

CITY OF GARDEN GROVE

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal

From: Economic Development

Dept: City Manager

Subject: CO-GRANTEE AGREEMENT WITH
THE EAST LOS ANGELES
COMMUNITY UNION FOR THE
COMMUNITY TRADE ADJUSTMENT
GRANT

Date: April 10, 2012

OBJECTIVE

To approve the Agreement between the City of Garden Grove (City) and The East Los Angeles Community Union (TELACU) as Co-grantees of the Community Trade Adjustment Program Grant Provided by the United States Economic Development Administration (EDA) (Co-grantee Agreement).

BACKGROUND

The County of Orange (County) and TELACU submitted an application to the EDA for a grant for a Business Assistance Trade Project (Grant) with the purpose of assisting the Orange County business community negatively impacted by trade-related circumstances in the global economy. Pursuant to the Grant proposal, TELACU was to conduct a needs assessment of the local business community, procure resources to meet those needs, and provide training and outreach services to local businesses. After the Grant had been awarded by the EDA, the County elected to withdraw as co-grantee. The EDA subsequently requested that the City take over as Co-grantee assuming the County's responsibilities as the financial administrator of the federal grant award of \$500,000 and enter into a Co-Grantee Agreement with TELACU.

DISCUSSION

The Co-grantee Agreement outlines the obligations of the City and TELACU in implementing the scope of the Grant. The following is a summary of the salient points:

- The City is responsible to the EDA for all matters involving financial management and control; as a result, the City will make all drawdown requests to the EDA and shall maintain funds in accordance with applicable laws and regulations.
- The City will maintain all records and be responsible for all reporting requirements to the EDA and compliance audits.

CO-GRANTEE AGREEMENT WITH THE EAST LOS ANGELES COMMUNITY UNION FOR
THE COMMUNITY TRADE ADJUSTMENT GRANT

April 10, 2012

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- TELACU will be responsible for managing, operating, running and implementing Grant activities on a day-to-day basis pursuant to the Operational Plan (Attachment 2).
- TELACU will provide invoices to the City for all personnel and other costs and the City agrees to pay such invoices from available grant funds.
- TELACU and the City will work to procure local matching contributions, however the City will not provide any matching funds from City general funds sources.

FINANCIAL IMPACT

There is no financial impact to the City's General Fund. Grant activities will be funded by the federal award of \$500,000 and a local share of \$166,000 through the contributions of the contractors utilized by TELECU to provide services as part of the Grant.


RECOMMENDATION

Staff recommends that the City Council:

- Approve the Co-grantee Agreement with TELACU and authorize the City Manager to execute any documents related to the implementation of the Co-Grantee Agreement; and
- Authorize the Finance Director to pay invoices submitted by TELACU from available grant funds up to \$500,000.



JIM DELLALONGA
Department Administrative Officer

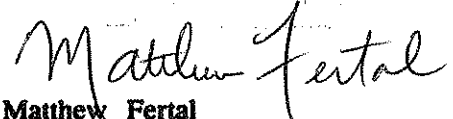


By: Kathleen Angel
Economic Development Specialist

Attachment 1: Co-Grantee Agreement

Attachment 2: Garden Grove Business Trade Assistance Project Operation Plan

Recommended for Approval



Matthew Fertal
City Manager

**AGREEMENT BETWEEN THE CITY OF GARDEN GROVE AND
THE EAST LOS ANGELES COMMUNITY UNION AS CO-GRANTEES OF
COMMUNITY TRADE ADJUSTMENT PROGRAM GRANT
PROVIDED BY THE UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION**

CDFA: _____

AGENCY: _____

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This Agreement is made and entered into as of _____ by and between the City of Garden Grove City ("City"), and The East Los Angeles Community Union ("TELACU"), a California nonprofit corporation.

RECITALS

A. City and TELACU have submitted an application to the U.S. Department of Commerce, Economic Development Administration ("DOC) to procure a grant (Grant) to pursue an economic development program *under the Community Trade Adjustment Assistance (TAA) Program.*

B. TELACU has substantial experience with economic development programs and projects and, has previously worked and, is in good standing with the US Economic Development Administration (EDA).

