



# AGENDA

**REGULAR MEETINGS  
OF THE  
SANTA FE SPRINGS  
PUBLIC FINANCING AUTHORITY  
WATER UTILITY AUTHORITY  
HOUSING SUCCESSOR  
SUCCESSOR AGENCY  
AND CITY COUNCIL**

**May 26, 2016  
6:00 P.M.**

**Council Chambers  
11710 Telegraph Road  
Santa Fe Springs, CA 90670**

**Richard J. Moore, Mayor  
William K. Rounds, Mayor Pro Tem  
Jay Sarno, Councilmember  
Juanita Trujillo, Councilmember  
Joe Angel Zamora, Councilmember**

**Public Comment:** The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

**Americans with Disabilities Act:** In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

**Please Note:** Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday and every other Friday. Telephone (562) 868-0511.

1. **CALL TO ORDER**

2. **ROLL CALL**

Jay Sarno, Councilmember  
Juanita Trujillo, Councilmember  
Joe Angel Zamora, Councilmember  
William K. Rounds, Mayor Pro Tem  
Richard J. Moore, Mayor

**PUBLIC FINANCING AUTHORITY**

3. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Public Financing Authority.

**Approval of Minutes**

- a. Minutes of the April 28, 2016, Public Financing Authority Meeting

**Recommendation:** That the Public Financing Authority approve the minutes as submitted.

**Monthly Reports**

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

**Recommendation:** That the Public Financing Authority receive and file the report.

**WATER UTILITY AUTHORITY**

4. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Water Utility Authority.

**Approval of Minutes**

- a. Minutes of the April 28, 2016, Water Utility Authority Meeting

**Recommendation:** That the Water Utility Authority approve the minutes as submitted.

**Monthly Reports**

- b. Monthly Report on the Status of Debt Instruments Issued through the Water Utility Authority (WUA)

**Recommendation:** That the Water Utility Authority receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects

**Recommendation:** That the Water Utility Authority receive and file the report.



**CITY COUNCIL**

5. **CITY MANAGER REPORT**

6. **CONSENT AGENDA**

*Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.*

**Approval of Minutes**

A. Minutes of the April 28, 2016 City Council Meetings

**Recommendation:** That the City Council:

- Approve the minutes of the April 28, 2016, meetings as submitted.

**PUBLIC HEARING**

7. Ordinance No. 1071 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1071, and thereafter close the Public Hearing; and
- Find and determine that the subject Development Agreement is consistent with the City's General Plan.
- Pass the first reading of Ordinance No. 1071, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

**PUBLIC HEARING**

8. Ordinance No. 1073 – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1073, and thereafter close the Public Hearing; and
- Find and determine that the subject Development Agreement is consistent with the City's General Plan; and
- Pass the first reading of Ordinance No. 1073, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, Inc.

**PUBLIC HEARING**

9. Ordinance No. 1074 – Zone Change Case No. 136

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public regarding Zone Change Case No. 136 and thereafter close the Public Hearing; and
- Find that Zone Change Case No. 136 satisfies the criteria and conditions set forth

in Section 155.825 et. Seq. of the City Code for the granting of a Change of Zone request; and

- Find that Zone Change Case No. 136 involving the proposed Change of Zone from C-4, Community Commercial to M-2, Heavy Manufacturing, is consistent with the City's General Plan; and
- Introduce Ordinance No. 1074 and pass its first reading on Zone Change Case No. 136.

**PUBLIC HEARING**

10. Resolution No. 9508-General Plan Amendment No. 26

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public regarding General Plan Amendment Case No. 26 and, after receiving all public comments, close the Public Hearing; and
- Adopt Resolution No. 9508, approving General Plan Amendment Case No. 26, a request to amend the Land Use Map on 2.00 acres (Net) of a single parcel of 3.94 acres (Net), with an address of 13210 Telegraph Road (APN of 8011-013-017), and located at the southeast corner of Painter Avenue and Telegraph Road, from the existing land use designation of Commercial to Industrial.

**NEW BUSINESS**

11. Landscape Maintenance Services

**Recommendation:** That the City Council:

- Accept the Proposals; and
- Award a contract to Complete Landscape Care, Inc. of Whittier, California, in the amount of \$868,008.00 per year; and
- Authorize the Mayor to execute a contract with Complete Landscape Care, Inc.

12. Interstate 5 Freeway Widening Water Main Relocation for the Carmenita Road Segment B – Final Payment

**Recommendation:** That the City Council:

- Approve the Final Progress Payment to GRFCO, Inc. of Brea, California in the amount of \$127,075.38 for the subject project.

13. Approval of Amendment No. 1 with Henry Hernandez to Operate the City's Batting Cages Facility

**Recommendation:** That the City Council:

- Approve Amendment No. 1 of the Batting Cages Concessionaire Agreement with Henry Hernandez; and
- Appropriate \$9,000 from the UUT/CIP Fund for the purchase and installation of LED lighting at the City's batting cages facility; and
- Authorize the City Manager to execute Amendment No. 1.

14. Water Well Siting Study for Zone 1 – Award of Contract  
**Recommendation:** That the City Council:
- Accept the Proposals; and
  - Award a contract to Richard C. Slade & Associates, LLC, Sherman Oaks, California, in the amount of \$37,650.00; and
  - Authorize the Director of Public Works to execute a contract with Richard C. Slade & Associates, LLC; and
  - Appropriate \$37,650 from the Bond Funds for Capital Improvement Projects (Activity No. 455-397-S037-4400) to fund the cost of the proposed contract.
15. Amendment of Water Rates and Related Charges for FY 2016/17  
**Recommendation:** That the City Council:
- Direct staff to initiate proceedings in accordance with Proposition 218 to consider implementing an 11% increase in water rates as of August 1, 2016.
16. Authorization to Submit Program Payment Application to CalRecycle for Beverage Container Recycling Program Funding  
**Recommendation:** That the City Council:
- Approve Resolution No. 9510 authorizing the City Manager or his designee to submit a program payment application for the CalRecycle Beverage Container Recycling Program.
17. Acceptance of a State of California Monetary Award for Upgrades to the Railcar, Tank Farm and Pipe Tree Props located at the Santa Fe Springs Homeland Security Regional Training Center  
**Recommendation:** That the City Council:
- Accept the State of California award funds in the amount of \$25,000 and authorize the Fire Chief to commence the performance of services as described in the "Statement of Work".
18. City Investments Update from PFM Asset Management LLC  
**Recommendation:** That the City Council:
- Receive and file this report.

**CLOSED SESSION**

19. CONFERENCES WITH LABOR NEGOTIATORS  
(Section 54957.6)  
**Agency Designated Representatives:** City Manager, Assistant City Manager/Director of Finance, Senior Human Resources Analyst, City Attorney  
**Employee Organizations:** Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association
20. CONFERENCES WITH LABOR NEGOTIATORS  
(Section 54957.6)  
**Agency Designated Representatives:** City Manager, City Attorney, Labor Negotiator

***City of Santa Fe Springs***  
***Regular Meetings***

***May 26, 2016***

**Employee Organization:** Santa Fe Springs Executive, Management and Confidential Employees' Association

***Items 20 – 28 will occur in the 7:00 p.m. hour.***

**21. INVOCATION**

**22. PLEDGE OF ALLEGIANCE**

**23. INTRODUCTIONS**

- Representatives from the Chamber of Commerce

**24. ANNOUNCEMENTS**

**25. PRESENTATIONS**

- CAPIO Excellence in Communications Award to the City Council
- Presentation to Sandy Thorstenson, Superintendent of the Whittier Union High School District, upon her retirement
- Introduction of the 2016 Memorial Scholarship Program Recipients

**26. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

- Committee Appointments

**27. ORAL COMMUNICATIONS**

*This is the time when comments may be made by interested persons on matters not on the agenda having to do with City business.*

**28. EXECUTIVE TEAM REPORTS**

**29. ADJOURNMENT**

*I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.*

  
\_\_\_\_\_  
**Janet Martinez, CMC**  
**City Clerk**

May 19, 2016  
**Date**

**FOR ITEM 3A  
PLEASE SEE ITEM 6A**



## **NEW BUSINESS**

### Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

#### **RECOMMENDATION**

That the Public Financing Authority receive and file the report.

#### **BACKGROUND**

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

##### Consolidated Redevelopment Project 2001 Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$13,965,000

##### Consolidated Redevelopment Project 2002 Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$5,150,000

##### Consolidated Redevelopment Project 2003 Taxable Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$2,775,000

##### Water Revenue Bonds, 2005 Series A

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$2,310,000

##### Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$36,713,999

##### Consolidated Redevelopment Project 2006-B Taxable Tax Allocation Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$7,085,000

##### Consolidated Redevelopment Project 2007-A Tax Allocation Refunding Bonds

Financing proceeds available for appropriation at 4/30/16	None
Outstanding principal at 4/30/16	\$33,395,000



Bond Repayment

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2005 Water Revenue Bonds.

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 and is administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment. Instead distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds

Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).



Thaddeus McCormack  
City Manager/Executive Director

**FOR ITEM 4A  
PLEASE SEE ITEM 6A**



## **NEW BUSINESS**

### Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

#### **RECOMMENDATION**

That the Water Utility Authority receive and file the report.

#### **BACKGROUND**

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

##### Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 4/30/16

None

Outstanding principal at 4/30/16

\$6,890,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.

  
Thaddeus McCormack  
City Manager/Executive Director



# *City of Santa Fe Springs*

Water Utility Authority Meeting

May 26, 2016

## **NEW BUSINESS**

### Status Update of Water-Related Capital Improvement Projects

#### RECOMMENDATION

That the Water Utility Authority receive and file the report.

#### BACKGROUND

This report is for informational purposes only. The following is a listing of current active water projects.

#### Interstate 5 Water Main Relocation for the Carmenita Road Segment B

Under a separate cover, final payment will be presented to Council at tonight's meeting.

#### New Well Siting Study, Zone 1

Under a separate cover, staff will make a recommendation to Council to award a contract to site a new well in zone 1 at tonight's meeting.

#### Engineering Design Services Water Treatment System Water Well No. 12

Staff are currently evaluating all submitted proposals and will deliver a recommendation to Council at the June 23<sup>rd</sup> meeting.

#### FISCAL IMPACT

The Water Well Siting Study for Zone 1 and for Water Well No. 12 will be funded by Capital Improvement Plan Bond Funds. The Interstate 5 widening project is funded by Caltrans through a utility agreement between the City and Caltrans.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack  
Executive Director

#### Attachments:

None

Report Submitted By:

Noe Negrete, Director  
Department of Public Works

Date of Report: May 19, 2016

**ITEM NO. 4C**



APPROVED:

**MINUTES OF THE MEETINGS OF THE  
PUBLIC FINANCE AUTHORITY, WATER UTILITY AUTHORITY,  
HOUSING SUCCESSOR, SUCCESSOR AGENCY  
AND CITY COUNCIL**

**April 28, 2016**

**1. CALL TO ORDER**

Mayor Moore called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

**Members present:** Councilmembers/Directors: Sarno, Trujillo, and Zamora, Mayor Pro Tem/Vice Chair Rounds and Mayor Moore.

**Members absent:** None

The City Clerk announced that the Members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

**PUBLIC FINANCING AUTHORITY**

**3. CONSENT AGENDA**

**Monthly Reports**

- a. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

**Recommendation:** That the Public Financing Authority receive and file the report

It was moved by Council Member Zamora, seconded by Council Member Trujillo, approved Item No 3A by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nays:** None

**WATER UTILITY AUTHORITY**

**4. CONSENT AGENDA**

**Monthly Reports**

- a. Monthly Report on the Status of Debt Instruments Issued through the Water Utility Authority (WUA)

**Recommendation:** That the Water Utility Authority receive and file the report.

b. Status Update of Water-Related Capital Improvement Projects

**Recommendation:** That the Water Utility Authority receive and file the report.

It was moved by Mayor Pro Tem Rounds, seconded by Council Member Zamora, approved items 4A and 4B by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nayes:** None

## **CITY COUNCIL**

5. **CITY MANAGER REPORT**

Thaddeus McCormack City Manager provided an update on the 73 million settlement. He noted that Water Well No. 1 is planned to be replaced.

6. **CONSENT AGENDA**

**Approval of Minutes**

a. Minutes of the April 14, 2016 City Council Meeting

**Recommendation:** That the City Council:

- Approve the minutes of the April 14, 2016, meeting as submitted.

It was moved by Council Member Trujillo, seconded by Council Member Zamora, approved the minutes of the April 14, 2016 City Council Meeting, by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nayes:** None

## **PUBLIC HEARINGS**

7. An Ordinance of the City of Santa Fe Springs to amend Section 130.05 of Chapter 130 of Title 13 of the City Municipal Code relating to vehicles, skateboards and scooters on public property.

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public; and
- Waive further reading and introduce Ordinance No. 1072 which amends section 130.05 of Chapter 130 of Title 13, titled "Vehicles, Skateboards and Scooters on Public Property" to the Santa Fe Springs Municipal Code; and
- Bring back Ordinance No. 1072 for approval on May 12, 2016.

Mayor opened the public hearing. There was no public comment received. It was moved by Mayor Pro Tem Rounds, Seconded by Council Member Trujillo to waive further reading and introduce Ordinance No. 1072 by staff by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nayes:** None

Council Member Sarno requested that the City Council locate a place to where children can play.



Council Member Zamora requested to have staff find out whether Santa Fe High School can have an indoor skate park

City Manager noted he would look into it.

## **NEW BUSINESS**

**8. Heritage Park Aviary Renovation – Final Payment**

**Recommendation:** That the City Council:

- Approve the Final Payment (less 5% Retention) to Torga Electrical of San Bernardino, California in the amount of \$52,174.24 for the subject project.

It was moved by Council Member Sarno, seconded by Council Member Zamora to approve as recommended, by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nays:** None

**9. Fire Station Headquarters – Heating, Ventilation, and Air Conditioning (HVAC) Improvements – Authorization to Advertise for Construction Bids**

**Recommendation:** That the City Council:

- Approve the Plans and Specifications; and
- Authorize the City Engineer to advertise for construction bids.

It was moved by Council Member Sarno, seconded by Mayor Pro Tem Rounds, to approve as recommended by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nays:** None

**10. Agreement with Whittier Union High School District for Use of School (Santa Fe High School) Facilities to Provide City Programming**

**Recommendation:** That the City Council:

- Approve the agreement with Whittier Union High School District for the use of School Facilities to provide City programming.

Upon motion by Council Member Zamora second by Council Member Sarno, to approve the agreement, by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nays:** None

**11. Approval of Workers Compensation Insurance Coverage for Individuals Providing Volunteer Services for the City of Santa Fe Springs**

**Recommendation:** That the City Council:

- Adopt a Resolution providing workers compensation coverage for City volunteers.

It was moved by Council Member Zamora, seconded by Council Member Trujillo, to adopt the Resolution, by the following vote:

**Ayes:** Sarno, Trujillo, Zamora, Rounds, Moore

**Nayes:**       None

**CLOSED SESSION**

**12.    CONFERENCES WITH LABOR NEGOTIATORS**

(Section 54957.6)

**Agency Designated Representatives:** City Manager, Assistant City Manager/Director of Finance, Human Resources Manager, City Attorney

**Employee Organizations:** Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association

**13.    CONFERENCES WITH LABOR NEGOTIATORS**

(Section 54957.6)

**Agency Designated Representatives:** City Manager, City Attorney, Labor Negotiator

**Employee Organization:** Santa Fe Springs Executive, Management and Confidential Employees' Association

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***Mayor Moore recessed the meetings at 6:17 p.m.***

***Mayor Moore convened the meeting at 7:05 p.m.***

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No action taken in closed session.

**14.    INVOCATION**

Invocation was led by Mayor Pro Tem Rounds

**15.    PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by the Youth Leadership Committee members.

**16.    INTRODUCTIONS**

- Representatives from the Chamber of Commerce

**17.    ANNOUNCEMENTS**

The Youth Leadership Committee Members made the following announcements:

- Santa Fe Springs Library will be hosting an event called Ballet Folclorico de Brasil on Friday, May 6 at 7:00 p.m.
- Santa Fe Springs Library will be having an event called Santa Fe Springs Grows on Saturday, April 30, 2016 at 10:00 a.m. where citizens will be able to grow tomatoes and herbs
- The City of Santa Fe Springs will be hosting an Art Fest on May 13, 2016 from 6:00

p.m. to 11:00 p.m. and May 14, 2016 from 12:00 p.m. to 8:00 p.m. at Clarke Estate

**18. PRESENTATIONS**

- a. Proclaiming Month of May as "Mental Health Awareness Month" in the City of Santa Fe Springs
- b. 2016 Santa Fe Springs Fun Run/Walk and Health & Safety Expo – Recognition of Event Sponsors
- c. Proclaiming the week of May 1-May 7, 2016 as "Municipal Clerk Week" in the City of Santa Fe Springs

**19. APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

Mayor Moore appointed Adrian Romero to the Parks and Recreation Commission.

Mayor Moore announced the appointment of Richard Garcia to the Oversight Board that took place on April 15, 2016.

**20. ORAL COMMUNICATIONS**

Mr. Gilbert Aguirre, senior advisory committee member, spoke about the recent staff changed that took place at the recreation center. He noted that he is present today to represent the seniors and show his support of that employee.

**21. EXECUTIVE TEAM REPORTS**

- Noe Negrete, Director of Public Works, reported that all projects at Heritage Park were complete. He also wished the audience Happy Mother's Day.
- Cuong Nguyen, Planning, reported an update on four (4) projects: 1) Xebec Realty partners at 11904 Washington Blvd; 2) Chalmers Equity Group at 12140 Altamar Place. 3) 9830 Jersey Avenue – Alburtis 50-Unit Condominium project. 4) Carmenita Plaza LLC (remodel of pollo loco) 10100 carmenita rd.
- Dino Torres, Director of Police Services, announced the "Every 15 minutes program" that will take place on May 18, 2016 and May 19, 2016 at St. Paul High School. He also announced the "Coffee with a Cop" event that will take place at Jersey Elementary on May 19, 2016 from 8:30 a.m. to 9:30 a.m.
- Mike Crook, Fire Chief, reported on the paramedic program.
- Jose Gomez, Assistant City Manager/Finance Director, spoke about the Placentia Finance staff that was recently charged for embezzlement and noted that the City is doing its best to avoid that to occur in the city and take any precaution to avoid such situation.
- Maricela Balderas, Director of Community Services, spoke about the farmers market that happens every Wednesday and encouraged the citizens to attend. Today is the national hero's day and thanked the Fire and Police Department for their services. Also thanked staff for all their help to put together the event on Saturday. Last thanked everyone to put together the Mayors breakfast.

Mayor Moore thanked Julie and the rest of the staff for putting together a great Mayor's Breakfast event.

Mayor Pro Tem Rounds spoke about the Donate Life event that took place on Saturday, April 30, 2016 called the "Mayors Challenge".

Council Member Zamora wished audience Happy Mother's Day.

#### **ADJOURNMENT**

- 22.** Mayor Pro Tem Rounds adjourned the Regular Meetings in memory of Gilbert Medina and Mark Wade at 7:46 p.m.

**ATTEST:**

\_\_\_\_\_  
Janet Martinez  
City Clerk

\_\_\_\_\_  
Richard J. Moore  
Mayor

\_\_\_\_\_  
Date



**PUBLIC HEARING – ORDINANCE FOR INTRODUCTION**

**Ordinance No. 1071** – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

**RECOMMENDATIONS**

That the City Council take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1071, and thereafter close the Public Hearing.
2. Find and determine that the subject Development Agreement is consistent with the City's General Plan.
3. Pass the first reading of Ordinance No. 1071, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

**BACKGROUND**

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were badly outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.

- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.
- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

*Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved*

#### Conditional Use Permit

On August 12, 2013, the Applicant (Le Fiell Manufacturing Company) obtained approval of a Conditional Use Permit (CUP 743) from the Planning Commission to allow the construction and operation of a new, 48' x 14' x 50' high, digital billboard on property located at 13700 Firestone Blvd. At the same meeting, the applicant concurrently applied for and received approval of Conditional Use Permit (CUP 744) to allow the construction and operation of a new, 48' x 14' x 50' high, static billboard on the subject property.

Then on May 9, 2016, the Planning Commission, via Resolution No. 54-2016, recommended that the City Council adopt Ordinance No. 1071. City Council approval of Ordinance No. 1071 would allow for a development agreement (Development Agreement No. 02-2016) between the City of Santa Fe Springs and Le Fiell Manufacturing Company. The Development Agreement would set forth rules and regulations applicable to the proposed billboards.

#### Development Agreement

A city's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

The main points of the Development Agreement (see attachment) are as follows:

1. The Developer pays an annual development fee to the City to mitigate potential impacts of the Development on the City and surrounding community.



2. The Developer is prohibited from utilizing any of the displays on the New Digital Billboard or the New Static Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.
3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

### **LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.

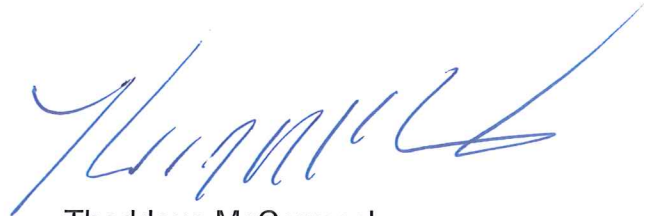
As of the date of this report, staff has not received any comments and/or inquiries regarding the proposal.

### **SUMMARY**

Ordinance No. 1036 established standards for the installation of billboards on certain properties within the City, only after a valid Conditional Use Permit has been obtained and a development agreement approved. Since a city's exercise of its power to enter a development agreement is a legislative act, development agreements must be approved by ordinance. Ordinance No. 1071 provides the legal authority allowing the City to enter into Development Agreement No. 02-2016 with Le Fiell Manufacturing Company.

**FISCAL IMPACT**

Potential to generate additional source of revenue through negotiated development agreements.



Thaddeus McCormack  
City Manager

**Attachments:**

1. Ordinance No. 1071
2. Development Agreement No. 02-2016
3. Planning Commission Staff Report – May 9, 2016
4. Resolution No. 54-2016

**ORDINANCE NO. 1071**

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS  
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND LE FIELL MANUFACTURING COMPANY

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY  
ORDAIN AS FOLLOWS:

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:  
NOES:  
ABSENT:

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

[Exempt From Recording Fee Per Gov. Code §6103]

**DEVELOPMENT AGREEMENT NO. 02-2016**

This Development Agreement (hereinafter "Agreement") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016 (hereinafter the "Effective Date"), by and between the City of Santa Fe Springs (hereinafter "City"), and Le Fiell Manufacturing Company, a Sub Chapter "S" Corporation (hereinafter "Developer").

**RECITALS**

A. California Government Code Sections 65864 *et seq.* ("Development Agreement Law") authorizes cities to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

B. Developer has a leasehold or license interest in that certain portion of real property, located adjacent to and on the Southern side of the South bound lanes of the 5 Freeway, at the Southwest corner of Firestone Boulevard and Marquardt Avenue in the City of Santa Fe Springs, Assessor Parcel Number Numbers 7005-014-079 as more specifically described in **Exhibit "A"** and depicted at **Exhibit "C"**, attached hereto and incorporated herein (the "Site"), upon which it seeks to install a new lawfully permitted double-sided 14 x 48 foot digital display which is oriented toward the 5 Freeway, as depicted in **Exhibit "C"** (the "New Digital Billboard"), and a new lawfully permitted double-sided 14 x 48 foot static display which is oriented toward the 5 Freeway as described in Exhibit "C" (the "New Static Billboard").

C. Le Fiell Manufacturing Company a Sub Chapter "S" Corporation (referred to as "Developer") has consented to this application for this Agreement, and as the Owner of the Site, as such term is defined below, has a legal and/or equitable interest in the Site and thus qualifies to enter into this Agreement in accordance with Development Agreement Law.

D. In exchange for the City approvals sought by Developer for the New Digital Billboard and Static Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Mitigation Fee of \$68,500.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Digital Billboard. Also in exchange for the City approvals sought by Developer for the New Static Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Mitigation Fee of \$10,000.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Static Billboard.

E. The Site is located within the City's M-2-FOZ, Heavy Manufacturing-Freeway Overlay Zone, designated by the General Plan as Industrial. Developer and the City agree that a development agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

F. On August 12, 2013, the Planning Commission of the City, at a duly noticed hearing, granted "Conditional Use Permit" for the construction and operation of a new 50-foot tall digital billboard with display area of 14' x 48' on property located at 13700 Firestone Boulevard (APN: 7005-014-079) and a new 50-foot tall static billboard with display area of 14' x 48' on property located at 13750 Firestone Boulevard, (APN: 7005-014-079) in compliance with, and satisfying the requirements of, the California Environmental Quality Act ("CEQA"), on the basis that a Mitigated Negative Declaration and Initial Study, which was also approved at the August 12, 2013, City Planning Commission meeting, concluded that although the proposed project could have a effect on the environment, there will not be a significant effect with the incorporation of mitigation measures pertaining to hazardous materials, aesthetics and views. Such CEQA determination considered the impacts of the billboards which is the subject of this Agreement.

G. On May 9, 2016, at a duly noticed public hearing, the Planning Commission adopted Resolution No. 54-2016, recommending approval of this Agreement to the City Council.

H. On \_\_\_\_\_, the City Council of the City, at a duly noticed hearing to consider the approval of this Agreement, considered the proposal, heard testimony, and introduced Ordinance No. 1071, which Ordinance approves this Agreement.

I. The City Council has found that this Agreement is in the best public interest of the City and its residents, adopting this Agreement constitutes a present exercise of the City's police power, and this Agreement is consistent with the City's General Plan. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use. Upon any termination of the Term (as defined below) of this Agreement, Developer will remove the Billboards, and restore the Site to its pre-billboard condition, except the columns can be cut off one (1) foot below grade, if a new development agreement is not negotiated with the City.

J. On \_\_\_\_\_, the City Council held the second reading on, and adopted Ordinance No. 1071, thereby approving this Agreement.

K. The City finds and determines that all actions required of the City precedent to approval of this Agreement by Ordinance No. 1071, of the City Council have been duly and regularly taken.

L. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

### **COVENANTS**

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### **1. DEFINITIONS AND EXHIBITS.**

**1.1 Definitions.** This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 “Agreement” means this Development Agreement and all attachments and exhibits hereto.

1.1.2 “City” means the City of Santa Fe Springs, a California municipal corporation.

1.1.3 “City Council” means the City Council of the City.

1.1.4 “Developer” means Le Fiell Manufacturing Company a Sub Chapter “S” Corporation, duly existing and operating, and its successors and assigns, doing business at 13700 Firestone Boulevard, Santa Fe Springs, California 90670.

1.1.5 “Development” means the installation of a New Digital Billboard and a New Static Billboard on the Site and the undergrounding of all utilities from Southern California Edison’s electrical source or an electrical source located elsewhere on Owner’s property (e.g., from an electrical panel on a building situation on Owner’s property) to the New Digital and Static billboard.

1.1.6 “Development Approvals” means the approved Development, based on the recommended approval by the Planning Commission on August 12, 2013, pursuant to Resolution No. 54-2016, and approval of the City Council by Ordinance No. 1071, on \_\_\_\_\_, as further described at Section 3.3 herein.

1.1.7 “Effective Date” means the date inserted into the preamble of this Agreement, which is 30 days following approval of this Agreement by ordinance of the City Council, provided this Agreement is signed by Developer and the City.

1.1.8 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct and operate the digital billboard and static billboard, and are signed and dated by the Building Official, where applicable.

1.1.9 Gross Revenue - gross revenue is based solely on the revenue generated from the static and digital display (basic advertising area of the billboards), as recorded on the City of Santa Fe Springs building permits, and does not include neon channel letters. Developer shall not conceal advertising revenues derived from the displays within the normal price range the Developer charges for any appurtenances that is installed on the Billboards. Gross revenue specifically excludes advertising agency fees paid to the advertiser’s advertising agency and or brokerage fees paid to the sales broker other than Developer.

