for second reading; and,
2. Mayor Edgar read the title of City Council Ordinance No. 12-02, entitled, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING SECTION 2.04.010 OF THE LOS ALAMITOS MUNICIPAL CODE RELATING TO REGULAR MEETINGS OF THE CITY COUNCIL"; and,
3. Authorize staff to issue advance warrants as necessary to conduct the City's business; and,
4. Other action as deemed appropriate by the City Council.

Background

The City Council has asked staff to return with a report discussing the merits of changing the regular City Council meetings from twice a month to once a month.

Discussion

Preparing for and conducting City Council meetings twice per month keeps staff and the City Council on a continuous City Council agenda and meeting cycle. This cycle limits available time for thorough planning, execution, and evaluation of projects large and small, especially for the City Manager and City Clerk. Currently, there is a fifth week in the month, four times per year, that allows staff time to work on other projects. However, most of the time staff is either preparing for the next Council meeting or following up

on tasks as an outcome of the last meeting. Since the City of Los Alamitos has a limited number of staff members, many of whom have taken on multiple job titles and duties, transitioning to one regularly scheduled City Council meeting per month would improve efficiency and allow staff to further concentrate on short and long range goals and projects.

There would be a significant cost savings in reducing City Council meetings to once per month. Although most staff members attending the meetings are exempt employees, there would be a cost savings in City Attorney and consultant fees, LATV cable television operator costs, mailing and production costs, refreshments and utilities in the amount of approximately \$1,700 for a five hour meeting.

The City Council monthly stipend of \$400 will remain the same regardless of the number of City Council meetings held per month.

Staff is suggesting that the monthly City Council meeting be held on the third Monday of the month. There are often conflicts with the first Monday of the month meeting date, resulting in the need to change the meeting to another date. The attached Ordinance No. 12-02 proposes that regular meetings of the City Council be held on the third Monday of the month.

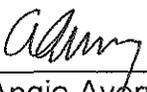
Should the City Council elect to adopt Ordinance No. 12-02, staff may find it necessary to occasionally issue advance warrants as necessary to conduct the City's business. Any advance warrants issued would be submitted to the City Council at the next regular meeting for approval.

As always, the Mayor and City Council would retain the ability to schedule study sessions and special meetings as necessary, should the need arise. The City Manager may, from time to time, request that a special meeting be scheduled should the need arise.

Fiscal Impact

Transitioning to one regularly scheduled City Council meeting per month will reduce costs in operating expenses in the amount of approximately \$20,400 per year.

Submitted By:



Angie Avery
City Manager

Attachments:

1. Ordinance No. 12-02
2. Redline Version of Ordinance No. 12-02
3. Council Meeting Costs

ORDINANCE NO. 12-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING SECTION 2.04.010 OF THE LOS ALAMITOS MUNICIPAL CODE RELATING TO REGULAR MEETINGS OF THE CITY COUNCIL

WHEREAS, the City of Los Alamitos finds that it is appropriate to amend the regular meeting dates of the City Council from the first and third Monday of the month to the third Monday of the month.

THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 2.04.010 of the Los Alamitos Municipal Code is hereby amended as follows:

Sec. 2.04.010 Regular meetings:

The regular meetings of the city council shall be held on the third Monday in each month. Closed session matters and study sessions, if any, shall commence at the hour of six p.m. or as soon thereafter as is deemed necessary by the presiding officer. Study sessions shall be limited to public sessions of the city council, along with any other boards, commissions or public bodies if deemed necessary by the presiding officer, involving detailed discussions without final action of any kind by the city council. Consideration of matters on the public open session agenda, other than study sessions, shall commence at seven p.m. Regular meetings shall be held in the council chamber of the City Hall, 3091 Katella Avenue, or in such other place within the city limits to which the meeting may be adjourned. When the day for any regular meeting falls on a legal holiday, no meeting shall be held on the holiday, but a regular meeting shall be held at the same hour on the following business day.

SECTION 2. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 3. The City Clerk shall certify as to the adoption of this Ordinance and shall cause a summary thereof to be published within fifteen (15) days of the adoption and shall post a Certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 16th day of April, 2012.

Troy D. Edgar, Mayor

ATTEST:

Angie Avery, City Clerk

APPROVED AS TO FORM:

Sandra J. Levin, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LOS ALAMITOS)

I, Angie Avery, City Clerk of the City of Los Alamitos, do hereby certify that the foregoing Ordinance No. 12-02 was duly introduced and placed upon its first reading at a regular meeting of the City Council on the 2nd day of April, 2012 and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 16th day of April, 2012, by the following roll-call vote, to wit:

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

Angie Avery, City Clerk

ORDINANCE NO. 12-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING SECTION 2.04.010 OF THE LOS ALAMITOS MUNICIPAL CODE RELATING TO REGULAR MEETINGS OF THE CITY COUNCIL

WHEREAS, the City of Los Alamitos finds that it is appropriate to amend the regular meeting dates of the City Council from the first and third Monday of the month to the third Monday of the month.

THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Chapter 2.04.010 of the Los Alamitos Municipal Code is hereby amended as follows:

Sec. 2.04.010 Regular meetings:

The regular meetings of the city council shall be held on the first and third Monday in each month. Closed session matters and study sessions, if any, shall commence at the hour of six p.m. or as soon thereafter as is deemed necessary by the presiding officer. Study sessions shall be limited to public sessions of the city council, along with any other boards, commissions or public bodies if deemed necessary by the presiding officer, involving detailed discussions without final action of any kind by the city council. Consideration of matters on the public open session agenda, other than study sessions, shall commence at seven p.m. Regular meetings shall be held in the council chamber of the City Hall, 3091 Katella Avenue, or in such other place within the city limits to which the meeting may be adjourned. When the day for any regular meeting falls on a legal holiday, no meeting shall be held on the holiday, but a regular meeting shall be held at the same hour on the following business day.

SECTION 2. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

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PASSED, APPROVED, AND ADOPTED this 16th day of April, 2012.

Troy D. Edgar, Mayor

ATTEST:

Angie Avery, City Clerk

APPROVED AS TO FORM:

Sandra J. Levin, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LOS ALAMITOS)

I, Angie Avery, City Clerk of the City of Los Alamitos, do hereby certify that the foregoing Ordinance No. 12-02 was duly introduced and placed upon its first reading at a regular meeting of the City Council on the 2nd day of April, 2012 and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 16th day of April, 2012, by the following roll-call vote, to wit:

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

Angie Avery, City Clerk

CITY COUNCIL MEETING COSTS
(BASED ON A 5-HOUR MEETING)

City Attorney Costs (per hour)	\$180/hour = \$900.00
Cable Television Operator Costs (per hour)	\$25/hour = \$125.00
Consultant Costs (Willdan, etc.)	\$95/hour = \$190.00
Refreshments – water, soft drinks, coffee, snacks, dinner	\$ 48.00
Department Secretary Overtime - \$41.61/hour	\$208.05
City Attorney Agenda Packet Mailing Costs	\$ 27.00
Copy Costs	\$206.00
Utilities	\$ 3.45
TOTAL COST PER MEETING	\$1,700.00
TOTAL SAVINGS PER YEAR	\$20,400.00

City of Los Alamitos

Agenda Report Discussion Items

April 2, 2012
Item No: 10A

To: Mayor Troy D. Edgar & Members of the City Council

Via: Angie Avery, City Manager

From: Anita Agramonte, Finance Director

Subject: Consideration of an Investment Policy for Fiscal Years 2011-12 and 2012-13

Summary: This report seeks City Council consideration for the adoption of an Investment Policy for Fiscal Years 2011-12 and 2012-13.

Recommendation: Adopt the Investment Policy for Fiscal Years 2011-12 and 2012-13 as recommended in Attachment 1.

Background

In accordance with Government Code Section 53646(a) (2), staff is submitting the Investment Policy for Fiscal Years 2011-12 and 2012-13 for formal City Council review and adoption. The Investment Policy was last reviewed by the City Council on March 21, 2011 however; the policy has not been modified or updated since June 23, 2003.

The City currently has \$9.7 million in idle cash that is invested in the Local Agency Investment Fund (LAIF). Cash flow analysis reveals that the City's idle cash typically fluctuates between \$8.1 and \$10.3 annually, with peaks in the months of January and May representing the influx of property taxes realized in those months and lows typically observed in the months of October and November.

Over the past few years the City's investment earnings have declined from \$132,000 in FY 2008-09 to \$20,000 in FY 2010-11 with continued declines projected in the current fiscal year. Furthermore, the Federal Reserve announced on January 25, 2012 that it anticipates that economic conditions are likely to warrant exceptionally low levels for the federal funds rate at least through late 2014, meaning that interest rates will likely stay low through next three years.

The current Investment Policy limits investments to LAIF and local Certificates of Deposit (CD's). As of December 31, 2011, the LAIF interest rate was 0.36% and local Bank of America 1-2 year CD rates range from 0.45% to 0.55%. However, Federally Insured CDs offered by other banks nationwide with a maturity of 36 months currently carry a rate of return from 0.75% to 0.95%, and 60 month CDs offer yields from 1.25% to 1.60%. Given interest rate uncertainty generally, it seems that maturity diversification through "laddering" (staggering maturities rather than consolidating all cash in the LAIF) would be appropriate.

Discussion

In an effort to increase interest earnings, staff has re-evaluated the City's Investment Policy. In this endeavor, staff has consulted resources such as the Governmental Finance Officers Association (GFOA) best practices and advisories, the California Debt and Investment Advisory Commission guidelines, the California Municipal Treasurers Association (CMTA) resource library, the California Society of Municipal Finance Officers resource library and training opportunities, as well as investment policies of several other municipalities. The following paragraphs describe the recommended Investment Policy for FY 2011-12 and 2012-13 in summary. The entire recommended investment policy can be found in Attachment 1.

The policy is intended to provide guidelines for the prudent investment of the City's funds in compliance with federal and state laws, and it applies to all the City's fund types. The policy recommends an investment philosophy that is based on the principles of prudent money management; therefore in addition to the requirements of state law, the policy recommends a passive management style where investments are purchased with the intent to hold until maturity.

