



City of Covina/Covina Redevelopment  
Agency/Covina Public Finance Authority  
Mayor Peggy Delach – Mayor Pro Tem John King  
Council Members Walt Allen, III – Bob Low – Kevin Stapleton

REGULAR MEETING AGENDA  
125 E. College Street, Covina, California  
Council Chambers of City Hall  
**Tuesday, December 21, 2010**  
6:30 p.m.

- **The City Council/Redevelopment Agency will meet in closed session from 6:30 p.m.-7:30 p.m.**
- As a courtesy to Council/Agency/Authority Members, staff and attendees, everyone is asked to silence all pagers, cellular telephones and any other communication devices.
- Any member of the public may address the City Council, Redevelopment Agency, and Public Finance Authority during both the public comment period and on any scheduled item on the agenda. Comments are limited to a maximum of five minutes per speaker unless, for good cause, the Mayor/Chairperson amends the time limit. Anyone wishing to speak is requested to submit a yellow Speaker Request Card to the City Clerk; cards are located near the agendas or at the City Clerk's desk.
- Please provide 10 copies of any information intended for use at the City Council/Covina Redevelopment Agency/Covina Public Finance Authority meeting to the City Clerk prior to the meeting.
- **MEETING ASSISTANCE INFORMATION:** In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk Department at (626) 384-5430. Services such as American Sign Language interpreters, a reader during the meeting, and/or large print copies of the agenda are available. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are now available. Please see the City Clerk before the meeting or during a break for more information.
- **DOCUMENT AVAILABILITY:** Any writings or documents provided to a majority of the City Council/Redevelopment Agency/Public Finance Authority regarding any item on this agenda will be made available for public inspection at the City Clerk counter at City Hall located at 125 E. College Street and the Reference Desk at the Covina Library located at 234 N. Second Avenue during normal business hours. In addition, such writings and documents are available in the City Clerk's office and may be posted on the City's website at <http://www.covinaca.gov/clerk/agendas.htm>.
- Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the City Council/Redevelopment Agency/Public Finance Authority unless listed on agenda, which has been posted not less than 72 hours prior to meeting.
- If you challenge in court any discussion or action taken concerning an item on this Agenda, you may be limited to raising only those issues you or someone else raised during the meeting or in written correspondence delivered to the City at or prior to the City's consideration of the item at the meeting.
- The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the **December 21, 2010** Regular City Council meeting was posted on **December 16, 2010, 2010** near the front entrance of the City Hall, 125 East College Street, Covina, in accordance with Section 54954.2(a) of the Government Code.

*December 21, 2010*

**CITY COUNCIL/REDEVELOPMENT AGENCY  
JOINT MEETING—CLOSED SESSION  
6:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency Members Allen, Low, Stapleton, Mayor Pro Tem/Vice Chairperson King,  
Mayor/Chairperson Delach

**PUBLIC COMMENTS**

*The Public is invited to make comment on Closed Session items only at this time. To address the Council/Agency, please complete a yellow Speaker Request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each.*

**The City Council and Redevelopment Agency will adjourn to Closed Session for the following:**

**CLOSED SESSION**

- A. G.C. §54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATOR -  
NEGOTIATIONS TO INCLUDE BOTH PRICE AND TERMS:  
DESIGNATED REPRESENTATIVE: Robert Neuber, Comm. Development Director
  - Greg Bozzani – 602 S. Citrus Avenue (APN 8451-001-911)
- B. G.C. 54956.9(b) – CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED  
LITIGATION: ONE (1)

**RECESS**

**CITY COUNCIL  
REDEVELOPMENT AGENCY/PUBLIC FINANCE AUTHORITY  
JOINT MEETING—OPEN SESSION  
7:30 p.m.**

**CALL TO ORDER**

**ROLL CALL**

Council/Agency/Authority Members Allen, Low, Stapleton, Mayor Pro Tem/Vice Chairperson  
King, Mayor/Chairperson Delach

## **PLEDGE OF ALLEGIANCE**

Led by Mayor Pro Tem King.

## **INVOCATION**

Led by the Covina Police Chaplain David Truax.

## **PRESENTATIONS**

1. Presentation to Home Depot for their community work at the Covina Development Center & Library and Recreation Hall.

## **PUBLIC COMMENTS**

*To address the City Council/Redevelopment Agency/Public Finance Authority please complete a yellow Speaker Request card located at the entrance and give it to the City Clerk/Agency/Authority Secretary. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Council/Agency/Authority Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each.*

## **COUNCIL/AGENCY/AUTHORITY COMMENTS**

*Council/Agency Members wishing to make any announcements of public interest or to request that specific items be added to future City Council/Redevelopment Agency/Public Finance Authority Agendas may do so at this time.*

## **CITY MANAGER COMMENTS**

## **CONSENT CALENDAR**

*All matters listed under consent calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Council/Redevelopment Agency/Public Finance Authority votes on them, unless a member of the Council/Agency requests a specific item be removed from the consent calendar for discussion.*

- CC 1. City Council to approve the Minutes of the November 30, 2010 Special Meeting of the City Council/Covina Redevelopment Agency/Covina Public Finance Authority.
- CC 2. City Council to receive and file Payment of Demands in the amount of \$3,307,359.96.
- CC 3. City Council to receive and file Public Works Department Monthly Activity Report.
- CC 4. City Council to receive and file a report on the X-it Poll Data for the Survey Tools located at City Hall.
- CC 5. City Council to receive and file a report on the status of the Los Angeles Regional Interoperability Communications System.

- CC 6. City Council to approve a Memorandum of Agreement for the Los Angeles Regional Integrated Law and Justice Project among the Regional Terrorism Intelligence and Integration System Participating Agencies.
- CC 7. City Council to receive and file a report concerning Wireless Facilities Moratorium pursuant to California Government Code, Section 65858(d).
- CC 8. City Council to adopt **Resolution No. 10-6913**, approving the destruction of certain obsolete records from the City Clerk's Office.
- CC 9. City Council to adopt **Resolution No. 10-6916**, supporting the Covina Irrigating Company's Ultraviolet/Chloramine Water Treatment System Improvement Project.
- CC 10. City Council to approve an Amendment to Consulting Services Agreement with RC Kemp Consulting Services, LLC.
- CC 11. City Council/Redevelopment Agency to consider directing staff to look at ways to reduce the cost of outdoor sales and events requiring Administrative Conditional Use Permits for licensed Covina businesses.
- CC 12. City Council/Redevelopment Agency to adopt **Agency Resolution No. 10-648**, approving and adopting the Annual Report for the Covina Redevelopment Agency Project No. 1 and 2 for Fiscal Year Ended June 30, 2010.
- CC 13. Redevelopment Agency to receive and file Payment of Demands in the amount of \$742,055.83.
- CC 14. Redevelopment Agency approval of an Agreement for Professional Services for consultant services to prepare a Redevelopment Project Area Study for Covina Revitalization Redevelopment Project No. 1 and No. 2.
- CC 15. Redevelopment Agency to amend the Relocation and Lease Termination Settlement Offer/Settlement Agreements with Candy Connection as part of the Olson Citrus Walk Project.

### **JOINT PUBLIC HEARING**

- JPH1. City Council/Redevelopment Agency to conduct a Joint Public Hearing to amend Disposition and Development Agreement with Olson Land Project LLC, for the Olson Citrus Walk Project.

#### **Staff Recommendation:**

- a) Open the Public Hearing and consider public testimony; and
- b) Adopt **City Resolution No. 10-6914**, approving a First Amendment to the 2010 Disposition and Development Agreement between the Redevelopment Agency of the City of Covina and Olson Land Projects, LLC; and
- c) Adopt **Agency Resolution No. 10-647**, approving a First Amendment to the 2010 Disposition and Development Agreement between the Redevelopment Agency of the City of Covina and Olson Land Projects, LLC.

JPH2. City Council/Redevelopment Agency to conduct a Joint Public Hearing to consider a Lease Agreement with Enterprise Rent-A-Car Company of Los Angeles, LLC, for property located at 635 S. Citrus Avenue, Covina, California.

Staff Recommendation:

- a) Open the Public Hearing and consider public testimony; and
- b) Adopt **City Resolution No. 10-6917**, making certain findings pursuant to Health and Safety Code §33433 and approving a Lease Agreement for real property located at 635 South Citrus Avenue, Covina, California.
- c) Adopt **Agency Resolution No. 10-649**, making certain findings pursuant to Health and Safety Code §33433 and approving a Lease Agreement for real property located at 635 South Citrus Avenue, Covina, California.

**NEW BUSINESS**

- NB 1. City Council to receive and file the update on employee parking issues related to the Aurora Hospital Construction Project.
- NB 2. City Council to adopt **Resolution No. 10-6919**, adopting a policy regarding reasonable accommodation in zoning practices pursuant to Federal and State Fair Housing Laws.
- NB 3. City Council to adopt **Resolution No. 10-6918**, providing for the appointment to the Offices of this City that were to be elected on Tuesday, March 8, 2011.

**ADJOURNMENT**

The Covina City Council/Redevelopment Agency/Covina Public Finance Authority will adjourn to **Tuesday, January 18, 2011** at 6:30 p.m. for closed session and at 7:30 p.m., for open session in the Council Chambers of City Hall, 125 E. College Street, Covina, California 91723.



**MINUTES OF THE NOVEMBER 30, 2010 SPECIAL MEETING  
OF THE COVINA CITY COUNCIL/REDEVELOPMENT  
AGENCY/PUBLIC FINANCE AUTHORITY HELD IN THE  
COUNCIL CHAMBERS OF CITY HALL, 125 EAST COLLEGE  
STREET**

- CALL TO ORDER** Mayor Delach called the Special City Council/Redevelopment Agency/Public Finance Authority meeting to order at 6:30 p.m.
- ROLL CALL** Council Members Present: Allen, Delach, King, Low, Stapleton  
Elected Officials Absent: City Clerk
- Staff Members Present: City Manager, City Attorney, Community Development Director, Sr. Redevelopment Manager, Redevelopment Manager, Contract Communications Manager, Deputy City Clerk
- AGENDA POSTING DECLARATION** The Deputy City Clerk of the Covina City Council hereby declares that the agenda for the November 30, 2010 Special City Council/Redevelopment Agency/Public Finance Authority meeting was posted on November 24, 2010 near the front entrance of City Hall, 125 East College Street, Covina, in accordance with §54954.2(a) of the Government Code.
- PLEDGE OF ALLEGIANCE** Council Member Kevin Stapleton led the Pledge of Allegiance.
- PUBLIC COMMENTS** Marcia Enger expressed her appreciation in the efforts that were made to relocate Giovanni's restaurant and have the business remain in the City of Covina.
- COUNCIL/AGENCY COMMENTS** Mayor Delach reminded everyone of the 60th Annual Covina Christmas Parade: Saturday, December 4, 2010 beginning at 6:30 p.m.
- CITY MANAGER COMMENTS** None.
- CONSENT CALENDAR** City Council received a presentation of the Strategic Plan updated at the October 26, 2010 Workshop.
- STRATEGIC PLAN PRESENTATION CCI** City Manager Daryl Parrish reported the attached Strategic Plan matrix was updated as a result of the workshop held on October 26, 2010. Goals were completed and there were amendments to objectives along with new objectives added.
- On a motion by Mayor Pro Tem King, seconded by Council Member Allen, the City Council/Redevelopment Agency/Public Finance Authority approved Consent Calendar item CCI. **Motion carried 5-0.**

RELOCATION AND LEASE  
TERMINATION  
SETTLEMENT  
OFFER/AGREEMENT  
CC2

Redevelopment Agency to approve the Relocation and Lease Termination Settlement Offer/Agreement with La Tazza Café as part of the Olson Citrus Walk Project.

City Manager Daryl Parrish reported this item is before Council based on the terms outlined in executive session. He noted the vacation date of December 26, 2010 in addition to a partial payment of 50% with the remaining 50% once the premises are vacated. City Manager Daryl Parrish stated the Covina Unified School District Board would hear this item on December 6, 2010.

On a motion by Mayor Pro Tem King, seconded by Council Member Allen, the City Council/Redevelopment Agency/Public Finance Authority approved Consent Calendar item CC2. **Motion carried 4-1, with Council Member Stapleton voting no.**

JOINT PUBLIC HEARING

LEASE AGREEMENT  
JPH 1

Joint Public Hearing was before City Council/Redevelopment Agency for the consideration of a Lease Agreement with Elite Dining Services, Inc., dba Giovanni's Ristorante, for property located at 114 E. Italia Street, Covina, California.

Mayor Delach opened the public hearing at 6:38 p.m. There were no speakers. Mayor Delach closed the public hearing at 6:38 p.m.

Council Member Allen and Mayor Delach spoke in favor of the restaurant relocation. Council Member Allen noted the success of the business.

Council Member Low expressed his concern regarding the rent schedule for the project. He noted that the rent is waived the first four months and averages to \$.53 a square foot for the first year, which is below market level. He spoke of his concern regarding the project being coupled with another business and of the overall cost of the Olson project. Council Member Low stated that there is a posted sign at the new location prior to this contract being approved and he feels that it is not an appropriate.

Redevelopment Agency Deputy Executive Director Robert Neuber reported that the City Council/Redevelopment Agency previously approved a Right of Entry Agreement for Giovanni's, which allowed work to begin at the new site. He noted the agreement states that any work completed at the new site would be done at their risk and with no guaranty of approval by Council/Agency.

Council Member Stapleton stated it is common to allow for tenant improvements by cash infusion or forgiveness of rent for a period in order to attract tenants. He stated the particular establishment has done well in the community and that the new location could have the opportunity to serve more customers. Council Member Stapleton

referred to the average square foot cost of \$.53 and pointed out having no tenant would bring in no lease funds. He believes this is a good deal for the City given the current commercial market.

Council Member Allen expressed his approval on the project and stated this relocation agreement would address complaints heard about vacant commercial buildings. He noted this project was discussed in closed session, is fair and good for the economic development of the City.

Mayor Pro Tem King stated the project is beneficial for local business.

Mayor Delach expressed her disappointment with Council Member Low's comments and feels that if Council were to go along with all the no votes, the City of Covina would have empty buildings. She expressed appreciation for supporters of progress.

On a motion made by Council Member Stapleton, seconded by Mayor Pro Tem King, the City Council/Redevelopment Agency adopted Agency Resolution No. 10-645, making certain findings pursuant to Health and Safety Code §33433 and approving a Lease Agreement for real property located at 114 E. Italia Street, Covina, California; and adopted City Resolution No. 10-6910, making certain findings pursuant to Health and Safety Code §33433 and approving a Lease Agreement for real property located at 114 E. Italia Street, Covina, California. **Motion carried 4-1, with Council Member Low voting no.**

#### ADJOURNMENT

At 6:44 p.m., Mayor Delach adjourned the City Council/Redevelopment Agency/Public Finance Authority special meeting in honor of Violet (Jean) Ann Chadwick. The next meeting of the City Council/Redevelopment Agency/Public Finance Authority meeting is scheduled for Tuesday, December 7, 2010 at 6:30 p.m. for closed session followed by open session at 7:30 p.m. in the Council Chambers of City Hall, 125 East College Street, Covina, California, 91723.

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Catherine M. LaCroix  
Deputy City Clerk/Agency Secretary

Approved this 21st day of December, 2010.

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Peggy Delach, Mayor/Chairperson

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

MEETING DATE: December 21, 2010

ITEM NO.: CC 2

STAFF SOURCE: Dilu De Alwis, Finance Director *AD*

ITEM TITLE: Payment of Demands

**STAFF RECOMMENDATION:**

Approve Payment of Demands in the amount of: **\$3,307,359.96**

**BACKGROUND:**

Attached list of warrants, demands, which are being presented for approval for October 2010 are summarized as follows:

<u>DATE OF DEMANDS</u>	<u>DEMAND NUMBERS</u>	<u>AMOUNT</u>
<b>ACCOUNTS PAYABLE WARRANTS</b>		
October 5, 2010	87569-87714	\$209,233.52
October 12, 2010	87715-87822	\$168,725.70
October 13, 2010	87823-87846	\$187,660.61
October 19, 2010	87847-87966	\$1,186,872.26
October 19, 2010	87967	\$2,500.00
October 26, 2010	87968-88085	\$153,479.08
October 27, 2010	88086-88225	\$91,309.04
October 27, 2010	88226-88248	\$189,027.90
October 28, 2010	88249	\$806.41
<b>PAYROLL</b>		
October 12, 2010	PAYROLL ADVANCE	\$382,000.00
October 14, 2010		\$149,029.51
October 25, 2010	PAYROLL ADVANCE	\$389,000.00
October 25, 2010		\$142,116.75
<b>VOIDS</b>		
October 31, 2010	85539,87438	(\$367.00)
October 5, 2010	87586	(\$1,430.40)
<b>WORKERS COMPENSATION</b>		
October 1, 2010	20548-20563	\$4,077.87
October 8, 2010	20564-20572	\$2,572.10
October 15, 2010	20573-20649	\$37,367.10
October 22, 2010	20650-20678	\$13,379.51
	<b>GRAND TOTAL:</b>	<b>\$3,307,359.96</b>

RELEVANCE TO STRATEGIC PLAN: Not applicable

**EXHIBITS:**

A. ACCOUNTS PAYABLE REGISTER

REVIEW TEAM ONLY	
City Attorney: <i>[Signature]</i>	Finance Director: <i>[Signature]</i>
City Manager: <i>[Signature]</i>	Other: _____

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087569	V04747	10-8 RETROFIT	10/05/10	100.34	MW			
AP00087570	V07646	12 MILES OUT.COM	10/05/10	800.00	MW			
AP00087571	V06326	A & B ELECTRIC	10/05/10	1,279.11	MW			
AP00087572	V00019	AARDVARK TACTICAL INC	10/05/10	753.61	MW			
AP00087573	V00022	ABORTA BUG INC	10/05/10	65.00	MW			
AP00087574	V04342	ACE-1 AUTO SERVICE	10/05/10	45.00	MW			
AP00087575	V00846	ADVANCED GRAPHIX INC	10/05/10	141.29	MW			
AP00087576	V06181	ADVANTAGE ARCHERY	10/05/10	171.50	MW			
AP00087577	V05055	AGI ACADEMY	10/05/10	333.90	MW			
AP00087578	V07158	AGUILAR, LOURDES	10/05/10	147.00	MW			
AP00087579	V06110	AIR-BREE HEATING	10/05/10	3,007.35	MW			
AP00087580	V07542	AKEY, MARJORIE	10/05/10	321.30	MW			
AP00087581	V07014	ALAS, NINA	10/05/10	56.00	MW			
AP00087582	V06155	ALL COLOR PAINT CORP	10/05/10	135.94	MW			
AP00087583	V07157	ANGELES, LEAH	10/05/10	257.25	MW			
AP00087584	V07312	ANURA K. T. DESILVA	10/05/10	2,500.00	MW			
AP00087585	V07635	ARROYO, R. ANTHONY	10/05/10	180.89	MW			
AP00087586	V01660	AT&T	10/05/10	1,430.40	MW			
AP00087587	V00088	AZUSA, CITY OF	10/05/10	3,650.82	MW			Payee Name different in Check DB
AP00087588	V01171	BARRACO, PAUL	10/05/10	20.42	MW			
AP00087589	V05589	BELL BUILDING MAINTENANCE CO	10/05/10	3,205.00	MW			
AP00087590	V07139	BETHKE, BETTY JO	10/05/10	89.83	MW			
AP00087591	V00983	CA ASSOC FOR PROP & EVID	10/05/10	45.00	MW			
AP00087592	V00139	CALIBER POOL AND SPA SVC	10/05/10	2,720.74	MW			
AP00087593	V07038	CALLANDRILLO JR., GEORGE	10/05/10	154.00	MW			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087594	V07156	CALLISON, JACQUELYN	10/05/10	277.67	MW	OH		
AP00087595	V01595	CANON BUS SOLUTIONS INC	10/05/10	238.00	MW	OH		Payee Name different in Check DB
AP00087596	V07402	CATHOLIC CHARITIES	10/05/10	13,973.84	MW	OH		
AP00087597	V00186	CENTURY OFFICE PRODUCTS	10/05/10	54.78	MW	OH		
AP00087598	V02958	CERTIFIED UNDERCAR PARTS	10/05/10	281.16	MW	OH		
AP00087599	V04535	CERTIFION CORP	10/05/10	75.00	MW	OH		
AP00087600	V04253	CHARLES E THOMAS COMPANY	10/05/10	1,905.26	MW	OH		
AP00087601	V00190	CHARTER OAK GYMNASICS INC	10/05/10	1,386.00	MW	OH		
AP00087602	V05555	CINTAS CORP #693	10/05/10	121.93	MW	OH		
AP00087603	V06636	CITY OF CERRITOS	10/05/10	903.00	MW	OH		
AP00087604	V06072	COLLEY AUTO CARS INC.	10/05/10	214.78	MW	OH		
AP00087605	V05948	CORBIN, CLARA	10/05/10	1,544.67	MW	OH		
AP00087606	V04405	COUNTS, KENNETH	10/05/10	8.00	MW	OH		
AP00087607	V07645	COUNTY OF SAN BERNARDINO	10/05/10	135.00	MW	OH		
AP00087608	V00262	COVINA RENTS	10/05/10	384.13	MW	OH		
AP00087609	V00686	COVINA SUNRISE ROTARY	10/05/10	68.00	MW	OH		Payee Name different in Check DB
AP00087610	V00837	COVINA WATER & REFUSE, CITY O	10/05/10	1,562.95	MW	OH		Payee Name different in Check DB
AP00087611	V07303	CRANE, KYLE	10/05/10	8.00	MW	OH		
AP00087612	V06926	CRITERION PICTURES	10/05/10	275.00	MW	OH		
AP00087613	V00175	EDISON CO	10/05/10	77,392.50	MW	OH		
AP00087614	V00307	EDS AUTO PARTS	10/05/10	114.89	MW	OH		
AP00087615	V06067	FACTORCO	10/05/10	1,250.00	MW	OH		Payee Name different in Check DB
AP00087616	V00176	FEDEX	10/05/10	17.33	MW	OH		
AP00087617	V00339	FOOTHILL PRESBYTERIAN HOSPITA	10/05/10	50.00	MW	OH		Payee Name different in Check DB
AP00087618	V02985	FRANCO, STACY	10/05/10	8.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087619	V00350	GAŞ COMPANY, THE	10/05/10	213.75	MW	OH		Payee Name different in Check DB
AP00087620	V01172	GAUMER, TREVOR	10/05/10	20.42	MW	OH		
AP00087621	V00374	GRÄINGER	10/05/10	344.07	MW	OH		Payee Name different in Check DB
AP00087622	V00375	GRAND PRINTING	10/05/10	2,190.04	MW	OH		
AP00087623	V00389	HAINES AND CO INC	10/05/10	3,145.00	MW	OH		
AP00087624	V00904	HARRELL'S TRANSMISSION	10/05/10	2,013.56	MW	OH		
AP00087625	V04530	HARRIS	10/05/10	3,027.36	MW	OH		
AP00087626	V06575	HERTZ CORPORATION	10/05/10	2,786.13	MW	OH		
AP00087627	V07294	HOLLIDAY ROCK CO INC	10/05/10	701.30	MW	OH		
AP00087628	V00006	HOME DEPOT	10/05/10	432.15	MW	OH		
AP00087629	V01343	ICMC	10/05/10	25.00	MW	OH		
AP00087630	V01192	IIMC	10/05/10	315.00	MW	OH		
AP00087631	V07408	IMPERIAL NOTARY SERVICES LLC	10/05/10	63.00	MW	OH		
AP00087632	V03842	INFO USA MARKETING INC	10/05/10	3,375.00	MW	OH		
AP00087633	V05607	INGERSOLL, SCOTT	10/05/10	245.00	MW	OH		
AP00087634	V00426	INLAND WATER WORKS	10/05/10	425.83	MW	OH		
AP00087635	V06713	Integrated Media Systems	10/05/10	5,055.90	MW	OH		
AP00087636	V00777	J.G. TUCKER AND SON	10/05/10	151.46	MW	OH		Payee Name different in Check DB
AP00087637	V06049	JAI ME, SANDRA	10/05/10	108.50	MW	OH		
AP00087638	V07476	JOHN J MOOERS CONSTRUCTION	10/05/10	5,772.85	MW	OH		
AP00087639	V07173	JOHN L. HUNTER	10/05/10	2,683.75	MW	OH		
AP00087640	V02427	JOHNSON'S NUMBERING SERVICE	10/05/10	107.00	MW	OH		
AP00087641	V07325	JOSEPH ESCOBEDO	10/05/10	140.00	MW	OH		Payee Name different in Check DB
AP00087642	V00451	KELLY PAPER CO	10/05/10	447.08	MW	OH		
AP00087643	V04311	KERNS, JASON	10/05/10	20.42	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087644	V04161	KINGWILL, BRIAN	10/05/10	20.42	MW	OH		
AP00087645	V03514	KLYMKIW, MARIE	10/05/10	97.33	MW	OH		
AP00087646	V00182	KMART STORE 4281	10/05/10	21.94	MW	OH		
AP00087647	V02741	KYLE, PATRICIA	10/05/10	609.32	MW	OH		
AP00087648	V00480	LA CNTY PUBLIC WORKS DEPT	10/05/10	2,571.68	MW	OH		Payee Name different in Check DB
AP00087649	V07639	LACROIX, CATHERINE	10/05/10	398.83	MW	OH		
AP00087650	V05585	LAM, LY CHOU	10/05/10	126.00	MW	OH		
AP00087651	V07017	LARSEN, MICHAEL	10/05/10	43.75	MW	OH		
AP00087652	V04068	LAW ENFORCEMENT ASSOCIATES IN	10/05/10	875.00	MW	OH		
AP00087653	V05366	LEAGUE OF CALIF CITIES	10/05/10	40.00	MW	OH		
AP00087654	V00496	LEWIS ENGRAVING INC	10/05/10	6.42	MW	OH		
AP00087655	V00497	LEWIS SAW AND LAWMOWER	10/05/10	51.15	MW	OH		Payee Name different in Check DB
AP00087656	V00503	LIGHTHOUSE INC, THE	10/05/10	74.47	MW	OH		Payee Name different in Check DB
AP00087657	V07631	LORENZEN, DALE & MAUREEN	10/05/10	62.71	MW	OH		
AP00087658	V05351	LY, NGUYEN	10/05/10	182.75	MW	OH		Payee Name different in Check DB
AP00087659	V07625	MCC CARPET CLEANING INC	10/05/10	108.00	MW	OH		
AP00087660	V03607	McClain, Flent	10/05/10	65.67	MW	OH		
AP00087661	V02479	MCDONOUGH, JIM	10/05/10	20.42	MW	OH		
AP00087662	V00708	MCNEILL SOUND & SECURITY SYS	10/05/10	270.00	MW	OH		Payee Name different in Check DB
AP00087663	V06612	MEGGITT TRAINING SYSTEMS	10/05/10	1,970.01	MW	OH		
AP00087664	V07167	MEREDITH DIGITAL	10/05/10	2,295.97	MW	OH		
AP00087665	V01240	MISSION LINEN SUPPLY	10/05/10	156.18	MW	OH		
AP00087666	V01160	MITCHELL REPAIR	10/05/10	65.00	MW	OH		
AP00087667	V06255	MONJARAS & WISMEYER GROUP	10/05/10	982.00	MW	OH		
AP00087668	V07640	NAVERA, RAYMOND	10/05/10	148.08	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087669	V07163	NOTTI, PAMELA SUE	10/05/10	147.00	MW	OH		
AP00087670	V07404	O REILLY AUTO PARTS	10/05/10	568.25	MW	OH		
AP00087671	V00894	OCLA-INDEPENDENT	10/05/10	1,892.64	MW	OH		Payee Name different in Check DB
AP00087672	V01136	OFFICE DEPOT	10/05/10	406.77	MW	OH		
AP00087673	V05717	OFFICE MAX CONTRACT INC	10/05/10	115.20	MW	OH		
AP00087674	V00602	ORKIN PEST CONTROL	10/05/10	83.95	MW	OH		
AP00087675	V07018	PARADA, MIGUEL	10/05/10	525.00	MW	OH		
AP00087676	V07146	PARRISH, DARYL	10/05/10	17.95	MW	OH		
AP00087677	V06145	PETTINGER, ERIC	10/05/10	20.42	MW	OH		
AP00087678	V04972	POLLARDWATER DOT COM	10/05/10	437.29	MW	OH		
AP00087679	V01176	POVERO, DAVID	10/05/10	464.08	MW	OH		Payee Name different in Check DB
AP00087680	V05448	PRECIADO, OSWALDO	10/05/10	20.42	MW	OH		
AP00087681	V00909	PRIORITY MAILING SYSTEMS	10/05/10	83.52	MW	OH		
AP00087682	V03295	RANDALL, KYLE	10/05/10	6.75	MW	OH		
AP00087683	V06114	REPUBLIC MASTER CHEFS	10/05/10	137.27	MW	OH		
AP00087684	V05907	RF CONSULTING	10/05/10	1,334.00	MW	OH		
AP00087685	V01504	SCMAF-SAN GABRIEL VALLEY	10/05/10	1,442.00	MW	OH		Payee Name different in Check DB
AP00087686	V00880	SERESINGHE, AJITH	10/05/10	1,534.50	MW	OH		Payee Name different in Check DB
AP00087687	V02292	SEVOLD, CHERYL	10/05/10	269.50	MW	OH		
AP00087688	V00727	SMART AND FINAL IRIS CORP	10/05/10	23.33	MW	OH		
AP00087689	V01301	SMITH, STEVEN	10/05/10	19.30	MW	OH		
AP00087690	V01553	SOUTHERN CA GAS CO	10/05/10	575.00	MW	OH		Payee Name different in Check DB
AP00087691	V00007	STAPLES INC	10/05/10	72.26	MW	OH		
AP00087692	V06661	STEVENSON, ROY	10/05/10	279.30	MW	OH		
AP00087693	V01415	SUTHERLAND, KEITH	10/05/10	20.42	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087694	V07188	SYNTECH	10/05/10	15,248.64	MW	OH		
AP00087695	V02049	TARON, MICHAEL	10/05/10	20.42	MW	OH		
AP00087696	V00760	TAVANNA	10/05/10	118.07	MW	OH		
AP00087697	V04501	THOMAS, TERRI	10/05/10	501.08	MW	OH		
AP00087698	V07008	TIME WARNER CABLE	10/05/10	145.70	MW	OH		
AP00087699	V05776	TOSHIBA BUSINESS SOLUTIONS	10/05/10	1,434.13	MW	OH		
AP00087700	V06666	TOXCO INC	10/05/10	120.00	MW	OH		
AP00087701	V00772	TRI-XECUTEX CORP	10/05/10	160.00	MW	OH		Payee Name different in Check DB
AP00087702	V05054	TRIFYTT SPORTS	10/05/10	205.33	MW	OH		
AP00087703	V00776	TRUGREEN LANDSCAPE	10/05/10	8,932.49	MW	OH		
AP00087704	V06472	US HEALTHWORKS MED GROUP PC	10/05/10	108.00	MW	OH		
AP00087705	V00229	US POSTMASTER	10/05/10	507.37	MW	OH		
AP00087706	V05896	VAL-U-CHEM INC.	10/05/10	508.14	MW	OH		
AP00087707	V07356	VAN LEEUWEN, JOACHIM	10/05/10	35.00	MW	OH		
AP00087708	V07403	VERIZON CALIFORNIA	10/05/10	583.97	MW	OH		
AP00087709	V00158	VULCAN MATERIALS COMPANY	10/05/10	148.44	MW	OH		Payee Name different in Check DB
AP00087710	V01119	WARREN DISTRIBUTING INC	10/05/10	301.79	MW	OH		Payee Name different in Check DB
AP00087711	V06602	WELLDYNERX	10/05/10	104.55	MW	OH		
AP00087712	V00232	WESTERN WATER WORKS SUPPLY	10/05/10	515.83	MW	OH		
AP00087713	V00831	Y TIRE SALES	10/05/10	83.78	MW	OH		
AP00087714	V01201	ZUMWALT, JOHN	10/05/10	20.42	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
=====								
G R A N D   T O T A L S:								
Total		Void Machine Written		0.00		Number of Checks Processed:		0
Total		Void Hand Written		0.00		Number of Checks Processed:		0
Total		Machine Written		209,233.52		Number of Checks Processed:		146
Total		Hand Written		0.00		Number of Checks Processed:		0
Total		Reversals		0.00		Number of Checks Processed:		0
Total		Cancelled Checks		0.00		Number of Checks Processed:		0
Total		EFTs		0.00		Number of EFTs Processed:		0
G R A N D   T O T A L				209,233.52				

