

August 30, 2006

Honorable Mayor and Members of
the Hermosa Beach City Council

Regular Meeting of
September 12, 2006

RESOLUTION APPROVING AND ADOPTING AGREEMENT FOR RECEIVING STP-L FUNDS FOR PAVEMENT REHABILITATION OF 21ST STREET: ARDMORE AVENUE TO PROSPECT AVENUE; HERMOSA AVENUE: 26TH STREET TO 35TH STREET; LONGFELLOW AVENUE: MANHATTAN AVENUE TO INGLESIDE AVENUE

Recommendation:

It is recommended that the City Council adopt the attached resolution entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, APPROVING AND ADOPTING THE ADMINISTERING AGENCY-STATE MASTER AGREEMENT NO. 07-5155 AND PROGRAM SUPPLEMENT AGREEMENT NO. 002-M FOR PROJECT STPL-5155 (005) PAVEMENT REHABILITATION OF 21ST STREET: ARDMORE AVENUE TO PROSPECT AVENUE; HERMOSA AVENUE: 26TH STREET TO 35TH STREET; LONGFELLOW AVENUE: MANHATTAN AVENUE TO INGLESIDE AVENUE."

Background:

On August 24, 2005, Staff requested that Caltrans allocate \$55,000 of Local Assistance Funding to begin engineering for CIP 05-119 Street Improvements - Pavement Rehabilitation of 21st Street: Ardmore Avenue To Prospect Avenue; Hermosa Avenue: 26th Street To 35th Street; and Longfellow Avenue: Manhattan Avenue To Ingleside Avenue.

On August 17, 2006, Staff received notification from Caltrans that the request has been approved and that this project is programmed in the 2007 Surface Transportation Program – Local (STPL).

Under the terms for receiving the grant, City Council must approve, by Resolution, the Administering Agency-State Master Agreement No. 07-5155 and Program Supplement Agreement No. 002-M. Further, alterations should not be made to agreement language or funding.

The proposed work has been identified as Project No. CIP 05-119, and has been budgeted for fiscal year 2006-07. Total project cost is estimated to be \$850,000 which includes the City's share of \$88,000. Staff will submit an "Authorization to Proceed with Construction" to Caltrans in order to obligate the remaining \$707,000 needed for construction.

Fiscal Impact:

Upon receiving the fully executed agreement, the City can begin encumbering against these funds (account number 150-8119-4201)..

Attachments: Draft Resolution Agreement

Respectfully submitted,

Concur:

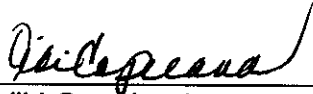


Frank Senteno, P.E.
Associate Engineer



Rick Morgan, P.E.
Director of Public Works/City Engineer

Noted for Fiscal Impact:



Viki Copeland
Finance Director



Stephen Burrell
City Manager

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SECTION 3. Authorizes the Director of Public Works, as agent of the City of Hermosa Beach, to conduct all negotiations and to execute and submit all documents including, but not limited to, applications, amendments, payment requests and so forth, which may be necessary for the completion of Project STPL-5155 (005).

PASSED, APPROVED and ADOPTED this 12th day of September, 2006.

MAYOR of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

City Clerk

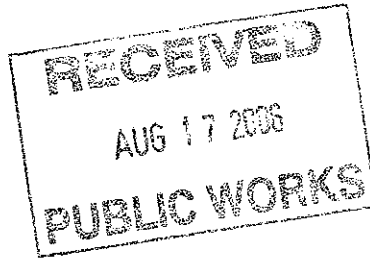
City Attorney

DEPARTMENT OF TRANSPORTATION

Division of Local Assistance
 1120 N STREET
 P.O. BOX 942874, MS# 1
 Sacramento, CA 94274-0001
 TDD (916) 654-4014
 (916) 654-3151
 Fax (916) 653-7621

August 14, 2006

Mr. Harold C. Williams
 Director of Public Works
 City of Hermosa Beach
 1315 Valley Drive
 Hermosa Beach, CA 90254



FRONT



File : 07-LA-0-HMB

STPL-5155(005)

21st St: Ardmore Ave to Prospect
 Ave; Hermosa Ave: 26th St to 35th
 St; Longfellow Ave: Manhattan Ave t

Dear Mr. Williams:

Enclosed are two originals of the Program Supplement Agreement No. 002-M to Administering Agency-State Agreement No. 07-5155 and an approved Finance Letter for the subject project. Please retain the signed Finance Letter for your records.