1.1.10 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City’s General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the New Billboards, and the design, improvement



and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System (“NPDES”) regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.11 “Lease” means the lease or license agreement, as the case may be, for the Site between Owner, as landlord or licensor, and Developer, as tenant or licensee.

1.1.12 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.13 “Site” refers to the site described in Recital B and more specifically described on **Exhibit “A”** attached hereto and incorporated herein.

1.1.14 “Schedule of Performance” means the Schedule of Performance attached hereto as **Exhibit “D”** and incorporated herein.

1.1.15 “Scope of Development” means the Scope of Development attached hereto as **Exhibit “B”** and incorporated herein.

1.1.16 “Subsequent Land Use Regulations” means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.17 “Subsequent Development Approvals” means any Development Approvals sought by Developer in connection future changes desired to be made by Developer to the Development following its initial completion.

1.1.18 “Term” shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

**1.2 Exhibits.** The following documents are attached to, and by this reference made a part of, this Agreement: **Exhibit “A”** (Legal Description of Site) , **Exhibit “B”** (Scope of Development), **Exhibit “C”** (Site Plan of Site and Billboard Elevation) and , **Exhibit “D”** (Schedule of Performance).

## **2. GENERAL PROVISIONS.**

**2.1 Binding Effect of Agreement.** From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

**2.2 Interest in Site.** The City and Developer acknowledge and agree that Developer is qualified to enter into and be a party to this Agreement under the Development Agreement Law. The City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. Additionally, prior to the execution of this Agreement, Developer has allowed the City to view a redacted copy of the documents which demonstrates that Developer has a leasehold or license interest in the Site, which interest shall be maintained for the entire Term of this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under Section 3(a) of the Scope of Development, attached as Exhibit "B" herein, relative to the maintenance of landscaping thereon that particular Site, except as provided under Section 5.1. Additionally, if Developer's leasehold or license interest is prematurely terminated by Owner, then Developer shall have no further obligations under this Agreement for that particular Site, except as provided under Section 5.1.

**2.3 Term of Agreement.** Unless earlier terminated as provided in this Agreement, the "Term" of this Agreement shall continue in full force and effect for: (i) twenty (20) years from approval of this Development Agreement and a Conditional Use Permit (CUP) with an additional one (1) ten year option upon mutual consent of Developer and City (ii) the expiration or earlier termination of the Lease, or (iii) the permanent removal of the New Digital Billboard and Static Billboard constructed pursuant to the terms hereof, other than its removal for repair or replacement. Developer shall completely remove the New Digital Billboard and Static Billboard within the times and as provided under Section 5.1 herein. Within thirty (30) days after the termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 8.1 below. If no extension or renewal of this Agreement is agreed to following its termination, then the digital displays shall come down and the lease area restored to its pre-billboard condition, except the columns can be cut off one (1) foot below grade.

**2.4 Processing Fee.** Upon six (6) months after the issuance of the Final Permits and all governmental and utility inspections approvals for the particular Sites, the Developer shall pay the City a processing fee ("Processing Fee") for the Digital Billboard in the amount of Fifty-Thousand (\$50,000.00) dollars and Developer shall pay the City a second Fifty-Thousand (\$50,000.00) dollars upon six (6) months from the initial Fifty-Thousand (\$50,000.00) dollars payment, and for the Static Billboard, the Developer shall pay the City a processing fee ("Processing Fee") in the amount of Ten-Thousand (\$10,000.00) dollars for that particular Site at the same time the initial \$50,000 is paid for the digital billboard and a second Ten-Thousand (\$10,000.00) dollars 6-months from the initial Ten-Thousand (\$10,000.00) dollars payment. The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City's discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and building permit fees, and any other fees imposed by Los Angeles County, as may be applicable.

**2.5 Alternative Fee.** The Alternative Fee shall be an amount equal to nine (9%) percent of the gross advertising revenue as gross revenue is defined in Section 1.1.9 above.

**2.6 Development Fee.** The potential impacts of the Development on the City and

surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee to the City ("Development Fee"). The Development Fee for the Site shall equal the following amounts during the Term: Sixty-Eight Thousand Five Hundred Dollars (\$68,500) per annum for the New Digital Billboard and Ten Thousand Dollars (\$10,000) per annum for the New Static Billboard.

**2.6.1 Alternative Fee:** For any calendar year of the Term the Alternative Fee, as defined in Section 2.5 above, is an amount equal to nine percent (9%) of the gross advertising revenue made from the digital displays and static display on the Site(s) during the preceding calendar year of the Term. By way of example only, should the gross advertising revenue during any year of the Term total \$770,000 for the New Digital Billboard and \$385,000 for the New Static Billboard, then for that year, Developer shall pay to the City for the New Digital Billboard the Alternative Fee of \$69,300 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$770,000 is \$69,300 in lieu of the Development Fee of \$68,500), and Developer shall pay to the City for the New Static Billboard, the Alternative Fee of \$34,650 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$385,000 is \$34,650 in lieu of the Development Fee of \$19,000).

**2.6.2 Revenue Report & Payment of Alternative Fee or Development Fee:** Within ninety (90) days following the end of each calendar year of the Term hereof, and ending within ninety (90) days after the termination of the Term, Developer shall furnish to the City a statement in writing ("Revenue Report"), certified by Developer to be correct, showing the total gross advertising revenues made from each sign face of the New Digital Billboard and New Static Billboard, during the preceding calendar year of the Term attributable to each sign display of the New Billboards. If during any particular year of the Term the Alternative Fee is higher than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Alternative Fee. If during any particular year of the Term the Alternative Fee is less than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Development Fee.

**2.6.2.1 Additional Revenue.** While Developer is not precluded from generating additional revenue from wireless deployment on the billboard, other than wireless communication devices for the use of operating a billboard, Developer shall not enter any agreement with any party for additional revenue, including revenue derived from wireless deployment on the billboard, without first reaching an agreement with City regarding the additional revenue.

**2.6.3 Audit of Alternative Fee.** With prior written notice to Developer of not less than ten (10) business days, the City has the right to audit Developer's New Billboards revenue and to view those portions of any advertising space contracts or invoices that only related to this Agreement, at Developer's Santa Fe Springs office, on any normal workday between 9:00 a.m. and 4:00 p.m. once a year. City also has the option of having the contracts and invoices reviewed at City Hall, 11710 Telegraph Road, Santa Fe Springs, CA 90670, for the audit. Prior to the audit, the City shall sign a confidentiality agreement regarding the advertising space contracts and invoices. If the statement of total gross advertising revenue previously provided to the City shall be found to be inaccurate for prior calendar years of the Term, then and in that event, there shall

be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Alternative Fee, if any, that should have been paid to the City for the period or periods covered by such inaccurate statement or statements. If said audit discloses an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, then Developer shall immediately pay to the City the cost of such audit, plus ten percent (10%) interest per annum on the amount underpaid, but the application of the said interest is limited to the previous year before the time any underpayment should have been paid to the City; if the audit does not disclose an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, the cost of such audit shall be paid by the City.

**2.7 Community Benefits.** Developer shall also provide the following Community benefits during the entire Term of this Agreement.

**2.7.1 City's Use of the Billboard.** Developer shall provide five (5) weeks' worth of display time per year per for the Site for public service announcements by the City on either side of the Billboard, subject to availability of space. The City can chose to utilize any of the five weeks' worth of display time on any of Developer's other freeway digital displays within 10 miles of the City boundary. With respect to any of the New Digital Billboards, Developer shall place City-provided announcements, on a space available basis, in one of the eight (8) display images in the current rotation of display images at any time. The City shall be responsible for providing Developer with approved advertising copy and shall also be responsible for any costs associated with providing Developer with artwork in acceptable format per Developer's specifications. City's use is subject to the following conditions and parameters: all copy must be submitted to Developer at least five (5) days before the proposed display date and will be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.

**2.7.2 Discount Advertising.** Developer shall offer a ten percent (10%) discount off its applicable rates for display of advertising on the Billboards to any business that is a member of the Santa Fe Springs Chamber of Commerce.

**2.8 Prohibited Use.** Developer shall not utilize any of the displays on the New Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance existing as of the Effective Date of this Agreement, or as may be amended or implemented from time-to-time after the Effective Date and equally-applicable to all billboard displays by any duly and valid City ordinance.

### **3. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.**

**3.1 Rights to Develop.** Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 3.2 below.

**3.2 Effect of Agreement on Land Use Regulations.** Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

**3.3 Development Approvals.** Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals, a Conditional Use Permit and building permit(s) from the City, and any and all permits and approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City's Planning Commission has approved a Mitigated Negative Declaration for the project, thus complying with, and satisfying the the requirements of, the California Environmental Quality Act ("CEQA"). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City's Municipal Code that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City's Commission (2) applicable NPDES requirements pertaining to the Development, and (3) applicable building codes that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City's Commission, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

**3.4 Timing of Development; Scope of Development.** Developer shall commence the Development within the time set forth in the Schedule of Performance, attached hereto as **Exhibit "D"**. "Commencement" of the Development is defined herein as commencement of construction or improvements under the City building permit for the construction of the New Billboards on the Site, which shall occur as soon as possible following Developer's receipt of all necessary Development Approvals and Final Permits. In the event that Developer fails to meet the schedule for Commencement of the Development, then after compliance with Section 4.4, either party hereto may terminate this Agreement by delivering written notice to the other party, and, in the event of such termination, neither party shall have any further obligation hereunder. However, if circumstances within the scope of Section 8.10 delay the Commencement or completion of the Development, then such delays shall not constitute grounds for any termination rights found within this Agreement. In such case, the timeline to commence or complete the relevant task shall be extended in the manner set forth at Section 8.10. Notwithstanding the above, Developer shall, at all times, comply with all other obligations set forth in this Agreement regarding the construction or improvement of the New Billboards. Developer shall also maintain the New Digital Billboard at all times during the Term in accordance with the maintenance provisions set forth in Section 3 of the Scope of Development, attached as **Exhibit "B"** herein.

**3.5 Changes and Amendments.** Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s); provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers. Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

### **3.6 Reservation of Authority.**

3.6.1 *Limitations, Reservations and Exceptions.* Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Code Conference Building Officials, or other similar body, as part of the then most current versions of the California Building Code, California Fire Code, California Plumbing Code, California Mechanical Code, or California Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of a building permit for development of the New Billboards. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

3.6.2 *Future Discretion of the City.* This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

3.6.3 *Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.* In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.7 Regulation by Other Public Agencies.** It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 4.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.8 Public Improvements.** Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

3.8.1 The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

3.8.2 The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the

logical progression of the development of the Development, as well as the reasonable needs of the public.

3.8.3 It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.9 Fees, Taxes and Assessments.** During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Development Agreement and/or the Development Approvals. However, this Development Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the New Digital Billboard or Developer directly, except as follows:

3.9.1 Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

3.9.2 Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

3.9.3 Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer;

3.9.4 Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

**3.10 Changes.** Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

#### **4. REVIEW FOR COMPLIANCE.**

**4.1 Annual Review.** The City Council shall have the right to review this Agreement annually at the City's sole cost, on or before the anniversary of the commencement of the Term, to ascertain the good faith compliance by Developer with the terms of this Agreement ("Annual Review"). However, no failure on the part of the City to conduct or complete an Annual Review as provided herein shall have any impact on the validity of this Agreement. Developer shall cooperate with the City in the conduct of such any Annual Review and provide the following information and documentation to the City at least thirty (30) days before the anniversary of the commencement of the Term: (1) any updates to Developer's contact information related to complaints concerning the billboards, as required in the conditions at Exhibit "B", Section 6 herein, (2) status and amount of all payment obligations to the City required under this Agreement



for the year in question and cumulatively beginning from the Commencement of the Development herein, (3) any easement or Lease changes that could in any way materially impact the City or the parties' obligations under this Agreement, but any disclosure shall be via a redact Lease per Section 2.2, (4) any utility changes that could in any way materially impact the City or the parties' obligations under this Agreement, and (5) any maintenance issues addressed or needing to be addressed per the requirements of Exhibit "B".

**4.2 Special Review.** The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

**4.3 City Rights of Access.** Subject to the City's execution of a permit to enter in a form reasonably acceptable to Owner, the City and its officers, employees, agents and contractors shall have the right, at their sole risk and expense, to enter the Site without interfering with any railroad or other right-of-way, and at all reasonable times with as little interference as possible, for the purpose of conducting the review under this Article 4, inspection, construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public facilities located on the Site, or to perform any rights of the City under Section 4.2 above. Any damage or injury to the Site or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the City. Notwithstanding the foregoing or any other provision in this Agreement (including without limitation Section 4.2 above) to the contrary, the City shall have no right whatsoever to enter the Site unless and until the City executes and delivers to Owner a permit to enter in a form reasonably acceptable to Owner (except that this provision is not intended to interfere with the City's police powers to address any nuisance, dangerous condition, or other condition pursuant to the City's ordinances). Notwithstanding anything to the contrary herein, in no event will the City's representatives ever climb up the pole of the New Digital Billboard during any inspection.

**4.4 Procedure.** Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely

completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 5; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to “force majeure” as defined in, and subject to the provisions of, Section 8.10.

**4.5 Certificate of Agreement Compliance.** If, at the conclusion of an Annual Review or a Special Review, Developer is found to be in compliance with this Agreement, the City shall, upon request by Developer, issue within Ten (10) days of receipt of the request, a written confirmation (“Certificate”) to Developer stating that, after the most recent Annual Review or Special Review, and based upon the information known or made known to the City Manager and the City Council, that (1) this Agreement remains in effect, and (2) Developer is in compliance. The Certificate, whether issued after an Annual Review or Special Review, shall be in recordable form if requested by Developer, and shall contain information necessary to communicate constructive record notice of the finding of compliance. Developer may record the Certificate with the County Recorder. Additionally, Developer may, at any time, request from the City a Certificate stating, in addition to the foregoing, which specific obligations under this Agreement have been fully satisfied with respect to the Site and City shall respond within Ten (10) days of receipt of the request. If the City fails to respond to a Developer’s request pursuant to this Section 4.5, the Developer is presumed to be in compliance with this Agreement or any obligation that is the subject of the Developer’s request.

## **5. DEFAULT AND REMEDIES.**

### **5.1 Termination of Agreement.**

**5.1.1 Termination of Agreement for Material Default of Developer.** The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default” or “breach”); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In the event of a termination by the City under this Section 5.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Billboards that equates to the percentage of time elapsed in the year of the Term at the time of termination.

**5.1.2 Termination of Agreement for Material Default of City.** Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In addition, Developer may terminate this Agreement if, despite Developer’s good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the

Development. In the event of a termination by Developer under this Section 5.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that is so terminated that quates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.3 *Rights and Duties Following Termination.* Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement, (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated New Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

## **6. INSURANCE, INDEMNIFICATION AND WAIVERS.**

### **6.1 Insurance.**

#### *6.1.1 Types of Insurance.*

(a) *Liability Insurance.* Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 6.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least One Million Dollars (\$1,000,000) for bodily injury or death to any one person, at least Two Million Dollars (\$2,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

(c) *Insurance Policy Form, Sufficiency, Content and Insurer.* All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer

shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

6.1.2 *Failure to Maintain Insurance and Proof of Compliance.* Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of **Exhibit "D"** (Schedule of Performance), Item No. 7.

(b) The City can request to see updated copies of the current certificates of all insurance policies required. The City reserves the right to obtain copies of the entire insurance policy, including endorsements.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 4.4, may view such failure or refusal to be a default hereunder.

## **6.2 Indemnification.**

6.2.1 *General.* To the extent of its liability coverage required under Section 6.1.1(a) above, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith, which attorneys will be the attorneys hired by the insurance company where insurance coverage applies.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective officers, agents, and employees harmless therefrom.

6.2.2 *Exceptions.* The foregoing indemnity shall not include claims or liabilities arising from the negligence or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

6.2.3 *Additional Coverage.* Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

6.2.4 *Loss and Damage.* Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 6.2.2 above.

6.2.5 *Period of Indemnification.* The obligations for indemnity under this Section 6.2 shall begin upon the Effective Date and shall survive termination of this Agreement.

**6.3 Waiver of Subrogation.** Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

## **7. MORTGAGEE PROTECTION.**

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering Site or any portion thereof or the Development or any improvement on the Site thereon by any mortgage, deed of trust or other security device securing financing with respect to the Site. The City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and the City agrees upon request, from time to time, to meet with Developer or Owner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. Subject to compliance with applicable laws, the City will not unreasonably withhold its consent to any such requested interpretation or modification, provided the City determines such interpretation or modification is consistent with the intent and purposes of this Agreement. Upon reasonable approval by the City Attorney, the City authorizes the City Manager to execute any Notices of Consent to Assignment on behalf of the City or similar financial documentation. Any Mortgagee of the Site shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Development of the Site or any mortgage of the Site made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Development of the Site or any mortgage or deed of trust encumbering the Site, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from the City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If the City timely receives a request from a Mortgagee requesting a copy of any Notice of Non-Compliance given to Developer under the terms of this Agreement, the City shall make a good faith effort to provide a copy of that Notice of Non-Compliance to the Mortgagee within ten (10) days of sending the Notice of Non-Compliance to Developer. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance during the period that is the longer of (i) the remaining cure period allowed such party under this Agreement, or (ii) sixty (60) days.

(d) Any Mortgagee who comes into possession of the Development or the Site, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Development or the Site, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to the City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Development or the Site acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and the Development Approvals applicable to the Development or the Site or such part thereof so acquired by the Mortgagee.

## **8. MISCELLANEOUS PROVISIONS.**

**8.1 Recordation of Agreement.** This Agreement shall be recorded in "short form" version with the County Recorder by the City Clerk within 10 days of execution, as required by Government Code Section 65868.5. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

**8.2 Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

**8.3 Severability.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid

and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

**8.4 Interpretation and Governing Law.** This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

**8.5 Section Headings.** All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

**8.6 Singular and Plural.** As used herein, the singular of any word includes the plural.

**8.7 Time of Essence.** Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

**8.8 Waiver.** Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

**8.9 No Third Party Beneficiaries.** This Agreement is made and entered into for the sole protection and benefit for the parties and Owner and their respective successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

**8.10 Force Majeure.** Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

**8.11 Mutual Covenants.** The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

**8.12 Counterparts.** This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

**8.13 Litigation.** Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

**8.14 Covenant Not To Sue.** The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

**8.15 Development as a Private Undertaking.** It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a "public work" development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer's private development into a public work project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

**8.16 Further Actions and Instruments.** Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.



**8.17 Eminent Domain.** No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer's right to seek and collect just compensation or any other remedy available to it.

**8.18 Amendments in Writing/Cooperation.** This Agreement may be amended only by written consent of both parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of development agreements. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

**8.19 Corporate Authority.** The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

**8.20 Notices.** All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City:                      City of Santa Fe Springs  
   11710 E. Telegraph Road  
   Santa Fe Springs, CA 90670  
   Attn: City Manager

If to Developer:                    Le Fiell Manufacturing Company  
   LAND LEASE NOTICE  
   13700 Firestone Boulevard  
   Santa Fe Springs, California 90670  
   Attn: George Ray

**8.21 Nonliability of City Officials.** No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

**8.22 No Brokers.** The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

**8.23 No Amendment of Lease.** Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

CITY:

CITY OF SANTA FE SPRINGS  
a California municipal corporation

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

DEVELOPER:

Le Fiell Manufacturing Company  
a Sub Chapter "S" Corporation

By: \_\_\_\_\_  
George A. Ray, Chairman of the Board

[end of signatures]

STATE OF CALIFORNIA                 )  
COUNTY OF LOS ANGELES          ) ss

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Notary Public

[SEAL]

STATE OF CALIFORNIA           )  
COUNTY OF LOS ANGELES       ) ss

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Notary Public

[SEAL]

EXHIBIT "A"

LEGAL DESCRIPTION

ALL THAT CERTAIN REAL PROPERTY IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS: BEING PARCEL 1 OF VESTING PARCEL MAP NO. 71304 AS PER MAP FILED IN MAP BOOK 384 PAGES 73 AND 74 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

## EXHIBIT B

### SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer shall install the New Digital Billboard and New Static Billboard in accordance with the terms of this Agreement. The New Digital Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) digital displays (each display measuring 14' x 48' within the billboard frame) on the South bound 5 Freeway along Firestone Boulevard. The New Static Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) static displays (each display measuring 14' x 48' within the billboard frame) on the South Firestone Boulevard. bound 5 Freeway along Before the issuance of final inspection of the Final Permits, Developer shall underground all utilities necessary for the New Billboards and the Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Building Fees. Developer shall pay all applicable City building fees, as described at Section 2.4 of the Agreement, at the time that the building permit is issued for the installation of the New Digital and Static Billboard .

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) Maintenance and repair of the New Billboards (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of all shrubbery, plantings, and other landscaping or the painted backing in a healthy condition if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the New Billboards if damaged by the Development and to minimize dust caused by the Development; and (iii) the repair, replacement and repainting of the New Billboards' structures and displays as necessary to maintain such billboards in good condition and repair.

(b) Maintenance of the New Billboards and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(c) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit “B,” then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 4.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any building permits, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the New Digital Billboard and, where stated, landscaping adjacent to New Digital Billboard, which billboard and landscaping or painted backing adjacent to the billboard, respectively, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Planning or his or her designee:

(a) A building permit will be required, and structural calculations shall be prepared by a licensed civil engineer and approved by the City Building Official.

(b) The Billboards shall be located in the portion of the Site shown on Exhibit “C”, and shall be of the dimensions described in Section 1, above.

(c) The size of each sign display of the New Billboards shall not exceed the dimensions set forth in the Ordinance, and shall not to exceed the maximum height set forth in the Ordinance, including all extensions, and shall be spaced at intervals from any other billboard on the same side of the freeway and measured parallel to the freeway as set forth in the Ordinance and depicted in the Site Plan and Elevations at Exhibit “C” approved by the City as part of the Development Approvals.

(d) The New Billboards’ pole shall have a column cover as depicted in the Elevations within Exhibit “C”.

(e) Plans and specifications for the proposed installation of the New Billboards shall be submitted to the City Planning and Building Departments for plan check and approval

prior to the issuance of building permits. Plans and specifications for the proposed installation of the undergrounding of all utilities, shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of electrical permits.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the New Billboards and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all time, comply with the approval for the New Billboards from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable building or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the New Billboards is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the landscaping or painted backing installed adjacent to the New Billboards is damaged by the Development or becomes damaged, unhealthy or otherwise in need of replacement, as determined by the City's Director of Planning or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Planning or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement. Developer or Owner may trim such landscaping so as not to block the billboards or with the reasonable consent of the Director of Planning, the Developer at the Developer's own cost, can remove and relocate any landscaping.

(m) Developer shall be required to install all utilities underground in connection with the New Billboards in conformance with Ordinance 1036. Developer shall coordinate its work with the requirements of Southern California Edison to achieve the undergrounding of all utilities.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.



(p) Prior to final sign off of the building permit for the New Billboards, the applicable landscaping or painted backing shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Planning or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Planning Officer or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

# EXHIBIT C SITE PLAN OF SITE

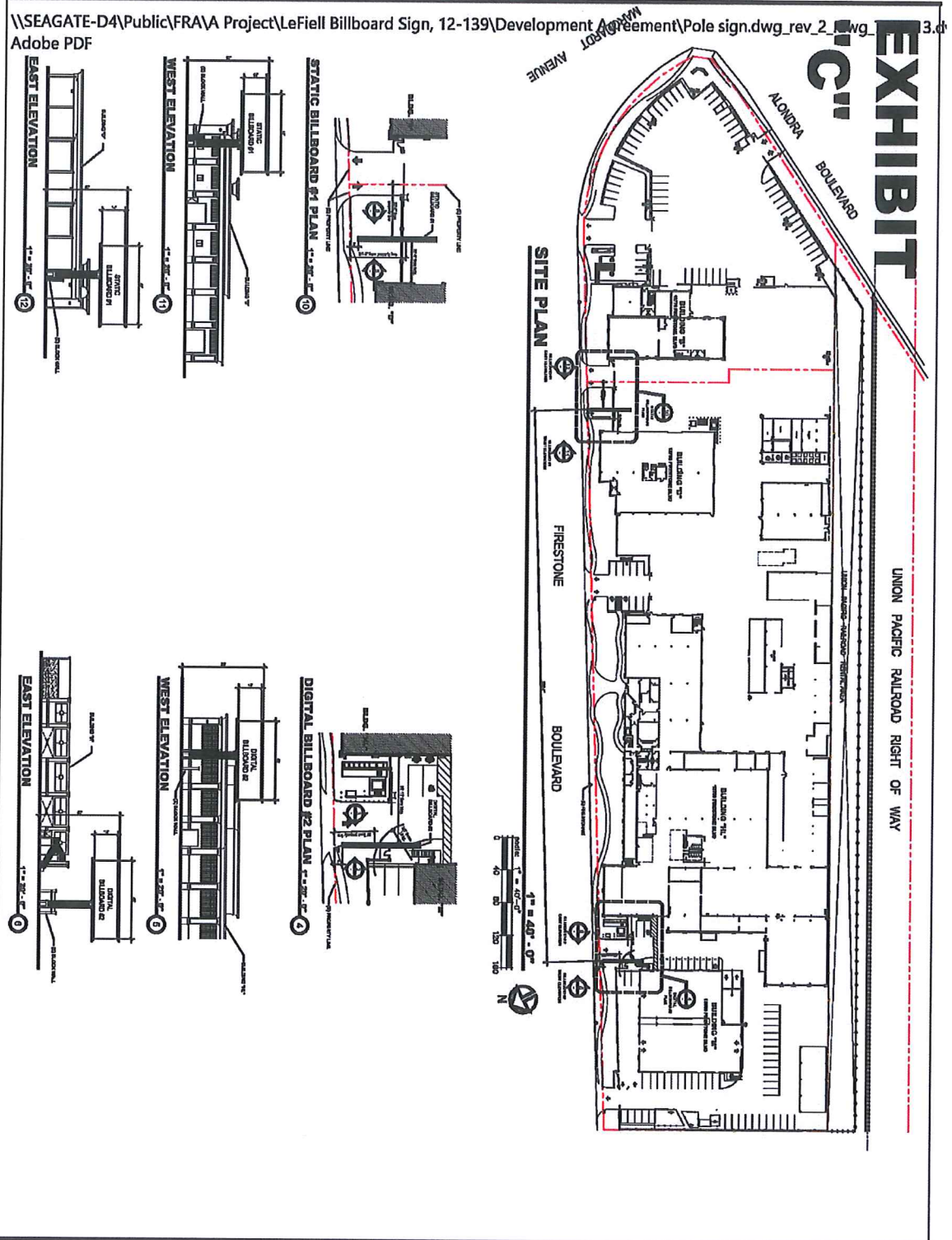


EXHIBIT D

SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's Planning Commission holds public hearing and recommends approval of Agreement and Conditions of Approval		Recitals
2. City's City Council holds hearings to approve Agreement and first and second reading of Ordinance	May 26, 2016 (1 <sup>st</sup> Reading); June 9, 2016 (2 <sup>nd</sup> Reading), provided Developer has fully executed the Agreement	Recitals
3. Effective Date of this Agreement.	30 days following City Council's second reading of Ordinance, or July 10, 2016	N/A
4. Developer prepares and submits to City working drawings specifications and engineering, the City commences approval process.	Within 120 days of the Council's second reading of the Ordinance approving this Agreement	3.4
5. City to approve all construction and engineering drawings and specifications with a plan check approval, and issue a building permit and an electrical permit. City agrees to any necessary building or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within 30 days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	_____
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	3.3, 3.4
7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	6.1.2

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
8. Developer pays City first installment of Development Fee if Developer receives Final Permits	Within 1 year of Developer receiving Final Permits	2.6
9. Developer pays City second installment and subsequent annual installments of the Development Fee if Developer receives Final Permits.	Beginning within 2 years of Developer receiving Final Permits, and continuing throughout the Term. Each payment occurring at the end of each year of the Term.	2.6
10. Developer pays the Alternative Fee if in excess of the Development Fee.	Within 90 days of the end of each calendar year of the Term	2.6

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 3.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.