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087715	V02144	3M LIBRARY SYSTEMS	10/12/10	1,635.00	MW		OH	
AP00087716	V00022	ABORTA BUG INC	10/12/10	75.00	MW		OH	
AP00087717	V04342	ACE-1 AUTO SERVICE	10/12/10	783.97	MW		OH	
AP00087718	V00846	ADVANCED GRAPHIX INC	10/12/10	236.31	MW		OH	
AP00087719	V06428	ADVANCED	10/12/10	2,244.08	MW		OH	
AP00087720	V00046	ALBERTSONS GROCERY WAREHOUSE	10/12/10	95.39	MW		OH	
AP00087721	V04434	ALL CITY MANAGEMENT SVC	10/12/10	5,004.00	MW		OH	
AP00087722	V07268	ALLANA-BUICK-BERS	10/12/10	5,437.89	MW		OH	
AP00087723	V01660	AT&T	10/12/10	357.60	MW		OH	
AP00087724	V01660	AT&T	10/12/10	94.70	MW		OH	
AP00087725	V04888	AUDIO GO	10/12/10	5.11	MW		OH	Payee Name different in Check DB
AP00087726	V07649	AUNT DEE'S ATTIC	10/12/10	22.72	MW		OH	
AP00087727	V01955	AZUSA PLUMBING & HEATNG SUPPL	10/12/10	55.65	MW		OH	
AP00087728	V00090	BAKER AND TAYLOR INC	10/12/10	1,022.15	MW		OH	
AP00087729	V07641	BANK OF NEW YORK MELLON	10/12/10	1,908.00	MW		OH	
AP00087730	V05637	BANK OF THE WEST	10/12/10	7,327.80	MW		OH	
AP00087731	V00127	BRODART CO	10/12/10	4,276.27	MW		OH	
AP00087732	V06683	BUILDING ELECTRONIC CONTROLS	10/12/10	75.00	MW		OH	
AP00087733	V06872	CALIF BUILDING STANDARDS COMM	10/12/10	387.00	MW		OH	
AP00087734	V00153	CALIF, STATE OF	10/12/10	508.31	MW		OH	
AP00087735	V06133	CAMGUARD SYSTEMS	10/12/10	330.00	MW		OH	
AP00087736	V01595	CANON BUS SOLUTIONS INC	10/12/10	305.61	MW		OH	Payee Name different in Check DB
AP00087737	V05283	CARTER, ALAN	10/12/10	225.00	MW		OH	
AP00087738	V00134	CAT SPECIALTIES INC	10/12/10	1,129.02	MW		OH	
AP00087739	V04834	CHINESE DAILY NEWS	10/12/10	176.00	MW		OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087740	V05555	CINTAS CORP #693	10/12/10	121.93	MW			
AP00087741	V00962	CITRUS CAR WASH	10/12/10	386.75	MW			
AP00087742	V00237	COMMUNICATIONS CENTER	10/12/10	77.04	MW			
AP00087743	V06119	COMMUNITY ACTION EAP	10/12/10	350.00	MW			
AP00087744	V04222	CONOCO PHILLIPS FLEET	10/12/10	169.43	MW			
AP00087745	V00837	COVINA WATER & REFUSE, CITY O	10/12/10	63.22	MW			Payee Name different in Check DB
AP00087746	V06792	DAPEER ROSENBLIT & LITVAK LLP	10/12/10	1,538.00	MW			
AP00087747	V04726	DAVIS, RYAN	10/12/10	331.04	MW			
AP00087748	V06152	DEB'S BOOKKEEPLUS	10/12/10	11,745.00	MW			
AP00087749	V00211	DH MAINTENANCE SERVICES	10/12/10	5,956.28	MW			
AP00087750	V04485	DIGITAL MAP PRODUCTS INC	10/12/10	14,250.00	MW			Payee Name different in Check DB
AP00087751	V00175	EDISON CO	10/12/10	3,996.98	MW			
AP00087752	V00176	FEDEX	10/12/10	5.52	MW			
AP00087753	V00339	FOOTHILL PRESBYTERIAN HOSPITA	10/12/10	25.00	MW			Payee Name different in Check DB
AP00087754	V05707	FRAZEE PAINT & WALLCOVERING	10/12/10	49.87	MW			
AP00087755	V02471	GOLDEN STATE OVERNIGHT	10/12/10	16.54	MW			
AP00087756	V00730	GOLDEN STATE WATER COMPANY	10/12/10	360.34	MW			Payee Name different in Check DB
AP00087757	V05855	GPSit INC	10/12/10	1,415.63	MW			
AP00087758	V00374	GRAINGER	10/12/10	965.37	MW			Payee Name different in Check DB
AP00087759	V00375	GRAND PRINTING	10/12/10	667.71	MW			
AP00087760	V07397	GROVER'S INTERIORS INC	10/12/10	2,346.59	MW			
AP00087761	V03659	HAEBE, CYNTHIA	10/12/10	3,547.50	MW			
AP00087762	V00402	HDL SOFTWARE LLC	10/12/10	6,500.00	MW			Payee Name different in Check DB
AP00087763	V07644	HODGES LACEY & ASSOCIATES LLC	10/12/10	750.00	MW			
AP00087764	V00006	HOME DEPOT	10/12/10	1,104.88	MW			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087765	V00417	HUNTINGTON COURT REPORTERS	10/12/10	2,104.50	MW	OH		Payee Name different in Check DB
AP00087766	V00233	HYDRO CONNECTIONS	10/12/10	41.17	MW	OH		Payee Name different in Check DB
AP00087767	V00426	INLAND WATER WORKS	10/12/10	2,694.71	MW	OH		
AP00087768	V01113	INTEGRA TEST	10/12/10	100.00	MW	OH		
AP00087769	V01174	JACOBS, DANIEL	10/12/10	36.98	MW	OH		Payee Name different in Check DB
AP00087770	V00448	JOHNNY'S POOL SERVICE	10/12/10	150.00	MW	OH		Payee Name different in Check DB
AP00087771	V05490	JS CONSULTANTS	10/12/10	19,019.50	MW	OH		
AP00087772	V00463	KING BOLT CO	10/12/10	74.28	MW	OH		
AP00087773	V00182	KMART STORE 4281	10/12/10	17.56	MW	OH		
AP00087774	V00492	LAWSON PRODUCTS INC	10/12/10	402.30	MW	OH		
AP00087775	V00496	LEWIS ENGRAVING INC	10/12/10	58.17	MW	OH		
AP00087776	V07643	LIVERMONT, EMILY	10/12/10	60.00	MW	OH		
AP00087777	V07642	MARKOS, YAKOUB	10/12/10	20.00	MW	OH		
AP00087778	V00527	MARSAN TURF AND IRRIGATION IN	10/12/10	18.05	MW	OH		
AP00087779	V06820	MARTHA HEAVISIDE	10/12/10	962.67	MW	OH		
AP00087780	V03607	McClain, Flent	10/12/10	145.69	MW	OH		
AP00087781	V04045	MEDINA, MARIA	10/12/10	154.00	MW	OH		
AP00087782	V05808	MELNYK, JOSEPH	10/12/10	331.04	MW	OH		
AP00087783	V04229	MERRIMAC ENERGY GROUP	10/12/10	22,632.87	MW	OH		
AP00087784	V06517	MISSION FENCE & PATIO BUILDER	10/12/10	15.01	MW	OH		
AP00087785	V01240	MISSION LINEN SUPPLY	10/12/10	304.80	MW	OH		
AP00087786	V05680	MOTOROLA INC	10/12/10	541.90	MW	OH		
AP00087787	V07131	MUNICIPAL BUDGET AND	10/12/10	500.00	MW	OH		
AP00087788	V06687	NEWPORT FARMS INC	10/12/10	162.00	MW	OH		
AP00087789	V01136	OFFICE DEPOT	10/12/10	59.77	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087790	V00797	OFFICE DEPOT	10/12/10	445.51	MW	OH		Payee Name different in Check DB
AP00087791	V02510	PALM SPRINGS FOLLIES	10/12/10	1,955.00	MW	OH		
AP00087792	V06596	PAPER CUTS INC.	10/12/10	63.75	MW	OH		
AP00087793	V07146	PARRISH, DARYL	10/12/10	541.22	MW	OH		
AP00087794	V00623	PENWORTHY COMPANY	10/12/10	294.38	MW	OH		
AP00087795	V06137	POMONA TRUCK & AUTO SUPPLY	10/12/10	9.87	MW	OH		
AP00087796	V03767	QUILL	10/12/10	107.41	MW	OH		
AP00087797	V01169	RADISSON HOTEL	10/12/10	997.69	MW	OH		
AP00087798	V07501	RC KEMP CONSULTING LLC	10/12/10	2,100.00	MW	OH		
AP00087799	V06114	REPUBLIC MASTER CHEFS	10/12/10	121.12	MW	OH		
AP00087800	V00676	REYNOLDS BUICK INC	10/12/10	107.29	MW	OH		Payee Name different in Check DB
AP00087801	V07191	RIGGS & RIGGS INC	10/12/10	7,500.00	MW	OH		
AP00087802	V04066	SECURITAS SECURITY SERVICES	10/12/10	3,087.76	MW	OH		
AP00087803	V00727	SMART AND FINAL IRIS CORP	10/12/10	89.43	MW	OH		
AP00087804	V00737	SPARKLETTS	10/12/10	16.01	MW	OH		
AP00087805	V00007	STAPLES INC	10/12/10	52.55	MW	OH		
AP00087806	V07086	SURETECK INDUSTRIAL	10/12/10	4,977.55	MW	OH		
AP00087807	V04142	TALX UC EXPRESS	10/12/10	250.00	MW	OH		Payee Name different in Check DB
AP00087808	V00346	THOMSON GALE	10/12/10	47.63	MW	OH		Payee Name different in Check DB
AP00087809	V05229	THYSSENKRUPP ELEVATOR	10/12/10	871.77	MW	OH		
AP00087810	V02526	TRIANGLE TRUCK PARTS	10/12/10	56.35	MW	OH		
AP00087811	V00230	UNDERGROUND SERVICE ALERT	10/12/10	69.00	MW	OH		
AP00087812	V05462	UNITED TRAFFIC	10/12/10	30.73	MW	OH		
AP00087813	V00229	US POSTMASTER	10/12/10	491.81	MW	OH		
AP00087814	V01019	USI INC	10/12/10	35.14	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087815	V07559	Vargas, Monica	10/12/10	163.10	MW		OH	
AP00087816	V07141	VELOSA-REDENIUS, AMANDA	10/12/10	7.26	MW		OH	
AP00087817	V07403	VERIZON CALIFORNIA	10/12/10	556.08	MW		OH	
AP00087818	V00158	VULCAN MATERIALS COMPANY	10/12/10	287.24	MW		OH	Payee Name different in Check DB
AP00087819	V01119	WARREN DISTRIBUTING INC	10/12/10	449.03	MW		OH	Payee Name different in Check DB
AP00087820	V04643	WELLS FARGO FINANCIAL LEASING	10/12/10	1,392.42	MW		OH	
AP00087821	V00829	XEROX CORPORATION	10/12/10	151.58	MW		OH	
AP00087822	V00831	Y TIRE SALES	10/12/10	334.85	MW		OH	

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	168,725.70	Number of Checks Processed:	108
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>168,725.70</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To	Note
AP00087823	V06191	AFLAC ACCT# YQ792	10/13/10	3,386.76	MW	OH			Payee Name different in Check DB
AP00087824	V01695	AFSCME	10/13/10	840.00	MW	OH			
AP00087825	V01681	CALIFORNIA PUBLIC EMPLOYEES'	10/13/10	50,143.38	MW	OH			Payee Name different in Check DB
AP00087826	V07287	CITY OF COVINA-FSA	10/13/10	1,904.00	MW	OH			
AP00087827	V01686	COVINA POLICE ASSOCIATION	10/13/10	1,860.00	MW	OH			
AP00087828	V02095	COVINA POLICE ASSOCIATION	10/13/10	960.00	MW	OH			
AP00087829	CRA	COVINA REDEVELOPMENT AGENCY	10/13/10	1,000.00	MW	OH			
AP00087830	V01697	COVINA, CITY OF	10/13/10	6,136.54	MW	OH			
AP00087831	V02879	COVINA, CITY OF	10/13/10	39.80	MW	OH			
AP00087832	V05506	COVINA, CITY OF	10/13/10	21,677.56	MW	OH			
AP00087833	V06385	CSAC-EIA	10/13/10	4,236.51	MW	OH			
AP00087834	V06386	CSAC-EIA	10/13/10	1,424.98	MW	OH			
AP00087835	V05186	DELTA DENTAL OF CALIFORNIA	10/13/10	5,236.53	MW	OH			
AP00087836	V07259	FLEX ONE	10/13/10	26.00	MW	OH			Payee Name different in Check DB
AP00087837	V01692	GREAT WEST LIFE & ANNUITY	10/13/10	3,792.50	MW	OH			
AP00087838	V01694	HARTFORD LIFE INS	10/13/10	9.68	MW	OH			Payee Name different in Check DB
AP00087839	V01691	ICMA RETIREMENT TRUST-457	10/13/10	5,421.00	MW	OH			
AP00087840	V07302	ICMA RETIREMENT TRUST-401	10/13/10	680.44	MW	OH			
AP00087841	V01690	NATIONAL DEFERRED COMPENSATIO	10/13/10	3,667.50	MW	OH			Payee Name different in Check DB
AP00087842	V01693	PERS LONG TERM CARE PROGRAM	10/13/10	329.16	MW	OH			
AP00087843	V01687	PERS	10/13/10	71,798.98	MW	OH			
AP00087844	V04828	UNION BANK OF CALIFORNIA	10/13/10	2,479.72	MW	OH			
AP00087845	V01696	UNITED WAY OF GREATER LA	10/13/10	45.41	MW	OH			Payee Name different in Check DB
AP00087846	V06785	VISION SERVICE PLAN (CA)	10/13/10	564.16	MW	OH			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
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G R A N D T O T A L S:								
		Total Void Machine Written		0.00		Number of	Checks Processed:	0
		Total Void Hand Written		0.00		Number of	Checks Processed:	0
		Total Machine Written		187,660.61		Number of	Checks Processed:	24
		Total Hand Written		0.00		Number of	Checks Processed:	0
		Total Reversals		0.00		Number of	Checks Processed:	0
		Total Cancelled Checks		0.00		Number of	Checks Processed:	0
		Total EFTs		0.00		Number of	EFTs Processed:	0
		G R A N D T O T A L		187,660.61				

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087847	V04747	10-8 RETROFIT	10/19/10	419.00	MW		OH	
AP00087848	V05630	A-1 POWER SWEEPING CO INC	10/19/10	600.00	MW		OH	
AP00087849	V06990	ADVANCED BATTERY SYSTEMS	10/19/10	206.28	MW		OH	
AP00087850	V00846	ADVANCED GRAPHIX INC	10/19/10	120.00	MW		OH	
AP00087851	V06110	AIR-BREE HEATING	10/19/10	10,513.99	MW		OH	
AP00087852	V00040	AIRGAS-WEST	10/19/10	244.59	MW		OH	Payee Name different in Check DB
AP00087853	V06189	ALLIANT INSURANCE SERVICES	10/19/10	330.78	MW		OH	
AP00087854	V07381	ALTA PLANNING & DESIGN	10/19/10	5,994.62	MW		OH	
AP00087855	V07657	ALVARO GONZALEZ	10/19/10	60.00	MW		OH	
AP00087856	V07661	AMBER CASSIDY	10/19/10	60.00	MW		OH	
AP00087857	V07379	AMERICAN INDUSTRIAL SUPPLY IN	10/19/10	457.12	MW		OH	
AP00087858	V07652	ANDREW MOJICA	10/19/10	60.00	MW		OH	
AP00087859	V07667	ANN HUMABATA	10/19/10	80.00	MW		OH	
AP00087860	V07669	ARTHUR BERNAL	10/19/10	40.00	MW		OH	
AP00087861	V02591	BEST BEST & KRIEGER LLP	10/19/10	2,435.28	MW		OH	
AP00087862	V07678	BOND, MICHELLE	10/19/10	4.00	MW		OH	
AP00087863	V07655	BRENT KILMURRAY	10/19/10	60.00	MW		OH	
AP00087864	V00151	CALIF, STATE OF	10/19/10	288.00	MW		OH	
AP00087865	V01269	CALIF, STATE OF	10/19/10	463.00	MW		OH	Payee Name different in Check DB
AP00087866	V00156	CALIFORNIA, STATE OF	10/19/10	9,232.03	MW		OH	Payee Name different in Check DB
AP00087867	V00160	CAMBRIDGE INTEGRATED SVCS	10/19/10	9,500.00	MW		OH	
AP00087868	V00134	CAT SPECIALTIES INC	10/19/10	1,542.28	MW		OH	
AP00087869	V01768	CB RANCH ENTERPRISES	10/19/10	50.00	MW		OH	
AP00087870	V00186	CENTURY OFFICE PRODUCTS	10/19/10	112.92	MW		OH	
AP00087871	V07616	CHAMPION CHEMICAL COMPANY	10/19/10	261.04	MW		OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087872	V07666	CHARLOTTE DEUEL	10/19/10	40.00	MW		OH	
AP00087873	V00193	CHEVRON PRODUCTS COMPANY	10/19/10	750.18	MW		OH	
AP00087874	V04509	CHINO TACH & SPEEDO	10/19/10	180.00	MW		OH	
AP00087875	V07656	CHRISTOPHER RUBIO	10/19/10	32.00	MW		OH	
AP00087876	V05555	CINTAS CORP #693	10/19/10	131.23	MW		OH	
AP00087877	V00962	CITRUS CAR WASH	10/19/10	23.90	MW		OH	
AP00087878	V04454	CITRUS VALLEY FLORIST	10/19/10	19,140.50	MW		OH	
AP00087879	V00240	COMPUTER SERVICE COMPANY	10/19/10	3,200.00	MW		OH	
AP00087880	V00248	COUNSELING TEAM, THE	10/19/10	540.00	MW		OH	Payee Name different in Check DB
AP00087881	V01089	COVINA COLLISION REPAIR	10/19/10	2,175.18	MW		OH	
AP00087882	V00256	COVINA DISPOSAL CO	10/19/10	111,016.33	MW		OH	
AP00087883	V00256	COVINA DISPOSAL CO	10/19/10	11,437.51	MW		OH	
AP00087884	V00234	COVINA IRRIGATING CO	10/19/10	252,978.25	MW		OH	
AP00087885	V00262	COVINA RENTS	10/19/10	294.51	MW		OH	
AP00087886	V00264	COVINA VALLEY USD	10/19/10	131.41	MW		OH	
AP00087887	V00837	COVINA WATER & REFUSE, CITY O	10/19/10	470.50	MW		OH	Payee Name different in Check DB
AP00087888	V07675	CRUSADER MFG INC.	10/19/10	855.36	MW		OH	
AP00087889	V00211	DH MAINTENANCE SERVICES	10/19/10	5,979.40	MW		OH	
AP00087890	V07651	DOMINIC MONTEZ	10/19/10	51.00	MW		OH	
AP00087891	V00300	DUNN EDWARDS CORP	10/19/10	32.39	MW		OH	Payee Name different in Check DB
AP00087892	V00175	EDISON CO	10/19/10	39,092.21	MW		OH	
AP00087893	V00307	EDS AUTO PARTS	10/19/10	17.40	MW		OH	
AP00087894	V06466	FOUR ACES BUS TOURS LLC	10/19/10	600.00	MW		OH	
AP00087895	V07662	GILBERTO PADILA	10/19/10	60.00	MW		OH	
AP00087896	V07674	GLOBAL WATER MANAGEMENT LLC	10/19/10	1,340.53	MW		OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087897	V00374	GRAINGER	10/19/10	87.07	MW	OH		Payee Name different in Check DB
AP00087898	V07294	HOLLIDAY ROCK CO INC	10/19/10	1,074.94	MW	OH		
AP00087899	V00006	HOME DEPOT	10/19/10	692.84	MW	OH		
AP00087900	V00414	HOSE MAN INC, THE	10/19/10	102.20	MW	OH		Payee Name different in Check DB
AP00087901	V07677	HUNGRY MAN	10/19/10	1,445.00	MW	OH		
AP00087902	V00233	HYDRO CONNECTIONS	10/19/10	82.64	MW	OH		Payee Name different in Check DB
AP00087903	V00213	INLAND EMPIRE STAGES	10/19/10	822.00	MW	OH		
AP00087904	V00426	INLAND WATER WORKS	10/19/10	2,857.62	MW	OH		
AP00087905	V06816	INTER-CON SECURITY SYSTEMS IN	10/19/10	4,987.13	MW	OH		
AP00087906	V07648	INTERNATIONAL TIME RECORDING	10/19/10	201.44	MW	OH		
AP00087907	V03561	INTERSTATE BATTERY SYSTEM	10/19/10	310.46	MW	OH		
AP00087908	V00777	J.G. TUCKER AND SON	10/19/10	280.26	MW	OH		Payee Name different in Check DB
AP00087909	V07672	JACKSON, BRANDY	10/19/10	25.00	MW	OH		
AP00087910	V03518	JAIME, LUIS	10/19/10	20.00	MW	OH		
AP00087911	V00445	JEECO MFG & SUPPLY	10/19/10	32.35	MW	OH		Payee Name different in Check DB
AP00087912	V07671	JOHN CHAMBERLAIN	10/19/10	25.00	MW	OH		
AP00087913	V07650	JOSE SALINAS	10/19/10	85.00	MW	OH		
AP00087914	V07647	JT SCOOP INC	10/19/10	820.50	MW	OH		
AP00087915	V00451	KELLY PAPER CO	10/19/10	412.74	MW	OH		
AP00087916	V07679	KINNE, CHUCK	10/19/10	207.28	MW	OH		
AP00087917	V00474	LA CNTY CDC/CDBG	10/19/10	565.00	MW	OH		Payee Name different in Check DB
AP00087918	V00477	LA CNTY DISTRICT ATTORNEY	10/19/10	48.69	MW	OH		Payee Name different in Check DB
AP00087919	V00478	LA CNTY FIRE DEPARTMENT	10/19/10	637,287.00	MW	OH		Payee Name different in Check DB
AP00087920	V06324	LANGUAGE LINE SERVICES INC	10/19/10	31.96	MW	OH		
AP00087921	V00496	LEWIS ENGRAVING INC	10/19/10	32.10	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To	Note
AP00087922	V00503	LIGHTHOUSE INC, THE	10/19/10	74.46	MW	OH			Payee Name different in Check DB
AP00087923	V05351	LY, NGUYEN	10/19/10	128.00	MW	OH			Payee Name different in Check DB
AP00087924	V07664	MADHU SUDAN	10/19/10	40.00	MW	OH			
AP00087925	V07653	MALINDA REYES	10/19/10	60.00	MW	OH			
AP00087926	V00523	MAMMOTH AUDIO SYSTEMS	10/19/10	3,600.00	MW	OH			
AP00087927	V07660	MARC PARKER	10/19/10	60.00	MW	OH			
AP00087928	V07658	MARCO ROJAS	10/19/10	40.00	MW	OH			
AP00087929	V01659	MAXIMUS INC	10/19/10	3,520.00	MW	OH			Payee Name different in Check DB
AP00087930	V01240	MISSION LINEN SUPPLY	10/19/10	293.16	MW	OH			
AP00087931	V06687	NEWPORT FARMS INC	10/19/10	230.24	MW	OH			
AP00087932	V01136	OFFICE DEPOT	10/19/10	150.37	MW	OH			
AP00087933	V01136	OFFICE DEPOT	10/19/10	151.07	MW	OH			
AP00087934	V04971	PARS	10/19/10	422.36	MW	OR			
AP00087935	V07670	PATRICIA ALEXANDER	10/19/10	40.00	MW	OH			
AP00087936	V05392	PYRO-COMM SYSTEMS INC	10/19/10	135.00	MW	OH			
AP00087937	V07676	RAMIREZ CONSULTING	10/19/10	3,262.50	MW	OH			
AP00087938	V01949	RANDALL, KYLE	10/19/10	60.00	MW	OH			
AP00087939	V03295	RANDALL, KYLE	10/19/10	6.75	MW	OH			
AP00087940	V07106	REGIONAL TAP SERVICE CENTER	10/19/10	938.96	MW	OH			
AP00087941	V06114	REPUBLIC MASTER CHEFS	10/19/10	133.29	MW	OH			
AP00087942	V07668	ROBERT BERNAL	10/19/10	40.00	MW	OH			
AP00087943	V05102	SANTA ANITA FAMILY SERVICE	10/19/10	30.00	MW	OH			
AP00087944	V04066	SECURITAS SECURITY SERVICES	10/19/10	3,328.90	MW	OH			
AP00087945	V07665	SHIRLEY LARSEN	10/19/10	40.00	MW	OH			
AP00087946	V00727	SMART AND FINAL IRIS CORP	10/19/10	158.17	MW	OH			

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087947	V06352	SUPERIOR LIFE SUPPORT INC.	10/19/10	720.00	MW	OH		
AP00087948	V07086	SURETECK INDUSTRIAL	10/19/10	3,756.50	MW	OH		
AP00087949	V07654	SUSAN FEILAN	10/19/10	60.00	MW	OH		
AP00087950	V07663	SYLVIA THOMPSON	10/19/10	60.00	MW	OH		
AP00087951	V07659	TAMMIE BAUTISTA	10/19/10	50.00	MW	OH		
AP00087952	V05776	TOSHIBA BUSINESS SOLUTIONS	10/19/10	58.42	MW	OH		
AP00087953	V02759	TRIFORMIS CORPORATION	10/19/10	2,282.52	MW	OH		
AP00087954	V00783	ULTRA-CHEM INC	10/19/10	819.06	MW	OH		Payee Name different in Check DB
AP00087955	V00229	US POSTMASTER	10/19/10	549.19	MW	OH		
AP00087956	V04113	USA MOBILITY WIRELESS INC	10/19/10	43.96	MW	OH		Payee Name different in Check DB
AP00087957	V07107	VALLEY MANUFACTURING	10/19/10	5,407.95	MW	OH		
AP00087958	V07403	VERIZON CALIFORNIA	10/19/10	1,267.86	MW	OH		
AP00087959	V06297	VERIZON WIRELESS	10/19/10	5,124.67	MW	OH		
AP00087960	V00158	VULCAN MATERIALS COMPANY	10/19/10	273.54	MW	OH		Payee Name different in Check DB
AP00087961	V06602	WELLDYNERX	10/19/10	60.73	MW	OH		
AP00087962	V00812	WEST COAST ARBORISTS INC	10/19/10	300.00	MW	OH		
AP00087963	V03620	WEST COVINA AUTO BODY	10/19/10	1,194.94	MW	OH		
AP00087964	V00815	WEST LITE SUPPLY CO INC	10/19/10	95.04	MW	OH		
AP00087965	V07081	YELLOW CAB OF SAN GABRIEL	10/19/10	168.60	MW	OH		
AP00087966	V00432	YWCA INTERVALE SENIOR SERVICE	10/19/10	1,395.11	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
=====								
G R A N D T O T A L S:								
		Total Void Machine Written		0.00		Number of Checks Processed:		0
		Total Void Hand Written		0.00		Number of Checks Processed:		0
		Total Machine Written		1186,872.26		Number of Checks Processed:		120
		Total Hand Written		0.00		Number of Checks Processed:		0
		Total Reversals		0.00		Number of Checks Processed:		0
		Total Cancelled Checks		0.00		Number of Checks Processed:		0
		Total EFTs		0.00		Number of EFTs Processed:		0
		G R A N D T O T A L		1186,872.26				

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00087967	V07312	ANURA K. T. DESILVA	10/19/10	2,500.00	MW		IP	

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	2,500.00	Number of Checks Processed:	1
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>2,500.00</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087968	V04747	10-8 RETROFIT	10/26/10	1,401.83	MW	OH		
AP00087969	V00019	AARDVARK TACTICAL INC	10/26/10	753.61	MW	OH		
AP00087970	V06191	AFLAC ACCT# YQ792	10/26/10	57.30	MW	OH		Payee Name different in Check DB
AP00087971	V04434	ALL CITY MANAGEMENT SVC	10/26/10	5,004.00	MW	OH		
AP00087972	V02224	AMERICAN WEST COAST SECURITY	10/26/10	812.00	MW	OH		
AP00087973	V07449	ANTHEM BLUE CROSS	10/26/10	511.87	MW	OH		
AP00087974	V07143	AT&T LONG DISTANCE	10/26/10	687.94	MW	OH		
AP00087975	V04864	AT&T MOBILITY	10/26/10	777.49	MW	OH		Payee Name different in Check DB
AP00087976	V01660	AT&T	10/26/10	58.22	MW	OH		
AP00087977	V01660	AT&T	10/26/10	727.47	MW	OH		
AP00087978	V07392	ATKINSON, ANDELSON, LOYA,	10/26/10	530.00	MW	OH		
AP00087979	V06196	AVILA, BRANDON	10/26/10	20.42	MW	OH		
AP00087980	V00090	BAKER AND TAYLOR INC	10/26/10	1,291.72	MW	OH		
AP00087981	V05806	BALSZ, RYAN	10/26/10	8.00	MW	OH		
AP00087982	V07100	BANK OF THE WEST	10/26/10	9,395.07	MW	OH		
AP00087983	V05589	BELL BUILDING MAINTENANCE CD	10/26/10	3,205.00	MW	OH		
AP00087984	V02591	BEST BEST & KRIEGER LLP	10/26/10	17,612.61	MW	OH		
AP00087985	V07218	BLUE SHIELD OF CALIFORNIA	10/26/10	433.18	MW	OH		
AP00087986	V07218	BLUE SHIELD OF CALIFORNIA	10/26/10	433.18	MW	OH		
AP00087987	V05481	BRASS STARR PRODUCTIONS	10/26/10	294.00	MW	OH		
AP00087988	V00144	CA PARKS AND REC SOCIETY	10/26/10	155.00	MW	OH		Payee Name different in Check DB
AP00087989	V01129	CALBO	10/26/10	375.00	MW	OH		
AP00087990	V00150	CALIF, STATE OF	10/26/10	377.58	MW	OH		
AP00087991	V01681	CALIFORNIA PUBLIC EMPLOYEES'	10/26/10	99.60	MW	OH		Payee Name different in Check DB
AP00087992	V01595	CANON BUS SOLUTIONS INC	10/26/10	60.63	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087993	V05555	CINTAS CORP #693	10/26/10	131.23	MW			OH
AP00087994	V03407	CITRUS VALLEY HEALTH PARTNERS	10/26/10	75.00	MW			OH
AP00087995	V07287	CITY OF COVINA-FSA	10/26/10	104.00	MW			OH
AP00087996	V00208	CLINICAL LAB OF SAN BERNARDIN	10/26/10	420.00	MW			OH
AP00087997	V05811	CODE PUBLISHING COMPANY	10/26/10	1,117.20	MW			OH
AP00087998	V07450	COLBURN, MICHAEL	10/26/10	20.42	MW			OH
AP00087999	V00237	COMMUNICATIONS CENTER	10/26/10	509.95	MW			OH
AP00088000	V04024	CONTROL AUTOMATION DESIGN INC	10/26/10	4,995.00	MW			OH
AP00088001	V05764	CORDER, JORDAN	10/26/10	20.42	MW			OH
AP00088002	V06544	CORONA, MARIO	10/26/10	20.42	MW			OH
AP00088003	V00256	COVINA DISPOSAL CO	10/26/10	11,123.84	MW			OH
AP00088004	V01686	COVINA POLICE ASSOCIATION	10/26/10	42.00	MW			OH
AP00088005	V00262	COVINA RENTS	10/26/10	175.60	MW			OH
AP00088006	V05128	COVINA WELDING & SHEET METAL	10/26/10	109.75	MW			OH
AP00088007	V06172	CPPA CONFERENCE	10/26/10	510.00	MW			OH
AP00088008	V06385	CSAC-EIA	10/26/10	9.04	MW			OH
AP00088009	V06386	CSAC-EIA	10/26/10	11.25	MW			OH
AP00088010	V06792	DAPEER ROSENBLIT & LITVAK LLP	10/26/10	126.45	MW			OH
AP00088011	V07412	DAVID TURCH AND ASSOCIATES	10/26/10	8,000.00	MW			OH
AP00088012	V04726	DAVIS, RYAN	10/26/10	8.00	MW			OH
AP00088013	V01395	DIEHL EVANS & COMPANY LLP	10/26/10	550.00	MW			OH
AP00088014	V01676	EDDINGS, MATT	10/26/10	20.42	MW			OH
AP00088015	V00175	EDISON CO	10/26/10	2,767.82	MW			OH
AP00088016	V00322	ESGIL CORPORATION	10/26/10	351.76	MW			OH
AP00088017	V00176	FEDEX	10/26/10	53.94	MW			OH

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To	Note
AP00088018	V07259	FLEX ONE	10/26/10	2.00	MW	OH			Payee Name different in Check DB
AP00088019	V01299	FOSTER, DAVE	10/26/10	8.00	MW	OH			
AP00088020	V00350	GAS COMPANY, THE	10/26/10	1,109.37	MW	OH			Payee Name different in Check DB
AP00088021	V00350	GAS COMPANY, THE	10/26/10	371.39	MW	OH			Payee Name different in Check DB
AP00088022	V00730	GOLDEN STATE WATER COMPANY	10/26/10	45.37	MW	OH			Payee Name different in Check DB
AP00088023	V01842	HALL-McGRADE, AMY	10/26/10	75.00	MW	OH			
AP00088024	V01737	HANOU, TERRENCE	10/26/10	20.42	MW	OH			
AP00088025	V06144	HENRY, STEPHEN	10/26/10	20.42	MW	OH			
AP00088026	V07294	HOLLIDAY ROCK CO INC	10/26/10	375.63	MW	OH			
AP00088027	V00006	HOME DEPOT	10/26/10	767.54	MW	OH			
AP00088028	V00417	HUNTINGTON COURT REPORTERS	10/26/10	424.60	MW	OH			Payee Name different in Check DB
AP00088029	V00233	HYDRO CONNECTIONS	10/26/10	1,694.73	MW	OH			Payee Name different in Check DB
AP00088030	V01964	HYNES, MELODY	10/26/10	96.40	MW	OH			
AP00088031	V00425	INGRAM DIST GROUP	10/26/10	443.61	MW	OH			
AP00088032	V00426	INLAND WATER WORKS	10/26/10	93.29	MW	OH			
AP00088033	V04543	INTER-VALLEY POOL SUPPLY	10/26/10	98.29	MW	OH			
AP00088034	V05490	JS CONSULTANTS	10/26/10	3,325.00	MW	OH			
AP00088035	V00456	KELLEY BLUE BOOK INC	10/26/10	64.95	MW	OH			
AP00088036	V00475	LA CNTY DEPT OF ANIMAL CARE	10/26/10	8,419.12	MW	OH			Payee Name different in Check DB
AP00088037	V00483	LA CNTY TAX COLLECTOR	10/26/10	827.15	MW	OH			Payee Name different in Check DB
AP00088038	V07231	LA WORKS	10/26/10	14,594.00	MW	OH			
AP00088039	V02760	LA WORKS	10/26/10	6,501.39	MW	OH			
AP00088040	V05366	LEAGUE OF CALIF CITIES	10/26/10	35.00	MW	OH			
AP00088041	V03544	LEVEL 3 COMMUNICATIONS LLC	10/26/10	2,129.06	MW	OH			Payee Name different in Check DB
AP00088042	V00497	LEWIS SAW AND LAWNMOWER	10/26/10	135.27	MW	OH			Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088043	V00501	LIEBERT CASSIDY WHITMORE	10/26/10	2,824.00	MW	OH		Payee Name different in Check DB
AP00088044	V00503	LIGHTHOUSE INC, THE	10/26/10	10.15	MW	OH		Payee Name different in Check DB
AP00088045	V04792	MALINOSKI, JOHN	10/26/10	8.00	MW	OH		
AP00088046	V07681	MALOTT, TRAVIS	10/26/10	161.85	MW	OH		
AP00088047	V01043	MARQUEZ, RAY	10/26/10	20.42	MW	OH		
AP00088048	V06820	MARTHA HEAVISIDE	10/26/10	936.00	MW	OH		
AP00088049	V05453	MCCORD, MAURY	10/26/10	11.90	MW	OH		
AP00088050	V06604	MCLEAN, JOHN	10/26/10	20.42	MW	OH		
AP00088051	V07673	MEDINA, FRANK	10/26/10	8.00	MW	OH		
AP00088052	V01240	MISSION LINEN SUPPLY	10/26/10	393.67	MW	OH		
AP00088053	V04319	MUNOZ, FELIPE	10/26/10	20.42	MW	OH		
AP00088054	V06687	NEWPORT FARMS INC	10/26/10	435.17	MW	OH		
AP00088055	V00797	OFFICE DEPOT	10/26/10	66.79	MW	OH		Payee Name different in Check DB
AP00088056	V02693	PALMA, DANNY	10/26/10	20.42	MW	OH		
AP00088057	V00610	PAPER MART	10/26/10	70.48	MW	OH		
AP00088058	V04971	PARS	10/26/10	800.00	MW	OH		
AP00088059	V05301	PEST OPTIONS INC	10/26/10	265.00	MW	OH		
AP00088060	V00632	PHYSICIANS DESK REF	10/26/10	71.28	MW	OH		
AP00088061	V04406	RAMIREZ, ULRICH	10/26/10	8.00	MW	OH		
AP00088062	V04406	RAMIREZ, ULRICH	10/26/10	120.49	MW	OH		
AP00088063	V07501	RC KEMP CONSULTING LLC	10/26/10	2,010.00	MW	OH		
AP00088064	V02043	REGAN, DAN	10/26/10	8.00	MW	OH		
AP00088065	V06114	REPUBLIC MASTER CHEFS	10/26/10	112.58	MW	OH		
AP00088066	V01740	ROBISON, MIKE	10/26/10	8.00	MW	OH		Payee Name different in Check DB
AP00088067	V03801	SIRSIDYNIX	10/26/10	359.72	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088068	V00727	SMART AND FINAL IRIS CORP	10/26/10	495.85	MW		OH	
AP00088069	V06146	SMITH, CRYSTAL	10/26/10	20.42	MW		OH	
AP00088070	V00007	STAPLES INC	10/26/10	829.81	MW		OH	
AP00088071	V03432	STATLER, TIMOTHY	10/26/10	20.42	MW		OH	
AP00088072	V03248	THERMAL COMBUSTION INNOVATORS	10/26/10	104.88	MW		OH	
AP00088073	V00765	THREE VALLEYS MUNICIPAL	10/26/10	6,694.56	MW		OH	
AP00088074	V00772	TRI-XECUTEX CORP	10/26/10	80.00	MW		OH	Payee Name different in Check DB
AP00088075	V05461	URBAN GRAFFITI ENTERPRISES IN	10/26/10	5,700.00	MW		OH	
AP00088076	V00229	US POSTMASTER	10/26/10	2,110.88	MW		OH	
AP00088077	V07403	VERIZON CALIFORNIA	10/26/10	518.43	MW		OH	
AP00088078	V02304	VICTORY EXTERMINATING INC	10/26/10	350.00	MW		OH	
AP00088079	V06785	VISION SERVICE PLAN (CA)	10/26/10	63.27	MW		OH	
AP00088080	V00158	VULCAN MATERIALS COMPANY	10/26/10	114.53	MW		OH	Payee Name different in Check DB
AP00088081	V03291	WARD, BRIAN	10/26/10	20.42	MW		OH	
AP00088082	V06528	WEISENBACH SPECIALTY PRINTING	10/26/10	1,481.60	MW		OH	
AP00088083	V00812	WEST COAST ARBORISTS INC	10/26/10	461.80	MW		OH	
AP00088084	V07492	WRIGHT DESIGNS	10/26/10	2,321.21	MW		OH	
AP00088085	V06911	XO COMMUNICATIONS SERVICES IN	10/26/10	5,287.01	MW		OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To	Note
=====									
G R A N D T O T A L S:									
		Total Void Machine Written		0.00		Number of Checks Processed:		0	
		Total Void Hand Written		0.00		Number of Checks Processed:		0	
		Total Machine Written		153,479.08		Number of Checks Processed:		118	
		Total Hand Written		0.00		Number of Checks Processed:		0	
		Total Reversals		0.00		Number of Checks Processed:		0	
		Total Cancelled Checks		0.00		Number of Checks Processed:		0	
		Total EFTs		0.00		Number of EFTs Processed:		0	
		G R A N D T O T A L		153,479.08					

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088086	X0005	AGGERS, MICHAEL PAUL	10/27/10	1,416.00	MW		OH	
AP00088087	X3154	ALVAREZ, DANIEL	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088088	V01347	ANDERSON, ALLEN	10/27/10	1,567.44	MW		OH	
AP00088089	X0016	ANDERSON, PATRICIA GRACE	10/27/10	1,416.00	MW		OH	
AP00088090	X2432	BARKER, BEN	10/27/10	2,905.42	MW		OH	Payee Name different in Check DB
AP00088091	X3338	BEAVER, PAUL B	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088092	X2434	BELL, DONALD R	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088093	X2119	BENNINGTON, WILLIAM	10/27/10	102.00	MW		OH	Payee Name different in Check DB
AP00088094	X2435	BERGENER, WALTER	10/27/10	93.60	MW		OH	Payee Name different in Check DB
AP00088095	X2594	BLADES, STEVEN	10/27/10	1,416.00	MW		OH	Payee Name different in Check DB
AP00088096	X2603	BONNELL, EVELYN	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088097	X2436	BOWMAN, CLAUDE	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088098	X3743	BRINEGAR, ROBERT	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088099	X05247	BRITZ, IRENE	10/27/10	234.60	MW		OH	
AP00088100	X05260	BROWN, ELAINE	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088101	X2524	BROWN, JULIE C	10/27/10	93.60	MW		OH	Payee Name different in Check DB
AP00088102	X5246	BROWNE, ROBERT	10/27/10	1,567.44	MW		OH	
AP00088103	X3779	BROWNING, BETTY	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088104	X2437	BRUBAKER, JERRY	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088105	X3552	CAGLE, MARY	10/27/10	93.60	MW		OH	Payee Name different in Check DB
AP00088106	X0013	CAREW, CAROL ANN	10/27/10	238.00	MW		OH	
AP00088107	X05257	CATANIA, MARY ELLEN	10/27/10	234.60	MW		OH	
AP00088108	X2438	CELLIAN, MARY	10/27/10	234.60	MW		OH	Payee Name different in Check DB
AP00088109	X05253	CLARK, HUBERT	10/27/10	1,416.00	MW		OH	
AP00088110	V03712	CLARK, RONNIE	10/27/10	1,416.00	MW		OH	

