



#### SGVCOG Officers

President  
Gene Murabito

1<sup>st</sup> Vice President  
Kevin Stapleton

2<sup>nd</sup> Vice President  
Cynthia Sternquist

3<sup>rd</sup> Vice President  
Margaret Clark

#### Members

Alhambra

Arcadia

Azusa

Baldwin Park

Bradbury

Claremont

Covina

Diamond Bar

Duarte

El Monte

Glendora

Industry

Irwindale

La Cañada Flintridge

La Puente

La Verne

Monrovia

Montebello

Monterey Park

Pasadena

Pomona

Rosemead

San Dimas

San Gabriel

San Marino

Sierra Madre

South El Monte

South Pasadena

Temple City

Walnut

West Covina

First District, LA County  
Unincorporated Communities

Fourth District, LA County  
Unincorporated Communities

Fifth District, LA County  
Unincorporated Communities

SGV Water Districts

## AGENDA AND NOTICE OF THE REGULAR MEETING OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS GOVERNING BOARD

**MARCH 17, 2016 - 6:00 P.M.**

**Upper San Gabriel Valley Municipal Water District Office  
602 E. Huntington Drive, Suite B, Monrovia, California 91016**

Thank you for participating in tonight's meeting. The Governing Board encourages public participation and invites you to share your views on agenda items.

**MEETINGS:** *Regular Meetings of the Governing Board are held on the third Thursday of each month at 6:00 PM at the Upper San Gabriel Valley Municipal Water District Office (602 E. Huntington Drive, Suite B, Monrovia, California 91016).* The Governing Board agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, [www.sgvkog.org](http://www.sgvkog.org). Copies are available via email upon request ([sgv@sgvkog.org](mailto:sgv@sgvkog.org)). Documents distributed to a majority of the Board after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

**CITIZEN PARTICIPATION:** Your participation is welcomed and invited at all Governing Board meetings. Time is reserved at each regular meeting for those who wish to address the Board. SGVCOG requests that persons addressing the meeting refrain from making personal, slanderous, profane or disruptive remarks.

**TO ADDRESS THE GOVERNING BOARD:** At a regular meeting, the public may comment on any matter within the jurisdiction of the Board during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. There is a three minute limit on all public comments. Proxies are not permitted and individuals may not cede their comment time to other members of the public. **The Governing Board may not discuss or vote on items not on the agenda.**

**AGENDA ITEMS:** The Agenda contains the regular order of business of the Governing Board. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Governing Board can be fully informed about a matter before making its decision.

**CONSENT CALENDAR:** Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Board member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Governing Board.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



**PRELIMINARY BUSINESS**

**5 MINUTES**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
5. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting

**PRESENTATIONS**

**10 MINUTES**

*(It is anticipated that the SGVCOG Governing Board may take action on the following matters)*

6. Update on Stormwater Education and Outreach Efforts – Diana Mahmud, Chair, Water Committee; Sam Pedroza, Member, Water Committee  
*Recommended Action: For information.*

**CONSENT CALENDAR**

**10 MINUTES**

*(It is anticipated that the SGVCOG Governing Board may take action on the following matters)*

7. Governing Board Meeting Minutes  
*Recommended Action: Adopt February 18, 2016 Governing Board minutes.*
8. Monthly Cash Disbursements/Balances/Transfers  
*Recommended Action: Approve Monthly Cash Disbursements/Balances/Transfers.*
9. ACE Board of Directors Minutes  
*Recommended Action: Receive and file.*
10. Committee Appointments  
*Recommended Action: Appoint the City of Monrovia to the Water Committee.*
11. ACE Monthly Report  
*Recommended Action: Receive and file.*
12. FY 2015-16 Committee Attendance  
*Recommended Action: Receive and file.*
13. AB 2170 (Frazier)  
*Recommended Action: Adopt Resolution 16-03 supporting AB 2170 (Frazier).*
14. Safekeeping of Property and Official Signatures  
*Recommended Action: Adopt Resolution No. 16-04 authorizing official signatures on financial accounts at commercial bank institutes for the safekeeping of property.*
15. Investment of Monies in the Local Agency Investment Fund (LAIF)  
*Recommended Action: Adopt Resolution No. 16-05 authorizing officers and staff to order the deposit or withdrawal of monies in the Local Agency Investment Fund (LAIF).*

**CLOSED SESSION**

16. Conference with Legal Counsel – Pending Litigation – Government Code section 54956.9(d)(1) – San Gabriel Valley Council of Governments v. Allied World National Assurance Company (U.S.) Inc.

17. Pursuant to Government Code Section 54957: Public Employment, Title: Assistant to the Executive Director, Senior Management Analyst
18. Pursuant to Government Code Section 54957.6: Conference with Labor Negotiators  
Agency designated representatives: Phil Hawkey, Dick Jones; Unrepresented employees: Assistant to the Executive Director, Senior Management Analyst

**ACTION ITEMS**

**15 MINUTES**

*(It is anticipated that the SGVCOG Governing Board may take action on the following matters)*

19. Salary and Classification Resolution  
*Recommended Action: Adopt resolution 16-06 updating the SGVCOG salary and classification system to change the title of Assistant to the Executive Director to the Assistant Executive Director, to increase the pay range for the Assistant Director, to increase the pay range for the Senior Management Analyst, and to place both position in an exempt classification.*
20. Consideration of Proposed Settlement Agreement with Allied World National Assurance Company (U.S.) Inc.  
*Recommended Action: Approve proposed Settlement Agreement with Allied World National Assurance Company (U.S.) Inc.*

**EXECUTIVE DIRECTOR'S REPORT**

**45 MINUTES**

21. Oral Report  
*Recommended Action: For information.*
22. Draft Strategic Plan  
*Recommended Action: For information.*

**GENERAL COUNSEL'S REPORT**

**PRESIDENT'S REPORT**

**5 MINUTES**

*(It is anticipated that the SGVCOG Governing Board may take action on the following matters)*

23. Oral Report  
*Recommended Action: For information.*

**COMMITTEE REPORTS**

**10 MINUTES**

**Transportation Committee**  
**Housing, Community, and Economic Development**  
**Energy, Environment and Natural Resources Committee**  
**Water Committee**

**PROJECT REPORTS**

**10 MINUTES**

**The ACE Project**  
**San Gabriel Valley Energy Wise Partnership**

**LIAISON REPORTS**

**5 MINUTES**

**Gold Line Foothill Extension Construction Authority**  
**San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy**  
**Southern California Association of Governments**  
**San Gabriel Valley Economic Partnership**  
**South Coast Air Quality Management District**

**BOARD MEMBER ITEMS**

**ANNOUNCEMENTS**

**ADJOURN**



## SGVCOG Governing Board Unapproved Minutes

Date: February 18, 2016

Time: 4:00 p.m.

Location: Upper San Gabriel Valley Municipal Water District (USGVMWD)  
Offices (602 E. Huntington Drive; Monrovia, CA 91016)

### PRELIMINARY BUSINESS

1. Call to Order  
President Gene Murabito called the meeting to order at 4:00 p.m.
2. Pledge of Allegiance  
P. Hawkey led the Pledge of Allegiance.
3. Roll Call  
A quorum was in attendance.

#### Governing Board Members Present

Alhambra	Barbara Messina
Arcadia	S. Tay
Azusa	Angel Carrillo
Claremont	Joseph Lyons, Sam Pedroza
Covina	Kevin Stapleton
Diamond Bar	Nancy Lyons
Duarte	John Fasana
El Monte	Jerry Velasco
Glendora	Gene Murabito, Judy Nelson
La Canada Flintridge	Terry Walker
La Verne	Tim Hepburn
Monrovia	Becky Shevlin
Montebello	Jack Hadjinian
Monterey Park	Hans Liang
Pasadena	Terry Tornek
Rosemead	Margaret Clark
San Dimas	Denis Bertone
San Gabriel	Juli Costanzo
San Marino	Allan Yung
Sierra Madre	John Capoccia
South El Monte	Joseph Gonzales
South Pasadena	Diana Mahmud
Temple City	Cynthia Sternquist
Walnut	Mary Su
West Covina	James Toma
First District (LA County)	Rachel Barbosa, Javier Hernandez
SGV Water Districts	Carlos Goytia

#### Absent

Baldwin Park  
Bradbury  
Industry  
Irwindale  
La Puente  
Pomona  
LA County District 4  
LA County District 5

#### SGVCOG Staff

Phil Hawkey, Executive  
Director  
Kim Barlow, General  
Counsel  
Marisa Creter, Staff  
Stefanie Hernandez, Staff  
Katie Ward, Staff

4. Public Comment  
No public comments.
5. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting

#### CONSENT CALENDAR

6. Governing Board Meeting Minutes  
*Recommended Action: Adopt January 21, 2016 Governing Board minutes.*
7. Monthly Cash Disbursements/Balances/Transfers  
*Recommended Action: Approve Monthly Cash Disbursements/Balances/Transfers.*
8. ACE Board of Directors Minutes  
*Recommended Action: Receive and file.*
9. Strategic Plan Update  
*Recommended Action: Receive and file.*
10. ACE Monthly Report  
*Recommended Action: Receive and file.*
11. Committee Appointments  
*Recommended Action: Appoint the City of Rosemead to the Planning TAC.*
12. FY 2015-16 Committee Attendance  
*Recommended Action: Receive and file.*

**There was a motion to approve consent calendar items 6-12 (M/S: J. Lyons/ M. Su)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Azusa, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, San Marino, South El Monte, South Pasadena, Temple City, Walnut, West Covina, LA County Supervisorial District #1, SGV Water Districts
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Baldwin Park, Bradbury, Industry, Irwindale, La Puente, Pomona, LA County District 4, LA County District 5

#### EXECUTIVE DIRECTOR'S REPORT

13. Oral Report  
P. Hawkey reported on the upcoming special meeting with the SCE President, the Gold Line opening and the DC trip.