In accordance with GFOA best practices, the policy recommends three major objectives in order of priority:

1. **Safety** – the protection of principal is of foremost importance in the investment of public funds. In order to achieve safety, the policy recommends GFOA safekeeping practices utilizing a delivery vs. payment (DVP) method that verifies that the authorized security was placed in the City's account prior to the release of funds. Additionally, the policy limits the City's permitted investment types to U.S. Treasury Bills, Notes and Bonds, Federal Agency Obligations, Federally (FDIC) Insured Certificates of Deposit or Time Deposits (CD's), and Local Agency Investment Fund (LAIF).
2. **Liquidity** – the investment portfolio shall remain sufficiently fluid taking into consideration the City's operating cash flow requirements. In order to achieve liquidity, the policy recommends a ladder approach with a maximum of 50% of the City's funds being invested in maturities longer than one year, and a maximum of 30% being invested in securities over two years.

3. **Yield** – within the constraints of safety and liquidity, the highest and best yields shall be sought. Staff will build a solid network of qualified third party broker/dealers that can help the City maximize yield within the constraints of this policy. The policy incorporates GFOA and CMTA recommended guidelines in the selection of qualified dealers including a broker questionnaire, proof of required certifications, and a certification of having read and understood the City's investment policy.

The next paragraphs describe the process that staff will utilize in building the City's investment portfolio.

The first step in building the City's investment portfolio would be to establish a safekeeping account with a reputable service provider such as US Bank or Union Bank. Typically this type of account may cost anywhere from \$30 to \$75 per month depending on the size of the portfolio being managed. Other costs may include wire fees of \$10 to \$15 per transaction and a \$40 delivery vs. payment (DVP) fee per security purchased. This again is to ensure that the security that the City receives is the one ordered, and that no funds get released from the City's account until we take possession of the asset, as per GFOA best practices. These are all the fees that would be associated with this type of purchase.

The next step would be to establish a list of three or four approved Broker/Dealers. In this endeavor, staff will utilize a broker questionnaire, as recommended by the CMTA, ensure that each broker/dealer has the proper certifications, and that they have read and understand the City's investment policy. The finance department has already started a list of potential brokers that specialize in municipal investment portfolios. This will complete the foundation necessary to start investing.

The finance department currently receives daily lists of available investments. To make a purchase, staff would contact one of the qualified brokers and place the order. Upon confirmation of purchase, funds would be wired to the City's safekeeping account to be held for the transaction. Per delivery vs. payment (DVP) procedures, only after the safekeeping agent confirms receipt of the security will it release funds. Investments will then be held until maturity.

The City's portfolio will be built in accordance with the guidelines discussed herein, and in accordance with the California Debt and Investment Advisory Commission guidelines, the City Council will receive investment reports on a quarterly basis, when the City invests in securities other than LAIF. A sample investment report is provided in Attachment 3.

Staff believes that these recommendations will enhance the City's Investment Policy. The revised policy will make it possible to earn a higher rate of return on investments, while maintaining the priorities of safety and liquidity.

For comparative purposes, the daily rate of return on LAIF as of December 31, 2011 is 0.36%. Federally Insured CDs offered by other banks nationwide with a maturity of 36 months currently carry a rate of return from 0.75% to 0.95% and 60 month CDs offer yields from 1.25% to 1.60%.

The Investment Policy was reviewed by the city attorney's office.

Fiscal Impact

The approval of the Investment Policy will allow the City to potentially increase investment revenue.

Submitted By:



Anita Agramonte
Finance Director

Approved By:



Angie Avery
City Manager

- Attachments:
1. *Statement of Investment Policy for Fiscal Years 2011-12 and 2012-13*
 2. *Red line version of Investment Policy for Fiscal Years 2011-12 and 2012-13*
 3. *Sample Investment Report*

City of Los Alamitos

Statement of Investment Policy Fiscal Year 2011-12 and 2012-13

Adopted April 2, 2012

This Statement of Investment Policy ("Policy"), as set forth by the City of Los Alamitos ("City"), provides the guidelines for prudent investment of the City's idle or reserve cash and outlines the policies essential to ensuring the safety and financial strength of the City's investment portfolio.

This Policy is based on the principles of prudent money management and conforms to all applicable Federal and State Laws governing the investment of public funds. In instances in which the Policy is more restrictive than Federal or State Law, the Policy will supersede.

1. Purpose: This statement sets forth policies which shall govern the investment of the City's funds. It will be used by the City Treasurer and other City officials and staff, as well as all other third-party providers of investment or investment related services. Its purpose is to direct the prudent investment and protection of the City's funds and investment portfolio, in compliance with the requirements of California Government Code Section 53600 et. seq.

2. Application: It is intended that this policy cover all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the City's annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Internal Service Funds

Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

This investment policy does not apply to Bond Proceeds. California Government Code Section 5922(d) authorizes bond, certificates of participation notes and other debt issue proceeds to be invested in accordance with the related offering documentation. These Code Sections recognize the unique needs and objectives of such proceeds.

3. Regulation:

A. Investment Objectives

It is the policy of the City to invest public funds in a manner which will provide for the preservation of capital while meeting the daily cash flow requirements of the City, and attaining a reasonable rate of return within an acceptable and defined level of risk.

The Policy has three primary objectives in order of priority:

1. Preservation of Capital (Safety) – The protection of principal is the foremost consideration when undertaking investment decisions that affect public funds. The objective is to mitigate credit risk and interest rate risk.
 - a. Credit Risk is the risk of loss of principal due to the failure of the security issuer. Credit Risk can be mitigated by:
 - ✓ Limiting investments to the safest types of securities.
 - ✓ Pre-qualifying accountants, auditors, financial institutions, broker/dealers, financial advisors and other outside consultants with which the City does business.
 - ✓ Diversifying the investment portfolio so that potential losses are minimized
 - b. Interest Rate Risk is the risk that the market value of securities will fall due to a rise in general market interest rates. It is the policy of the City to hold individual securities to maturity in an effort to meet liquidity demands. Interest rate risk can be mitigated by:
 - ✓ Holding individual securities to maturity - Structuring the investment portfolio so that securities mature to meet cash flow requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
 - ✓ Employing a laddering strategy whereby staggering maturities of individual securities so that bonds come due in increments assuring an overall liquidity pattern.
 - ✓ Limiting maturities of individual securities and the average maturity of the overall portfolio.
2. Liquidity – the investment portfolio shall remain sufficiently liquid to meet all daily cash flow and operating requirements that may be reasonably expected or anticipated.
3. Yield – the investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, consistent with the primary objectives of safety and liquidity.

B. Legal and Policy Constraints

The authority governing investments for municipal government agencies is set forth in the California Government Code Section 53600, et. seq. In all instances, the City of Los Alamitos shall comply with the requirements of state law.

In addition to the requirements of state law, it is the investment philosophy of the City to make investment decisions based on an overall passive management style that embodies a prudent investor standard and purchases investments with the intent to hold until maturity.

Accordingly, the City's conservative philosophy prohibits active trading and speculation; i.e., the purchase of securities with the intent to profit from favorable market changes in market prices or market conditions. Leveraging or borrowing money for the purpose of

investing is specifically prohibited. However, the City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity, or yield of the portfolio in response to market conditions or City needs.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

C. Safekeeping of Securities

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department. Designated third party shall act as agents for the City under the terms of a custody agreement. All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent. Investment officials shall be bonded to protect the public against possible embezzlement or malice. Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

D. Maturity and Term

California Government Code Section 53601 states that except as otherwise allowed:

No investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement authorized by this section, which at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

The City of Los Alamitos administers funds according to cash flow requirements. As a result, there is a core of funds that are not necessary for the daily operational needs of the City for paying expenses. From time to time market conditions of fixed income markets present opportunities for higher interest rates on high grade securities with a low risk exposure. It is in the best interest of the City of Los Alamitos to practice a fully diversified investment plan that will ensure safety, liquidity, and the increase of acceptable yield from these situations.

To the extent possible, the City of Los Alamitos will attempt to match its investments with anticipated cash flow requirements.

At no time will more than 50 percent (50%) of the City of Los Alamitos' funds be invested longer than one year. Purchases greater than two years will meet the following requirements and restrictions:

1. The security must be an obligation of the United States Treasury or one of its agencies that carry the full faith and credit guarantee of the United States for the payment of principal and interest, or a Negotiable Certificate of Deposit.

2. A maximum of thirty percent (30%) of the City of Los Alamitos' invested funds can be invested in securities over two years.
3. No securities can be purchased by the City of Los Alamitos with a maturity greater than five years without the prior approval of the City Council.

E. Investment Authority

The City Treasurer is authorized to make investments on behalf of the City of Los Alamitos. Such investments shall only be limited to the instruments authorized under California Government Code Sections 53601 and 53635 and further described in Appendix A and B.

All investments of the City of Los Alamitos shall be approved by the City Manager.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer.

Officers and employees of the City of Los Alamitos involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the City Treasurer any material financial interests in financial institutions that conduct business with the City of Los Alamitos, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City of Los Alamitos, particularly with regard to the time of purchases and sales. The City Treasurer shall make similar disclosures to the City Council. Under no circumstances shall investment officers or employees accept gifts, trips, or any type of gratuity from individuals or institutions engaged in investment practices with the City of Los Alamitos.

F. Transfer of Investment Funds

The transferring of investment funds will be carried out exclusively by use of telephonic or electronic wire transfers. Each entity with which the City does business shall receive, in writing from the City Treasurer, a listing which limits transfers of funds to preauthorized bank accounts only. The listing will also contain the names of City staff authorized to request such transfers and will be updated, in writing, for all changes of authorized staff and bank accounts, as necessary.

G. Deposits

Money must be deposited in state or national banks, state or federal savings associations, or state or federal credit unions in the State of California. It may be in inactive deposits, active deposits or interest-bearing active deposits. The deposits cannot exceed the amount of the bank's, savings and loan's or credit union's paid up capital surplus.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. The investment officer may, at his/her discretion, waive security for that portion of a deposit which is insured pursuant to federal law. Currently, the first \$250,000 of a deposit is

federally insured. It is the City's policy to waive this collateral requirement for the first \$250,000 because it is possible to receive a higher rate.

The City will not maintain a deposit that is above the FDIC insured level. This will include the accrued interest on the deposit.

H. Permitted Investments

Investments shall be made only in those instruments specifically authorized by California State laws (section 53600-53609), and to no greater an extent than those authorized by those laws.

The City's specific permitted investment guidelines are listed below. It should be noted that City's permitted investments are more restrictive than the State guidelines. A Glossary and a summary of the State of California Statutes Applicable to Municipal Investments and is provided in Appendix A and B.