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00088111	X2440	CLEMENS, ROBERT	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088112	X2050	CLEMENT, LARRY	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088113	X1556	COAKLEY, RAYMOND J	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088114	X5250	CORDER, MARK C	10/27/10	1,650.00	MW	OH		
AP00088115	X3364	DEWHIRST, DEL	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088116	X3156	DOWDY, WAYNE	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088117	X5249	DUKE, WILMA	10/27/10	102.00	MW	OH		
AP00088118	X3759	ESCALANTE, RICHARD J.	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088119	X2442	ESTRADA, EDWARD	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088120	X2443	FILES, DALE	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088121	X2529	FISHER, MARGARET	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088122	X2444	FORNES JR, JAMES C	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088123	X05256	FOURZAN, SERGIO	10/27/10	234.60	MW	OH		
AP00088124	V01642	FRANKLIN-VALDEZ, VALERIE	10/27/10	1,416.00	MW	OH		Payee Name different in Check DB
AP00088125	X1100	FRIZE, PAT	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088126	X0006	GALLIVAN, KAREN SU ANN	10/27/10	1,416.00	MW	OH		
AP00088127	V04874	GALLON, JOHN DARREL	10/27/10	1,416.00	MW	OH		
AP00088128	X1320	GATTONE, DONALD	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088129	X2445	GAULDIN, HAROLD A	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088130	X0002	GILMAN, ROBERT ERIC	10/27/10	1,416.00	MW	OH		
AP00088131	X0014	GOETZ, MARCIA DALE	10/27/10	1,888.00	MW	OH		
AP00088132	X05252	GOODMAN, GLEN	10/27/10	93.60	MW	OH		
AP00088133	X2079	GOODWIN, PAUL	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088134	X1235	GRAMMATIKAS, DOLORES	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088135	X2446	GRAVES, KENNETH A	10/27/10	234.60	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00088136	X2447	GREENER, CHARLES	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088137	X5245	GROSS, RUTH	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088138	X05261	HALSTED, MARILYN	10/27/10	1,416.00	MW	OH		Payee Name different in Check DB
AP00088139	X05258	HANSON, ALLISON	10/27/10	1,416.00	MW	OH		Payee Name different in Check DB
AP00088140	X3493	HARO, DAVID	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088141	X05254	HARRIS, KENNETH	10/27/10	1,416.00	MW	OH		
AP00088142	X2530	HARRISON, JAMES	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088143	X05259	HARVEY, ANDREW J	10/27/10	1,650.00	MW	OH		
AP00088144	X2548	HASEMEYER, CLYDE	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088145	X2449	HOSTETLER, DARREL	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088146	X3892	HOWELL, CLAUDE	10/27/10	331.50	MW	OH		Payee Name different in Check DB
AP00088147	X05255	IVY, RICHARD	10/27/10	1,416.00	MW	OH		
AP00088148	X05108	JACOBS, DANIEL	10/27/10	1,416.00	MW	OH		
AP00088149	X2450	JANES, NORMAN G	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088150	X1256	JENNINGS, ERMONT	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088151	X3804	JOHNSON, CARL	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088152	V06647	JOHNSON, PAUL DAVID	10/27/10	1,416.00	MW	OH		
AP00088153	X2527	JONES, RITA	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088154	X4264	JORDAN, RICHARD	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088155	X2452	KAVANAGH, JOHN	10/27/10	4,547.92	MW	OH		Payee Name different in Check DB
AP00088156	X05517	KEEN, WILLIAM	10/27/10	93.60	MW	OH		
AP00088157	X0008	KEMP, ROBERTA EVE	10/27/10	1,416.00	MW	OH		
AP00088158	V01348	KEOHEN, WILLIAM P.	10/27/10	1,416.00	MW	OH		
AP00088159	X2453	KESSLER, CHARLES W	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088160	X3780	KIMBALL, MARILYN	10/27/10	234.60	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00088161	X2243	KLINGELBERG, KENTON	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088162	X1592	KREBS, ROBERT LEE	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088163	X2454	LAMUNYON, STEVEN	10/27/10	2,349.56	MW	OH		Payee Name different in Check DB
AP00088164	X1737	LANGHAM, MARJORIE A	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088165	X2341	LENTZ, JOHN	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088166	X0007	LEO, RACHEL LOUISE	10/27/10	1,650.00	MW	OH		
AP00088167	X2455	LETOURNEAU, RAYMOND H	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088168	X3340	LOWRY, MICHAEL H	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088169	X2600	MAGAN, PAUL	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088170	X5252	MANGIAPANE, JAMES	10/27/10	1,416.00	MW	OH		
AP00088171	X2028	MANNERS, NANCY	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088172	X05519	MARQUEZ, MICHAEL	10/27/10	102.00	MW	OH		
AP00088173	V02037	MC GUIRE, ANNE	10/27/10	102.00	MW	OH		
AP00088174	V01349	MC KEE, RONALD T.	10/27/10	1,567.44	MW	OH		
AP00088175	X1754	MCAFFEE, GENE	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088176	X0004	MESSINEO, JACQUELINE	10/27/10	1,416.00	MW	OH		
AP00088177	V01639	MILES, DAVID L.	10/27/10	1,567.44	MW	OH		Payee Name different in Check DB
AP00088178	X1680	MITCHELL, C JOANNE	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088179	X3327	MITCHELL, HAROLD	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088180	X1909	MURPHY, JAMES	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088181	X2598	MURRAY, DENNIS	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088182	X2456	NEILSON, RALEIGH	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088183	X2597	NELSON, WILLIAM	10/27/10	141.60	MW	OH		Payee Name different in Check DB
AP00088184	X3390	OBLONSKY, JERRY	10/27/10	102.00	MW	OH		Payee Name different in Check DB
AP00088185	X1972	OLIVE, ROBERT J	10/27/10	234.60	MW	OH		Payee Name different in Check DB

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088186	X2458	OLSON, ZAN	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088187	X5247	OSBORN, MICHAEL	10/27/10	1,416.00	MW	OH		
AP00088188	X2459	PARRIS, ERNEST	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088189	X0003	PHILIPS, PAUL JULE	10/27/10	2,250.00	MW	OH		
AP00088190	X0011	PIERSON, SCOTT BRETT	10/27/10	2,004.84	MW	OH		
AP00088191	X0010	POSSNER, ROGER DUDLEY	10/27/10	129.42	MW	OH		
AP00088192	X05248	PURCELL, CHRISTOPHER SCOTT	10/27/10	1,416.00	MW	OH		
AP00088193	X2461	RANKIN, DONALD	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088194	X05520	REDOEN, CHARLES	10/27/10	1,416.00	MW	OH		
AP00088195	X2462	REIGEL, WILLIAM	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088196	X0012	REVIS, CATHY	10/27/10	1,888.00	MW	OH		
AP00088197	X05251	RODRIGUEZ, PHILIP	10/27/10	234.60	MW	OH		
AP00088198	V01224	ROSALES, CHARLES	10/27/10	1,416.00	MW	OH		
AP00088199	X0009	RUMPLER, JOANNE	10/27/10	1,416.00	MW	OH		
AP00088200	V01643	SANTOS, ROGER	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088201	X5251	SCHLEIF, FRANCISCA ISABEL	10/27/10	1,416.00	MW	OH		
AP00088202	X2191	SCHMID, FRANK	10/27/10	1,416.00	MW	OH		Payee Name different in Check DB
AP00088203	X0001	SHAUP, JOY ANN	10/27/10	1,416.00	MW	OH		
AP00088204	X2474	SMITH, DEANNA	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088205	X3188	SMITH, HOWARD	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088206	V05660	SMITH, RICHARD MICHAEL	10/27/10	93.60	MW	OH		
AP00088207	V03604	SOUTHALL, MARY JO	10/27/10	234.60	MW	OH		
AP00088208	X2464	STANFIELD, DEWEY	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088209	V01074	SUTHERLAND, DALE	10/27/10	93.60	MW	OH		
AP00088210	V05781	SWEENEY, PAUL	10/27/10	1,416.00	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088211	V05782	TARIN, LORENA	10/27/10	93.60	MW	OH		
AP00088212	X1234	TESKE, OSCAR	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088213	X2465	THOMAS, DON R	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088214	X2596	THOMPSON, MARGARET A	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088215	X5010	THOMSON, JOHN R	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088216	X0015	TOLENTINO, LEOPOLD AGUILA	10/27/10	102.00	MW	OH		
AP00088217	V01640	VELEZ, RAUL	10/27/10	93.60	MW	OH		Payee Name different in Check DB
APD0088218	X1600	WALKER, EVELINE V	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088219	X4263	WALTON, MARLA	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088220	X5248	WEISS, MOREY	10/27/10	1,416.00	MW	OH		
AP00088221	X2170	WILCOX, MARILYN	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088222	X2466	WINTER, JOAN L	10/27/10	93.60	MW	OH		Payee Name different in Check DB
AP00088223	X1622	WOOTEN, HUBERT	10/27/10	234.60	MW	OH		Payee Name different in Check DB
AP00088224	X2467	WORTHY, WILLIAM	10/27/10	2,905.42	MW	OH		Payee Name different in Check DB
AP00088225	X2031	ZVALO, PEARL	10/27/10	234.60	MW	OH		Payee Name different in Check DB

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	91,309.04	Number of Checks Processed:	140
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>91,309.04</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00088226	V06191	AFLAC ACCT# YQ792	10/27/10	3,329.46	MW	OH		Payee Name different in Check DB
AP00088227	V01695	AFSCME	10/27/10	840.00	MW	OH		
AP00088228	V01681	CALIFORNIA PUBLIC EMPLOYEES'	10/27/10	49,718.28	MW	OH		Payee Name different in Check DB
AP00088229	V07287	CITY OF COVINA-FSA	10/27/10	1,800.00	MW	OH		
AP00088230	V01686	COVINA POLICE ASSOCIATION	10/27/10	1,818.00	MW	OH		
AP00088231	V02095	COVINA POLICE ASSOCIATION	10/27/10	1,000.00	MW	OH		
AP00088232	V01697	COVINA, CITY OF	10/27/10	6,262.38	MW	OH		
AP00088233	V02879	COVINA, CITY OF	10/27/10	39.80	MW	OH		
AP00088234	V05506	COVINA, CITY OF	10/27/10	22,896.53	MW	OH		
AP00088235	V06385	CSAC-EIA	10/27/10	4,204.33	MW	OH		
AP00088236	V06386	CSAC-EIA	10/27/10	1,413.76	MW	OH		
AP00088237	V05186	DELTA DENTAL OF CALIFORNIA	10/27/10	5,096.61	MW	OH		
AP00088238	V07259	FLEX ONE	10/27/10	24.00	MW	OH		Payee Name different in Check DB
AP00088239	V01692	GREAT WEST LIFE & ANNUITY	10/27/10	3,892.50	MW	OH		
AP00088240	V01694	HARTFORD LIFE INS	10/27/10	9.67	MW	OH		Payee Name different in Check DB
AP00088241	V01691	ICMA RETIREMENT TRUST-457	10/27/10	5,546.00	MW	OH		
AP00088242	V07302	ICMA RETIREMENT TRUST-401	10/27/10	680.44	MW	OH		
AP00088243	V01690	NATIONAL DEFERRED COMPENSATIO	10/27/10	3,567.50	MW	OH		Payee Name different in Check DB
AP00088244	V01693	PERS LONG TERM CARE PROGRAM	10/27/10	329.12	MW	OH		
AP00088245	V01687	PERS	10/27/10	73,726.49	MW	OH		
AP00088246	V04828	UNION BANK OF CALIFORNIA	10/27/10	2,276.66	MW	OH		
AP00088247	V01696	UNITED WAY OF GREATER LA	10/27/10	45.41	MW	OH		Payee Name different in Check DB
AP00088248	V06785	VISION SERVICE PLAN (CA)	10/27/10	510.96	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
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GRAND TOTALS:								
		Total Void Machine Written		0.00		Number of Checks Processed:		0
		Total Void Hand Written		0.00		Number of Checks Processed:		0
		Total Machine Written		189,027.90		Number of Checks Processed:		23
		Total Hand Written		0.00		Number of Checks Processed:		0
		Total Reversals		0.00		Number of Checks Processed:		0
		Total Cancelled Checks		0.00		Number of Checks Processed:		0
		Total EFTs		0.00		Number of EFTs Processed:		0
		GRAND TOTAL		189,027.90				

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To Note
AP00088249	V04772	UNITED STATES TREASURY	10/28/10	806.41	MW	IP	

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	806.41	Number of Checks Processed:	1
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
GRAND TOTAL	806.41		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
AP00085539	V00481	LA CNTY REGISTRAR RECO	06/16/10	16.00	RV	TR		Payee Name different in Check DB
AP00087438	V07622	RENAISSANCE ESERALDA	09/21/10	351.00	RV	TR		Reversed

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	0.00	Number of Checks Processed:	0
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	367.00	Number of Checks Processed:	2
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>367.00</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
AP00087586	VO1660	AT&T	10/05/10	1,430.40	RV	TR		Reversed

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	0.00	Number of Checks Processed:	0
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	1,430.40	Number of Checks Processed:	1
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>1,430.40</b>		

STATE OF CALIFORNIA        )  
  ) ss:  
COUNTY OF LOS ANGELES    )

I, Dilu De Alwis being first duly sworn, declare that I am the Finance Director of the City of Covina and have read the attached Register(s) of Audited Demands for the City of Covina dated Accounts Payable for 10/05/10, 10/12/10, 10/13/10, 10/19/10, 10/26/10, 10/27/10, and 10/28/10; Payroll for 10/12/10, 10/14/10, and 10/25/10; Voids for October 2010; Workers Compensation for 10/01/10, 10/08/10, 10/15/10, and 10/22/10; know the contents thereof, and do CERTIFY as to the accuracy of the attached Demands and the availability of funds for their payment pursuant to the government Code, Section 37202.

Dilu De Alwis  
Finance Director

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 2010

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**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 3

**STAFF SOURCE:** Steve Henley, Director of Public Works  
Kalieh Honish, Assistant Director of Public Works  
Paul Hertz, Public Works Superintendent



**ITEM TITLE:** Public Works Department Monthly Activity Report

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**STAFF RECOMMENDATION**

Receive and file the Public Works Department Monthly Activity Report

**FISCAL IMPACT**

This report is informational only and has no budgetary impact.

**BACKGROUND**

Attached for the City Council's review and information are the Public Works Department's Monthly Activity Report for November.

In conjunction with the implementation of a revised Zone Maintenance Program in 2007, the Department implemented a renewed focus on Key Performance Indexing (KPI). KPI is a useful tool for developing a measurement system of organizational effectiveness by identifying activities important to the community and tracking their output over time.

During November, the following trends were noted:

- Service levels continue to be generally on par this month for Central Equipment, Building Maintenance, Transportation, and Code Enforcement.
- Service levels for Street Maintenance in a few areas have declined somewhat as the crews spent the month focusing on pavement and pothole repairs leading into the winter months.
- Service levels for the Water Utility are also noted lower with the exception of Meter reads, in which extra man hours were dedicated to assisting Global Water Company with the billing and meter replacement project. Meter reads for the month are more than double than they were last year.
- The Environmental Services Division was in full force with their Industrial Waste Permit Program as permit inspections were more than double from last month.

**RELEVANCE TO THE STRATEGIC PLAN**

The Public Works Department consists of the Water Division, Streets and Sewer Division, Central Equipment Division, Building Maintenance, and Development Services which includes Engineering, Environmental Services, Building and Safety, as well as Code Enforcement. The combined activities of each of the divisions continually strives to enhance the safety, development and infrastructure needs of the community in the most cost effective and responsive way possible. In this way, while not directly responsive to any of the currently identified objectives of the Strategic Plan the activities which are reported on herein support several of the specific Strategic Plan's Goals, as follows: Improve and promote customer service; Enhance financial stability; Become an environmentally sustainable community; and Provide efficient, visible and responsive public safety.

**EXHIBITS**

A. Public Works Department Monthly Activity Report – November 2010

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA  
PUBLIC WORKS DEPARTMENT MONTHLY ACTIVITY REPORT  
NOVEMBER 2010**

<b>DIVISION</b>	<b>ACTIVITY</b>	<b>QUANTITY</b>
<b>Water Utility</b>	Meter reads	8,321
	Meter replacements	11
	Consumer responses	70
	Backflow tests	7
	Flushed blow-offs	2
	Service line repair/replace	0
	Main line repair/replace	2
	Fire hydrant repair/replace	0
	Isolation valves exercised	5
Emergency call outs	7	
<b>Equipment Maintenance</b>	Preventative Maintenance service	27
	Safety inspections	28
	Daily demand repairs	85
	Tire repairs	21
	Emergency call outs	6
<b>Street Maintenance</b>	Traffic sign remove/replace/install	6
	Potholes repaired	91
	Curb and gutter remove/replace (LF)	100
	Sidewalk remove/replace (SF)	500
	Curb painted (LF)	0
	Stop and Bars repainted	0
	Utility cuts repaired	7
	Trees trimmed	14
	Trees removed	3
Emergency call outs	5	
<b>Environmental Services</b>	Used oil containers distributed	10
	Compost bins distributed	0
	NPDES violations investigated	14
	NPDES Permit Inspections	12
	Waste Management consumer responses	13
	Industrial Waste Permit Inspections	144
	Plans checked for environmental compliance	7
	Environmental legislation & regulations reviewed	20
Special Waste collection events promoted	0	
<b>Engineering Inspection</b>	Utility cuts inspections	9
	Sidewalk remove/replace/install inspections	0
	Driveway approach inspections	3
	Sanitary Sewer repair/install	1
	Traffic signal system install/modifications	0
	Job site meetings	5
	Construction site NPDES BMP compliance	5
	Street Paving / Patches	6
<b>Building Maintenance</b>	Service requests completed	25
	Facility heat/air conditioning repairs	1
	Facility lighting/electrical repairs	1
	Emergency call outs	0
<b>Special Activities of Note</b>	Underground Service Alert marking responses	16
	Sink holes repaired	0
	Lineal feet of skin patching	5,000
	number of fallen tree limbs picked up	20

**CITY OF COVINA  
PUBLIC WORKS DEPARTMENT MONTHLY ACTIVITY REPORT  
NOVEMBER 2010**

<b>DIVISION</b>	<b>ACTIVITY</b>	<b>QUANTITY</b>
<b>Transportation</b>	Bus passes sold	70
	Covina Transit passengers	1,515
	Metrolink Shuttle passengers	534
	Metrolink parking permits sold	609
	Municipal lots blue zone permits sold	34
	Municipal lots monthly machine revenues	\$914
<b>Code Enforcement</b>	Number of Inspections	609
	Number of signs pulled from public right-of-way	85
	Number of resolved cases	68
	Number of open cases	187
<b>Building &amp; Safety</b>	Permits issued	118
	Inspections conducted	494
	Plan checks conducted	32
	Permit valuation	\$488,452
<b>Sewer Maintenance</b>	Manholes inspected	105
	Linear feet of main cleaned	55,034
	Hot-spot locations cleaned	33
	Sewer overflow responses	0
	Manholes treated for vermin infestation	62
	Manholes treated for rodent infestation	12
	Routine pump station checks	30

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 4

**STAFF SOURCE:** Anthony Arroyo, Director of Human Resources  
Guadalupe Marquez, Human Resources Analyst

**ITEM TITLE:** Xit Poll Data for the Survey Tools located at City Hall

**STAFF RECOMMENDATION**

Receive and file the most recent data collected from the Xit Poll survey tools located at City Hall.

**FISCAL IMPACT**

None.

**BACKGROUND**

The Xit Poll devices can be programmed to ask a series of specific questions to gauge customer satisfaction with the level of service they receive at City offices, to gather opinions about issues, and even to distribute money saving coupons that encourage shopping in the city.

At the October 23 Thunderfest event, the City of Covina unveiled a new portable, electronic tool designed to allow for customer feedback on a variety of programs and services. Recently, staff coordinated with Powell Camera and Casa Moreno seeking feedback on the downtown area. Two devices are now available at City Hall. One located near the Finance Department, and the other is near the information desk. These devices are seeking input regarding customer service.

Attached is a copy of the most recent data collected from the Xit Polls located at City Hall.

**RELEVANCE TO STRATEGIC PLAN**

One of the City's Strategic Planning goals is to enhance customer service, and the Xit Poll device is an important tool in this effort. We are able to utilize the Xit Poll as a way to solicit community input about the City of Covina.

**EXHIBITS**

A. Xit Poll Data

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____



Ranking | Compare | Combine | View Data By Time | User Entries | Upload | Output | Gray Theme | Print City of Covina CA/City Hall Customer Service

Filter By Date And Time

From: 12/07/2010

To: 12/12/2010

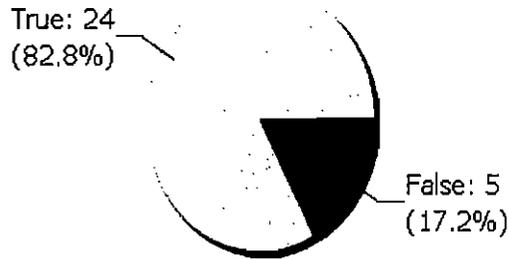
Filter By Variables

- Country
- U.S.A.
- W

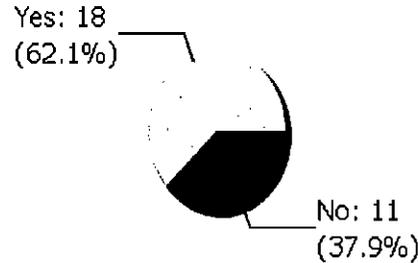
Home > > > > > > >

Qualific

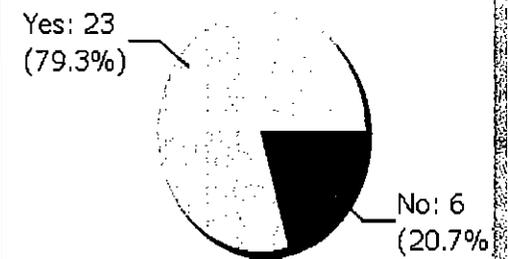
City Hall hours are M-Th 7am to 6pm ?



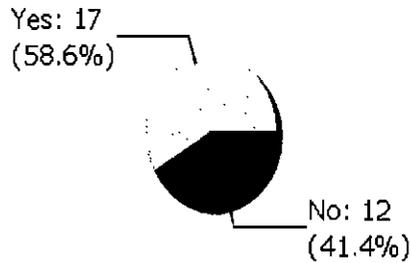
When I call City Hall a live person answers the call.



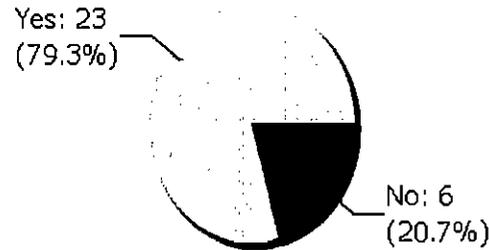
Have you ever left a phone message for staff at City Hall?



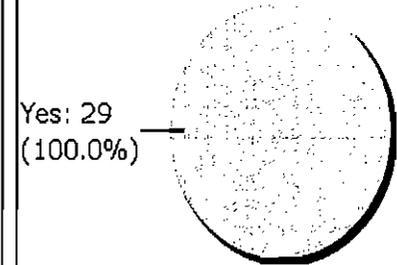
My phone messages are returned the next business day.



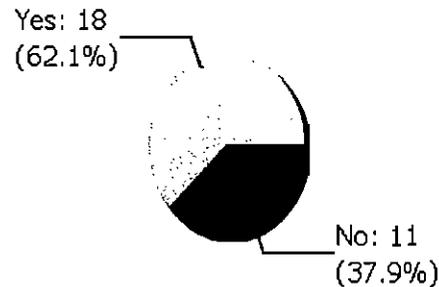
At City Hall I can approach any City staff for help.



I am treated with courtesy by City staff.



I prefer to use the internet for City Services.



Questions

Version: 101:

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 5

**STAFF SOURCE:** Kim J. Raney, Chief of Police



**ITEM TITLE:** Los Angeles Regional Interoperable Communications System  
(LA-RICS)Update

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**STAFF RECOMMENDATION**

Receive and file report.

**FISCAL IMPACT**

None.

**BACKGROUND**

The Los Angeles region is one of the largest urban areas in the nation with more than 10 million residents living within 4,084 square miles; our population is greater than that of 42 of the 50 states. Within this area, 50 law enforcement and 31 fire service agencies provide public safety services to 88 municipalities as well as unincorporated areas.

Historically, public safety agencies within the region have developed emergency communication systems that primarily meet localized or shared needs but fail to provide seamless, day-to-day interoperability with all jurisdictions and agencies. The events of September 11, 2001 brought to light how critical radio interoperability is in the public safety arena, and true interoperability currently does not exist in Los Angeles County.

The Los Angeles Regional Interoperable Communications System (LA-RICS) is a Joint Powers Authority consisting of 85 members within Los Angeles County (82 cities, Los Angeles County, Los Angeles Unified School District, and UCLA). The Board of Directors consists of 17 members, and the City of Covina holds one of four "At Large" Board of Director positions. The goal of LA-RICS is the construction and implementation of a voice and data communications system that will provide interoperability to public safety and public works throughout Los Angeles County, including interoperability with county, state, and federal agencies.

LA-RICS has released a Request for Proposal (RFP) to vendors nationwide, and those proposals are due in early 2011. Upon selection of a vendor, system funding will be determined by the Board of Directors. Options being discussed to date include:

- Reallocation of Existing Revenues
- Federal Grants
- Voter Approved Revenue

In a 2006 report, capital expenditures for a regional communications system were estimated to be \$600 million over five years, not including system operations maintenance expenses. To date, LA-RICS has secured \$154 million in federal grant funding.

Once a vendor has been selected and both cost allocation and system funding has been identified, each member city will have the opportunity to decide whether they will remain a member of the JPA and move forward, or be removed from the JPA with no cost exposure.

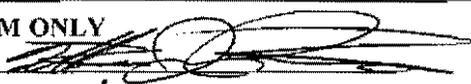
The Covina Police Department currently operates a VHF radio system, and only five cities in Los Angeles County currently operate on VHF. Should LA-RICS be determined NOT to be a viable solution to radio interoperability, then other solutions will need to be explored as the current communication system is not viable for future interoperability.

**RELEVANCE TO THE STRATEGIC PLAN**

This completes the strategic plan goal from the October 2010 Strategic Plan Retreat.

**EXHIBITS**

None.

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 6

**STAFF SOURCE:** Kim J. Raney, Chief of Police 

**ITEM TITLE:** Memorandum of Agreement for the Los Angeles Regional Integrated Law and Justice Project among the Regional Terrorism Intelligence and Integration System Participating Agencies.

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**STAFF RECOMMENDATION**

Approve Memorandum of Agreement for the Los Angeles Regional Integrated Law and Justice Project (LARILJP) among the Regional Terrorism Intelligence and Integration System (RTIIS) participating agencies and authorize the City Manager or his designee to execute.

**FISCAL IMPACT**

None.

**BACKGROUND**

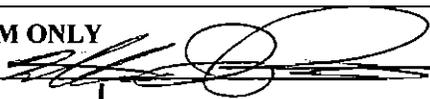
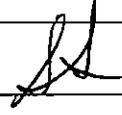
In August of 2007, the Covina Police Department entered an agreement with LARILJP as part of the regionalization of shared information between law enforcement agencies. COPLINK is a data sharing system that all municipal, county and state JPA law enforcement agencies members use to provide and access information. The Department recognized the benefit of the COPLINK System as an additional tool to use in response to the threat of terrorism and community crimes. The COPLINK System has provided accessible and accurate information which has assisted with the apprehension of law violators. As a member of the West Covina Users Group, it was not necessary for our Department to provide any technical upgrades or computer hardware.

**RELEVANCE TO THE STRATEGIC PLAN**

None.

**EXHIBITS**

A. Memorandum of Agreement

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**MEMORANDUM OF AGREEMENT**  
**FOR THE**  
**LOS ANGELES REGIONAL INTEGRATED LAW AND JUSTICE**  
**PROJECT**  
**AMONG THE**  
**REGIONAL TERRORISM INTELLIGENCE AND INTEGRATION**  
**SYSTEM PARTICIPATING AGENCIES**

**1) Overview**

- a) Background: The mission of the Los Angeles Regional Integrated Law and Justice Project ("LARILJP") is to coordinate the development and implementation of a regional justice information sharing system that will allow law enforcement agencies throughout Los Angeles County, as well as law enforcement agencies in other regions of the State and beyond which have entered into Intergovernmental Agreements (IGA's), to share information in their case and records management systems. The goal is to protect the total community by efficiently and effectively providing accessible, accurate information for the speedy investigation and apprehension of terrorists and other law violators. The sharing of information shall be achieved through the COPLINK System ("COPLINK"). A "Contractor" (currently "i2") shall install and maintain COPLINK.
- b) Intended Benefits: By sharing public safety information, LARILJP participating agencies and other participating agencies as approved through IGA's ("Agencies" or Agency") will be able to improve their responses to terrorism and community crime. COPLINK provides sophisticated analytical tools that will allow authorized users to discover links and relationships by providing consolidated data across Los Angeles County. This will allow Agencies to solve previously "unsolvable" incidents and investigate serial criminal activity.
- c) Purpose: The purpose of this agreement ("Agreement") is to outline conditions under which the Agencies will share and use information in COPLINK. By signing this Agreement, Agencies, as well as all individuals who operate or use COPLINK, agree to adhere to the guidelines specified in this Agreement.
- d) Agency Participation: The LARILJP is a cooperative venture of justice agencies in Los Angeles County, California. Any law enforcement agency in Los Angeles County may apply to participate in LARILJP. To participate in LARILJP and have

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement**

access to COPLINK, an Agency applicant shall apply to the LARILJP Governance Committee by submitting a proposal that outlines its intended use of COPLINK, the type of data it intends to contribute, and any other information requested by the Governance Committee. A simple majority vote of approval of the Governance Committee is required to approve an Agency's participation in COPLINK. Once approved, each Agency will proactively cooperate with other participating Agencies, the Contractor, and its own system vendors and or maintenance contractors to facilitate:

- 1) Network access and connectivity
  - 2) Data extracts for engineering and testing purposes
  - 3) Production extracts
  - 4) Required modifications to their source systems
  - 5) Regular data updates as agreed to during the design process
  - 6) Timely review and approval of design documents and test results
- e) Agency Withdrawal: An Agency may withdraw from participation in COPLINK at any time by providing written notice to the LARILJP Governance Committee. If an Agency wishes its data withdrawn from COPLINK, the withdrawing Agency shall contact the Contractor and request data removal. The withdrawing Agency is responsible for the cost associated with the removal of its data from COPLINK.

**II) AUTHORIZED RELEASE OF INFORMATION**

- a) Sharing of Information: Each Agency authorizes the release of information residing in its records management system to all users of COPLINK as permitted by law. It is the responsibility of each Agency to specify which data to share, as well as any special requirements that may apply to certain kinds of information. An Agency that does not want certain data made available from its records management system to COPLINK is responsible for placing the appropriate restriction indicator on the underlying data in the agency's internal records management system or database.

Under the authority of this Agreement, all RTIIS Member Agencies grant their authorization to the RTIIS Governance Committee and the Committee Chair for the limited purpose of executing IGA's as approved by the County Counsel acting

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement**

as the Legal Representative of the RTIIS. When those Agreements are approved as authorized, they will not require further review or approval by each participating agency. Such IGA's shall have no material changes adversely affecting the participating agencies included in this Agreement.

California law prohibits the release of victim information in specific sex related crimes, sealed juvenile records, and the release of summary criminal history to unauthorized persons.

- b) **Limitation on Information Sharing**: Information contributed by each Agency shall only be shared with or released to those Agencies that have entered into this Agreement or any approved IGA. Only authorized Agency employees who have an approved login and password ("Authorized Users") will be allowed to access or use information in the COPLINK System.
- c) **Liability**: Each Agency is solely responsible for any and all liability, claim, administrative proceedings, losses, expenses or any injury, including death or damage of any kind whatsoever, whether actual, alleged or threatened, including actual attorney fees, court costs, interest, defense costs and expenses associated there with including the use of experts, and any other costs of any nature without restriction incurred in relation to, as a consequence of, or arising out of the Agency's use of the COPLINK system and/or its performance under this Agreement.
- d) **Internal Audit**: Each Agency shall name a System Administrator, who shall conduct an internal audit on a periodic basis to ensure information is reasonably up to date and user queries are made for legitimate law enforcement purposes. COPLINK will require each Authorized User to input the reason for the requested information before any information is generated. This information shall be recorded on COPLINK, and retained to allow the System Administrator to complete the internal audit.

**III) INFORMATION OWNERSHIP**

- a) **Ownership**: Each Agency retains control of all information it provides through COPLINK. Each Agency is responsible for creating, updating, and deleting records in its own records management system or database, according to its own policies. Each Agency shall use its best efforts to insure the completeness and accuracy of its source data.

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement**

- b) **Unauthorized Requests**: Requests for information in COPLINK that is not authorized for viewing will be referred to the Agency that authored or originated the requested information ("Source Agency").
- c) **Prohibition Against Release of Information**: No Agency nor Authorized User shall release or make available any information it has accessed to any person or entity not authorized to access the COPLINK system, or to any third party without the prior written approval of the Source Agency, or as required by law.
- d) **Public Record Requests, Subpoenas and Court Orders**: Any Agency receiving a public records request, subpoena, or court order ("Legal Request") for information in COPLINK authored by or originated by another Agency shall respond to the Legal Request, and shall immediately provide a copy of the Legal Request to the Source Agency System Administrator.

**IV) UNDERSTANDING ON ACCURACY OF INFORMATION**

- a) **Accuracy of Information**: Agencies agree that the data maintained in COPLINK consists of information assumed to be accurate. Agencies will participate in several testing sessions, to validate and ensure that its information is accurate. However, data inaccuracies can arise from multiple reasons (e.g., entry errors, misinterpretation, outdated data, etc.). It shall be the responsibility of the Agency requesting or using the data to confirm the accuracy of the information with the Source Agency before taking any enforcement-related action.
- b) **Timeliness of Information**: Each Agency shall determine the frequency with which its data will be refreshed in COPLINK. In addition, each Agency has its own policy regarding the speed at which incidents are recorded in its internal records management systems. Since changes or additions to data do not get updated in COPLINK on a real-time basis, Agencies recognize that information may not always be timely and relevant. It shall be the responsibility of the requesting Agency to confirm the timeliness and relevance of the information with the Source Agency. Additionally, a data refresh schedule will be published by each System Administrator to enable a user to determine the potential timeliness of each Agency's data.
- c) **Hold Harmless**: To the extent permitted by law, Agencies agree to hold Source Agencies harmless for any information in COPLINK, or any action taken as a result of that data, regardless of whether the data is accurate or not, or any time delay associated with changes, additions, or deletions to the information

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement**

contributed. This hold harmless provision shall not apply to the willful misconduct or gross negligence of Source Agencies.

**V) USER ACCESS**

- a) **Login Application Process**: Each Agency's System Administrator is responsible for management of user accounts at that Agency. Each Agency agrees that all Authorized Users shall be current employees and be authorized to review criminal history data for legitimate purposes. Each potential user shall submit a request for a login and password to the Agency System Administrator. The Agency System Administrator shall have discretion to deny or revoke individual access.
- b) **Login Assignment**: Each Authorized User will be issued a user login and a default password by the Agency System Administrator. Upon logging into COPLINK for the first time, each Authorized User will change the default password to another password. Authorized Users may be assigned to groups that have different levels of access rights based on the level of restriction of the information.
- c) **Provision of Agreement**: The Agency System Administrator must provide a copy of the terms and conditions of this Agreement to all Authorized Users when they are issued a login ID for the system.
- d) **Intended Use**: Each Authorized User agrees that COPLINK, the information contained in it, and the networking resources it provides are to be used solely for purposes consistent with the mission of the LARILJP. Authorized Users acknowledge that the information COPLINK will be shared and used for authorize purposes only as permitted by law. Authorized Users shall not use or share the information for any unethical, illegal, or criminal purpose.
- e) **Limitations on Use of Logons**: An Authorized User may not access COPLINK by using a name or password that was assigned to another user. An authorized User cannot give his or her password to another person, including another user, to access the system.
- f) **Audit Trail**: Each transaction on COPLINK is logged and an audit trail is created. Each Agency System Administrator shall maintain the audit trail for a minimum of three years. Requests for transaction logs shall be made in writing by the Agency System Administrator, who shall provide the logs to the requesting party within a reasonable amount of time.

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement**

- g) Termination of Logins: Each Agency System Administrator is responsible for timely removal of any login accounts as Authorized Users leave the Agency, fail to meet the requirements of this Agreement, or are denied access by the Agency System Administrator for any other reason.

**VI) CONFIDENTIALITY OF INFORMATION**

- a) Information Confidentiality: Information in COPLINK is confidential and is not subject to public disclosure, except as required by law. Only Authorized Users are allowed to view and use the information in COPLINK. The Information will otherwise be kept confidential.
- b) Internal Requests for Information: An Authorized User who receives a request from a non-authorized requestor for information in COPLINK shall not release that information, but may refer the requestor to the Source Agency.
- c) Removal or Expungement of Records: LARILJP shall determine a schedule for record deletion, removal expungement, and other edits. Any Agency that seeks to edit a record sooner than the scheduled time shall contact the Contractor directly and arrange for the change to be manually processed.