C. City has determined it is in the public interest to proceed with efforts to economically develop and assist its business community that have been negatively impacted by trade-related circumstances and thus placed in a vulnerable position in contrast to the global economy. Within the State of California there are only two (2) counties in which the U.S. Department of Commerce's Economic Development Administration (EDA) has made an Affirmative Determination regarding the significant trade impact experienced by these local businesses.

D. Orange County is the only County in the State of CA that has at least 28 per 1000 workers affected by trade since 2007¹ (Trade Adjustment Assistance (TAA) Cognizable Certifications within Orange County).

E. To provide assistance to these businesses, the City has determined that such efforts require the performance of professional management and has requested that TELACU, as a joint applicant to EDA, provide these services outlined in the Operating Agreement on behalf of City.

In consideration of the foregoing and the mutual promises and obligations of the parties as set forth below, City and TELACU agree as follows:

1. EDA GRANT

- 1.1. City and TELACU agree to jointly apply for and implement the Grant as set forth herein.
- 1.2. As the Grant is awarded jointly to City and TELACU as co-grantees, the terms and conditions of this Agreement shall be in effect at the time execution of this Agreement.
- 1.3. City and TELACU acknowledge and agree to the terms and conditions found in the Grant Financial Assistance Award, attached and incorporated herein by reference, including, but not limited to, all Special Award Conditions and DOC Financial Assistance Terms and Conditions.

2. OBLIGATIONS OF CITY

- 2.1. City will be solely responsible for the financial management of the Grant. City will be directly responsible to EDA for all matters involving financial management and control. As a result, City will be solely responsible for compliance with all EDA rules, regulations and other laws, including without limitation the OMB provisions relating to local government (i.e., OMB Circular A-87, Cost Principals for Local Government; OMB Circular A-102, Administrative Requirements for Local Governments; and OMB Circular A-133, Audit Requirements).
- 2.2. City will make all drawdown requests to the EDA and shall maintain all funds in accordance with applicable laws and regulations.
- 2.3. City will maintain complete books and records in accordance with applicable laws, rules and regulations, which shall be open to inspection by TELACU at all times. City shall also be responsible for all compliance audits and program reviews initiated by the EDA or any other governmental authority such as the U.S. Department of Commerce, Office of Inspector General. City agrees to promptly notify TELACU of any such proposed or pending review or audit.
- 2.4. City will provide an office, working area, desk, telephone and related resources for TELACU personnel working on the Grant on the City's site.
- 2.5. City will be responsible for all reporting requirements to the EDA, including without limitation certifying grant compliance, including but not limited to the Final Report to the EDA. Provided, however, that TELACU shall originate all reports to the EDA involving any element of the scope of work.
- 2.6. City will provide adequate bonding and/or performance assurances to the EDA in accordance with Grant requirements and OMB regulations.
- 2.7. City and TELACU agree to keep each other informed, in writing, of their communications with the EDA regarding all substantive matters relating to the Grant. Neither this Agreement nor any terms or conditions of the Grant may be modified without the prior written consent of both parties hereto.
- 2.8. During the term of the Grant and thereafter, City agrees to improve its expertise and capacity to develop and implement community development projects and public works, and its ability to coordinate such work with other

¹ January 4, 2010 TAA for Workers Significantly Impacted City List. EDA

regional governmental, public and/or private entities. In this regard, City intends to develop an ongoing program to continue to pursue work and activities initiated under the Grant.