We have included two new special covenants that allow any funding for future phases of this project be encumbered upon approval of the "Request for Authorization" and Finance Letter. The Program Supplement Agreement need not be revised for that purpose. **However, please note that federal funding will be lost if you proceed with future phase(s) of the project prior to getting the "Authorization to Proceed" with that phase.**


Please review the covenants and sign both copies of this Agreement and return both to this office, Office of Project Implementation - MS1 within 60 days from the date of this letter. If the signed Agreements are not received back in this office within 60 days, funds will be disencumbered and/or deobligated. Alterations should not be made to the agreement language or funding. Attach your local agency's certified authorizing resolution that clearly identifies the project and the official authorized to execute the agreement. A fully executed copy of the agreement will be returned to you upon ratification by Caltrans. No invoices for reimbursement can be processed until the agreement is fully executed.

In accordance to Government Code 16304, Federal funds appropriated by the State budget are available for liquidation only for seven years and the State funds are available only for five years. The attached Finance Letter shows these deadlines as the "Reversion Date". Please ensure that your invoices are submitted at least 60 days prior to the reversion date to avoid any lapse of funds. If your agency is unable to seek reimbursement by this date you may request an extension through a Cooperative Work Agreement (CWA). A CWA is subject to the final approval of the State Department of Finance. If approved, the CWA may extend the deadline for up to one year for federal funds and up to three years for State funds.

Please note that Government Code 16304 does not supersede any other more restrictive expenditure deadlines.

Your prompt action is requested. If you have questions, please contact your District Local Assistance Engineer.

Sincerely,

for 
 DENIZ ANBIAH, Chief
 Office of Project Implementation
 Division of Local Assistance

Enclosure

c: DIA AE Project Files
 (07) DLAE - Kirk Cessna

DEPARTMENT OF TRANSPORTATION
 DIVISION OF ACCOUNTING
 LOCAL PROGRAM ACCOUNTING BRANCH

FINANCE LETTER

Date: 08/14/2006
 Agency: 07-LA-0-HMB
 Project No: STPL-5155(005)
 EA No: 07-932761

Attention: City of Hermosa Beach

FINANCE ITEMS	TOTAL COST OF FEDERAL PART. WORK	FED. REIMB %	FEDERAL L230	LOCAL
Plans, Specifications & Estimates	\$62,126	88.53	\$55,000	\$7,126
R/W Acquisition	\$0	.00	\$0	\$0
Construction	\$0	.00	\$0	\$0
Totals:	\$62,126		\$55,000	\$7,126

Fed. Partic: 100.00% This Finance Letter was created based on specific financial information provided by the responsible local agency. The following encumbrance history is prepared by Local Assistance Accounting Office and is provided here for local agency's information and action.

Signature: 
 Title: HQ Area Engineer

For questions regarding finance letter, contact:
 Printed Name: Albert Soares
 Telephone No: (916) 653-7140

Remarks: This FL is based on the City's FL dated 12/12/05.

ACCOUNTING INFORMATION - STPL-5155(005)						
Fund	Program	Fed/State	Encumbrance Amount	Approp Year	Expenditure Amount	Reversion Date
06DH	L.A. STP-MINALLOC-DB	F	\$55,000	2005	\$0	06/30/12

PROGRAM SUPPLEMENT NO. M002
to
ADMINISTERING AGENCY-STATE AGREEMENT
FOR FEDERAL-AID PROJECTS NO. 07-5155

Date: August 04, 2006
Location: 07-LA-0-HMB
Project Number: STPL-5155(005)
E.A. Number: 07-932761

This Program Supplement hereby incorporates the Administering Agency-State Agreement for Federal Aid which was entered into between the Administering Agency and the State on 06/06/01 and is subject to all the terms and conditions thereof. This Program Supplement is executed in accordance with Article I of the aforementioned Master Agreement under authority of Resolution No. _____, approved by the Administering Agency on _____ (See copy attached).