**VII) SYSTEM ACCESS**

- a) Network Access: Access to COPLINK will be provided by a private network maintained by the Los Angeles County Sheriff's Department or any other secure network configuration that is mutually acceptable to the member agencies or others with which an approved IGA has been executed.
- b) System Availability: COPLINK shall operate 24-hours a day, 7-days a week, with downtime limited to those hours required for any necessary maintenance activities.

**VIII) SYSTEM MAINTENANCE**

- a) Under the authority of this Agreement, all RTIIS Member Agencies grant their authorization to the RTIIS Governance Committee and the Committee Chair for the limited purpose of implementing a business model or funding mechanism for ongoing maintenance of the RTIIS system. Upon that business model or funding mechanism being identified, it may be implemented without further review or approval by each participating agency, to sustain the integrity of the RTIIS system.

**Regional Terrorism Intelligence and Integration System – COPLINK****Memorandum of Agreement****IX) AGREEMENT TERMS**

- a) Term: This agreement will commence on the date that it is adopted by the first LARILJP participating Agency, and shall last until the last Agency withdraws, pursuant to section i.e. of this agreement.
- b) Changes to Agreement: Additional law enforcement agencies may be added to LARILJP by signing an amended copy of the Agreement, accepting its terms and conditions, and obtaining an approval by a simple majority of the LARILJP Governance Committee. Based on ongoing monitoring of COPLINK, Agencies may propose other changes to this Agreement. Such proposals require the approval of a simple majority of the participating Agencies.
- c) Supplemental Policies: An Agency may add individual guidelines for its own computers or networks providing they do not conflict with the provisions of this agreement.
- d) Sanctions for Non-Compliance: Any Agency that violates the guidelines of this may be disconnected from the COPLINK system. The Agency will be provided with a 60-day written notice of the violation, and the opportunity to correct the violation. Failure to meet the guidelines will result in the termination of System access for the offending Agency. All disputes concerning access shall be determined by a simple majority vote of the LARIJP Governance Committee.

**X) SIGN-OFF EXECUTION OF AGREEMENT**

By executing this agreement, each Agency acknowledges that it has received a copy of this agreement, and will comply with its terms and conditions. The individual executing this Agreement certifies that the person signing it is authorized by its Party to bind the represented agency to the terms and conditions of this amended Agreement. This Memorandum of Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. A complete original will be kept on file with the Los Angeles County Police Chiefs' Association. For all other purposes, facsimile signatures are acceptable as originals.

**Regional Terrorism Intelligence and Integration System – COPLINK**

**Memorandum of Agreement**

CITY OF COVINA

\_\_\_\_\_

City Representative

\_\_\_\_\_

Date

\_\_\_\_\_

Print Name

\_\_\_\_\_

Title

\_\_\_\_\_

City Attorney

\_\_\_\_\_

Date

**CITY OF COVINA  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 7

**STAFF SOURCE:** Robert Neiuber, Director of Community Development *RN*  
Marco A. Martinez, City Attorney

**ITEM TITLE:** Report concerning Wireless Facilities Moratorium pursuant to California Government Code, Section 65858(d)

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**STAFF RECOMMENDATION**

Receive and file the report.

**FISCAL IMPACT**

None.

**BACKGROUND**

On December 7, 2010, the City Council adopted a 45-day moratorium on the establishment of new wireless facilities in all zoning districts of the City. The moratorium was premised on concerns that approval and development of new wireless facilities in residential zones, and in commercial and industrial zones adjacent to residential areas, would have significant health, safety and welfare impacts to Covina residents given the lack of aesthetic and compatibility policies in the City's current regulations. The Council was concerned that continued development of new wireless facilities in or near residential areas would be incompatible with the structural and aesthetic compatibility of residential buildings.

California Government Code Section, 65858(d) provides that ten days prior to the expiration of an interim ordinance or any extension, the legislative body shall issue a report describing the measures taken to alleviate the condition which led to the adoption of the ordinance. The purpose of this agenda report is to report on those actions.

**Status & Actions Taken to Alleviate Conditions**

Mindful of federal requirements for the consideration and timely review of applications for new wireless facilities, staff has quickly surveyed several cities' regulations for adaptability to Covina. Staff and the City Attorney's office are in the processing of reviewing these examples to begin drafting new regulations to address concerns which led to the creation of the moratorium.

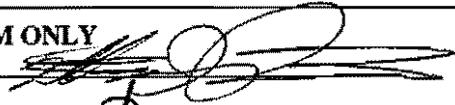
In addition, Staff is working with the wireless providers to better understand their needs for coverage in the City of Covina. Indeed, the moratorium excluded pending applications from its prohibitions. Thus, staff continues to communicate with representatives of wireless providers about their needs. In addition, at least 2 pending wireless facility applications (adjacent to residential property) have been appealed and are under review by the City Council. As a result, we are hopeful that any design solutions and/or additional locational criteria applied to these applications can be adapted to the proposed new regulations.

**RELEVANCE TO THE STRATEGIC PLAN**

Assist in the development of a sustainable community by pursuing the adoption of land use and aesthetic standards that promote neighborhood compatibility.

**EXHIBITS**

None

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA/COVINA REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 8

**STAFF SOURCE:** Martha Heaviside, City Clerk's Department *MH*

**ITEM TITLE:** Resolution Authorizing the Destruction of Obsolete Records from the 2009 Election

---

**STAFF RECOMMENDATION**

a.) Adopt **Resolution No. 10-6913** approving the destruction of obsolete election records.

**FISCAL IMPACT**

The exact cost of records destruction is unknown, and will depend on the number of boxes to be destroyed. However, this is a budgeted item within the 2010-2011 adopted budget and will be paid for out of the City Clerk's other budget (1010-0700-00-53990).

**BACKGROUND**

The City Clerk's Department recently completed a review of files to determine which records are no longer required by staff and available for destruction in accordance with the Election Code retention policy. All files listed in Exhibit "A" are outside of the Election Code mandated retention period.

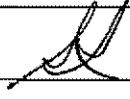
Election Codes 14404, 17302, 12105.5 and 17304 permits destruction of obsolete documents after receiving written consent of the City Attorney (Exhibits "B") and approval of the City Council. Destruction is in accordance with the adopted records destruction policy.

**RELEVANCE TO THE STRATEGIC PLAN**

None

**EXHIBITS**

- A. Summary list of records to be destroyed
- B. Authorization to destroy obsolete records
- C. Resolution No. 10-6913

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

Total of 20 boxes

18 standard size boxes

2 legal size boxes

Box 1 (legal size): Tally sheets and copies of street indexes.

Box 2 (standard size): List of polling places and precinct board members from each polling place.

Box 3 (legal size): Street indexes.

Boxes 4 – 20 (16)  
(standard size): Spoiled and unused ballots.

**AUTHORIZATION TO DESTROY OBSOLETE RECORDS**

The retention period for the records listed on the attached page(s) has expired. These records are obsolete and do not affect the title to real property or liens thereon, are not court records, are not, to my knowledge, required to be kept further by statute, are not the minutes, ordinances or resolutions of the legislative body of the City of Covina, and are no longer required by the City. I request authority to destroy these obsolete records pursuant to Sections 14404, 17302, 12105.5 and 17304 of the Elections Code of California.

R. Anthony Gray  
Department Head

City Clerk  
Department

December 14, 2010  
Date

I hereby consent to the destruction of the obsolete records listed:

[Signature]  
City Attorney

December 14, 2010  
Date

I hereby certify that the records listed below were destroyed.

Resolution No.

Destruction Date

Method of Destruction

Name

Title

Date

**RESOLUTION NO. 10-6913**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
COVINA, CALIFORNIA, APPROVING THE DESTRUCTION OF  
OBSOLETE RECORDS FROM THE 2009 ELECTION**

WHEREAS, there has been submitted a request for authority to destroy certain obsolete records, of which the list is attached to this resolution as Exhibit "A"; and

WHEREAS, Sections 24404, 17302, 12105.5 and 17304, et. seq. of the Elections Code of the State of California provides that with the approval of the legislative body and written consent of the City Attorney, the head of a City Department may destroy any City record, document, instrument, book or paper under department head's charge, without making a copy thereof, if the same is no longer required, provided that said records are not exempt from the provision of said Section; and

WHEREAS, the City Attorney has given written consent to the destruction of the records herein set forth.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, California, as follows:

SECTION 1. The City Council does hereby approve the destruction of those certain records described in the summary list of records to be destroyed (Exhibit A).

SECTION 2. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and is in force.

PASSED, APPROVED, AND ADOPTED this 21st day of December, 2010.

\_\_\_\_\_  
Mayor of the City of Covina

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Covina

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

**EXHIBIT C**

**CITY OF COVINA  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 9

**STAFF SOURCE:** City Attorney

**ITEM TITLE:** City Council adopt a Resolution supporting the Covina Irrigating Company's Ultraviolet/Chloramine Water Treatment System Improvement Project.

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**STAFF RECOMMENDATION**

City Council adopt **Resolution No. 10-6916**, supporting the Covina Irrigating Company's Ultraviolet/Chloramine Water Treatment System Improvement Project.

**FISCAL IMPACT**

None.

**BACKGROUND**

The Covina Irrigating Company ("CIC") plans to modify an existing water treatment facility at its Temple Water Treatment Plant located in the City of Glendora (the "Project"). The Project, also known as the "Ultraviolet/Chloramine Water Treatment System Improvement Project," consists of installing new water treatment units to upgrade the Plant's treatment capabilities, as well as installing new minor facilities to enhance the safety of the Plant's operations and facilities' performance.

CIC has asked the City of Covina ("City") to support the Project by consenting to act as "lead agency" for the Project for purposes of satisfying the California Environmental Quality Act ("CEQA"). The City of Glendora declined to act as lead agency for the Project because the Project is exempt from their local building and zoning processes. If the City agrees to act as lead agency, the City would have the principal responsibility of carrying out or approving the Project, as well as preparing the appropriate CEQA documents.

Here, CIC's consultant is recommending that the Project qualifies for an exemption from CEQA, pursuant to section 15302 of Title 14 of the California Code of Regulations ("C.C.R."), because the Project replaces or reconstructs existing structures and facilities located on the same site, and those new or reconstructed structures and facilities will have substantially the same purpose and capacity as the replaced structures.

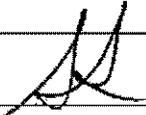
Moreover, the consultant concluded none of the exceptions to the CEQA exemptions (as described in 14 C.C.R. § 15300.2) applies because: the proposed new facilities will be located within existing facilities, no cumulative effects would result from the Project's implementation,

no significant adverse environmental effects are forecasted to result from the Project's implementation, the Project does not potentially adversely affect scenic highways and the Project does not pose significant new hazards to construction employees, facility operators or the surrounding community. Staff concurs with the consultant's recommendation. Thus, the proposed resolution directs staff to file a "Notice of Exemption" from CEQA with the County Clerk of Los Angeles.

In consideration for the City's potential support of the Project, its consent to act as lead agency for the Project, and taking action as lead agency for the Project (including directing staff to file a notice of exemption pursuant to CEQA), CIC agreed to indemnify the City and its officials against any and all claims arising from or related to the City's actions related to the Project.

**EXHIBITS**

- A. Proposed Resolution (with Notice of Exemption attached as Exhibit "A")
- B. Memorandum Discussing Project's Exemption from CEQA

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

RESOLUTION NO. 10-6916

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, IN SUPPORT OF THE COVINA IRRIGATING COMPANY'S ULTRAVIOLET/ CHLORAMINE WATER TREATMENT SYSTEM IMPROVEMENT PROJECT.

WHEREAS, the Covina Irrigating Company, a California non-profit, mutual water that maintains pipelines and easements within the City of Covina, plans to modify an existing water treatment facility at its Temple Water Treatment Plant ("TWTP") (the "Project"); and

WHEREAS, the Project, also known as the Ultraviolet/Chloramine Water Treatment System Improvement Project, consists of installing new water treatment units to upgrade TWTP's treatment capabilities, as well as installing new minor facilities to enhance the safety of TWTP's operations and facilities' performance; and

WHEREAS, in support of the Project, the City of Covina ("City") declares its intent to act as lead agency for the Project for purposes of satisfying the California Environmental Quality Act ("CEQA"); and

WHEREAS, the City, as lead agency, has determined the Project is exempt from CEQA, pursuant to Section 15302 of Title 14 of the California Code of Regulations, because the Project replaces or reconstructs existing structures and facilities located on the same site, and those new or reconstructed structures and facilities will have substantially the same purpose and capacity as the replaced structure; and

WHEREAS, the City, as lead agency, has determined that none of the exceptions to the Categorical Exemptions, as described in Section 15300.2 of Title 14 of the California Code of Regulations, applies because: the proposed new facilities will be located within existing facilities, no cumulative effects would result from the Project's implementation, no significant adverse environmental effects are forecasted to result from the Project's implementation, the Project does not potentially adversely affect scenic highways and the Project does not pose significant new hazards to construction employees, facility operators or the surrounding community; and

WHEREAS, the City Council's adoption of this Resolution is contingent on the condition that CIC execute an agreement indemnifying the City.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Covina, as follows:

SECTION 1. The above recitals are true and correct.

SECTION 2. The City Council hereby finds and determines that the proposed Project is exempt from CEQA pursuant to a Class 2 categorical exemption for replacement or

reconstruction of small facilities because the Project replaces or reconstructs existing structures and facilities located on the same site, and those new or reconstructed structures and facilities will have substantially the same purpose and capacity as the replaced structures. (14 C.C.R. § 15302.)

SECTION 3. The City Council hereby expresses its support for the Project.

SECTION 4. The City Council hereby directs Staff to file the Notice of Exemption, attached hereto as Exhibit "A," with the County Clerk of Los Angeles, within five (5) working days of the date of this Resolution.

SECTION 5. This Resolution is subject to CIC's indemnification of City, its directors, officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any alleged acts, errors or omissions, or willful misconduct in connection with the action of consenting to act as lead agency for the Project for purposes of CEQA, taking action as lead agency for the Project, including but not limited to determining the type of CEQA documentation to prepare, and/or directing City staff to file a notice pursuant to CEQA for the Project.

SECTION 6. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_ day of December, 2010

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

EXHIBIT "A"  
(NOTICE OF EXEMPTION)

EXHIBIT A  
RESOLUTION NO. 10-6916

NOTICE OF EXEMPTION

To: Los Angeles County  
Registrar-Recorder/County Clerk  
Attn: Business Filing & Registration

From:

Project Title: Temple Water Treatment Plant Ultraviolet/Chloramine Water Treatment System Improvement Project

Project Location: The Temple Water Treatment Plant (TWTP) site is located in the City of Glendora at 255 West Arrow Highway in the southwest portion of the City of Glendora.

Project Location - City: City of Glendora

Project Location - County: Los Angeles

Description of Nature, Purpose, and Beneficiaries of the Project: The purpose of the proposed project is to upgrade the existing treatment facilities and install new minor facilities to enhance safety of operations and overall performance of the water disinfection and treatment facilities at TWTP.

Name of Public Agency Approving Project: \_\_\_\_\_

Name of Person or Agency Carrying Out Project: Covina Irrigating Company

Exempt Status: (Check One)

- Ministerial (Sections 21080(b)(1); 15268)
- Declared Emergency (Sections 21080(b)(3); 15269(a))
- Emergency Project (Sections 21080(b)(4); 15269(b)(c))
- Categorical Exemption (Sections 21084; 15302(c))

Reasons why project is exempt: The State CEQA Guidelines provide a series of categorical exemptions for projects that have been deemed to have minimal impacts on the environment. The proposed installation of the upgraded TWTP disinfection and treatment system improvements has been determined to have no potential to cause significant adverse effects on the environment and will ensure the treatment system will operate at a higher level of capability and safety. Categorical Exemption Class 2 exempts replacement or reconstruction projects that meet the following qualifications: "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity of the structure replaced, including but not limited to: (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The exceptions to the issuance of categorical exemptions have been evaluated for the proposed project activities. The proposed chemical facility includes new aqueous ammonia storage and feed and an expansion of the current hypochlorite storage and feed system. As with the plant's current operation, all chemicals are externally contained by a continuous concrete barrier that prevents any leaks or spills. These spill prevention measures are included in the Plant's Stormwater Pollution Prevention Plan (SWPPP) and NPDES permit to the Regional Water Quality Control Board (RWQCB). Thus, this issue does not pose a significant new hazard to construction employees, facility operators or the surrounding community. The proposed installation and operation of the TWTP treatment system improvements has been determined not to have a potential to cause significant adverse environmental effects as a result of any of the exceptions. Therefore, this proposed action is not forecast to cause any potential for significant adverse environmental impacts and qualifies with the requirements for Class 2 Exemption.

Lead Agency

Contact Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 10

**STAFF SOURCE:** Daryl Parrish, City Manager  $\phi$

**ITEM TITLE:** Amendment to Consulting Services Agreement with RC Kemp Consulting LLC

**STAFF RECOMMENDATION**

Staff recommends that the City Council approve the amendment to the Consulting Services Agreement for Public Communications Services.

**ALTERNATIVES**

Do not approve the amendment to the consulting services agreement.

**FISCAL IMPACT**

Total cost of this amendment shall not to exceed \$25,000 for the remainder of the fiscal year. Funding is available in accounts numbered 1010-7900-000-57000 and 1010-0300-00-51005 and shall be transferred to 1010-0920-00-51005 upon approval. This amendment does not require an overall increase to the budget.

**BACKGROUND**

Prior to this fiscal year the City of Covina had the full time equivalent position of Public Information Officer (PIO) and that position was occupied by Bobbi Kemp. As a result of the budget reductions experienced last spring the full time PIO position was eliminated and replaced with a consulting contract to reduce cost. The original professional services agreement was for \$25,000 and was authorized under the City Manager's authority. This amendment to the agreement requires City Council approval and the total amount of the agreement for this fiscal year shall not exceed \$50,000.

The amendment to this agreement shall allow the consultant to continue to provide assistance to the City of Covina for the remainder of fiscal year 2010/2011 on the work and processes including but not limited to continued City Web-site development, implementation and operations of the city's web-streaming operations, coordination of the City View brochure, general public communications and assistance with presentations and awards at City Council meetings.

**RELAVENCE TO STRATEGIC PLAN**

This item is important in providing a resource for the City of Covina to continue to develop and improve tools in which to better communicate with the public which in-turn improves customer

service. One of the three year goals in the City of Covina Strategic Plan is to Improve and Promote Customer Service.

**EXHIBITS**

Exhibit A: Amendment to Professional Services Agreement with RC Kemp Communications Services

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: 

**FIRST AMENDMENT TO  
PROFESSIONAL SERVICES AGREEMENT**

**BETWEEN THE CITY OF COVINA  
AND  
RC KEMP CONSULTING, LLC**

**1. PARTIES AND DATE.**

This First Amendment to the Professional Services Agreement (“First Amendment”) is made and entered into this 15th day of December, 2010 by and between the City of Covina (“City”) and RC Kemp Consulting (“Contractor”). City and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this First Amendment.

**2. RECITALS.**

2.1 Agreement. City and Contractor entered into that certain Professional Services Agreement dated May 17, 2010 (“Agreement”), whereby Contractor agreed to provide professional information/communication services.

2.2 Amendment. City and Contractor desire to amend the Agreement for the first time to increase the amount of compensation for the Agreement by an additional twenty-five thousand dollars (\$25,000).

**3. TERMS.**

3.1 Compensation. Section 3.3.1 of the Agreement is hereby deleted in its entirety and restated to read as follows:

“3.3.1 Compensation. Contractor shall be retained and shall receive total compensation for all Services rendered under this Agreement at the rate of sixty dollars (\$60) per hour, with the total amount for the Services not to exceed fifty thousand dollars (\$50,000) in any fiscal year.”

3.4 Continuing Effect of Agreement. Except as amended by this First Amendment, all provisions of the Agreement shall remain unchanged and in full force and effect. From and after the date of this First Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by this First Amendment.

3.5 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this First Amendment.

3.6 Counterparts. This First Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

**CITY OF COVINA**

**RC KEMP CONSULTING, LLC**

By: \_\_\_\_\_  
Daryl Parrish  
City Manager

By: \_\_\_\_\_  
Roberta Kemp, President

*Attest:*

\_\_\_\_\_  
Catherine LaCroix  
City Clerk

*Approved as to Form:*

\_\_\_\_\_  
Best Best & Krieger LLP  
City Attorney

**CITY OF COVINA/REDEVELOPMENT AGENCY  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 11

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director of Redevelopment  
Shelby Williams, City Planner *RN*

**ITEM TITLE:** Consider directing staff to look at ways to reduce the cost of outdoor sales and events requiring Administrative Conditional Use Permits for licensed Covina businesses

**STAFF RECOMMENDATION**

Direct staff to bring back options for reducing Planning's Administrative Conditional Use Permit fees related to outdoor sales and events at licensed Covina businesses where the event does not encroach into the public right-of-way or require City staffing.

**FISCAL IMPACT**

None. General Fund revenue may be reduced should the City Council consider lowering these costs when the item is brought back for consideration.

**BACKGROUND**

When staff began its Business Visitation program in November, what we immediately began hearing from the Covina businesses is that they would appreciate if the City could look at the issue of the cost of fees, especially fees related to events governed by Administrative Conditional Use Permits (ACUPs) such as seasonal sales and promotional sales events. Two businesses who processed ACUPs this year for Christmas Tree sales on their property let staff know that due to the costs they would probably not have lots next year. Another business indicated that they are not doing all they want with promoting their business due to the cost of the permit.

When the 2007 Maximus fee study was implemented in September of 2009 the cost of an ACUP went from \$795 to \$1,883. This increase was based on the study of staff time needed to process these applications. ACUPs are routed to Building, Engineering, Environmental, Police, Fire, and other City Departments or division depending on the type of event. The comments are gathered by Planning and then disseminated back to the applicant. Depending on the event and the routing, additional fees from Engineering, Environmental, Fire, and Building may be required as well as staffing fees if the event requires City staffing.

Administrative Conditional Use Permits are used for Temporary Fund-Raising Activities, Promotional Sales Activities, Seasonal Sales Activities, and Minor wireless communication facilities and similar equipment (CMC 17.62.190). Temporary fundraising activities conducted by nonprofits or benefiting nonprofits do not pay the

Planning fee (CMC 17.62.230), but may be subject to other Departments fees and staffing costs.

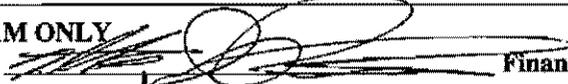
To address the concern's raised by Covina businesses, staff is asking the Council to consider directing us to look for ways to reduce the fee for ACUPs related to outdoor sales and events at Covina businesses (with valid business licenses and building leases) where the event does not encroach into the public right-of-way or require City staffing. Staff might accomplish this with standard conditions covering these types of events so that routing is not required. Staff anticipates that this item could be brought back in 4-6 weeks depending on Council direction.

**RELEVANCE TO THE STRATEGIC PLAN**

Outdoor sales/events/advertising can stimulate business and enhancing the financial stability of Covina businesses and the City.

**EXHIBITS**

None

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA/REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 12

**STAFF SOURCE:** Dilu De Alwis, Director of Finance  
Robert Neuber, Deputy Executive Director of Redevelopment<sup>REN</sup>  
Nuala Gasser, Senior Redevelopment Manager  
Debbie Pacheco, Senior Management Analyst

**ITEM TITLE:** Approval of Annual Financial and Compliance Report for Covina Redevelopment Agency Project Nos. One and Two for Fiscal Year Ended June 30, 2010.

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**STAFF RECOMMENDATION**

Adopt Agency Resolution 10-648, approving and adopting the Annual Report for the Covina Redevelopment Agency Project Nos. One and Two for Fiscal Year Ended June 30, 2010 and submitting the report to the City Council of the City of Covina.

**FISCAL IMPACT**

None.

**BACKGROUND**

Annual Report Requirements. California Redevelopment Law requires that the Agency submit to the City Council its Annual Report, which is due to the State by December 31 of each year. The requirements for the report set forth in Health and Safety Code, Section 33080.1 are the following:

An independent financial audit report for the previous fiscal year.

- a. A fiscal statement for the previous fiscal year.
- b. A description of the Agency's activities affecting housing and displacement.
- c. Any other information which the Agency believes useful to explain its programs, including but not limited to, the number of jobs created as a result of its activities.

The State Controllers Report is completed by the Finance Department and the Redevelopment Agency each fiscal year and describes Agency financial information and project activity. Since there are so many sources of information required for this action, they typically are submitted for Agency/Council approval in December following the end of the fiscal year. The independent financial audit and compliance reports are also included in the State Controller Reports; however they are not completed at this time. In the event that the financial audit is not completed by the December 31<sup>st</sup> deadline a letter of explanation will be submitted to the State Controller's Office.

**RELEVANCE TO THE STRATEGIC PLAN**

The goals of the Covina Redevelopment Agency are to eliminate blight, enhance affordable housing opportunities, and perform economic development. These goals all work towards enhancing the financial stability of the City.

**EXHIBITS**

- A. Annual Report to City Council, Fiscal Year Ended June 30, 2010
- B. Agency Resolution approving and adopting the Annual Report

<b>REVIEW TEAM ONLY</b>	
City Attorney: _____	Finance Director: _____
City Manager: _____	Other: _____

**COVINA REDEVELOPMENT AGENCY  
INTER OFFICE MEMORANDUM**

TO: HONORABLE CHAIRMAN AND AGENCY MEMBERS

FROM: EXECUTIVE DIRECTOR, DEPUTY EXECUTIVE DIRECTOR

DATE: DECEMBER 15, 2010

SUBJECT: ANNUAL REPORT FOR COVINA REDEVELOPMENT AGENCY FOR  
FISCAL YEAR ENDED JUNE 30, 2010

The Covina Redevelopment Agency is required by State law to prepare this annual report. It has been accomplished in accordance with State laws and regulations and is embodied in the following pages with references to other pertinent documents. This report deals with the financial transactions of the Agency.

**INDEPENDENT FINANCIAL AUDIT REPORT**

The firm of Macias Gini & O'Connell is in the process of completing the Financial and Compliance Audit for fiscal year 2009-10 for the Agency as required by Section 33080.1 of the Health and Safety Code of the State of California in accordance with the State guidelines.

**FISCAL STATEMENT**

For the purposes of compliance with State law (Section 33080.5, Health and Safety Code), the fiscal statement shall contain the following information:

- a. The amount of outstanding indebtedness of the Agency and each project area.
- b. The amount of tax increment property tax revenues generated in the Agency and in each project area.
- c. The amount of tax increment revenues paid to a taxing agency pursuant to subdivision (b) of Section 33401 (payments to taxing agencies affected by our own redevelopment projects).
- d. The financial transactions report required pursuant to Section 53891 of the Government Code (report to State Controller, copy attached).
- e. Any other fiscal information which the Agency believes useful to describe its programs.

Based on audit amounts, the key points are restated here. The outstanding indebtedness of the Agency as of June 30, 2010 was \$36,668,524 (\$35,338,524 for Project No. One, and \$1,330,000 for Project No. Two).

With regard to the increment revenues, excluding Low and Moderate Set-Aside Funds, the financial statements indicate that Project No. One received \$5,714,592 and that Project No. Two received an amount of \$1,285,263. Of the \$5,714,592 received for Project Area One, \$10,563 was attributable to the homeowner's exemption. The Agency passed through \$216,258 to the County of Los Angeles, and an additional \$229,805 to various other educational entities pursuant to the SB211 tax sharing requirements as well as \$2,540,091 being paid to the Supplemental Educational Revenue Augmentation Fund (SERAF). Of the \$1,285,263 received for Project Area Two, \$5,287 was attributable to the homeowner's exemption. The Agency passed through \$656,825 to the County of Los Angeles as well as an additional \$175,682 to various other educational entities pursuant to the SB211 tax sharing requirements.

Finally, the Financial Transaction Report required by Section 53891 of the Government Code is attached. The information included in this report format confirms that provided by the Agency's outside auditors in the annual financial statement.

#### DESCRIPTION OF THE AGENCY'S ACTIVITIES AFFECTING HOUSING AND DISPLACEMENT

Section 33080.4 of the Health and Safety Code requires a description of the Agency's activities affecting housing and displacement.

The description shall include the following:

- a. The total number of households, including the number of low and moderate income families that were displaced or moved from their dwelling units as part of an Agency project during the previous fiscal year.
- b. The total number of households, including the number of low and moderate income families that the Agency estimates will be displaced or will move from their dwelling units as part of an Agency project during the present fiscal year.
- c. The total number of dwelling units housing low and moderate income families which have been destroyed or removed by the Agency from the supply of low and moderate income homes.
- d. The total number of Agency assisted dwelling units which were constructed, rehabilitated, acquired or subsidized during the previous fiscal year for occupancy at an affordable housing cost by persons and families of low and moderate income.
- e. The status and use of the Low and Moderate Income Housing Fund.

- f. Any other information which the Agency believes useful to explain its housing programs.

Agency staff members have completed the appropriate reports.

INFORMATION EXPLAINING THE AGENCY'S PROGRAMS FUNDED IN FY 09-10

1. Displacement of Households, Demolition of Dwelling Units, and Replacement Housing - Redevelopment Law is strongly concerned about Agency activities that would result in any of the noted categories.

The Agency has no current unmet obligations in this area.

2. Agency-Assisted Units With Occupancy Restrictions Based on Household Income Levels - Redevelopment Law is also strongly concerned about Agency activities in this category. In compliance with AB 987, affordable housing assisted with Agency funds are posted on the City web site.

The Agency funds and/or oversees numerous activities that involve occupancy and/or income restrictions:

- a. Neighborhood Preservation Program - This program provides for integration of various Agency activities in a coordinated approach to addressing neighborhood deterioration. The goal of the Program is to identify and correct substandard housing and blight on a target-neighborhood basis.

During the 2009-2010 fiscal year, a total of \$220,322 was spent from the Agency Low-Moderate Income Housing Fund towards this Program's activities.

- b. Rent Subsidy Program - During the reporting period, July 1, 2009 to June 30, 2010, the Agency provided financial assistance under the continuing programs from prior year.

In the continuing rental subsidy programs, eighteen (18) households were assisted. Rent Subsidy activities undertaken during the reporting period amounted to an expenditure of \$119,800 from the Agency Low-Moderate Income Housing Fund.

Under SB 701, approved by the Governor September 21, 2002, Section 33334.28 was added to the Health and Safety Code, to read:

*33334.28 (a) Until January 1, 2012, subdivision (b) of Section 33334.4 shall not apply to the Redevelopment Agency of the City of Covina insofar as it exceeds the authorized ratio due to the use of Low and Moderate Income Housing Fund moneys to continue to provide rental subsidies to households with members over*

*the age of 65 years if those rental subsidies were initially provided to these households prior to January 1, 2002.*

*(b) This section shall remain in effect only until January 1, 2012, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2012, deletes or extends that date.*

Because of the continuing need for this program, staff will seek the Agency Boards direction to work with our legislators to extend the date of this exemption in order to continue to provide this funding for seniors in the program.

- c. Transitional Housing Assistance Program: WINGS- In addition to the Rent Subsidy Program, the Agency provides transitional housing assistance for two (2) family units at the WINGS Shelter for battered women and their children. Family units seeking help from WINGS most frequently have no source of income while at the shelter due to their situation. Rental assistance provided WINGS during the reporting period amounted to an expenditure of \$14,400 from the Agency Low-Moderate Income Housing Fund.

McGill Street House: - On July 27, 2004, the Agency purchased a home located at 1104 W. McGill Street, Covina, to serve as a transitional home for families, primarily single women with children. Costs to maintain the home in fiscal year 09-10 were \$17,300. In the twelve-month period of the fiscal year 09-10, four families comprised of four adults and eleven children were housed in the transitional home. A related program of continued rental assistance is offered to qualifying graduates of the McGill Street House.

- d. Recertification was completed in fiscal year 09-10 on the affordable housing in the City which has been assisted in the past with set-aside funds, as follows:

10 units	Rental	777 W. Covina Blvd.
140 units	Rental	152 E. Covina Blvd.
12 units	Rental	223 N. Citrus Avenue
44 units	Rental	1400 N. Grand Avenue
2 units	Rental	236-228 W. Center Street
180 units	Rental	1211 N. Lyman Street
6 households	Homeownership	Single family homes, various addresses
2 units	Rental	Citywide

- e. Participation in homeownership programs - The Agency participates in the County of Los Angeles Home Ownership Program (HOP), the Mortgage Credit Certificate (MCC) Program, the Housing Economic Recovery Ownership (HERO) Program, and the Southern California Home Financing Authority (SCHFA) Program which provide assistance to first time home buyers. Agency financing is not required for participation in these programs.

- f. Citrus Walk (formerly Heritage Project) in Project Area 2 - In July 2008, the property at 116 E. School Street was acquired to provide additional affordable housing. Eight (8) units of for sale medium income workforce housing are contemplated to be constructed as part of the Citrus Walk project, by a private developer.
- g. 200 W. Rowland Project - On June 16, 2009, the Agency Board approved a Participation Agreement with the owners of the apartment building at 200 W. Rowland to provide funding to secure affordable covenants on 89 units, and to rehabilitate the buildings. The property is mainly in Project Area 1. Twenty units are located in an area outside the Project Area. Units will be covenanted as follows: 44 units will be reserved for very –low income (households with median income of 50% or less) and 45 units at moderate income (households with median income of 120% or less). \$4,742,000 in funding was awarded. Funds related to the secured covenants were distributed in the 09-10 fiscal year.
- h. 436 E. Cypress Project - In March 2009, the Agency closed escrow on a property at 436 E. Cypress which had been the subject of code enforcement activity. The property was purchased to meet the housing needs of low-to moderate-income persons. The Agency will be entering into a Disposition and Development Agreement with Habitat for Humanity to build a new single family for sale home for a low income family on the site.

#### OTHER INFORMATION

The Agency's activity for fiscal year 2009-2010 focused mainly on ongoing capital improvement projects. The redevelopment activities during the year centered on land acquisitions, site clearance, design phase and construction of these projects.

Citrus Avenue Auto Center (south) – The City entered into an exclusive right to negotiate agreement with the Bergman Company to find potential users for an Agency controlled parcel on the southwest corner of Citrus Avenue and Rowland and for an Agency owned parcel just west of the corner of Citrus and Puente. When that agreement expired, the Agency entered into an exclusive right to negotiate agreement with a retailer for the site.

The Kia, Acura, and VW auto dealerships currently located here are working to maintain their businesses during this time of economic downturn, therefore much of the Agency's efforts are in retention of jobs and revenue. Discussions with other landowners in the area, which includes land in and out of the project area, continue.

The Agency is working with local stakeholders at Shoppers Lane to work to eliminate blight and by providing a sustainable parking lot area. This project is slated to be completed in the next fiscal year.

Hospital Campus – The Agency continued discussion with Citrus Valley Health Partners regarding renovation/expansion of their Covina campus in fiscal year 09-10. Efforts to retain one of the City’s largest employers and assist them in renovating their facility continue into this current fiscal year.

Citrus Avenue Auto Center (north) - In fiscal year 06-07, efforts were made towards development of the auto dealership sites located at the corner of San Bernardino Road and Citrus Avenue. Funding was approved and services were retained to provide architectural design guidelines and development standards for future development in July 2006. A Design for Development and an Exclusive Right to Negotiate (ERN) with the property owner were approved by the Agency Board in 2007-2008. The ERN was extended on February 3, 2009, and expired August 2009. The Agency continues to market the site to potential developers and also provides contact information so that developers can follow-up with the current owner and/or lessee of the properties.

Downtown and City Offices - Storefront improvements, business assistance, and miscellaneous maintenance items were completed in 2009-10 as anticipated. In May 2010 business and property owner, Lorenzo Vargas received approval from the Agency board for a maximum of \$6,000 in Façade Preservation Program assistance. Work commenced in June and was completed in December 2010. Agency staff will process payment to Mr. Vargas upon receipt of necessary paperwork and proof of recordation of the permanent easement on the property. The operation of the Covina Downtown Street Market continued to be overseen by the Agency. Agency support of the Downtown Business Area Enhancement District continued. The annual Bluesapalooza/Thunderfest was partially funded by the Agency.

The search for new developers to design and construct mixed-use retail/housing projects in the Downtown continues. Two projects underway are described below.

Vintage Walk Phase II – This project is located on Third Avenue just south of the Metrolink train tracks. City Ventures is pursuing the completion of Phase II of the Vintage Walk project, which consists of 30 owner-occupied residential units. Three units will be available for purchase by those who qualify for moderate income assistance. Though not a mixed-use development it does support the concepts of transit adjacent development in that it offers great access to transportation options (Metrolink, Foothill Transit, Metro, and Covina Transit) and to downtown services, amenities, and businesses.

Olson Citrus Walk Project – This project is located in the area bounded by the 300 block of North Citrus, 116 and 120 East School Street, and 115, 117, and 125 East Italia Street. On February 3, 2009, the Olson Company entered into an Exclusive Right to Negotiate (ERN) with the Agency. The ERN was extended in September 2009. The Agency entered into a Disposition and Development Agreement with Olson for the Citrus Walk project in May of 2010. The Agency is attempting to acquire the one remaining property, to then be sold to the Olson Company, along with the remaining 8 parcels. Olson is interested in developing a mixed-use

project with 8,300 square feet of retail and 48 owner-occupied residential units. Eight units will be available for purchase by those who qualify for moderate income assistance.