3. OBLIGATIONS OF TELACU

- 3.1. TELACU will be primarily responsible for managing, operating, running and implementing all activities under the Grant on a day-to-day basis. The work plans under the Grant shall be developed by TELACU in consultation with City and other local or regional organizations mutually agreed upon in writing by the parties. In this regard, TELACU will have primary responsibility for developing the specific work plans pursuant to the Grant. TELACU agrees to obtain the approval of City prior to implementing any such specific work plan.
- 3.2. TELACU will perform all of its activities under the Grant in accordance with Grant requirements and applicable law, rules and regulations.
- 3.3. TELACU will be responsible for engaging or providing all personnel to work on or provide services under the Grant and/or to implement the provisions of the Grant in an amount not to exceed \$42,000, as provided in the Grant—or as modified by mutual agreement, in the event further Grant monies become available. TELACU will provide City with invoices for all personnel and other costs and City agrees to pay such invoices within 30 working days of receipt thereof from available Grant funds.
- 3.4. All contracts and agreements for goods and/or services entered into pursuant to the Grant will be directly between TELACU and the applicable vendor/contractor/provider (Provider). Working in conjunction with City, TELACU will conduct a competitive selection process for all Providers and select such Providers. TELACU shall be responsible for ensuring that all such contracts comply with all applicable federal, state and local laws and regulations. Before TELACU enters into any such contracts or agreements for goods and/or services with Providers, TELACU shall obtain CITY approval of such contracts. TELACU will supervise all subcontractors, when procured.
- 3.5. TELACU agrees to provide City with copies of all material documents related to the Grant.
- 3.6. Since TELACU has no control over the costs of labor, materials or equipment, or over the methods Providers may use to determine prices, TELACU's estimates of

such costs represent its reasonable judgment as to such matters; provided costs cumulatively will not exceed the budgeted amount as stated in the grant award, unless otherwise agreed upon in writing by TELACU, City, and, if required, by US EDA. TELACU and City agree that except as otherwise provided herein, until final approval by City, all data, plans, specifications, reports and other documents prepared by TELACU pursuant to the Grant are confidential and will not be released to third parties without the prior written consent of both parties, unless required by a court order and/or under existing law.

3.7. TELACU agrees to advise and consult with City regarding improving City's ability and capacity to develop and implement business development efforts within Orange City beyond the grant period as they pertain to the objectives of this Initiative.

3.8. The Co-Grantees will be responsible for the local share portion associated with this Grant and will work together to procure and document said local share per federal requirements through competitively procured contractors. TELACU will develop a plan to raise the match in accordance with EDA requirements through contracted providers, which will be included and made a part of the Operating Agreement. Should insufficient local match be acquired via the subcontracting plan, both City and TELACU acknowledge that the EDA, and consequently the City, will reimburse less than the grant amount proportionally. City will not provide match funds from City general fund sources. TELACU will not provide any cash match funds.

4. TERM

4.1. This Agreement will become effective upon execution of this Agreement by City and TELACU, and shall remain in effect until the expiration of the term of the Grant, unless sooner terminated pursuant to the terms hereof. In no event shall this Agreement be in effect for more than 5 years from the date of the Grant.

5. OPERATING AGREEMENT

5.1. Upon acceptance of the Grant from the EDA, City and TELACU shall develop a specific operating budget and implementation strategy for work to be accomplished under the Grant (Operating Agreement), which shall be based upon a proposal provided by TELACU to City. In the event that City does not agree with

such proposal, the parties shall cooperate in good faith to modify the proposal to meet with their mutual consent.

- 5.2. If City and TELACU are unable in good faith to reach a mutually acceptable Operating Agreement, TELACU shall have the right to withdraw as a co-grantee under the Grant. Should such a termination occur by TELACU, City will become solely responsible for the Grant and assume all obligations thereunder. In such event, City agrees to fully cooperate with TELACU to amend the Grant to enable TELACU to withdraw as a co-grantee and party thereunder. In such event, City agrees to indemnify and hold TELACU harmless from any and all liability related to the Grant or the EDA in relation thereto, including but not limited to any performance issues or financial obligations.

6. NON-EXCLUSIVE UNDERTAKING

- 6.1. City has requested the assistance of TELACU in connection with the Grant and this Agreement. TELACU is hereby agreeing to provide assistance to City in managing and implementing the Operating Agreement which includes efforts to provide assistance to businesses that have been negatively impacted by trade related circumstances. Nevertheless, TELACU's services hereunder are to be rendered on a non-exclusive basis and will be performed at such times and places as TELACU shall solely decide. TELACU will remain completely free to pursue any and all other activities, undertakings, endeavors, businesses, projects, and programs whatsoever (Undertakings) with whomever it may decide. City specifically understands and agrees that TELACU may pursue any and all Undertakings in the same, adjacent or any other areas, so long as TELACU is operating under its Code of Conduct as required by the DOC Financial Assistance Standard Terms and Conditions and the certification in SF-424b, paragraph 3.