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

PROJECT LOCATION:

21st St: Ardmore Ave to Prospect Ave; Hermosa Ave: 26th St to 35th St; Longfellow Ave: Manhattan Ave to Ingleside Ave

TYPE OF WORK: AC Overlay and PCC sidewalk, curb and gutter replacement and infiltration b **LENGTH:** 0 (MILES)

Estimated Cost	Federal Funds		Matching Funds		
	L230	\$55,000.00	LOCAL		OTHER
\$62,126.00			\$7,126.00	\$0.00	\$0.00

CITY OF HERMOSA BEACH

STATE OF CALIFORNIA

Department of Transportation

By 

By _____

Date 8.30.06

Chief, Office of Project Implementation
Division of Local Assistance

Attest _____

Date _____

Title Public Works Director

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

Accounting Officer  Date 08.07.06 \$55,000.00

Chapter	Statutes	Item	Year	Program	BC	Category	Fund Source	AMOUNT
38	2005	2660-102-890	2005-2006	20.30.010.810	C	262040	892-F	55,000.00

STPL-5155(005)

SPECIAL COVENANTS OR REMARKS

1. The ADMINISTERING AGENCY will advertise, award and administer this project in accordance with the most current published Local Assistance Procedures Manual.
2. All project repair, replacement and maintenance involving the physical condition and the operation of project improvements referred to in Article III MAINTENANCE, of the aforementioned Master Agreement will be the responsibility of the ADMINISTERING AGENCY and shall be performed at regular intervals and as required for efficient operation of the completed project improvements.
3. The ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act and OMB A-133 if it receives a total of \$500,000 or more in federal funds in a single fiscal year. The federal funds received under this project are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205, Highway Planning & Research. OMB A-133 superceded OMB A-128 in 1996. A reference to OMB A-128 in a Master Agreement (if any) is superceded by this covenant to conform to OMB A-133.
4. The ADMINISTERING AGENCY agrees that payment of Federal funds will be limited to the amounts approved by the Federal Highway Administration (FHWA) in the Federal-Aid Project Authorization/Agreement or Amendment/Modification (E-76) and accepts any resultant increases in ADMINISTERING AGENCY funds as shown on the Finance Letter, any modification thereof as approved by the Division of Local Assistance, Office of Project Implementation.
5. Award information shall be submitted by the ADMINISTERING AGENCY to the District Local Assistance Engineer immediately after the project contract award. A copy of the award package shall also be included with the submittal of the ADMINISTERING AGENCY's first invoice for the construction contract to:

Department of Transportation
Division of Accounting
Local Programs Accounting Branch, MS#33
P. O. Box 942874
Sacramento, CA 94274-0001

STPL-5155(005)

SPECIAL COVENANTS OR REMARKS

Failure to do so will cause a delay in the State processing invoices for the construction phase. Please refer to Section 15.7 "Award Package" of the Local Assistance Procedures Manual and LPP 01-06.

6. STATE and ADMINISTERING AGENCY agree that any additional funds which might be made available for new phase(s) of work by future Federal obligations will be encumbered on this PROJECT by use of a STATE approved "Authorization to Proceed" and Finance Letter. ADMINISTERING AGENCY agrees that Federal funds available for reimbursement will be limited to the amounts obligated by the Federal Highway Administration.
7. ADMINISTERING AGENCY agrees that it will only proceed with work authorized for specific phase(s) with an "Authorization to Proceed" and will not proceed with future phase(s) of this project prior to receiving an "Authorization to Proceed" from the STATE for that phase(s) unless no further State or Federal funds are needed for those future phase(s).
8. Any State and Federal funds that may have been encumbered for this project are only available for disbursement for a period of five (5) years and seven (7) years, respectively, from the start of the fiscal year(s) that those funds were appropriated within the State Budget Act. All project funds not liquidated within these periods will revert unless an executed Cooperative Work Agreement extending these dates is requested and is approved by the California Department of Finance per Government Code Section 16304. The exact date of each fund reversion will be reflected in the approved finance letter(s) issued for this project.