135 E. Badillo Street - During the 1997-98 fiscal year, the Agency acquired the vacant Bank of America property located on Badillo Street. The Agency entered into a Development Agreement in 2006. That agreement has ended. The Agency will be providing a Request For Proposals and continues to work to develop this property.

Respectfully submitted,

Daryl J. Parrish  
Executive Director

Robert Neiuber  
Deputy Executive Director

**RESOLUTION NO. 10-648**

**A RESOLUTION OF THE COVINA REDEVELOPMENT AGENCY OF THE CITY OF COVINA, CALIFORNIA APPROVING AND ADOPTING THE ANNUAL REPORT FOR THE COVINA REDEVELOPMENT AGENCY PROJECT NOS. ONE AND TWO FOR FISCAL YEAR ENDED JUNE 30, 2010.**

**WHEREAS**, the COVINA REDEVELOPMENT AGENCY ("Agency") of the City of Covina, has prepared an Annual Report for Covina Redevelopment Agency Project Nos. One and Two to the City Council.

NOW THEREFORE, BE IT RESOLVED AND ORDERED by the Covina Redevelopment Agency of the City of Covina, as follows:

**SECTION 1.** The Agency approves and adopts the Annual Report for Covina Redevelopment Agency Project Nos. One and Two for Fiscal Year 2009-10 to the Agency Board and hereby submits said Report to the Agency Board of the City of Covina.

**SECTION 2.** The Agency Secretary shall certify to the adoption of this Resolution, and the same shall thereupon take effect and be in force.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of December, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Secretary, Covina Redevelopment Agency

APPROVED AS TO FORM;

\_\_\_\_\_  
City Attorney

**CERTIFICATION**

I, Catherine LaCroix, Secretary of the Redevelopment Agency of the City of Covina, does hereby CERTIFY that Resolution No. 10-.... was adopted by the Covina Redevelopment Agency at a regular meeting of the City Council held December 21, 2010, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Catherine LaCroix  
Secretary

**COVINA REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 13

**STAFF SOURCE:** Dilu De Alwis, Finance Director *DL*

**ITEM TITLE:** Payment of Demands

**STAFF RECOMMENDATION:**

Approve Payment of Demands in the amount of **\$742,055.83**

**BACKGROUND:**

Attached list of warrants, demands, which are being presented for approval, for October 2010 are summarized as follows:

<u>DATE OF DEMANDS</u>	<u>DEMAND NUMBERS</u>	<u>AMOUNT</u>
<b>ACCOUNTS PAYABLE WARRANTS</b>		
October 7, 2010	6132-6142	\$346,782.34
October 14, 2010	6143-6150	\$83,372.06
October 20, 2010	6151-6155	\$31,411.96
October 28, 2010	6156-6173	\$222,914.37
September 30, 2010 (Reimburse PR Insurance)		\$3,947.93
October 13, 2010 (Reimburse PR Insurance)		\$6,486.36
October 25, 2010 (Reimburse PR Insurance)		\$6,487.43

**PAYROLL**

October 14, 2010	\$20,177.21
October 25, 2010	\$20,476.17

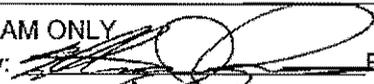
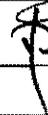
**VOIDS**

**RELEVANCE TO STRATEGIC PLAN:** Not applicable

**GRAND TOTAL: \$742,055.83**

**EXHIBITS:**

A. ACCOUNTS PAYABLE REGISTER

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
RA00006132	CRA00543	BANK OF THE WEST	10/07/10	1,573.68	MW		OH	
RA00006133	CRA00035	COVINA DISPOSAL CO	10/07/10	117.48	MW		OH	
RA00006134	CRA00129	COVINA WATER & REFUSE, CITY O	10/07/10	283.30	MW		OH	Payee Name different in Check DB
RA00006135	CRA00128	COVINA, CITY OF	10/07/10	337,660.41	MW		OH	Payee Name different in Check DB
RA00006136	CRA00027	EDISON CO	10/07/10	21.84	MW		OH	
RA00006137	CRA00056	HIMES AND HIMES INC	10/07/10	1,500.00	MW		OH	
RA00006138	CRA00684	LOS ANGELES COUNTY	10/07/10	13.00	MW		OH	
RA00006139	CRA00672	PAULSEN, DANIEL	10/07/10	3,000.00	MW		OH	
RA00006140	CRA00273	UNITED SITE SERVICES OF CA IN	10/07/10	68.63	MW		OH	Payee Name different in Check DB
RA00006141	CRA00394	VISTA POINTE APARTMENTS	10/07/10	1,344.00	MW		OH	
RA00006142	CRA00125	YWCA WINGS SHELTER	10/07/10	1,200.00	MW		OH	

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	346,782.34	Number of Checks Processed:	11
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>346,782.34</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
RA00006143	CRA00687	BARGSTEN, SHANNON	10/14/10	600.00	MW	OH		
RA00006144	CRA00686	BEKINS MOVING SOLUTIONS INC	10/14/10	600.00	MW	OH		
RA00006145	CRA00685	CANDY CONNECTION	10/14/10	38,500.00	MW	OH		
RA00006146	CRA00685	CANDY CONNECTION	10/14/10	38,500.00	MW	OH		
RA00006147	CRA00128	COVINA, CITY OF	10/14/10	149.43	MW	OH		Payee Name different in Check DB
RA00006148	CRA00034	DH MAINTENANCE SERVICES	10/14/10	345.00	MW	OH		
RA00006149	CRA00070	LEWIS OPERATING CORP	10/14/10	4,639.00	MW	OH		
RA00006150	CRA00437	SO CALIF GAS COMPANY	10/14/10	38.63	MW	OH		

GRAND TOTALS:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	83,372.06	Number of Checks Processed:	8
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>GRAND TOTAL</b>	<b>83,372.06</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
RA00006151	CRA00549	BEST BEST & KRIEGER LLP	10/20/10	25,466.96	MW	OH		
RA00006152	CRA00049	GEOGRAPHICS	10/20/10	4,095.00	MW	OH		Payee Name different in Check DB
RA00006153	CRA00070	LEWIS OPERATING CORP	10/20/10	200.00	MW	OH		
RA00006154	CRA00650	OLIVE TREE APARTMENTS	10/20/10	350.00	MW	OH		
RA00006155	CRA00107	SMITH FAMILY TRUST	10/20/10	1,300.00	MW	OH		

G R A N D T O T A L S:

Total Void Machine Written	0.00	Number of Checks Processed:	0
Total Void Hand Written	0.00	Number of Checks Processed:	0
Total Machine Written	31,411.96	Number of Checks Processed:	5
Total Hand Written	0.00	Number of Checks Processed:	0
Total Reversals	0.00	Number of Checks Processed:	0
Total Cancelled Checks	0.00	Number of Checks Processed:	0
Total EFTs	0.00	Number of EFTs Processed:	0
<b>G R A N D T O T A L</b>	<b>31,411.96</b>		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel	To Note
RA00006156	CRA00545	AL-SAL OIL COMPANY INC	10/28/10	7,333.33	MW	OH		
RA00006157	CRA00579	AZUSA UNIFIED SCHOOL DISTRICT	10/28/10	5,955.45	MW	OH		
RA00006158	CRA00581	CHARTER OAK UNIF SCHOOL DIST	10/28/10	9,879.70	MW	OH		
RA00006159	CRA00578	CITRUS COMMUNITY COLLEGE DIST	10/28/10	740.35	MW	OH		
RA00006160	CRA00128	COVINA, CITY OF	10/28/10	66,364.68	MW	OH		Payee Name different in Check DB
RA00006161	CRA00128	COVINA, CITY OF	10/28/10	420.57	MW	OH		Payee Name different in Check DB
RA00006162	CRA00582	COVINA-VALLEY UNIF SCHOOL DIS	10/28/10	81,966.82	MW	OH		
RA00006163	CRA00056	HIMES AND HIMES INC	10/28/10	2,000.00	MW	OH		
RA00006164	CRA00514	LA COUNTY DEPT PUBLIC WORKS	10/28/10	5,795.90	MW	OH		
RA00006165	CRA00577	LA COUNTY OFFICE OF EDUCATION	10/28/10	2,155.21	MW	OH		
RA00006166	CRA00573	LA COUNTY SANITATION DISTRICT	10/28/10	5,581.10	MW	OH		
RA00006167	CRA00575	METROPOLITAN WATER DISTRICT	10/28/10	1,729.64	MW	OH		
RA00006168	CRA00580	MTSAC COLLEGE DISTRICT	10/28/10	14,727.26	MW	OH		
RA00006169	CRA00261	OFF CITRUS	10/28/10	5,064.52	MW	OH		
RA00006170	CRA00574	THREE VALLEY MUN WATER DISTR	10/28/10	346.95	MW	OH		
RA00006171	CRA00576	UPPER SGV MUNICIPAL WATER DIS	10/28/10	235.94	MW	OH		
RA00006172	CRA00116	US BANK	10/28/10	12,206.34	MW	OH		
RA00006173	CRA00642	XO COMMUNICATIONS	10/28/10	410.61	MW	OH		

Check	Payee ID.	Payee Name	Date	Check Amount	Type	Subs	Rel To	Note
=====								
GRAND TOTALS:								
		Total Void Machine Written		0.00		Number of Checks Processed:		0
		Total Void Hand Written		0.00		Number of Checks Processed:		0
		Total Machine Written		222,914.37		Number of Checks Processed:		18
		Total Hand Written		0.00		Number of Checks Processed:		0
		Total Reversals		0.00		Number of Checks Processed:		0
		Total Cancelled Checks		0.00		Number of Checks Processed:		0
		Total EFTs		0.00		Number of EFTs Processed:		0
		GRAND TOTAL		222,914.37				

STATE OF CALIFORNIA        )  
  ) ss:  
COUNTY OF LOS ANGELES    )

I, Dilu De Alwis being first duly sworn, declare that I am the Finance Director of the City of Covina and have read the attached Register(s) of Audited Demands for the Covina Redevelopment Agency dated Accounts Payable for 9/30/10, 10/07/10, 10/13/10, 10/14/10, 10/20/10, 10/25/10 and 10/28/10; Payroll for 10/14/10 and 10/25/10; know the contents thereof, and do CERTIFY as to the accuracy of the attached Demands and the availability of funds for their payment pursuant to the government Code, Section 37202.

Dilu De Alwis,  
Finance Director

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 2010

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**CITY OF COVINA**  
**COVINA REDEVELOPMENT AGENCY**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 14

**STAFF SOURCE:** Daryl Parrish, City Manager/Executive Director *DP*  
Robert Neuber, Director of Community Development/  
Deputy Executive Director *RN*

**ITEM TITLE:** Approval of an Agreement for Professional Services for consultant services to prepare a Redevelopment Project Area Study for Covina Revitalization Redevelopment Project No. 1 and No. 2.

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**STAFF/AGENCY RECOMMENDATION**

Approve the Covina Redevelopment Agency Agreement for Professional Services with Urban Futures Inc. to provide consulting services to complete the Phase One Feasibility Study, for Covina Revitalization Redevelopment Project No. 1 and Project No. 2.

**FISCAL IMPACT**

Contract cost for Phase One of this study is \$41,155. \$200,000 is budgeted in Account 5011-4650-00-51005, Consulting Fees, for the Redevelopment Study. Depending on the results of the Phase One Feasibility Study, Phase Two (Plan Adoption/Amendments/Extension) could cost up to \$253,845. A report will be brought back to the Agency Board before proceeding to Phase Two.

**BACKGROUND**

On July 6, 2010, City Council and Agency Board approved the allocation of Agency Funds and authorized the release of a Request for Qualifications (RFQ) from qualified redevelopment consultants for plan amendment services. The staff report is attached as Exhibit A.

The RFQ was released in late August and was distributed to eleven reputable firms. Four firms responded to the RFQ: GRC Associates Inc., Rosenow Spevacek Group Inc. (RSG), Tierra West Advisors, and Urban Futures Incorporated. RSG and Urban Futures, Inc., were selected to appear before an interview panel. The interview panel was composed of the Executive Director, the Deputy Executive Director, the Finance Director and the Senior Redevelopment Manager. After consideration of the proposals, the interviews, and of follow-up information requested and furnished, Urban Futures, Inc. is found to be best suited for the project based on experience, abilities and expertise, and is recommended to be awarded the contract.

**RELEVANCE TO THE STRATEGIC PLAN**

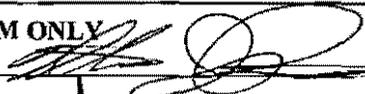
Item No. 2 listed as an action item for the goal to "Enhance Financial Stability" for the Strategic Plan updated October 26 2010 is directly related to this item. Strategic Plan Item No. 2 requires

that the Agency enter into an agreement for a Redevelopment Study. Action on this item will complete this goal.

**EXHIBITS**

A. Agenda Item CC13 , July 6, 2010

B. Agreement for Professional Services (Attachment to Agreement on file with City Clerk)

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**CITY OF COVINA/  
COVINA REDEVELOPMENT AGENCY  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** July 6, 2010

**ITEM NO.:** CC 13

**STAFF SOURCE:** Robert Neuber, Director of Community Development/  
Deputy Executive Director  
Nuala Gasser, Senior Redevelopment Manager

**ITEM TITLE:** Approval of funding for a consultant to prepare a Redevelopment Project Area Study for Covina Revitalization Redevelopment Project No. 1 and No. 2.

**STAFF/AGENCY RECOMMENDATION**

Adopt Agency Resolution No. 10-629 amending the fiscal year 2010-2011 Redevelopment Budget to reflect an appropriation of \$200,000 from Project Area One, Private Purpose Bond, undesignated funds to complete a redevelopment study for Covina Revitalization Redevelopment Project No. 1 and Project No. 2.

**FISCAL IMPACT**

The recommended action will appropriate \$200,000 from Redevelopment Project Area One, Private Purpose Bond, Undesignated funds Account 5011-0000-00-33000, to Account 5011-4650-00-51005, Consulting Fees, for the Redevelopment Study.

**BACKGROUND**

The Covina Redevelopment Agency was established pursuant to the California Redevelopment Law by the City Council of the City of Covina on November 3, 1969. With this action, the City embarked on a comprehensive effort to eliminate blight and adverse conditions within the City. The focus of the City's revitalization efforts have been channeled through the adoption and implementation of its redevelopment plans. The Agency's first redevelopment area, Project No. 1, was adopted on July 15, 1974. The Agency's second redevelopment project area, Project Area No. 2, was adopted on September 19, 1983, and amended on July 13, 1987 to add territory, including the downtown area. The table below contains key redevelopment plan limitations associated with the two project areas.

Project Area No.	Plan Duration	Time Limits			Financial Limits	
		Collect Tax Increment/ Repay Debt	Incur New Dept	Eminent Domain	Tax Increment Limit	Bonded Debt Limit
1	7/15/2017	7/15/2027	Eliminated	8/1/2012	\$220,000,000	N/A
2-Original	10/19/2013	10/19/2023	Eliminated	Expired	\$25,000,000 <sup>1</sup>	\$15,000,000
2-Amended	8/12/2027	8/12/2037	Eliminated	8/1/2012	\$50,000,000 <sup>2</sup>	\$25,000,000

*Note:*

<sup>1</sup>. *If bonds or loans or interest-bearing agreements are entered into, the limit is \$48,000,000.*

<sup>2</sup>. *If bonds or loans or interest-bearing agreements are entered into, the limit is \$100,000,000.*

Once a plan expires, the Agency is no longer able to begin new projects. Once this occurs, the pace of development and investment in a project area could be significantly reduced. When the Agency is active, redevelopment efforts occur more rapidly because of the Agency's authority to assemble land, assist projects with housing funds, provide offsite public improvements, etc. Although redevelopment efforts can continue without the Agency, they are likely to occur at a slower pace.

In preparation of project area termination, redevelopment agencies have several tools that they are able to use, such as project area mergers, adding new project areas or adding additional areas to existing project areas.

The Agency proposes to release a Request for Qualifications for consulting services to amend the redevelopment plans for Project Areas One and Two. The scope of services will include:

1. Adding ten years to the current plans as allowed under California law
2. Merging existing project areas
3. Extending/reinstating eminent domain powers
4. Exploring options to add new territory as a new project area or as an extension of existing project areas

Merging the project areas would give the Agency additional financial flexibility to fund its redevelopment program. A merger would allow the Agency to "pool" revenues between the project areas and allocate tax increment where the immediate needs are the greatest.

The Agency's eminent domain authority has expired in the original Project Area Two and will expire in 2012 for Project Area One and the Project Area Two amended area. The Agency strives to negotiate property acquisitions without utilizing condemnation. However, in the instances where a negotiated sale is not possible, extending condemnation authority could be a substantial benefit to the project areas. Condemnation of single family residences for private development use is not allowed under California law.

Blight consists of the physical and economic conditions within an area that cause a reduction of, or lack of, proper utilization of that area. As part of this proposal staff will work with the chosen consultant to review if any locations within Covina may have the potential to form a new project area or add territory to one of the existing projects. Determinations of possible new Redevelopment areas would come before the Council for consideration prior to formal submittal.

To merge the project areas, the Agency would have to demonstrate significant remaining blight within one of the project areas. To extend eminent domain authority, the Agency must prove significant remaining blight within the area, and that this blight cannot be removed without eminent domain authority. When adding territory or forming a new project area, the Agency

must document prevalent blighting conditions and demonstrate that the blight cannot be eliminated by the private sector or the private sector acting alone without redevelopment.

California Redevelopment Law establishes a series of prerequisites, notifications, technical reports/studies (including CEQA), and findings that the Agency must fulfill in order to amend the redevelopment project areas. Redevelopment plan amendment and adoption is a unique niche in redevelopment requiring a firm that specializes in providing these services.

If the Agency would like to pursue a merger or any of the other potential amendments, staff recommends the Agency authorize staff to release a Request for Qualifications from qualified redevelopment consultants for plan amendment services. Estimated cost of a comprehensive study and overseeing the process to completion is \$200,000. Staff anticipates ninety days will be needed to return to the Agency with a recommended consultant.

**EXHIBITS**

A. Resolution No. 10-629

<b>REVIEW TEAM ONLY</b>	
City Attorney: <u>Approved via e-mail</u>	Finance Director: <u></u>
City Manager: <u></u>	Other: _____

EXHIBIT A

**RESOLUTION NO. 10-629**

A RESOLUTION OF THE COVINA REDEVELOPMENT AGENCY, TO AMEND THE FISCAL YEAR 2010-2011 COVINA REDEVELOPMENT AGENCY BUDGET TO REFLECT AN APPROPRIATION OF \$200,000 FROM PROJECT AREA ONE, PRIVATE PURPOSE BOND, UNDESIGNATED FUNDS TO COMPLETE A REDEVELOPMENT STUDY FOR COVINA REVITALIZATION REDEVELOPMENT PROJECT NO. 1 AND PROJECT NO. 2.

WHEREAS, the budget for the COVINA REDEVELOPMENT AGENCY ("Agency") for Fiscal Year commencing July 1, 2010 and ending June 30, 2011 was approved on June 15, 2010; and

WHEREAS, the approved budget is in accordance with all applicable ordinances of the City and all applicable statutes of the State; and

WHEREAS, the reallocation of the appropriations between departmental activities may be made by the Executive Director, amendments (increases/decreases) to the Budget shall be by approval and resolution of the Agency Board; and

WHEREAS, the Agency wishes to explore options to project area termination by obtaining the services of a qualified redevelopment consultant to conduct a redevelopment study.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Redevelopment Agency of the City of Covina, as follows:

SECTION 1. Amend the fiscal year 2010-2011 Covina Redevelopment Agency operating budget as follows: \$200,000 from Project Area One, Private Purpose Bond, Undesignated Fund Balance Account 5011-0000-00-33000 to Account 5011-4650-00-51005, Consulting Fees, for the Redevelopment Study.

SECTION 2. The Agency Secretary shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 6<sup>th</sup> day of July, 2010.

\_\_\_\_\_  
Peggy Delach, Chairman

ATTEST:

\_\_\_\_\_  
Toni Taber, Agency Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Agency Counsel

**EXHIBIT A, Page 2 of 2**

EXHIBIT A, Page 5 of 5

## **AGREEMENT FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is entered into this 21st day of December, 2010, by and between the COVINA REDEVELOPMENT AGENCY, a public body, corporate and politic (hereinafter referred to as "AGENCY") and URBAN FUTURES INCORPORATED, a California corporation (hereinafter referred to as "CONSULTANT").

The parties do agree as follows:

### **SECTION 1. RECITALS.**

This Agreement is made and entered into with respect to the following facts:

- (a) AGENCY has considered the proposal, dated September 30, 2010 (the "Proposal"), from CONSULTANT for professional services including but not limited to, providing the services as described below in Section 6 of this Agreement.
- (b) AGENCY desires to have a highly qualified company to perform such services.
- (c) CONSULTANT represents and warrants that it is qualified to perform such services and has agreed to do so pursuant to this Agreement; and
- (d) AGENCY desires to contract with CONSULTANT on the basis of the following terms and conditions.

### **SECTION 2. EMPLOYMENT.**

AGENCY hereby employs CONSULTANT and CONSULTANT hereby accepts such employment, to perform those services under this Agreement.

### **SECTION 3. INDEPENDENT CONTRACTOR.**

The parties hereby acknowledge that CONSULTANT is an independent contractor and shall not be considered to be an employee of AGENCY.

### **SECTION 4. PRINCIPAL REPRESENTATIVE**

The Executive Director of AGENCY shall be the principal representative of AGENCY for purposes of this Agreement. The CEO shall be the principal representative of CONSULTANT for purposes of this Agreement.

**SECTION 5.            CONSULTANT NOT AGENT OF AGENCY.**

A.     CONSULTANT shall have no authority, expressed or implied, to act on behalf of AGENCY in any capacity whatsoever as an agent.

B.     CONSULTANT shall have no authority, express or implied, pursuant to this Agreement to bind AGENCY to any obligation whatsoever.

**SECTION 6.            SCOPE OF SERVICES.**

CONSULTANT will diligently perform the tasks, in a good and workmanlike manner, which are more specifically identified in the Scope of Services, attached hereto and incorporated herein by reference as Attachment A, unless otherwise instructed by AGENCY.

**SECTION 7.            STANDARD OF PERFORMANCE.**

CONSULTANT shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONSULTANT is engaged in the geographical area in which CONSULTANT practices his or her profession.

**SECTION 8.            TIME.**

A.     CONSULTANT shall devote such time to the performance of services pursuant to the Agreement as may be reasonably necessary for satisfactory performance of CONSULTANT's obligations pursuant to this Agreement.

B.     Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

**SECTION 9.            QUALIFICATIONS.**

A.     CONSULTANT represents and warrants to AGENCY that it has all necessary professional licenses and/or certificates to legally perform the services under this Agreement.

B.     CONSULTANT represents and warrants to AGENCY that CONSULTANT shall, at his sole cost and expense, keep in effect or obtain at all times during the term of this Agreement all necessary licenses and certificates required of CONSULTANT to perform the services.

**SECTION 10.         TERM.**

The term of this Agreement shall be the period commencing from the effective date of this Agreement, as first shown above, and shall terminate upon the earlier of (i) the completion of the tasks as provided in the Scope of Services, or (ii) One Hundred Ninety Two (192) days following the effective date of this Agreement.

**SECTION 11. COMPENSATION.**

A. CONSULTANT will perform those tasks and deliver the services described in this Agreement, in accordance with the terms and provisions of this Agreement for a total contract price not to exceed Forty-one Thousand, One Hundred Fifty Five Dollars (\$41,155).

B. CONSULTANT shall be paid the compensation at the payment intervals set forth in the Payment Schedule (Section 12).

C. Authorized work shall be in strict compliance with the provisions of this Agreement. CONSULTANT shall provide all labor, materials and equipment, as necessary to perform the services under this Agreement without any additional charge or compensation. *CONSULTANT shall not charge for travel time or break time.*

**SECTION 12. PAYMENT OF COMPENSATION.**

A. CONSULTANT shall submit to AGENCY a monthly itemized statement which indicates work completed and hours of Services rendered by Consultant. The statement shall describe the amount of Services and supplies provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. AGENCY shall, within thirty (30) days of receiving such statement, review the statement and pay all approved charges thereon.

B. AGENCY shall make no payment for any extra, further, or additional services not expressly set forth in this Agreement unless such extra service and the price thereof is agreed to in writing and executed by the Executive Director prior to the time that such extra service is rendered.

**SECTION 13. COMPENSATION WITHHELD.**

A. When the AGENCY shall have reasonable grounds for believing that CONSULTANT will be unable to perform this Agreement fully and satisfactorily within the time fixed for performance; or a meritorious claim exists or will exist against CONSULTANT or AGENCY arising out of the negligence of CONSULTANT or CONSULTANT's breach of any provision of this Agreement, then the AGENCY may withhold payment of any amount otherwise due and payable to CONSULTANT under this Agreement.

B. Any amount so withheld may be retained by AGENCY for that period as it may deem advisable to protect AGENCY against any loss and may, after written notice to CONSULTANT, be applied in satisfaction of any claim described here.

C. This provision is intended solely for the benefit of AGENCY and no person shall have any right against the AGENCY or claim against AGENCY by reason of the AGENCY's failure or refusal to withhold monies.

D. No interest shall be payable by AGENCY on any amounts withheld under this provision.

E. This provision is not intended to limit or in any way prejudice any other right of AGENCY.

**SECTION 14. RIGHT TO AUDIT AND INSPECT.**

AGENCY shall have the right to audit and inspect all books and records kept by CONSULTANT in connection with the operation and services performed under this Agreement.

**SECTION 15. RIGHT OF TERMINATION.**

A. This Agreement may be terminated by either party with or without cause, upon ten (10) days written notice to the other party.

B. All work shall cease at the conclusion of the notice period and CONSULTANT shall be paid for all services satisfactorily provided prior to termination in accordance with the rates as provided in this Agreement.

**SECTION 16. INDEMNITY.**

CONSULTANT hereby agrees to and does indemnify, defend and hold harmless AGENCY, and any and all of their respective officers, employees and representatives from any and all claims, liability and expenses, including attorney fees and costs, that arise out of or are related to CONSULTANT's negligent performance of this Agreement.

In the event that CONSULTANT or any employee, agent, or subcontractor of CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of AGENCY, CONSULTANT shall indemnify, defend, and hold harmless AGENCY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of AGENCY.

**SECTION 17. CONSULTANT'S LIABILITY FOR PUBLIC LIABILITY AND PROPERTY DAMAGE.**

CONSULTANT shall assume all responsibility for damages to property or injuries to persons, including accidental death, which may be caused by CONSULTANT's negligent performance of this Agreement, whether such performance be by themselves, or their agents, or whether such damage shall accrue or be discovered before or after termination of this Agreement.

**SECTION 18. LIABILITIES.**

A. CONSULTANT shall not assert any claim arising out of any act or omission by any officer, agent, or employee of AGENCY in the execution or performance of this



B. The consent of AGENCY to an assignment shall not be unreasonably withheld, but prior to approving any assignment involving the performance of any obligations pursuant to this Agreement, AGENCY shall be satisfied by competent evidence that the assignee is financially able and technically qualified to perform those services proposed to be assigned.

C. In the event of such assignment, AGENCY may condition the same so as to ensure compliance with the provisions of this Agreement.

D. AGENCY'S consent to one assignment shall not be deemed to constitute consent to future assignments. CONSULTANT acknowledges that AGENCY'S written consent must be first obtained prior to each assignment, transfer, conveyance, pledge or other disposition.

### **SECTION 23. COMPLIANCE WITH LAWS.**

CONSULTANT shall comply with all applicable laws in performing its obligations under this Agreement.

### **SECTION 24. INSURANCE.**

A. CONSULTANT and CONSULTANT'S SUBCONTRACTORS, shall obtain and maintain at their expense, during the term of this Agreement, all necessary insurance for its employees engaged in the performance of this Agreement, including, but not limited to worker's compensation insurance.

B. CONSULTANT and CONSULTANT'S SUBCONTRACTORS, shall obtain and maintain at their expense, during the term of this Agreement, comprehensive general liability insurance with coverage of not less than Two Million Dollars (\$2,000,000.00) combined single limit per occurrence (and not "claims made") for bodily injury, personal injury and property damage. CONSULTANT shall cause the CITY OF COVINA, THE COVINA REDEVELOPMENT AGENCY, their officers, employees, and agents, to be named as an additional insured on said policy and shall obtain a waiver of the insurer's right of subrogation against AGENCY.

C. For all vehicles operated by CONSULTANT and CONSULTANT'S SUBCONTRACTORS to provide services under this Agreement, Business Auto Coverage under standard ISO form including symbol 1 (All Auto) auto coverage with limits of no less than \$1,000,000.00 and scheduled under any umbrella policy.

D. CONSULTANT and CONSULTANT'S SUBCONTRACTORS shall obtain and maintain professional liability (errors and omissions) insurance in an amount of not less than \$1,000,000.00.

E. CONSULTANT and CONSULTANT'S SUBCONTRACTORS shall provide AGENCY with written proof of the existence of such insurance and the commitment of the insurance carrier (either by policy endorsement or similar agreement) to notify AGENCY in writing 30 days before any reduction in coverage or the cancellation of such insurance. All insurance coverage required herein shall apply on a primary non-contributing basis in relation to any insurance or self-insurance available or applicable to AGENCY.

**SECTION 25.            DISCRIMINATION.**

A.     CONSULTANT agrees that no person shall be excluded from employment in the performance of this Agreement on grounds of race, creed, color, sex, age, handicap or marital status, place of national origin or any other basis prohibited by local, State or Federal law.

B.     CONSULTANT agrees to comply with all local, State and Federal laws relating to equal employment opportunity rights.

**SECTION 26.            ENTIRETY OF AGREEMENT.**

This Agreement contains the entire Agreement of AGENCY and CONSULTANT with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer, or agent of any party, which is not contained in this Agreement shall be binding or valid.

**SECTION 27.            ATTORNEYS FEES.**

In the event that any action or proceeding is instituted for the breach of this Agreement, the prevailing party shall be entitled to reasonable attorneys fees.

**SECTION 28.            CONSISTENCY WITH CURRENT LAW.**

A.     It is the intent and understanding of the parties to this Agreement that every provision of law required to be inserted in this Agreement is inserted here.

B.     If through mistakes or otherwise, any of those provisions are not inserted in correct form, then this Agreement shall upon application of either party, be amended by insertion so as to comply strictly with the law and without prejudice to the rights of either party.

C.     If this Agreement contains any unlawful provisions, not an essential part of the Agreement and which appear not to have been a controlling or material inducement to the making of this Agreement, those provisions shall be deemed of no effect, and shall upon application of either party be stricken from the Agreement without affecting the binding force of the Agreement as it shall remain after omitting those provisions.

**SECTION 29.            VENUE.**

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the State courts of the County of Los Angeles or where appropriate, in the United States District Court, Central District of California, Los Angeles, California.

**SECTION 30.            INTERNAL INCONSISTENCIES.**

If this Agreement contains any errors, inconsistencies, ambiguities, or discrepancies, including typographical errors, CONSULTANT shall request a clarification of those items by writing to the AGENCY Manager whose decision shall be binding upon the parties.

**SECTION 31.            CAPTIONS AND HEADNOTES.**

The captions and headnotes or sections of this Agreement, and marginal notes are intended for convenience and reference purposes only and in no way define, limit or describe the scope or intent of this Agreement.

**IN WITNESS WHEREOF, this Agreement for Professional services has been duly authorized and executed by the parties hereto on the day and year first herein above written.**

**"AGENCY"  
COVINA REDEVELOPMENT AGENCY**

**By: \_\_\_\_\_  
Daryl Parrish, Executive Director**

**ATTEST:**

\_\_\_\_\_  
**Secretary**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Attorney**

**"CONSULTANT"  
URBAN FUTURES, INCORPORATED**

\_\_\_\_\_  
**a California Corporation\**

**By: \_\_\_\_\_  
Marshall Linn, CEO**

ATTACHMENT A  
TO AGREEMENT FOR PROFESSIONAL SERVICES

Scope of Services

Scope of services shall be as described for "Phase 1-Feasibility Analysis" in the attached "*Response to Request for Qualifications To Provide Redevelopment Planning Consultation Services*" dated September 30, 2010, and amended by Addendum No. 1 and Addendum No. 2.

The scope of services to the Agreement is on file in the office of the Covina City Clerk.

# **COVINA REDEVELOPMENT AGENCY**

## **AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** CC 15

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director<sup>RN</sup>  
Lisa Brancheau, Redevelopment Manager

**ITEM TITLE:** Redevelopment Agency to Amend the Relocation and Lease Termination Settlement Offer/Settlement Agreements with Candy Connection as part of the Olson Citrus Walk Project

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### **AGENCY RECOMMENDATION**

Approve Relocation and Lease Termination Settlement Agreement Amendment with Candy Connection as part of the Olson Citrus Walk Project and authorize Executive Director to execute the agreement.

### **FISCAL IMPACT**

There is no General Fund Impact. A time extension is being offered to the relocated business. No additional monies will be offered.

### **BACKGROUND**

The Agency anticipates site mobilization by the selected demolition and asbestos abatement contractors will take place the week of December 27, 2010. As a result, all tenants that are located within the Olson Citrus Walk site will be required to vacate the site before that date. The Covina Valley Unified School District, La Tazza, Private Beach Tanning, Salon Cielo, and Le Petit currently have agreements with the Agency to vacate by December 26, 2010. Candy Connection located at 326 N. Citrus Ave. agreed to vacate by December 23, 2010. Owner, Pat Fore, requests that her vacation date be extended to December 26, 2010. Should the business remain after December 26, 2010, liquidated damages of \$5,000 per day will be imposed.

Upon vacation of the premises, Candy Connection will relocate to the City of Monrovia.

### **RELEVANCE TO THE STRATEGIC PLAN**

Construction of the Olson Citrus Walk project is in keeping with the Strategic Planning Goal of Enhancing Financial Stability. The project will result in an influx of new residents and their visitors into the downtown area who will shop, dine, and relax downtown, thus furthering the revitalization of the area.

### **EXHIBITS**

A. None

**REVIEW TEAM ONLY**

**City Attorney:** \_\_\_\_\_ **Finance Director:** \_\_\_\_\_

**City Manager:** \_\_\_\_\_ **Other:** \_\_\_\_\_

**CITY OF COVINA &  
COVINA REDEVELOPMENT AGENCY  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** JPH 1

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director *RL*  
Lisa Brancheau, Redevelopment Manager

**ITEM TITLE:** Joint Public Hearing to Amend Disposition and Development Agreement with Olson Land Project LLC for the Olson Citrus Walk Project

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**CITY AND AGENCY STAFF RECOMMENDATION**

Adopt **Resolution No. 10-647** of the Agency Board of the Redevelopment Agency of the City of Covina, California, and **Resolution No. 10-6914** of the City Council of the City of Covina approving a First Amendment to the 2010 Disposition and Development Agreement (DDA) between the Redevelopment Agency of the City of Covina and the Olson Land Projects LLC

**FISCAL IMPACT**

There is no General Fund impact. Under the terms of the amended Citrus Walk DDA, Olson will pay the Agency \$1,933,820 at close of escrow. Of this amount, \$128,460 will be credited to Low-Moderate Income Housing account no. 2051-4700-00-49700, \$304,116 will be credited to Project Area Two Public Purpose Bond Money account no. 5022-4450-00-49700, and the remaining amount of \$1,501,244 will be credited to Project Area No. 1 Land Proceeds account no. 5031-4450-00-49700.

**BACKGROUND**

A Disposition and Development Agreement was approved by the Agency Board on May 18, 2010 with the Olson Land Project LLC for construction of a mixed use development consisting of 48 residential units and 8,300 square feet of retail to be located at Citrus, School, and Italia streets. The cleared land value stipulated in the original DDA for land owned by the Agency was \$1,883,820. Agency staff request approval of an amendment to the DDA which will increase the purchase price by \$50,000, for a total of \$1,933,820. The additional amount will cover additional costs that were not anticipated at the time the original DDA was executed.

The property at 120 E. School Street is the last parcel within the Olson Citrus Walk project site to be acquired by the Agency. Demolition of the project site is scheduled to commence at the end of this year and completion of the mixed use development is estimated to be completed by Spring 2013.

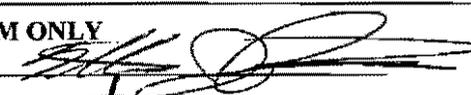
**RELEVANCE TO STRATEGIC PLAN**

Construction of the Olson Citrus Walk project is in keeping with the Strategic Planning Goal of Enhancing Financial Stability. The project will result in an influx of new residents and their

visitors into the downtown area who will shop, dine, and relax downtown, thus furthering the revitalization of the area.