7. COSTS

- 7.1. Unless mutually agreed, City will reimburse TELACU for its direct costs hereunder, not to exceed the total amount specified in the Special Award Conditions of Financial Assistance Award, Section IV., Budget, including reasonable travel and lodging expenses; provided, however, that long distance and overnight travel shall be approved in advance by City, if required.

8. TIME FOR PERFORMANCE

- 8.1. City and TELACU shall commence work hereunder upon approval of the Grant by the EDA. The parties will mutually establish specific time frames for Grant activities as required by the Grant Financial Assistance Award Special Terms and Conditions.

9. DISPUTES

- 9.1. City and TELACU agree to attempt to resolve any disputes arising under this Agreement through good faith discussion, negotiation and compromise between the parties. Upon the determination by City or TELACU that a dispute exists, such party shall inform the other party in writing of the alleged dispute. Subject to Sections 5 and 12, each party shall continue to perform its obligations under this Agreement pending resolution of a dispute hereunder.

- 9.2. If the parties cannot resolve a dispute between themselves, they agree to submit any such dispute, claim, or controversy first to mediation. Any such mediation shall be conducted by and in accordance with the latest Commercial Arbitration Rules and Mediation Procedures then applicable, of the American Arbitration Association. Any such mediation shall be conducted in Orange County, California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another County.

10. SPECIAL PROVISIONS

- 10.1. TELACU and City agree that all services performed by TELACU pursuant to this Agreement shall be performed as a co-applicant. No person employed by TELACU in connection with this Agreement shall be an agent or employee of City. Nothing contained in this Agreement shall be construed to create a joint venture between City and TELACU.
- 10.2. TELACU may engage, retain or subcontract other parties to perform any services to be provided by TELACU hereunder, including but not limited to subsidiary and affiliated companies.

- 10.3. City and TELACU agree to use reasonable care and diligence to perform their respective services under this Agreement. Unless otherwise specified herein, neither party shall be responsible for the services of the other.
- 10.4. In the performance of this Agreement, TELACU will not discriminate against any of its employees because of race, religion, creed, color, sex or national origin.
- 10.5. TELACU agrees not to employ any City official or employee to perform work for TELACU under this Agreement. No officer or employee of City shall have any financial interest in this Agreement in violation of California Government Code Sections 1090 and following, nor shall City violate any provision of its Conflict of Interest Code adopted pursuant to the provisions of California Government Code Section 37300 and following.
- 10.6. City shall designate a City representative and TELACU shall designate a TELACU representative hereunder. The City representative and the TELACU representative shall be the primary contact person for each party regarding all matters arising under this Agreement. The City representative shall cooperate with TELACU and the TELACU representative shall cooperate with City in all matters regarding this Agreement and in such a manner as will result in the performance of the work in a timely and expeditious manner.
- 10.7. TELACU agrees not to employ any City official or employee to perform work for TELACU under this Agreement. No officer or employee of City shall have any financial interest in this Agreement in violation of California Government Code Sections 1090 and following, nor shall City violate any provision of its Conflict of Interest Code adopted pursuant to the provisions of California Government Code Section 37300 and following.

11. INDEMNIFICATION

- 11.1. TELACU agrees to indemnify, defend with counsel approved in writing by CITY, and hold CITY, its elected and appointed officials, officers, employees, agents and those special districts and agencies in which CITY acts as the governing Board ("CITY INDEMNITEES") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by TELACU pursuant to this Agreement.