## GENERAL COUNSEL’S REPORT

K. Barlow provided a brief report on the proposed settlement with the SGVCOG’s insurance company.

## PRESIDENT’S REPORT

14. Oral Report  
There was no report on this item.

## BOARD MEMBER ITEMS

## ANNOUNCEMENTS

## ACTION ITEMS

15. Contract for Treasurer Services  
P. Hawkey reported on this item.

**There was motion to direct the Executive Director to prepare and execute a contract with Vincenti, Lloyd and Stutzman for Treasurer services (M/S: D. Mahmud/ M. Su)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Azusa, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, San Marino, South El Monte, South Pasadena, Temple City, Walnut, West Covina, LA County Supervisorial District #1, SGV Water Districts
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Baldwin Park, Bradbury, Industry, Irwindale, La Puente, Pomona, LA County District 4, LA County District 5

16. Memorandum of Understanding (MOU) with Alameda Corridor-East Construction Authority (ACE) for Administrative Support Services  
P. Hawkey reported on this item.

**There was a motion to 1) Direct the Executive Director to execute a MOU with ACE for administrative support services and 2) Approve an exception the SGVCOG’s Joint Powers Authority (JPA) to allow ACE to provide these services and be fully reimbursed for all labor costs associated with these tasks. (M/S: J. Fasana/ B. Messina)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Azusa, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, San Marino, South El Monte, South Pasadena, Temple City, Walnut, West Covina, LA County Supervisorial District #1, SGV Water Districts
--------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Baldwin Park, Bradbury, Industry, Irwindale, La Puente, Pomona, LA County District 4, LA County District 5

17. MOU with ACE for Financial Services  
P. Hawkey reported on this item.

**There was a motion to 1) Direct the Executive Director to execute a MOU with ACE for financial services and 2) Approve an exception the SGVCOG's JPA to allow ACE to provide these services and be fully reimbursed for all labor costs associated with these tasks (M/S: D. Bertone/J. Lyons)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Azusa, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, San Marino, South El Monte, South Pasadena, Temple City, Walnut, West Covina, LA County Supervisorial District #1, SGV Water Districts
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Baldwin Park, Bradbury, Industry, Irwindale, La Puente, Pomona, LA County District 4, LA County District 5

18. FY 2015-16 2<sup>nd</sup> Quarter Financial Report and Mid-Year Budget Revision  
P. Hawkey reported on this item.

**There was a motion to 1) Receive and File FY 2015-16 2nd Quarter Financial Reports for SGVCOG and ACE and 2) Adopt Resolution 16-02 approving Amendment #2 to the FY 2015-16 budget (M/S: B. Messina/ J. Hadjinian)**

**[Motion Passed]**

<b>AYES:</b>	Alhambra, Arcadia, Azusa, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Rosemead, San Dimas, San Gabriel, San Marino, South El Monte, South Pasadena, Temple City, Walnut, West Covina, LA County Supervisorial District #1, SGV Water Districts
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	Baldwin Park, Bradbury, Industry, Irwindale, La Puente, Pomona, LA County District 4, LA County District 5

19. SGVCOG Strategic Planning Workshop

# **ADJOURN**

The meeting adjourned at 8:00 PM.



**BOARD APPROVED**

---

Date

---

Philip A. Hawkey, Secretary



**SGVCOG**  
**Check Register**  
**February 2016**

Date	Check Num	Name	Description	Paid
02/01/2016	9081	ACE Construction Authority	CalPERS 1/9/16 - 1/22/16, ACE#02-01-2016	2,284.22
02/01/2016	9082	Athena Parking (Alhambra)	Parking	295.00
02/01/2016	9083	RMR Awards	Name Badges for Home Assessments (staff)	24.70
02/01/2016	9084	Vantagepoint Transfer Agents 307040	Retirement	10.00
02/01/2016	9085	Shawn Park	Reimbursement	169.94
02/09/2016	9086	ACE Construction Authority	CalPERS 1/23/16 - 2/5/16	900.23
02/09/2016	9087	Allison Maginot	Reimbursement	215.15
02/09/2016	9088	Image IV Systems	Copier Services	731.13
02/09/2016	9089	Kelly Associates	Executive Director Services	13,000.00
02/09/2016	9090	Local Government Commission	520-166: Membership Dues- 2016	2,500.00
02/09/2016	9091	Philip A. Hawkey	Reimbursement	242.40
02/23/2016	EFT	Paycheck	Paychex Fees	40.00
02/23/2016	EFT	Charter Communications	Internet	115.00
02/24/2016	9092	ACE Construction Authority	ACE-05, CalPERS 2/6/16-2/19/16, ACE#02-17-16	18,260.35
02/24/2016	9093	Athena Parking (Alhambra)	Parking	250.00
02/24/2016	9094	Jones & Mayer	Legal Services	2,083.33
02/24/2016	9095	Philip A. Hawkey	Reimbursement	1,022.14
02/24/2016	9096	Proforma Quality Printing	Printing Service	43.46
02/24/2016	9097	The Alhambra Office Community, LLC	Rent	5,928.34
02/24/2016	9098	Vantagepoint Transfer Agents 307040	Retirement	10.00
02/24/2016	9099	Philip A. Hawkey	Reimbursement	347.47
				<u>48,472.86</u>

**SGVCOG**

**FY 2016 Bank Balances (per Books)**

Month	Total	Checking	Savings			Petty Cash	LAIF
			CD-4325	2766	CD-4953		
Jul	\$ 489,730.43	\$ 150,081.60	\$ 55,451.25	\$ 1,582.77	\$ 54,686.53	\$ 400.00	\$ 227,528.28
Aug	796,985.30	457,175.65	55,451.25	1,582.77	54,686.53	400.00	227,689.10
Sep	779,591.21	439,847.82	55,465.23	1,584.75	54,700.31	304.00	227,689.10
Oct	959,662.26	619,735.54	55,465.23	1,584.75	54,700.31	304.00	227,872.43
Nov	959,120.79	619,194.07	55,465.23	1,584.75	54,700.31	304.00	227,872.43
Dec	871,592.86	531,541.67	55,479.21	1,585.15	54,714.40	400.00	227,872.43
Jan	940,393.11	600,045.77	55,479.21	1,585.15	54,714.10	400.00	228,083.33
Feb	-						
Mar	-						
Apr	-						
May	-						
June	-						

**FY 2016 Transfers**

Month	Checking		2766	Metals		MS 4	Petty Cash		LAIF	
Jul	\$	-	\$	-	\$	-	\$	-	\$	-
Aug		-		-		-		-		-
Sep		-		-		-		-		-
Oct		-		-		-		-		-
Nov		-		-		-		-		-
Dec		-		-		-		-		-
Jan										
Feb										
Mar										
Apr										
May										
June										



## ***Alameda Corridor-East Construction Authority***

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 [www.theaceproject.org](http://www.theaceproject.org)

### **ACE Construction Authority Board of Directors Regular Meeting January 25, 2016 Minutes**

Chairman Jack Hadjinian called the meeting of the Board of Directors of the Alameda Corridor-East Construction Authority to order at 2:07PM at the Montebello Council Chambers.

1. **Pledge of Alliance** – Victoria Martinez led the pledge of allegiance.

2. **Roll Call:** In attendance was:

Jack Hadjinian, Chair  
Juli Costanzo, Vice Chair  
Barbara Messina  
Victoria Martinez  
Elliott Rothman

**Staff:**

Mark Christoffels, CEO  
Gregory Murphy, BWS, legal counsel  
Deanna Stanley  
Amy Hanson  
Genichi Kanow  
Charles Tsang  
Phil Balmeo  
Paul Hubler  
Victoria Butler  
Cecilia Cardenas

**Guests:**

Romero Firme, David Evans & Associates  
Victoria Shen Park, Citadel CPM  
Hank Fung, LA County  
Allen Ude, LA County  
Steve Henderson, Parsons  
Phil Hawkey, SGVCOG  
Richard Ren, Senator Bob Huff  
Gilbert Vasquez, Vasquez & Co.  
Cynthia Marian, Oliver Sandifer & Murphy

3. **Public Comments** – There were no public comments at this time.