**PUBLIC HEARING**

Resolution No. 54-2016 - Recommending that the City Council adopt Ordinance No. 1071, approving a Development Agreement by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

**RECOMMENDATIONS**

Staff recommends that the Planning Commission take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1071 and, thereafter, close the Public Hearing; and
2. Find that the proposed Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA), per section 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the proposed Ordinance, in and of itself, would have a significant effect on the environment; and
3. Recommend that the City Council adopt Ordinance No. 1071, and said recommendation shall be embodied in Resolution No. 54-2016.

**BACKGROUND**

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were severely outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.
- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.



- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

### **REQUEST**

*Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved.*

### **Conditional Use Permit**

On August 12, 2013, the Applicant (Le Fiell Manufacturing Company) obtained approval of a Conditional Use Permit (CUP 743) from the Planning Commission to allow the construction and operation of a new digital billboard (50-foot tall with display area of 14' x 48'), on property located at 13700 Firestone Blvd. At the same meeting, the applicant concurrently applied for and received approval of Conditional Use Permit (CUP 744) to allow the construction and operation of a new static billboard (50-foot tall with display area of 14' x 48') on the subject property.

### **Development Agreement**

The applicant has been working with staff to finalize the terms of the Development Agreement required by Ordinance No. 1036. Staff is glad to report that an agreement between both parties has been reached; therefore, the applicant is requesting approval of the subject Development Agreement (DA 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company.

A City's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

Resolution No. 54-2016 is a recommendation, by the Planning Commission to the City Council, to adopt an ordinance (Ordinance No. 1071), approving a Development Agreement (DA No. 02-2016) by and between the City of Santa Fe Springs and Le Fiell Manufacturing Company. Ordinance No. 1071, if approved by the City Council, would effectuate the Development Agreement. Said Development Agreement would set forth the rules and regulations under which the proposed billboard would be allowed.

The main points of the Development Agreement (see attachment) are as follows:

1. The Developer pays an annual development fee to the City to mitigate

potential impacts of the Development on the City and surrounding community.

2. The Developer is prohibited from utilizing any of the displays on the new digital billboard or the new static billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.
3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

#### **LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.

As of date of this report, staff has not received any comments and/or inquiries regarding the proposal.

#### **ENVIRONMENTAL DOCUMENT**

The proposed project is exempt from the provisions of the California Environmental Quality Act (CEQA), per 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the proposed Ordinance, in and of itself, would have a significant effect on the environment. The exercise of the Agreement, i.e., the installation of the billboards, will be subject to CEQA on a case and site-specific basis.



Wayne M. Morrell  
Director of Planning

#### **Attachments:**

1. Resolution No. 54-2016
2. Copy of Ordinance No. 1071
3. Copy of Development Agreement No. 02-2016



**RESOLUTION NO. 54-2016**

**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF SANTA FE SPRINGS  
RECOMMENDING THAT THE CITY COUNCIL OF THE  
CITY OF SANTA FE SPRINGS ADOPT AN ORDINANCE  
APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND LE FIELL MANUFACTURING COMPANY.**

THE PLANNING COMMISSION OF THE CITY OF SANTA FE SPRINGS HEREBY  
RESOLVES AS FOLLOWS:

**SECTION 1:** Following a public hearing noticed and conducted in compliance with all applicable law, and pursuant to all laws applicable to the responsibilities of the Planning Commission with respect to the subject matter hereof, the Planning Commission recommends that the City Council adopt the Ordinance attached hereto as Exhibit "A".

**SECTION 2:** Based on the oral and written evidence presented at such hearing, the Planning Commission hereby finds and determines that the adoption of such Ordinance is in the public convenience, interest and necessity.

**SECTION 3:** The adoption of such Ordinance would be in compliance with the City's General Plan.

**SECTION 4:** If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The Planning Commission hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

**SECTION 5:** The Commission Secretary shall certify to the adoption of this Resolution.

PASSED AND ADOPTED THIS 9<sup>TH</sup> DAY OF MAY, 2016.

ATTEST:

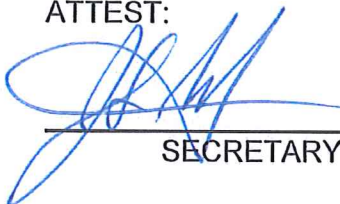
  
\_\_\_\_\_  
SECRETARY  
\_\_\_\_\_  
CHAIRMAN

Exhibit A

**ORDINANCE NO. 1071**

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS  
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND LE FIELL MANUFACTURING COMPANY

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY  
ORDAIN AS FOLLOWS:

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Le Fiehl Manufacturing Company, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:  
NOES:  
ABSENT:

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK



**PUBLIC HEARING – ORDINANCE FOR INTRODUCTION**

**Ordinance No. 1073** – An Ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

**RECOMMENDATIONS**

That the City Council take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1073, and thereafter close the Public Hearing.
2. Find and determine that the subject Development Agreement is consistent with the City's General Plan.
3. Pass the first reading of Ordinance No. 1073, an ordinance of the City of Santa Fe Springs adopting a Development Agreement (Development Agreement No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

**BACKGROUND**

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were badly outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.

- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.
- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

*Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved*

#### Conditional Use Permit

On March 9, 2015, the Applicant (Newport Diversified, INC) obtained approval of a Conditional Use Permit (CUP 751) from the Planning Commission allow the construction and operation of a new double-face billboard (50-foot tall with display area of 14' x 48') on the property located at 15718 Marquardt Avenue (*previous* APN: 7003-01-904). At the same meeting, the applicant concurrently applied for and received approval of Zone Variance (ZV 78) to vary from Section 155.384 (H)(5) to allow a reduction to the 1,000 foot separation requirements for billboards on the same side of the freeway and also to vary from Section 155.384 (H)(7) to allow a reduction to the 5-acres minimum size requirement.

Then on May 9, 2016, the Planning Commission, via Resolution No. 57-2016, recommended that the City Council adopt Ordinance No. 1073. City Council approval of Ordinance No. 1073 would allow for a development agreement (Development Agreement No. 03-2016) between the City of Santa Fe Springs and Newport Diversified, INC. The Development Agreement would set forth rules and regulations applicable to the proposed billboards.

#### Development Agreement

A city's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

The main points of the Development Agreement (see attachment) are as follows:

1. The Developer pays an annual development fee to the City to mitigate potential impacts of the Development on the City and surrounding community.

2. The Developer is prohibited from utilizing any of the displays on the New Digital Billboard or the New Static Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.
3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

### **LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations.

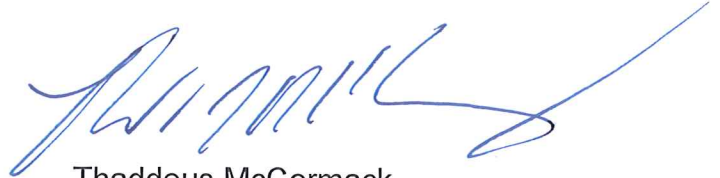
As of the date of this report, staff has not received any comments and/or inquiries regarding the proposal.

### **SUMMARY**

Ordinance No. 1036 established standards for the installation of billboards on certain properties within the City, only after a valid Conditional Use Permit has been obtained and a development agreement approved. Since a city's exercise of its power to enter a development agreement is a legislative act, development agreements must be approved by ordinance. Ordinance No. 1073 provides the legal authority allowing the City to enter into Development Agreement No. 03-2016 with Newport Diversified, INC.

**FISCAL IMPACT**

Potential to generate additional source of revenue through negotiated development agreements.



Thaddeus McCormack  
City Manager

Attachments:

1. Ordinance No. 1073
2. Development Agreement No. 03-2016
3. Planning Commission Staff Report – May 9, 2016
4. Resolution No. 57-2016



**ORDINANCE NO. 1073**

**AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS  
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND NEWPORT DIVERSIFIED, INC**

**THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY  
ORDAIN AS FOLLOWS:**

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Newport Diversified, INC, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:  
NOES:  
ABSENT:

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK

**DEVELOPMENT AGREEMENT NO. 03-2016**

This Development Agreement (hereinafter “Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 (hereinafter the “Effective Date”), by and between the City of Santa Fe Springs (hereinafter “City”), and Newport Diversified INC., a California Corporation (hereinafter “Developer”).

**RECITALS**

A. California Government Code Sections 65864 *et seq.* (“Development Agreement Law”) authorizes cities to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

B. Developer has a leasehold or license interest in that certain portion of real property, located adjacent to and on the western side of the southbound lanes of the 5 Freeway, at the Northeast corner of Alondra Boulevard and Marquardt Avenue in the City of Santa Fe Springs, as more specifically described in **Exhibit “A”** and depicted at **Exhibit “C”**, attached hereto and incorporated herein (the “Site”), upon which it seeks to install a new lawfully permitted double-sided 14 x 48 foot digital display which is oriented toward the 5 Freeway, as depicted in **Exhibit “C”** (the “New Digital Billboard”).

C. Developer and City Recognize that the Developer currently has a business display sign on the real property, described in Section B, and is qualified to enter into this Agreement in accordance with Development Agreement Law.

D. In exchange for the City approvals sought by Developer for the New Digital Billboard as provided on the Site herein, Developer is agreeable to paying to the City an annual Mitigation Fee of \$58,225.00 or Alternative Fee, whichever is greater, as defined and provided in Sections 2.5 and 2.6 below, for the cost to the City to mitigate the impact of the installation of the New Digital Billboard.

E. The Site is located within the City’s M-2-FOZ, Heavy Manufacturing-Freeway Overlay Zone, designated by the General Plan as Industrial. Developer and the City agree that a development agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

F. On March 9, 2015, the Planning Commission of the City, at a duly noticed hearing, granted “Conditional Use Permit” for the construction and operation of a new 50-foot tall digital billboard with display area of 14’ x 48’ on property located at 15718 Marquardt Avenue (*previous* APN: 7003-01-904), in compliance with, and satisfying the requirements of, the California Environmental Quality Act (“CEQA”), on the basis that a Negative Declaration and Initial Study, which was also approved at the March 9, 2015 City Planning Commission meeting, concluded that although the proposed project could have a effect on the environment, the effects are considered



to be less than significant. Such CEQA determination considered the impacts of the digital billboard which is the subject of this Agreement.

G. On May 9, 2016, at a duly noticed public hearing, the Planning Commission adopted Resolution No.57-2016, recommending approval of this Agreement to the City Council.

H. On \_\_\_\_\_, the City Council of the City, at a duly noticed hearing to consider the approval of this Agreement, considered the proposal, heard testimony, and introduced Ordinance No.1073, which Ordinance approves this Agreement.

I. The City Council has found that this Agreement is in the best public interest of the City and its residents, adopting this Agreement constitutes a present exercise of the City's police power, and this Agreement is consistent with the City's General Plan. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use. Upon any termination of the Term (as defined below) of this Agreement, Developer will remove the digital displays, and restore the Site to its pre-billboard condition, except the columns can be cut off one (1) foot below grade, if a new development agreement is not negotiated with the City.

J. On \_\_\_\_\_, the City Council held the second reading on, and adopted Ordinance No.1073, thereby approving this Agreement.

K. The City finds and determines that all actions required of the City precedent to approval of this Agreement by Ordinance No.1073 of the City Council have been duly and regularly taken.

L. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

## **COVENANTS**

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

### **1. DEFINITIONS AND EXHIBITS.**

**1.1 Definitions.** This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 "Agreement" means this Development Agreement and all attachments and exhibits hereto.

1.1.2 "City" means the City of Santa Fe Springs, a California municipal corporation.

1.1.3 “City Council” means the City Council of the City.

1.1.4 “Developer” means Newport Diversified INC. a California Corporation duly existing and operating, and its successors and assigns, doing business at 2301 Dupont Drive, Suite 500, Irvine, CA 92612.

1.1.5 “Development” means the installation of a New Digital Billboard on the Site and the undergrounding of all utilities from Southern California Edison’s electrical source or an electrical source located elsewhere on Owner’s property (e.g., from an electrical panel on a building situation on Owner’s property) to the New Digital billboard.

1.1.6 “Development Approvals” means the approved Development, based on the recommended approval by the Planning Commission on March 9, 2015, pursuant to Resolution No 03-2016, and approval of the City Council by Ordinance No. 1073 on \_\_\_\_\_, as further described at Section 3.3 herein.

1.1.7 “Effective Date” means the date inserted into the preamble of this Agreement, which is 30 days following approval of this Agreement by ordinance of the City Council, provided this Agreement is signed by Developer and the City.

1.1.8 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct and operate the digital billboard, and are signed and dated by the Building Official, where applicable.

1.1.9 Gross Revenue - gross revenue is based solely on the revenue generated from the digital display (basic advertising area of the billboard), as recorded on the City of Santa Fe Springs building permits, and does not include neon channel letters. Developer shall not conceal advertising revenues derived from the digital display within the normal price range the Developer charges for any appurtenances that is installed on the Billboard. Gross revenue specifically excludes advertising agency fees paid to the advertiser’s advertising agency and or brokerage fees paid to the sales broker other than Developer.

1.1.10 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City’s General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the New Digital Billboard, , and the design, improvement and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System (“NPDES”) regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.11 “Lease” means the lease or license agreement, as the case may be, for the Site between Owner, as landlord or licensor, and Developer, as tenant or licensee.

1.1.12 “Mortgagee” means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.13 “Site” refers to the site described in Recital B and more specifically described on Exhibit “A” attached hereto and incorporated herein.

1.1.14 “Schedule of Performance” means the Schedule of Performance attached hereto as Exhibit “D” and incorporated herein.

1.1.15 “Scope of Development” means the Scope of Development attached hereto as Exhibit “B” and incorporated herein.

1.1.16 “Subsequent Land Use Regulations” means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.17 “Subsequent Development Approvals” means any Development Approvals sought by Developer in connection future changes desired to be made by Developer to the Development following its initial completion.

1.1.18 “Term” shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

**1.2 Exhibits.** The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit “A” (Legal Description of Site), Exhibit “B” (Scope of Development), Exhibit “C1” (Site Plan of Site) and Exhibit “C” (Billboard Elevation) and, Exhibit “D” (Schedule of Performance).

## **2. GENERAL PROVISIONS.**

**2.1 Binding Effect of Agreement.** From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

**2.2 Interest in Site.** The City and Developer acknowledge and agree that Developer is the tenant or licensee of the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. The City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Site and thus is qualified to enter into and be a party to this Agreement under the Development Agreement Law. Additionally, prior to the execution of this Agreement, Developer has allowed the City to view a redacted copy of the Lease which demonstrates that Developer has a leasehold or license interest in the Site, which interest shall be maintained for the entire Term of this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under Section 3(a) of the Scope of Development, attached as Exhibit “B” herein, relative to the maintenance of landscaping thereon that particular Site, except as provided under Section 5.1. Additionally, if Developer's leasehold or license

interest is prematurely terminated by Owner, then Developer shall have no further obligations under this Agreement for that particular Site, except as provided under Section 5.1.

**2.3 Term of Agreement.** Unless earlier terminated as provided in this Agreement, the “Term” of this Agreement shall continue in full force and effect for: (i) twenty (20) years from approval of this Development Agreement and a Conditional Use Permit (CUP) with an additional one (1) ten year option upon mutual consent of Developer and City (ii) the expiration or earlier termination of the Lease, or (iii) the permanent removal of the New Digital Billboard constructed pursuant to the terms hereof, other than its removal for repair or replacement. . Developer shall completely remove the New Digital Billboard within the times and as provided under Section 5.1 herein. Within thirty (30) days after the termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 8.1 below. If no extension or renewal of this Agreement is agreed to following its termination, then the digital displays shall come down and the lease area restored to its pre-billboard condition, except the columns can be cut off one (1) foot below grade.

**2.4 Processing Fee.** Upon six (6) months after the issuance of the Final Permits and all governmental and utility inspections approvals for the particular Site, the Developer shall pay the City a processing fee (“Processing Fee”) in the amount of Fifty-Thousand (\$50,000.00) dollars for that particular Site. The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City’s discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and building permit fees, and any other fees imposed by Los Angeles County, as may be applicable.

**2.5 Alternative Fee.** The Alternative Fee shall be an amount equal to nine (9%) percent of the gross advertising revenue as gross revenue is defined in Section 1.1.9 above.

**2.6 Development Fee.** The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee to the City (“Development Fee”). The Development Fee for the Site shall equal the following amounts during the Term: Fifty - Eight Thousand Two Hundred Twenty Five Dollars (\$58,225) per annum for the New Digital Billboard.

**2.6.1 Alternative Fee:** For any calendar year of the Term the Alternative Fee, as defined Section 2.5 above, is an amount equal to nine percent (9%) of the gross advertising revenue made from the digital displays on the Site during the preceding calendar year of the Term. By way of example only, should the gross advertising revenue during any year of the Term total \$770,000 for the New Digital Billboard, then for that year Developer shall pay to the City for the New Digital Billboard the Alternative Fee of \$69,300 assuming no applicable deductions from Section 1.1.9 above (i.e., 9% of \$770,000 is \$69,300 in lieu of the Development Fee of \$ \$58,225).

**2.6.2 Revenue Report & Payment of Alternative Fee or Development Fee:** Within ninety (90) days following the end of each calendar year of the Term hereof, and ending within ninety (90) days after the termination of the Term, Developer shall furnish to the City a statement in writing (“Revenue Report”), certified by Developer to be correct, showing the total gross advertising revenues made from each sign face of the New Digital Billboard during the

preceding calendar year of the Term attributable to each sign display of the New Digital Billboard. If during any particular year of the Term the Alternative Fee is higher than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Alternative Fee. If during any particular year of the Term the Alternative Fee is less than the Development Fee at the time of calculating the Revenue Report, the Developer shall include along with the Revenue Report a payment corresponding to the Development Fee.

**2.6.2.1 Additional Revenue.** While Developer is not precluded from generating additional revenue from wireless deployment on the billboard, other than wireless communication devices for the use of operating a billboard, Developer shall not enter any agreement with any party for additional revenue, including revenue derived from wireless deployment on the billboard, without first reaching an agreement with City regarding the additional revenue.

**2.6.3 Audit of Alternative Fee.** With prior written notice to Developer of not less than ten (10) business days, the City has the right to audit Developer's New Digital Billboard revenue and to view those portions of any advertising space contracts or invoices that only related to this Agreement, at Developer's Corporate office, on any normal workday between 9:00 a.m. and 4:00 p.m. once a year. City also has the option of having the contracts and invoices reviewed at City Hall, 11710 Telegraph Road, Santa Fe Springs, CA 90670, for the audit. Prior to the audit, the City shall sign a confidentiality agreement regarding the advertising space contracts and invoices. If the statement of total gross advertising revenue previously provided to the City shall be found to be inaccurate for prior calendar years of the Term, then and in that event, there shall be an adjustment and one party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Alternative Fee, if any, that should have been paid to the City for the period or periods covered by such inaccurate statement or statements. If said audit discloses an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, then Developer shall immediately pay to the City the cost of such audit, plus ten percent (10%) interest per annum on the amount underpaid, but the application of the said interest is limited to the previous year before the time any underpayment should have been paid to the City; if the audit does not disclose an underpayment of greater than three percent (3%) with respect to the amount of total gross advertising revenue reported by Developer for the period or periods of said report, the cost of such audit shall be paid by the City.

**2.7 Community Benefits.** Developer shall also provide the following Community benefits during the entire Term of this Agreement.

**2.7.1 City's Use of the Billboard.** Developer shall provide up to five percent (5%) of non-swapmeet related advertising time per year per for the Site for public service announcements by the City on either side of the Billboard, subject to availability of space. The City shall be responsible for providing Developer with approved advertising copy and shall also be responsible for any costs associated with providing Developer with artwork in acceptable format per Developer's specifications. City's use is subject to the following conditions and parameters: all copy must be submitted to Developer at least five (5) days before the proposed display date and will be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.

**2.7.2 Discount Advertising.** Developer shall offer a ten percent (10%) discount off its applicable rates for display of advertising on the Billboard to any business that is a member of the Santa Fe Springs Chamber of Commerce, and has a HQ / office in the City.

**2.8 Prohibited Use.** Developer shall not utilize any of the displays on the New Digital Billboard to advertise tobacco, marijuana, hashish, “gentlemen’s clubs,” adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance existing as of the Effective Date of this Agreement, or as may be amended or implemented from time-to-time after the Effective Date and equally-applicable to all billboard displays by any duly and valid City ordinance.

### **3. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.**

**3.1 Rights to Develop.** Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 3.2 below.

**3.2 Effect of Agreement on Land Use Regulations.** Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

**3.3 Development Approvals.** Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals, a Conditional Use Permit and building permit(s) from the City, and any and all permits and approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City’s Planning Commission has approved a Negative Declaration for the project, thus complying with, and satisfying the requirements of, the California Environmental Quality Act (“CEQA”). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City’s Municipal Code that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City’s Commission (2) applicable NPDES requirements pertaining to the Development, and (3) applicable building codes that were in affect at the time the Development Agreement and Conditional Use Permit were approved by the City’s Commission, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

**3.4 Timing of Development; Scope of Development.** Developer shall commence the Development within the time set forth in the Schedule of Performance, attached hereto as **Exhibit “D”**. “Commencement” of the Development is defined herein as commencement of construction or improvements under the City building permit for the construction of the New Digital Billboard on the Site, which shall occur as soon as possible following Developer’s receipt of all necessary Development Approvals and Final Permits. In the event that Developer fails to meet the schedule for Commencement of the Development, then after compliance with Section 4.4, either party hereto may terminate this Agreement by delivering written notice to the other party, and, in the event of such termination, neither party shall have any further obligation hereunder. However, if circumstances within the scope of Section 8.10 delay the Commencement or completion of the Development, then such delays shall not constitute grounds for any termination rights found within this Agreement. In such case, the timeline to commence or complete the relevant task shall be extended in the manner set forth at Section 8.10. Notwithstanding the above, Developer shall, at all times, comply with all other obligations set forth in this Agreement regarding the construction or improvement of the New Digital Billboard. Developer shall also maintain the New Digital Billboard at all times during the Term in accordance with the maintenance provisions set forth in Section 3 of the Scope of Development, attached as **Exhibit “B”** herein.

**3.5 Changes and Amendments.** Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s); provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided; however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers. Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

### **3.6 Reservation of Authority.**

**3.6.1 Limitations, Reservations and Exceptions.** Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if

such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of a building permit for development of the New Digital Billboard. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

**3.6.2 *Future Discretion of the City.*** This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

**3.6.3 *Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.*** In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.7 *Regulation by Other Public Agencies.*** It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 4.1.



Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.8 Public Improvements.** Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

3.8.1 The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

3.8.2 The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the logical progression of the development of the Development, as well as the reasonable needs of the public.

3.8.3 It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

**3.9 Fees, Taxes and Assessments.** During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Development Agreement and/or the Development Approvals. However, this Development Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the New Digital Billboard or Developer directly, except as follows:

3.9.1 Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

3.9.2 Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

3.9.3 Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer;

3.9.4 Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

**3.10 Changes.** Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or

otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

#### **4. REVIEW FOR COMPLIANCE.**

**4.1 Annual Review.** The City Council shall have the right to review this Agreement annually at the City's sole cost, on or before the anniversary of the commencement of the Term, to ascertain the good faith compliance by Developer with the terms of this Agreement ("Annual Review"). However, no failure on the part of the City to conduct or complete an Annual Review as provided herein shall have any impact on the validity of this Agreement. Developer shall cooperate with the City in the conduct of such any Annual Review and provide the following information and documentation to the City at least thirty (30) days before the anniversary of the commencement of the Term: (1) any updates to Developer's contact information related to complaints concerning the billboards, as required in the conditions at **Exhibit "B"**, Section 6 herein, (2) status and amount of all payment obligations to the City required under this Agreement for the year in question and cumulatively beginning from the Commencement of the Development herein, (3) any easement or Lease changes that could in any way materially impact the City or the parties' obligations under this Agreement, but any disclosure shall be via a redact Lease per Section 2.2, (4) any utility changes that could in any way materially impact the City or the parties' obligations under this Agreement, and (5) any maintenance issues addressed or needing to be addressed per the requirements of Exhibit "B".

**4.2 Special Review.** The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

**4.3 City Rights of Access.** Subject to the City's execution of a permit to enter in a form reasonably acceptable to Owner, the City and its officers, employees, agents and contractors shall have the right, at their sole risk and expense, to enter the Site without interfering with any railroad or other right-of-way, and at all reasonable times with as little interference as possible, for the purpose of conducting the review under this Article 4, inspection, construction, reconstruction, relocation, maintenance, repair or service of any public improvements or public facilities located on the Site, or to perform any rights of the City under Section 4.2 above. Any damage or injury to the Site or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the City. Notwithstanding the foregoing or any other provision in this Agreement (including without limitation Section 4.2 above) to the contrary, the City shall have no right whatsoever to enter the Site unless and until the City executes and delivers to Owner a permit to enter in a form reasonably acceptable to Owner (except that this provision is not intended to interfere with the City's police powers to address any nuisance, dangerous condition, or other condition pursuant to the City's ordinances). Notwithstanding anything to the contrary herein, in no event will the City's representatives ever climb up the pole of the New Digital Billboard during any inspection.

**4.4 Procedure.** Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts

demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 5; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to "force majeure" as defined in, and subject to the provisions of, Section 8.10.

**4.5 Certificate of Agreement Compliance.** If, at the conclusion of an Annual Review or a Special Review, Developer is found to be in compliance with this Agreement, the City shall, upon request by Developer, issue within Ten (10) days of receipt of the request, a written confirmation ("Certificate") to Developer stating that, after the most recent Annual Review or Special Review, and based upon the information known or made known to the City Manager and the City Council, that (1) this Agreement remains in effect, and (2) Developer is in compliance. The Certificate, whether issued after an Annual Review or Special Review, shall be in recordable form if requested by Developer, and shall contain information necessary to communicate constructive record notice of the finding of compliance. Developer may record the Certificate with the County Recorder. Additionally, Developer may, at any time, request from the City a Certificate stating, in addition to the foregoing, which specific obligations under this Agreement have been fully satisfied with respect to the Site and City shall respond within Ten (10) days of receipt of the request. If the City fails to respond to a Developer's request pursuant to this Section 4.5, the Developer is presumed to be in compliance with this Agreement or any obligation that is the subject of the Developer's request.

## **5. DEFAULT AND REMEDIES.**

### **5.1 Termination of Agreement.**

**5.1.1 Termination of Agreement for Material Default of Developer.** The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default" or "breach"); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In the event of a termination by the City under this Section 5.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination,

including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.2 *Termination of Agreement for Material Default of City.* Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 4.4. In addition, Developer may terminate this Agreement if, despite Developer's good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the Development. In the event of a termination by Developer under this Section 5.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee or Alternative Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee or Alternative Fee, as applicable, within sixty (60) days after the date of termination and removal of the New Digital Billboard that is so terminated that equates to the percentage of time elapsed in the year of the Term at the time of termination.

5.1.3 *Rights and Duties Following Termination.* Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement, (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated New Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

## **6. INSURANCE, INDEMNIFICATION AND WAIVERS.**

### **6.1 Insurance.**

#### *6.1.1 Types of Insurance.*

(a) *Liability Insurance.* Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 6.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least One Million Dollars (\$1,000,000) for bodily injury or death to any one person, at least Two Million Dollars (\$2,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

(c) *Insurance Policy Form, Sufficiency, Content and Insurer.* All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

6.1.2 *Failure to Maintain Insurance and Proof of Compliance.* Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of **Exhibit "D"** (Schedule of Performance), Item No. 7.

(b) The City can request to see updated copies of the current certificates of all insurance policies required. The City reserves the right to obtain copies of the entire insurance policy, including endorsements.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 4.4, may view such failure or refusal to be a default hereunder.

## **6.2 Indemnification.**

6.2.1 *General.* To the extent of its liability coverage required under Section 6.1.1(a) above, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection

therewith, which attorneys will be the attorneys hired by the insurance company where insurance coverage applies.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective officers, agents, and employees harmless therefrom.