- 11.2. CITY agrees to indemnify, defend with counsel approved in writing by TELACU, and hold TELACU, and its elected and appointed officials, officers, and employees harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by CITY pursuant to this Agreement.
- 11.3. If judgment is entered against TELACU by a court of competent jurisdiction because of the gross negligence of TELACU, TELACU and CITY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- 11.4. If judgment is entered against CITY by a court of competent jurisdiction because of the active negligence of CITY/CITY INDEMNITEES, TELACU and CITY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

12. **INSURANCE REQUIREMENTS**

- 12.1. TELACU agrees to maintain general liability insurance coverage for the duration of this Agreement. City shall be named as an additional insured under TELACU's insurance policy, and a certificate of insurance shall be obtained confirming City as an additional insured with limits of not less than One Million Dollars per occurrence.
- 12.2. COMMENCEMENT OF WORK. TELACU shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance.
- WORKERS COMPENSATION INSURANCE. For the duration of this Agreement, TELACU and all subcontractors shall maintain Workers Compensation Insurance, including employer's liability, in the amount and type required by law, if applicable. The insurer shall waive its rights of subrogation against the CITY, its officers, officials, agents, employees, and volunteers.
- 12.3. The City agrees to indemnify TELACU as described in Section 11 of this agreement. TELACU acknowledges that City is a self-insured entity and upon

execution of this agreement City agrees to provide TELACU evidence of self-insurance.

INSURANCE AMOUNTS. TELACU shall maintain the following insurance for the duration of this Agreement:

- (a) Commercial general liability in an amount not less than \$1,000,000 per occurrence, AND including contractor liability, broad form property damage, and contractual liability coverage; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.
- (b) Automobile liability in an amount not less than \$1,000,000 combined single limit; (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have an AM Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

An Additional Insured Endorsement, **ongoing and completed operations**, for the policy under section 12.4 (a) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the TELACU. TELACU shall provide to CITY proof of insurance and endorsement forms that conform to City's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 12.4 (b) shall designate CITY, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles owned, leased, hired, or borrowed by TELACU. TELACU shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For claims related to this Agreement, TELACU's insurance coverage shall be primary insurance in respect to CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, or volunteers shall be in excess of the TELACU's insurance and shall not contribute with it.

In the event any of TELACU'S underlying policies do not meet policy limits within the insurance requirements, TELACU shall provide the schedule of underlying policies for an excess liability policy, state that the excess policy follows form on the insurance certificate, and an additional insured endorsement for the excess liability policy designating CITY, its officers, officials, employees, agents, and volunteers as additional insureds.

13. TERMINATION

13.1. EACH PARTY may terminate this Agreement and withdraw as a party to and a co-grantee under the Grant by giving thirty (30)-days written notice to the other party. The written notice shall specify the date of termination. After giving such notice, TELACU may continue to work under the Grant or this Agreement until the date of termination and City shall pay TELACU for all work performed to the satisfaction of the Operational Agreement through the date of termination.

14. MISCELLANEOUS TERMS

14.1. Each party to this Agreement agrees to cooperate with the other and to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement. Any and all consents and agreements provided for or permitted by this Agreement shall be in writing.

14.2. The parties to this Agreement represent that they have the right, power, legal capacity, and authority to enter into and perform their respective obligations under this Agreement; and that no approvals or consents of any other persons, governmental bodies, or other entities are necessary in connection with it.

14.3. This Agreement constitutes a valid and binding obligation on each party, enforceable in accordance with its terms.

14.4. No suit, action, arbitration, or legal, administrative, or other proceeding or governmental investigation is pending or threatened against or affecting City or TELACU, directly or indirectly, in connection with the transactions contemplated under this Agreement.

14.5. The provisions of this Agreement may be waived, altered, amended, modified, revoked or repealed, in whole or in part, exclusively through an amendment to this Agreement.

- 14.6. This Agreement may not be assigned by either party hereto without the prior written consent of the other party.
- 14.7. This Agreement shall be binding on and enforceable by and against the parties to it and their respective heirs, legal representatives, successors, and permissible assigns.
- 14.8. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the parties to it and their respective successors and permissible assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons related to any party to this Agreement; nor shall any provision give any third persons any right of subrogation or action over against any party to this Agreement.
- 14.9. Nothing contained herein shall require the commission of any act or the payment of any compensation that is contrary to any law. If there shall exist any conflict between this Agreement and any such law, the latter shall prevail; and the provision or provisions hereof affected shall be curtailed, limited or eliminated to the extent (but only to the extent) necessary to remove such conflict; and as so modified this Agreement shall continue in full force and effect.
- 14.10. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered to the party to whom notice is to be given, or when sent by fax or e-mail (provided that a copy is also sent by first-class mail or overnight delivery), or on the first day after sending if delivered by an overnight delivery service, or on the second day after mailing if mailed to the party to whom notice is to be given, by first-class mail, registered or certified, postage prepaid, and properly addressed to the party at the address set forth below, or such other address as a party may designate by written notice to the others.