4. **Approval of December 16, 2015 Special Meeting minutes** – A motion was made to approve the December 16, 2015 minutes.

M/S/C/Rothman/Messina/Passed

Abstention: Martinez

5. **Chairman Remarks** – Chairman Hadjinian welcomed new Board member Victoria Martinez, Mayor Pro Tem of El Monte. He asked Ms. Martinez to extend appreciation on behalf of the ACE Board to Councilmember Norma Macias for her contributions while serving on the Board. Chairman asked if the Board could consider at a future meeting changing the times of the regular meetings.
6. **Board Member Comments** – Vice Chair Costanzo reported that the San Gabriel Rotary has requested a speaker from ACE. Mr. Christoffels asked information be forwarded to him.
7. **Chief Executive Officer's Report** – Mr. Christoffels reported that the Baldwin Avenue grade separation project was selected by the Southern California Chapter of the Construction Management Association of America for outstanding achievement. The award will be presented at their award gala on April 21<sup>st</sup>. Mr. Christoffels indicated that bids are sought for the construction of the Fullerton Road grade separation project in the City of Industry. He indicated the package was released and bids are due March 2<sup>nd</sup>.
8. **Project Construction Progress Reports** – Senior Project Manager Genichi Kanow reviewed traffic signal removal and street pavement removal at the Puente Avenue project. Senior Project Manager Charles Tsang reviewed retaining wall construction at Nogales Street and completed construction at Gale Avenue/Walnut Drive. Mr. Tsang also reviewed storm drain construction at the Fairway Drive project. Senior Project Manager Phil Balmeo reviewed Del Mar Avenue bridge excavation and concrete slab pouring for the trench.
9. **Election of Officers** – Greg Murphy reviewed the process for the election of officers. Chairman Hadjinian opened the nomination for the position of Chair. Juli Costanzo nominated Jack Hadjinian which was seconded by member Martinez. There were no other nominations. The Board unanimously elected Jack Hadjinian Chairman.  
  
Chairman Hadjinian opened nominations for Vice Chair. Barbara Messina nominated Juli Costanzo which was seconded by Jack Hadjinian. There were no other nominations. The Board unanimously elected Juli Costanzo Vice Chair.
10. **Hearing on Resolution of Necessity No. 16-01 for the Project** – Greg Murphy reviewed the process of the hearing of the Resolution of Necessity. He indicated the Board must agree by a two thirds vote that the property is required and the project planned at the best interest of the public. He reminded the Board that if the Board approves the Resolution of Necessity negotiations may continue.

Mark Mendoza reviewed the property requirements. He explained a permanent easement was required for a tie back for a retaining wall and a temporary construction easement was required for construction of said wall. He indicated negotiations began over five years ago but the two owners of record are both now deceased and determination of rightful owners has been an ongoing challenge. He indicated monies due for this transaction has been placed on deposit with the State of California where, once probate is complete the rightful owner(s) can claim. Extensive discussion ensued regarding the title process. After discussion a motion was made to adopt Resolution of Necessity No. 16-01

Ayes: Hadjinian, Costanzo, Rothman, Martinez, Messina  
Nays: None  
Absent: Michael Antonovich, Paul Eaton

The Resolution of Necessity No. 16-01 was approved.

11. **Approval of Contract Award to Vasquez & Company LLP for Financial Audit Services** – Mr. Christoffels reminded the Board that ACE is required to have annual financial audits conducted. He indicated the contract of the auditors is typically for five years and the current contract was to expire. He indicated notice of a procurement for these services was sent to 36 firms and three responses were received. He indicated the Technical Evaluation Committee unanimously recommended Vasquez & Company LLP.

A motion was made to approve a contract with Vasquez & Company LLP to perform financial audit services and to issue a task order to Vasquez for audit services covering FY 2016 in an amount not-to-exceed \$40,700.

M/S/C/Rothman/ Messina/Passed

Abstention: Hadjinian

12. **Approval of Meeting Schedule for the Finance Committee Meetings** – Mr. Christoffels indicated that after the Board approved the meeting schedule a board member has requested the February 4<sup>th</sup> Finance Committee meeting be rescheduled. After discussion a motion was made to hold the next Finance Committee meeting on Wednesday, February 3 at 10AM at the ACE offices.

M/S/C/Messina/Costanzo/Unanimous

13. **Approval to Receive and File Quarterly Project Progress Reports** – There was no discussion.

A motion was made to receive and file the quarterly progress reports.

M/S/C/Rothman/Costanzo/Unanimous

14. **Approval to Receive and File Quarterly Mitigation Monitoring Reports** – There was no discussion.

A motion was made to receive and file the quarterly mitigation monitoring reports.

M/S/C/Rothman/Martinez/Unanimous

15. **Approval of Support Position for TCIF Provisions of AB 1591 (Frazier)** – There was no discussion.

A motion was made to approve to approve a support position for TCIF Provisions of Assembly Bill 1591.

M/S/C/Rothman/Messina/Unanimous

16. **Closed Session** – Greg Murphy announced the Board would convene to closed session in accordance with Government Code Section 54968 to discuss exiting litigation – one case – Los Angeles Superior Court Case No. BC 465 891  
Alameda Corridor-East Construction Authority vs. Arco Gas Station; Arco AM/PM Mini Market; ISY Investments, LLC

The Board returned from closed session and Mr. Murphy indicated there was no reportable action taken.

17. **Adjournment** – The meeting was adjourned at 3:08PM. The next meeting of the Board will be held on February 22, 2016.

X 

Deanna Stanley  
Clerk of the Board



# REPORT

---

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **COMMITTEE APPOINTMENTS**

## **RECOMMENDED ACTION**

Appoint the City of Monrovia to the Water Committee.

## **BACKGROUND**

The SGVCOG Bylaws provide for the creation of technical advisory committees (TACs) and policy committees to provide technical support and policy recommendations to the Governing Board. There are currently 4 policy committees (Transportation, Energy, Environment, and Natural Resources (EENR), Water, and Housing, Community, and Economic Development (HCED) and 4 TACs: the City Managers' TAC, the Planning TAC, the Transportation TAC and the Public Works TAC. The Bylaws also provide for the creation of a City Managers' Steering Committee, to provide assistance and support to the full City Managers' TAC, the Governing Board, and/or the Executive Committee. The SGVCOG Bylaws allow for the creation of additional TACs and policy committees as needed. Each May, the Governing Board affirms the appointments received from member agencies for participation on the policy committees and TACs.

In February 2016, SGVCOG staff received a request from the City of Monrovia to join the Water Committee.





## **Alameda Corridor-East Construction Authority**

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 [www.theaceproject.org](http://www.theaceproject.org)

MEMO TO: SGVCOG Governing Board Members & Alternates

FROM: Jack Hadjinian, Chair

DATE: March 7, 2016

SUBJECT: Monthly Report

The following are items of note since the last meeting:

**Trade Corridors Support** – ACE is supporting Assembly Bill 2170 (Frazier) which would direct California's share of new federal freight program formula funds to the state Trade Corridors Improvement Fund (TCIF), a significance source of support for the ACE projects. Made permanent in state law last year, the TCIF program was established to allocate 2006 Proposition 1B bond funds for infrastructure improvements along federally designated "Trade Corridors of National Significance" and other corridors with a high volume of freight movement.

**Community Outreach Update** – Staff conducted the following project outreach activities:

- Distributed construction alert notices regarding demolition of commercial and storage units for the Fairway Drive project;
- Distributed construction alert notices regarding night-time traffic lane and sidewalk closures on E. Walnut Dr. N for utility relocation for the Fairway Drive project;
- Distributed construction alert notices regarding traffic lane shift on Valley Boulevard for bridge construction for the Puente Avenue project;
- Conducted school safety presentations and distributed school safety kits to students at Greenwood Elementary School and at the Applied Technology Center in Montebello;
- Staffed an ACE Project information booth at the Transportation Night expo of the Construction Management Association of America, Southern California Chapter; and,
- Conducted ongoing community outreach and support activities for the San Gabriel Trench, Nogales Street, Puente Avenue and Fairway Drive grade separation projects.