Investment Type:	Maximum Maturity:	Maximum percentage of Portfolio:
U.S. Treasury Bills, Notes and Bonds	5 Years	75 percent
Federal Agency Obligations	5 Years	50 percent
Certificates of Deposit or Time Deposits* (CD's)	5 Years	50 percent
Local Agency Investment Fund (LAIF)	N/A	100 percent

** Denotes a collateral requirement either initially, or at a pre-determined threshold. Please refer to Collateral section of the Policy for specific requirements.*

State and Federal laws notwithstanding, any investment not specifically described herein including, but not limited to, reverse repurchase agreements, derivatives, options, futures, zero coupon bonds, inverse floaters, range notes, first mortgages or trust deeds, collateralized mortgage obligations (CMO's), limited partnerships, real estate investments trusts (REIT's), open-end mutual funds, closed-end mutual funds, mutual funds with a weighted average maturity greater than 180 days, unregulated and/or uninsured investment pools, common stock, preferred stock, commodities, precious metals, securities with high price volatility, limited marketability (less than three active bidders), securities that may default on interest payments and any other speculative investment deemed inappropriate under the Prudent Investor standard are strictly prohibited. In addition, any investment transaction that might impair public confidence in the City of Los Alamitos government is to be avoided.

I. Diversification

The City of Los Alamitos shall diversify its investments by security type and institution. The City recognizes diversification is an investment strategy that will mitigate risk in the investment portfolio. The City's investment portfolio shall be diversified to avoid

incurring unreasonable and avoidable risks with regard to specific investment types. Within investment types, the City shall also maintain a mix of securities to avoid concentrations within individual financial institutions, geographic areas, industry types and maturities. The City will only invest in fixed rate, fixed maturity securities and with the exception of U. S. Treasury securities and authorized investment pools, no more than 50 percent (50%) of the City of Los Alamitos' investment portfolio shall be invested in a single security type or with a single financial institution.

J. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return, throughout budgetary and economic cycles, commensurate with investment risk constraints and cash flow needs.

The basis used by the City Treasurer to determine whether market yields are being achieved shall be the U. S. Treasury Bill and Local Agency Investment Fund (LAIF).

K. Reporting

In accordance with California Government Code Sections 53607 and 53646, the City Treasurer and the City Manager shall render quarterly reports to the City Council showing: (a) type of investment; (b) institution; (c) date of maturity; (d) amount of deposit; (e) current market value for all securities with a maturity of more than twelve (12) months; (f) rate of interest on each security; and (g) such other data as the City Council may, from time to time, specify. (This section is applicable when the City Treasurer has invested in other types of securities other than LAIF.)

The City Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

L. Policy Review

1. Annual Statement of Investment Policy

The City Treasurer and the City Manager shall annually render to the City Council a Statement of Investment Policy which Statement shall be adopted by the City Council.

2. Periodic Review

To ensure a statement which is consistent with any new relevant legislation and financial trends, the City Treasurer shall periodically report to the City Council proposed changes and amendments to this document for review and approval. In any event, all changes in state law affecting this policy shall be considered incorporated immediately upon their effective date unless otherwise adopted earlier by action of the City Council.

M. Qualified Dealers

The City of Los Alamitos shall purchase authorized investments either directly from the issuer or shall be purchased either from an institution licensed from the State as a

broker dealer, as defined in the Corporations Code, or from a member of the federally regulated securities exchange, from a national or state chartered bank, from a savings association or federal association, or from a brokerage firm designated as a primary or regional government dealer.

The City Treasurer will maintain a list of financial institutions formally authorized to provide investment services. The City Treasurer shall formally authorize investment brokers to provide investment services to the City. Investment Brokers may be Primary Dealers or Regional Brokers and licensed to do business in the State of California. Brokers must complete a broker questionnaire which includes proof of Financial Industry Regulatory Authority (FINRA) certification, proof of State registration and execute a certification that the Broker's employees and supervisory personnel have read and understand the City's Investment Policy. The City Treasurer may conduct periodic reviews of the approved list of investment brokers and may remove a firm from the approval list at any time due to any failure to comply with any of the above criteria, failure to execute a transaction, any change in broker/dealer staff, or any action, event or failure to act which, in the sole discretion of the City Treasurer, is materially adverse to the best interest of the City of Los Alamitos.

APPENDIX A

DEPOSITORY SERVICES

Active deposits are demand or checking accounts which receive revenues and pay disbursements.

Interest-bearing active deposits are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

Inactive deposits are Certificates of Deposit issued in any amount for periods of time as short as fourteen days and as long as several years. Interest must be calculated on a 360 day basis, actual number of days.

Passbook savings account is similar to an inactive deposit except not for a fixed term. The interest rate is much lower than Certificates of Deposit, but the savings account allows for flexibility. Funds can be deposited and withdrawn according to daily operational needs.

INVESTMENT SECURITIES

U.S. Treasury Issues are direct obligations of the United States Government. These issues are called bills, notes, and bonds. The maturity range of new issues is from 13 weeks (T-Bills) to 30 years (T-Bonds). These are highly liquid and are considered the safest investment security.

Federal Agency Issues are issued by direct U. S. Government agencies or quasi-government agencies. These issues are guaranteed directly or indirectly by the United States Government. Examples of these securities are Federal Home Loan Bank (FHLB) notes, Federal National Mortgage Association (FNMA) notes, Federal Farm Credit Bank (FFCB) notes, Federal Home Loan Mortgage Corporation (FHLMC) notes, Federal Intermediate Credit Bank (FICB) debentures, Small Business Administration (SBA) notes, Government National Mortgage Association (GNMA) notes, and Student Loan Association (SALLMAE) notes.

Certificates of Deposit are investments for inactive funds issued by banks, savings and loans, and credit unions. Investments of \$250,000 are insured respectively by Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Share Insurance Fund (NCUSIF). Certificates of Deposit can be issued from 14 days to several years in maturity allowing the City investment of funds to be matched to cash flow needs. For deposits exceeding \$250,000, the financial institution is required to collateralize the investment with 110% government securities. The City does not accept 150% collateral (First Trust Deeds) or 105% Letters of Credit (L.C.).

Local Agency Investment Fund (LAIF) is a special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum of \$40 million for any agency. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly by electronic deposit to a designated bank account.

The State keeps an amount for reasonable costs of making the investments, not to exceed one-quarter of a percent of the earnings.

APPENDIX B:

Summary of State of California Statutes Applicable to Municipal Investment

The following investments are authorized by California State Code, Title 5, Division 2, Sections 53600 et seq. and 16429.1.

California Authorized Investments	% Limits & Other Constraints (Key Limitation Summary)
Local Agency Bonds	No Limit
US Treasury Notes, Bonds, Bills	No limit
California State Warrants, Treasury Notes or Bonds	No limit
Bonds, Notes, Warrants of any local agency within the State	No limit
Federal Agency or United States government-sponsored enterprise obligations	No limit
Bankers Acceptances	40% max overall limitation: 30% max in any one commercial bank: 180 days max maturity.
Commercial Paper	A Domestic Corporation Total Assets in excess of \$500 million At Least "A-1" rated commercial paper 25% max overall limitation: 10% investment max in any single issuer No more than 10% of the outstanding amount for any one issuer 270 days max maturity.
Negotiable Certificates of Deposit	Issued by nationally or state-chartered bank, a savings association or a federal association, a state of federal credit union, or a state licensed branch of a foreign bank. 30% max overall limitation
Repurchase Agreements	One Year Term or less Based on code authorized investments 102% underlying security valuation
Reverse Repurchase Agreements	Security subject to repurchase has been owned & fully paid for at least 30 days prior to sale 20% Maximum limitation Agreement does not exceed 92 days Funds received cannot be used to purchase securities with a maturity longer than 92 days

<p>Medium Term Corporate Notes</p>	<p>30% maximum overall investment limitation Maximum remaining maturity of 5 Years Domestic corporations Rated "A" or better</p>
<p>Shares of Beneficial Interest Issued By Diversified Management Companies (Mutual & Money Market Funds)</p>	<p>20% maximum overall portfolio 10% of any one Mutual Fund Based on code authorized investments Money Market Funds registered with the SEC Attained the Highest Ranking by not less than two nationally recognized rating organizations Assets in excess of \$500 million Investment advisor with not less than five years experience</p>
<p>Local Agency Investment Fund</p>	<p><u>\$40 million</u> Maximum overall investment limit</p>
<p>Other Obligation Valuation Requirements: (m) Promissory notes secured by first mortgages and first trust deeds which comply with Section 53651.2. (p) With the consent of the treasurer, letters of credit issued by the Federal Home Loan Bank of San Francisco which comply with Section 53651.6.</p>	<p>(a) Eligible securities, except eligible securities of the classes described in subdivisions (m) and (p) of Section 53651, shall have a market value of at least 10 percent in excess of the total amount of all deposits of a depository secured by the eligible securities. (b) Eligible securities of the class described in subdivision (m) of Section 53651 shall have a market value at least 50 percent in excess of the total amount of all deposits of a depository secured by those eligible securities. (c) Eligible securities of the class described in subdivision (p) of Section 53651 shall have a market value of at least 5 percent in excess of the total amount of all deposits of a depository secured by those eligible securities.</p>
<p>Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond</p>	<p>20% Maximum overall limitation 5 Years Maximum Maturity "AA" national rating or Higher</p>

<p>Moneys held by a trustee or fiscal agent pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements,</p>	<p>May be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.</p>
<p>Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest</p>	<p>Securities of the types listed by Section 53651 Market value of at least 110% of underlying security value</p>
<p>Other Code Restrictions & Clarifications</p>	<p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.</p> <p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity.</p> <p>No more than 5 percent of the total assets of the investments held by a local agency may be invested in the securities of any one issuer, except the obligations of the United States government, United States government agencies, and United States government-sponsored enterprises. No more than 10 percent may be invested in any one mutual fund.</p> <p>Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.</p>

City of Los Alamitos

Statement of Investment Policy for Fiscal Year 2011-12

Adopted March 19, 2012

This Statement of Investment Policy ("Policy"), as set forth by the City of Los Alamitos ("City"), provides the guidelines for prudent investment of the City's idle or reserve cash and outlines the policies essential to ensuring the safety and financial strength of the City's investment portfolio.

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This Policy is based on the principles of prudent money management and conforms to all applicable Federal and State Laws governing the investment of public funds. In instances in which the Policy is more restrictive than Federal or State Law, the Policy will supersede.