6.2.2 *Exceptions.* The foregoing indemnity shall not include claims or liabilities arising from the negligence or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

6.2.3 *Additional Coverage.* Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

6.2.4 *Loss and Damage.* Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 6.2.2 above.

6.2.5 *Period of Indemnification.* The obligations for indemnity under this Section 6.2 shall begin upon the Effective Date and shall survive termination of this Agreement.

**6.3 Waiver of Subrogation.** Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

## **7. MORTGAGEE PROTECTION.**

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering Site or any portion thereof or the Development or any improvement on the Site thereon by any mortgage, deed of trust or other security device securing financing with respect to the Site. The City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and the City agrees upon request, from time to time, to meet with Developer or Owner and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. Subject to compliance with applicable laws, the City will not unreasonably withhold its consent to any such requested interpretation or modification, provided the City determines such interpretation or modification is consistent with the intent and purposes of this Agreement. Upon reasonable approval by the City Attorney, the City authorizes the City Manager to execute any Notices of Consent to Assignment on behalf of the City or similar financial documentation. Any Mortgagee of the Site shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Development of the Site or any mortgage of the Site made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Development of the Site or any mortgage or deed of trust encumbering the Site, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from the City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If the City timely receives a request from a Mortgagee requesting a copy of any Notice of Non-Compliance given to Developer under the terms of this Agreement, the City shall make a good faith effort to provide a copy of that Notice of Non-Compliance to the Mortgagee within ten (10) days of sending the Notice of Non-Compliance to Developer. The Mortgagee shall have the right, but not the obligation, to cure the non-compliance during the period that is the longer of (i) the remaining cure period allowed such party under this Agreement, or (ii) sixty (60) days.

(d) Any Mortgagee who comes into possession of the Development or the Site, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Development or the Site, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by the City, the performance thereof shall continue to be a condition precedent to the City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Development or the Site acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and the Development Approvals applicable to the Development or the Site or such part thereof so acquired by the Mortgagee.

## **8. MISCELLANEOUS PROVISIONS.**

**8.1 Recordation of Agreement.** This Agreement shall be recorded in “short form” version with the County Recorder by the City Clerk within 10 days of execution, as required by Government Code Section 65868.5. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

**8.2 Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

**8.3 Severability.** If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

**8.4 Interpretation and Governing Law.** This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

**8.5 Section Headings.** All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

**8.6 Singular and Plural.** As used herein, the singular of any word includes the plural.

**8.7 Time of Essence.** Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

**8.8 Waiver.** Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

**8.9 No Third Party Beneficiaries.** This Agreement is made and entered into for the sole protection and benefit for the parties and Owner and their respective successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

**8.10 Force Majeure.** Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds,



wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

**8.11 Mutual Covenants.** The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

**8.12 Counterparts.** This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

**8.13 Litigation.** Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

**8.14 Covenant Not To Sue.** The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

**8.15 Development as a Private Undertaking.** It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a "public work" development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer's private development into a public work

project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

**8.16 Further Actions and Instruments.** Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

**8.17 Eminent Domain.** No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer's right to seek and collect just compensation or any other remedy available to it.

**8.18 Amendments in Writing/Cooperation.** This Agreement may be amended only by written consent of both parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of development agreements. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

**8.19 Corporate Authority.** The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

**8.20 Notices.** All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City:                      City of Santa Fe Springs  
   11710 E. Telegraph Road  
   Santa Fe Springs, CA 90670  
   Attn: City Manager

If to Developer:                      Newport Diversified Inc.

2301 Dupont Drive  
Suite 500  
Irvine, CA 92612  
Attn: Greg Danz

**8.21 Nonliability of City Officials.** No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

**8.22 No Brokers.** The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

**8.23 No Amendment of Lease.** Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

CITY:

CITY OF SANTA FE SPRINGS  
a California municipal corporation

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

DEVELOPER:

Newport Diversified, Inc  
a California Corporation

By: \_\_\_\_\_  
Greg Danz, President

[end of signatures]

[illegible]

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Notary Public

[SEAL]

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF LOS ANGELES )

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Notary Public

[SEAL]

EXHIBIT "A"  
LEGAL DESCRIPTION OF SITE

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF THE WEST 1/4 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 IN FRACTIONAL SECTION OF 21; TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN RANCHO LOS COYOTES, IN THE CITY OF SANTA FE SPRINGS, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGE 493 ET SEQ. OF PATENTS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE DESCRIBED IN PARCEL 6 OF THE RELINQUISHMENT OF HIGHWAY RIGHT OF WAY (251) RECORDED IN BOOK D2219 PAGE 787 OF OFFICIAL RECORDS, IN SAID OFFICE, SOUTH 60 DEGREES 02' 52" EAST 42.14 FEET; THENCE THEREON SOUTH 60 DEGREES 02' 52" EAST 52.14 FEET TO THE WESTERLY TERMINUS OF THAT COURSE DESCRIBED IN SAID PARCEL 6 AS NORTH 83 DEGREES 47' 14" EAST 221.07 FEET; THENCE ALONG LAST COURSE NORTH 83 DEGREES 47' 14" EAST 197.39 FEET; THENCE NORTH 56 DEGREES 56' 13" WEST 288.56 FEET TO A POINT IN THAT CERTAIN COURSE DESCRIBED IN SAID PARCEL 6 AS SOUTH 0 DEGREE 09' 40" EAST 170.69 FEET, SAID POINT BEING DISTANT ALONG LAST SAID COURSE NORTH 0 DEGREE 09' 40" WEST 152.76 FEET FROM THE SOUTHERLY TERMINUS THEREOF; THENCE SOUTHERLY ALONG LAST SAID COURSE TO THE POINT OF BEGINNING.

EXHIBIT B  
SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer shall install the New Digital Billboard in accordance with the terms of this Agreement. The New Digital Billboard consists of one (1) 50' tall, "bulletin" size freeway-oriented billboard with a total of two (2) digital displays (each display measuring 14' x 48' within the billboard frame) on the 5 Freeway. Before the issuance of final inspection of the Final Permits, Developer shall underground all utilities necessary for the New Digital and the Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Building Fees. Developer shall pay all applicable City building fees, as described at Section 2.4 of the Agreement, at the time that the building permit is issued for the installation of the New Digital Billboard.

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) Maintenance and repair of the New Digital (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of all shrubbery, plantings, and other landscaping or the painted backing in a healthy condition if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the New Digital Billboard if damaged by the Development and to minimize dust caused by the Development; and (iii) the repair, replacement and repainting of the New Digital Billboard's structures and displays as necessary to maintain such billboards in good condition and repair.

(b) Maintenance of the New Digital Billboard and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(c) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may

designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit “B,” then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 4.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any building permits, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the New Digital Billboard and, where stated, landscaping adjacent to New Digital Billboard, which billboard and landscaping or painted backing adjacent to the billboard, respectively, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Planning or his or her designee:

(a) A building permit will be required, and structural calculations shall be prepared by a licensed civil engineer and approved by the City Building Official.

(b) The Billboard shall be located in the portion of the Site shown on Exhibit “C1”, and shall be of the dimensions described in Section 1, above.

(c) The size of each sign display of the New Digital Billboard shall not exceed the dimensions set forth in the Ordinance, and shall not to exceed the maximum height set forth in the Ordinance, including all extensions, and shall be spaced at intervals from any other billboard on the same side of the freeway and measured parallel to the freeway as set forth in the Ordinance and depicted in the Site Plan and Elevations at Exhibit “C1” and Exhibit C” approved by the City as part of the Development Approvals.

(d) The New Digital Billboard pole shall have a column cover as depicted in the Elevations within Exhibit “C.”

(e) Plans and specifications for the proposed installation of the New Digital Billboard shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of building permits. Plans and specifications for the proposed

installation of the undergrounding of all utilities, shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of electrical permits.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the New Digital Billboard and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all time, comply with the approval for the New Digital Billboard from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable building or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the New Digital Billboard is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the landscaping or painted backing installed adjacent to the New Digital Billboard is damaged by the Development or becomes damaged, unhealthy or otherwise in need of replacement, as determined by the City's Director of Planning or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Planning or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement. Developer or Owner may trim such landscaping so as not to block the billboards or with the reasonable consent of the Director of Planning, the Developer at the Developer's own cost, can remove and relocate any landscaping.

(m) Developer shall be required to install all utilities underground in connection with the New Digital Billboard in conformance with Ordinance 1036. Developer shall coordinate its work with the requirements of Southern California Edison to achieve the undergrounding of all utilities.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

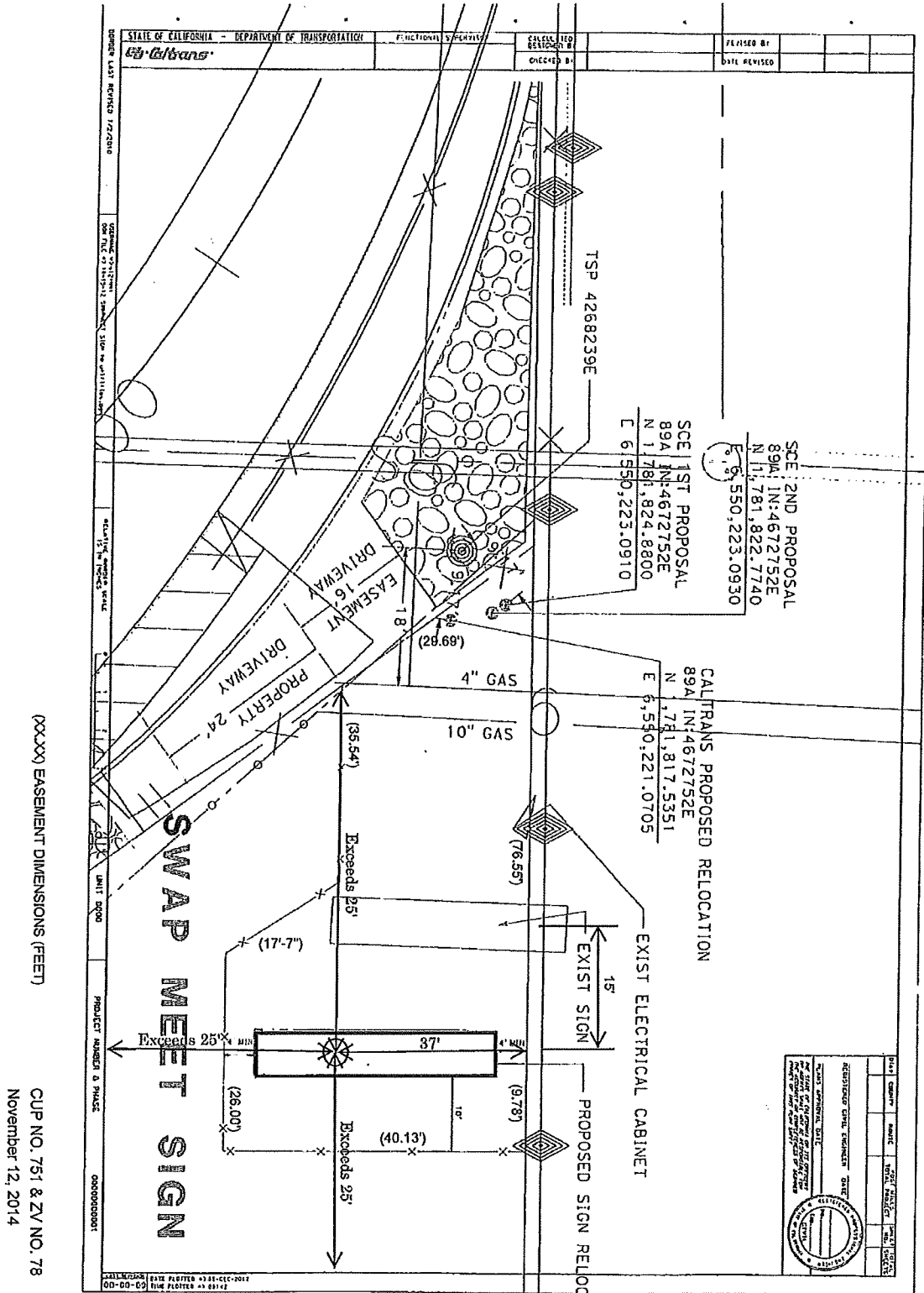
(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.



(p) Prior to final sign off of the building permit for the New Digital Billboard, the applicable landscaping or painted backing shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Planning or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Planning Officer or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT C1  
SITE PLAN OF SITE



# EXHIBIT C BILLBOARD ELEVATION

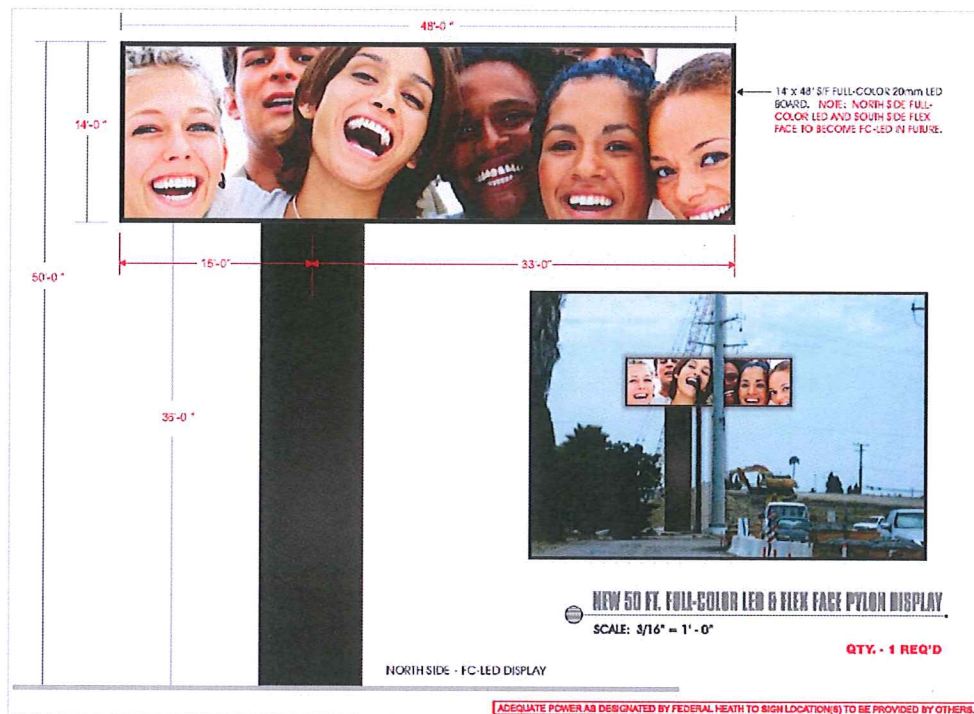
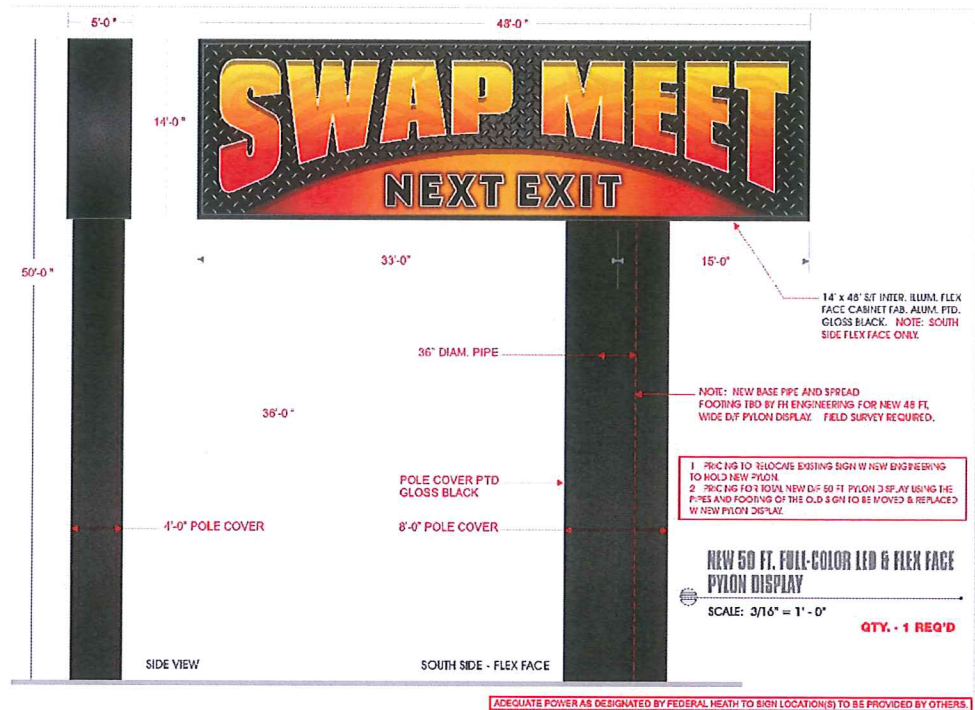


EXHIBIT D  
SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's Planning Commission holds public hearing and recommends approval of Agreement and Conditions of Approval		Recitals
2. City's City Council holds hearings to approve Agreement and first and second reading of Ordinance	May 26, 2016 (1 <sup>st</sup> Reading); June 9, 2016 (2 <sup>nd</sup> Reading), provided Developer has fully executed the Agreement	Recitals
3. Effective Date of this Agreement.	30 days following City Council's second reading of Ordinance, or July 10, 2016.	N/A
4. Developer prepares and submits to City working drawings specifications and engineering, the City commences approval process.	Within 120 days of the Council's second reading of the Ordinance approving this Agreement	3.4
5. City to approve all construction and engineering drawings and specifications with a plan check approval, and issue a building permit and an electrical permit. City agrees to any necessary building or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within 30 days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	_____
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	3.3, 3.4
7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	6.1.2

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
8. Developer pays City first installment of Development Fee if Developer receives Final Permits	Within 1 year of Developer receiving Final Permits	2.6
9. Developer pays City second installment and subsequent annual installments of the Development Fee if Developer receives Final Permits.	Beginning within 2 years of Developer receiving Final Permits, and continuing throughout the Term. Each payment occurring at the end of each year of the Term.	2.6
10. Developer pays the Alternative Fee if in excess of the Development Fee.	Within 90 days of the end of each calendar year of the Term	2.6

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 3.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.



## *City of Santa Fe Springs*

Planning Commission Meeting

May 9, 2016

### **PUBLIC HEARING**

Resolution No. 57-2016 - Recommending that the City Council adopt Ordinance No. 1073, approving a Development Agreement by and between the City of Santa Fe Springs and Newport Diversified, INC.

### **RECOMMENDATIONS**

Staff recommends that the Planning Commission take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding Ordinance No. 1073 and, thereafter, close the Public Hearing; and
2. Find that the proposed Ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA), per section 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the proposed Ordinance, in and of itself, would have a significant effect on the environment; and
3. Recommend that the City Council adopt Ordinance No. 1073, and said recommendation shall be embodied in Resolution No. 57-2016.

### **BACKGROUND**

At a duly noticed hearing, before the City Council, on November 8, 2012, Ordinance No. 1036 was introduced. The second reading of Ordinance No. 1036 occurred on November 20, 2012. It became effective thirty (30) days after its second reading.

Ordinance No. 1036 improved and updated the City's existing billboard regulations, which were severely outdated and failed to anticipate and regulate 21st-century trends, such as electronic billboards, supergraphics (building wraps), and mobile billboards. Key elements of the ordinance included:

- (1) Updating the definition of billboards to include electronic billboards.
- (2) Limiting electronic billboards to the FOZ.
- (3) Requiring a Conditional Use Permit (CUP) and Development Agreement for all new billboards and expansion of existing billboards.
- (4) Limiting the placement of billboards to properties with a minimum area of 5 acres.
- (5) Creating definitions and regulations for supergraphics and mobile billboards.
- (6) Creating a mechanism for the City to generate additional revenues, either as a one-time payment, or payment over time, or a combination of both.
- (7) Allowing space on new billboards to be utilized for City-related activities, or to bring awareness to City and/or charitable causes.
- (8) Establishing a minimum distance between billboards.



- (9) Limiting the contents of messages beyond sexually explicit materials, alcohol and tobacco advertising.

### **REQUEST**

*Pursuant to section 155.384(A), of Ordinance No. 1036, billboards are allowed only after a valid Conditional Use Permit has first been obtained and a Developer Agreement has been approved.*

### **Conditional Use Permit**

On March 9, 2015, the Applicant (Newport Diversified, INC) obtained approval of a Conditional Use Permit (CUP 751) from the Planning Commission to allow the construction and operation of a new double-face billboard (50-foot tall with display area of 14' x 48') on the property located at 15718 Marquardt Avenue (*previous* APN: 7003-01-904). At the same meeting, the applicant concurrently applied for and received approval of Zone Variance (ZV 78) to vary from Section 155.384 (H)(5) to allow a reduction to the 1,000 foot separation requirements for billboards on the same side of the freeway and also to vary from Section 155.384 (H)(7) to allow a reduction to the 5-acres minimum size requirement.

### **Development Agreement**

The applicant has been working with staff to finalize the terms of the Development Agreement required by Ordinance No. 1036. Staff is glad to report that an agreement between both parties has been reached; therefore, the applicant is requesting approval of the subject Development Agreement (DA 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC.

A City's exercise of its power to enter into a development agreement is a legislative act; therefore, development agreements must be approved by ordinance. Under California Government Code Sections 65864 et seq. ("Development Agreement Law") cities can enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning and identifying the economic costs of such development.

Resolution No. 57-2016 is a recommendation, by the Planning Commission to the City Council, to adopt an ordinance (Ordinance No. 1073), approving a Development Agreement (DA No. 03-2016) by and between the City of Santa Fe Springs and Newport Diversified, INC. Ordinance No. 1071, if approved by the City Council, would effectuate the Development Agreement. Said Development Agreement would set forth the rules and regulations under which the proposed billboard would be allowed.

The main points of the Development Agreement (see attachment) are as follows:


1. The Developer pays an annual development fee to the City to mitigate potential impacts of the Development on the City and surrounding community.
2. The Developer is prohibited from utilizing any of the displays on the new digital billboard or the new static billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs", adult entertainment businesses, sexually oriented materials, or use sexually oriented images or language, or as may be prohibited by any City ordinance.
3. The City Council has the right to review the Agreement annually, or may, in its sole and absolute discretion, order a special review for compliance with the Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

#### **LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.864 of the City's Municipal Code. Legal notice of the Public Hearing was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016, posted in Santa Fe Springs City Hall, the City Library and Town Center on April 28, 2016, published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Regulations. As of date of this report, staff has not received any comments and/or inquiries regarding the proposal.

#### **ENVIRONMENTAL DOCUMENT**

The proposed project is exempt from the provisions of the California Environmental Quality Act (CEQA), per 15061 of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the proposed Ordinance, in and of itself, would have a significant effect on the environment. The exercise of the Agreement, i.e., the installation of the billboards, will be subject to CEQA on a case and site-specific basis.

  
Wayne M. Morrell  
Director of Planning

#### **Attachments:**

1. Resolution No. 57-2016
2. Copy of Ordinance No. 1073
3. Copy of Development Agreement No. 03-2016



**RESOLUTION NO. 57-2016**

**A RESOLUTION OF THE PLANNING COMMISSION  
OF THE CITY OF SANTA FE SPRINGS  
RECOMMENDING THAT THE CITY COUNCIL OF THE  
CITY OF SANTA FE SPRINGS ADOPT AN ORDINANCE  
APPROVING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND NEWPORT DIVERSIFIED, INC.**

THE PLANNING COMMISSION OF THE CITY OF SANTA FE SPRINGS HEREBY  
RESOLVES AS FOLLOWS:

**SECTION 1:** Following a public hearing noticed and conducted in compliance with all applicable law, and pursuant to all laws applicable to the responsibilities of the Planning Commission with respect to the subject matter hereof, the Planning Commission recommends that the City Council adopt the Ordinance attached hereto as Exhibit "A".

**SECTION 2:** Based on the oral and written evidence presented at such hearing, the Planning Commission hereby finds and determines that the adoption of such Ordinance is in the public convenience, interest and necessity.

**SECTION 3:** The adoption of such Ordinance would be in compliance with the City's General Plan.

**SECTION 4:** If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The Planning Commission hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

**SECTION 5:** The Commission Secretary shall certify to the adoption of this Resolution.

PASSED AND ADOPTED THIS 9<sup>TH</sup> DAY OF MAY, 2016.

ATTEST:

  
\_\_\_\_\_  
SECRETARY

  
\_\_\_\_\_  
CHAIRMAN

Exhibit A

ORDINANCE NO. 1073

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS  
ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN  
THE CITY OF SANTA FE SPRINGS AND NEWPORT DIVERSIFIED, INC

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY  
ORDAIN AS FOLLOWS:

Section 1. The City Council hereby approves and adopts that certain Development Agreement by and between the City of Santa Fe Springs and Newport Diversified, INC, a copy of which is attached hereto as Exhibit "A", which exhibit is incorporated by reference herein, as an Ordinance of the City.

Section 2. The City Council hereby finds and determines that the subject Development Agreement is consistent with the City's General Plan.

Section 3. If any section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

Section 4. The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted in at least three (3) public places in the City, such posting to be completed no later than fifteen (15) days after passage hereof.

PASSED, APPROVED AND ADOPTED THIS 9th DAY OF JUNE, 2016.

AYES:  
NOES:  
ABSENT:

ATTEST:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CITY CLERK



**PUBLIC HEARING/ORDINANCE FOR INTRODUCTION**

**Ordinance No. 1074 - Zone Change Case No. 136**

A request for approval to change the zoning designation on 2.00 acres (Net)) of a 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Manufacturing, on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road. (Overton Moore Properties)

**RECOMMENDATIONS**

That the City Council take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding Zone Change Case No. 136 and thereafter close the Public Hearing; and
2. Find that Zone Change Case No. 136 satisfies the criteria and conditions set forth in Section 155.825 et. seq. of the City Code for the granting of a Change of Zone request; and
4. Find that Zone Change Case No. 136 involving the proposed Change of Zone from C-4, Community Commercial to M-2, Heavy Manufacturing, is consistent with the City's General Plan; and
5. Introduce Ordinance No. 1074 and pass its first reading on Zone Change Case No. 136.

**LOCATION/BACKGROUND**

The project site consist of 4.05-acre (Gross) and is currently undeveloped, covered in dirt, sparse grass, and ruderal vegetation. The project site is fenced off on the north, west, and east sides by a chain link fence and on the south side by a concrete block wall. There are two oil wells on the site. A bowling alley sign reminiscent of the site's previous use is located in the northern part of the property. The sign is old, dilapidated, and will not contribute to the identification of the project. Mitigation measures identified in Section 3.5 of the IS/MND calls for the sign to be taken off-site to the Valley Relic Museum where it will be preserved.

The site has an address of 13210 Telegraph Road (APN: 8011-013-017), and was once occupied by a ±34,000 sq. ft. building that housed a bowling alley called Premier Lanes. The bowling alley was demolished in 2010 and since that time, the site has remained undeveloped. The current zoning is C4, Community Commercial with a General Plan Land Use Designation of industrial. Overton Moore Properties is currently in escrow to purchase the property with the intent of developing two building on the site: the first building will be constructed along the Telegraph Road and Painter

Avenue street frontages and the second building at the rear of the site, with frontage only on Painter Avenue. The first building is a build-to-suit for an 18,557 sq. ft. Aldi supermarket. The second building is a speculative, concrete tilt-up industrial building of 41,046 sq. ft.

The applicant, Overton Moore Properties, is requesting approval of Zone Change Case No. 136, a request to change the zoning designation on 2.00 acres (Net)) of the 3.94-acre (Net) property, from C-4, Community Commercial to M-2, Heavy Industrial. Concurrently, the applicant is also approval of General Plan Amendment Case No. 26, a request for approval to amend the Land Use Map of the City's General Plan, on 2.00 acres (Net)) of a 3.94-acre (Net) property, from Commercial to Industrial on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road.