**Governing Board  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra		✓	✓	✓			✓	✓				
Arcadia		✓	✓	✓	✓			✓				
Azusa		✓	✓	✓			✓	✓				
Baldwin Park		✓			✓		✓					
Bradbury												
Claremont			✓	✓	✓		✓	✓				
Covina		✓	✓	✓	✓		✓	✓				
Diamond Bar		✓	✓	✓	✓		✓	✓				
Duarte		✓	✓	✓	✓		✓	✓				
El Monte							✓	✓				
Glendora		✓	✓	✓	✓		✓	✓				
Industry												
Irwindale												
La Canada Flintridge			✓	✓	✓		✓	✓				
La Puente		✓										
La Verne		✓	✓				✓	✓				
Monrovia		✓		✓	✓		✓	✓				
Montebello								✓				
Monterey Park			✓	✓	✓		✓	✓				
Pasadena		✓	✓	✓	✓		✓	✓				
Pomona							✓					
Rosemead		✓	✓	✓	✓		✓	✓				
San Dimas		✓	✓	✓	✓		✓	✓				
San Gabriel		✓		✓	✓		✓	✓				
San Marino								✓				
Sierra Madre		✓			✓			✓				
South El Monte		✓		✓	✓		✓	✓				
South Pasadena		✓	✓	✓	✓		✓	✓				
Temple City		✓	✓	✓	✓		✓	✓				
Walnut		✓		✓			✓	✓				
West Covina		✓		✓	✓		✓	✓				
LA County District 1					✓		✓	✓				
LA County District 4		✓	✓	✓	✓		✓					
LA County District 5		✓	✓	✓	✓		✓					
SGV Water Agencies		✓		✓			✓	✓				

D- Delegate

A- Alternate

**Major Action Items and Presentations**

***August***

Transportation Priorities for Countywide Sales Tax Measure

Transportation Consultant Contract

**Governing Board  
FY 2015-16**

Financial Audit Contract

4th Quarter Financial Report

***September***

Caltrans Sustainable Transportation Planning Grant Application

Fix Our Roads Resolution of Support

Appointment of Executive Director/ Contract with Kelly & Associated Management Group

***October***

SCAG RTP/SCS Presentation

AQMD 2016 AQMP Presentation

Settlement with City of Irwindale

Resolution of support for California Water Fixx

SGVCOG Representative on SCAG Transportation Committee

Election of 3rd Vice President

***November***

RMC Update

Active Transportation Priority Areas

Letter Re: Allocation of Prop. 1 Funds to RMC

1st Quarter Financial Report

FY 2011-12 and FY 2012-13 AB 2766 Financial Audit

Treasurer Position

***January***

CCA Presentation

El Nino Preparedness Presentation

Contract for Financial Audit Services

Energy Wise Contract Extension

CEESP Phase 3 Contract Extension

Strategic Plan Survey Results

***February***

Strategic Plan Workshop

Treasurer Position

Financial Management MOU

Administrative Support MOU

**Transportation Committee Attendance  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra	✓			✓		✓	✓	✓				
Claremont	✓		✓			✓	✓	✓				
Diamond Bar	✓		✓	✓		✓	✓					
Duarte	✓		✓	✓		✓	✓	✓				
Glendora			✓	✓		✓	✓	✓				
Industry	✓											
La Canada Flintridge				✓			✓					
La Puente												
LA County District 1	✓		✓			✓		✓				
LA County District 5				✓				✓				
Monterey Park	✓		✓	✓			✓	✓				
Rosemead	✓					✓	✓					
South El Monte	✓		✓	✓		✓	✓	✓				
South Pasadena	✓			✓		✓	✓					
Walnut	✓		✓	✓		✓						

**Agenda Topics**

**July**

Transportation Priorities for Countywide Sales Tax Measure

**September**

LA County Bikeshare Program

Fix Our Roads Campaign

Active Transportation Strategic Plan Update

**October**

Ontario Airport Update

SCAG "Go Human" Campaign

SGVCOG Active Transportation Priority Areas

**December**

626 Open Streets Event

Metrolink Update

**January**

60/605 Project

AB 620

**February**

El Monte Bike Hub

Gold Line Foothill Extension Update

ExpressLanes Net Toll Revenue Grant Program

NoHo to Pasadena Bus Service Pilot

**Reminder:** If a member agency misses more than three consecutive committee meetings, the agency must request reappointment by the Governing Board.

**EENR Committee Attendance  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Claremont		✓		✓		✓		✓				
Duarte		✓	✓	✓		✓	✓	✓				
Glendora		✓	✓	✓				✓				
Rosemead		✓	✓	✓		✓	✓	✓				
San Dimas		✓	✓	✓		✓	✓	✓				
Sierra Madre		✓	✓	✓				✓				
South Pasadena		✓		✓				✓				

**Agenda Topics**

***August***

Statewide Mattress Recycling Program  
Business Friendly Bicycle Districts  
Annual Sustainability Award

***September***

UCLA Energy Atlas  
Duck Farm Project Update

***October***

Council for Watershed Health Update  
RMC Update  
Countywide EPR Ordinance for Sharps and Prescriptions

***December***

EPR Pharmaceuticals and Sharps Ordinance  
National Recreation Area Legislation

***January***

626 Golden Streets Presentation  
Energywise Overview

***February***

LA County Residential PACE Overview



**HCED Committee Attendance  
FY 2015-2016**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Claremont				✓								
Monrovia												
Pasadena				✓								

**Agenda Topics**

***October***

East San Gabriel Valley Coalition for the Homeless  
2016 Homeless Count

**Water Policy Committee  
2015-2016 Attendance**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Claremont		✓				✓	✓	✓				
Diamond Bar				✓		✓	✓					
Glendora		✓		✓	✓	✓	✓	✓				
Rosemead		✓		✓		✓	✓	✓				
Sierra Madre					✓	✓	✓					
South Pasadena		✓		✓	✓	✓	✓	✓				
Temple City				✓								
Walnut				✓								

**Agenda Topics**

***August (Joint Meeting with Water TAC)***

California Water Fix

MS-4 Permit Update

***October (Joint Meeting with Water TAC)***

Stormwater Costs Report

US Conference of Mayors Water Meeting

Model Water Efficient Landscape Ordinance

***November Meeting (Joint Meeting with Water TAC)***

Stormwater Costs Report

***December Meeting (Joint Meeting with Water TAC)***

Stormwater Presentation

***January Meeting (Joint Meeting with Water TAC)***

Stormwater Presentation

***February Meeting (Joint Meeting with Water TAC)***

Stormwater Presentation Audience

**City Managers' Steering Committee Attendance**  
**FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Arcadia			✓		✓			✓				
Baldwin Park		✓	✓		✓	✓	✓	✓				
Claremont			✓			✓	✓	✓				
Diamond Bar		✓			✓		✓	✓				
Duarte		✓	✓			✓	✓	✓				
Glendora		✓	✓		✓	✓		✓				
La Canada Flintridge					✓			✓				
La Verne		✓	✓		✓		✓	✓				
Monterey Park		✓	✓		✓	✓	✓	✓				
Pomona			✓		✓	✓	✓	✓				
South El Monte		✓	✓		✓							
South Pasadena		✓			✓	✓						
Temple City		✓	✓		✓	✓	✓	✓				

**Agenda Topics**

***August***

LA County Workforce Development Programs  
4th Quarter Financial Report

***November***

Stormwater Funding Options  
Executive Director Staffing Options  
AB 2766 Audit  
1st Quarter Financial Report

***December***

Letter to SCE regarding communication with cities  
Strategic Plan Update

***January***

Strategic Plan Update

***February***

Salary and Classification System  
Treasurer Position  
Financial Management

**Planning TAC Attendance  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra	✓	✓	✓	✓								
Arcadia	✓	✓	✓	✓		✓	✓	✓				
Azusa		✓	✓	✓								
Baldwin Park		✓				✓		✓				
Claremont			✓				✓					
Covina							✓	✓				
Diamond Bar	✓	✓	✓					✓				
Duarte		✓	✓	✓		✓	✓	✓				
El Monte	✓	✓				✓						
Glendora	✓	✓	✓	✓		✓	✓	✓				
Irwindale		✓	✓	✓								
La Canada Flintridge												
LaVerne	✓	✓	✓	✓		✓						
Monrovia	✓		✓	✓		✓	✓	✓				
Monterey Park	✓	✓	✓			✓	✓	✓				
Pasadena		✓										
Pomona	✓	✓		✓								
Rosemead	✓	✓	✓	✓			✓	✓				
San Dimas	✓	✓	✓	✓				✓				
San Gabriel	✓	✓	✓	✓		✓		✓				
Sierra Madre				✓								
South El Monte		✓	✓				✓					
South Pasadena		✓				✓		✓				
Temple City	✓	✓	✓	✓								
Walnut							✓					
West Covina		✓	✓	✓			✓	✓				