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1. Purpose: This statement sets forth policies which shall govern the investment of the City's funds. It will be used by the City Treasurer and other City officials and staff, as well as all other third-party providers of investment or investment related services. Its purpose is to direct the prudent investment and protection of the City's funds and investment portfolio, in compliance. The purpose of this policy is to comply with the requirements of California Government Code Section 53600 et. seq. and to provide clear guidance for the investment of all monies of the City of Los Alamitos.

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2. Application: This regulation applies to all financial assets of the City of Los Alamitos. It is intended that this policy cover all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the City's annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Internal Service Funds

Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

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This investment policy does not apply to Bond Proceeds. California Government Code Section 5922(d) authorizes bond, certificates of participation notes and other debt issue proceeds to be invested in accordance with the related offering documentation. These Code Sections recognize the unique needs and objectives of such proceeds.

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3. Regulation:

A. Investment Objectives

It is the policy of the City to invest public funds in a manner which will provide for the preservation of capital while meeting the daily cash flow requirements of the City, and attaining a reasonable rate of return within an acceptable and defined level of risk.

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The Policy has three primary objectives in order of priority:

1. Preservation of Capital (Safety) – The protection of principal is the foremost consideration when undertaking investment decisions that affect public funds. The objective is to mitigate credit risk and interest rate risk.

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a. Credit Risk is the risk of loss of principal due to the failure of the security issuer. Credit Risk can be mitigated by:

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- ✓ Limiting investments to the safest types of securities.
- ✓ Pre-qualifying accountants, auditors, financial institutions, broker/dealers, financial advisors and other outside consultants with which the City does business.
- ✓ Diversifying the investment portfolio so that potential losses are minimized

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b. Interest Rate Risk is the risk that the market value of securities will fall due to a rise in general market interest rates. It is the policy of the City to hold individual securities to maturity in an effort to meet liquidity demands. Interest rate risk can be mitigated by:

- ✓ Holding individual securities to maturity - Structuring the investment portfolio so that securities mature to meet cash flow requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- ✓ Employing a laddering strategy whereby staggering maturities of individual securities so that bonds come due in increments assuring an overall liquidity pattern.
- ✓ Limiting maturities of individual securities and the average maturity of the overall portfolio.

2. Liquidity – the investment portfolio shall remain sufficiently liquid to meet all daily cash flow and operating requirements that may be reasonably expected or anticipated.

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3. Yield – the investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, consistent with the primary objectives of safety and liquidity.

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The investment of all funds of the City of Los Alamitos is structured to achieve, in priority order, the goals of safety, liquidity, and yield within the parameters established by law.

The primary objective of the investment policy of the City of Los Alamitos is safety. Most investments will be highly liquid. Maturities will be selected to anticipate cash

~~needs, thereby, avoiding the need for forced liquidation. Within the constraints of safety and liquidity, the highest and best yield will be sought.~~

B. Legal and Policy Constraints

The authority governing investments for municipal government agencies is set forth in the California Government Code Section 53600, et. seq. In all instances, the City of Los Alamitos shall comply with the requirements of state law, ~~and as it is amended from time to time.~~

In addition to the requirements of state law, the City of Los Alamitos it is the investment philosophy of the City to make investment decisions based on an overall passive management style that embodies a prudent investor standard and purchases investments with the intent to hold until maturity.

Accordingly, the City's conservative philosophy prohibits active trading and speculation; i.e., the purchase of securities with the intent to profit from favorable market changes in market prices or market conditions. Leveraging or borrowing money for the purpose of investing is specifically prohibited. However, the City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity, or yield of the portfolio in response to market conditions or City needs.

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~~◆ shall not purchase or sell securities on margin.~~

~~◆ shall not borrow funds for the sole purpose of arbitrage.~~

~~◆ shall not use third party placement (brokers — C.D. securities) for investment of funds. When placing an inactive deposit with a financial institution, the deposit will be placed directly with the management of the institution. (See criteria in Appendix B for full requirements for placement of investment deposits with financial institutions.)~~

~~For Repurchase Agreements, the acceptable collateral is U. S. Treasury Issues or Federal Agency Issues (i.e., FNMA, FHLB, FFCB, and GNMA). A statement showing the type of collateral being utilized must be forwarded.~~

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

C. Safekeeping of Securities

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by the City shall be held in safekeeping by a third party bank trust department. Designated third party shall act as agents for the City under the terms of a custody agreement. All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent. Investment officials shall be bonded to protect the public against possible embezzlement or malice. Securities held in custody for the City shall be independently audited on an annual basis to verify investment holdings.

~~All purchased securities shall be physically delivered versus payment (DVP basis) to a safekeeping account as designated by the City. It is recognized that this contractual agreement with the designated institution will serve as an independent third party custodian.~~

D. Maturity and Term

California Government Code Section 53601 states that except as otherwise allowed:

No investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement authorized by this section, which at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

The City of Los Alamitos administers funds according to cash flow requirements. As a result, there is a core of funds that are not necessary for the daily operational needs of the City for paying expenses. From time to time market conditions of fixed income markets present opportunities for higher interest rates on high grade securities with a low risk exposure. It is in the best interest of the City of Los Alamitos to practice a fully diversified investment plan that will ensure safety, liquidity, and the increase of acceptable yield from these situations.

~~To the extent possible, the City of Los Alamitos will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City of Los Alamitos shall not directly invest in securities maturing more than two years from the date of purchase.~~

At no time will more than 50 percent (50%) of the City of Los Alamitos' funds be invested longer than one year. Purchases greater than two years will meet the following requirements and restrictions:

1. The security must be an obligation of the United States Treasury or one of its agencies that carry the full faith and credit guarantee of the United States for the payment of principal and interest ~~U. S. Treasury Note or Bond, a Federal National~~

~~Mortgage Association (FNMA) debenture, or a Federal Home Loan Bank (FHLB) debenture, or a Negotiable Certificate of Deposit.~~

2. A maximum of thirty percent (30%) ~~twenty-five percent (25%)~~ of the City of Los Alamitos' invested funds can be invested in securities over two years.
3. No securities can be purchased by the City of Los Alamitos with a maturity greater than five years ~~unless matched to a specific cash flow or asset acquisition~~ without the prior approval of the City Council.

E. Investment Authority

~~The Director of Administrative Services/City Treasurer is authorized to make investments on behalf of the City of Los Alamitos. Such investments shall only be limited to the instruments authorized under California Government Code Sections 53601 and 53635 and further described in Appendix A and B.~~

~~All investments of the City of Los Alamitos shall be approved by the Director of Administrative Services/City Treasurer Manager.~~

~~No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Administrative Services/City Treasurer.~~

Officers and employees of the City of Los Alamitos involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the ~~Director of Administrative Services/City Treasurer~~ any material financial interests in financial institutions that conduct business with the City of Los Alamitos, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City of Los Alamitos, particularly with regard to the time of purchases and sales. The ~~Director of Administrative Services/City Treasurer~~ shall make similar disclosures to the City Council. Under no circumstances shall investment officers or employees accept gifts, trips, or any type of gratuity from individuals or institutions engaged in investment practices with the City of Los Alamitos.

F. Transfer of Investment Funds

The transferring of investment funds will be carried out exclusively by use of telephonic or electronic wire transfers. Each entity with which the City does business shall receive, ~~in writing from the Director of Administrative Services/City Treasurer~~, a listing which limits transfers of funds to preauthorized bank accounts only. The listing will also contain the names of City staff authorized to request such transfers and will be updated, in writing, for all changes of authorized staff and bank accounts, as necessary.

G. Deposits

Money must be deposited in state or national banks, state or federal savings associations, or state or federal credit unions in the State of California. It may be in inactive deposits, active deposits or interest-bearing active deposits. The deposits cannot exceed the amount of the bank's, savings and loan's or credit union's paid up capital surplus.

The bank or savings and loan must secure the active and inactive deposits with eligible securities having a market value of 110% of the total amount of the deposits. State law also allows, as an eligible security, first trust deeds having a value of 150% of the total amount of the deposits. A third class of collateral is letters of credit drawn on the Federal Home Loan Bank (FHLB). The investment officer may, at his/her discretion, waive security for that portion of a deposit which is insured pursuant to federal law. Currently, the first \$250,000 400,000 of a deposit is federally insured. It is the City's policy to waive this collateral requirement for the first \$250,000 400,000 because it is possible to receive a higher rate.

~~From time to time certain institutions ask to reduce the existing certificate of deposit from \$100,000 to \$99,000 or \$98,000. The City will not maintain a deposit that is above the FDIC insured level. This will include the accrued interest on the deposit. It is to the City's advantage to reduce the principal deposit to the lower level for full insurance coverage of principal and accrued interest if the financial institution requests the reduction and if there is no penalty assessed for the reduction. If funds are to be collateralized, the acceptable collateral is 110% of the deposit in government securities.~~

H. Permitted Investments

Investments shall be made only in those instruments specifically authorized by California State laws (section 53600-53609), and to no greater an extent than those authorized by those laws.

The City's specific permitted investment guidelines are listed below. It should be noted that City's permitted investments are more restrictive than the State guidelines. A Glossary and a summary of the State of California Statues Applicable to Municipal Investments and js provided in Appendix A and B.

<u>Investment Type:</u>	<u>Maximum Maturity:</u>	<u>Maximum percentage of Portfolio:</u>
U.S. Treasury Bills, Notes and Bonds	5 Years	75 percent
Federal Agency Obligations	5 Years	50 percent 35 percent / Agency

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Certificates of Deposit or Time Deposits* (CD's)	5 Years	50 percent
Local Agency Investment Fund (LAIF)	N/A	100 percent

* Denotes a collateral requirement either initially, or at a pre-determined threshold. Please refer to Collateral section of the Policy for specific requirements.

The following is a list of investments authorized by the California Government Code:

- _____ U. S. Treasury Issues
- _____ Federal Agency Issues
- _____ Certificates of Deposit
- _____ Bankers Acceptances
- _____ Commercial Paper
- _____ Medium Term Corporate Notes
- _____ Negotiable Certificates of Deposit
- _____ Mutual Funds
- _____ Repurchase Agreements
- _____ Reverse Repurchase Agreements
- _____ Local Agency Investment Fund _____ (LAIF)
- _____ County Pooled Funds
- _____ Passbook Savings/Money Market
- _____ Financial Futures/Options

A description of these investments is listed in Appendix A.