To City: City of Garden Grove
11222 Acacia Parkway
Garden Grove, CA 92840
Attention: Mr Jim DellaLonga

To TELACU: TELACU
5400 East Olympic Boulevard, Suite 300
Los Angeles, California 90022
Attention: Mr. Jose Villalobos

With a copy to: Stewart & Harris
150 East Colorado Boulevard, Suite 216
Pasadena, California 91105
Attention: Garry D. Stewart, Esq.

- 14.11. This Agreement, and any and all claims and disputes arising out of or relating hereto, shall be governed by and construed in accordance with the laws of the State of California applicable to contracts that are executed and performed entirely in California, excluding any laws that direct the application of another jurisdiction's laws. Subject to Section 9 above, the parties agree that the courts of the State of California in the City of Los Angeles shall have jurisdiction of any action or proceeding among them.
- 14.12. Each party and its counsel have participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement.
- 14.13. Throughout this Agreement, whenever the context so requires, the singular shall include the plural, and the masculine gender shall include the feminine and neuter genders.
- 14.14. Section titles or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.
- 14.15. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument.
- 14.16. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it, and supersedes all prior and contemporaneous agreements, negotiations, representations, commitments and understandings of the parties, whether written or oral, whether or not fully performed before the date of this Agreement, none of which shall be of any force or effect whatsoever, even as evidence. All rights and remedies which either party may have hereunder or by operation of law are cumulative, and the pursuit of one right or remedy shall not be deemed an election to waive or renounce any other right or remedy. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any

waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

IN WITNESS WHEREOF, the parties hereto certify that they have read and understand all the terms and conditions contained herein and have duly authorized and caused this Agreement to be executed as of the date stated below written.

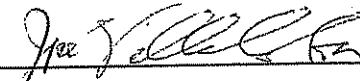
CITY OF GARDEN GROVE a political
Subdivision of the State of California"

Dated: _____

By: _____
Matthew Fertal
Title: City Manager

"CONTRACTOR"

Dated: _____

By:  _____
TELACU/Jose Villalobos
Title: Senior Vice President

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

* [Authorized signatures for corporations. Requirement of two signatures as follows: (1) One signature by the Chairman of the Board, the President or any Vice President, and (2) one signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or an Assistant Treasurer. For contractors that are not corporations, a person who has the authority to bind the contractor to a contract.]

Operational Plan

Garden Grove Business Trade Assistance Project

The Operation Plan addresses the specific objectives of the TELACU/Garden Grove, hereafter referred to as "Grantees", EDA Grant. The Grantees will conduct the activities and tasks necessary to fully implement the Garden Grove Business Trade Assistance Project 07-46 06579 herein referred to as "The Grant". The Grantees tasks and responsibilities are outlined herein and as specified in the Scope of Work for the Grantees.

Also included are the deliverables as enumerated in the operational workflow. The Grantees will have as their scope of work to accomplish all tasks to achieve the outcomes and deliverables. To meet these needs the Grantees will:

- (1) Pursuant to Federal Regulations and working with our partners complete all work and activities to complete the scope of work, studies and tasks as identified. This will include, but not necessarily limited to:
 - (a) Conducting all sub contracting activities as required to meet the Contract Scope of Work.
 - (b) Monitoring and managing contracts and contractors
 - (c) Complying with and completing reporting requirements
- (2) Work with partners to meet matching share requirements

Time Frame

Grantees will be operational year round and develop and adhere to a schedule in order to meet all reporting requirements and elements of the Scope of Work.