**Agenda Topics**

**July**

AB 52 Implementation

**August**

Model Water Efficiency Landscape Ordinance

SCAG Growth Forecasts

**September**

OPR Draft Revisions to CEQA Guidelines

**October**

Metro Bikeshare Program

UCLA Energy Atlas

Model Water Efficiency Landscape Ordinance

**December**

Metro's "First-last Mile" Strategic Plan

**January**

SCAG's 2016-2014 RTP SCS

**February**

Metro's Sustainability Programs

**Public Works TAC Attendance  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Arcadia			✓	✓			✓	✓				
Azusa			✓		✓		✓	✓				
Claremont			✓		✓							
Covina			✓									
Diamond Bar			✓	✓	✓		✓					
Duarte			✓	✓				✓				
Glendora			✓	✓	✓							
Industry			✓	✓			✓					
Irwindale								✓				
Monterey Park												
Pasadena			✓		✓		✓	✓				
Pomona			✓		✓		✓					
San Dimas			✓	✓								
South Pasadena				✓								
West Covina			✓	✓			✓	✓				
LA County			✓	✓	✓		✓	✓				

**Agenda Topics**

***September:***

Natural Gas Pathways  
Glendora Pilot BMP Projects

***October:***

Water Reclamation

***November:***

California Water Fix/Eco Restore  
Arterial Traffic Performance Report Card

***January:***

Public Works Mutual Aid  
Update on Federal and State Rules on "Deemed Granted" Shot Clock for Cell Towers

***February:***

Economic Development 2.0- Post Redevelopment Tools  
Countywide Arterial Performance Measurement Framework

**Water TAC Attendance  
FY 2015-16**

	2015						2016					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra		✓		✓	✓	✓	✓	✓				
Arcadia					✓			✓				
Covina		✓										
Monrovia												
Sierra Madre		✓			✓		✓					
LA County DPW		✓		✓	✓	✓	✓	✓				
Upper San Gabriel Valley Municipal Water District				✓	✓	✓	✓	✓				
<i>Ex-Officio</i>												
Foothill MWD					✓		✓					
LA County Sanitation Districts				✓	✓	✓	✓	✓				
Main San Gabriel Basin Watermaster		✓		✓	✓	✓	✓					

**Agenda Topics**

***August (Joint Meeting with Water Committee)***

- California Water Fix
- MS-4 Permit Update

***October (Joint Meeting with Water Committee)***

- Stormwater Costs Report
- US Conference of Mayors Water Meeting
- Model Water Efficient Landscape Ordinance

***November (Joint Meeting with Water Committee)***

- Stormwater Costs Report

***December (Joint Meeting with Water Committee)***

- Stormwater Presentation

***January (Joint Meeting with Water Committee)***

- Stormwater Presentation

***February Meeting (Joint Meeting with Water TAC)***

- Stormwater Presentation Audience

# REPORT

---

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **AB 2170 (FRAZIER)**

## **RECOMMENDED ACTION**

Adopt Resolution 16-03 supporting AB 2170 (Frazier).

## **BACKGROUND**

On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act or "FAST Act", which authorizes \$305 billion over a five-year period from 2016 through 2020 for highway and motor vehicle safety, public transportation, rail, and many other transportation related programs. The FAST Act provides up to \$6.2 billion nationally for freight-related projects over 5 years. Of that total, California expects to receive \$120-\$130 million annually for qualifying freight projects.

AB 2170 (AB 2170) would require that the formula revenues apportioned to California from the FAST Act for freight projects be deposited into the existing Trade Corridors Improvement Fund (TCIF) and be apportioned to state, regional, and local transportation entities by the California Transportation (CTC) using the existing TCIF program guidelines. See Attachment A for a copy of the legislation. In past years, the ACE Project has been very successful in competing for these funds and has received over \$420 million through the TCIF.

AB 2170 was sponsored by the Southern California Association of Governments (SCAG) and has widespread support from transportation agencies, including Metro. See Attachment B for a fact sheet, which lists agencies that are on record supporting the legislation.

## **ATTACHMENTS**

Attachment A – AB 2170  
Attachment B – AB 2170 Fact Sheet  
Attachment C – Resolution 16-03

**ASSEMBLY BILL****No. 2170****Introduced by Assembly Member Frazier**

February 18, 2016

---

An act to amend Section 2192 of the Streets and Highways Code, relating to transportation.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2170, as introduced, Frazier. Trade Corridors Improvement Fund: federal funds.

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B) created the Trade Corridors Improvement Fund and provided for allocation by the California Transportation Commission of \$2 billion in bond funds for infrastructure improvements on highway and rail corridors that have a high volume of freight movement, and specified categories of projects eligible to receive these funds. Existing law continues the Trade Corridors Improvement Fund in existence in order to receive revenues from sources other than the bond act for these purposes.

This bill would require revenues apportioned to the state from the National Highway Freight Program established by the federal Fixing America's Surface Transportation Act to be deposited in the Trade Corridors Improvement Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.



*The people of the State of California do enact as follows:*

SECTION 1. Section 2192 of the Streets and Highways Code is amended to read:

2192. (a) The Trade Corridors Improvement Fund, created pursuant to subdivision (c) of Section 8879.23 of the Government Code, is hereby continued in existence to receive revenues from sources other than the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of ~~2006~~. *2006, including revenues apportioned to the state under Section 167 of the Title 23 of the United States Code from the National Highway Freight Program, pursuant to the federal Fixing America's Surface Transportation Act ("FAST Act"; Public Law 114-94).* This chapter shall govern expenditure of those other revenues.

(b) The moneys in the fund from those other sources shall be available upon appropriation for allocation by the California Transportation Commission for infrastructure improvements in this state on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, and along other corridors that have a high volume of freight movement, as determined by the commission. In determining the projects eligible for funding, the commission shall consult the Transportation Agency's state freight plan as described in Section 13978.8 of the Government Code, the State Air Resources Board's Sustainable Freight Strategy adopted by Resolution 14-2, and the trade infrastructure and goods movement plan submitted to the commission by the Secretary of Transportation and the Secretary for Environmental Protection. The commission shall also consult trade infrastructure and goods movement plans adopted by regional transportation planning agencies, adopted regional transportation plans required by state and federal law, and the statewide port master plan prepared by the California Marine and Intermodal Transportation System Advisory Council (Cal-MITSAC) pursuant to Section 1730 of the Harbors and Navigation Code, when determining eligible projects for funding. Eligible projects for these funds include, but are not limited to, all of the following:

(1) Highway capacity improvements and operational improvements to more efficiently accommodate the movement of freight, particularly for ingress and egress to and from the state's land ports of entry and seaports, including navigable inland

1 waterways used to transport freight between seaports, land ports  
2 of entry, and airports, and to relieve traffic congestion along major  
3 trade or goods movement corridors.

4 (2) Freight rail system improvements to enhance the ability to  
5 move goods from seaports, land ports of entry, and airports to  
6 warehousing and distribution centers throughout California,  
7 including projects that separate rail lines from highway or local  
8 road traffic, improve freight rail mobility through mountainous  
9 regions, relocate rail switching yards, and other projects that  
10 improve the efficiency and capacity of the rail freight system.

11 (3) Projects to enhance the capacity and efficiency of ports.

12 (4) Truck corridor improvements, including dedicated truck  
13 facilities or truck toll facilities.

14 (5) Border access improvements that enhance goods movement  
15 between California and Mexico and that maximize the state's  
16 ability to access coordinated border infrastructure funds made  
17 available to the state by federal law.

18 (6) Surface transportation and connector road improvements to  
19 effectively facilitate the movement of goods, particularly for  
20 ingress and egress to and from the state's land ports of entry,  
21 airports, and seaports, to relieve traffic congestion along major  
22 trade or goods movement corridors.

23 (c) (1) The commission shall allocate funds for trade  
24 infrastructure improvements from the fund consistent with Section  
25 8879.52 of the Government Code and the Trade Corridors  
26 Improvement Fund (TCIF) Guidelines adopted by the commission  
27 on November 27, 2007, or as amended by the commission, and in  
28 a manner that (A) addresses the state's most urgent needs, (B)  
29 balances the demands of various land ports of entry, seaports, and  
30 airports, (C) provides reasonable geographic balance between the  
31 state's regions, and (D) places emphasis on projects that improve  
32 trade corridor mobility while reducing emissions of diesel  
33 particulate and other pollutant emissions.

34 (2) In addition, the commission shall also consider the following  
35 factors when allocating these funds:

36 (A) "Velocity," which means the speed by which large cargo  
37 would travel from the land port of entry or seaport through the  
38 distribution system.

1 (B) “Throughput,” which means the volume of cargo that would  
2 move from the land port of entry or seaport through the distribution  
3 system.

4 (C) “Reliability,” which means a reasonably consistent and  
5 predictable amount of time for cargo to travel from one point to  
6 another on any given day or at any given time in California.

7 (D) “Congestion reduction,” which means the reduction in  
8 recurrent daily hours of delay to be achieved.

O

## ASSEMBLY BILL 2170: TRADE CORRIDORS IMPROVEMENT FUND

---

Assemblymember Jim Frazier

### BACKGROUND:

---

In 2006, voters approved Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Act of 2006 (Prop. 1B) which provided \$19.9 billion in general obligation bonds to fund various transportation programs and projects. Of the \$19.9 billion, \$2 billion was designated for the Trade Corridors Improvement Fund (TCIF), a program established to allocate Prop. 1B funds to projects that improve goods movement on state highways, rail systems, ports, and interrelated infrastructure projects.