The following types of investments can be used by the City of Los Alamitos:

- _____ U. S. Treasury Issues
- _____ Federal Agency Issues
- _____ Bankers Acceptances (Bank rated C or better or A-1 or better)
- _____ Commercial Paper
- _____ Certificates of Deposit (Bank rated C or better or A-1 or better)
- _____ Medium Term Corporate Notes _____
- _____ Negotiable Certificates of Deposit (Bank rated C or better or A-1 or _____ better)
- _____ Local Agency Investment Fund _____ (LAIF)
- _____ Passbook Savings Account
- _____ Money Market Account (AAA _____ rated)
- _____ Repurchase Agreements (Master _____ Repurchase Agreement: 102% _____ collateralized)

State and Federal laws notwithstanding, any investment not specifically described herein including, but not limited to, reverse repurchase agreements, derivatives, options, futures, zero coupon bonds, inverse floaters, range notes, first mortgages or

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trust deeds, collateralized mortgage obligations (CMO's), limited partnerships, real estate investments trusts (REIT's), open-end mutual funds, closed-end mutual funds, mutual funds with a weighted average maturity greater than 180 days, unregulated and/or uninsured investment pools, common stock, preferred stock, commodities, precious metals, securities with high price volatility, limited marketability (less than three active bidders), securities that may default on interest payments and any other speculative investment deemed inappropriate under the Prudent Investor standard are strictly prohibited. In addition, any investment transaction that might impair public confidence in the City of Los Alamitos government is to be avoided.

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The City recognizes diversification is an investment strategy that will mitigate risk in the investment portfolio. The City's investment portfolio shall be diversified to avoid incurring unreasonable and avoidable risks with regard to specific investment types.

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DEPOSITORY SERVICES

Active deposits are demand or checking accounts which receive revenues and pay disbursements.

Interest-bearing active deposits are money market accounts at a financial institution (i.e., bank, savings and loan, credit union). These accounts are demand accounts (i.e., checking accounts) with restricted transaction activity.

Inactive deposits are Certificates of Deposit issued in any amount for periods of time as short as fourteen days and as long as several years. Interest must be calculated on a 360 day basis, actual number of days. ~~The criteria for investments in Certificates of Deposit are described in Appendix B.~~

Passbook savings account is similar to an inactive deposit except not for a fixed term. The interest rate is much lower than Certificates of Deposit, but the savings account allows for flexibility. Funds can be deposited and withdrawn according to daily operational needs.

INVESTMENT SECURITIES

U.S. Treasury Issues are direct obligations of the United States Government. These issues are called bills, notes, and bonds. The maturity range of new issues is from 13 weeks (T-Bills) to 30 years (T-Bonds). These are highly liquid and are considered the safest investment security.

Federal Agency Issues are issued by direct U. S. Government agencies or quasi-government agencies. These issues are guaranteed directly or indirectly by the United States Government. Examples of these securities are Federal Home Loan Bank (FHLB) notes, Federal National Mortgage Association (FNMA) notes, Federal Farm Credit Bank (FFCB) notes, Federal Home Loan Mortgage Corporation (FHLMC) notes, Federal Intermediate Credit Bank (FICB) debentures, Small Business Administration (SBA) notes, Government National Mortgage Association (GNMA) notes, and Student Loan Association (SALLMAE) notes.

Certificates of Deposit are investments for inactive funds issued by banks, savings and loans, and credit unions. Investments of ~~\$250,000~~ \$100,000 are insured respectively by Federal Deposit Insurance Corporation (FDIC), ~~Federal Savings and Loan Insurance Corporation (FSLIC)~~, and the National Credit Union Share Insurance Fund (NCUSIF). Certificates of Deposit can be issued from 14 days to several years in maturity allowing the City investment of funds to be matched to cash flow needs. For

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deposits exceeding ~~\$250,000~~ \$400,000, the financial institution is required to collateralize the investment with 110% government securities. The City does not accept 150% collateral (First Trust Deeds) or 105% Letters of Credit (L.C.).

~~**Negotiable Certificates of Deposit (NCD)** are unsecured obligations of the financial institution. These securities are generally issued in bearer form and pay interest at maturity. Although negotiable, a strong secondary market exists, only in the NCD's issued by the largest United States banks. Examples of large banks include Bank of America, Citibank, Chase Manhattan, Manufacturers Hanover, etc. These securities generally trade with minimum amounts of \$1 million per trade with the average trade in the secondary market of \$5 million.~~

~~**Bankers Acceptances** are short term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at maturity. An acceptance is a high grade negotiable instrument. Acceptances are purchased in various denominations for 30 to 180 days but no longer than 180 days. In order for cities to purchase banker's acceptances, State law requires that the banker's acceptance be eligible for purchase by the Federal Reserve System and maturities to be less than 270 days. The interest is calculated on a 360 day discount basis similar to Treasury Bills. Local Agencies cannot invest more than forty percent (40%) of their surplus money in Bankers Acceptances.~~

~~**Commercial Paper** is a short term unsecured promissory note issued by a corporation to raise working capital. These negotiable instruments may be purchased at a discount to par value or interest bearing. Commercial paper is issued by corporations such as General Motors Acceptance Corporation (GMAC), Shearson American Express, Bank of America, Wells Fargo Bank, etc.~~

~~Local agencies are permitted by state law to invest in commercial paper of "prime" quality to the highest ranking or of the highest letter and numerical rating as provided by Moody's Investor's Service, Inc. or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor exceed fifteen percent of the local agency's surplus funds. An additional fifteen percent (15%) (for a total of 30%) can be invested in Commercial Paper provided the average maturity of invested funds in Commercial Paper does not exceed 30 days.~~

~~**Medium Term Corporate Notes** are unsecured promissory notes issued by a corporation organized and operating in the United States. These are negotiable instruments and are traded in the secondary market. Medium Term Corporate Notes (MTN) can be defined as extended maturity commercial paper. Corporations use these MTN's to raise capital. Examples of MTN issuers are General Electric, GMAC, Citibank, Wells Fargo Bank, etc.~~

~~Local agencies are restricted by the California Government Code to investments in corporations rated in the top three note categories by a single nationally recognized rating service. Further restrictions are a maximum term of five years to maturity and~~

~~total investments in Medium Term Corporate Notes may not exceed thirty percent (30%) of the local agency's surplus money.~~

~~Repurchase Agreements and Reverse Repurchase Agreements are short term investment transactions. Banks buy temporarily idle funds from customers by selling them U. S. Government or other securities with a contractual agreement to repurchase the same securities on a future date. Repurchase Agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal Funds and the maturity of the repo. Some banks will execute Repurchase Agreements for a minimum of \$100,000, but most banks have a minimum of \$500,000. A Reverse Repurchase Agreement (Reverse repo) is exactly what the name implies. The City of Los Alamitos may invest periodically in Repurchase Agreements, but as a matter of policy the City of Los Alamitos does not invest in Reverse Repurchase Agreements.~~

Local Agency Investment Fund (LAIF) is a special fund in the State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum of \$4020 million for any agency. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly by electronic deposit to a designated bank account.

The State keeps an amount for reasonable costs of making the investments, not to exceed one-quarter of a percent of the earnings.

~~County Pooled Funds are similar to the State of California Local Agency Investment Fund (LAIF), but administered by the County of Orange.~~

~~Mutual Funds are referred to in California Government Code Section 53601(k) as "shares of beneficial interest issued by diversified management companies." The Mutual Fund must be restricted by its by-laws to the same investments as the local agency by the California Government Code. These investments are Treasury Issues, Federal Agency Issues, State of California and City (within California) debt obligation, Bankers Acceptances, Commercial Paper, Certificates of Deposit, Negotiable Certificates of Deposit, Repurchase Agreements, Reverse Repurchase Agreements, Financial Futures and Financial Options and Medium Term Corporate Notes. The quality rating and percentage restrictions in each investment category applicable to the local agency also apply to the Mutual Fund.~~

~~A further restriction is that the purchase price of share or mutual funds shall not include any sales commission. Investments in mutual funds shall not exceed fifteen percent of the local agency's surplus money.~~

~~Financial Futures and Financial Options are forward contracts for securities. The California Government Code states that a local agency may incur future contracts/options for any of the investment securities enumerated in Section 53601.~~

~~Due to the volatility of trading in financial futures, the City of Los Alamitos does not invest in financial futures or financial options.~~

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APPENDIX B:

Summary of State of California Statutes Applicable to Municipal Investment

The following investments are authorized by California State Code, Title 5, Division 2, Sections 53600 et seq. and 16429.1.

<u>California Authorized Investments</u>	<u>% Limits & Other Constraints (Key Limitation Summary)</u>
<u>Local Agency Bonds</u>	No Limit
<u>US Treasury Notes, Bonds, Bills</u>	No limit
<u>California State Warrants, Treasury Notes or Bonds</u>	No limit
<u>Bonds, Notes, Warrants of any local agency within the State</u>	No limit
<u>Federal Agency or United States government-sponsored enterprise obligations</u>	No limit
<u>Bankers Acceptances</u>	40% max overall limitation: 30% max in any one commercial bank: 180 days max maturity.
<u>Commercial Paper</u>	A Domestic Corporation Total Assets in excess of \$500 million At Least "A-1" rated commercial paper 25% max overall limitation: 10% investment max in any single issuer No more than 10% of the outstanding amount for any one issuer 270 days max maturity.
<u>Negotiable Certificates of Deposit</u>	Issued by nationally or state-chartered bank, a savings association or a federal association, a state of federal credit union, or a state licensed branch of a foreign bank. 30% max overall limitation
<u>Repurchase Agreements</u>	One Year Term or less Based on code authorized investments 102% underlying security valuation
<u>Reverse Repurchase Agreements</u>	Security subject to repurchase has been owned & fully paid for at least 30 days prior to sale 20% Maximum limitation Agreement does not exceed 92 days