The following reports are due on the dates indicated:

- A. Work Schedule: June 15, 2011
- B. Final Reports: December 29, 2012
- C. Progress and Financial Reports

Periodic Progress Report (plain paper format) and Financial Report (Standard Form 425, *Federal Financial Report*) according to the following schedule:

<u>Period</u>	<u>Due Date</u>
1 October 2010 through 31 March 2011	30 April 2011
1 April 2011 through 30 September 2011	30 October 2011
1 October 2011 through 31 March 2012	30 April 2012
1 April 2012 through 30 September 2012	30 October 2012

The periodic Progress Report and the Final Report may be one and the same, if the grant period is not extended by future amendment.

Notes: The last periodic report should include all expenses charged to the award. The Grantees, however, may elect to submit a separate final report for the entire award period but no later than 30 days following the expiration of the award period.

The Economic Development Administration (EDA) will close the award on the basis of the Final Financial report. EDA, may, however, revise the eligible project costs based upon the audit report, if required under the Standard Terms and Conditions.

Operational Team

The Grantees have a competent management team. TELACU will be responsible for procuring all sub-contractors in compliance with Federal Regulations and will work with Garden Grove to develop a broad outreach effort to satisfy the terms of the Grant and to fulfill the requirements delineated in the scope of work. The Scope of Work will be to implement a technical assistance program for business enterprises adversely impacted by foreign competition.

Scope of Work

TELACU will be responsible for the management and implementation of the following Scope of Work, including the development of all necessary contract agreements which will meet the terms and conditions of the Grant. Additionally, TELACU will complete all elements and tasks to satisfy the EDA and Grantee in providing the deliverables and the Scope of Work. TELACU will also be responsible for delivering in a timely manner all reporting and contract requirements. TELACU will deliver the following Scope of Work and its deliverables:

1. Business community needs assessment
2. Procure resources required to address community business needs
3. Facilitate access to business training and outreach services
4. Develop online business-to-business database

Garden Grove will serve as the fiscal agent and will solely be responsible as such and will collaborate with TELACU and/or its assigned party to collaborate as needed. As Fiscal Agent, Garden Grove will be reimbursed for direct expenses up to a maximum of 3% of the total budget or as modified by mutual agreement.

Non Federal Share

The Co-Grantees will be responsible for the local share portion associated with this Grant and will work together to procure and document said local share per federal requirements through competitively procured contractors. TELACU will be responsible for developing a plan to raise the match in accordance with EDA requirements, which will be included and made a part of this Agreement.

Target Date	Deliverables
QE 09/30/2011	Feasibility Study # 1: Conduct an analysis of Cognitive Certifications within the Garden Grove cluster. Said clusters will initially be defined by data from the Department of Labor. Based on results, the cluster may be redefined. The outcome of this study is to obtain an updated picture of the cognitive certifications issued by the Department of Labor to businesses within Garden Grove so that it can then be utilized to determine the geographical priority areas, as well as establishing priorities based on business deterioration (as compared to 2007 data).
QE 09/30/2011	Feasibility Study # 2: Conduct a Market-Economic analysis for the targeted cluster area in Garden Grove per the cluster results from the <i>Feasibility Study #1</i> and based on priority areas identified from the results of the <i>Feasibility #1</i> . The outcome of this study will be to determine the economic elements that have affected each of the prioritized clusters in order to best shape a strategy of resources to best assist and maximize economic impact.
QE 9/30/2011	Feasibility Study # 3: Conduct a Capture analysis for the targeted cluster area within Garden Grove (as determined in the <i>Feasibility Studies #1 and #2</i>). The outcome of this study will be to determine the sales leakage of the prioritized clusters. This information will allow us to direct resources by further prioritizing the cluster segments that demonstrate the highest potential for economic impact through our assistance. Resources and a strategy can then be detailed and resources gathered and leveraged.
QE 9/30/2012	Task 1: Provide outreach support to the designated business community within Garden Grove. This outreach will include (but is not limited to) providing access to the City's <ul style="list-style-type: none"> o Business Mailing List (or any similar database) o Business Permit List (certified and/or denied, or any similar list) o Other lists as may be deemed necessary as available
QE 9/30/2012	Task 2: Arrange for use of City space for workshops and/or consulting on an as needed basis. This includes set up of space (extension cords, chairs, tables, presentation equipment etc.)
QE 9/30/2012	Task 3: Upon mutual approval by City and TELACU, arrange for printing of collateral material needed for outreach/workshops, save the date, event invitations or any determined marketing/outreach efforts determined necessary for successful impact of this initiative.
QE 9/30/2012	Task 4: Serve as the lead in at least two (2) mail outreach campaigns per year, this includes making any copies necessary for the campaign mailing information, preparing the mailing list and labels stuffing the envelopes and being responsible for postage cost as well as updating the mailing list with any mail returns.
QE 9/30/2012	Task 5: Serve as the lead in at least two (2) Business Mixer events, this includes being the lead in taking reservations for said event, allowing businesses and individuals to register on the City's website (if applicable) and provide follow-up reminders via telephone and email to registered participants. Cross market all events and initiatives from this collaboration on the City's website and update these contact to the business database inclusive of the Garden Grove, CA business community.
QE 9/30/2012	Task 6: Attract and leverage local resources, such as (but not limited) SBA, Score, local universities etc., to support the needs of local businesses per results of studies.