**EXHIBITS**

- A. Resolution No. 10-6914
- B. Resolution No. 10-647
- C. Information Summary 33433 Report
- D. First Amendment to the 2010 Disposition and Development Agreement (DDA) between the Redevelopment Agency of the City of Covina and the Olson Land Projects LLC

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION NO. 10-6914**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, APPROVING A FIRST AMENDMENT TO THE 2010 DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF COVINA AND OLSON LAND PROJECTS, LLC**

WHEREAS, pursuant to the California Community Redevelopment Law (Health & Safety Code Sections 33000, *et seq.*) (“CRL”), the City Council of the City of Covina (“City”) (“City Council”) approved and adopted a Redevelopment Plan (“Redevelopment Plan”) for the redevelopment Project Area known as the Project Area No. 2 (“Project Area”); and

WHEREAS, the Governing Board (“Board”) of the Redevelopment Agency of the City of Covina (“Agency”) is engaged in activities to implement the Redevelopment Plan for the Project Area pursuant to the provisions of the CRL; and

WHEREAS, the City Council approved the 2010 Disposition and Development Agreement (“Agreement”) with Olson Land Projects, LLC (“Developer”) on May 18, 2010 for the disposition and development of certain real property (“Property”) as a mixed use residential/retail project (“Project”); and

WHEREAS, the Agency has negotiated the terms of that certain First Amendment to the Agreement which provides for an increased sales price for the land to be acquired by the Developer from the Agency pursuant to the Agreement; and

WHEREAS, a copy of the Agreement and the First Amendment is on file at the City’s Redevelopment Department; and

WHEREAS, the City Council has given notice as required by law and held a public hearing on December 21, 2010 on the First Amendment to the Agreement; and

WHEREAS, the City Council has carefully considered all pertinent testimony and the staff report offered in the case as presented at the public hearing; and

WHEREAS, the Agency has prepared, and the City Council has reviewed and considered, a summary report pursuant to CRL Section 33433 (“Summary”) setting forth: (1) the cost of the Agreement to the Agency; (2) the estimated value of the interest to be conveyed; and (3) an explanation of how the acquisition and conveyance of the Property will assist in the elimination of blight within the Project Area, and has made the Summary available for public inspection in accordance with CRL Section 33433; and

WHEREAS, staff is requesting the City Council ratify its consideration of the Summary Report and accept the revised Summary Report pursuant to Health and Safety Code Section 33433 as it relates to this First Amendment.

WHEREAS, the Redevelopment Agency fiscal year 2010-2011 budget will be amended by increasing Project Area No. 1 Land Proceeds account no. 5031-4450-00-49700 by \$50,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Covina as follows:

Section 1. The City Council hereby directs City staff to file a Notice of Exemption with the Los Angeles County Clerk's office within five (5) calendar days of the adoption of this Resolution.

Section 2. The City Council hereby finds and determines that the provisions of the First Amendment are consistent with the Implementation Plan adopted for the Project Area pursuant to Section 33490.

Section 3. The City Council hereby accepts the Summary Report prepared for the First Amendment and approves the First Amendment, attached hereto and incorporated herein by reference, together with non-substantive changes and amendments as may be approved by the City Manager and the City Attorney.

Section 4. The City Council hereby authorizes and directs the City Manager and the City Attorney to take any action and execute any documents necessary to implement the First Amendment.

Section 5. The City Clerk shall certify to the passage and adoption of this resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

APPROVED AND ADOPTED this 21<sup>st</sup> day of December, 2010.

---

Peggy Delach, Mayor

**ATTEST:**

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Deputy City Clerk

**I HEREBY CERTIFY** that the foregoing resolution was duly adopted by the City Council of the City of Covina at a regular meeting held on the 21<sup>st</sup> day of December, 2010.

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

---

Deputy City Clerk

**RESOLUTION NO. 10-647**

**A RESOLUTION OF THE GOVERNING BOARD OF THE REDEVELOPMENT AGENCY OF THE CITY OF COVINA, CALIFORNIA, APPROVING A FIRST AMENDMENT TO THE 2010 DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF COVINA AND OLSON LAND PROJECTS, LLC**

WHEREAS, pursuant to the California Community Redevelopment Law (Health & Safety Code Sections 33000, *et seq.*) (“CRL”), the City Council of the City of Covina (“City”) (“City Council”) approved and adopted a Redevelopment Plan (“Redevelopment Plan”) for the redevelopment Project Area known as Project Area No. 2 (“Project Area”); and

WHEREAS, the Governing Board (“Board”) of the Redevelopment Agency of the City of Covina (“Agency”) is engaged in activities to implement the Redevelopment Plan for the Project Area pursuant to the provisions of the CRL; and

WHEREAS, the Board approved the 2010 Disposition and Development Agreement (“Agreement”) with Olson Land Projects, LLC (“Developer”) on May 18, 2010 for the disposition and development of certain real property (“Property”) as a mixed use residential/retail project (“Project”); and

WHEREAS, the Agency has negotiated the terms of that certain First Amendment to the Agreement which increases the purchase price to be paid by the Developer to the Agency by Fifty Thousand Dollars (\$50,000); and

WHEREAS, a copy of the Agreement and the First Amendment is on file at the City’s Redevelopment Department; and

WHEREAS, the City Council has given notice as required by law and held a public hearing on December 21, 2010 on the First Amendment to the Agreement; and

WHEREAS, the City Council has carefully considered all pertinent testimony and the staff report offered in the case as presented at the public hearing; and

WHEREAS, the Agency has prepared, and the City Council has reviewed and considered, a summary report pursuant to CRL Section 33433 (“Summary”) setting forth: (1) the cost of the Agreement to the Agency; (2) the estimated value of the interest to be conveyed; and (3) an explanation of how the acquisition and conveyance of the Property will assist in the elimination of blight within the Project Area, and has made the Summary available for public inspection in accordance with CRL Section 33433; and

WHEREAS, staff is requesting the City Council ratify its consideration of the Summary Report and accept the revised Summary Report pursuant to Health and Safety Code Section 33433 as it relates to this First Amendment.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Redevelopment Agency of the City of Covina as follows:

Section 1. Amend the FY 2010-2011 Covina Redevelopment Agency budget by increasing Project Area No. 1 Land Proceeds account no. 5031-4450-00-49700 by \$50,000.

Section 2. The Agency hereby directs Agency staff to file a Notice of Exemption with the Los Angeles County Clerk's office within five (5) calendar days of the adoption of this Resolution.

Section 3. The Agency hereby finds and determines that the provisions of the First Amendment are consistent with the Implementation Plan adopted for the Project Area pursuant to Section 33490.

Section 4. The Agency hereby accepts the Summary Report prepared for the First Amendment and approves the First Amendment, attached hereto and incorporated herein by reference, together with non-substantive changes and amendments as may be approved by the Executive Director and the Agency Counsel.

Section 5. The Agency hereby authorizes and directs the Executive Director and the Agency Counsel to take any action and execute any documents necessary to implement the First Amendment.

Section 6. The Secretary shall certify to the passage and adoption of this resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

APPROVED AND ADOPTED this 21<sup>st</sup> day of December, 2010.

---

Agency Chair

ATTEST

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Secretary

**I HEREBY CERTIFY** that the foregoing resolution was duly adopted by the Redevelopment Agency of the City of Covina at a regular meeting held on the 21<sup>st</sup> day of December, 2010.

AYES:

NOES:

ABSTAIN:

ABSENT:

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Secretary

**FIRST AMENDMENT TO THE  
2010 DISPOSITION AND DEVELOPMENT AGREEMENT  
(CITRUS WALK)  
BY AND BETWEEN  
THE  
COVINA REDEVELOPMENT AGENCY,  
A PUBLIC BODY, CORPORATE AND POLITIC,  
AND  
OLSON LAND PROJECTS, LLC,  
A DELAWARE LIMITED LIABILITY COMPANY**

**FIRST AMENDMENT  
TO  
2010 DISPOSITION AND DEVELOPMENT AGREEMENT  
(CITRUS WALK)**

THIS FIRST AMENDMENT TO 2010 DISPOSITION AND DEVELOPMENT AGREEMENT (CITRUS WALK) (this “**First Amendment**”) is entered into as of \_\_\_\_\_, 2010 (“**First Amendment Effective Date**”), by and between the COVINA REDEVELOPMENT AGENCY, a public body, corporate and politic (the “**Agency**”), and OLSON LAND PROJECTS, LLC, a Delaware limited liability company (the “**Developer**”), to amend that certain 2010 Disposition and Development Agreement (Citrus Walk), dated as of May 18, 2010, by and between the Agency and the Developer (the “**Agreement**”), with reference to the following facts:

**RECITALS**

A. The Agency and the Developer previously entered into the Agreement for the purchase, sale and development of that certain real property located in the City of Covina, California, and more particularly described in the Agreement as the “**Property**,” and

B. The Developer intends to develop the Property as described in the definition of “**Project**” set forth in the Agreement; and

C. The Agency and the Developer hereby wish to increase the amount of the Purchase Price from One Million Eight Hundred Eighty Three Thousand Eight Hundred Twenty Dollars (\$1,883,820) to One Million Nine Hundred Thirty Three Thousand Eight Hundred Twenty Dollars (\$1,933,820) as set forth herein.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES SET FORTH IN THIS FIRST AMENDMENT AND OTHER VALUABLE CONSIDERATION, THE AGENCY AND THE DEVELOPER AGREE AS FOLLOWS:

1. Incorporation of Recitals. The Recitals of fact set forth above are true and correct and are incorporated into this First Amendment by this reference, as though fully set forth in this First Amendment.

2. Incorporation of Defined Terms. All terms, phrases and words indicated to be defined terms by initial capitalization in this First Amendment that are not specifically defined in this First Amendment shall have the meaning ascribed to the same term, phrase, or word in the Agreement.

3. Effect of First Amendment. Except as set forth in this First Amendment, the Agreement is, in all other respects, confirmed and all of the terms, provisions and conditions of the Agreement, as amended by this First Amendment, shall be and remain in full force and effect. From and after the First Amendment Effective Date, wherever the term "Agreement" appears in the Agreement, it shall be read and understood to mean the Agreement, as amended by this First Amendment.

4. Amendments to Specific Provisions of the Agreement. The Agency and the Developer mutually agree to specifically amend the Agreement as follows:

4.1 Section 1.1.103 of the Agreement is hereby amended in its entirety to read as follows:

“Purchase Price” means the amount of One Million Nine Hundred Thirty Three Thousand Eight Hundred Twenty Dollars (\$1,933,820).”

4.2 Exhibit “H” of the Agreement, Method of Financing, is hereby amended and replaced in its entirety with Attachment 1 to this First Amendment, Revised Method of Financing.

5. Conflict. In the event of a conflict between the terms and conditions of this First Amendment and the terms and conditions of the Agreement, the terms and conditions of this First Amendment shall control.

6. Counterparts. This First Amendment may be executed in counterparts (including facsimile counterparts), each of which shall be deemed an original, and all such counterparts, when taken together, shall constitute one agreement.

7. Warranty Against Payment of Consideration for First Amendment. The Developer represents and warrants that: (i) the Developer has not employed or retained any person to solicit or secure this First Amendment upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees of the Developer; and (ii) no gratuities, in the form of entertainment, gifts or otherwise have been or will be given by the Developer or any of its agents, employees or representatives to any elected or appointed official or employee of either the City of Covina or the Agency in an attempt to secure this First Amendment or favorable terms or conditions for this First Amendment. Breach of the representations or warranties of this Section 7 shall give the Agency the right to terminate this First Amendment, with seven (7) days notice to the Developer. Upon any such termination of this First Amendment, the Developer shall immediately refund any payments made to or on behalf of the Developer by the City of Covina or the Agency pursuant to or otherwise related to this First Amendment, prior to the date of any such termination.

8. Relationship of Parties. The Parties each intend and agree that the Agency and the Developer are independent contracting entities and do not intend by this First Amendment to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

9. Non-liability of Officials, Employees and Agents. No elected official, employee, representative or agent of the Agency shall be personally liable to the Developer, or any successor in interest of the Developer, in the event of any default or breach by the Agency under this First Amendment or for any amount that may be or become due to the Developer or any successor in interest of the Developer, on any obligations under the terms or conditions of this First Amendment.

10. Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this First Amendment. The Parties have both participated substantially in the negotiation, drafting, and revision of this First Amendment, with advice from legal and other counsel and advisers of their own selection.

11. Governing Law & Venue. The laws of the State of California shall govern the interpretation and enforcement of this First Amendment, without application of conflicts of laws principles. Venue shall be in Los Angeles County.

12. Binding on Successors and Assigns. This First Amendment shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

13. No Other Representations or Warranties. Except as expressly set forth in this First Amendment, no Party makes any representation or warranty material to this First Amendment to any other Party.

14. No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this First Amendment shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this First Amendment, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

**SIGNATURE PAGE  
TO  
FIRST AMENDMENT  
TO  
DISPOSITION AND DEVELOPMENT AGREEMENT  
(CITRUS WALK)**

The Agency and the Developer have signed this First Amendment, by and through the signatures of their authorized representatives, as follows:

AGENCY:

**COVINA REDEVELOPMENT AGENCY,**  
a public body, corporate and politic

\_\_\_\_\_  
Executive Director

Attest:

\_\_\_\_\_  
Agency Secretary

Approved as to form:  
Best Best & Krieger LLP

\_\_\_\_\_  
Agency Counsel

DEVELOPER:

**OLSON LAND PROJECTS, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**FIRST AMENDMENT  
TO  
DISPOSITION AND DEVELOPMENT AGREEMENT  
(CITRUS WALK)  
ATTACHMENT 1**

**REVISED  
METHOD OF FINANCING**

**USES:**

**Financeable Costs**

Purchase Price 1,933,820  
Government Fees \$1,078,000  
On Site Improvements \$1,368,847  
Direct Costs \$6,297,600  
Interest \$1,298,880  
Remaining Costs \$2,445,743

**Total Financeable Costs \$14,422,890**

**SOURCES:**

**Senior Loan**

Loan To Cost % 70%  
**Max Senior Loan (\$) \$10,061,023**

Remaining Costs to Finance \$4,311,867

**JV / Mezzanine Partner**

JV / Mezzanine Contribution % 90%  
**JV / Mezzanine Contribution (\$) \$3,880,680**

**Olson Equity**

Olson Equity Contribution % 10%  
**Olson Equity Contribution (\$) \$431,186**

**Total Financing Sources \$14,372,890**

Sources of Funds:

Presently The Olson Company has sufficient liquidity to internally fund the Covina Citrus & Italia project. The Company however prefers to partner with other financial sources to fund the community. A typical structure involves obtaining a Senior Loan and a JV / Mezzanine partner.

Once the deal parameters of the DDA are finalized, The Olson Company will approach its real estate lending contacts to secure financing. The Company has developed numerous financial relationships over its twenty plus years in the homebuilding industry.

For the Senior Loan, the Company will approach its contacts to negotiate the most favorable loan possible. A typical Senior Loan will fund 70% of the project costs and The Company will likely approach a variety of regional banks to private lenders.

The remaining 30% of the costs will likely be funded with a JV / Mezzanine partner and internal Olson Company equity. Again the Company has developed strong relationships over the years with financial sources that specialize in these types of partnerships. Potential sources may include pension funds, mezzanine funds, land funds, and private lenders.

**CITY OF COVINA/  
COVINA REDEVELOPMENT AGENCY  
AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** JPH 2

**STAFF SOURCE:** Robert Neiuber, Deputy Executive Director/ *RN*  
Director of Community Development  
Elizabeth Hull, Agency Counsel  
Nuala Gasser, Sr. Redevelopment Manager *mg*

**ITEM TITLE:** Joint Public Hearing to consider a Lease Agreement with Enterprise Rent-A-Car Company of Los Angeles, LLC, for property located at 635 S. Citrus Avenue, Covina, CA

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**AGENCY/STAFF RECOMMENDATION**

Adopt

- a. **Resolution 10-649** of the Covina Redevelopment Agency making certain findings pursuant to Health and Safety Code Section 33433 and approving a Lease Agreement for real property located at 635 S. Citrus Avenue, Covina, California, and
- b. **Resolution 10-6917** of the City of Covina, California, making certain findings pursuant to Health and Safety Code Section 33433 and approving a Lease Agreement for real property located at 635 S. Citrus Avenue, Covina, California.

**FISCAL IMPACT**

Over a one year period, it is estimated that the benefit to the City will be more than \$15,000. The benefit to the Redevelopment Agency will be approximately \$9,225, of which \$1,425 will be realized in estimated Tax Increment. The balance will be revenues realized through rent payment. Revenues will be deposited to CRA Revenue Account 5031-4450-00-43600.

**BACKGROUND**

The Covina Redevelopment Agency (Agency) and Enterprise Rent-A-Car Company of Los Angeles, LLC, (Enterprise) were parties to a prior agreement dated September 1, 1998. The prior agreement provided for leasing of approximately 20,000 square feet of land and improvements, and was for the purpose of operating Enterprise's car sales and incidental car rental business. Enterprise no longer operates a car sales division at the Citrus Avenue location. The parties desire to terminate the prior lease and enter into this Lease to set forth the terms and conditions for the purpose of operating a car rental business.

In order to avoid a vacant storefront on Citrus Avenue due to the discontinuance of the car sales division, the Agency has negotiated a new Lease Agreement with Enterprise for continued occupancy. The Lease Agreement is attached as Exhibit D.

The Lease Agreement is retroactive to February 1, 2010, and is for a term of six months. As the Tenant continues to occupy the premises, the Lease provides for the tenancy to continue on a

month-to-month basis. Tenant now occupies 1,800 square feet of the 20,350 square foot building, and will pay fifty percent of the cost of property insurance to be procured by Landlord. This cost will decrease to nine percent should an additional tenant occupy the site.

Enterprise is a post-acquisition tenant with no relocation rights.

**RELEVANCE TO THE STRATEGIC PLAN**

Providing opportunities for economic development contributes to the City strategic plan objective of enhancing financial stability.

**EXHIBIT**

- A. Agency Resolution No. 10-649
- B. City Resolution No.10-6917
- C. Information Summary 33433 Report
- D. Lease Agreement

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION NO. 10-649**

**A RESOLUTION OF THE COVINA REDEVELOPMENT AGENCY MAKING CERTAIN FINDINGS PURSUANT TO HEALTH & SAFETY CODE SECTION 33433 AND APPROVING A LEASE AGREEMENT FOR REAL PROPERTY LOCATED AT 635 S. CITRUS AVENUE, COVINA, CALIFORNIA**

**WHEREAS**, the City of Covina, California (“City”), approved and adopted the redevelopment plan (“Redevelopment Plan”) for the redevelopment area known as the Covina Revitalization Redevelopment Project Area 1 covering a certain geographic area within the City (“Project Area”) pursuant to the provisions of Community Redevelopment Law (Health and Safety Code § 33000 et seq.) (“CRL”); and

**WHEREAS**, the Covina Redevelopment Agency (“Agency”) is undertaking a program in the interest of health, safety, and general welfare of the people of the City pursuant to its authority under the CRL, for the redevelopment of blighted areas within the Project Area which are characterized by stagnant, improperly utilized and unproductive land which requirements redevelopment; and

**WHEREAS**, the Agency owns land commonly referred to as 635 S. Citrus Avenue, City of Covina, County of Los Angeles, State of California (a portion of Assessor Parcel No. 8453-001-906) (“Property”); and

**WHEREAS**, the Agency and Enterprise Rent-A-Car Company of Los Angeles, LLC, a Delaware Limited Liability Company (“Lessee”) desire to enter into a lease agreement (“Agreement”), attached hereto as Exhibit “A” and incorporated herein by reference, for the Property in order for the Lessee to operate a car rental business on the Property in accordance with the Redevelopment Plan and as otherwise set forth in the Agreement; and

**WHEREAS**, CRL Section 33430 authorizes the Agency to lease property located within redevelopment project survey areas; and

**WHEREAS**, CRL Section 33431 provides that any lease made pursuant to CRL Section 33430 may be made without public bidding, but only after a public hearing, notice of which shall be given by publication for not less than once a week for two weeks in a newspaper of general circulation published in the county in which the property lies; and

**WHEREAS**, CRL Section 33433(a)(1) provides that before any property of the Agency acquired in whole or in part, directly or indirectly, with tax increment moneys is leased for development pursuant to the redevelopment plan, the legislative body shall approve a lease by resolution after public hearing; and

**WHEREAS**, pursuant to CRL Section 33433(b), the resolution approving the lease or sale shall be adopted by a majority vote and shall contain a finding that the lease of the property

will assist in the elimination of blight or provide housing for low or moderate-income persons, and is consistent with the implementation plan adopted pursuant to CRL Section 33490; and

**WHEREAS**, CRL Section 33433(b) also requires the City Council find that the consideration is not less than the fair market value at its highest and best use in accordance with the Redevelopment Plan or the consideration is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the sale or lease; and

**WHEREAS**, pursuant to CRL Sections 33431 and 33433, on December 2, 2010 and December 9, 2010, the City and Agency caused notice of the joint public hearing of the City Council and the Agency's Governing Board to be published in the San Gabriel Valley Examiner, a newspaper of general circulation within the Agency's territorial jurisdiction; and

**WHEREAS**, the Agency has prepared a report pursuant to CRL Section 33433(a)(2) ("33433 Report") containing a copy of the Agreement and a summary of the following: (i) the cost of the Agreement to the Agency; (ii) the estimated value of the interest to be leased; (iii) the estimated value of the interest to be leased; and (iv) an explanation of why the lease will assist in the elimination of blight supported by facts and materials; and

**WHEREAS**, the Agency has made the 33433 Report available for public inspection and copying on December 2, 2010; and

**WHEREAS**, the City and Agency held a noticed public hearing pursuant to CRL Sections 33431 and 33433 on December 21, 2010; and

**WHEREAS**, the Agency is the lead agency concerning the Agreement pursuant to the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines; and

**WHEREAS**, Agency staff has determined that the approval of the Agreement for the Property is categorically exempt pursuant to CEQA under the "Class 1" exemption, State CEQA Guidelines Section 15301 (Existing Facilities), in that the Agreement involves leasing of an existing facility, which involves negligible or no expansion.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Board of the Covina Redevelopment Agency as follows:

**Section 1.** 33433 Findings. The Agency finds and determines based on the information made available in the 33433 Report made pursuant to CRL Section 33433, the staff report accompanying this Resolution, the oral presentation of staff, and other written and oral evidence presented to the Agency at or prior to the public hearing regarding the Agreement, that, pursuant to CRL Section 33433:

(a) The Agreement for the lease of the Property will assist in the elimination of blight by (i) utilizing the property which would otherwise be vacant and thus underutilized until the site is ready for redevelopment; and (ii) generating tax revenue.

(b) The Agreement for the lease of the Property will be consistent with the implementation plan adopted by the Agency for the Project Area; and

(c) The consideration to the Agency for the lease of the Property will not be less than the fair market value at its highest and best use in accordance with the Redevelopment Plan or not be less than the fair reuse value of the Property with the covenants, conditions and development costs authorized by the Agreement.

**Section 2.** Approval of the Agreement. The Agency does hereby approve the Agreement, attached to this Resolution and authorizes the Executive Director of the Agency to execute the Agreement.

**Section 3.** Notice of CEQA Exemption. The Governing Board hereby authorizes and directs Agency staff to file a Notice of Exemption with the Clerk of the Board of Supervisors of the County of Los Angeles, California, within five (5) working days following the date of adoption of this Resolution.

**Section 4.** Certification and Effective Date. The Agency Secretary shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of December, 2010.

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Chairperson  
Covina Redevelopment Agency

**ATTEST:**

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Secretary, Covina Redevelopment Agency

**CERTIFICATION**

I, \_\_\_\_\_, Secretary of the Covina Redevelopment Agency do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Covina Redevelopment Agency at a regular meeting thereof held on the 21<sup>st</sup> day of December, 2010, by the following vote of the Agency:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the Covina Redevelopment Agency this 21<sup>st</sup> day of December, 2010.

[insert seal]

\_\_\_\_\_  
Secretary, Covina Redevelopment Agency

**Exhibit "A"**

**Lease Agreement Between the Covina Redevelopment Agency  
and Enterprise Rent-A-Car Company of Los Angeles LLC,  
a Delaware Limited Liability Company**

**The Lease Agreement is available in the office of the Covina City Clerk**

**RESOLUTION NO. 10-6917**

**A RESOLUTION OF CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, MAKING CERTAIN FINDINGS PURSUANT TO HEALTH & SAFETY CODE SECTION 33433 AND APPROVING A LEASE AGREEMENT FOR REAL PROPERTY LOCATED AT 635 S. CITRUS AVENUE, COVINA, CALIFORNIA**

**WHEREAS**, the City of Covina, California (“City”), approved and adopted the redevelopment plan (“Redevelopment Plan”) for the redevelopment area known as the Covina Revitalization Redevelopment Project Area 1 covering a certain geographic area within the City (“Project Area”) pursuant to the provisions of Community Redevelopment Law (Health and Safety Code § 33000 et seq.) (“CRL”); and

**WHEREAS**, the Covina Redevelopment Agency (“Agency”) is undertaking a program in the interest of health, safety, and general welfare of the people of the City pursuant to its authority under the CRL, for the redevelopment of blighted areas within the Project Area which are characterized by stagnant, improperly utilized and unproductive land which requirements redevelopment; and

**WHEREAS**, the Agency owns land commonly referred to as 635 S. Citrus Avenue, City of Covina, County of Los Angeles, State of California (a portion of Assessor Parcel No. 8453-001-906) (“Property”); and

**WHEREAS**, the Agency and Enterprise Rent-A-Car Company of Los Angeles, LLC, a Delaware Limited Liability Company (“Lessee”) desire to enter into a lease agreement (“Agreement”), attached hereto as Exhibit “A” and incorporated herein by reference, for the Property in order for the Lessee to operate a car rental business on the Property in accordance with the Redevelopment Plan and as otherwise set forth in the Agreement; and

**WHEREAS**, CRL Section 33430 authorizes the Agency to lease property located within redevelopment project survey areas; and

**WHEREAS**, CRL Section 33431 provides that any lease made pursuant to CRL Section 33430 may be made without public bidding, but only after a public hearing, notice of which shall be given by publication for not less than once a week for two weeks in a newspaper of general circulation published in the county in which the property lies; and

**WHEREAS**, CRL Section 33433(a)(1) provides that before any property of the Agency acquired in whole or in part, directly or indirectly, with tax increment moneys is leased for development pursuant to the redevelopment plan, the legislative body shall approve a lease by resolution after public hearing; and

**WHEREAS**, pursuant to CRL Section 33433(b), the resolution approving the lease or sale shall be adopted by a majority vote and shall contain a finding that the lease of the property

will assist in the elimination of blight or provide housing for low or moderate-income persons, and is consistent with the implementation plan adopted pursuant to CRL Section 33490; and

**WHEREAS**, CRL Section 33433(b) also requires the City Council find that the consideration is not less than the fair market value at its highest and best use in accordance with the Redevelopment Plan or the consideration is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the sale or lease; and

**WHEREAS**, pursuant to CRL Sections 33431 and 33433, on December 2, 2010 and December 9, 2010, the City and Agency caused notice of the joint public hearing of the City Council and the Agency's Governing Board to be published in the San Gabriel Valley Examiner, a newspaper of general circulation within the Agency's territorial jurisdiction; and

**WHEREAS**, the Agency has prepared a report pursuant to CRL Section 33433(a)(2) ("33433 Report") containing a copy of the Agreement and a summary of the following: (i) the cost of the Agreement to the Agency; (ii) the estimated value of the interest to be leased; (iii) the estimated value of the interest to be leased; and (iv) an explanation of why the lease will assist in the elimination of blight supported by facts and materials; and

**WHEREAS**, the Agency has made the 33433 Report available for public inspection and copying on December 2, 2010; and

**WHEREAS**, the City and Agency held a noticed public hearing pursuant to CRL Sections 33431 and 33433 on December 21, 2010; and

**WHEREAS**, the Agency is the lead agency concerning the Agreement pursuant to the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines; and

**WHEREAS**, Agency staff has determined that the approval of the Agreement for the Property is categorically exempt pursuant to CEQA under the "Class 1" exemption, State CEQA Guidelines Section 15301 (Existing Facilities), in that the Agreement involves leasing of an existing facility, which involves negligible or no expansion.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Covina as follows:

**Section 1.** 33433 Findings. The City Council finds and determines based on the information made available in the 33433 Report made pursuant to CRL Section 33433, the staff report accompanying this Resolution, the oral presentation of staff, and other written and oral evidence presented to the City Council at or prior to the public hearing regarding the Agreement, that, pursuant to CRL Section 33433:

(a) The Agreement for the lease of the Property will assist in the elimination of blight by (i) utilizing the property which would otherwise be vacant and fall into disrepair and thus be underutilized until the site is ready for redevelopment; and (ii) generating tax revenue.

(b) The Agreement for the lease of the Property will be consistent with the implementation plan adopted by the Agency for the Project Area; and

(c) The consideration to the Agency for the lease of the Property will not be less than the fair market value at its highest and best use in accordance with the Redevelopment Plan or not be less than the fair reuse value of the Property with the covenants, conditions and development costs authorized by the Agreement.

**Section 2.** Approval of the Agreement. The City Council does hereby approve the Agreement, attached to this Resolution.

**Section 3.** Notice of CEQA Exemption. The City Council hereby authorizes and directs City staff to file a Notice of Exemption with the Clerk of the Board of Supervisors of the County of Los Angeles, California, within five (5) working days following the date of adoption of this Resolution.

**Section 4.** Certification and Effective Date. The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 21<sup>st</sup> day of December, 2010.

\_\_\_\_\_  
Mayor  
City of Covina, California

**ATTEST:**

\_\_\_\_\_  
City Clerk  
City of Covina, California

**CERTIFICATION**

I, \_\_\_\_\_, City Clerk of the City of Covina, California, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Covina, California, at a regular meeting thereof held on the 21<sup>st</sup> day of December, 2010, by the following vote of the Agency:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAINED:**

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the official seal of the City of Covina, California this 21st day of December, 2010.

[insert seal]

\_\_\_\_\_  
City Clerk  
City of Covina, California

**Exhibit "A"**

**Lease Agreement Between the Covina Redevelopment Agency and  
Enterprise Rent-A-Car Company of Los Angeles, LLC,  
a Delaware Limited Liability Company**

**The Lease Agreement is available in the office of the Covina City Clerk.**

INFORMATION SUMMARY (33433 REPORT)  
FOR THE LEASE AGREEMENT  
WITH ENTERPRISE RENT-A-CAR COMPANY OF LOS ANGELES, LLC

**Introduction:**

This summary is provided pursuant to Section 33433 of the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code). The report sets forth certain details of the proposed Lease Agreement (“Agreement”) between the following parties:

1. The Covina Redevelopment Agency (“Landlord”); and
2. Enterprise Rent-A-Car Company of Los Angeles, LLC, a Delaware Limited Liability Company. (Tenant)

The purpose of the Agreement is to effectuate the Project Area 1 Redevelopment Project Area Redevelopment Plan (Redevelopment Plan).

The basic terms embodied in the Agreement can be summarized as follows:

1. The Lease Agreement is retroactive to February 1, 2010, and is for a term of six months. If Tenant still occupies the premises after the Term has expired, the tenancy is to continue on a month-to-month basis.
2. During the month-to-month tenancy, either party may give the other written notice of intent to terminate the Lease upon 30 days advanced written notice.
3. The premises to be leased is limited to 1,800 square feet of the southeast corner of the building and forty seven (47) spaces of parking area.
4. For the rental period, Tenant shall pay to Landlord a monthly payment of \$0.50 per square foot, triple net terms, for 1,800 square feet for certain improved property located in Project Area 1 at 635 S. Citrus Avenue, Covina, CA (“Rent Payment”). Monthly rent is \$900.
6. Tenant is a post-acquisition tenant with no relocation rights.
7. Tenant will operate the site as a rental car business.
8. Tenant will keep and maintain the premises, all improvements, all building equipment and all appurtenances (including landscaped and parking areas) in a first-class condition, in good order and repair and in a safe and clean condition.
9. Landlord will procure and maintain property insurance during the term of the Lease. Tenant will pay fifty percent (50%) of the total cost. This cost will decrease to 9%

should an additional tenant occupy the site. The insurance will be a broad form of comprehensive coverage policy of property insurance issued against loss or liability caused by or connected with Tenant's occupation and use of the Premises under the Lease.

**Background:**

The Covina Redevelopment Agency and Enterprise Rent-A-Car Company of Los Angeles, LLC, were parties to a prior agreement dated September 1, 1998. The prior agreement provided for leasing of approximately 20,000 square feet of land and improvements, and was for the purpose of operating Enterprise's car sales and incidental car rental business. The parties desire to terminate the prior lease and enter into this Lease to set forth the terms and conditions for the purpose of operating a car rental business.

Pursuant to Section 33433, this report shall contain the following:

1. Lease Agreement (Attached hereto as Exhibit A)
2. A summary which describes and specifies all of the following:

(i) The cost of the agreement to the agency, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the agency, plus the expected interest on any loans or bonds to finance the agreements.

(ii) The estimated value of the interest to be conveyed or leased, determined at the highest and best uses permitted under the plan.

(iii) The estimated value of the interest to be conveyed or leased, determined at the use and with the conditions, covenants, and development costs required by the sale or lease. The purchase price or present value of the lease payments which the Landlord will be required to make during the term of the lease. If the sale price or total rental amount is less than the fair market value of the interest to be conveyed or leased, determined at the highest and best use consistent with the redevelopment plan, then the agency shall provide as part of the summary an explanation of the reasons for the difference.

(iv) An explanation of why the sale or lease of the property will assist in the elimination of blight, with reference to all supporting facts and materials relied upon in making this explanation.

- (v) Consistency with the AB 1290 Implementation Plan.

## **Summary of Required Points**

### **1. Cost of the Agreement to the Agency including land costs, relocation and improvements:**

There are small additional costs to the Agency under this Agreement.

- a. Land Acquisition Costs: No property will be acquired by the Agency.
- b. Clearance Costs: There are no clearance costs.
- c. Relocation Costs: There are no relocation benefits extended to Tenant.
- d. Improvement Costs: There are no improvement costs.
- e. Finance Costs: The Agency will not owe interest or any other finance charges.
- f. Other Costs: Approximately \$3,000 in insurance and other costs are incurred.

### **2. Estimated value of interest to be conveyed at the highest and best use permitted under the Plan:**

Tenant shall cause the business on premises to generate local sales and use taxes paid to the City of Covina on an annual basis. The business is in the South Citrus Auto Corridor, where other auto-related uses are clustered. Utilizing the site as an auto use is the highest and best use for the site which is consistent with the Plan.

### **3. Estimated value of interest to be conveyed at the use and with the conditions, covenants and development costs required by the sale:**

The Site is being conveyed with a use requirement that causes the initial per square foot rental rate to be less than its fair market value.

The Agreement requires the Agency to lease the Site to the Tenant for \$.50 cents per square foot. This rate has been determined to be the fair reuse value, taking into account the use of the property and the short-term nature of the Lease.

### **4. Explanation as to the reason why the lease of the Site will assist the elimination of blight:**

In the last few years the automobile business has seen a downturn, and in fact, Enterprise has ceased car sales at this location. The economic impact to car dealerships has caused a number of abnormally high business vacancies. The new Lease allowing a car rental business will prevent the site at 635 S. Citrus from being

vacant. The lease of this property, located in Redevelopment Project Area 1, will assist in the elimination of blight by providing a use in a building which would otherwise be vacant and underutilized. The attraction of business to this site will bring customers to other businesses in the area, and increase development opportunities.

#### **5. Consistency with the Five-Year Implementation Plan**

Pursuant to the California Redevelopment Law, all agencies must adopt an implementation plan that outlines the projects, programs and expenditures anticipated over a five-year period. The Covina Redevelopment Agency has adopted such a plan, covering fiscal years 2009-2010 through 2013-2014.

The existing business is located in Project Area 1. Programs identified by the Implementation Plan for Project Area 1's South Citrus Auto Corridor includes working with automotive dealers as they continue to serve the community. Execution of the Lease Agreement will assist the Agency in undertaking a program in the interest of health, safety and general welfare of the people of the City pursuant to its authority under Redevelopment Law, for the redevelopment of blighted areas within the Project Area which are characterized by stagnant, improperly utilized and unproductive land which requires redevelopment.

#### **6. Tax Increment to Agency**

The tax increment projections for the first year of the term of the lease shows an estimated valuation of \$1,425. This is based on estimated possessory interest taxes for FY 2010-2011. This number takes into account the original pass-through to the county as well as the more recent pass-throughs mandated by the legislature.

**Exhibit A**

**Lease Agreement**

**The Lease Agreement is available in the office of the Covina City Clerk**

## COMMERCIAL LEASE AGREEMENT

THIS COMMERCIAL LEASE AGREEMENT (this "Lease") is entered into as of February 1, 2010 by and between the COVINA REDEVELOPMENT AGENCY, a public body, corporate and politic ("Agency" or "Landlord"), and Enterprise Rent-A-Car Company of Los Angeles, LLC, a Delaware Limited Liability Company ("Enterprise" or "Tenant"). Landlord and Tenant are sometimes individually referred to herein as "Party" and collectively as "Parties."

### RECITALS

A. Agency is the owner of that certain improved real property located at 635 S. Citrus Avenue, City of Covina, County of Los Angeles, State of California (Assessor Parcel Number 8453-001-906), more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "**Original Premises**").

B. The Parties entered into that certain agreement, dated September 1, 1998, wherein Enterprise agreed to lease a parcel of property, including the Original Premises, from the Agency for the purpose of operating Enterprise's car sales business ("Existing Lease").

C. The Existing Lease provides for the leasing of the Original Premises which includes approximately twenty thousand (20,000) square feet of land and improvements thereon by Enterprise from Agency for the purpose of conducting its car sales business with ancillary car rental business. Enterprise has ceased car sales at this site and now wishes to conduct a car rental business (the "**Business**"). Enterprise wishes to lease from the Agency at the same location described on Exhibit A, one thousand eight hundred (1,800) square feet of land and the improvements thereon, to conduct the Business ("Premises"). The Premises to be leased pursuant to this Agreement is limited to the 1,800 square feet of the southeast corner of the building and forty-seven (47) spaces of parking area and more specifically described in Section 2.1.3 herein.