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	Funds received cannot be used to purchase securities with a maturity longer than 92 days
<u>Medium Term Corporate Notes</u>	30% maximum overall investment limitation Maximum remaining maturity of 5 Years Domestic corporations Rated "A" or better
<u>Shares of Beneficial Interest Issued By Diversified Management Companies (Mutual & Money Market Funds)</u>	20% maximum overall portfolio 10% of any one Mutual Fund Based on code authorized investments Money Market Funds registered with the SEC Attained the Highest Ranking by not less than two nationally recognized rating organizations Assets in excess of \$500 million Investment advisor with not less than five years experience
<u>Local Agency Investment Fund</u>	\$40 million Maximum overall investment limit
<u>Other Obligation Valuation Requirements:</u> (m) Promissory notes secured by first mortgages and first trust deeds which comply with Section 53651.2. (p) With the consent of the treasurer, letters of credit issued by the Federal Home Loan Bank of San Francisco which comply with Section 53651.6.	(a) Eligible securities, except eligible securities of the classes described in subdivisions (m) and (p) of Section 53651, shall have a market value of at least 10 percent in excess of the total amount of all deposits of a depository secured by the eligible securities. (b) Eligible securities of the class described in subdivision (m) of Section 53651 shall have a market value at least 50 percent in excess of the total amount of all deposits of a depository secured by those eligible securities. (c) Eligible securities of the class described in subdivision (p) of Section 53651 shall have a market value of at least 5 percent in excess of the total amount of all deposits of a depository secured by those eligible securities.
<u>Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond</u>	20% Maximum overall limitation 5 Years Maximum Maturity "AA" national rating or Higher

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<p><u>Moneys held by a trustee or fiscal agent pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements.</u></p>	<p><u>May be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.</u></p>
<p><u>Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest</u></p>	<p><u>Securities of the types listed by Section 53651 Market value of at least 110% of underlying security value</u></p>
<p><u>Other Code Restrictions & Clarifications</u></p>	<p><u>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.</u></p> <p><u>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity.</u></p> <p><u>No more than 5 percent of the total assets of the investments held by a local agency may be invested in the securities of any one issuer, except the obligations of the United States government, United States government agencies, and United States government-sponsored enterprises. No more than 10 percent may be invested in any one mutual fund.</u></p> <p><u>Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.</u></p>

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APPENDIX B

INVESTMENT CRITERIA FOR FINANCIAL INSTITUTIONS

The City of Los Alamitos requires that each financial institution submit current financial statements which are evaluated by staff prior to the investment of funds. The following criteria are used:

The institution must have been in business at least three years.

The institution must submit audited financial statements.

The institution must have assets of at least \$50 million and a net worth to liability ratio of 3.5% to 1.

Investments of less than 180 days to maturity can use a net worth asset ratio of 3.0% to 1.

Investments in Credit Unions require Equity (net worth) to Asset Value of 5.0%. The loan balance to share draft ratio is compared to industry standards, but should not exceed 90%. The City may invest funds for a period up to 120 days in institutions with a Regular Reserve to Loan Balance ratio of at least 3.25%. For longer periods of time, the ratio must be at least 4.0%.

In addition, examination is made of the Reserve for Loan Losses category to evaluate the financial trend of the institution's asset base. When available, data is evaluated regarding the level of non-performing assets (i.e., loans no

longer paying interest and/or principal in the amount called for in the original contract agreement). Comparison is made of institution ratio values to the industry averages.

Under deposits, if data is available, we track the ratio of \$100,000 certificates of deposit (brokered money) to the total deposit base. A percent greater than 50% is an area of concern.

Whenever possible, the use of several years' financial data is evaluated to present a trend of activity in the institution.

It is also required that interest be paid on a monthly basis; current law only requires quarterly payments. No more than \$100,000 is placed in any savings and loan, small bank, or credit union.

City of Los Alamitos

Sample Investment Report

Institution Name	Maturity Date	Cost	% of Portfolio	Yield %	Annual \$
2-5 Year Maturities					
Federal Agency Obligations					
FHLMC xxxxxxxx	3/8/2017	500,000	6.2%	1.18%	5,900
FNLB xxxxxxxx	3/11/2016	500,000	6.2%	0.84%	4,200
Certificates of Deposit (CDs)					
Discover Bk. FDIC#5649	3/21/2017	248,000	3.1%	1.60%	3,968
Goldman Sachs Bk FDIC#33124	3/21/2017	248,000	3.1%	1.60%	3,968
Southland Credit Union	3/21/2017	248,000	3.1%	1.45%	3,596
Ally Bk FDIC#57803	3/21/2016	248,000	3.1%	1.15%	2,852
Safra Natl Bk FDIC#26876	3/23/2016	200,000	2.5%	1.00%	2,000
U.S. Bank	4/16/2015	208,000	2.6%	1.14%	2,371
Sub-Total		2,400,000	29.6%	1.20%	28,855
1-2 Year Maturities					
Federal Agency Obligations					
FHLMC xxxxxxxx	3/21/2014	1,000,000	12.3%	0.40%	4,000
Certificates of Deposit (CDs)					
Doral Bk. FDIC#32102	3/26/2014	248,000	3.1%	0.60%	1,488
Chase	3/21/2014	248,000	3.1%	0.50%	1,240
Sub-Total		1,496,000	18.5%	0.45%	6,728
0-1 Year Maturities					
Local Agency Investment Fund (LAIF)	On Demand	4,000,000	49.4%	0.36%	14,400
Bank of America Money Market Accts	On Demand	204,000	2.5%	0.00%	-
Sub-Total		4,204,000	51.9%	0.34%	14,400
Total		8,100,000	100.0%	0.62%	49,983

City of Los Alamitos

Agenda Report Discussion Items

April 2, 2012
Item No: 10B

To: Mayor Troy D. Edgar & Members of the City Council

Via: Angie Avery, City Manager

From: David L. Hunt, City Engineer
Steven A. Mendoza, Director of Community Development

Subject: Summary of Alley Related Safety Measures Since 2010

Summary: Complaints were received about speeding in the alley between Katella Avenue and Green Avenue, from Noel Street to Lexington Drive. Several speed surveys were completed; speed limit signs and caution children signs were posted; white stops bars were painted at the entrances and exits of the alleys; and test speed humps were installed. The average speed was 15 to 17 miles per hour (mph) before the speed humps were installed, which is 0 - 2 mph more than the speed limit. The speed humps did slow the traffic down by only 1 mph on average. The Traffic Commission and staff, feel the existing speeds driven down the alley, with an average speed of 15 to 17 mph are acceptable and find it is difficult to justify \$1,500 for each permanent additional speed hump. Increased police presence could be used to slow down the small percentage of speeders in the alley.

Recommendation: Review the staff report and direct staff accordingly.

Background

Staff has received complaints that drivers are speeding down alleys and are making it unsafe for pedestrians. Other factors contributing to the unsafe conditions in the alleys are children playing near the alley and in back parking areas behind apartments/homes adjacent to the alley. There are also numerous obstructions along these alleys; from trash cans, walls, parked cars, garages and telephone poles, that make it difficult to see small children and adults. Speed limit signs are typically not posted in alleys and not all drivers are aware that the Prima Facie speed limit for an alley is 15 mph.

A resident at the City Council Meeting on May 17, 2010, requested speed limit signs and anything else that could be done to make the alleys in the Apartment Row neighborhood safer. This item went to the Traffic Commission on June 6, 2010, and the Traffic Commission recommended the following:

- Conduct a speed survey in the Apartment Row neighborhood alley.
- Install four (4) speed limit (15 MPH) signs in a test alley between Katella Avenue and Green Avenue, from Lexington Drive and Noel Street.

- Increase police patrol in the area.

At its July 6, 2010, meeting, City Council approved the above recommendations, which have all been completed. The City Engineer assigned Hartzog and Crabill, Inc., to do a speed survey for this test alley, under existing conditions. The speed survey was completed on July 13, 2010; from 11:15 am to 12:15 pm, median speed at the west end was 16.3 mph, and the 85th percentile speed was 18.5 mph. The east end was surveyed from 1:00 pm to 2:00 pm, with the median speed being 15.3 mph, and the 85th percentile speed being 17.6 mph.

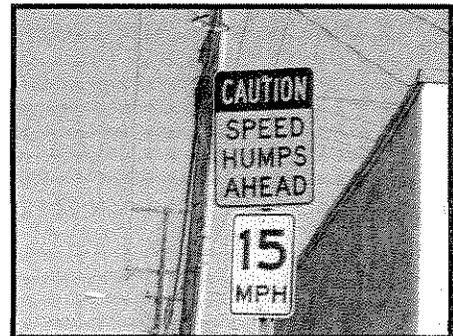
At the same meeting the City Council requested the Traffic Commission to:

- Make recommendations on how to improve alley safety throughout the City.
- Invite Police, Fire, and Ambulance services to attend the Traffic Commission meeting.

At the July 14, 2010, Traffic Commission meeting the above items were discussed and the Traffic Commission recommended placing alley speed limits signs for the remaining alleys on the Capital Improvement Project (CIP) list for Fiscal Year 2011/12, at an estimated cost of \$10,000. Staff incorporated this request in the Fiscal Year 2011/12 CIP list in May, 2011.

At the City Council meeting on June 20, 2011, the City Council changed the Capital Improvement Project for placing speed limit signs in all the alleys, to doing a pilot speed hump project in one alley, to see if it would reduce the speeding and make the alley safer.

At the Traffic Commission meeting on July 13, 2011, the Commission voted to invest in a speed study of at least a 24-hour period of time, longer if possible, in the alley both before, and after the speed humps were installed (between Katella Avenue and Green Avenue, from Noel Street to Lexington Drive), at a maximum cost of \$1,000.



'Before' Speed Humps Installation Base Conditions

At the Traffic Commission meeting on October 12, 2011, the results of the 'before' speed study were discussed.

The 'before' speed hump speed survey for the test alley behind Katella Deli was done from Monday, September 12, through Sunday, September 18, 2011. The test ran 24-hours per day for seven (7) days, under existing conditions without any speed humps in the alley. The speed data showed that the 50th percentile speed varied from 15 mph to 17 mph. The alley speed limit is 15 mph. The 85th percentile speed varied from 20 mph

to 23 mph. The alley averaged 400 cars per day, with two (2) to five (5) cars per day driving faster than 30 mph.

'After' Speed Hump Installation

At the Traffic Commission meeting on November 14, 2011, the results of the speed survey 'after' speed installation were discussed.



The two speed humps were installed and a final speed survey was conducted two weeks after they were installed. As shown in the table below, the speeds in the alley generally dropped by one (1) mph after the installation of the speed humps. The speed survey was conducted at the midpoint between the two speed humps. Generally, speeds are reduced near the speed hump; although speeds can vary dramatically between speed humps as drivers may become irritated or

try to make up for lost time by accelerating right after they cross the speed hump.

Attached is data provided by our Traffic Engineer for the 'before' and 'after' speed hump installation speeds.