Target Date	Deliverables
QE 9/30/2012	Task 7: Attract at least three (3) banks and/or financing sources as partners to this initiative (this includes events and specific client needs as determined by the feasibility studies) and ensuring that working capital is available to businesses in need of working capital.
QE 9/30/2012	Task 8: Competitively procure (provide management and technical assistance) sub-contractors with expertise in business development, (import/export, government contracting) human resources, accounting, marketing, etc. needed to assist business reduce overhead and grow their business. This will be determined per the results of the feasibility studies and based on the prioritized clusters and impact segments.

Budget Categories and Federal and Non-Federal Share of Cost

Item	Federal Share TELACU	Federal Share FISCAL AGENT	Non-Federal Share	Total Project
1. Personnel	\$42,000	\$0	\$0	\$42,000
2. Fringe Benefits	\$8,820	\$0	\$0	\$8,820
3. Travel	\$7,200	\$0	\$0	\$7,200
4. Equipment	\$0	\$0	\$0	\$0
5. Supplies	\$10,000	\$0	\$0	\$10,000
6. Contractual	\$381,000	\$0	\$166,667	\$547,667
7. Construction	\$0	\$0	\$0	\$0
8. Other	\$35,980	\$15,000	\$0	\$50,980
Total Direct Charges	\$485,000	\$0	\$166,667	\$666,667
9. Indirect Charges	\$0	\$0	\$0	\$0
Grand Total	\$485,000	\$15,000	\$166,667	\$666,667

Office and Contract Requirements – Non Federal Share

Co-Grantees propose to provide the match through the contributions of the contractors selected through competitive procurement to provide services as part of the Grant. Where necessary and possible, Co-Grantees agree to make good faith efforts to acquire adequate resources to meet the Non Federal Share requirement.

If and where needed, the Co-Grantees will allow the use of office space, office supplies, the necessary office equipment such as computers, fax machine, photo copier, and other required materials to serve the purpose of the grant, whenever reasonable and appropriate. It is anticipated that Garden Grove will be available to assist with some of the meeting space, business outreach resources and other needs.

Expenditure Plan for TELACU

Item	QE 03/31/2011	QE 06/30/2011	QE 09/30/2011	QE 12/31/2011	QE 03/31/2012	QE 06/30/2012	QE 09/30/2012	TOTAL
1. Personnel	633	1,226	1,226	1,226	1,226	1,226	1,226	7,988
2. Fringe Benefits	133	257	257	257	257	257	257	1,678
3. Travel	950	1,000	1,150	900	1,200	1,000	1,000	7,200
4. Equipment								
5. Supplies	4000		2,500		2,500	1,000		10,000
6. Contractual	95,000	119,554	75,000	106,000	76,600	50,000	66,667	588,821
7. Construction								
8. Other		26,000			24,980			50,980
Total Direct Charges	100,716	148,037	80,133	108,383	106,763	53,483	69,150	666,667
9. Indirect Charges								
Grand Total	100,716	148,037	80,133	108,383	106,763	53,483	69,150	666,667