

## Gallavan, Teresa

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**From:** Fernandez, Sixto@Parks [Sixto.Fernandez@parks.ca.gov]  
**Sent:** Monday, May 16, 2016 10:12 PM  
**To:** Gallavan, Teresa  
**Cc:** Wiemiller, Patrick; Pannone, Joseph; Breese, Lucille  
**Subject:** RE: Request from Lompoc re: Project # G12-03-73-D01

Good evening Teresa,

I was not sure whether this email was still needed after the Council voted to end the project this past Thursday. Nonetheless, I will am responding to the questions asked in your letter to me of May 5, 2016.

This will be my written response. Please print a copy for your files for audit purposes.

The responses are addressed in the order the bullet points are listed in the letter.

1. Your request to move funds from Phase II of the project to Phase I in the amount of \$140,000 (from the cost estimate line items identified in the letter) in order to complete the environmental analysis (both CEQA and NEPA) is approved. The City has the ability to use the entire amount in grant funds, match or a combination of both. With this change, the City is aware that the funds moved from Phase II to Phase I will no longer be available for the completion of the OHV park itself.
2. Your request to move funds from Phase II of the project to Phase I in the amount of \$25,000 (50% of the light towers) in order to complete the environmental analysis (both CEQA and NEPA) is approved. The City has the ability to use the entire amount in grant funds, match or a combination of both. With this change, the City is aware that the funds moved from Phase II to Phase I will no longer be available for the completion of the OHV park itself.
3. Currently, the project performance period ends on December 31, 2016. It is quite common for project agreements to be extended due to a variety of circumstances. If the City requests an extension – it would most likely be approved. As discussed by phone, the monies allocated for this project will be reverting to the OHV Trust Fund on July 1, 2017. So, it is imperative that all closing documentation (e.g., all payment requests, receipts, log sheets, staff time) be submitted to me by April 15, 2017 to ensure that the City is reimbursed for all expenses prior to the reversion date.
4. As long as the City is acting in good faith towards the completion of this project and if the environmental review finds that the project cannot proceed due to costs of one or more mitigation measures, a decision not to adopt a statement of overriding considerations or some other circumstance(s) not within the City's control – the City will not be responsible for repaying any grant fund expended in Phase I. The reason for a two phase project, such as this one, where the environmental analysis is completed prior to receiving approval from the OHMVR Division to proceed to Phase II is to ensure that this project is viable.
5. The City is required to provide matching funds or the equivalent value of services, or material, in the amount of 26% of the total project cost. All match must be documented the same as grant funds received. City staff activity directly related to the completion of the environmental analysis and not reimbursed by grant funds can be used as match. The amount of match will be determined once the project activities are completed.
6. As discussed above, the City may seek an extension to the current project performance period. I would recommend not going beyond May 1, 2017. If the project cannot continue because of circumstances beyond the City's circumstances, any grant funds provided would not have to be repaid. A written request must be

submitted in writing and approved by the OHMVR Division before the City can continue project activities after December 31, 2016.

It is my understanding that the City Council voted to terminate the project at their May 12, 2016 meeting. If this is the case, I will close the file with no further action taken on this project. I would only ask that you submit to me a letter on city letterhead indicating that the City seeks to end this project.

Obviously, if the project is closed, the responses above become irrelevant.

Please let me know if you have any questions.

Sixto

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