D. The Parties desire to terminate the Existing Lease and enter into this Lease to set forth the terms and conditions of a new lease for the Premises from Landlord for the purpose of operating the **Business**, and other related improvements (collectively referred to in this Lease as the "**Improvements**").

E. Tenant understands, acknowledges, and agrees that this Lease is a new agreement executed by and between Tenant and Landlord for Tenant's lease of the Premises and is not an extension of any prior lease or agreement. As such, this Lease does not create any new or greater right to relocation benefits for Tenant upon its termination.

F. Pursuant to Health & Safety Code section 33431 on December 21, 2010, Agency conducted a duly noticed public hearing regarding the leasing of the Property to Enterprise.

G. Under Health & Safety Code section 33431, Agency is permitted to lease the Property to Enterprise without having subjected the leasing of the Property to competitive bid since Agency conducted a duly noticed hearing.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated

herein by reference and are a substantial part of this Lease, and the covenants, warranties, and promises contained herein, the receipt of which is hereby acknowledged, the Parties hereby agree as follows:

## TERMS

### **1. LEASE OF PREMISES AND TERM OF LEASE**

**1.1 Existing Lease Terminated.** The Parties agree that as of the date of this Agreement first herein written above, the Existing Lease is terminated and this Lease governs the terms of the lease of the Premises from the Agency to Enterprise.

**1.2 Agreement to Lease.** For and in consideration of the Rent to be paid and covenants to be performed by Tenant under this Lease, Landlord agrees to lease the Premises to Tenant, and Tenant agrees to lease the Premises from Landlord, on the terms and conditions set forth in this Lease. Except as expressly otherwise provided in this Lease, the “**Premises**” includes the real property and any Improvements now or subsequently located on the Premises. The Premises shall also include any appurtenances and easements described in Exhibit “A” attached to this Lease, including a nonexclusive easement over the remainder of the parcel on which the Premises sits, including access to fifteen (15) dedicated parking spaces along the southern border of the parcel with signs reserved for Tenant parking, access to undesignated parking spaces on the parcel shared with the public, and access to the car wash facility located on the parcel.

**1.3 Rent.** Tenant shall pay to Landlord a monthly payment of Fifty Cents (\$0.50) per square foot for one thousand eight hundred (1,800) square feet of property, totaling Nine Hundred Dollars (\$900.00) (the “**Rent Payment**”), which shall be paid, in full, on the first day of each month throughout the Term.

**1.4 Credit for Car Wash Facility.** If Landlord requires that the currently existing car wash facility used by Tenant for the Business be removed, and the Parties agree that a new car wash facility is necessary for the Tenant’s conducting of the Business and agree to construction of the car wash facility in a location on the parcel agreed to by the Parties, Landlord shall provide rental credit in an amount up to the full cost of construction or Fifteen Thousand Dollars (\$15,000.00), whichever is lower, for the cost of construction of the new car wash facility upon submittal of the cost of such construction in writing by Tenant. Submittals for reimbursement shall be submitted on a monthly basis with the Rental Payment, to be credited against the following month’s Rental Payment or future rental payments, as needed. If the Lease is terminated prior to the full reimbursement of the cost of construction or Fifteen Thousand Dollars (\$15,000.00), whichever is lower, Landlord shall reimburse Tenant for any remaining unreimbursed amount after termination of the Lease by certified check.

**1.5 Term of Lease.** The term of this Lease shall be for a period of six (6) months, commencing on February 1, 2010, unless earlier terminated as provided in this Lease (the “**Term**”). Should Tenant still occupy the Premises after the Term has expired, the tenancy shall continue on a month-to-month basis, which shall continue until either Party gives the other written notice of intent to terminate the Lease at least ninety (90) days prior to the end of the

month in which the termination is to take place. Following the expiration of the Term and conversion to a month to month tenancy, either Party may terminate this Lease upon thirty (30) days' advanced written notice.

## **2. DEFINITIONS**

**2.1 Certain Definitions.** The following definitions shall apply to this lease:

2.1.1 **"Building Equipment"** means all fixtures incorporated in the Premises owned by Landlord or Tenant and used, useful, or necessary to operate the Business (including boilers; compactors; compressors; conduits; ducts; engines; equipment; fittings; heating, ventilating and air conditioning systems; machinery; and pipes).

2.1.2 **"FF&E"** means all movable furniture, furnishings, equipment, and personal property of Tenant or anyone claiming through Tenant (excluding Building Equipment) that may be removed without material damage to the Improvements or the Premises and without adversely affecting: (a) the structural integrity of the Improvements or the Premises; (b) any electrical, plumbing, mechanical, or other system in the Improvements or the Premises; (c) the present or future operation of any such system; or (d) the present or future provision of any utility service to the Premises. FF&E includes, but is not limited to, items such as furniture, movable equipment, telephone, telecommunications and facsimile transmission equipment, point of sale equipment, televisions, radios, network racks, computer systems, and peripherals.

2.1.3 **"Premises"** means the approximately 1,800 square feet of building and forty-seven (47) spaces of associated parking area located in and around the southeast corner of the parcel of land more particularly described on Exhibit A.

## **3. USE OF PREMISES**

**3.1 Permitted Use.** Tenant shall use the Premises solely for the purpose of operating the Business.

**3.2 Compliance with Laws.** Tenant shall, at Tenant's own cost and expense, comply with all statutes, ordinances, regulations, and requirements of all governmental entities, federal, state, county or municipal, including those requiring capital improvements to the Premises or Improvements, relating to any use and occupancy of the Premises (and specifically not limited to any particular use or occupancy by Tenant), whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted. If any license, permit, or other governmental authorization is required for the lawful use or occupancy of the Premises or any portion of the Premises, Tenant shall procure and maintain it throughout the term of this Lease. The judgment of any court of competent jurisdiction, or the admission by Tenant in a proceeding brought against Tenant by any government entity, that Tenant has violated any such statute, ordinance, regulation, or requirement shall be conclusive as between Landlord and Tenant and shall constitute grounds for termination of this Lease by Landlord.

**3.3 Prohibited Uses.** Tenant shall not use or permit the Premises or any portion of the Premises to be improved, developed, used, or occupied in any manner or for any purpose that is in any way in violation of any valid law, ordinance, or regulation of any federal, state, county,

or local governmental agency, body, or entity. Furthermore, Tenant shall not maintain, commit, or permit the maintenance or commission of any nuisance as now or hereafter defined by any statutory or decisional law applicable to the Premises or any part of the Premises.

**3.4 Signs.** Tenant shall be allowed only those existing sign(s) on the Premises, unless expressly agreed to by the Parties in writing. Landlord shall have the right to enter the Premises as provided in Section 5.6 in order to remove any and all sign(s) at its discretion except the building sign above the Premises and any signs on the interior of the building, which shall remain for the duration of the Term. Tenant may place signs in the windows of the Premises, provided that such signs are professional and do not use more than 20% of the window space of the Premises. Tenant shall not place temporary signs, flags or banners on the exterior walls or windows except as provided in Section 3.4.1. Painting or painted signs on the windows or walls are not allowed. At the termination of this Lease, the can of the sign shall remain attached to the Premises and shall become a part of the Premises. Tenant may remove only the face of its sign(s). If a sign is removed, any damage must be repaired at Tenant's expense. All signage shall be consistent with and in compliance with the Covina Municipal Code.

**3.4.1** At any time that Landlord desires to renovate the Premises or place signs on the Premises, Landlord shall notify Tenant of such renovation and Tenant may erect a temporary banner in accordance with state and local laws. Landlord, at its expense, shall replace any sign of Tenant's that it removes in accordance with this Section 3.4.1.

**3.4.2** Tenant shall not install exterior lighting, amplifiers or similar devices, or use (inside or outside of the Premises) any audio or visual medium which may be heard or seen outside the Premises, including, without limitation, flashing lights, searchlights, loudspeakers, or other means of dissemination outside of the Premises.

**3.4.3** Notwithstanding any other provision of this Lease, Landlord may, in its discretion, remove or modify the existing pole sign to provide advertising space for any or all new tenants. Tenant shall be provided reasonable space on any new signage placed on the Premises to replace the existing pole sign.

#### **4. TAXES AND UTILITIES**

**4.1 Tenant to Pay Taxes.** Tenant shall pay during the term of this Lease, without abatement, deduction, or offset, any and all real and personal property taxes, general and special assessments, and other charges (including any increase caused by a change in the tax rate or by a change in assessed valuation) of any description levied or assessed during the term of this Lease by any governmental agency or entity on or against the Premises, the Improvements located on the Premises, personal property located on or in the Premises or Improvements, and the leasehold estate created by this Lease.

**4.2 Possessory Interest Tax.** Tenant hereby recognizes and understands that this Lease may create a possessory interest subject to property taxation, and that Tenant may be subject to the payment of property taxes levied on such interest. Any such imposition of a possessory interest tax shall be a tax liability of Tenant solely, and shall be paid by the Tenant. Possessory Interest Tax is assessed by the County and is generally based upon the value of the

Lease. In addition, Tenant shall pay any personal property taxes that may become due for equipment, fixtures, inventory, or other personal property installed, maintained, or present at or on the Premises.

**4.3 Separate Assessment of Leased Premises.** Should the Premises be assessed and taxed with or as part of other property owned by Landlord, the share of the taxes, assessments, or other charges for which Tenant is liable to pay under Section 4 shall be determined as follows: Tenant shall pay an amount equal to that portion of the taxes, assessments, and other charges that bears the same ratio to the total of the taxes, assessments, and other charges as the ground area of the Premises bears to the ground area of the total taxed property.

**4.4 Payment before Delinquency.** Any and all taxes, assessments, and installments of taxes and assessments required to be paid by Tenant under this Lease shall be paid by Tenant before each such tax, assessment, or installment of tax or assessment becomes delinquent. On the written request of Landlord, Tenant shall deliver to Landlord the official and original receipt evidencing the payment of any taxes, assessments, and other charges required under this Lease.

**4.5 Taxes Payable in Installments.** Should any special tax or assessment be levied on or assessed against the Premises that may be either paid in full before a delinquency date within the term of this Lease or paid in installments over a period either within or extending beyond this Lease, Tenant shall have the option of paying the special tax or assessment in installments. The fact that the exercise of the option to pay the tax or assessment in installments will cause the Premises to be encumbered with bonds or will cause interest to accrue on the tax or assessment is immaterial and shall not interfere with the free exercise of the option by Tenant. Should Tenant exercise the option to pay any such tax or assessment in installments, Tenant shall be liable to pay only those installments becoming due during the term of this Lease. Landlord shall cooperate with Tenant and on written request of Tenant execute or join with Tenant in executing any instruments required to permit any such special tax or assessment to be paid in installments.

**4.6 Contest of Tax.** Tenant shall have the right to contest, oppose, or object to the amount or validity of any tax, assessment, or other charge levied on or assessed against the Premises or any part of the Premises; provided, however, that the contest, opposition, or objection must be filed before the tax, assessment, or other charge at which it is directed becomes delinquent and that written notice of the contest, opposition, or objection must be given to Landlord at least ten (10) days before the date the tax, assessment, or other charge becomes delinquent. Landlord shall not be required to join in any such contest, opposition, or objection. Tenant shall be responsible for and shall pay all costs and expenses in any contest or legal proceeding instituted by Tenant. In no event shall Landlord be subjected to any liability for costs or expenses connected to any contest by Tenant, and Tenant agrees to indemnify and hold Landlord harmless from any such costs and expenses. Furthermore, no such contest, opposition, or objection shall be continued or maintained after the date the tax, assessment, or other charge at which it is directed becomes delinquent, unless Tenant has done one of the following:

4.6.1 Paid the tax, assessment, or other charge under protest before it became delinquent;

4.6.2 Obtained and maintained a stay of all proceedings for enforcement and collection of the tax, assessment, or other charge by posting a bond or other security required by law for such a stay; or

4.6.3 Delivered to Landlord a good and sufficient surety bond in an amount specified by Landlord and issued by a bonding corporation licensed to do business in California, conditioned on the payment by Tenant of the tax, assessment, or charge together with any fines, interest, penalties, costs, and expenses that may have accrued or been imposed thereon within thirty (30) days after final determination of Tenant's contest, opposition, or objection to the tax, assessment, or other charge.

**4.7 Tax Returns and Statements.** Tenant shall, as between Landlord and Tenant, have the duty of attending to, preparing, making, and filing any statement, return, report, or other instrument required or permitted by law in connection with the determination, equalization, reduction, or payment of any taxes, assessments, or other charges that are or may be levied on or assessed against the Premises, the Improvements located on the Premises, personal property located on or in the Premises or Improvements, and the leasehold estate created by this Lease.

**4.8 Tax Hold-Harmless Clause.** Tenant shall indemnify and hold Landlord and Landlord's property, including the Premises and any Improvements now or subsequently located on the Premises, free and harmless from any liability, loss, or damage resulting from any taxes, assessments, or other charges required by this Lease to be paid by Tenant and from all interest, penalties, and other sums imposed thereon and from any sales or other proceedings to enforce collection of any such taxes, assessments, or other charges.

**4.9 Utilities.** Tenant shall arrange and pay for all fuel, gas, light, power, water, sewage, garbage disposal, telephone, and other utility charges, and the expenses of installation, maintenance, use, and service in connection with the foregoing, for the Premises during the Term. Landlord shall have absolutely no liability or responsibility for any of the foregoing. Landlord shall ensure separate utility metering for any new tenant leased to at the Premises following February 2, 2010.

## **5. CONSTRUCTION BY TENANT**

**5.1 Requirement of Landlord's Written Approval.** No structure or other improvement of any kind shall be constructed on the Premises, without the prior written approval of Landlord, which may be given or withheld in the Landlord's sole and absolute discretion.

**5.2 Compliance with Law and Standards.** All work on the Premises shall be performed, and all buildings or other improvements on the Premises shall be erected in accordance with all valid laws, ordinances, regulations, and orders of all federal, state, county, or local governmental agencies or entities having jurisdiction over the Premises; provided, however, that any structure or other improvement erected on the Premises shall be deemed to have been constructed in full compliance with all such valid laws, ordinances, regulations, and orders when a valid final Certificate of Occupancy entitling Tenant and subtenants of Tenant to occupy and use the structure or other improvement has been duly issued by proper governmental agencies or entities. All work performed on the Premises under this Lease, or authorized by this

Lease, shall be done in a good workmanlike manner and only with new materials of good quality and high standard.

**5.3 Mechanics' Liens.** At all times during the term of this Lease, Tenant shall keep the Premises and all Improvements now or hereafter located on the Premises free and clear of all liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Premises. Should Tenant fail to pay and discharge or cause the Premises to be released from any such lien or claim of lien within twenty (20) days after service on Tenant of written request from Landlord to do so, Landlord may pay, adjust, compromise, and discharge any such lien or claim of lien on any terms and in any manner that Landlord may deem appropriate. In that event, Tenant shall, on or before the first day of the next calendar month following any such payment by Landlord, reimburse Landlord for the full amount paid by Landlord in paying, adjusting, compromising, and discharging that lien or claim of lien, including any attorneys' fees or other costs expended by Landlord, together with interest at the then maximum legal rate from the date of payment by Landlord to the date of repayment by Tenant. Notwithstanding the foregoing, Tenant shall not be liable for liens or claims of liens resulting from the acts or omissions of Landlord or Landlord's Parties.

**5.4 Protection of Landlord.** NOTICE IS HEREBY GIVEN THAT LANDLORD SHALL NOT BE LIABLE FOR ANY LABOR OR MATERIALS FURNISHED OR TO BE FURNISHED TO TENANT UPON CREDIT, AND THAT NO MECHANIC'S OR OTHER LIEN FOR ANY SUCH LABOR OR MATERIALS SHALL ATTACH TO OR AFFECT THE FEE ESTATE. NOTHING IN THIS LEASE SHALL BE DEEMED OR CONSTRUED IN ANY WAY TO CONSTITUTE LANDLORD'S CONSENT OR REQUEST, EXPRESS OR IMPLIED, BY INFERENCE OR OTHERWISE, TO ANY CONTRACTOR, SUBCONTRACTOR, LABORER, EQUIPMENT OR MATERIAL SUPPLIER FOR THE PERFORMANCE OF ANY LABOR OR THE FURNISHING OF ANY MATERIALS OR EQUIPMENT FOR ANY CONSTRUCTION REGARDING THE PREMISES OR ANY IMPROVEMENTS ON THE PREMISES, NOR AS GIVING TENANT ANY RIGHT, POWER OR AUTHORITY TO CONTRACT FOR, OR PERMIT THE RENDERING OF, ANY SERVICES, OR THE FURNISHING OF ANY MATERIALS THAT WOULD GIVE RISE TO THE FILING OF ANY LIENS AGAINST THE FEE ESTATE. TENANT SHALL INDEMNIFY LANDLORD AGAINST ANY ACTIVITIES UNDERTAKEN BY TENANT OR ANYONE CLAIMING THROUGH TENANT, AND AGAINST ALL LIENS.

**5.5 Ownership of Improvements.** Title to all Improvements shall be owned by Landlord at all times during the Term of this Lease.

**5.6 Access and Inspection.** Notwithstanding anything to the contrary in this Lease, Landlord and its agents, representatives, and designees may enter the Premises upon reasonable notice during regular business hours, to: (a) ascertain whether Tenant is complying with this Lease; (b) cure Tenant's defaults; (c) inspect the Premises and any Improvements; (d) perform such tests, borings, and other analyses as Landlord determines may be necessary or appropriate relating to the Premises or any Improvements; or (e) show the Premises to a prospective purchasers or lenders. In entering the Premises, Landlord and its designees shall not unreasonably interfere with operations on the Premises and shall comply with Tenant's reasonable instructions. Landlord shall Indemnify Tenant against any claims arising from

Landlord's entry upon the Premises (except upon termination of this Lease in an event of default).

5.6.1 Landlord shall also have the right to enter the Premises under the provisions of Section 5.6 in order to remove existing fencing on the Premises.

## **6. NO ENCUMBRANCE OF LEASEHOLD ESTATE**

**6.1 No Right of Tenant to Encumber.** Tenant shall not encumber the leasehold estate created by this Lease.

## **7. REPAIRS AND RESTORATION**

**7.1 Maintenance by Tenant.** At all times during the Term of this Lease Tenant shall, at Tenant's own cost and expense, keep and maintain the Premises, all Improvements, all Building Equipment associated with the Premises, and all appurtenances (including landscaped and parking areas) now or hereafter on the Premises in a first-class condition, in good order and repair as exists at the commencement of this Lease, and in a safe and clean condition.

**7.2 Requirements of Governmental Agencies.** At all times during the term of this Lease, Tenant, at Tenant's own cost and expense, shall do all of the following:

7.2.1 Make all alterations, additions, or repairs to the Premises or the Improvements on the Premises required by any valid law, ordinance, statute, order, or regulation now or hereafter made or issued by any federal, state, county, local, or other governmental agency or entity;

7.2.2 Observe and comply with all valid laws, ordinances, statutes, orders, and regulations now or hereafter made or issued respecting the Premises or the Improvements on the Premises by any federal, state, county, local, or other governmental agency or entity;

7.2.3 Contest if Tenant, in Tenant's sole discretion, desires by appropriate legal proceedings brought in good faith and diligently prosecuted in the name of Tenant, the validity or applicability to the Premises of any law, ordinance, statute, order, or regulation now or hereafter made or issued by any federal, state, county, local, or other governmental agency or entity; provided, however, that any such contest or proceeding shall be without cost to Landlord, and Tenant shall protect the Premises and Landlord from Tenant's failure to observe or comply during the contest with the contested law, ordinance, statute, order, or regulation; and

7.2.4 Indemnify and hold Landlord and the property of Landlord, including the Premises, free and harmless from any and all liability, loss, damages, fines, penalties, claims, and actions resulting from Tenant's failure to comply with and perform the requirements of this Section 7.2.

**7.3 Tenant's Duty to Restore Premises.** If at any time during this Lease's term, any Improvements now or hereafter on the Premises are destroyed in whole or in part by fire, theft, the elements, or any other cause not the fault of Landlord, this Lease shall continue in full force and effect; provided, however, that either Landlord or Tenant may elect, in their respective sole

and absolute discretion, to terminate this Lease within fifteen (15) days following the occurrence of any such damage or destruction to the Improvements on the Premises. Tenant's right to terminate this Lease following the occurrence of any damage or destruction to the Improvements on the Premises shall be Tenant's sole and exclusive remedy arising from any such occurrence.

**7.4 Application of Insurance Proceeds.** Any and all fire or other insurance proceeds that become payable at any time during the term of this Lease because of damage to or destruction of any Improvements on the Premises shall be paid to Landlord.

## **8. INDEMNITY AND INSURANCE**

**8.1 Indemnity Agreement.** Tenant shall indemnify and hold Landlord and Landlord's property, including the Premises and Improvements now or hereafter on the Premises, free and harmless from any and all liability, claims, loss, damages, or expenses resulting from Tenant's occupation and use of the Premises, specifically including, without limitation, any liability, claim, loss, damage, or expense arising by reason of the following:

8.1.1 The death or injury of any person, including Tenant or any person who is an employee or agent of Tenant, or by reason of the damage to or destruction of any property, including property owned by Tenant or by any person who is an employee or agent of Tenant, from any cause whatever while that person or property is in or on the Premises or in any way connected with the Premises or with any of the Improvements or personal property on the Premises;

8.1.2 The death or injury of any person, including Tenant or any person who is an employee or agent of Tenant, or by reason of the damage to or destruction of any property, including property owned by Tenant or any person who is an employee or agent of Tenant, caused or allegedly caused by either: (1) the condition of the Premises or some building or improvement on the Premises; or (2) some act or omission on the Premises of Tenant or any person in, on, or about the Premises with the permission and consent of Tenant;

8.1.3 Any work performed on the Premises or materials furnished to the Premises at the instance or request of Tenant or any person or entity acting for or on behalf of Tenant; or

8.1.4 Tenant's failure to perform any provision of this Lease or to comply with any requirements of law or any requirements imposed on Tenant or the Premises by any duly authorized governmental agency or political subdivision.

## **8.2 HAZARDOUS SUBSTANCES:**

8.2.1 **Hazardous Substances.** The term "Hazardous Substances," as used in this Lease, shall mean (a) all chemicals, materials, or substances, whether gaseous, solid or liquid, for which the use, storage, handling, generation, treatment, disposal, notification, discharge, release, transportation, or clean-up of, are subject to any federal, state, or local laws, ordinances, regulations, or policies now in effect or hereafter enacted but excluding normal cleaning and office supplies kept in amounts typically used in office buildings (collectively, "Hazardous Substance Laws"), and (b) all flammables, explosives, radioactive materials,

asbestos and other carcinogens, polychlorinated biphenyls (PCB's), pesticides, chemicals known to cause reproductive toxicity, petroleum and petroleum by-products and derivatives, whether or not such substances are subject to regulation under Hazardous Substance Laws and (c) any chemical, compound, material, mixture, living organism or substance that is now or hereafter becomes defined or listed in, or otherwise classified pursuant to any Hazardous Substance Law as a hazardous substance, hazardous material, hazardous waste, extremely hazardous waste, infectious waste, toxic substance, toxic pollutant or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity or toxicity, and shall include, without limitation, lead based paint or building materials, radon, petroleum, natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas). The Hazardous Substance Laws include, without limitation, the Resource Conservation and Recovery Act (RCRA), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), Standard Amendments and Reauthorization Act (SARA), Emergency Planning and Community Right-To-Know Act (SARA Title III), Federal Clean Water Act, Federal Clean Air Act, Federal Occupational Safety and Health Act (Fed/OSHA), Toxic Substances Control Act (TSCA), Hazardous Substances Act (HSA), California Hazardous Waste Control Law, Hazardous Materials Release Response Plans and Inventory Law, California Underground Storage of Hazardous Substances Law, Aboveground Petroleum Storage Act, California Occupational, Safety, and Health Act (Cal/OSHA), Safe Drinking Water and Toxic Enforcement Act (Proposition 65), Carpenter-Presley-Tanner Hazardous Substance Account Act, the Porter-Cologne Water Quality Act and any rules promulgated by the Southern California Air Quality Management District (SCAQMD) or other governmental agencies controlling or regulating toxic substances in the air.

8.2.2 Tenant shall not cause or permit to occur not allow any of Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees, or sublessees (collectively "Tenant Parties") to cause or permit to occur:

(a) Any violation of any Hazardous Substance Laws now or hereafter enacted related to environmental conditions on, under, or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions; or

(b) The use, generation, release, manufacture, refining, production, processing, handling, treating, storage, or disposal of any Hazardous Substance on, under, or about the Premises, including the Building, or the transportation to or from the Premises of any Hazardous Substance. Tenant acknowledges and agrees that any disposal, release, or discharge of Hazardous Substances in, on, or under the Premises shall be in and of itself an unreasonable use of the Premises beyond the scope of any permissible use of the Premises.

### 8.2.3 Environmental Clean-Up.

(a) Tenant and Tenant's Parties shall, at Tenant's own expense, comply with all Hazardous Substance Laws now effective or hereinafter enacted regulating the use, generation, storage, notification, transportation, release, or disposal of Hazardous Substances.

(b) Tenant and Tenant's Parties shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all Governmental Agencies under the Hazardous Substance Laws.

(c) Tenant shall provide Landlord with written notification of any spill, release or other discharge of Hazardous Substances at, on or near the Premises within twenty four (24) hours of the City Manager's having knowledge of such event.

(d) Should any Governmental Agency or any third party demand that a cleanup plan be prepared and that a cleanup be undertaken because of any disposal, discharge, or release of Hazardous Substances that occurs during the Term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required clean-up plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans and clean-up until completed to the satisfaction of the applicable Governmental Agency; provided, that any such clean-up shall return the Premises to the condition existing before the disposal, discharge, or release of the Hazardous Substances. Without limiting the foregoing, Tenant shall immediately remedy any violation of any of the Hazardous Substance Laws by Tenant or otherwise at or from the Premises during the Term.

(e) Tenant shall provide Landlord, at Tenant's sole cost and expense, copies of all correspondence with any Governmental Agency concerning Hazardous Substances promptly upon sending or receiving such correspondence. For purposes of this Paragraph, "correspondence" shall include any clean-up plans or other submittals made by Tenant to a Governmental Agency or any notice or other communication received from a Governmental Agency.

8.2.4 Tenant's Indemnity. Tenant hereby indemnifies, defends, and holds harmless Landlord, its members, officers, directors, and employees from all fines, suits, procedures, claims, liabilities, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with (i) any breach by Tenant or any of Tenant's Parties' of any prohibition or provision of this Paragraph, (ii) any deposit, spill, discharge, or other release of Hazardous Substances occurring during the Term by Tenant or Tenant's Parties use or occupancy of the Premises, or (iii) from Tenant's or Tenant's Parties' failure to provide all information, make all submissions, and take all steps required by all Governmental Agencies under the Hazardous Substance Laws and all other environmental laws; except that Tenant shall not be liable for claims (i) resulting from a condition existing on the Property prior to Tenant's use or occupancy of the Property, or (ii) as a result of negligence or willful misconduct of Landlord, Landlord's agents or third parties, provided that the term "third parties" for purposes of this section excludes Tenant's Parties.

### **8.3 Waiver and Release.**

8.3.1 Tenant acknowledges that it may be entitled to, and hereby releases, waives and discharges the City of Covina, Landlord, and their affiliated entities and each of their respective officers, officials, employees, agents, volunteers, contractors, insurers, and attorneys from any and all alleged and actual claims, damages, remedies, causes of action, demands, and other liabilities (collectively, "**Liabilities**") for relocation assistance, loss of goodwill interest,

leasehold bonus value, just compensation, unlawful pre-condemnation conduct, inverse condemnation, attorneys fees and all similar or related claims or rights (collectively, the “**Benefits**”) which Tenant now has or may have arising out of or in any way related to acquisition of the Premises by Landlord, Tenant’s leasehold interest in the Premises, Tenant’s displacement from the Premises, and any and all related acts or failures to act by the Landlord or any of the other released parties. The foregoing release and waiver (“**Release**”), applies to all Liabilities, whether retrospective, current, or prospective, known or unknown, foreseeable or unforeseeable. The Release is made by Tenant for itself, its agents, assigns, heirs, successors, and related entities. The Release does not extend to breaches of Landlord’s obligations arising under this Lease.

8.3.2 Except as otherwise provided in this Lease, it is the intention of the Parties that the Release shall be effective as a bar to all claims, causes of action, actions, damages, losses, demands, accounts, reckonings, rights, debts, liabilities, obligations, and attorneys’ fees, of every character and kind, known or unknown, existing or contingent, latent or patent; and in furtherance of such intention, Tenant expressly waives any and all rights conferred upon it by the provisions of California Civil Code Section 1542, which reads 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.”**

8.3.3 Tenant acknowledges that it may hereafter discover facts or law different from or in addition to those which it now believes to be true with respect to the Release. Tenant agrees that the Release shall be and remain effective in all respects notwithstanding such different or additional facts or law or any part’s discovery thereof. Tenant shall not be entitled to any relief in connection therewith, including, but not limited to any damages or any right or claim to set aside or rescind this Lease.

8.3.4 Tenant, on behalf of itself, its administrators, successors and assigns, acknowledges and agrees that the Landlord’s performance and payment of the purchase price under the Purchase Agreement constitutes full and complete satisfaction of Landlord’s obligations, if any, to provide the Benefits to Tenant. The representations, warranties, acknowledgements, waivers and releases contained in this Section 8.3 shall survive the termination of this Lease.

**8.4 Liability Insurance.** Tenant must carry its own liability insurance at Tenant’s sole cost and expense.

**8.5 Property Insurance.** Agency shall procure and maintain during the entire term of this Lease, with Tenant to pay fifty percent (50%) of the total cost, this amount will decrease to nine percent (9%) should an additional tenant occupy the site, a broad form comprehensive coverage policy of property insurance issued by an insurance company licensed by the State of California insuring Tenant and Landlord against loss caused by or connected with Tenant’s occupation and use of the Premises under this Lease in amounts not less than the following:

8.5.1 ONE MILLION DOLLARS (\$1,000,000) for injury to or death of one person and, subject to that limitation for the injury or death of one person, of not less than TWO MILLION DOLLARS (\$2,000,000) for injury to or death of two or more persons as a result of any one accident or incident; and

8.5.2 ONE MILLION DOLLARS (\$1,000,000) for damage to or destruction of any property.

**8.6 Fire and Casualty Insurance.** Agency shall at all times during the term of this Lease, with Tenant to pay fifty percent (50%) of the total cost, this amount will decrease to nine percent (9%) should an additional tenant occupy the site, keep all Improvements on the Premises insured for their full replacement value by insurance companies authorized to do business in the State of California against loss or destruction by fire and the perils commonly covered under the standard extended coverage endorsement to fire insurance policies in the county where the Premises are located.

**8.7 Specific Perils to Be Insured.** Notwithstanding anything to the contrary contained in Section 8.6 of this Lease, the insurance required by Section 8.6 of this Lease shall, whether or not included in the standard extended coverage endorsement referred to in Section 8.6, insure all Improvements on the Premises against loss or destruction by windstorm, cyclone, tornado, hail, explosion, riot, riot attending a strike, civil commotion, malicious mischief, vandalism, aircraft, fire, smoke damage, and sprinkler leakage. All insurance provided hereunder shall include standard waiver of subrogation provisions and shall be primary and non-contributing with any insurance that Landlord may elect (but shall be under no obligation) to obtain.

## **9. NO ASSIGNMENT OR SUBLEASING**

**9.1 No Assignment.** Tenant may not assign this Lease or any interest in this Lease without Landlord's prior written consent, which may be given or withheld in Landlord's sole, absolute and arbitrary discretion.

**9.2 No Sublease.** Tenant shall have no right to sublease all or any portion of the Premises without Landlord's prior written consent, which may be given or withheld in Landlord's sole, absolute and arbitrary discretion.

## **10. DEFAULT AND REMEDIES**

**10.1 Continuation of Lease in Effect.** Should Tenant breach this Lease and abandon the Premises before the natural expiration of the Lease's term, Landlord may continue this Lease in effect by not terminating the Tenant's right to possession of the Premises, in which event Landlord shall be entitled to enforce all Landlord's rights and remedies under this Lease.

**10.2 Termination and Unlawful Detainer.** In the event of a Tenant default under this Lease, Landlord may terminate this Lease by written notice to Tenant and may also do the following:

10.2.1 Bring an action to recover any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease; and

10.2.2 Bring an action, in addition to or in lieu of the action described in Section 10.2.1, to re-enter and regain possession of the Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect.

**10.3 Breach and Default by Tenant.** All covenants and agreements contained in this Lease are declared to be conditions to this Lease and to the term hereby leased to Tenant. Should Tenant fail to perform any covenant, condition, or agreement contained in this Lease and the default is not be cured within fifteen (15) days after written notice of the default is served on Tenant by Landlord, then Tenant shall be in default under this Lease. In addition to Tenant's failure to perform any covenant, condition, or agreement contained in this Lease within the cure period permitted by this Section 10.3, the following shall constitute a default by Tenant under this Lease:

10.3.1 The appointment of a receiver to take possession of the Premises or Improvements, or of Tenant's interest in, to, and under this Lease, the leasehold estate or of Tenant's operations on the Premises for any reason, including, without limitation, assignment for benefit of creditors or voluntary or involuntary bankruptcy proceedings, when not released within sixty (60) days;

10.3.2 An assignment by Tenant for the benefit of creditors; or the voluntary filing by Tenant or the involuntary filing against Tenant of a petition, other court action, or suit under any law for the purpose of: (1) adjudicating Tenant a bankrupt, (2) extending time for payment, (3) satisfaction of Tenant's liabilities, or (4) reorganization, dissolution, or arrangement on account of, or to prevent, bankruptcy or insolvency; provided, however, that in the case of an involuntary proceeding, if all consequent orders, adjudications, custodies, and supervisions are dismissed, vacated, or otherwise permanently stayed or terminated within sixty (60) days after the filing or other initial event, then Tenant shall not be in default under this Section; and

10.3.3 The subjection of any right or interest of Tenant to or under this Lease to attachment, execution, or other levy, or to seizure under legal process when the claim against Tenant is not released within sixty (60) days.

**10.4 Taking Possession.** Landlord may re-enter and take possession of the Premises with process of law, whether by summary proceedings or otherwise, and remove Tenant, with or without having terminated this Lease, and without thereby being liable for damages or guilty of trespass. This is intended to constitute an express right of re-entry by Landlord. Except as expressly provided in this Lease or prohibited by law, Tenant, for and on behalf of itself and all persons claiming by, through or under Tenant, expressly waives any right to service of notice of intention to re-enter provided in any law and any and all right of redemption provided by any law, or re-entry or repossession or to restore the operation of this Lease if Tenant is dispossessed by a judgment or by warrant of any court or judge or in case of re-entry or repossession by Landlord or any expiration or termination of this Lease. No re-entry by Landlord, whether had or taken under summary proceedings or otherwise, shall absolve or discharge Tenant from

liability under this Lease. The terms “enter,” “re-enter,” “entry,” and “re-entry,” as used in this Lease, are not restricted to their technical legal meanings.

**10.5 Suits Before Expiration Date.** Landlord may sue for damages from time to time at Landlord’s election.

**10.6 Receipt of Moneys.** No receipt of money by Landlord from Tenant after termination of this Lease, or after the giving of any notice of termination of this Lease, shall reinstate, continue, or extend this Lease or affect any notice theretofore given to Tenant, Landlord’s right to recover possession by proper remedy, except as this Lease expressly states otherwise, it being agreed that after service of notice to terminate this Lease or the commencement of suit or summary proceedings, or after final order or judgment for possession, Landlord may demand, receive, and collect any moneys due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of use and occupation or, at Landlord’s election, on account of Tenant’s liability.

**10.7 No Waiver.** No failure by Landlord to insist upon strict performance of any covenant, agreement, term, or condition of this Lease or to exercise any right or remedy upon a Default, shall waive any such Default or such covenant, agreement, term, or condition. No covenant, agreement, term, or condition of this Lease to be performed or complied with by Tenant, and no Default, shall be modified except by a written instrument executed by Landlord. No waiver of any Default shall modify this Lease. Each and every covenant, agreement, term, and condition of this Lease shall continue in full force and effect with respect to any other then-existing or subsequent Default of such covenant, agreement, term or condition of this Lease.

**10.8 Waiver of Breach.** The waiver by Landlord of any breach by Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant of either the same or a different provision of this Lease.

**10.9 Security Devices.** Landlord may change the locks and other security devices providing admittance to the Premises.

**10.10 Cumulative Remedies.** The remedies given to Landlord in this Lease shall not be exclusive but shall be cumulative with and in addition to all remedies now or hereafter allowed by law and elsewhere provided in this Lease.