#### **PREVIOUS ACTIONS BY PLANNING COMMISSION**

On May 9, 2016, the Planning Commission held a Public Hearing on Zone Change Case No. 136 and General Plan Amendment Case No. 26, and after opening the Public Hearing, listening to a presentation from Staff and receiving comments, the Planning Commission approved the proposed Zone Change and General Plan Amendment, and with a recommendation that the City Council approve the subject Zone Change and General Plan Amendment. The Commission's recommendation was embodied in Resolutions 58-2016 and 56-2016, respectively.

The Commission also approved Tentative Parcel Map Case No. 73846 and Development Plan Approval Case No. 911. Tentative Parcel Map Case No. 73846 was a request for approval to subdivide the existing one parcel property of 3.94 acres (Net) into two parcels: (Parcel 1 of 1.94 acre (Net) and Parcel 2 of 2.00 acres (Net). Development Plan Approval Case No. 911 was a request for development plan approval to allow the construction of a ±41,046 sq. ft. concrete tilt-up, spec building and appurtenant improvements on Parcel 2 of Tentative Parcel Map No. 73846.

The Commission also approved and adopted the proposed Initial Study/Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program (IS/MND/MMRP), which, based on the findings of the Initial Study and the proposed mitigation measures, indicates that there is no substantial evidence that the approval of Zone Change Case No. 136, General Plan Amendment Case No. 26, Tentative Parcel Map Case No. 73846, and Development Plan Approval Case No. 911, will have significant adverse effects that cannot be mitigated to levels of insignificance.

#### **ZONING ORDINANCE REQUIREMENTS**

Section 155.825 of the Zoning Regulations stipulates that, in considering any request for a change of zone, the Commission shall satisfy itself that the following conditions prevail before recommending that the change be granted:

1. That there is a real need in the community for more of the types of uses permitted by the zone requested than can be accommodated in the areas already zoned for such use.
2. That the property involved in the proposed change of zone is more suitable for the uses permitted in the proposed zone than for the uses permitted in the present zone classification.
3. That the proposed change of zone would not be detrimental in any way to persons or property in the surrounding area, nor to the community in general.
4. That the proposed change of zone will not adversely affect the master plan of the city.

**STREETS AND HIGHWAYS**

The property is located at the southeast corner of Painter Avenue and Telegraph Road. Painter Avenue and Telegraph Road are designated as a "Major" arterial within the Circulation Element of the City's General Plan.

**ZONING & GENERAL PLAN LAND USE DESIGNATION**

The subject property is currently zoned C4, Community Commercial with a general plan land use designation of "Commercial." The Zoning, General Plan and Land Use of the surrounding properties are as follows:

Surrounding Zoning, General Plan Designation			
Direction	Zoning District	General Plan	Land Use
North	C-4 , Community Commercial	Commercial	7-11, Carl's Jr, restaurant, retail
South	M-2, Manufacturing, Heavy	Industrial	Super Et, trailer repair and service
East	C-4 , Community Commercial	Commercial	Shopping Center (Gateway Plaza)
West	M-2, Manufacturing, Heavy	Industrial	All Black Co., metal finishing and coating Magnus Industries, drill bits and sawblades

**Table I**

**LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 et seq. and 65854 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.866 of the City's Municipal Code. Legal notice of the Public Hearing for the proposed zone change was

sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016. The legal notice was also posted at Santa Fe Springs City Hall, the City Library and the City's Town Center and published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Ordinance.

### **ZONING ORDINANCE REQUIREMENTS – FINDINGS**

1. *That there is a real need in the community for more of the types of uses permitted by the zone requested than can be accommodated in the areas already zoned for such use.*

Currently, the industrial vacancy rate in the City is 1.14 %, which is a historic low. Most of the recent development in the City and surrounding areas has occurred in larger buildings greater than 100,000 sq. ft. The proposed zone change of the southerly portion of the site will allow for the development of an approximately 40,000 sq. ft. building. This will allow the City to attract and maintain small businesses/owners.

2. *That the property involved in the proposed change of zone is more suitable for the uses permitted in the proposed zone than for the uses permitted in the present zone classification.*

Because of the proximity of the present zone to the commercial corridor along Telegraph Road and the physical barriers (wall and grade difference) of the commercial property to the east, the present zone designation isolates the southern portion of the property. The southern portion of the property has more identity with the adjacent Industrial/Manufacturing zone designation allowing for a better transition from industrial to commercial towards the intersection of Painter Avenue and Telegraph Road. Moreover, the southern portion of the property only has minimal street frontage along Painter Avenue, which has minimal traffic counts. This lack of identity along a major street makes this portion of the site not suitable for commercial tenants.

3. *That the proposed change of zone would not be detrimental in any way to persons or property in the surrounding area, nor to the community in general.*

The permitted uses in the proposed M-2, Heavy Manufacturing Zone will be compatible as well as complimentary to the surrounding neighbors. Immediately South and West of the site are industrial properties that are already zoned M-2, Heavy Manufacturing. Immediately to the East is the back of a large Walmart store, with no through access, thus resulting not only in a physical barrier, but a clear delineation between the existing Commercial zoning to the East and the proposed Industrial Zone.



4. *That the proposed change of zone will not adversely affect the master plan of the city.*

The General Plan is the *master plan of the city*. The General Plan provides the overall direction for the future development of the City. It is a comprehensive planning document that addresses the many aspects of community life in the City of Santa Fe Springs. It is a long range plan in that it seeks to provide for the needs of the community into the future. The General Plan is also flexible enough to respond to the changing needs and concerns of those who live, work and frequent Santa Fe Springs.

The General Plan consists of six mandatory elements, including: 1) Land Use; 2) Housing; 3) Open Space/Conservation; 4) Safety; 5) Circulation, and; 6) Noise. There is no evidence to suggest that the proposed Zone Change will *adversely affect the master plan of the city*.

The following table (Table II) illustrates how the proposed Change of Zone will be consistent with the goals and policies of the General Plan.

Table II General Plan Consistency Analysis

<u>Element</u>	<u>Policy</u>	<u>Project Consistency/Comment</u>
<u>Land Use</u>	Policy 9.1a: Consideration of providing an adequate tax base from property tax or sales tax revenue.	<b>Consistent:</b> The annual taxes on the property is 69,339.18. When building are constructed, the annual tax will increase. The proposed grocery store would also generate sales tax.
	Goal 11: Support and encourage the viability of the industrial and commercial areas of Santa Fe Springs.	<b>Consistent:</b> A portion of the property will remain commercial with the remaining being developed with industrial users in mind.
<u>Safety</u>	Policy 5.3: Review all new developments with regards to urban fire risks	<b>Consistent:</b> The proposed buildings will be reviewed for design features to reduce the demand for fire department's services, including fire hydrant placement, emergency access, and the installation of sprinklers within each building.
<u>Circulation</u>	Goal 3, Policy 3.7: Minimize pedestrian and vehicular conflicts	<b>Consistent:</b> Both buildings will incorporate meandering sidewalks instead of having the sidewalks next to the curb. This will create a barrier between pedestrian and traffic.
	Goal 1, Policy 1.6: Limit driveway access on arterial streets to maintain a desired quality of flow.	<b>Consistent:</b> An existing driveway located close to the intersection will be removed and replaced by a driveway that is further away from the intersection.

	<b>Goal 1, Policy 1.8 and 2.4:</b> Require that proposals for major new developments include a future traffic impact analysis which identifies measures to mitigate and identified project impacts, and adhere to the City's Congestion Management Plan.	<b>Consistent:</b> A traffic analysis was required for the development of the two proposed buildings.
	<b>Goal 1, Policy 2.4:</b> Require that proposals for major developments include future traffic impacts analysis which adheres to the City's Congestion Management Plan.	<b>Consistent:</b> A traffic analysis was required for the development of the two proposed buildings.

**STAFF REMARKS**

Based on the reasons enumerated above, Staff believes that Zone Change Case No. 136 meets and satisfies the criteria for the subject change of zone request.



Thaddeus McCormack  
City Manager

**Attachments:**

1. Location Map - Aerial Photograph
2. Ordinance No. 1074  
Exhibit "A" – Zone Change Map-Existing  
Zone Change Map-Proposed





**CITY OF SANTA FE SPRINGS-Aerial Photograph**  
**Zone Change Case No. 136**  
13210 Telegraph Road



**ORDINANCE NO. 1074**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS  
AMENDING TITLE 15 OF THE CODE OF ORDINANCES OF THE CITY, "THE  
ZONING ORDINANCE" OF THE CITY, BY PLACING CERTAIN PROPERTIES  
WITHIN THE CITY INTO THE M-2, HEAVY MANUFACTURING" ZONE  
(ZONE CHANGE CASE NO. 136)**

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY  
ORDAIN AS FOLLOWS:

**SECTION 1.** Attached hereto and, by this reference, made a part hereof, is a map entitled "Exhibit A." The property which is the subject of this Ordinance is shown on said map as currently being in the C-4, Community Commercial, Zone, and more specifically described as the 2.00 acres (Net) of a 3.94-acre (Net) property (APN: 8011-013-017), at 13210 Telegraph Road, at the southeast corner of Painter Avenue and Telegraph Road.

**SECTION 2.** Title 15 of the Code of Ordinances of the City of Santa Fe Springs, which chapter is the Zoning Ordinance of the City, is amended by placing 2.00 acres (Net) of a 3.94-acre (Net) property shown upon "Exhibit A" as being in the M-2, Heavy Manufacturing, Zone.

**SECTION 3.** The City Clerk shall certify to the adoption of this Ordinance, including the vote for and against and shall post a certified copy of this ordinance, within 15 days after its passage to be posted in at least three (3) public places within the City as established by ordinance, and, in compliance with Section 36933 of the Government Code.

PASSED and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN

ATTEST:

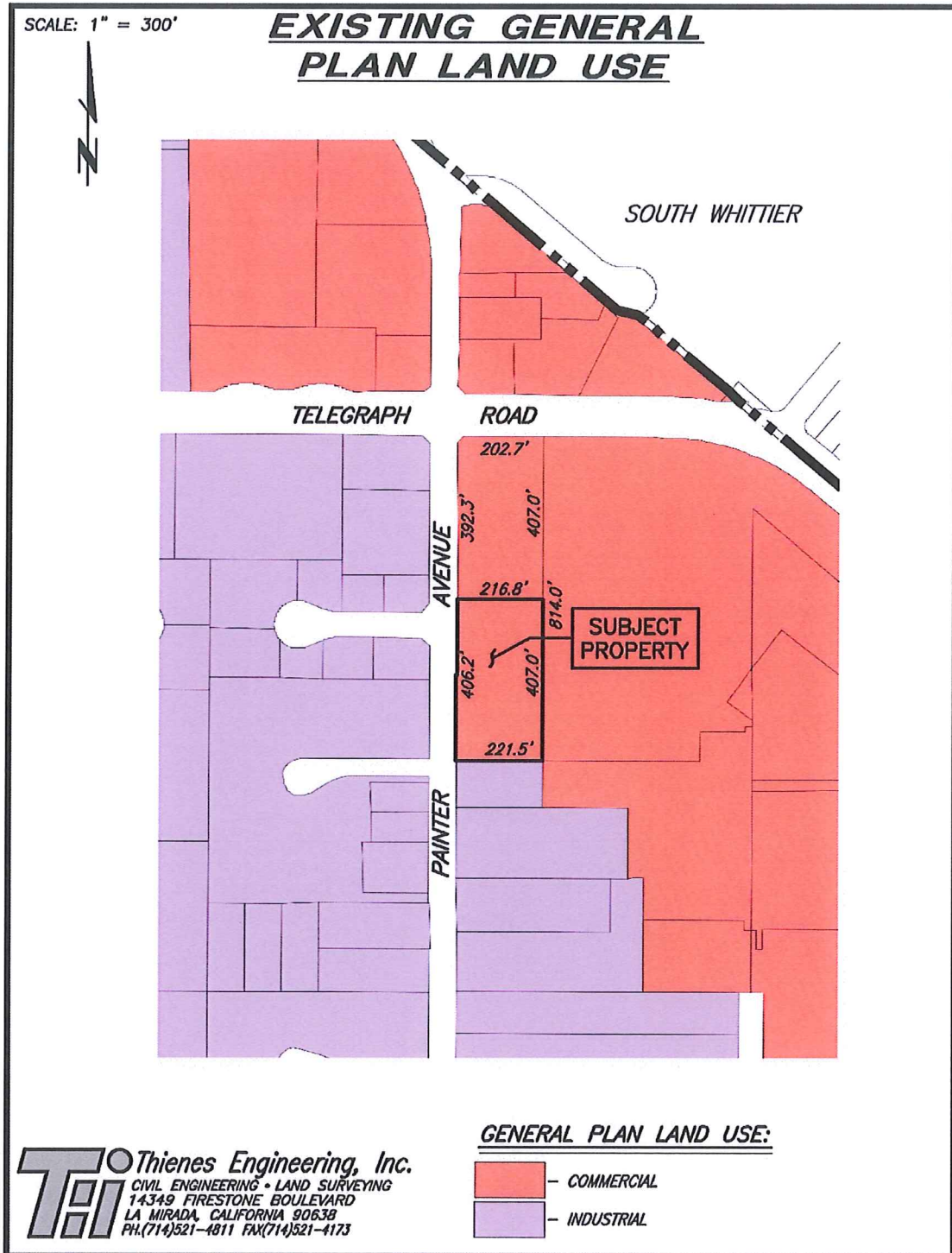
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Richard Moore, Mayor

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Janet Martinez, City Clerk

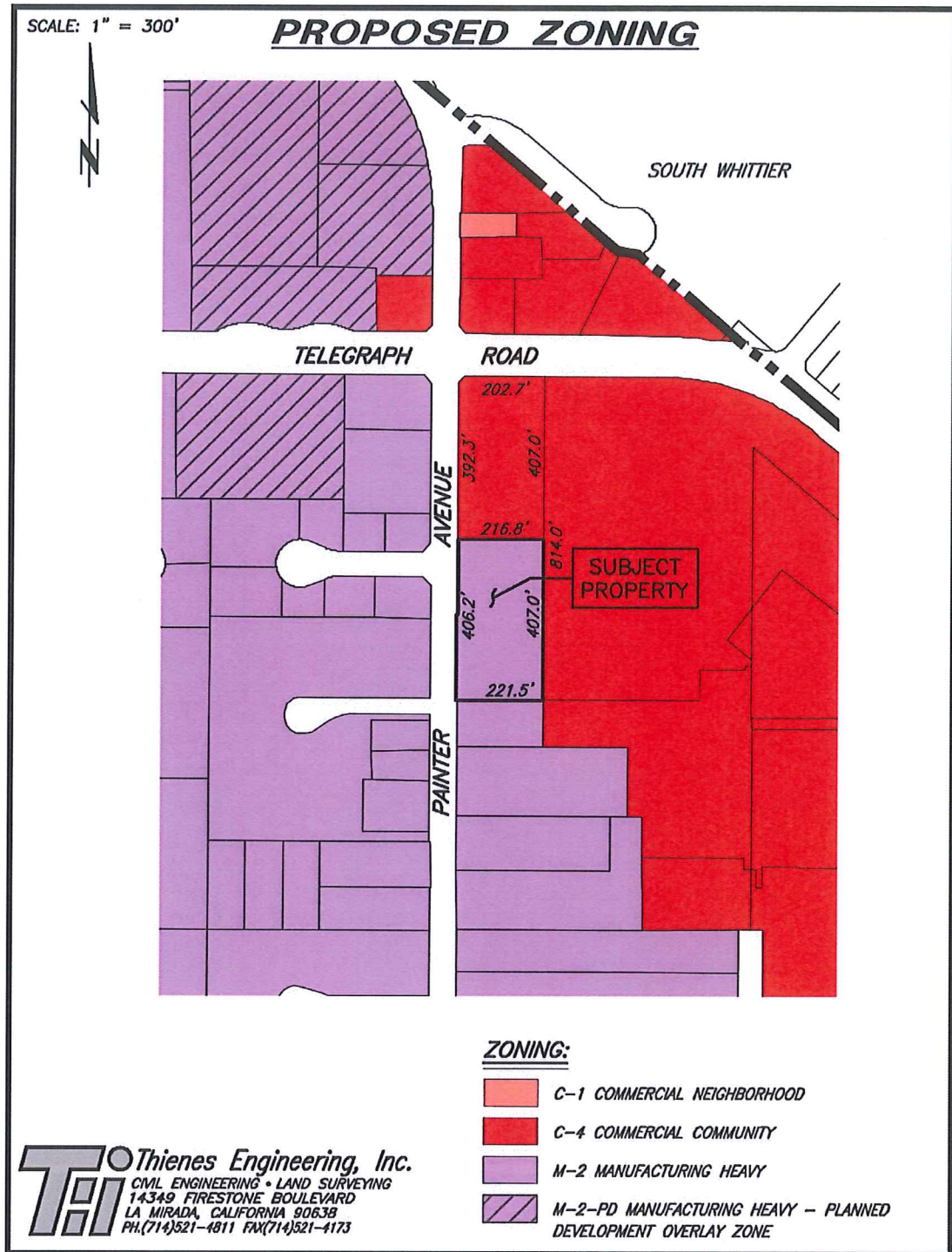
**EXHIBIT "A" – ORDINANCE NO. 1074**  
**Zone Change Case No. 136**





# EXHIBIT "A" - ORDINANCE NO. 1074

## Zone Change Case No. 136





**PUBLIC HEARING**

**Resolution No. 9508-General Plan Amendment No. 26**

A request for approval to amend the Land Use Map of the City's General Plan, on 2.00 acres (Net)) of a 3.94-acre (Net) property, from Commercial to Industrial on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road. (Overton Moore Properties)

**RECOMMENDATIONS**

That the City Council take the following actions:

1. Open the Public Hearing and receive any comments from the public regarding General Plan Amendment Case No. 26 and, after receiving all public comments, close the Public Hearing; and
2. Adopt Resolution No. 9508, approving General Plan Amendment Case No. 26, a request to amend the Land Use Map on 2.00 acres (Net) of a single parcel of 3.94 acres (Net), with an address of 13210 Telegraph Road (APN of 8011-013-017), and located at the southeast corner of Painter Avenue and Telegraph Road, from the existing land use designation of Commercial to Industrial.

**LOCATION/BACKGROUND**

The project site consist of 3.94-acre (Net) and is currently undeveloped, covered in dirt, sparse grass, and ruderal vegetation. The project site is fenced off on the north, west, and east sides by a chain link fence and on the south side by a concrete block wall. There are two oil wells on the site. A bowling alley sign reminiscent of the site's previous use is located in the northern part of the property. The sign is old, dilapidated, and will not contribute to the identification of the project. Mitigation measures identified in Section 3.5 of the IS/MND calls for the sign to be taken off-site to the Valley Relic Museum where it will be preserved.

The site has an address of 13210 Telegraph Road (APN: 8011-013-017), and was once occupied by a 34,000 sq. ft. building that housed a bowling alley called Premier Lanes. The bowling alley was demolished in 2010 and since that time, the site has remained undeveloped. The current zoning is C4, Community Commercial with a General Plan Land Use Designation of industrial. Overton Moore Properties is currently in escrow to purchase the property with the intent of developing two building on the site: the first building will be constructed along the Telegraph Road and Painter Avenue street frontages and the second building at the rear of the site, with frontage only on Painter Avenue. The first building is a build-to-suit for an 18,557 sq. ft. Aldi supermarket. The second building is a speculative, concrete tilt-up industrial building of 41,046 sq. ft.

The applicant, Overton Moore Properties, is requesting approval to amend the Land Use Map of the City's General Plan, on 2.00-acres (Net) of the 4.05-acre (Gross) property, from Commercial to Industrial. The acreage encompassed by the General Plan amendment will mimic the area (Parcel 2) resulting from proposed Tentative Parcel Map Case No. 73846, a request for approval to subdivide the existing one parcel property of 4.05 acres (Gross) into two parcels: (Parcel 1 of 1.94 acres (Net) and Parcel 2 of 2.00 acres (Net)).

Concurrently, the applicant is requesting approval of Zone Change Case No. 136, a request to change the existing zoning designation on proposed Parcel 2, of 2.00-acres (Net) from C-4, Community Commercial to M-2, Heavy Manufacturing. No changes to the General Plan or Zoning is proposed for Parcel 1. Upon approval and adoption of the proposed General Plan Amendment and Change of Zone, the new General Plan Land Use designation of Industrial, and new zoning designations of M-2, Heavy Manufacturing, will be consistent.

#### **PREVIOUS ACTIONS BY PLANNING COMMISSION**

On May 9, 2016, the Planning Commission held a Public Hearing on General Plan Amendment Case No. 26 and Zone Change Case No. 136, and after opening the Public Hearing, listening to a presentation from Staff and receiving comments, the Planning Commission approved the proposed General Plan Amendment and Zone Change with a recommendation that the City Council the subject General Plan Amendment and Zone Change. The Commission's recommendation was embodied in Resolutions 56-2016 and 58-2016, respectively. The Commission also approved and adopted the proposed Initial Study/Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program (IS/MND/MMRP), which, based on the findings of the Initial Study and the proposed mitigation measures, indicates that there is no substantial evidence that the approval of General Plan Amendment Case No. 26 and Zone Change Case No. 136, will have significant adverse effects that cannot be mitigated to levels of insignificance.

At said meeting, the Planning Commission also approved Development Plan Approval Case No. 910 and Tentative Parcel Map Case No. 73846. Development Plan Approval Case No. 911, was a request for approval to construct a concrete tilt-up building of ±41,046 sq. ft. and appurtenant improvements on 2.00 acres of a 3.94-acre property located at 13210 Telegraph Road (APN of 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road, in the C-4, Community Commercial, Zone. Tentative Parcel Map Case No. 73846 was a request for approval to subdivide an existing one parcel property of 3.94-acres (Net) into two parcels (Parcel 1 of 1.94-acres (Net) and Parcel 2 of 2.00-acres (Net)), on the undeveloped property at the southeast corner of Painter Avenue and Telegraph Road, with an address of 13210 Telegraph Road (APN: 8011-013-017), and zoned C4, Community Commercial with a General Plan Land Use Designation of industrial.

**CRITERIA FOR AMENDING THE GENERAL PLAN**

Sections 65353-65356 of the State Planning, Zoning and Development Laws set forth the procedures for amending the City's General Plan. Specifically, the State Planning Laws dictate that at least one Public Hearing shall be conducted on the proposed General Plan Amendment; the Commission shall make a written recommendation on the adoption or amendment of the general plan; and a recommendation for approval shall be made by affirmative vote of not less than a majority of the total membership of the Commission; and the Planning Commission shall send its recommendation to the legislative body. Other than the aforementioned requirements, there are no mandatory findings that the Planning Commission must make before recommending approval or denial of a request to amend the City's General Plan. However, in previous considerations of proposed General Plan Amendments, the Planning Commission has reviewed the request based on the following criteria:

1. That the Amendment will not distort or disturb the harmonious relationships of land use designations shown on the General Plan Map and would not disturb the relationship of the various elements of the General Plan and/or be inconsistent with the goals and policies of the General Plan
2. That the property involved in the requested Amendment is suitable for the uses permitted in the proposed land use designation.
3. That the proposed land use designation would not be detrimental to persons or properties in the surrounding area nor to the community in general.

**STREETS AND HIGHWAYS**

The property is located at the southeast corner of Painter Avenue and Telegraph Road. Painter Avenue and Telegraph Road are designated as a "Major" arterial within the Circulation Element of the City's General Plan.

**ZONING & GENERAL PLAN LAND USE DESIGNATION**

The subject property is zoned C4, Community Commercial with a general plan land use designation of "Commercial." The Zoning, General Plan and Land Use of the surrounding properties are as follows:

Table I  
General Plan Consistency Analysis

Surrounding Zoning, General Plan Designation			
Direction	Zoning District	General Plan	Land Use
North	C-4	Commercial	7-11, restaurant, retail
South	M-2	Industrial	Super Et, trailer repair and service
East	M-2	Commercial	Shopping Center (Gateway Plaza)
West	M-2	Industrial	All Black Co., metal finishing and coating Magnus Industries, drill bits and sawblades

#### **LEGAL NOTICE OF PUBLIC HEARING**

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 et seq. and 65854 of the State Planning, Zoning and Development Laws and the requirements of Sections 155.860 through 155.866 of the City's Municipal Code. Legal notice of the Public Hearing for the proposed general plan amendment was sent by first class mail to all property owners whose names and addresses appear on the latest County Assessor's Roll within 500 feet of the exterior boundaries of the subject property on April 28, 2016. The legal notice was also posted at Santa Fe Springs City Hall, the City Library and the City's Town Center and published in a newspaper of general circulation (Whittier Daily News) on April 28, 2016, as required by the State Zoning and Development Laws and by the City's Zoning Ordinance.

#### **FINDINGS**

1. *That the Amendment will not distort or disturb the harmonious relationships of land use designations shown on the General Plan Map and would not disturb the relationship of the various elements of the General Plan.*

The current General Plan land use designation and Zoning designation for the entire 3.94 (Net)-acre property is Commercial with a general plan land use designation of Industrial. With proposed TPM 73846, two new parcels will be created: Parcel 1 of 1.94-acres (Net) and Parcel 2 of 2.00-acres (Net). Parcel 1 will be developed with an ±18,557 sq. ft. Aldi supermarket and Parcel two will be developed with a speculative, concrete tilt-up industrial building of ±41,046 sq. ft. The general plan and zoning for Parcel 1 of 1.94 acres will remain unchanged (Commercial and C-4 Community Commercial); however for Parcel 2 of 2.00-acres, the proposal is to change the general plan land use designation from Commercial to Industrial and to change the



zoning designation from C-4, Community Commercial to M-2, Heavy Manufacturing.

As mentioned, Parcel 1, with frontage on both Telegraph Road and Painter Avenue, will remain unchanged with respect to its general plan and zoning. That property's zoning is consistent with the commercial corridor along Telegraph Road and with the commercial uses to the north and east that are better accessed from Telegraph Road and are clustered as compatible commercial uses. The southern portion of the property, which is subject to the general plan amendment, has more identity with the adjacent Industrial/Manufacturing zone designation to the south and west. As proposed, this allows for a better transition from industrial to commercial as one transitions northerly to the intersection of Painter Avenue and Telegraph Road.

2. *That the Amendment would not disturb the relationship of the various elements of the General Plan.*

The General Plan is the *master plan of the city*. The General Plan provides the overall direction for the future development of the City. It is a comprehensive planning document that addresses the many aspects of community life in the City of Santa Fe Springs. It is a long range plan in that it seeks to provide for the needs of the community into the future. The General Plan is also flexible enough to respond to the changing needs and concerns of those who live, work and frequent Santa Fe Springs.

The General Plan consists of seven mandatory elements, including: 1) Land Use; 2) Housing; 3) Open Space; 4) Conservation; 5) Safety; 6) Circulation and 7) Noise. There is no evidence to suggest that the proposed General Plan Amendment and associated Zone Change will disturb the relationship between these elements and/or be inconsistent with the goals and policies of the General Plan.

The following table (Table II) illustrates how the proposed General Plan amendment will be consistent with the goals and policies of the General Plan.

Table II  
General Plan Consistency Analysis

<u>Element</u>	<u>Policy</u>	<u>Project Consistency/Comment</u>
<u>Land Use</u>	<b>Policy 9.1a:</b> Consideration of providing an adequate tax base from property tax or sales tax revenue.	<b>Consistent:</b> The annual taxes on the property is 69,339.18. When building are constructed, the annual tax will increase. The proposed grocery store would also generate sales tax.
	<b>Goal 11:</b> Support and encourage the viability of the industrial and commercial areas of Santa Fe Springs.	<b>Consistent:</b> A portion of the property will remain commercial with the remaining being developed with industrial users in mind.

