



May 18, 2012

Justine Menzel, Deputy Executive Director  
City of Artesia  
18474 Clarkdale Avenue  
Artesia, CA 90701

Dear Ms. Menzel:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Artesia (City) Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on May 3, 2012 for the periods January through June 2012 and July through December 2012. Finance staff recently contacted you for further clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligations characteristics. Based on a sample of items reviewed and application of the law, the following items do not qualify as Enforceable Obligations (EO):

January through June 2012 ROPS

- Item No. 23 – Tim Greenleaf Engineering: Demolition of parking sites for \$36,667. Per the City, no contract has been entered for this project. Because there was no contract in place prior to the June 28, 2011 date, this item is not an EO.
- Item No. 24 – Griffith Company: Pioneer downtown construction for \$2,393,615. The \$2,393,615 relates to an August 9, 2011 agreement with the City and Griffith Company. This agreement is with the City and not the former RDA. Therefore, the Griffith Company agreement is not an EO.
- Item No. 26 – Traffic Safety Engineers: Inspection, signal timing services for \$58,000. The \$58,000 relates to an April 12, 2011 request for traffic engineer services that is covered under the scope of services of a July 1, 2009 service agreement between the City and Traffic Safety Engineers. This agreement is with the City and not the former RDA. Therefore, the Traffic Safety Engineers agreement is not an EO.
- Item No. 27 – A.C.E. Civil Engineers: Inspection and civil engineering services for \$123,600. The \$123,600 relates to an April 1, 2011 and May 2, 2011 request for inspection and project engineer services that are covered under the scope of services in a July 1, 2009 services agreement between the City and A.C.E. Civil Engineers. This agreement is with the City and not the RDA. Therefore, the A.C.E. Civil Engineers agreement is not an EO.

July through December 2012 ROPS

- Item No. 13 – Griffith Company: Pioneer downtown construction for \$2,393,615. The \$2,393,615 relates to an August 9, 2011 agreement with the City and Griffith Company. This agreement is with the City and not the former RDA. Therefore, the Griffith Company agreement is not an EO.
- Item No. 14 – Traffic Safety Engineers: Inspection, signal timing services for \$58,000. The \$58,000 relates to an April 12, 2011 request for traffic engineer services that is covered under the scope of services of a July 1, 2009 service agreement between the City and Traffic Safety Engineers. This agreement is with the City and not the former RDA. Therefore, the Traffic Safety Engineers agreement is not an EO.
- Item No. 15 – A.C.E. Civil Engineers: Inspection and civil engineering services for \$123,600. The \$123,600 relates to an April 1, 2011 and May 2, 2011 request for inspection and project engineer services that are covered under the scope of services in a July 1, 2009 services agreement between the City and A.C.E. Civil Engineers. This agreement is with the City and not the RDA. Therefore, the A.C.E. Civil Engineers agreement is not an EO.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for your reconsideration. This action will cause the ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

Department of Finance may continue to review items on the ROPS in addition to those mentioned above and identify additional issues. We will provide separate notice if we are requesting further modifications to the ROPS. It is our intent to provide an approval notice with regard to each ROPS prior to the June 1 property tax distribution date.

If you believe we have reached this conclusion in error, please provide further evidence that the items questioned above meet the definition of an EO and submit to the following email address:

[Redevelopment\\_Administration@dof.ca.gov](mailto:Redevelopment_Administration@dof.ca.gov)

Please direct any inquiries to Chikako Takagi-Galamba, Supervisor or Wendy Griffe, Lead Analyst at (916) 322-2985.

Sincerely,



MARK HILL  
Program Budget Manager

cc: Ms. Kristina Burns, Program Specialist III, Los Angeles County