The highly successful TCIF program encouraged transportation stakeholders to collectively identify trade corridor improvement projects and required recipients to provide matching funds which resulted in the construction of scores of significant trade corridor projects across California.

The California Transportation Commission's (CTC's) management of the TCIF program resulted in on-time, on-budget transportation improvements throughout the state. The CTC held state, regional, and local transportation agencies accountable for adhering to project scope, cost, and schedule commitments to ensure projects were promptly delivered to the traveling public. Through the TCIF program, \$2 billion in Prop. 1B funds resulted in the construction of \$7.2 billion of transportation improvements along California's trade corridors.

In 2014, SB 1228 (Hueso, Chapter 787, Statutes of 2014) continued the existence of the TCIF and allowed it to receive funding from sources other than the general obligation bonds originally authorized under Prop. 1B. In accordance with SB 1228, revenues appropriated by the Legislature, such as cap and trade revenues, could be allocated by the CTC for eligible projects.

On December 4, 2015, the President signed into law the Fixing America's Surface Transportation Act or "FAST Act" – the first federal law in over 10 years to provide long-term funding certainty for surface transportation. The FAST Act authorizes \$305 billion over a five-year period from 2016 through 2020 for highway and motor vehicle safety, public transportation, rail, and many other transportation related programs.

The FAST Act provides a greater emphasis on goods movement projects by providing up to \$6.2 billion nationally for freight-related projects over 5 years. Of that total, California expects to receive between \$120-\$130 million annually for qualifying freight projects.

### THE BILL:

---

AB 2170 would require that the formula revenues apportioned to California from the FAST Act for freight projects be deposited into the existing TCIF to be apportioned to state, regional, and local transportation entities by the CTC using the existing TCIF program guidelines. In doing so, this bill makes use of a well-established process that encourages cooperation among state, local, and private partners to prioritize projects, leverage outside funding, and accomplish critical goods movement projects in a timely manner.

### SUPPORT

---

- Southern California Association of Governments (Sponsor)
- Imperial County Transportation Commission
- San Diego Association of Governments
- Ventura County Transportation Commission
- Port of Long Beach
- Orange County Transportation Authority
- Riverside County Transportation Commission
- Port of Los Angeles
- Los Angeles County Metropolitan Transportation Authority
- San Bernardino Associated Governments

### OPPOSE

---

None

### FOR MORE INFORMATION

Victoria Alvarez  
(916) 319-2093  
[Victoria.Alvarez@asm.ca.gov](mailto:Victoria.Alvarez@asm.ca.gov)

**RESOLUTION 16-03**

**A RESOLUTION OF THE GOVERNING BOARD OF THE SAN GABRIEL  
VALLEY COUNCIL OF GOVERNMENTS (“SGVCOG”)  
SUPPORTING AB 2170 (FRAZIER)**

**WHEREAS**, the Trade Corridors Improvement Fund (TCIF) is a program established to allocate Prop. 1B funds to projects that improve goods movement on state highways, rail systems, ports, and interrelated infrastructure projects; and

**WHEREAS**, the TCIF has been a highly successful program that encourages transportation stakeholders to collectively identify trade corridor improvement projects and required recipients to provide matching funds which resulted in the construction of scores of significant trade corridor projects across California; and

**WHEREAS**, the California Transportation Commission's (CTC's) management of the TCIF program resulted in on-time, on-budget transportation improvements throughout the state.; and

**WHEREAS**, through the TCIF program, \$2 billion in Prop. 1B funds resulted in the construction of \$7.2 billion of transportation improvements along California's trade corridors; and

**WHEREAS**, on December 4, 2015, the President signed into law the Fixing America’s Surface Transportation Act or “FAST Act” – the first federal law in over 10 years to provide long-term funding certainty for surface transportation; and

**WHEREAS**, the FAST Act authorizes \$305 billion over a five-year period from 2016 through 2020 for highway and motor vehicle safety, public transportation, rail, and many other transportation related programs; and

**WHEREAS**, the FAST Act provides a greater emphasis on goods movement projects by providing up to \$6.2 billion nationally for freight-related projects over 5 years, of which California expects to receive \$120-\$130 million annually for qualifying freight projects; and

**WHEREAS**, AB 2170 would require that the formula revenues apportioned to California from the FAST Act for freight projects be deposited into the existing TCIF to be apportioned to state, regional, and local transportation entities by the CTC using the existing TCIF program guidelines, financial support for collection, processing, recycling, or disposal of used materials; and

**NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BOARD OF THE SGVCOG** that the SGVCOG supports AB 2170 (Frazier).

PASSED, APPROVED, and ADOPTED this 17<sup>st</sup> day of March 2016.

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

By: \_\_\_\_\_

Gene Murabito, President

**Attest:**

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 16-03 was adopted at a regular meeting of the Governing Board held on the 17th day of March, 2016, by the following roll call vote:

<b>AYES:</b>	
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

---

Philip A. Hawkey, Secretary

# REPORT

---

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

**RE: SAFEKEEPING OF PROPERTY AND OFFICIAL SIGNATURES  
RESOLUTION 16-04**

## **RECOMMENDED ACTION**

Adopt Resolution No. 16-04 authorizing official signatures on financial accounts at commercial bank institutes for the safekeeping of property.

## **BACKGROUND**

SGVCOG funds are presently held at the Citizens Business Bank at the San Gabriel, California, branch pursuant to the authority of the Governing Board. On March 21, 2013, The Governing Board adopted Resolution No. 13-03 reaffirming the establishment of financial accounts at commercial banking institutions for the safekeeping of property and authorizing the officers, or their successors in office, as signatories on the account. Annually, or as changes in officers occur, SGVCOG staff notifies the bank which updates the account.

In February 2016, Platinum Consulting Services resigned as the SGVCOG's accountant/treasurer, and the Governing Board approved a memorandum of understanding (MOU) with Alameda Corridor-East (ACE) Construction Authority to provide financial management services. Resolution 16-04 updates the check signing authority to remove staff from Platinum Consulting and add ACE's CFO (Carlos Monroy), who now serves as the SGVCOG's primary accountant. It also removes Fran Delach, who served as the SGVCOG interim Executive Director through October 2015. Adoption of the Resolution would also authorize the officers to execute signature cards with Citizens Business Bank and execute any agreements with the Bank required to conduct business as directed by the Governing Board. The Resolution further reaffirms the Governing Board direction that two signatures are required on documents and instruments of payment.

## **ATTACHMENTS**

Attachment A – Resolution 16-04

## **RESOLUTION NO. 16-04**

### **RESOLUTION OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS REAFFIRMING THE ESTABLISHMENT OF FINANCIAL ACCOUNTS FOR THE SAFEKEEPING OF PROPERTY AND AUTHORIZING OFFICIAL SIGNATURES**

**WHEREAS**, the San Gabriel Valley Council of Governments (SGVCOG) Governing Board has determined that the deposit and withdrawal and investment of money in commercial banking institutions in accordance with the provisions of law ensures the safekeeping of property and serves the best interests of the SGVCOG;

**WHEREAS**, the Governing Board established a financial account at Citizens Business Bank at the San Gabriel, California, branch for the safekeeping of its financial assets; and

**WHEREAS**, on March 21, 2013, the Governing Board adopted Resolution No. 13-03 reaffirming the establishment of financial accounts at commercial banking institutions for the safekeeping of property and authorizing the officers, or their successors in office, as signatories on the account.

**NOW THEREFORE, BE IT RESOLVED** that the Governing Board does hereby authorize Carlos Monroy be added as be official signatures on all banking and credit card accounts held by the SGVCOG and removes Cindy Byerrum and Francis Delach.

**BE IT FURTHER RESOLVED** that the SGVCOG Governing Board previously authorized, pursuant to Resolution 15-28, SGVCOG officers or their successors to enter into an agreement in which form and with such terms and conditions as may be agreed upon, and any renewals thereof, with the commercial banking institution directed by the Governing Board for the safekeeping of any property belonging to the SGVCOG which may now be in the possession of, or which may hereafter be deposited with said bank for safekeeping and from time to time to designate the persons to act under such an agreement. Resolution 16-03 does not change their authority.

**BE IT FURTHER RESOLVED** that any two of the above-named officers are hereby authorized to execute all documents related to disbursements for said SGVCOG and other documents required to be executed on behalf of the SGVCOG.

**BE IT FURTHER RESOLVED** that the Secretary shall forward certified copies of this Resolution to the commercial banking institution handling SGVCOG accounts.

This Resolution shall remain in full force and effect until said commercial banking institution is given written notice to the contrary at the office where said property is held for safekeeping.