Notwithstanding the unliquidated sums of project specific State and Federal funding remaining and available to fund project work, any invoice for reimbursement that is not submitted to the Department on or before 60 days after that applicable fixed fund reversion date will not be paid from that fiscal year's encumbered funds because all of these unexpended funds will be irrevocably reverted by the Department's Division of Accounting on that date.

Pursuant to a directive from the State Controller's Office and

STPL-5155(005)

SPECIAL COVENANTS OR REMARKS

the Department of Finance, the last date to submit invoices for reimbursed work in each fiscal year is May 15th in order for payment to be made out of those then current appropriations. Project work performed and invoiced after May 15th will be reimbursed only out of available funding that might be encumbered in the subsequent fiscal year, and then only when those funds are actually allocated and encumbered as authorized by the California Transportation Commission and the Department's Accounting Office.

9. "ADMINISTERING AGENCY certifies that neither the ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this agreement. ADMINISTERING AGENCY agrees that it will notify the STATE immediately, in the event a suspension or a debarment happened after the execution of this agreement."
10. The Administering Agency shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT -assisted contract or in the administration of its DBE Program or the requirements of 49 CFR Part 26. The Administering Agency shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT -assisted contracts. The administering Agency's DBE Race-Neutral Implementation Agreement is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Race-Neutral Implementation Agreement, Caltrans may impose sanctions as provided for under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

11. Billing Cycle

ADMINISTERING AGENCY agrees to submit invoices in arrears for reimbursement of participating PROJECT costs at least once every six months commencing after the funds are encumbered for each phase by the execution of this PROJECT PROGRAM SUPPLEMENT or by STATE's future approval of an applicable Finance Letter. The total of all invoiced amounts claimed, plus any required matching

STPL-5155(005)

SPECIAL COVENANTS OR REMARKS

funds, must not exceed the actual total cost allowable under this PROGRAM SUPPLEMENT for all authorized and completed PROJECT engineering work, right of way acquisition, and construction.

If no costs have been invoiced for a six-month period, ADMINISTERING AGENCY shall submit a written explanation (with target billing date and target billing amount) of the absence of PROJECT activity.

Should ADMINISTERING AGENCY fail to invoice for participating PROJECT costs incurred (including a written explanation when no invoice is submitted) within one year of the issuance of the PROJECT authorization to proceed by STATE or from the next invoice due date following the last PROJECT invoice, STATE may de-obligate and reassign to another party any unexpended Federal funds without notice to ADMINISTERING AGENCY. STATE may also not process any future request for authorization to proceed submitted by the ADMINISTERING AGENCY.

Final Billing

ADMINISTERING AGENCY agrees that it shall submit the Final Invoice and Final Detail Estimate within 180 days of PROJECT completion. ADMINISTERING AGENCY's failure to submit these documents will result in sanctions imposed upon ADMINISTERING AGENCY by STATE in accordance with Chapter 17.6, "Consequences For Non-Compliance", of the Local Assistance Procedures Manual.

De-obligate Federal Funds for Construction Phase

ADMINISTERING AGENCY agrees that if the estimated PROJECT construction cost is less than the obligated amount for construction by more than \$50,000, that excess amount of federal funds initially obligated is subject to de-obligation by STATE once the project has been awarded by ADMINISTERING AGENCY.

12. The ADMINISTERING AGENCY will reimburse the STATE for the ADMINISTERING AGENCY share of costs for work requested to be performed by the STATE.