<b><u>Safety</u></b>	<b>Policy 5.3:</b> Review all new developments with regards to urban fire risks	<b>Consistent:</b> The proposed buildings will be reviewed for design features to reduce the demand for fire department's services, including fire hydrant placement, emergency access, and the installation of sprinklers within each building.
<b><u>Circulation</u></b>	<b>Goal 3, Policy 3.7:</b> Minimize pedestrian and vehicular conflicts	<b>Consistent:</b> Both buildings will incorporate meandering sidewalks instead of having the sidewalks next to the curb. This will create a barrier between pedestrian and traffic.
	<b>Goal 1, Policy 1.6:</b> Limit driveway access on arterial streets to maintain a desired quality of flow.	<b>Consistent:</b> An existing driveway located close to the intersection will be removed and replaced by a driveway that is further away from the intersection.
	<b>Goal 1, Policy 1.8 and 2.4:</b> Require that proposals for major new developments include a future traffic impact analysis which identifies measures to mitigate and identified project impacts, and adhere to the City's Congestion Management Plan.	<b>Consistent:</b> A traffic analysis was required for the development of the two proposed buildings.
	<b>Goal 1, Policy 2.4:</b> Require that proposals for major developments include future traffic impacts analysis which adheres to the City's Congestion Management Plan.	<b>Consistent:</b> A traffic analysis was required for the development of the two proposed buildings.

3. *That the property involved in the requested Amendment is suitable for the uses permitted in the proposed land use designation.*

The property currently has a general plan land use designation of Commercial and a zoning designation of C-4, Community Commercial. A portion of the property, proposed Parcel 1 of 1.94-acres (Net), will retain its general plan land use designation of Commercial and Zoning designation of C4, Community Commercial. The general plan land use designation and zoning designation of Parcel 2 of 2.00-acres (Net), are proposed to be changed from Commercial to Industrial and from C-4, Community Commercial to M-2, Heavy Manufacturing.

Parcel's 2 general plan designation and zoning is consistent with the general plan land use designation and zoning designation of the properties to the south and west. These properties have a general plan land use designation of Industrial and are zoned M-2, Heavy Manufacturing.

4. *That the proposed land use designation would not be detrimental to persons or properties in the surrounding area nor to the community in general.*

Changing the land use designation on the subject site would not be detrimental to persons or property in the surrounding area. The property has remained undeveloped since 2010. Since that time, Staff has explored numerous development proposals

including housing, mixed-use, and various commercial uses. None of the proposals have materialized into a viable project. The current general plan land use designation and zoning, isolates the southern portion (Parcel 2) of the property. The southern portion of the property has more identity with the adjacent Industrial/Manufacturing zone designations than with the commercial uses found on the northern portion of the site, which will remain Commercial and consistent with the surrounding commercial uses.

**STAFF REMARKS**

Based on the reasons presented above, Staff believes that General Plan Amendment No. 26, which will change the General Plan land use designation on 2.00-acres (Net) of the 3.94-acre (Net) property, from Commercial to Industrial, meets and satisfies the criteria for amending a general plan. Additionally, with the concurrent Zone Change, the subject general plan land use designation of Industrial will be consistent with the proposed Zone designation of M-2, Heavy Manufacturing.



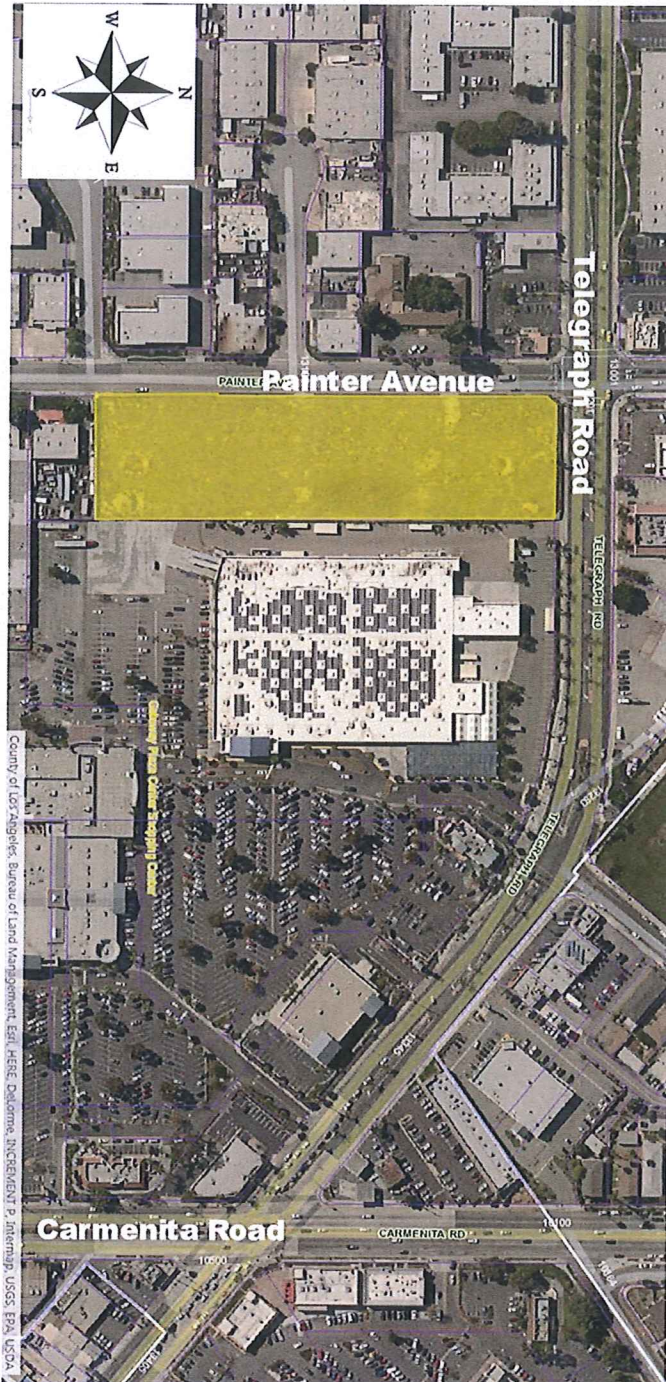
Thaddeus McCormack  
City Manager

**Attachments:**

1. Location Map - Aerial Photograph
2. Resolution No. 9508  
Exhibit "A" – General Plan Map-Existing  
General Plan Map-Proposed



**CITY OF SANTA FE SPRINGS-Aerial Photograph**  
General Plan Amendment Case No. 26  
13210 Telegraph Road





**RESOLUTION NO. 9508**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE  
SPRINGS REGARDING AN AMENDMENT TO THE LAND USE MAP OF THE  
GENERAL PLAN OF THE CITY OF SANTA FE SPRINGS  
(GENERAL PLAN AMENDMENT CASE NO. 26)**

**WHEREAS**, an application was filed by for a general plan amendment on 2.00 acres (Net) of a 3.94-acre (Net) property, from Commercial to Industrial on the property at 13210 Telegraph Road (APN: 8011-013-017), at the southeast corner of Painter Avenue and Telegraph Road, and

**WHEREAS**, the general plan amendment request was filed concurrently with Zone Change Case No. 136; and

**WHEREAS**, the Planning Commission, at its meeting of May 9, 2016, held a Public Hearing and studied the matter; and

**WHEREAS**, notice of the Public Hearing was given as required by law; and

**WHEREAS**, the Planning Commission considered the testimony received at said Public Hearing and studied the facts and circumstances involved in the request for said General Plan Amendment; and

**WHEREAS**, an Initial Study/Mitigated Negative Declaration (IS/MND) was prepared to examine the potential environmental impact of the general plan amendment on the environment; and

**WHEREAS** the Planning Commission approved and adopted the proposed Initial Study/Mitigated Negative Declaration, and Mitigation Monitoring and Reporting Program (IS/MND/MMRP), which, based on the findings of the Initial Study and the proposed mitigation measures, indicates that there is no substantial evidence that the approval of General Plan Amendment Case No. 26, will have significant adverse effects that cannot be mitigated to levels of insignificance; and

**WHEREAS**, the Planning Commission at said Public Hearing made a recommendation that the City Council approve General Plan Amendment Case No. 26.

**NOW, THEREFORE, IT BE RESOLVED**, THAT THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

**SECTION I.** The City Council of the City of Santa Fe Springs finds that the facts in this matter are as follows:

1. That the facts in this matter are as stated in the staff report. The staff report provided the following subject matter: the background of the request, the general

plan land use designation and zoning of the subject property and the surrounding area, the streets and highways, the General Plan considerations, reference to the environmental document, and the public hearing requirements. Said staff report is on file.

2. That General Plan Amendment Case No. 26 satisfies the criteria provided in Sections 65353-65356 of the State Planning, Zoning and Development Laws set forth the procedures for amending the City's General Plan.

**SECTION II.** The City Council of the City of Santa Fe Springs hereby adopts General Plan Amendment Case No. 26, an amendment to the Land Use Map of the City's adopted General Plan, changing the land use designation on 2.00 acres of the 3.94-acre property at 13210 Telegraph Road (APN: 8011-013-017), from Commercial to Industrial, and as shown on the attached map marked Exhibit "A" and hereto made part of this Resolution, and hereby instructs the Mayor and City Clerk to certify that said map has been properly adopted by the City Council of the City of Santa Fe Springs.

**PASSED AND ADOPTED**, this \_\_\_\_<sup>th</sup> day of MAY, 2016, by the following roll call vote.

AYES:

NOES:

ABSENT:

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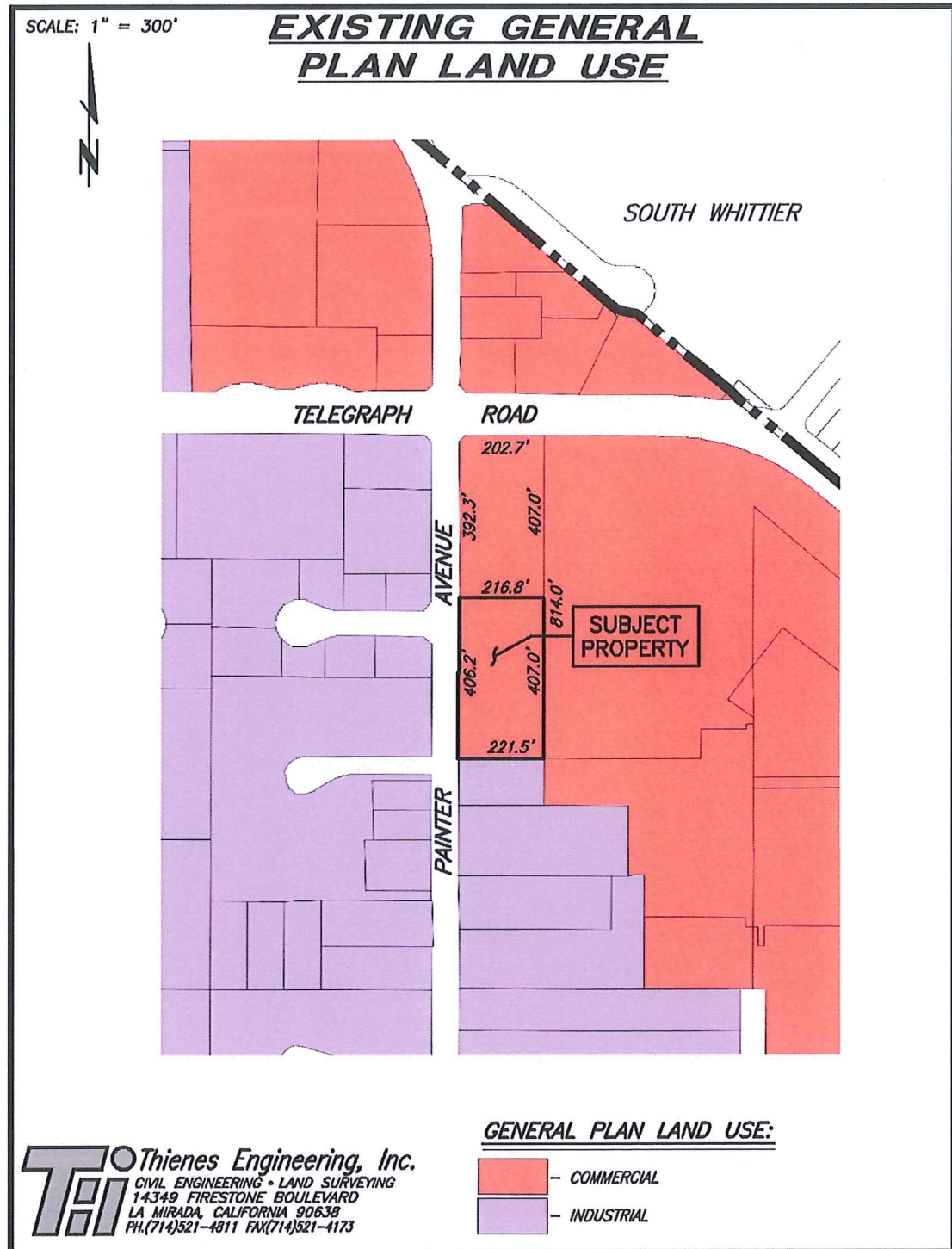
Richard Moore, Mayor

**ATTEST:**

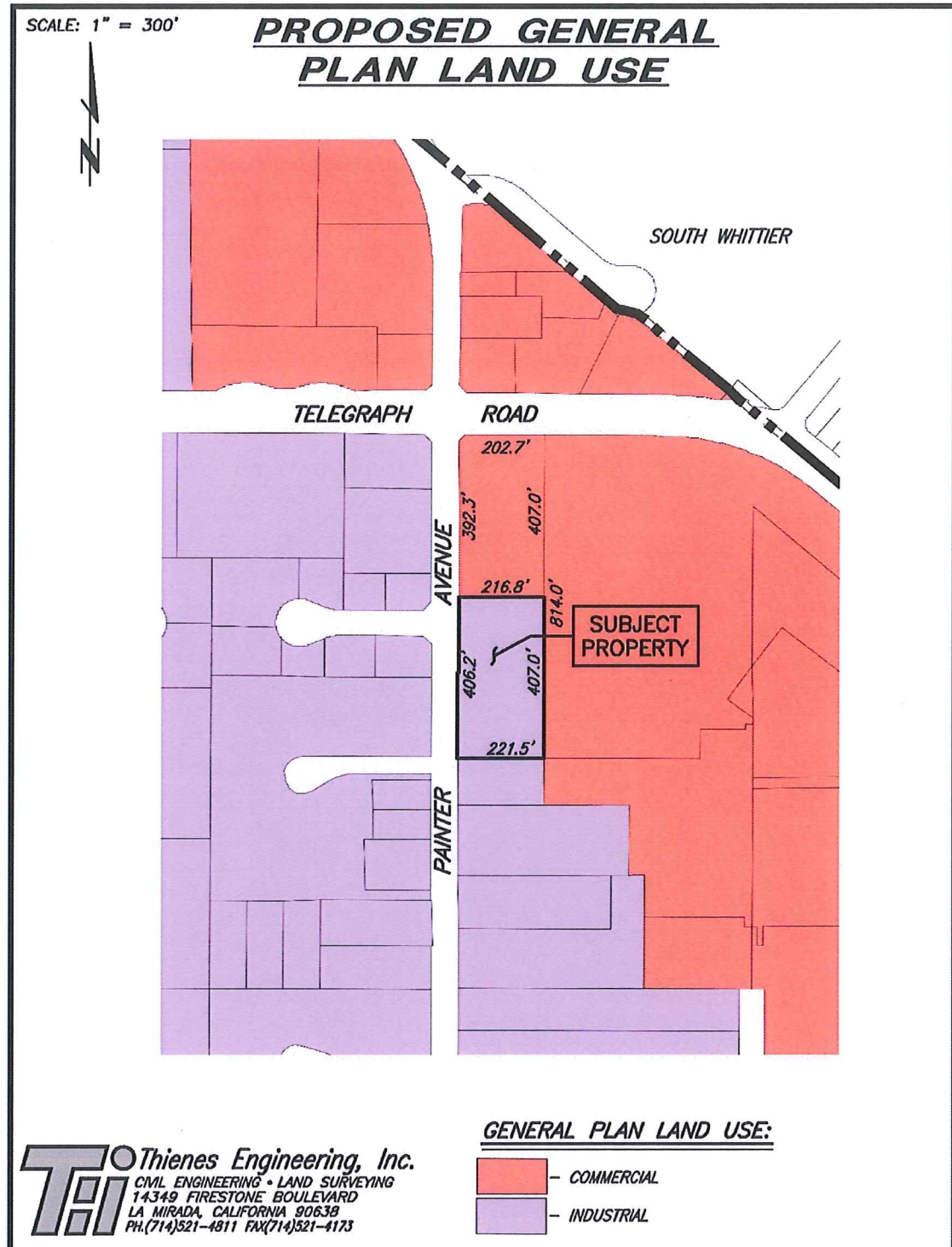
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Janet Martinez, City Clerk

**EXHIBIT "A" - RESOLUTION NO. 9508**  
**General Plan Amendment Case No. 26**



**EXHIBIT "A" - RESOLUTION NO. 9508**  
**General Plan Amendment Case No. 26**







## City of Santa Fe Springs

City Council Meeting

May 26, 2016

### NEW BUSINESS

#### Landscape Maintenance Services – Award of Contract

##### RECOMMENDATION

That the City Council take the following actions:

1. Accept the Proposals; and
2. Award a contract to Complete Landscape Care, Inc., of Whittier, California, in the amount of \$868,008.00 per year; and
3. Authorize the Mayor to execute a contract with Complete Landscape Care, Inc.

##### BACKGROUND

The City Council, at their March 24, 2016 meeting, authorized the Director of Public Works to request proposals from qualified landscape maintenance contractors.

The City received two (2) proposals from qualified landscape maintenance contractors, Complete Landscape Care, Inc. and Stay Green, Inc.

The proposals were evaluated based on several criteria, including qualifications of the contractor, proposed staffing levels, key personnel, understanding the City's landscape/hardscape maintenance requirements, past experience and proposed fee schedule. The proposals were evaluated and a summary of the Evaluation Team's scores is attached.

Staff is recommending that the City Council award a three (3) year contract to Complete Landscape Care, Inc. in the amount of \$868,008.00 per year. Although the proposed fee was only one of several evaluation criteria, the following are the proposed annual fees from the landscape maintenance contractors:

<u>Contractor Name</u>	<u>Proposed Annual Fee</u>
Complete Landscape Care, Inc.	\$868,008.00
Stay Green	\$929,685.60

##### FISCAL IMPACT

The cost of the Landscape Maintenance Services contract is included in the annual Public Works Operations and Maintenance Budget. The proposed annual fee from Complete Landscape Care, Inc. represents an annual cost reduction of \$121,668 or a 12.3% reduction.

**INFRASTRUCTURE IMPACT**

The proposed contract with Complete Landscape Care, Inc. will include several performance monitoring tools to ensure that the City's landscape/hardscape maintenance services standards are met and the City retains a safe and attractive community unrivaled by other surrounding communities.



Thaddeus McCormack  
City Manager

**Attachments:**

1. Summary of Evaluation Team Scores
2. Contract
3. Proposal

**LANDSCAPE MAINTENANCE SERVICES  
PROPOSAL EVALUATION SCORES**

**Written Proposals**

<b>Criteria</b>	<b>Complete Landscape Care</b>			<b>Stay Green</b>		
	Reviewer #1	Reviewer #2	Reviewer #3	Reviewer #1	Reviewer #2	Reviewer #3
Qualifications of Contractor	14	14	15	14	11	12
Contractor's Staffing	18	19	18	18	19	18
Key Personnel	18	18	18	18	17	15
Project Understanding/ Approach	19	17	15	19	17	15
Past Experience/ References	9	8	10	8	7	0
Pricing	14	12	13	13	8	7
<b>Subtotal scores</b>	92	88	89	90	79	67
<b>Average Score, Written Prop.:</b>	89.6			78.6		

**THE CITY OF CITY OF SANTA FE SPRINGS**  
**LANDSCAPE MAINTENANCE SERVICES AGREEMENT**

THIS AGREEMENT is entered into this 1st day of July, 2016, by and between the **City of Santa Fe Springs**, a municipal corporation (the "City"), and **Complete Landscape Care, Inc.** (the "Contractor").

**R E C I T A L S**

WHEREAS, the City desires to employ the Contractor to provide Landscape Maintenance services for the City.

WHEREAS, the City has determined that the Contractor is willing to perform such services.

NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY AGREE AS FOLLOWS:

**1. ENGAGEMENT OF CONTRACTOR**

The City hereby agrees to engage the Contractor and the Contractor hereby agrees to perform the services hereinafter set forth in accordance with all terms and conditions contained herein.

The Contractor represents that all services required hereunder will be performed directly by the Contractor.

**2. SCOPE OF SERVICES AND FEE SCHEDULE**

The Contractor will perform services as set forth in the Scope of Services and Fee Schedule which are made a part of this Agreement by reference.

The City may unilaterally, or upon request from the Contractor, from time to time reduce or increase the Scope of Services and Fee Schedule Service Areas to be performed by the Contractor under this Agreement. Upon doing so, the City and the Contractor agree to meet in good faith to discuss changes in services and compensation shall be based on the established fee schedule.

**3. PROJECT COORDINATION AND SUPERVISION**

The City shall designate the Director of Public Works or his designee as a Contract Administrator to monitor the progress and execution of this Agreement. The Contractor shall assign a Supervisor to provide supervision and have overall responsibility for the progress and execution of this Agreement for the Contractor.

4. **COMPENSATION AND PAYMENT**

The Contractor shall be compensated a fixed monthly amount of \$72,334.00 (\$868,008.00 annually) for services rendered in accordance with the Contractor's Fee Schedule which is made a part of this Agreement by reference. The Contract Administrator will review and approve the invoice for payment of services rendered consistent with the Agreement.

If after written notice to the Contractor of any deficiencies in the work, or of failure to comply with the Agreement provisions, or failure to comply with the Monthly Service Schedule, the City may suspend all or a portion of the monthly payment due until the Contractor corrects any such deficiency.

If the Monthly Service Schedule prepared by the Contractor identifies a reduction in service to a Service Area identified in the Detailed Service Area Fee Schedule, Contractor will adjust the monthly payment due consistent with the monthly price identified in the Detailed Service Area Fee Schedule which is made a part of this Agreement by reference.

Invoices will be processed monthly for payment and remitted within thirty (30) days from receipt of invoice, provided that work is accomplished consistent with Agreement as determined by the Contract Administrator.

Any extra work performed beyond the work described in the Scope of Services and Fee Schedule shall not be performed without prior authorization from the Contract Administrator or his/her designee. Compensation for Extra Work shall be compensated based on the Contractor's Extra Work Rate Schedule which is made a part of this Agreement by reference.

5. **TERM OF AGREEMENT**

The term of this Agreement shall be for a period of three (3) years and shall commence on the date first set forth above. The City shall have the option to extend the Agreement for an additional two (2) one-year terms based on performance and approval by the City Council.

6. **INDEPENDENT CONTRACTOR**

Both parties hereto in the performance of this Agreement will be acting in an independent capacity and not as agents, employees, partners or joint venturers with one another. Neither the Contractor nor the Contractor's employees are employees of the City and are not entitled to any of the rights, benefits, or privileges of the City's employees, including but not limited to retirement, medical, unemployment, or workers' compensation insurance.

Neither this Agreement nor any interest herein may be assigned by the Contractor without the prior written consent of the City. Nothing herein contained is intended to prevent the Contractor from employing or hiring as many employees, or subcontractors, as the Contractor may deem necessary for the proper and efficient performance of this Agreement. All agreements by Contractor with its subcontractor(s) shall require the subcontractor to adhere to the applicable terms of this Agreement.

7. **CONTROL**

Neither the City nor its officers, agents or employees shall have any control over the conduct of the Contractor or any of the Contractor's employees except as herein set forth, and the Contractor expressly agrees not to represent that the Contractor or the Contractor's agents, servants, or employees are in any manner agents, servants or employees of the City, it being understood that the Contractor, its agents, servants, and employees are as to the City wholly independent contractors and that the Contractor's obligations to the City are solely such as are prescribed by this Agreement.

8. **COMPLIANCE WITH APPLICABLE LAW**

The Contractor, in the performance of the services to be provided herein, shall comply with all applicable State and Federal statutes and regulations, and all applicable ordinances, rules and regulations of the City of Santa Fe Springs, whether now in force or subsequently enacted. The Contractor, and each of its subcontractors, shall obtain and maintain a current City of Santa Fe Springs business license prior to and during performance of any work pursuant to this Agreement.

9. **LICENSES, PERMITS, ETC**

The Contractor represents and covenants that it has all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession. The Contractor represents and covenants that the Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement, any license, permit, or approval which is legally required for the Contractor to practice its profession.

10. **STANDARD OF CARE**

The Contractor in performing any services under this Agreement shall perform in a manner consistent with that level of care and skill ordinarily exercised by members of the Contractor's trade or profession currently practicing under similar conditions and in similar locations. The Contractor shall take all special precautions necessary to protect the Contractor's employees and members of the public from risk of harm arising out of the nature of the work and/or the conditions of the work site.

All work shall be performed in accordance with the service level standards and schedule identified in the Scope of Services as to maintain the conditions, aesthetic appearance, safety and usefulness of the City medians, parkways, parks, parkettes and facilities.

Standards and frequencies may be modified from time to time as deemed necessary by the City for proper maintenance of these areas.

The Contractor must employ sufficient personnel to perform all work as described in this Agreement at the various buildings and facilities.

The Contractor shall furnish all labor, equipment and required landscape and hardscape equipment, materials, and supplies needed to maintain all contracted areas to a level acceptable to the City.

The Contractor shall provide all necessary vehicles for transportation and related duties. Contractor's vehicles must be maintained in top condition and identified with a company logo. The Contractor shall make arrangements for back-up equipment in the event primary equipment become inoperable to assure that all work activities are completed as scheduled.

Unless disclosed in writing prior to the date of this agreement, the Contractor warrants to the City that it is not now, nor has it for the five (5) years preceding, been debarred by a governmental agency or involved in debarment, arbitration or litigation proceedings concerning the Contractor professional performance or the furnishing of materials or services relating thereto.

11. **NON-DISCRIMINATION PROVISIONS**

The Contractor shall not discriminate against any employee or applicant for employment because of age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. The Contractor will take positive action to insure that applicants are employed without regard to their age, race, color, ancestry, religion, sex, sexual orientation, marital status, national origin, physical handicap, or medical condition. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment any notices provided by the City setting forth the provisions of this non-discrimination clause.

12. **INDEMNIFICATION AND HOLD HARMLESS**

The Contractor agrees to defend, indemnify, and hold harmless the City, its officers and employees, against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of the Contractor's negligent or willful acts or omissions occurring in the performance of this Agreement.



13. **WORKERS' COMPENSATION**

The Contractor shall take out and maintain during the life of this Agreement, worker's compensation insurance for all Contractor's employees engaged as part of the required services and as required by the Labor Code of the State of California.

No member of the City Council or any other official or authorized assistant, employee, or agent of the City shall be personally responsible for any damage resulting from the performance liability arising under the Agreement, or nonperformance, negligently, or intentionally of any portion of the services contracted.

14. **LIABILITY INSURANCE**

- A. **Commercial General Liability Insurance** - The Contractor shall take out and maintain during the life of this contract such public liability and property damage insurance as shall protect him and the City from all claims for personal injury, including accidental death, as well as from claims for property damage arising from operations under this Agreement. The amount of such insurance shall be as hereinafter set forth.

As provided above, the Contractor shall take out and maintain public liability insurance for injuries, including accidental death to any one person, in an amount not less than One Million Dollars (\$1,000,000); and subject to the same limit for each person; on account of any one accident in an amount of not less than Two Million Dollars (\$2,000,000); and property damage insurance in an amount of not less than Five Hundred Thousand Dollars (\$500,000); Contractor's contingent or protective insurance for public liability and property damage in amounts not less than the respective amounts noted above.