**PASSED AND ADOPTED** by the Governing Board of San Gabriel Valley Council of Governments, County of Los Angeles, in the County of Los Angeles, State of California, on the 17<sup>th</sup> day of March, 2016.

San Gabriel Valley Council of Governments

---

Gene Murabito, President

**Attest:**

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 16-04 was adopted at a regular meeting of the Governing Board held on the 17th day of March, 2016, by the following roll call vote:

<b>AYES:</b>	
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

---

Philip A. Hawkey, Secretary

# REPORT

---

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND (LAIF)**

## **RECOMMENDED ACTION**

Adopt Resolution No. 16-05 authorizing officers and staff to order the deposit or withdrawal of monies in the Local Agency Investment Fund (LAIF).

## **BACKGROUND**

SGVCOG funds are invested in LAIF pursuant to Resolution No. 13-01, which was adopted by the Governing Board on March 21, 2013. At the same time, the Governing Board authorized the officers, or their successors in office, as signatories on the LAIF account. Annually, or as changes in officers occur, SGVCOG staff notifies LAIF which updates the account.

In February 2016, Platinum Consulting Services resigned as the SGVCOG's accountant/treasurer, and the Governing Board approved a memorandum of understanding (MOU) with Alameda Corridor-East (ACE) Construction Authority to provide financial management services. Resolution 16-04 updates the LAIF account authority to remove staff from Platinum Consulting. Both the ACE CEO (Mark Christoffels) and the ACE CFO (Carlos Monroy) are already authorized signatories on the LAIF account.

## **ATTACHMENTS:**

Attachment A - Resolution 16-05

**RESOLUTION NO. 16-05**

**RESOLUTION OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS  
AUTHORIZING THE INVESTMENT OF MONIES IN THE  
LOCAL AGENCY INVESTMENT FUND**

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund (LAIF) in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer,

**WHEREAS**, the Governing Board does hereby find that the deposit and withdrawal of money in the LAIF in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the San Gabriel Valley Council of Governments (SGVCOG); and

**WHEREAS**, on March 21, 2013, the Governing Board adopted Resolution No. 13-01 authorizing the deposit and withdrawal of SGVCOG's monies in the LAIF in the State Treasury in accordance with the provisions of Government Code Section 16429.1 for the purpose of investment as stated therein and verification by the State Treasurer's Office of all banking information provided in that regard.

**NOW THEREFORE, BE IT RESOLVED** that the SGVCOG officers: President Gene Murabito, First Vice-President Kevin Stapleton, Second Vice-President Cynthia Sternquist, Third Vice-President Margaret Clark, Executive Director Philip A. Hawkey, Alameda Corridor-East (ACE) Chief Executive Officer Mark Christoffels, ACE Director of Finance Carlos Monroy or their successors in office, shall be authorized to order the deposit or withdrawal of monies in LAIF.

\_\_\_\_\_  
Gene Murabito, President

\_\_\_\_\_  
Kevin Stapleton, 1<sup>st</sup> Vice-President

\_\_\_\_\_  
Cynthia Sternquist, 2<sup>nd</sup> Vice-President

\_\_\_\_\_  
Margaret Clark, 4<sup>th</sup> Vice-President

\_\_\_\_\_  
Philip A. Hawkey, Executive Director

\_\_\_\_\_  
Mark Christoffels, ACE CEO

\_\_\_\_\_  
Carlos Monroy, ACE Director of Finance

**BE IT FURTHER RESOLVED** that any two of the above-named officers are hereby authorized to execute documents related to disbursements for said SGVCOG and other documents required to be executed on behalf of the SGVCOG.

**PASSED AND ADOPTED** by the Governing Board of San Gabriel Valley Council of Governments, County of Los Angeles, in the County of Los Angeles, State of California, on the 17<sup>th</sup> day of March, 2016.

San Gabriel Valley Council of Governments

---

Gene Murabito, President

**Attest:**

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 16-05 was adopted at a regular meeting of the Governing Board held on the 17th day of March, 2016, by the following roll call vote:

<b>AYES:</b>	
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

---

Philip A. Hawkey, Secretary

# REPORT

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **SALARY AND CLASSIFICATION RESOLUTION**

## **RECOMMENDED ACTION**

Adopt resolution 16-06 updating the SGVCOG salary and classification system to change the title of Assistant to the Executive Director to the Assistant Executive Director, to increase the pay range for the Assistant Director, to increase the pay range for the Senior Management Analyst, and to place both position in an exempt classification.

## **BACKGROUND**

The position of Assistant to the Executive Director is not an accurate description of the full range of management and analytical responsibilities of the top full-time staff personal at the COG. Changing the title to Assistant Director is more reflective of the role this position performs.

The pay ranges for the two top positions at the COG are at about 25% below the average of San Gabriel Valley cities. It is recommended that the pay range for the Assistant Director and the Senior Management Analyst be raised to the average among San Gabriel Valley Cities. Table 1 shows the existing and proposed pay ranges for both positions.

	Position Title	Range Minimum		Range Maximum	
		Monthly Salary	Bi-Weekly Salary	Monthly Salary	Bi-Weekly Salary
Existing	Senior Administrative Analyst	\$4,363.00	\$2,013.70	\$6,108.00	\$2,819.08
	Assist to the Executive Director	\$5,303.00	\$2,447.54	\$7,424.00	\$3,426.46
Proposed	Senior Management Analyst	\$5,487.61	\$2,532.74	\$7,097.50	\$3,275.77
	Assistant Executive Director	\$7,276.58	\$3,358.42	\$9,189.76	\$4,241.43

**Table 1.**  
**Existing and Proposed Salary Ranges.**

Currently, both the Assistant to the Executive Director position and the Senior Management Analyst position are in a non-exempt classification, meaning that they are paid on an hourly basis and suggesting that these positions do not exercise significant discretion or judgement in the performance of their work. In fact, these two position require high level of professional judgment, discretion and initiative, and should be classified as exempt positions.

These recommendations were reviewed by the City Managers' Steering Committee at their March meeting, and there was a unanimous motion to recommend that the Governing Board adopt the changes as presented.

## **FISCAL IMPACT**

The funding for the recommended adjustments to the Assistant Executive Director and the Senior Management Analysts is included in the FY 2015-16 budget.

## **ATTACHMENTS**

Attachment A – Resolution 16-06



**RESOLUTION NO. 16-06**

**A RESOLUTION OF THE GOVERNING BOARD OF THE SAN  
GABRIEL VALLEY COUNCIL OF GOVERNMENTS AMENDING  
RESOLUTION NO. 15-22 REGARDING EMPLOYMENT BENEFITS AND  
SALARY RATES FOR ALL CLASSES OF EMPLOYMENT**

**WHEREAS**, on June 18, 2015, the Governing Board of the San Gabriel Valley Council of Governments (SGVCOG) adopted Resolution No. 15-22 establishing the employment benefits and salary rates for all classes of employment; and

**WHEREAS**, the Governing Board desires to adjust the compensation and job duties for the position of Senior Management Analyst.

**NOW, THEREFORE**, the Governing Board of the SGVCOG does hereby resolve, declare, determine, and order as follows:

**SECTION 1.** Section 1 of Resolution No. 15-22 is hereby deleted in its entirety and replaced by the following:

The following bi-weekly salary schedules are assigned to the full-time classes of employment. Annual compensation is equal to 26 bi-weekly pay periods.

Position Title	Range Minimum		Range Maximum	
	Monthly Salary	Bi-Weekly Salary	Monthly Salary	Bi-Weekly Salary
Management Analyst	\$3,539.08	\$1,633.42	\$4,499.48	\$2,076.68
Senior Management Analyst	\$5,487.61	\$2,532.74	\$7,097.50	\$3,275.77
Assistant Executive Director	\$7,276.58	\$3,358.42	\$9,189.76	\$4,241.43
Executive Director			\$14,583.33	\$6,730.77

**SECTION 2.** Section 2 of Resolution No. 15-22 is hereby deleted in its entirety and replaced by the following:

The following table designates the full-time position titles as non-exempt or exempt under the Fair Labor Standards Act (FLSA). All hourly positions listed in Section 4 of Resolution No. 15-22 are designated as non-exempt. Position titles designated as non-exempt are compensated overtime for hours worked in excess of 40 hours per workweek. Position titles designated as exempt are not eligible for overtime compensation under the FLSA and will not receive overtime compensation for hours worked in excess of 40 hours per workweek.

Position Title	Exempt/Non-Exempt Status	Position Category
Management Analyst	Non-Exempt	Supv/Professional
Senior Management Analyst	Exempt	Professional/Executive
Assistant Executive Director	Exempt	Executive
Executive Director	Exempt	Executive

**SECTION 3.** The Executive Director shall certify the adoption of this Resolution and shall enter it into the official book of resolutions.

**PASSED AND ADOPTED** by the Governing Board of the San Gabriel Valley Council of Governments, County of Los Angeles, State of California, on the 17th day of March, 2016.