**10.11 Surrender of Premises.** Unless expressly provided for otherwise in this Lease, on expiration of the Term or earlier termination of this Lease, Tenant shall surrender the Premises and all Improvements on the premises, as follows: (a) all Improvements, and Building Equipment shall become Landlord’s property; (b) Tenant shall deliver to Landlord possession of the Premises, in the condition this Lease requires, subject to any loss that this Lease does not require Tenant to restore; (c) Tenant shall surrender any right, title, or interest in and to the Premises and deliver such evidence and confirmation thereof as Landlord reasonably requires; (d) Tenant shall deliver the Premises free and clear of all subleases and liens, with the exception of any liens that Landlord or any of its agents caused; (e) Tenant shall assign to Landlord, without recourse, and give Landlord copies or originals of, all assignable licenses, permits,

contracts, warranties, and guarantees then in effect for the Premises; and (f) the parties shall cooperate to achieve an orderly transition of operations from Tenant to Landlord without interruption, including delivery of such books and records. Notwithstanding anything to the contrary in this paragraph, Tenant may remove its trade fixtures located on the Improvements and on the Premises from the Premises, but Tenant must complete such removal, if at all, before the expiration or earlier termination of this Lease. Tenant shall repair any material damage from any such removal. Tenant's trade fixtures and Building Equipment not removed before the expiration or earlier termination of this Lease shall be deemed abandoned.

## 11. GENERAL PROVISIONS

**11.1 Force Majeure.** Except as otherwise expressly provided in this Lease, if the performance of any act required by this Lease to be performed by either Landlord or Tenant is prevented or delayed by reason of any act of God, strike, lockout, labor trouble, inability to secure materials, restrictive governmental laws or regulations, or any other cause (except financial inability) not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused. However, nothing contained in this Section 11.1 shall excuse the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act.

**11.2 Estoppel Certificates.** Each party to this Lease (a "**Requesting Party**") may require the other party (a "**Certifying Party**") to execute, acknowledge, and deliver to the Requesting Party (or directly to a designated third party) up to four original counterparts of an Estoppel Certificate. The Certifying Party shall sign, acknowledge, and return such Estoppel Certificate within thirty (30) days after request, even if the Requesting Party is in Default. Any Estoppel Certificate shall bind the Certifying Party. "**Estoppel Certificate**" means a certification of, at least, each of the following:

11.2.1 This Lease is unmodified and in full force and effect, or, if there have been modifications, that this Lease is in full force and effect, as modified, in the manner specified in the statement; and

11.2.2 There are no uncured defaults or failures to perform any covenant or provision of this Lease on the part of the Requesting Party or specifying any such defaults or failures which are claimed to exist.

**11.3 Attorneys' Fees.** Should any litigation be commenced between the parties to this Lease concerning the Premises, this Lease, or the rights and duties of either in relation thereto, the party prevailing in that litigation shall be entitled, in addition to any other relief that may be granted in the litigation, to a reasonable sum as and for that party's attorneys' fees in that litigation that shall be determined by the court in that litigation or in a separate action brought for that purpose. In the case of Landlord, reasonable attorneys' fees shall include the salaries and benefits of the attorneys employed by Counsel for the Corona Redevelopment Agency.

**11.4 Notices to Landlord.** Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or

given to Landlord by Tenant shall be in writing and shall be deemed duly served and given when personally delivered to Landlord or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, and sent by express mail that allows for tracking, addressed to Covina Redevelopment Agency at 125 E. College Street, Covina, California 91723, Attention: Executive Director, with a copy to Best Best & Krieger LLP, 5 Park Plaza Suite 1500, Irvine, California 92614, Attention: Agency Counsel. Landlord may change Landlord's address for the purpose of this section by giving written notice of that change to Tenant in the manner provided in Section 11.5.

**11.5 Notices to Tenant.** Any and all notices or other communications required or permitted by this Lease or by law to be served on or given to Tenant by Landlord shall be in writing and shall be deemed duly served and given when personally delivered to Tenant, any managing employee of Tenant, or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, and sent by express mail that allows for tracking, addressed to Enterprise Rent-A-Car Company of Los Angeles at 17210 South Main Street, Gardena, California, 90248, Attention: Real Estate Department. Tenant may change its address for the purpose of this section by giving written notice of that change to Landlord in the manner provided in Section 11.4 of this Lease. Notice given by Landlord to Tenant in accordance with this Section 11.4 shall satisfy the requirements of Code of Civil Procedure Section 1160, et seq., and shall be instead of any notice required by such laws, not in addition to any notice required by such laws.

**11.6 Holding Over.** If for any reason or no reason Tenant remains in the Premises after the expiration or earlier termination of this Lease, then Landlord will suffer injury that is substantial, difficult, or impossible to measure accurately. Therefore, if Tenant remains in the Premises after the expiration or earlier termination of this Lease, for any reason or no reason, then in addition to any other rights or remedies of Landlord, Tenant shall pay to Landlord, as liquidated damages and not as a penalty, for each month (prorated daily for partial months) during which Tenant holds over after the expiration or earlier termination of this Lease, a sum equal to: One Thousand Dollars (\$1,000) (for the first month or partial month of holding over), Two Thousand Dollars (\$2,000) (for the second month or partial month of holding over), and Five Thousand Dollars (\$5,000) (for each subsequent month or partial month of holding over).

**11.7 Waivers.** TENANT WAIVES ANY RIGHT OF REDEMPTION PROVIDED FOR BY LAW. TENANT WAIVES ANY RIGHT TO INTERPOSE ANY COUNTERCLAIM IN ANY ACTION BY LANDLORD TO ENFORCE THIS LEASE OR LANDLORD'S RIGHTS AND REMEDIES UNDER THIS LEASE.

**11.8 Governing Law.** This lease, and all matters relating to this Lease, shall be governed by the laws of the State of California, without application of conflicts of laws provisions or principles.

**11.9 Binding on Heirs and Successors.** This lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto, but nothing in this Section 11.9 shall be construed as a consent by Landlord to any assignment of this Lease or any interest in the lease by Tenant.

**11.10 Sole and Only Agreement.** This Lease constitutes the sole and only agreement between Landlord and Tenant respecting the Premises, the leasing of the Premises to Tenant, and the lease terms set forth in this Lease, and correctly sets forth the obligations of Landlord and Tenant to each other as of its date. Any agreements or representations respecting the Premises, their leasing to Tenant by Landlord, or any other matter discussed in this Lease not expressly set forth in this instrument are null and void.

**11.11 No Partnership or Joint Venture.** Nothing in this Lease shall be construed to render Landlord in any way or for any purpose a partner, joint venturer, or associate in any relationship with Tenant other than that of Landlord and Tenant, nor shall this Lease be construed to authorize either to act as agent for the other.

**11.12 Time of Essence.** Time is expressly declared to be of the essence of this Lease.

**11.13 No Recording.** Neither Landlord nor Tenant shall record this Lease without the written consent of the other.

**11.14 Principles of Interpretation.** No inference in favor of or against any party shall be drawn from the fact that such party has drafted any part of this Lease. The parties have both participated substantially in its negotiation, drafting, and revision, with advice from counsel and other advisers. A term defined in the singular may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which also govern all other language in this Lease. The words “**include**” and “**including**” shall be construed to be followed by the words: “without limitation.” Each of these terms shall be interpreted as if followed by the words “(or any part of it)” except where the context clearly requires otherwise: Fee Estate; Improvements; Land; Leasehold Estate; Premises; and any other similar collective noun. Every reference to any document, including this Lease, refers to such document as modified from time to time (except, at Landlord’s option, any modification that violates this Lease), and includes all exhibits, schedules, and riders to such document. The word “**or**” includes the word “**and**.”

**[Signatures on following pages]**

**SIGNATURE PAGE  
TO  
COMMERCIAL LEASE AGREEMENT**

IN WITNESS WHEREOF, Tenant and Landlord have executed this Lease as of the day and year first above written.

**LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED IN THIS LEASE, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT TO SUCH TERMS. THE PARTIES AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE PREMISES.**

**LANDLORD:**

COVINA REDEVELOPMENT AGENCY  
a public body, corporate and politic

By: \_\_\_\_\_  
Daryl Parrish, Executive Director

**ATTEST**

By: \_\_\_\_\_  
Agency Secretary

**APPROVED AS TO LEGAL FORM:**

**BEST BEST & KRIEGER LLP**

By : \_\_\_\_\_  
Agency Counsel

**SIGNATURE PAGE  
TO  
COMMERCIAL LEASE AGREEMENT**

**TENANT:**  
ENTERPRISE RENT-A-CAR COMPANY OF LOS ANGELES, LLC,  
a Delaware Limited Liability Company

By: \_\_\_\_\_  
Name/Title

**EXHIBIT A  
PREMISES LEGAL DESCRIPTION**

THAT PORTION OF LOT 1, BLOCK 22 OF PHILLIPS TRACT, IN THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGES 3 AND 4 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHERLY LINE OF SAID LOT, DISTANT THEREON SOUTH 89 DEGREES 15 MINUTES 40 SECONDS EAST 335.35 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 1; THENCE NORTH 661.05 FEET, MORE OR LESS, TO A POINT IN THE CENTER LINE OF ROWLAND AVENUE, 99.00 FEET WIDE, AS SAID AVENUE IS SHOWN ON SAID MAP; THENCE ALONG SAID CENTER LINE, SOUTH 89 DEGREES 15 MINUTES 40 SECONDS EAST 98.92 FEET, MORE OR LESS, TO A POINT IN SAID CENTER LINE OF ROWLAND AVENUE, DISTANT THEREON NORTH 89 DEGREES 15 MINUTES 40 SECONDS WEST 233 FEET FROM THE INTERSECTION THEREON WITH THE CENTER LINE OF CITRUS STREET, 66.00 FEET WIDE, AS SAID STREET IS SHOWN ON SAID MAP; THENCE SOUTH PARALLEL WITH SAID CENTER LINE OF CITRUS STREET 249.50 FEET; THENCE PARALLEL WITH THE NORTHERLY LINE OF SAID LOT, SOUTH 89 DEGREES 15 MINUTES 40 SECONDS EAST 233 FEET TO THE CENTER LINE OF SAID CITRUS STREET; THENCE SOUTH ALONG SAID CENTER LINE TO THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF SAID LOT; THENCE ALONG THE SOUTHERLY LINE OF SAID LOT AND PROLONGATION THEREOF, NORTH 89 DEGREES 15 MINUTES 40 SECONDS WEST 331.92 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THE SOUTHERLY 115.00 FEET, MEASURED ALONG THE EASTERLY LINE THEREOF.

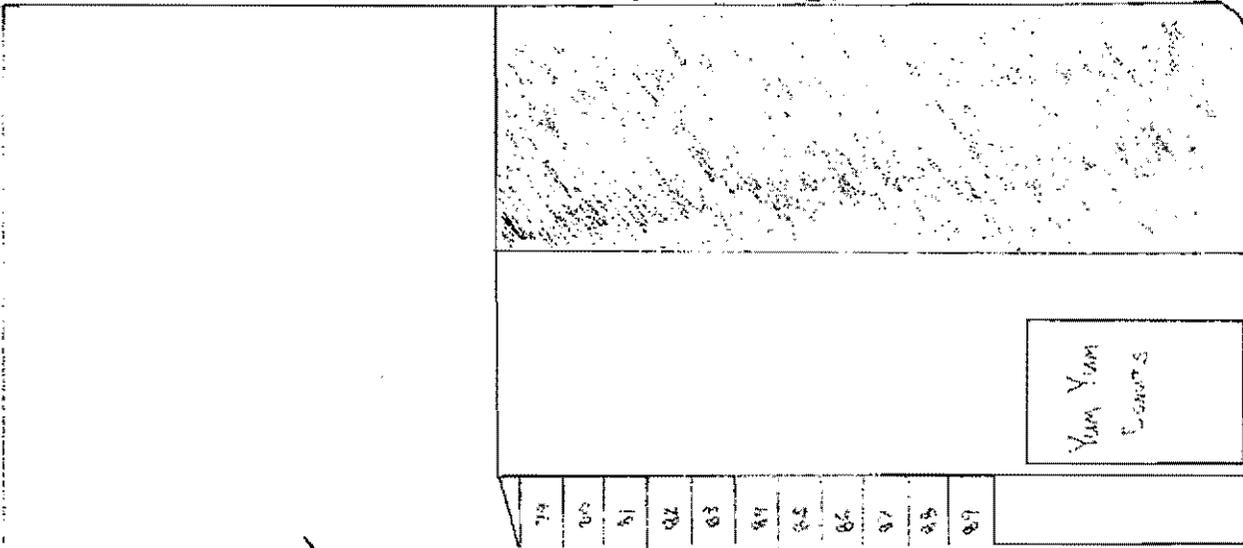
ALSO EXCEPT THEREFROM THE INTEREST IN THAT CERTAIN STRIP OF LAND 17.00 FEET WIDE CONVEYED TO THE CITY OF COVINA BY DEED RECORDED JUNE 12, 1958 AS INSTRUMENT NO. 3887 IN BOOK D-125 PAGE 938 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Also known as 635 S. Citrus Avenue, Covina, CA  
8453-001-906

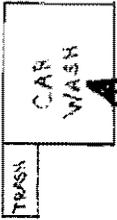
See the attached site plan for location of leased premises.

# SITE PLAN

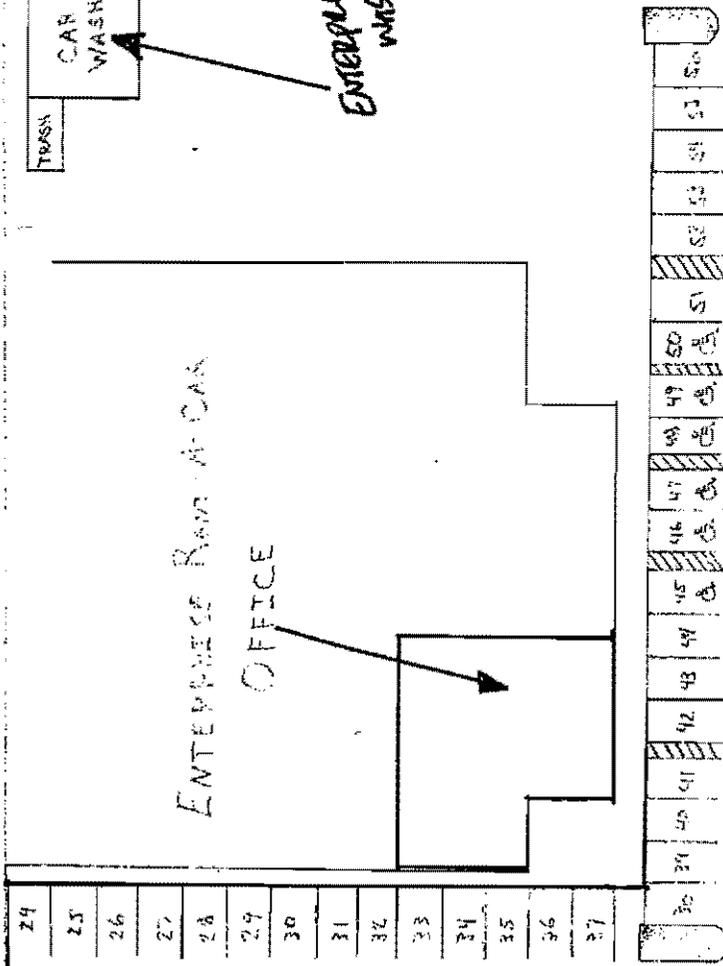
ROWLAND ST.



ENTERPRISE CAR WASH AREA



ENTERPRISE RENT-A-CAR OFFICE



ENTERPRISE PARKING AREA

S. CITRUS AVE.

EXHIBIT A

## CITY OF COVINA AGENDA ITEM COMMENTARY

**MEETING DATE:** December 21, 2010

**ITEM NO.:** NB 1

**STAFF SOURCE:** Robert Neiuber, Director of Community Development *ren*  
Steve Henley, Director of Public Works

**ITEM TITLE:** Update on employee parking issues related to the Aurora Hospital Construction Project.

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### **STAFF RECOMMENDATION**

Receive and file the update on employee parking issues related to the Aurora Hospital Construction Project and provide direction to staff on follow-up

### **FISCAL IMPACT**

None.

### **BACKGROUND**

With the start of construction of a new building at the Aurora Hospital complex located at 1161 East Covina Boulevard, the City began to receive complaints about Aurora employees parking on the public streets. This issue was also raised at the December 7, 2010 Council Meeting. Council directed staff to bring back an informational item for discussion at the next meeting.

Staff spoke with Staci Skelly a representative of Aurora. She indicated to staff that they have secured 54 spots at the Technology Center at Grand and Arrow Highway and that they are running a shuttle every fifteen minutes between the two sites. She indicated that they are also providing their employees with access to their company vans to get back to their cars for emergencies. They are also offering daily raffle incentives for those who use the other site or carpool in order to encourage the use of the site that they secured. Employees who park on the street will not be considered in the raffle, even if they are carpooling. At the end of the construction of the parking lot, all employees that used either the carpool spots or parked off site for at least 90% of the time will be entered into a drawing for \$250.

Ms. Skelly indicated that they are working to encourage their employees to use the off site parking and welcome any input from the City on how to address this issue. Staff asked if she could direct her employees not to park in the legal curb parking in the adjacent neighborhoods. She indicated that she would work with her employer to help limit their employees from parking in the adjacent neighborhoods.

Complaints were received regarding parking in the legal curb parking in adjacent neighborhoods and in the legal curb parking on Covina Boulevard. The vehicles parked on Covina Boulevard or on adjacent streets appear to be parked legally. Staff would not recommend limiting parking on

Covina Boulevard as that would most likely increase the number of employees parking in the adjacent neighborhoods. Staff has been observing the area and it appears that for the most part the employees are not parking in the residential areas.

Public Works' staff reviewed the parking pattern on Covina Boulevard and installed 45 feet of red curb to the east of Cummins and an additional 15 feet of red curb to the existing red curb to the east of Calmgrove to provide increased visibility for vehicles exiting to the north on these streets. This will not significantly reduce the amount of legal curb parking available on Covina Boulevard in the general area. A summary of the City's parking enforcement options prepared by the City Attorney is attached to this report.

Public Works, Police and Community Development staffs are available to answer Council's questions on this matter. Aurora Hospital was also asked to attend the meeting.

**RELEVANCE TO THE STRATEGIC PLAN**

Responding to citizen's inquiries and complaints is an important part of providing excellent customer service.

**EXHIBITS**

A. Memorandum Discussion Parking Enforcement Options

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

December 13, 2010

**Memorandum**

**To:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL  
**FROM:** CITY ATTORNEY  
**RE:** PARKING ENFORCEMENT OPTIONS

**BACKGROUND & QUESTION PRESENTED**

During the public comment portion of the December 7, 2010 City Council meeting, a resident expressed concerns about the parking conditions in her neighborhood created by the on-going construction at Aurora Hospital (the "Hospital"). Staff was directed to agendize the issue for discussion and the City Attorney was directed to provide information concerning the City's parking enforcement options. The purpose of this memorandum is to provide a brief overview of the City's parking enforcement options for regulating temporary parking conditions.

**ANALYSIS**

**California Vehicle Code**

The California Vehicle Code governs traffic regulation and controls, including the regulation of parking on streets and highways. The Vehicle Code contains several statutes authorizing municipal regulation of parked vehicles. Specifically, Vehicle Code section 22507 provides:

Local authorities may, by ordinance or resolution, prohibit the stopping, parking, or standing of vehicles...on certain streets or highways, or portions thereof, during all or certain hours of the day.

Section 22507 has been interpreted to provide local entities with a broad, general grant of power to regulate the parking of vehicles. (*People v. Garth* (1991) 234 Cal.App.3d 1797, 1800-01.) Thus, the City may adopt an ordinance or resolution temporarily or permanently restricting the parking of vehicles on certain streets, or portions of the street, as long as the law is rationally related to a legitimate government purpose, such as promoting traffic safety.

**Covina Municipal Code**

Pursuant to Vehicle Code section 22507, the City adopted Covina Municipal Code ("CMC") sections 10.32.050 and 10.32.160, which authorize the chief of police and the traffic engineer to erect temporary no parking and/or tow-away signs on certain streets (or portions thereof).

CMC section 10.32.050 provides:

The chief of police is authorized to erect or cause to be placed temporary no parking signs, or temporary no parking and tow-away signs, on streets, or portions thereof, when he determines that emergency traffic congestion is likely to result from the holding of public or private assemblages, gatherings or functions; *or from street repairs or construction;* or from the movements of equipment, articles or structures of unusual size; or from the use of such street for authorized purposes other than the normal flow of traffic.

(Emphasis added.) Here, the emergency traffic conditions are attributable to private construction at the Hospital. However, section 10.32.050 does not expressly limit "construction" to public "street construction," and could reasonably be interpreted to include emergency traffic conditions resulting from private construction. Section 10.32.050 contemplates emergency traffic conditions may occur due to functions of the public *or* private sector. (See CMC § 10.32.050, "emergency traffic congestion is likely to result from holding of *public or private* assemblages...." Emphasis added.)

Moreover, CMC section 10.32.160 provides that when the traffic engineer determines that emergency traffic congestion is likely to result, the traffic engineer has the power and authority to order temporary signs to be erected indicating that the operation, parking or standing of vehicles is prohibited on such streets and alleys. Thus, as long as the chief of police or traffic engineer make a determination that a temporary parking prohibition is necessary to address likely emergency traffic congestion, the City may restrict parking on that street or portion thereof.

**CONCLUSION**

Pursuant to the California Vehicle Code and Covina Municipal Code, the City has broad authority to regulate and restrict the parking of vehicles on streets within its jurisdiction. When making a decision to erect temporary no parking signs, the City

**BEST BEST &  
KRIEGER  
ATTORNEYS AT LAW**

should offer findings supporting why such a restriction is necessary to address likely emergency traffic congestion.

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** NB2

**STAFF SOURCE:** Robert Neuber, Director of Community Development  
Marco Martinez, City Attorney

**ITEM TITLE:** Resolution Adopting a Provisional Policy Regarding Reasonable Accommodation in Zoning Practices Pursuant to Fair Housing Laws

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**STAFF RECOMMENDATION:**

1.) That the City Council approve the attached Resolution No. 10-6919 adopting a policy regarding reasonable accommodation in zoning practices pursuant to Federal and State Fair Housing Laws.

2.) Direct staff to study permanent revisions to the City's zoning regulations to address reasonable accommodation in zoning practices pursuant to Federal and State Fair Housing Laws and other laws requiring the City to grant reasonable accommodation.

**FISCAL IMPACT:**

None.

**BACKGROUND/ANALYSIS:**

The Covina Zoning Code regulates uses of land within the City by classifying them as either permitted, conditionally permitted (requiring a conditional use permit) or prohibited. The Zoning Code also establishes various land development standards within the City, such as lot size, setbacks, building height and parking.

From time to time, the City receives requests from property owners and developers to deviate from the City's zoning requirements or development standards to accommodate persons with disabilities. Sometimes the requests are from owners that operate single-family residences intended to provide housing to persons with disabilities. Under Federal and State law, "disabilities" can include physical, developmental, and psychological disabilities. Federal and State law are based upon the premise that disabled residents benefit from living in single-family residential neighborhoods by reintegrating into mainstream living to the greatest extent possible. However, in some cases the owner/developer is unable to comply with all provisions of the Covina Zoning Code and, therefore, would not be permitted to operate (ie: too many unrelated residents, not enough parking, etc.)

Other requests may involve owners seeking relief from the City's development standards. For example, some cities have allowed setback encroachments into front, side and rear yards to accommodate handicapped ramps and structures facilitating wheelchair access. In both cases,

the Federal Fair Housing Act and California Fair Housing and Employment Act require the City to offer a reasonable accommodation to persons with disabilities to the extent necessary to ensure that they have an equal opportunity to use and enjoy a dwelling.

Such reasonable accommodation typically involves granting certain exceptions from the Covina Zoning Code to the extent necessary to allow the home to reasonably operate. However, the City is not required to grant all requested accommodations. First, the applicant must demonstrate that the accommodation is necessary to provide equal housing opportunities to the disabled. Secondly, the accommodation must not impose an undue financial or administrative burden on the City or fundamentally alter the City's Zoning Code and procedures - the law would consider this to be an "unreasonable" accommodation.

Each case for reasonable accommodation typically involves two questions: First, is the applicant disabled or serving the disabled such that a reasonable accommodation is required? Secondly, if a reasonable accommodation is required, how much accommodation is to be granted? Each case must be evaluated on its own facts to determine the appropriate course of action.

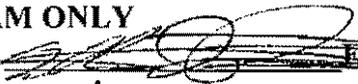
The attached Resolution is intended to provide a provisional policy to address requests for reasonable accommodation in housing. The Resolution vests the Director of Community Development with the authority to review the facts of each request and, if certain findings can be made, to administratively issue a reasonable accommodation "permit" to an applicant allowing certain exceptions from the Zoning Code. Although a "permit" is not, technically, a variance under the Zoning Code, it is processed very similarly. The Director's decision will be subject to appeal to the City Council.

As a part of the "permitting" process, the Director is empowered to attach conditions of approval to ensure, among other things, that the applicant still qualifies either as disabled or as serving the disabled and that he or she remains in compliance with the Covina Zoning Code, as adjusted to make reasonable accommodations. If an applicant is found to no longer qualify for a reasonable accommodation (ie: change of ownership or of residents) or is not otherwise in compliance with the conditions of approval, the Director may revoke the reasonable accommodation "permit".

This policy is intended to regulate reasonable accommodation in housing until a permanent policy can be adopted by ordinance. Staff intends to bring a permanent ordinance for the Council's consideration in 2011.

## EXHIBITS

A. Resolution No. 10-6919

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: 	Other: _____

**RESOLUTION NO. 10- 6919**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF COVINA, CALIFORNIA ADOPTING A POLICY  
REGARDING REASONABLE ACCOMMODATION IN ITS  
ZONING PRACTICES PURSUANT TO FAIR HOUSING  
LAWS**

WHEREAS, the Covina Zoning Code (Covina Municipal Code, Title 17) regulates uses of land within the City of Covina by classifying them as either permitted, conditionally permitted or prohibited; and

WHEREAS, the Covina Zoning Code also establishes various land development standards within the City of Covina, such as lot size, setbacks, building height and parking; and

WHEREAS, Federal and State fair housing laws require the City to assure that no person is discriminated against because of race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income, or ancestry by being denied an equal opportunity to use and enjoy a dwelling; and

WHEREAS, in order to comply with Federal and State fair housing laws, the City must offer a reasonable accommodation to persons with disabilities (involving exceptions from the Covina Zoning Code) to the extent necessary to ensure that persons with disabilities have an equal opportunity to use and enjoy a dwelling; and

WHEREAS, this Resolution is intended to provide an administrative procedure for evaluating requests for reasonable accommodation related to specific applications of the Zoning Code in order to assure compliance with Federal and State Law.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION I. Definitions: The following words and phrases, whenever used in this Resolution, shall have the following meanings, unless from the context an alternative meaning is clearly intended.

- A. "Applicant" means the person, business, or organization that has applied to the City of Covina for a permit for a project on the subject property and that is making a request for an exception from the Covina Zoning Code.
- B. "Director" means the Director of Community Development of the City of Covina.
- C. "Disability" means physical or mental impairment that substantially limits one or more of a person's major life activities or a record of having such an impairment, but such term does not include current, illegal use of or an addiction to a controlled substance.
- D. "Dwelling Occupant(s)" means the person(s) who will occupy the subject property and who is/are protected under the Fair Housing Laws.
- E. "Fair Housing Laws" means Section 42 United States Code Section 3604(f)(3)(B) and California Government Code Sections 12827c(1) and 12955(1) as those provisions now exist and as they shall be amended from time to time.

SECTION 2. Procedure:

A. Application

Application shall be made and processed in the same manner listed for Variances in Covina Municipal Code, Chapter 17.78. In addition, the applicant shall provide:

1. A description of how the property will be used by the Dwelling Occupant(s);
2. A current (generated within the last 60 days) floorplan of the entire dwelling/housing serving the property;
3. A current (generated within the last 60 days) site plan illustrating the entire property, including but not limited to the dwelling/housing, parking areas, yards, and accessory structures;
4. The basis for the claim that the Dwelling Occupant(s) is/are considered protected by the Fair Housing Laws (applicant should submit a letter from a medical doctor, social or case worker, handicapped license, or other similar supportive evidence);
5. The reason the accommodation is necessary to make the specific housing available to the Dwelling Occupant(s); and
6. A filing fee, in the amount established by City Council resolution, shall be paid at the time of filing an application under this Resolution.

B. Notice

1. Public notice of the consideration of an exception pursuant to this Resolution shall be provided by the Director by mailing such notice to (a) the property owners adjacent to the boundaries of the property under consideration and (b) the property owners directly across each street from the property under consideration. For mailing purposes, the last known name and address of such owners as are shown on the latest available equalized assessment roll of the County Assessor shall be used.
2. The public notice shall:
  - a. be sent no later than ten (10) days after acceptance of a complete and accurate application;
  - b. identify the property under consideration and indicate the nature of the proposed exception applied for;
  - c. invite interested persons to notify in writing the Planning Division of any concerns, comments or to make a request to be further notified of actions relating to the proposed exception during a ten-day comment and review period commencing with the date of the notice;

- d. specify that only those specifically requesting to be further notified of actions relating to the application will be so notified of decisions or appeals; and
- e. specify that at the end of the ten (10) day comment and review period, the Director's final report and decision will be issued, initiating a ten-day appeal period.

C. Notice of Decision

Within forty-five (45) days after acceptance of a complete application by the Planning Division for administrative review by the Director, the Planning Division shall provide the applicant with written notification of the decision regarding the request, including any reasonable conditions.

D. Term of Exception/Renewal

Any decision granting an exception pursuant to this Resolution shall be effective for one (1) year from the date of the Director's decision, or from the City Council's decision if appealed and the exception granted. After one (1) year, an exception shall expire unless renewed. An Applicant may apply for annual renewals of an exception by following the procedure set forth in subsection (A).

E. Revocation

The Director may, upon giving notice as provided in Section (B) herein, revoke an exception granted pursuant to this Resolution for either (i) noncompliance with the conditions set forth in granting the exception, or (ii) a finding that the applicant is no longer entitled to the exception under the Fair Housing Laws. Notification of the Director's action shall be mailed to the applicant and shall include the reasons for revoking the exception.

F. Appeals

Appeals of the Director's decision may be pursued as set forth in Covina Municipal Code, Section 17.78.110.

SECTION 3. Approval/Denial: The request for reasonable accommodation will be considered by the Director who may deny, approve, or conditionally approve the request.

SECTION 4. Additional Findings Required: In addition to findings/grant conditions for a variance pursuant to Covina Municipal Code, Chapter 17.78, the following additional findings shall be made in order to approve an application under this Resolution:

- A. The Dwelling Occupant(s) who will use the subject property are protected under the Fair Housing Laws;
- B. The requested exception to the Zoning Code is necessary to make specific housing available to Dwelling Occupant(s);
- C. The requested exception will not impose an undue financial or administrative burden on the City of Covina; and

- D. The requested exception will be in compliance with all applicable Building, Electrical, Mechanical, Fire and Safety Codes and will not require a fundamental alteration of the City of Covina's Zoning Code and procedures.

SECTION 5. Effective Date: This resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 21st day of December, 2010.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM;

\_\_\_\_\_  
City Attorney

**CERTIFICATION**

I, Catherine LaCroix, Deputy City Clerk of the City of Covina, hereby CERTIFY that Resolution No. 10-\_\_\_\_\_ was adopted by the Covina City Council at a regular meeting of the City Council held on December 21, 2010, and was approved and passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Catherine LaCroix  
Deputy City Clerk

**CITY OF COVINA**  
**AGENDA ITEM COMMENTARY**

**MEETING DATE:** December 21, 2010

**ITEM NO.:** NB 3

**STAFF SOURCE:** Anthony Arroyo, Human Resources Director  
Catherine LaCroix, Deputy City Clerk

**ITEM TITLE:** Providing for the Appointment to the Offices of this City that were to be elected on Tuesday, March 8, 2011

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**STAFF RECOMMENDATION**

- a) City Council to consider adoption of **Resolution No. 10-6918**, providing for the appointment to the Offices of this City that were to be elected on Tuesday, March 8, 2011.

**FISCAL IMPACT**

The estimated cost for the March 2011 election would be approximately \$60,000, which includes Martin and Chapman consulting fees, Los Angeles County Registrar fees, postage and sample ballots, and the stipend for poll works; this estimated cost does not include overtime for city staff. The cost for the March 2009 election was approximately \$54,000, not including overtime. Staff has been told to add up to 10% for the election due to the increase in registered voters from March 2009 to present.

The election is funded entirely by the city's general fund. Given the economic issues Covina faced during the prior fiscal year and the continuing economic issues affecting municipal agencies, the savings of not having an election are quite significant.

**BACKGROUND**

Pursuant to Elections Code §10229, as of the close of the nomination period on Monday, December 13, 2010, only two incumbents filed as candidates for the two "at large" City Council positions for the election scheduled on March 8, 2011. Elections Code §10229 allows for one of the following courses of action to be taken by the City Council:

1. Appoint to the office the person who has been nominated.
2. Appoint to the office any eligible voter if no one has been nominated.
3. Hold the election if either no one or only one person has been nominated.

If the proposed Resolution is adopted and appointment made, a certified copy of said Resolution will be forwarded to the Los Angeles County Registrar-Recorder Office as notice of cancellation of the March 8, 2011 election. The two appointees would be sworn in on March 15, 2011 for another four-year term.

Publication of a notice of the facts was made pursuant to §6061 of the Government Code on December 15, 2010 and on December 16, 2010.

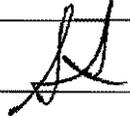
Adopting of said Resolution will appoint the two nominees, Walt Allen III and Peggy Delach, to the Covina City Council for a term ending March 2015. It will also cancel the March 8, 2011 General Municipal Election.

**RELEVANCE TO THE STRATEGIC PLAN**

Not applicable.

**EXHIBITS**

- A. Certification – Not more Candidates than Offices to be elected.
- B. Proposed Resolution No. 10-6918

<b>REVIEW TEAM ONLY</b>	
City Attorney: 	Finance Director: 
City Manager: _____	Other: _____

**CITY CLERK'S CERTIFICATION THAT THERE ARE NOT  
MORE CANDIDATES THAN OFFICES TO BE ELECTED**

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, California, do hereby certify pursuant to § 10229, Elections Code of the State of California, to the following acts relating to the General Municipal Election to be held on Tuesday, March 8, 2011:

As of the close of the nomination period on Monday, December 13, 2010, there are not more candidates than offices to be elected.

The persons so nominated are:

Walt Allen III  
Peggy Delach

That § 10229 of the Elections Code allows one of the following courses of action to be taken by the City Council:

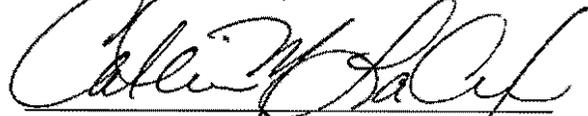
1. Appoint to the office the person who has been nominated.
2. Appoint to the office any eligible voter if no one has been nominated.
3. Hold the election if either no one or only one person has been nominated.

A notice of these facts will be published on December 15, 2010 and December 16, 2010 in a newspaper of general circulation in the City pursuant to § 6061 of the Government Code. After the fifth day following the date of publication, the City Council will meet to either make the appointments or direct an election to be held. The persons appointed, if any, shall qualify and take office and serve exactly as if elected at a municipal election for the office.

If, by the 75th day before the municipal election, no person has been appointed to the offices pursuant to (1) or (2) above, the election shall be held.

If the City Council makes an appointment pursuant to § 10229 of the Elections Code, the Deputy City Clerk shall not accept for filing any statement of write-in candidacy which is submitted after the appointment is made.

CITY OF COVINA, CALIFORNIA



Catherine M. LaCroix, Deputy City Clerk

**RESOLUTION NO. 10-6918**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, PROVIDING FOR THE APPOINTMENT TO THE OFFICE(S) OF THIS CITY THAT WERE TO BE ELECTED ON TUESDAY, MARCH 8, 2011**

**WHEREAS**, pursuant to § 10229 of the Elections Code of the State of California, as of the close of the nomination period on Monday, December 13, 2010, there are not more candidates than offices to be elected and that § 10229 of the Elections Code allows one of the following courses of action to be taken by the City Council:

1. Appoint to the office the person who has been nominated.
2. Appoint to the office any eligible voter if no one has been nominated.
3. Hold the election if either no one or only one person has been nominated.

**WHEREAS**, a notice was published on Wednesday, December 15, 2010 and Thursday, December 16, 2010 in a newspaper of general circulation pursuant to law.

**NOW, THEREFORE, BE IT RESOLVED, DECLARED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AS FOLLOWS:**

**SECTION 1.** That pursuant to § 10229 of the Elections Code of the State of California, the following action is being taken:

The following person(s) is/are being appointed to the office(s) to which he/she/they were nominated:

Walt Allen III  
Peggy Delach

**SECTION 2.** The election scheduled to be held on Tuesday, March 8, 2011, is now canceled.

**SECTION 3.** The person(s) appointed, if any, shall qualify and take office and serve exactly as elected at a municipal election for the office.

**SECTION 4.** That the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**PASSED, APPROVED AND ADOPTED** this 21st day of December 2010.

CITY OF COVINA, CALIFORNIA

\_\_\_\_\_  
Mayor of the City of Covina

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Covina

APPROVED AS TO FORM:

\_\_\_\_\_  
Covina City Attorney

**CERTIFICATION**

I, Catherine M. LaCroix, Deputy City Clerk of the City of Covina, California, do hereby certify that the forgoing Resolution was introduced and adopted by the Covina City Council at a regular meeting thereof held on the 21st of December, 2010, by the following vote of the Council:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**IN WITNESS THEREOF**, I have hereunto set my hand and affixed the official seal of the City of Covina, California, this 21st day of December, 2010.

\_\_\_\_\_  
Catherine M. LaCroix, Deputy City Clerk