- B. **Business Auto Liability Insurance** - The Contractor shall carry and maintain insurance coverage for property damage resulting from the Contractor's operations, in the sum of not less than Two Million Dollars (\$2,000,000) resulting from any one occurrence, which may arise from the operation of the Contractor in the performance of the work that is provided herein. Said insurance coverage shall provide that Contractor and his/her insurers are primarily responsible for any claim which arises from Contractor's performance of this Agreement and that neither City nor any of its insurers shall be required to contribute to any such claim. The Contractor shall during the life of the Agreement, keep on file with the Public Works Department evidence that the Contractor is fully and properly insured as set forth herein and which evidence shall be approved by the Contract Administrator as to form and sufficiency.

All certificates of insurance with respect to liability insurance of any kind shall name the City of Santa Fe Springs with respect to the performance by the Contractor of the work which is the subject of the Agreement. The full and complete name of services shall be shown on the Certificate of Insurance.

C. Notification of Cancellation of Insurance - Certificates of proof of carriage of insurance shall provide for not less than thirty (30) days notice of change or cancellation prior to acceptance of the work.

D. Renewal of Insurance - The insurance required herein will be renewed annually as long as Contractor continues operations in any way related to this Agreement. This obligation applies whether the contract is canceled or terminated for any reason. Termination of this obligation is not effective until the City executes a written statement to that effect. This requirement is in addition to coverage required to be maintained for completed and discontinued operations as required elsewhere.

15. **LEGAL FEES**

If any party brings a suit or action against the other party arising from any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other party arising out of this Agreement, then in that event, the prevailing party in such action shall be entitled to have and recover from the other party reasonable costs and expenses of suit, including attorneys' fees.

For purposes of determining who is to be considered the prevailing party, it is stipulated that attorney's fees incurred in the prosecution or defense of the action or suit shall not be considered in determining the amount of the judgment or award. Attorneys' fees to the prevailing party if other than the City shall, in addition, be limited to the amount of attorneys' fees incurred by the City in its prosecution or defense of the action, irrespective of the actual amount of attorneys' fees incurred by the prevailing party.

16. **MEDIATION/ARBITRATION**

If a dispute arises out of or relates to this Agreement, or the breach thereof, the parties agree first to try, in good faith, to settle the dispute by mediation in Santa Fe Springs, California, in accordance with the Commercial Mediation Rules of the American Arbitration Association (the "AAA") before resorting to arbitration. The costs of mediation shall be borne equally by the parties. Any controversy or claim arising out of, or relating to, this Agreement, or breach thereof, which is not resolved by mediation, shall be settled by arbitration in Santa Fe Springs, California, in accordance with the Commercial Arbitration Rules of the AAA then existing. Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in any court having jurisdiction over the subject matter of the controversy. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the costs of its own experts, evidence and attorneys' fees, except

that the arbitrator may assess such expenses or any part thereof against a specified party as part of the arbitration award.

17. **CANCELLATION OF AGREEMENT**

If at any time in the opinion of the Contract Administrator the Contractor has failed to supply adequate working force, or equipment of proper quality, or has failed in any other respect to prosecute the work with the diligence and force specified and intended in and by the terms of the Agreement, notice thereof in writing will be served upon the Contractor. Should the Contractor neglect or refuse to provide means for a satisfactory compliance with the agreement, as directed by the Contract Administrator, within the time specified in such notice, the City in such case shall have the power to terminate the Agreement and shall notify the Contractor, in writing, 30 days prior to cancellation.

18. **NOTICES**

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered; or sent by overnight mail (Federal Express or the like); or sent by registered or certified mail, postage prepaid, return receipt requested; or sent by ordinary mail, postage prepaid; emailed; telegraphed or cabled; or delivered or sent by telex, telecopy, facsimile or fax; and shall be deemed received upon the earlier of (i) if personally delivered, the date of delivery to the address of the person to receive such notice, (ii) if sent by overnight mail, the business day following its deposit in such overnight mail facility, (iii) if mailed by registered, certified or ordinary mail, five (5) days (ten (10) days if the address is outside the State of California) after the date of deposit in a post office, mailbox, mail chute, or other like facility regularly maintained by the United States Postal Service, (iv) if given by telegraph or cable, when delivered to the telegraph company with charges prepaid, or (v) if given by telex, telecopy, facsimile or fax, or email when sent. Any notice, request, demand, direction or other communication delivered or sent as specified above shall be directed to the following persons:

To the City:	Noe Negrete Director of Public Works City Of Santa Fe Springs 11710 Telegraph Road City of Santa Fe Springs, CA 90670-3679 <a href="mailto:noenegrete@santafesprings.org">noenegrete@santafesprings.org</a>
To the Contractor:	Thomas C. Murray President/Owner Complete Landscape Care, Inc. 13316 Leffingwell Road Whittier, CA 90605 <a href="mailto:tommurray@completelandscapecareinc.com">tommurray@completelandscapecareinc.com</a>

Notice of change of address shall be given by written notice in the manner specified in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent. Any notice, request, demand, direction or other communication sent by cable, telex, telecopy, facsimile, fax or email must be confirmed within forty-eight (48) hours by letter mailed or delivered as specified in this Section.

**19. CONFLICT OF INTEREST AND POLITICAL REFORM ACT OBLIGATIONS**

During the term of this Agreement, the Contractor shall not perform services of any kind for any person or entity whose interest's conflict in any way with those of the City of Santa Fe Springs. The Contractor also agrees not to specify any product, treatment, process or material for the project in which the Contractor has a material financial interest, either direct or indirect, without first notifying the City of that fact. The Contractor shall at all times comply with the terms of the Political Reform Act and the City of Santa Fe Springs Conflict of Interest Code. The Contractor shall immediately disqualify itself and shall not use its official position to influence in any way any matter coming before the City in which the Contractor has a financial interest as defined in Government Code Section 87103. The Contractor represents that it has no knowledge of any financial interests that would require it to disqualify itself from any matter on which it might perform services for the City.

IN WITNESS WHEREOF the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Contract Agreement to be executed in triplicate by setting hereunto their name, titles, hands, and seals as of the date noted above.

\_\_\_\_\_  
CONTRACTOR

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

CITY OF SANTA FE SPRINGS

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

ATTEST

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM

\_\_\_\_\_  
CITY ATTORNEY

Proposal for the City of Santa Fe Springs  
Request For Proposals For  
Landscape Maintenance Services  
Fee Schedule Only

Presented to



City of Santa Fe Springs

Submitted By



Complete Landscape Care, Inc.

April 26, 2016

PROPOSER NAME Complete Landscape Care, Inc.

CITY OF SANTA FE SPRINGS  
LANDSCAPE MAINTENANCE SERVICES  
FEE SCHEDULE

SERVICE AREA	MONTHLY TOTAL	ANNUAL TOTAL
#1 – MEDIANS AND PARKWAYS	\$ 27,300.00	\$ 327,600.00
#2 - PARKS AND PARKETTES	\$ 32,242.00	\$ 386,904.00
#3 - FACILITIES	\$ 12,792.00	\$ 153,504.00
GRAND TOTAL	\$72,334.00	\$ 868,008.00

The Contract will be awarded based on the Grand Total



**PROPOSER NAME** Complete Landscape Care, Inc.

**DETAILED SERVICE AREA FEE SCHEDULE  
SERVICE AREA #1 – MEDIANS AND PARKWAYS**

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M0-1	Alondra Blvd (weekly) Median Shoemaker to Valley View (45,432 SF)	\$ <u>450.00</u>	\$ <u>5,400.00</u>
M0-2	Bloomfield Ave (weekly) Greenbelt Telegraph Road to Heritage Springs Dr. (18,357 SF)	\$ <u>350.00</u>	\$ <u>4,200.00</u>
M0-3	Bloomfield Ave (weekly) Median Telegraph Road to Lakeland Ave (23,165 SF)	\$ <u>400.00</u>	\$ <u>4,800.00</u>
M0-4	Broadened Street (weekly) Greenbelt Millergrrove Dr to Alburdis Ave (16,569 SF)	\$ <u>400.00</u>	\$ <u>4,800.00</u>
M0-5	Carmenita Road –South Center Median (weekly) Median Alondra Blvd to Imperial Highway (26,623 SF)	\$ <u>550.00</u>	\$ <u>6,600.00</u>
M0-6	Carmenita Road (weekly) Hardscape/Planters Foster Road to Cambridge St (36,546 SF)	\$ <u>200.00</u>	\$ <u>2,400.00</u>

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M-07	Florence Ave (weekly) Hardscape/Planter Bloomfield to Norwalk—Hardscape/Planter (61,727 SF)	\$ <u>750.00</u>	\$ <u>9,000.00</u>
M-08	Florence Ave (weekly) Median City boundary to Carmenita Road (77,928 SF)	\$ <u>2,500.00</u>	\$ <u>30,000.00</u>
M-09	Florence Ave (weekly) Greenbelt Orr & Day Road to Ringwood Ave (24,878 SF)	\$ <u>300.00</u>	\$ <u>3,600.00</u>
M-10	Getty Drive (weekly) Planter Cul-de-sac to Lakeland Drive (5,707 SF)	\$ <u>300.00</u>	\$ <u>3,600.00</u>
M-11	Imperial Highway (weekly) Hardscape/Planter Bloomfield Ave to Transportation Drive (18,354 SF)	\$ <u>100.00</u>	\$ <u>1,200.00</u>
M-12	Imperial Highway (weekly) Median Bloomfield to Transportation Drive (10,000 SF)	\$ <u>400.00</u>	\$ <u>4,800.00</u>
M-13	Los Nietos Sound Wall (weekly) Greenbelt/Planter Pioneer Blvd to RR Tracks (8,788 SF)	\$ <u>900.00</u>	\$ <u>10,800.00</u>

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M-14	Meyer Road (weekly) Median Shoemaker to Painter Ave. (5,335 SF)	\$ 350.00	\$ 4,200.00
M-15	Motor Center (weekly) Greenbelt Firestone and Bloomfield (12,746 SF)	\$ 400.00	\$ 4,800.00
M-16	N/E Corner of Florence & Laurel (weekly) Greenbelt Florence Ave and Laurel (7,713 SF)	\$ 400.00	\$ 4,800.00
M-17	Norwalk Blvd (weekly) Median North City Boundary to Clark Street (5,256 SF)	\$ 300.00	\$ 3,600.00
M-18	Orr & Day Road (weekly) Greenbelt Otto Street to Davenrich Street (19,221 SF)	\$ 1,500.00	\$ 18,000.00
M-19	Orr & Day Road (weekly) Median/Planter Florence Ave to Pioneer Blvd (50,756 SF)	\$ 2,500.00	\$ 30,000.00
M-20	Orr & Day Road (weekly) Greenbelt Florence Ave to Pioneer Blvd (20,512 SF)	\$ 1,750.00	\$ 21,000.00

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M-21	Pioneer Blvd (weekly) Greenbelt Navajoa Place to Mersin Place (4,972 SF)	\$ 200.00	\$ 2,400.00
M-22	Pioneer Blvd (weekly) Median Florence Ave to Rivera Road (95,900 SF)	\$ 2000.00	\$ 24,000.00
M-23	Pioneer Blvd (weekly) Greenbelt Florence Ave to Dunning Street (15,111 SF)	\$ 400.00	\$ 4,800.00
M-24	Santa Fe Springs Parking Lot (weekly) Planter Davenrich Street (58,400 SF)	\$ 950.00	\$ 11,400.00
M-25	Santa Fe Springs Road (weekly) Median Telegraph Road to Los Nietos Road (29,985 SF)	\$ 1,250.00	\$ 15,000.00
M-26	Santa Fe Springs Road (weekly) Greenbelt/Planter McCann Drive to Los Nietos Road (73,408 SF)	\$ 1,500.00	\$ 18,000.00
M-27	Slauson Ave (weekly) Median/Planter Sorensen Ave to Santa Fe Springs Road (35,022 SF)	\$ 900.00	\$ 10,800.00

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M-28	Sorenson Ave (weekly) Median Washington Blvd to Slauson Ave (3,981 SF)	\$ 300.00	\$ 3,600.00
M-29	Telegraph Road (weekly) Greenbelt NW Corner of Telegraph Road and Laurel Ave (8,411 SF)	\$ 400.00	\$ 4,800.00
M-30	Telegraph Road (weekly) Median Cedarvale Drive City Boundary (117,554 SF)	\$ 1,200.00	\$ 14,400.00
M-31	Telegraph Road (weekly) Greenbelt/Planter NW Corner of Telegraph Road and Bloomfield Ave (9,909 SF)	\$ 300.00	\$ 3,600.00
M-32	Telegraph Road (weekly) Greenbelt/Planter Bloomfield Ave to 1400 feet east (76,547 SF)	\$ 750.00	\$ 9,000.00
M-33	Telegraph Road (weekly) Greenbelt/Planter Telegraph Road @RR Overpass (13,993 SF)	\$ 300.00	\$ 3,600.00
M-34	Telegraph Road (weekly) Greenbelt/Planter Telegraph Road to Pioneer Blvd (13,993 SF)	\$ 300.00	\$ 3,600.00

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
M-35	Washington Blvd (weekly) Median Norwalk Blvd to City Boundary (8,568 SF)	\$ 300.00	\$ 3,600.00
M-36	Valley View Ave. (weekly) Parkway Northwest Corner ( 1,525 SF)	\$ 100.00	\$ 1,200.00
M-37	Borate Street (weekly) Parkway Frontage of Water Well No. 12 (1,765 SF)	\$ 250.00	\$ 3,000.00
M-38	Heritage Corporate Center (weekly) Flag Court and Parkway Norwalk and Telegraph Rd. (19,389 SF)	\$ 1,100.00	\$ 13,200.00
	SUBTOTAL M-01 thru M-38	\$ 27,300.00	\$ 327,600.00

ENTER SUBTOTAL M-01 Thru M-38 IN THE FEE SCHEDULE UNDER MEDIANS AND PARKWAYS

**DETAILED SERVICE AREA FEE SCHEDULE  
SERVICE AREA #2 – PARKS AND PARKETTES**

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
P-01	Alburtis Ave Walkway (weekly) Hardscape/Landscape Alburtis Ave to Fallon Ave (9,906 SF)	\$ 250.00	\$ 3,000.00
P-02	Bradwell Parkette (weekly) Hardscape/Landscape Bradwell Ave @ Terradell Street (12,912 SF)	\$ 300.00	\$ 3,600.00
P-03	Davenrich Cul-De-Sac Parkette (weekly) Parkette Cul-de-sac to 605 Freeway Sound Wall (5,984)	\$ 300.00	\$ 3,600.00
P-04	Davenrich Parkette (weekly) Parkette Davenrich Street at Longworth Ave. (10,285)	\$ 300.00	\$ 3,600.00
P-05	Florence Avenue (weekly) Parkette– City Monument Sign NW Corner of Florence Ave and Pioneer Blvd (5,144 SF)	\$ 300.00	\$ 3,600.00
P-06	Florence Avenue (weekly) Parkette SW Corner of Florence Ave and Pioneer Blvd (4,122 SF)	\$ 300.00	\$ 3,600.00



<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
P-07	Heritage Park –Groundskeeper Services Park Parking Lots (daily-except Wednesdays)	\$ 5,000.00	\$ 60,000.00
P-08	Heritage Park –Groundskeeper Services Special Events On-Call Services Sat/Sun (4 hr. minimum) April – November (8 mos.)	\$ 892.00	\$ 10,704.00
P-09	Jersey/Clarkman Walkway (weekly) Hardscape Jersey Ave to Clarkman Street (14,262 SF)	\$ 200.00	\$ 2,400.00
P-10	Lake Center Park (weekly- Athletic Fields Closed Nov-Feb) Park Florence Ave to Clarkman Street (510,000 SF)	\$ 3,500.00	\$ 42,000.00
P-11	Lake Center Park Entry (weekly) Greenbelt/Planter Florence Ave to Clarkman Street (8,788 SF)	\$ 300.00	\$ 3,600.00
P-12	Lakeview Park (weekly) Park Joslin Street/Jersey Ave (255,500 SF)	\$ 1,700.00	\$ 20,400.00
P-13	Little Lake Park (weekly – Athletic Fields Closed Nov-Feb) Park Pioneer Blvd/Lakeland Road (786,057 SF)	\$ 3,900.00	\$ 46,800.00

Site #	Site Name	Monthly Price	Annual Price
P-14	Longworth Parkette (weekly) Parkette Darcy Street at Longworth Ave (13,989 SF)	\$ <u>300.00</u>	\$ <u>3,600.00</u>
P-15	Los Nietos Park (weekly – Athletic Fields Closed Nov-Feb) Park Charlesworth Road to Broaded Street (549,000 SF)	\$ <u>3,200.00</u>	\$ <u>38,400.00</u>
P-16	Merson Garden (weekly) Parkette Telegraph Road and Bartley Ave (11,532 SF)	\$ <u>300.00</u>	\$ <u>3,600.00</u>
P-17	Santa Fe Springs Park (weekly) Park Davenrich Street to San Gabriel River (538,000 SF)	\$ <u>3,000.00</u>	\$ <u>36,000.00</u>
P-18	SFS Athletic Fields (weekly – Athletic Fields Closed Nov-Feb) Park Jersey Ave and Pioneer Blvd (275,999 SF)	\$ <u>2,400.00</u>	\$ <u>28,800.00</u>
P-19	Smith Ave Triangle (weekly) Parkette Alburtis Ave to 750 feet East (31,400 SF)	\$ <u>500.00</u>	\$ <u>6,000.00</u>
P-20	Sculpture Gardens (weekly) Park Mora Drive at Ontivero Place (189,964 SF)	\$ <u>3,500.00</u>	\$ <u>42,000.00</u>

Site #	Site Name	Monthly Price	Annual Price
P-21	Neighborhood Center (weekly) Greenbelt/Planter Navjoa Place to Placita Place (28,290 SF)	\$ <u>1,200.00</u>	\$ <u>14,400.00</u>
P-22	Post Office (weekly) Greenbelt Telegraph Road (8,807 SF)	\$ <u>200.00</u>	\$ <u>2,400.00</u>
P-23	Santa Fe High School (weekly) Tree wells and school frontage Street Frontage on Orr & Day Road	\$ <u>150.00</u>	\$ <u>1,800.00</u>
P-24	Town Center Walkway (weekly) Greenbelt/Hardscape/Planter Town Center-Alburtis to Civic Center, Telegraph Road to Clarke Estate (18,685 SF)	\$ <u>250.00</u>	\$ <u>3,000.00</u>
	SUBTOTAL P-01 thru P-24	\$ <u>32,242.00</u>	\$ <u>386,904.00</u>

ENTER SUBTOTAL P-01 Thru P-24 IN THE FEE SCHEDULE SUMMARY UNDER PARKS AND PARKETTES

**DETAILED SERVICE AREA FEE SCHEDULE  
SERVICE AREA # 3 – FACILITIES**

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
F-01	Aquatic Center (weekly) Greenbelt/Planter Pioneer Blvd to Clarke Estate (18,867 SF)	\$ 450.00	\$ 5,400.00
F-02	City Hall – Groundskeeper Services Parking Lots Planter(s)/Hardscape	\$ 4,500.00	\$ 54,000.00
F-03	City Yard (weekly/ bi-weekly Nov-Feb) Greenbelt Emmens Way (11,538 SF)	\$ 350.00	\$ 4,200.00
F-04	Civic Center (weekly) Greenbelt/Hardscape Telegraph Road and Pioneer (85,406 SF)	\$ 1,200.00	\$ 14,400.00
F-05	Clarke Estate – Groundskeeper Services Park/Planter(s)/Hardscape	\$ 4,800.00	\$ 57,600.00

<u>Site #</u>	<u>Site Name</u>	<u>Monthly Price</u>	<u>Annual Price</u>
F-06	Clark Estate –Groundskeeper Services Special Events On-Call Services Sat/Sun (4 hr. minimum) April – November (8 mos.)	\$ 892.00	\$ 10,704.00
F-07	Fire Station Headquarters (weekly) Greenbelt Greenstone Ave (11,762 SF)	\$ 300.00	\$ 3,600.00
F-08	Fire Station No. 4 (weekly) Greenbelt Telegraph Road (2,400 SF)	\$ 300.00	\$ 3,600.00
	SUBTOTAL F-01 thru F-08	\$ 12,792.00	\$ 153,504.00

ENTER SUBTOTAL F-01 Thru F0-8 IN THE FEE SCHEDULE SUMMARY UNDER FACILITIES

PROPOSERS NAME Complete Landscape Care, Inc.

CITY OF SANTA FE SPRINGS

LANDSCAPE MAINTENANCE SERVICES – EXTRA WORK RATE SCHEDULE

EXTRA WORK HOURLY RATE SCHEDULE

<u>Position</u>	<u>Regular/Hr.</u>	<u>Overtime/Hr.</u>
Supervisor	\$ <u>62.50</u>	\$ <u>93.75</u>
Foreman	\$ <u>32.50</u>	\$ <u>48.75</u>
Groundskeeper	\$ <u>29.12</u>	\$ <u>43.68</u>
Laborer	\$ <u>29.12</u>	\$ <u>43.68</u>
Irrigation Specialist	\$ <u>42.00</u>	\$ <u>63.00</u>
Irrigation Laborer	\$ <u>32.50</u>	\$ <u>48.75</u>
Pesticide Applicator	\$ <u>45.00</u>	\$ <u>67.50</u>

TURF MAINTENANCE RATES

Mowing	\$ <u>0.020</u> per sq. ft.
Edging	\$ <u>2.75</u> per 1000 liner feet
Fertilization	\$ <u>150.00</u> per acre
Hollow Core Aerification (with removal of cores)	\$ <u>200.00</u> per acre

De-thatching \$ 275.00 per acre  
Weed Control (including material) \$ 250.00 per acre

**LANDSCAPE MAINTENANCE RATES**

Edge and Trim \$ 0.020 per 1000 linear feet  
Weed Removal and Clean-up \$ 55.00 per 1000 sq. ft.  
Fertilization (placement only) \$ 55.00 per acre  
Pest Control-Chemical (including material) \$ 75.00 per hour  
Pruning/Shearing Shrubs \$ 30.00 per 1000 sq. ft.  
Vertical Mulch Trees \$ 10.00 each  
Vegetation Removal \$ 0.05 per sq. ft.  
Clean Hardscape/Sidewalks \$ 0.020 per sq. ft.

**PLANT MATERIAL (INSTALLED)**

Annual Color (labor only) \$ 16.00 flat  
Annual Color (material only) \$ 12.75 flat  
Ground Cover \$ 30.00 flat  
One (1) gallon \$ 9.00 each  
Five (5) gallon \$ 27.00 each  
Fifteen (15) gallon \$ 95.00 each



24" Box Size Tree w/ Triple Staking System	\$ <u>325.00</u> each
Seeded and Top Dressed Turf Repair	\$ <u>0.14</u> per sq. ft.
Sodded Turf (remove, prep soil, replace)	\$ <u>2.45</u> per sq. ft.
Hydro-seeding (binder and fertilizer-exclude seed)	\$ <u>2.25</u> per sq. ft.



## *City of Santa Fe Springs*

City Council Meeting

May 26, 2016

### **NEW BUSINESS**

Interstate 5 Freeway Widening Water Main Relocation for the Carmenita Road Segment B – Final Payment

#### **RECOMMENDATION**

That the City Council approve the Final Progress Payment to GRFCO Inc. of Brea, California in the amount of \$127,075.38 for the subject project.

#### **BACKGROUND**

At the City Council meeting of December 10, 2015, the Council awarded a contract to GRFCO INC. of Brea, California in the amount of \$478,100.00 for the subject project.

Segment B water main relocation work included furnishing and installing 12 and 8-inch ductile iron pipe, furnishing and installing fittings, valves, blow off assemblies, local service meters, and appurtenances within the vicinity of the State's freeway widening and other ancillary work.

The final construction cost is \$614,493.56. The overall construction cost increased by an amount of \$136,393.56 due to the measured contractor quantities of pipe installed being higher than what was requested in the bid documents as a result of underground obstructions placed by Caltrans after the completed design of the Segment B water plans. The obstructions also added delay days to the project resulting from a portion of the water main being re-designed around the underground obstructions.

The following payment detail represents the Final Progress Payment due per terms of the contract for the work which has been completed and found to be satisfactory.

#### **FISCAL IMPACT**

There is no fiscal impact as the project is fully funded through utility agreement between the City of Santa Fe Springs and the State of California Department of Transportation.

  
Thaddeus McCormack  
City Manager

Attachment:  
Payment Detail

Report Submitted By:

Noe Negrete, Director  
Department of Public Works

Date of Report: May 19, 2016

**ITEM NO. 12**

**Payment Detail**  
**I-5 Water Main Relocation - Carmenita Segment B**

Contractor: GRFCO, INC.  
P.O. Box 1747  
Brea, CA 92822

**\$ 127,075.38**

Item No.	Description	Contract				Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Total	Quantity	Amount	Quantity	Amount
Contract Work									
1.	Mobilization	1	L.S.	\$ 10,000.00	\$ 10,000.00	0.00	\$ -	1	\$ 10,000.00
2.	Install 12" DIP CL 52	830	L.F.	\$ 220.00	\$ 182,600.00	30	\$ 6,600.00	1,095	\$ 240,900.00
3.	Furnish and Install 12" DIP CL 52	200	L.F.	\$ 150.00	\$ 30,000.00	30	\$ 4,500.00	200	\$ 30,000.00
4.	Furnish and Install 8" DIP CL 52	150	L.F.	\$ 140.00	\$ 21,000.00	52	\$ 7,280.00	64	\$ 8,960.00
5.	Furnish and Install Pipeline Connections	3	EA.	\$ 8,000.00	\$ 24,000.00	3	\$ 24,000.00	3	\$ 24,000.00
6.	Furnish and Install Fire Hydrant Assembly	4	LF	\$ 6,000.00	\$ 24,000.00	1	\$ 6,000.00	4	\$ 24,000.00
7.	Furnish and Install 12" Gate Valves	6	EA	\$ 4,000.00	\$ 24,000.00	2	\$ 8,000.00	9	\$ 36,000.00
8.	Furnish and Install 8" Gate Valves	1	EA	\$ 2,000.00	\$ 2,000.00		\$ -		\$ -
9.	Furnish and Install 1" Air Vac	1	EA	\$ 5,000.00	\$ 5,000.00	0	\$ -	1	\$ 5,000.00
10.	Furnish and Install 2" Blow-off	2	EA	\$ 5,000.00	\$ 10,000.00		\$ -	1	\$ 5,000.00
11.	Furnish and Install Copper Service Assembly	6	EA	\$ 4,000.00	\$ 24,000.00	1	\$ 4,000.00	5	\$ 20,000.00
12.	Core and Install Sleeve for Copper Service Laterals	4	LS	\$ 3,000.00	\$ 12,000.00		\$ -		\$ -
13.	Temporary Chain Link Fence	1	LS	\$ 100.00	\$ 100.00	0	\$ -	1	\$ 100.00
14.	Storm Drain Precautions (Erosion Control)	1	LS	\$ 3,000.00	\$ 3,000.00	0	\$ -	1	\$ 3,000.00
15.	Maintain Existing Water Service During Construction	1	LS	\$ 20,000.00	\$ 20,000.00	0	\$ -	1	\$ 20,000.00
16.	Restore Roadway Flatwork (Asphalt Concrete)	3000	SF	\$ 1.00	\$ 3,000.00	750		3,000	\$ 3,000.00
17.	Restore Concrete Sidewalk, Curb & Gutter	850	SF	\$ 1.00	\$ 850.00	134	\$ 134.00	134.00	\$ 134.00
18.	Furnish and Install DCDA	2	EA	\$ 15,000.00	\$ 30,000.00	2	\$ 30,000.00	2	\$ 30,000.00
19.	Traffic Control	1	LS	\$ 10,000.00	\$ 10,000.00	0.05	\$ 500.00	1	\$ 10,000.00
20.	Furnish & Install Steel Encasement CDPH Sep Req	136	LF	\$ 300.00	\$ 40,800.00		\$ -	136	\$ 40,800.00

Payment Detail

I-5 Water Main Relocation - Carmenita Segment B

Contractor: GRFCO, INC.