Day of Week	Direction	Speeds Before Installation of Speed Humps (mph)		Speeds After Installation of Speed Humps (mph)	
		50th Percentile	85th Percentile	50th Percentile	85th Percentile
Monday	EB	15	20	15	20
	WB	16	20	15	20
Tuesday	EB	16	22	15	20
	WB	16	21	15	20
Wednesday	EB	16	22	15	20
	WB	17	22	16	20
Thursday	EB	16	21	15	20
	WB	16	21	14	19
Friday	EB	16	20	15	21
	WB	15	20	14	19
Saturday	EB	17	23	16	22
	WB	17	23	16	21
Sunday	EB	16	20	16	22
	WB	17	22	15	20
Range		15-17	20-23	14-16	19-22

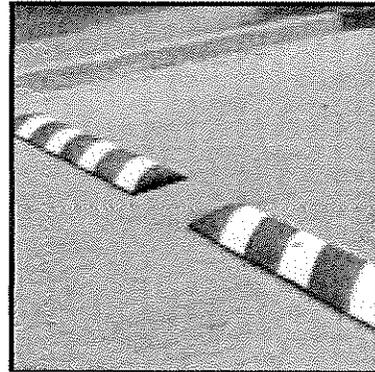
The following options were discussed at the Traffic Commission meeting:

1. Do nothing. Speed limits are within normal ranges expected in alleys.
2. Recommend 15 mph speed limit signs be placed in all the alleys in the City.
3. Recommend 15 mph speed limit signs and speed humps be placed in all the alleys in the City.

4. Report that speed humps did not slow the traffic down to an acceptable level, recommend that narrower and taller speed bumps be placed in the test alley, and redo the study.



Speed Hump

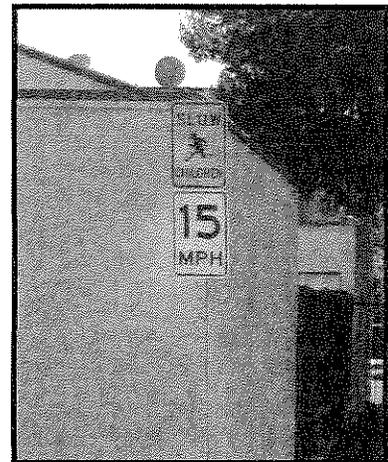


Speed Bump

5. Adding additional signs and painting white stop bars at the entrance and exists of the alley.

At the December 14, 2011, the Traffic Commission recommended the following motions:

1. Motion to move the western speed hump to a location in the alley where no resident's bedroom was directly adjacent to it. Motion carried unanimously.
2. Motion to install 'Caution Children' and '15 MPH' signs at both exits from the commercial areas (Katella Deli and Weinershnitzel) into the alley. Motion unanimously carried.
3. Conduct a speed survey to check speeds in the alley one week after installation of recommended signage. Motion unanimously carried



In January 2012, additional signs were installed, alleys were painted with a white line entering and exiting the alley at each end, and at Katella Deli and Weinershnitzel parking lot entrances to the alley. Code Enforcement asked Weinershnitzel to trim plants on their property that were reducing visibility for people trying to enter the alley.

Discussion

It is important to note that this is not the first time that the City Council has dealt with this issue of speed humps. Based on discussions with past staff members, it appears that the City actually installed, and subsequently removed, speed humps in the Carrier Row neighborhood in the 1970s. The removal was apparently due to complaints from residents. In July 2001, a staff report recommending the feasibility of adopting a speed hump policy to control traffic circulation in residential streets was presented to the City Council, also at the request of the Traffic Commission. At that time, staff was directed to spend up to \$5,000 to conduct a study. However, at the August 2001, City Council meeting, the Council subsequently rescinded that vote.

The Traffic Calming Study and Implementation Plan for the City of Los Alamitos, (December, 2004) acknowledges that the City Council has, in the past, decided not to develop guidelines or procedures for the use of speed humps in the City. Therefore, speed humps are not currently used in the City of Los Alamitos. Furthermore, communication from the Orange County Fire Authority (OCFA) indicates they do not look favorably on speed humps (Attachment 5). However, it should be noted that the OCFA does evaluate each request in the localized area as to the impacts to their emergency response times.

While speed humps have been shown to reduce speeds in the vicinity of the speed hump installation, there are several disadvantages associated with the use of roadway design features, particularly speed humps. Whatever the percentage of drivers exceeding the residential Prima Facie speed it should be noted that nearly 100 percent of drivers on a roadway will be subjected to speed humps, if installed.

1. Studies of emergency response vehicles show delays of 2 to 9 seconds where encountered at each speed hump depending on the type of emergency vehicle.
2. Installation of speed humps on a roadway is likely to impact adjacent roadways with diverted traffic and could simply transfer the speeding problem.
3. Generally speeds are reduced near the speed hump installation although the speed can vary dramatically between speed humps as drivers may become irritated or try to make up for lost time.

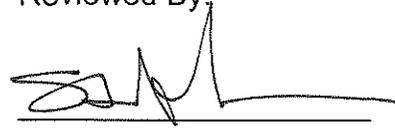
The Traffic Commission believes that the existing test speed humps do not need to be replaced with the speed bumps (narrower and taller than speed humps) to slow the vehicles down. The Commission was even hesitant to install the test speed humps in the alley after the first seven (7) day speed survey was completed because the average speed was only 15 to 17 mph, which is 0 - 2 mph more than the speed limit. The speed humps did slow the traffic down by only 1 mph on average. The Traffic Commission and staff feel the existing speeds driven down the alley, an average speed of 15 to 17 mph, are acceptable and it is difficult to justify the \$1,500 for each permanent additional speed hump. Increased police presence could be used to slow down the small percentage of speeders in the alley.

Prepared By:



David L. Hunt, PE
City Engineer

Reviewed By:



Steven A. Mendoza
Director of Community Development

Approved By:



Angie Avery
City Manager

- Attachments:*
- 1. Letter delivered to residents that live on the south side of the alley*
 - 2. E-mail received October 16, 2011*
 - 3. Letter received on December 8, 2011*
 - 4. E-mail received on January 10, 2012*
 - 5. Letter from Orange County Fire Authority dated September 13, 2007*

CITY OF LOS ALAMITOS



Mayor:
Ken Stephens

Mayor Pro Tem:
Troy D. Edgar

Council Members:
Warren Kusumoto
Geri L. Graham-Mejia
Marijynn M. Poe

City Manager:
Jeffrey L. Stewart

December 7, 2011

SUBJECT: Safety in the Alley Between Katella Avenue and Green Avenue, From Noel Street to Lexington Drive

Dear Residents:

You are invited to attend the December 14, 2011 Traffic Commission meeting. The Traffic Commission will be discussing safety in the alley between Katella Avenue and Green Avenue, from Noel Street to Lexington Drive.

At their July 13, 2011 meeting, the Traffic Commission recommended installation of speed humps in the subject alley as a pilot speed hump project to see if it would reduce speeding and make the alley safer. At that time, the Commission also recommended that a study to monitor vehicle speeds before and after installation of the speed humps be conducted. The studies have been completed, and the Traffic Commission will be discussing the results of the studies, and further recommendations for alley safety in the subject alleys.

The meeting will be held at the following time and location:

December 14, 2011, 7:00 P.M.
City of Los Alamitos Council Chambers
3191 Katella Avenue
Los Alamitos, CA 90720

Your comments are welcome and will be taken into consideration by the Commission in their review of this matter. If you cannot make it to the meeting please email me at dhunt@ci.los-alamitos.ca.us or call and leave a message at 562-431-3538, ext. 110. I will forward all comments to the Traffic Commissioners at the meeting.

Very truly yours,

David L. Hunt, P.E.
City Engineer

3191 Katella Avenue
Los Alamitos, CA
90720-5600

Telephone:
(562) 431-3538

FAX (562) 493-1678

www.ci.Los-Alamitos.ca.us

Dave Hunt

From: [REDACTED]
Sent: Sunday, October 16, 2011 3:34 PM
To: Dave Hunt
Subject: Alley Speed Hump Project

I would like to applaud your efforts for trying to reduce the traffic speed in the alley behind where I live however, I would like to voice my opinion with regard to the project.

As a long time resident of Green Ave, I have had to contend with the customers, primarily from the Katella Deli, treating the alley as a main thoroughfare. But the deli was here before me and with limited vehicular access to it, this is just something that I have learned to live with.

I feel that I can speak for the vast majority of people that reside on the north side of Green Avenue when I say, because of the numerous blind spots (garages, block walls, shrubbery, etc), **we** know how to proceed down the alley with caution. I feel I cannot say the same for the patrons that utilize the entire parking lot located on Katella Avenue.

Almost daily, I encounter a near miss coming home (trying to get to my garage) when someone exits the parking lot on the west end (near Der Weinerschnitzel) without stopping before entering the alley. The bushes are high so it's difficult to see a low profile car already in the alley when one is exiting the lot at this point. While the vehicle code says that one should stop before entering, all too often that code is broken. I am certain that one of these days my number will be up I will be hit. The same holds true for the exit of the parking lot near the deli. There have been numerous accidents at that point, all the result of someone exiting the parking lot (failure to yield) and not because of the speed of a vehicle already in the alley.

These speed humps appear to have little or no consequence in reducing the rate of speed in this alley. They do not have the same effect as the typical speed **bumps** that are installed in places like a shopping mall parking lot. They are barely felt when you pass over them. If you REALLY wish to slow traffic down in the alleys of Los Alamitos, then speed **BUMPS** should be installed instead of these decorative icons.

It should be noted that having placed a speed hump directly after the exit of the deli parking lot is futile. Cars exiting the parking lot have not had the opportunity to increase their rate of speed and placing the only other speed hump at such a great distance from the first one, a vehicle can (and does) easily increase to an unsafe rate of speed.

Refuse trucks cause a considerable amount of damage to the roadways of the alleys. To insure the safety of the public as well as reduce property damage, I think our tax dollars would be better utilized in simply maintaining the alleys by repairing the potholes and keeping the shrubbery to a minimum.

[REDACTED]

December 8, 2011

Traffic Commission
City of Los Alamitos
3191 Katella Avenue
Los Alamitos, CA 90720

Dear Sirs:

As of this past November 27, I have lived at [REDACTED] Green Avenue for 20 years. My residence is located immediately behind one of the two speed "hump/bump" sets that were installed in the Katella/Green alley sometime in early October of this year. My family has been very negatively impacted by those bumps/humps and this letter is to describe to you the problems that we have been having with those bumps/humps.