---

Gene Murabito, President

**Attest:**

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 16-06 was adopted at a regular meeting of the Governing Board held on the 17th day of March, 2016, by the following roll call vote:

<b>AYES:</b>	
<b>NOES:</b>	
<b>ABSTAIN:</b>	
<b>ABSENT:</b>	

---

Philip A. Hawkey, Secretary



# REPORT

---

DATE: March 17, 2016

TO: Governing Board Delegates and Alternates

FROM: Richard Jones, General Counsel

RE: **SETTLEMENT WITH ALLIED WORLD**

## **RECOMMENDED ACTION**

It is recommended that the Governing Board approve the proposed settlement agreement and authorize the Executive Director to execute it.

## **BACKGROUND**

The District Attorney filed formal charges against former Executive Director Nicholas Conway alleging that Conway was in violation of Penal Code Section 1090 (Conflict of Interest). Both Conway and the COG tendered defense of the matter to Allied World National Assurance Company (Allied World), which refused to defend the matter. Ultimately, the charges were dismissed against Mr. Conway, and the SGVCOG and Conway entered into a settlement agreement under which the SGVCOG paid Conway for his costs and expenses of defense, and Conway assigned his rights against Allied World to the SGVCOG.

In July 2014, SGVCOG retained the Shernoff Bidart firm to pursue claims against Allied World. An action was filed against Allied World in May 2015. SGVCOG paid Conway the amount of \$175,194.49 for fees and costs incurred. In addition, SGVCOG had claims against Allied for attorneys' fees it spent in negotiating a resolution with Conway and seeking reimbursement from Allied.

## **ANALYSIS**

As a result of recommendations by Shernoff Bidart, the Board acted to authorize settlement authority in the Allied World matter. The proposed settlement agreement provides for payment to the SGVCOG in the amount of \$100,000, within the authority provided by the Board previously. The City Managers' Steering Committee and Technical Advisory Committee (TAC) and Executive Board recommended the settlement. The Board is asked to approve the proposed settlement agreement and authorize the Executive Director to execute it. Shernoff Bidart's fee will be 40% of the net recovery.

## **ATTACHMENTS**

Attachment A – Proposed Settlement Agreement

## **SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Release (the “Agreement”), effective the date last executed by a party hereto, is entered by and between San Gabriel Valley Council of Governments, a Joint Powers Authority (the “Council”) and Allied World National Assurance Company (U.S.) Inc. (“Allied World”). These two parties may also be referred to individually in this Agreement as the “Party” and collectively as the “Parties.”

### **RECITALS**

**A.** Allied World issued Special Liability Insurance Program (SLIP) Policies to the Council for two consecutive periods as the Participating Named Insured. The initial policy, policy number C010407/002, was in effect from September 9, 2009-September 9, 2010 (“Initial Policy”). A renewal policy, policy number 0305-9514, was issued for the September 9, 2010-September 9, 2011 policy period (“Renewal Policy”) and contains the same relevant terms, provisions, and exclusions as the Initial Policy. (The Initial Policy and the Renewal Policy are collectively referred to here as the “Policy.”)

**B.** On June 26, 2012, the Los Angeles County District Attorney’s office (“DA”) filed a Felony Complaint against the Council’s then-Executive Director, Nicholas Conway, alleging four counts of the crime of “conflict of interest” against Conway in violation of California Government Code section 1090, *et seq.* Specifically, the DA sought to convict Conway of becoming financially interested in contracts made by him in his official capacity which, if convicted, would have resulted in imposition on Conway of a fine or prison sentence pursuant to California Government Code sections 1090 and 1090.1.

**C.** The Council tendered the defense of the Felony Complaint to Allied World under the Policy.

**D.** Allied World declined to defend the Felony Complaint.

**E.** On May 25, 2015 the Council filed suit against Allied World in the Los Angeles Superior Court, Case No. BC576784, alleging breach of contract, breach of the implied covenant of good faith and fair dealing, and seeking declaratory relief. Allied World subsequently removed the Coverage Action to the United States District Court for the Central District of California, Western Division, Case No. 2:15-cv-03395-JAK-GJS (“Coverage Action”).

In consideration of the terms and conditions of this Agreement, the adequacy of which is hereby acknowledged, the Council and Allied World agree as follows:

**1. Payment.** In exchange for the Council’s release contained herein, Allied World agrees to pay One Hundred Thousand Dollars (\$100,000.00) in full and final satisfaction of the claims made against Allied World in the Coverage Action. These funds will be made payable to the “Shernoff Bidart Scheverria Bentley Trust Account.” Payment of this amount will be made within thirty (30) days after the last Party signs this Agreement.

2. **Release.** In exchange for the payment referred to above and the other terms and conditions of this Agreement, the Council releases and forever discharges Allied World and all of its predecessors, successors, affiliates, subsidiaries, parents, officers, directors, employees, agents, insurers, reinsurers, and attorneys from any and all claims, causes of action, damages, or rights arising out of or in any way related to the Coverage Action and the Felony Complaint under the Initial Policy or the Renewal Policy, or both (the “Released Claims”).

The Council expressly waives any and all rights it may have under any statute, regulation or common law with respect to the Released Claims, including the terms of section 1542 of the California Civil Code, which states as follows:

**A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.**

The Council acknowledges that it may discover facts in addition to or different from those that they may now know or believe to be true with respect to the Released Claims, and that such facts may give rise to claims that are presently unknown, unanticipated or unsuspected. Nevertheless, the Council intends to and hereby does fully, finally, and forever settle and release Allied World, including Allied World’s predecessors, successors, affiliates, subsidiaries, parents, officers, directors, employees, agents, insurers, reinsurers, and attorneys, from any and all liability in connection with the Released Claims. The Council’s release shall remain a full and complete release notwithstanding the discovery or existence of any such additional or different facts.

3. **Notice of Settlement and Dismissal of Coverage Action.** The Council agrees to file and serve a notice of settlement and stipulation of dismissal with the Court within seven (7) days of receipt by the law firm of Shernoff Bidart Echeverria Bentley of the payment identified in Section 1.

4. **No Admission of Liability.** It is understood and agreed that this Agreement is the result of a good faith compromise and settlement of disputed claims. No part of this Agreement shall be taken or construed to be an admission of any liability, responsibility, fault, or wrongdoing by any Party.

5. **Representations and Warranties.**

(a) Each person executing this Agreement warrants that he or she has the authority to do so from the Party or Parties on whose behalf the person is executing this Agreement.

(b) Each Party acknowledges it enters into this Agreement relying upon an independent investigation and analysis of the facts and, should they have chosen to seek such advice, upon advice received from their respective attorneys and advisors. The Parties further acknowledge they have consulted with their attorneys and advisors in negotiating and executing this Agreement or have chosen not to do so of their own volition.

(c) The Parties represent and warrant they have not assigned to any third party any rights to assert any liability, claim, demand, or cause of action arising out of the Coverage Action or the Initial Policy or Renewal Policy alleged in the Coverage Action.

**6. Costs of Suit and Attorney's Fees.** Each party will bear own costs of suit and attorneys' fees in the Coverage Action. The Parties all agree to bear their own costs incurred in connection with this Agreement.

**7. Entire Agreement.** This Agreement represents the entire agreement and understanding of the Parties and supersedes all prior or contemporaneous negotiations or agreements. This Agreement may not be modified in any manner except in writing duly executed by the Parties.

**8. Construction.** This Agreement shall not be construed against the Party or Parties whose attorney(s) drafted this Agreement or any portion thereof.

**9. Integration.** This Agreement (after fully executed) constitutes the entire Agreement and understanding between the Parties and supersedes and replaces all prior negotiations, proposed agreements, and agreements, whether written or unwritten.

**10. Execution in Counterparts.** This Agreement may be executed and delivered in two or more counterparts, each of which, including but not limited to pages transmitted by facsimile or e-mail, when so executed and delivered, shall be deemed to be an original.

IN WITNESS WHEREOF, each Party has approved and executed this Agreement effective as of the date set forth above.

Date: \_\_\_\_\_

ALLIED WORLD NATIONAL  
ASSURANCE COMPANY (U.S.) INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

SAN GABRIEL VALLEY COUNCIL OF  
GOVERNMENTS

By: \_\_\_\_\_

Title: \_\_\_\_\_



APPROVED AS TO FORM:

Date: \_\_\_\_\_

SHERNOFF BIDART ECHEVERRIA  
BENTLEY

\_\_\_\_\_  
Gregory L. Bentley  
Counsel for Plaintiffs SAN GABRIEL  
VALLEY COUNCIL OF  
GOVERNMENTS

Date: \_\_\_\_\_

GORDON & REES LLP

\_\_\_\_\_  
David C. Capell  
Counsel for Defendant ALLIED  
WORLD NATIONAL ASSURANCE  
COMPANY (U.S.) INC.