As a brief foundation for my following comments, let me say that I have a long-time connection to this city. I have lived in Los Alamitos since 1986 and my father had a business in this city in the 1960's and early 1970's until he died in 1972.

On October 20, 2011, I visited City Hall and spoke with Mr. David Hunt, City Engineer, and described some of the problems we had been having since the installation of those bumps. I was informed by him that these bumps were installed as something of an "experiment" to see if they could cause traffic (which he told me was about 400 vehicles per day going through that alley) to slow down. I was also told that the bumps might not be permanent and that there would be a couple of meetings coming up to consider whether or not placing permanent speed bumps in some of the alleyways of this city would be feasible.

As I mentioned, our residence is located immediately over those bumps -- no more than a couple of feet away. I have not noticed any other residences in our immediate area that are in such close proximity to the alley as our unit is. Since we have lived here, we have always experienced a somewhat high level of noise and have tolerated it because of other advantages to living in this specific spot. However, the addition of the bumps has increased the noise level to where it is now intolerable.

My grandson, who lives with me, has been diagnosed as having Asperger's Syndrome, which is a type of Autism. Among the characteristics of "Asperger's kids," is a hypersensitivity to things like bright lights; clothing material that feels itchy or rough on their skin; and odors that the "normal" person is not aware of most of the time.

Among my grandson's worst hypersensitivities are loud and sudden noises. As of one year ago, we had to pull him out of school and I have been home schooling him since that time. This means he is at home most of each day, which also means that he is subjected to the intensely increased noises all day, and for him, with his condition, it has made his life just that more difficult. Not only has my grandson become more "jumpy" and nervous since the placement of the speed bumps, but I have as well -- and made more so by *his* increased nervousness.

Let me provide an example of an injury incident that occurred that was directly related to the "new noise level:" One morning, about four days after my visit to City Hall, my grandson and I were downstairs working on home-school projects. All of a sudden we heard what sounded like a loud vehicle and a very loud crash and glass falling all over the place. He jumped up, put his hands over his ears, and started screaming. I jumped up and started to run upstairs to look out the back window to see what on earth had happened. I never found out what the noise was because I never made it upstairs. My grandson was running right behind me and his foot kicked my foot and rammed it into the stairs causing me to suffer a broken "big" toe on my right foot. As you might imagine, this has not made my life any easier or less painful, and I am certainly no happier about the increased noise level resulting from those bumps. As I write this letter, my foot is still bruised; it still hurts and it is still difficult to walk. I believe that I can accurately state that those bumps have caused at least one injury.

Listed below is a sample of the additional noises to which we are now subjected on a daily and nightly basis:

- squeaky shock absorbers
- squeaky brakes;
- jake-brakes -- on trash trucks and big semis;
- engine acceleration -- made worse by cars with noisy mufflers;
- engine deceleration -- made worse by cars with noisy mufflers;
- gears shifting, both to slow down and then to speed up;

- banging noises from loads in trucks;
- bumping noises when heavy trucks go over the bumps -- made worse when those are the kind of trucks with several sets of wheels!

I have had time over the past few weeks to observe that even if the bumps would be relocated and placed a few doors down (in either direction), there will still be the same noise problems for us given our extremely close proximity to the alley. For those cars/trucks that do slow down, I would still hear screeching brakes, squeaky shocks, accelerating/decelerating gears and other assorted noises.

In addition to increased noise issues, I have begun to suspect that we are also being subjected to increased levels of vehicle pollutants as well. When a vehicle accelerates, I suspect that their exhaust systems emit a greater level of pollutants until the speed has leveled off. With traffic levels of approximately 400 vehicles per day that travel down this section of the Green/Katella "alley system," some of which are diesel-fueled, I believe that could represent quite a bad health risk. Over the past handful of weeks, I have developed a cough that I cannot seem to be able to get rid of and I have begun to suspect that the added pollutants to which I am being exposed could be the cause.

I understand that the issue that generated the placement of these bumps in the alley is a concern for safety of children who play in the alley. I do not wish to be placed in the position of having to say that my issues are more important than that issue -- it is a faulty dilemma - - neither situation is good.

My grandson has lived here since he was born, now 10-1/2 years ago. I have NEVER allowed him to play in our carport area. I cannot understand the logic of people who allow their children to play in carport AND alley areas. In days gone-by, this area may have been safer. As I mentioned to Mr. Hunt, I used to ride my horse on Katella years ago!! The horse was boarded at Lloyd's Stables across from the race track. Imagine what would happen today if I rode a horse down Katella!!!

Time has changed this area -- significantly, drastically! There used to be cattle; chickens (and accompanying egg ranches on Cerritos and Katella -- where my mother bought our very fresh and wonderful-tasting eggs!); agriculture (radishes; carrots; strawberries; and wonderfully fragrant orange groves) almost the entire way down toward Disneyland (and I can remember the day Disneyland was

opened -- it also did not used to be here). There was hardly any traffic -- even the 605, 405 and 22 Freeways were not here then!! And some of the roads that are now main thoroughfares were dirt roads -- very muddy when it rained and cars would get stuck in the mud. Now look at the area -- non-stop businesses and very heavy traffic down the entire stretch of Katella.

There is a level of personal responsibility that is required here -- parents need to mitigate their damages -- they have no business allowing their kids to play in a carport with open access to a heavily-travelled alley. And a speed bump system, placed immediately behind a residence, is absolutely not a feasible solution -- "Locals" still go sailing at a good clip down the alleyway!

Because of my discussion with Mr. Hunt, wherein he informed me that the bumps were an experiment, our family has tolerated the problems. However, at this point, for the significant reasons described in this letter, I am requesting that the speed bumps be removed right away. Not only have they been a source of intensely increased discomfort for us (and one injury, so far), but also, I do not think they have solved any problems. (And, I hope that when the bumps are removed, the cement can be brought back to the level where it was before bolts were drilled into it so that we do not experience cracks or other related deterioration in the cement -- I lived here in the mid-1990's when this alley was paved which made a tremendous improvement in our drive to our home.)

Thank you for your consideration of my request. If you need to speak to me, I can be reached between 10:00 AM and 4:00 PM at:

[REDACTED]

Respectfully,

[REDACTED]

PS: I am requesting that my name and address remain anonymous if this letter is publicized or published in any way. Thank you.

✓c: David Hunt, City of Los Alamitos, City Engineer

Attachment: "Community Development Department Neighborhood Preservation Division Investigation Request Form."

Dave Hunt

From: [REDACTED]
Sent: Tuesday, January 10, 2012 5:05 PM
To: Dave Hunt
Subject: Speed Bumps - Katella-Green Alley - Additional, Serious Problem

Dear Mr. Hunt,

On December 14, 2011, I went to the City of Los Alamitos reception area and submitted a letter to the Traffic Commission, and a copy of that letter to you, detailing my concerns and issues with the speed bumps installed in the Katella-Green alley right behind the unit where I live [REDACTED]

Since the time that I delivered that letter, I have found that I need to provide an update describing an additional, and potentially very serious, problem of which I recently became aware.

Over the recent school holiday, when students were out of school for a couple of weeks, I became aware that a handful of kids seem to have discovered that the speed bumps, small though they are, make a great place run their skateboards!!

Aside from added noise generated by the skateboards, the far greater concern is that the very bumps that were placed in the alley to protect kids are now a dangerous enticement, or attractive nuisance, for kids.

I might also mention at this time, that for years local kids have been using the steps that lead from the alley to the 7-11 store area as a wonderful area to jump their skateboards. Now, they have just one more added attraction for their skateboarding activities and it happens to be in the area immediately behind my residence.

One final thought about this latest concern: I have no idea who the kids are or where they live, and not only do I not have the time, energy, or desire, to stand out in the alley 24-7 to be a watch-dog, but also, I absolutely do not want to be put into such a position (by default because my residence is immediately behind the bumps) where I am made to feel that I should have to be the one to go out and tell those kids not to play there for their safety. I would lose sleep at night worrying that one (or

more) of them might come back at night, or any other time for that matter, and do some "justice" on one of our cars or the property in retaliation!!

Due to other issues with which I must contend, I will not be able to attend the upcoming Traffic Commission meeting and I would appreciate it if you would provide the members of the Traffic Commission with a copy of this email. And as I requested in my previous communication to you and the Commission, I would appreciate it if you would please keep my name anonymous in any public communications regarding this matter.

Thank you for your consideration of my concerns about the on-going problems that the speed bumps have been causing. I hope you and the Traffic Commission will be able to do something very, VERY soon to solve these on-going and seemingly never-ending speed-bump-related problems.

Sincerely,

[Redacted signature]

4 [Redacted address]

[Redacted address]

562 [Redacted address]

SEP 18 2007



ORANGE COUNTY FIRE AUTHORITY

PO Box 57115, Irvine, CA 92619-7115 • 1 Fire Authority Road, Irvine, CA 92602

Planning and Development Services www.ocfa.org (714) 573-6100 / Fax (714) 368-8843

September 13, 2007

Derek Wieske, P.E.
 Director of Public Works/City Engineer
 City Of Los Alamitos
 3191 Katella Avenue
 Los Alamitos, CA 90720-5600

SUBJECT: Orange County Fire Authority (OCFA) position on the installation of speed humps on private and public streets

Dear Mr. Wieske:

This letter is written to follow up on your conversation with Assistant Fire Marshal Dianne Parker on September 5, 2007 pertaining to speed hump installations within the City. I wanted to use this opportunity to express OCFA's concerns regarding the installation of speed humps.

OCFA reviews speed hump proposals against a 5-minute time frame criterion. This criterion is intended to allow OCFA to continue to meet department sanctioned emergency response goals. Studies have shown that for every speed hump installed emergency response times are increased by 10 seconds. During emergency response calls, every second counts. Lost seconds can be life threatening to those depending on our emergency services.

OCFA frequently receives requests for the installation of speed humps. We've established procedures to determine the impact on response-time goals. When an installation is requested through the OCFA Planning & Development Services Section, the fire station nearest the street or area in question performs a simulated emergency response timed trial. The data resulting from these tests provide staff with the realistic impact of the proposed speed hump installation, which in turn allows staff to provide a response to the proponent.

OCFA does not believe that speed humps are the best method to control vehicle speeds. Their affect upon emergency response activities directly impact service delivery within the communities we serve. If you have any questions, please contact me at (714) 573-6101.

Respectfully,


 Brett Petroff
 Deputy Fire Marshal