P.O. Box 1747

Brea, CA 92822

\$ 127,075.38

Item No.	Description	Contract			Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Quantity	Amount	Quantity	Amount

Contract Work

21.	Remove and Dispose of Temporary 12" DIP Main	350	LF	\$ 5.00	\$ 1,750.00	\$ -	\$ -	\$ -
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Total \$ 478,100.00 \$ 91,014.00 \$ 510,894.00

Item No.	Description	Contract			Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Quantity	Amount	Quantity	Amount

Contract Change Orders

1.	CCO No. 1	1	L.S.	\$ 60,850.00	\$ 60,850.00	0	\$ -	1	\$ 60,850.00
1.	CCO No. 2	1	L.S.	\$ 25,365.29	\$ 25,365.29	1	\$ 25,365.29	1	\$ 25,365.29
1.	CCO No. 3	1	L.S.	\$ 17,384.27	\$ 17,384.27	1	\$ 17,384.27	1	\$ 17,384.27

Total \$ 103,599.56 \$ 42,749.56 \$ 103,599.56

Total Completed This Period: \$ 133,763.56

Total Completed to Date: \$ 614,493.56

CONTRACT PAYMENTS

Total Items Completed to Date	\$ 614,493.56
Less 5% Retention	\$ 30,724.68
Less Progress Payment No. 1	\$ 256,148.50
Less Progress Payment No. 2	\$ 200,545.00
Final Payment	\$ 127,075.38

Invoice Date	Invoice No.	Warrant Billing Period		Invoice Pay Date	Amount	Retention Paid
		Invoice Due Date				
02/05/16	1	3/5/2016		02/25/16	\$ 256,148.50	\$ 13,481.50
03/21/16	2	3/28/2016		04/14/16	\$ 200,545.00	\$ 10,555.00
04/21/16	Final	5/10/2016		05/26/16	\$ 127,075.38	\$ 6,888.18
					\$ -	\$ -

Finance Please Pay: \$	127,075.38
Project Account:	484-397-R539-4400
Recommended by:	<i>[Signature]</i>
Approved by:	<i>[Signature]</i> #2955





# City of Santa Fe Springs

City Council Meeting

May 26, 2016

## **NEW BUSINESS**

### Approval of Amendment No. 1 with Henry Hernandez to Operate the City Batting Cages Facility

#### **RECOMMENDATION**

That the City Council take the following actions:

1. Approve Amendment No. 1 of the Batting Cages Concessionaire Agreement with Henry Hernandez;
2. Appropriate \$9,000 from the UUT/CIP Fund for the purchase and installation of LED lighting at the City's batting cages facility; and
3. Authorize the City Manager to execute Amendment No. 1.

#### **BACKGROUND**

The City Council, at their meeting of January 8, 2015, awarded a contract to Mr. Henry Hernandez to operate the City's batting cages facility, formerly known as The Diamond, located at Little Lake Park. Per the agreement, the City was responsible for the replacement of the netting and lighting as part of the site preparation.

As preparations progressed, Mr. Hernandez and City staff noticed that the current metal halide bulbs provided less than optimal lighting than would be ideal for nighttime hitters, as well as for overall lighting for the facility and security lighting for the park areas adjacent to the batting cages.

In April 2016, staff met with Mr. Hernandez and assessed the lighting needs of the facility as part of the annual inspection of the facility. It was determined that utilizing light emitting diode (LED) technology would yield brighter and more focused light beams that would better illuminate the facility for users, the on-site office building, and the adjacent park areas while using less electricity.

#### **FISCAL IMPACT**

Since the modification of the lighting would have a shared benefit to the City and Mr. Hernandez, it was determined that the cost of the upgrade to LED lighting be equally split between both parties. The cost to purchase and install the new lighting package will be approximately \$18,000, which the City will front initially. Mr. Hernandez's portion of the cost will be paid back over a twelve-month (\$750/month x 12 months = \$9,000) period and will be billed as a line item on his monthly invoice from the City for electricity usage.

#### **Attachment:**

Amendment No. 1

Report Submitted By:

Noe Negrete, Director  
Department of Public Works

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack  
City Manager

A handwritten signature in blue ink, appearing to read "Noe Negrete".

Date of Report: May 19, 2016



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*"A great place to live, work, and play"*

May 27, 2016

Mr. Henry Hernandez  
1020 S. Cypress, Suite A  
La Habra, CA 90631

Subject: Little Lake Park City Batting Cages Facility  
Contract Amendment No. 1

Dear Mr. Hernandez:

Based on site visits, value engineering, and a request from Mr. Hernandez (Concessionaire), it is proposed that the existing metal halide lighting be replaced with light emitting diode (LED) lighting. The existing lighting is less than optimal for night time hitting and instructional activities. In addition, the existing overall facility and security lighting has not been upgraded since the original opening of the facility. Therefore, both Parties (Concessionaire and City) agree to install a lighting upgrade at the batting cages facility at Little Park, which includes the installation of thirty (30) LED fixtures and four (4) wall mounted LED fixtures on the existing building. The total cost to furnish and install the lighting upgrades is approximately \$18,000.00 including all labor, equipment and materials. Both Parties agree to share the costs equally. Therefore, each party will be responsible for approximately \$9,000. City agrees to front the costs initially. Mr. Hernandez's portion of the cost will be paid over a twelve-month period, starting in July 2016. Approximately, \$750 will be billed in addition to the monthly electricity costs. All shared costs will be based on actual amounts expended.

**ACCEPTED BY:**  
Concessionaire

\_\_\_\_\_  
Henry Hernandez

\_\_\_\_\_  
Date

**APPROVED BY:**  
City of Santa Fe Springs

\_\_\_\_\_  
Thaddeus McCormack  
City Manager

\_\_\_\_\_  
Date



**CONCESSION AGREEMENT WITH**  
**HENRY HERNANDEZ FOR THE**  
**OPERATION OF THE CITY'S**  
**BATTING CAGES FACILITY**

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# **CONCESSION AGREEMENT**

The Concession AGREEMENT ("AGREEMENT") between Mr. Henry Hernandez and the City of Santa Fe Springs is made and entered into as of Jan. 8, 2015 ("the EFFECTIVE DATE"), in Santa Fe Springs, California, by and between the City of Santa Fe Springs, a Municipal Corporation ("CITY"), and Mr. Henry Hernandez ("CONCESSIONAIRE").

## **RECITALS**

The CITY has one batting cages facility with nine (9) batting cages, three (3) "bullpens" for pitching and hitting instruction, one office building, and associated public areas.

CONCESSIONAIRE wishes to operate this facility, including the batting cages, both slow and fast pitch, provide baseball and softball instruction, and for the sale of baseball and softball-related merchandise.

The CITY is willing to contract with CONCESSIONAIRE for services and use of the premises subject to the terms of the AGREEMENT.

## **AGREEMENT**

### **1. PREMISES**

#### **A. Delivery of Premises.**

1) CITY delivers, and CONCESSIONAIRE accepts this AGREEMENT for use of the premises described in Exhibit "A", subject to the terms and conditions of this AGREEMENT. The purpose of this AGREEMENT is to provide for the operation of the batting cages facility located at Little Lake Park, 10900 Pioneer Boulevard, Santa Fe Springs, CA 90670, for the general public. The public will be authorized the use of and ingress and egress across all the premises and also to buildings and facilities subject to reasonable restrictions and conditions.

### **2. TERM AND OPTION**

#### **A. Term.**

The term of this AGREEMENT is from the EFFECTIVE DATE of this AGREEMENT and shall continue for a term of five (5) years.

B. Period of Extension.

CITY may, at CITY's option, extend the term of this AGREEMENT for an additional year for a maximum of two extensions, subject to the provisions of the AGREEMENT.

C. Conditions for Exercise.

CITY's right to exercise an option to extend, is subject to the following conditions precedent:

1) CITY must give CONCESSIONAIRE thirty (30) day's notice prior to the expiration of the term of CITY's option to extend the term of the AGREEMENT for an additional year.

2) CONCESSIONAIRE must not be in default under any provision of this AGREEMENT at the time notice of exercise is given or on the last day of the term.

**3. NATURE OF CONCESSION**

From and after the EFFECTIVE DATE of this AGREEMENT, CITY releases to CONCESSIONAIRE the premises and CONCESSIONAIRE accepts the premises, and agrees to comply with all the following conditions:

A. Hours of Operation.

CONCESSIONAIRE must at all times maintain a written schedule delineating the operating hours of the batting cages facility. The hours of operation must comply with Exhibit "C".

B. Rent.

The CONCESSIONAIRE will pay a rent of \$1 (US) for the first three (3) years. After the third year, CONCESSIONAIRE will pay a monthly rent of nine percent (9%) of the gross receipts each month from all business conducted on the premises, including batting cage rentals, group and private instruction, merchandise sales and service, and approved vending sales.

C. Capital Improvements.

The CONCESSIONAIRE agrees to make the following capital improvements at its own expense and, in some instances when the improvements are a shared expense by both the CITY and CONCESSIONAIRE, by paying a majority of the cost associated with the improvement. The following identifies the

capital improvements needed and that will be conducted by the CONCESSIONAIRE:

- 1) Install new wheels on all pitching machines (total 28)
- 2) Install two new motors for pitching machines
- 3) Install four new feeders with motors
- 4) Install nine new pinch rollers
- 5) Paint pitching machines and canopy pole red
- 6) New balls for all cages (108 dozen)
- 7) New rental bats and helmets
- 8) Replace home plate mats (total 11)
- 9) Install new safety signage, including cage numbers and rules
- 10) Paint wrought iron fence around perimeter
- 11) Install computerized point-of-sale system
- 12) Install new security cameras
- 13) Install four monitors for viewing of televised games
- 14) Clean-up facility (removal of accumulated trash, leaves, etc.)
- 15) Install vending machine(s) for drinks and snacks (upon approval of the Director of Community Services in accordance with item "J" in this section)

D. Operation of Facilities.

CONCESSIONAIRE will operate and manage the facilities in a competent and efficient manner at least comparable to other well-managed batting cages facilities and practice facilities of similar type in the Greater Los Angeles vicinity.

E. Personnel.

CONCESSIONAIRE will at all times retain active, qualified, competent, and experienced personnel to supervise CONCESSIONAIRE's operations at the premises and to represent and act for CONCESSIONAIRE at the premises.

F. Appearance of Personnel.

CONCESSIONAIRE must require its attendants and employees to be dressed properly, clean, courteous, efficient, and neat in appearance at all times.

G. Review of Personnel.

CONCESSIONAIRE must maintain a close check of attendants and employees to ensure the maintenance of a high standard of service to the public. CONCESSIONAIRE must replace any employee for good cause pursuant to applicable federal and state laws.

H. Cost of Operation.

CONCESSIONAIRE will assume the full cost of operating the facility, including staff, insurance, electricity, telephone/internet access, custodial, minor building and facility maintenance (under \$500 per incident) and upkeep.

I. Common Area.

CITY will maintain the common area outside the batting cages, including the restrooms, walkway, walkway lighting, and landscaping.

J. Coordination of Concessions.

CONCESSIONAIRE will be responsible for the coordination of any concessions within the facility. CONCESSIONAIRE must obtain the approval of the Director of Community Services prior to the installation any vending machine(s) on the premises. If approval is granted by the Director of Community Services, the installation and maintenance of aforementioned vending machine(s) will be done at the cost of CONCESSIONAIRE.

K. Publicity and Programs.

CONCESSIONAIRE must assume all costs and responsibility for publicity and programs excluding the CITY website, quarterly activity brochure, and newsletter.

L. Prices.

A schedule of prices charged for all goods and/or services supplied to the public on the premises must also be maintained. All prices charged for goods and/or services supplied to the public must be fair and reasonable, based upon the following considerations:

- 1) CITY's primary purpose for entering into this AGREEMENT is to promote development of, and make available, recreational facilities and services for the benefit of the public; and
- 2) CONCESSIONAIRE will be entitled to charge prices for the goods, accommodations, and services offered in accordance with this AGREEMENT that are reasonable and consistent with market prices charged but other competing and/or comparable businesses in the greater Los Angeles vicinity provided, however, that charges for the use of the batting cages and practice facilities must comply with Exhibit "C".

**4. INDEPENDENT CONTRACTOR**

In its performance hereunder, CONCESSIONAIRE shall at all times be deemed an independent contractor and not an agent or employee of the CITY. CONCESSIONAIRE, its employees, agents, subcontractors, and volunteers shall have no power to bind or commit the CITY to any decision or course of action, and shall not represent to any person that they have such power and/or authority.

**5. INSURANCE**

A. CONCESSIONAIRE agrees that at all times during the term of this agreement it will maintain, at his own expense, a policy or policies of insurance that will insure and indemnify CITY, the City Council, both present and future, and each member thereof, and every officer, employee, and member of Commissions, Advisory Committees, and Boards of the CITY against liability or financial loss resulting from injury occurring to persons and property in or about the property in or about the property by reason of the use and occupation by CONCESSIONAIRE or by any other person or persons on the property in an amount not less than \$1,000,000 combined single limit bodily injury and property damage each damage or occurrence.

B. The CONCESSIONAIRE must maintain Worker's Compensation limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.

C. The policy will be the primary coverage for CONCESSIONAIRE and additional insureds.

D. The policy must provide Comprehensive General Liability Protection and must include, among other types of coverage, Contractual Liability and Products Liability.

E. The policy must provide insurance in the aforementioned amount on account of liability imposed upon the CONCESSIONAIRE by law for damage caused by negligent act, error or omission of CONCESSIONAIRE or any person for whose acts CONCESSIONAIRE is liable arising out of the conduct of the terms of this AGREEMENT.

F. The CITY, the City Council and each member thereof, present and future, and every officer, agent and employee of the CITY and every member of its Commissions, Advisory Committees, and Boards must be named as additional insureds on the policies. The policy must be issued by an insurer rated in Best's Insurance Guide with a financial rating of Class V or better. The policy must provide that the insurance coverage will not be canceled or reduced by the insurance carrier without the CITY having been given thirty (30) days prior written notice by the carrier. CONCESSIONAIRE agrees that it will not cancel or reduce insurance coverage without CITY having been given thirty (30) days prior written notice by CONCESSIONAIRE.

G. At all times during the term of this AGREEMENT, CONCESSIONAIRE must maintain on file with the CITY, a certificate of the insurance carrier or carriers showing that the insurance is in effect in the amount required above. Notwithstanding any other provisions of this AGREEMENT to the contrary, CONCESSIONAIRE does not have the right to possession of the property until the certificate is filed with the CITY.

## **6. IDEMNITY**

CONCESSIONAIRE will indemnify, defend (by legal counsel reasonably acceptable to the City Attorney), and hold harmless CITY, the City Council, each member thereof, present and future, its officers, agents and employees, and every member of its Commissions, Advisory Committees, and Boards, from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, bodily injury, personal injury, death, or property loss or damage arising from or related to acts or omissions of CONCESSIONAIRE, his employees, agents, invitees, subcontractors or vendors, of its services, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees, or agents.

## **7. SITE PREPARATION**

### **A. On the Part of the CITY**

The CITY agrees to complete the following modifications to the facility to allow full use of the facility by the CONCESSIONAIRE:

- 1) Since it is cost prohibitive to install a separate Southern California Edison electric meter, CITY engineering staff will install a meter monitoring device, allowing the CITY to calculate how much electricity the CONCESSIONAIRE is using monthly.
- 2) Install new canopy netting and netting for all cages.
- 3) New bulbs and ballasts for the batting cages facility's outside lights.
- 4) The cost of the CITY's portion to prepare site for CONCESSIONAIRE to take possession shall not exceed \$25,000.

## **8. ALTERATIONS AND IMPROVEMENTS**

### **A. Cost of Alterations and Improvements.**

Any alterations and improvements than those listed above will be done at CONCESSIONAIRE's sole cost and expense.

### **B. Construction Approval.**

CONCESSIONAIRE may not construct any building, structure, or other improvement on the premises unless the plan showing the location and construction plans and specifications are first approved by the Director of Community Services, the Director of Planning, the Director of Public Works, and the City Council.

### **C. Standards.**

1. Any construction must be done in accordance with CITY's Building Code and must be constructed of all new or commercially-acceptable material, as approved by the CITY.
2. CONCESSIONAIRE must obtain building permits from the Director of Planning as required by the CITY's Code of Ordinances.
3. CONCESSIONAIRE must prepare final plans and specifications substantially conforming to the preliminary approved by the Director of Community Services and deliver to the Department of Planning one



complete set as approved by all government agencies of the CITY having jurisdiction over the project. Changes from the preliminary plans will be considered to be within the scope of the preliminary plans if they are not substantial or if they are made to comply with suggestions, requests, or requirements of a governmental agency of the CITY in connection with the application for permit approval. After the final plans and specifications have been approved by the Department of Planning, no changes will be made without the prior written approval of the City Council. Any work that does not comply with the approval final plans and specifications, or that does not comply with all applicable laws and regulations, including, but not limited to, building and safety codes and environmental laws, will be promptly redone at CONCESSIONAIRE's cost and expense.

4. CONCESSIONAIRE must notify the City Manager of CONCESSIONAIRE's intention to commence construction or bring any building materials onto the premises. The CITY will have the right to post and maintain on the premises any notices of non-responsibility provided for under applicable law, and to inspect the premises in relation to the construction at all reasonable times.

D. Changes and Alterations.

All Changes and alterations will be of such a character that, when completed, the value and utility of the building, structure, or other improvement changed or altered by the changes or alterations, will not be less than the value and utility immediately before the change or alteration.

E. Workmanlike Manner.

All work done in connection with any changes or alterations must be performed in a good and workmanlike manner and with due diligence.

F. Improvements.

CONCESSIONAIRE may not remove or demolish, in whole or in part, any improvement upon the premises without the prior written consent of the CITY, which may, at its sole discretion, condition its consent upon the obligation of CONCESSIONAIRE to replace the improvement, in whole or in part.

G. Further Acts.

The CITY, upon written request of CONCESSIONAIRE, will execute any instruments as may be reasonably necessary to subject the CITY's fee interest in the premises to easements for the installation, maintenance, repair, and replacement of normal utilities to service the premises; provided, however that the CITY will incur no out-of-pocket costs, liabilities, obligations, or expenses as a

result of the granting for the installation, maintenance, repair, or replacement of utilities during the term of this AGREEMENT.

H. Payment for Utility Services.

CONCESSIONAIRE must pay all charges for electricity and telephone services. All utility services must be billed in the CONCESSIONAIRE's name.

I. Damage to or Destruction of Improvements.

In the event of damage to, or destruction of, CONCESSIONAIRE-constructed facilities, or if improvements located within the premises are declared unsafe or unfit for use or occupancy by a public entity with the authority to make and enforce declaration, CONCESSIONAIRE must within fifteen days, commence and diligently pursue to complete the repair, replacement, or reconstruction of improvements necessary to permit full use and occupancy of the premises for the purposes required by this AGREEMENT. Repair, replacement, or reconstruction of improvements within the premises must be accomplished according to plans approve by the Director of Community Services.

**9. LIENS**

A. Payment of Liens.

Subject to CONCESSIONAIRE's right to contest the same as provided in this paragraph 11, CONCESSIONAIRE agrees that it will pay as soon as due all mechanics, laborers, material men, contractors, subcontractors, or similar charges, and all other charges whatever nature which may become due, attached to or payable on the premises for any structure or other improvements thereon, from and after the date that this AGREEMENT is executed , or as a result of any work performed on the premises by the CONCESSIONAIRE or any of CONCESSIONAIRE's agents, employees, or contractors prior to that date. CONCESSIONAIRE will not be responsible for any charges arising from work performed on the premises by the CITY's employees or agents.

B. No Agency.

CONCESSIONAIRE is not in any respect an agent of the CITY, nor is CONCESSIONAIRE authorized to do any act or to make any contract encumbering or in any manner affecting the title or rights of the CITY in or to reversionary interest of the CITY in the premises or the improvements thereon.

C. Discharge of Liens

If any mechanics' or other liens are filed against the premises or an interest therein, which are caused by the CONCESSIONAIRE's conduct,

CONCESSIONAIRE must cause the same to be discharged of record within ninety (90) days after the date of filing the same, or otherwise free the premises from the effect of the claim of lien and any action brought to foreclose the lien; or CONCESSIONAIRE must promptly furnish to the CITY a bond in an amount and issued by a surety company satisfactory to the CITY, securing the CITY against payment of the lien and against any and all loss or damage whatsoever in any way arising from the failure of CONCESSIONAIRE to discharge the lien.

D. Contest of Liens.

CONCESSIONAIRE will have the right to contest any liens in good faith and with due diligence, provided that during the time CONCESSIONAIRE contests the liens, CONCESSIONAIRE must furnish the CITY with a bond in an amount and issued by a surety company satisfactory to the CITY securing the CITY against payment of the lien and against any and all loss or damage whatsoever in any way arising from the failure of CONCESSIONAIRE to discharge the lien, and provided further the CONCESSIONAIRE must fully pay and immediately discharge the amount of any final judgment rendered against the CITY or CONCESSIONAIRE in any litigation involving the enforcement of the liens or their validity, provided that the lien(s) arose from CONCESSIONAIRE's conduct.

E. Failure to Discharge.

In the event of CONCESSIONAIRE's failure to discharge liens arising from its conduct, to satisfy any uncontested lien within the ninety (90) day period, or to pay and satisfy any judgment, the CITY may, but is not obligated to, pay the amount inclusive of any interest and any costs assessed against CONCESSIONAIRE on the litigation, or may discharge the lien by contesting its validity, or by any other lawful means.

F. CITY Warranty.

CITY warrants to CONCESSIONAIRE that at the time of the execution of this AGREEMENT, there are no mechanics', laborers', material men's, contractors', subcontractors', or similar charges upon the premises.

**10. SAFETY REQUIREMENTS AND OPERATIONS**

A. Safety Hazards.

All work performed under this AGREEMENT must be performed in a manner that meets or exceeds all State of California safety regulations. The CITY reserves the right under California law to issue restraining or cease and desist orders to CONCESSIONAIRE when unsafe or harmful acts are observed or reported relating to, or connected with CONCESSIONAIRE's performance under this AGREEMENT.

B. Hazard Free Premises.

CONCESSIONAIRE must maintain the premises free of hazards to persons and/or property resulting from operations. Any hazardous condition noted by the CONCESSIONAIRE, at any place on the premises that is not a result of CONCESSIONAIRE's operations, must be reported to the CITY as soon as reasonably possible.

**11. MAINTENANCE AND REPAIR**

A. Preservation of Premises.

CONCESSIONAIRE must at its sole cost and expense, throughout the term of this AGREEMENT, maintain, and as reasonably necessary, remodel, refurbish, or otherwise preserve the buildings, structures, other improvements, equipment, fixtures and signs on the premises in a safe, clean, and sanitary condition and in compliance with all requirements of law. CONCESSIONAIRE must also conduct its operations on the premises, using the best known available and practical devices and facilities, to reduce as much as is reasonably able to, considering the nature and extent of CONCESSIONAIRE's operations, the emanating from the premises of noise, vibration, movements of air, fumes, and odors so as not to interfere unreasonably with the use of other adjoining premises.

B. Inspection.

CITY, by its officers, employees, agents, representatives, and contractors, has the right at all reasonable times to enter upon the premises for the purpose of inspecting the premises for any maintenance violations. CONCESSIONAIRE must correct each and every violation as soon as possible but no later than seventy-two (72) hours after being informed in writing by the CITY of the maintenance violations.

C. Corrections.

If CONCESSIONAIRE fails to correct any unsafe, unclean, or unsanitary condition within seventy-two (72) hours after being notified in writing to do so by the CITY, the CITY has the right, but not the obligation, to enter the premises and remedy the condition or conditions and charge the cost to the CONCESSIONAIRE without any liability for any resulting business loss or damage. In the event of an emergency, the CITY has the right, but not the obligation, to immediately enter the premises to remedy any unsafe, unclean, or unsanitary condition and charge the cost to CONCESSIONAIRE. The CITY will notify CONCESSIONAIRE of the emergency as soon as reasonably possible.

D. Maintenance.

CONCESSIONAIRE must paint, clean, and reasonably preserve and refurbish the surfaces of the interior and exteriors of all buildings, structures, and work areas on the premises.

**12. TITLE**

A. Surrender of Possession.

At the expiration of the term of this AGREEMENT or upon earlier termination, this AGREEMENT will terminate without further notice and CONCESSIONAIRE must immediately surrender possession of the premises to the CITY, and all structures and other improvements must remain.

B. Removal.

No structures or other improvements may be removed from the premises or voluntarily destroyed or damaged during the term of this AGREEMENT without prior written consent of the City Manager, which may be granted or withheld in the sole discretion of the City Manager.

C. Personal Property.

Any and all personal property, not attached to or installed in any building, structure, or other improvement that CONCESSIONAIRE places in, upon, or about the premises during the term may be removed prior to the expiration of the term of this AGREEMENT and will, as between the CITY and CONCESSIONAIRE, be and remain the personal property of the CONCESSIONAIRE.

D. Utility Fixtures.

Notwithstanding any terms to the contrary contained in this Section, any and all lighting, plumbing, air cooling, air conditioning, heating and ventilating equipment ("Utility Fixtures") are deemed to be part of the realty, and regardless of whether or not any item or equipment can be removed without structural damage to the building, structure, or improvement in which it is installed, no Utility Fixture may be removed from any buildings, structures, or other improvements, except for repairs, alterations, and replacement with like equipment, without the consent of the City Council, and all Utility Fixtures must remain as a part of the realty at the expiration or termination of the term of this AGREEMENT.

**13. ASSIGNMENT AND SUBLETTING**

CONCESSIONAIRE may not sublet all or any part of the premises, or assign this AGREEMENT or any interest in the premises, without first obtaining the written consent of the City Council. The giving of any consent will not be a waiver of any right to object

to further or future assignments or subleases, consent to which must be first obtained in writing from the City Council. Any assignment of this AGREEMENT to an assignee approved by the CITY will not relieve the assignor of any liability under this AGREEMENT arising after the effective date of the assignment unless the CITY expressly and in writing releases the assignor, assignor will remain fully liable under the AGREEMENT during the entire unexpired term. The CITY will have forty-five (45) days to approve or disapprove any proposed sublease, assignment, or transfer submitted by CONCESSIONAIRE.

#### **14. COMPLIANCE WITH LAW**

##### **A. Operation.**

CONCESSIONAIRE must conduct all operations in accordance with, and comply with, and must cause all sub-leases, permittees, licensees, assignees, and/or concessionaires to conduct all operations in accordance with, and comply with, all federal, state, and local laws, ordinances, and rules and regulations applicable to the business, whether now in effect or hereafter adopted (including, without limitation, those of the City of Santa Fe Springs, the County of Los Angeles, the State of California, and the United States of America), including, but not limited to, compliance with all technical construction codes adopted by the City of Santa Fe Springs, and all rules and regulations adopted for the operation of the premises, to the extent CONCESSIONAIRE is able to control the conduct of third parties by means of reasonable efforts.

##### **B. Correction.**

If, however, any default cannot be physically corrected within thirty (30) days, and if the party in default has commenced to remedy the default promptly after the receipt of notice, and continuously and diligently proceeds in good faith to eliminate the default, then the period for correction will be extended as reasonably necessary to correct the default.

##### **C. Notice of Default.**

CITY will not be under any obligation to mail deliver, or serve any notice under this section to any person other than the CONCESSIONAIRE.

#### **15. TERMINATION**

Either party (CITY or CONCESSIONAIRE) may terminate this agreement, for any reason, upon thirty (30) days written notice to the respective person identified in this AGREEMENT. Additionally, the CITY may terminate this AGREEMENT for cause. "Cause" is defined as a violation of this AGREEMENT or of any City, State, or Federal law. If the CITY finds that it has cause to terminate the AGREEMENT, the CITY shall deliver written notice of such violation(s) to CONCESSIONAIRE. The CONCESSIONAIRE shall have the time, as identified in Section 14 (B), to cure the

violation(s). If CONCESSIONAIRE does not cure the violation, the CITY shall deliver a notice of termination to CONCESSIONAIRE.

## 16. NOTICES

A. All notices, requests, demands, or other communications under this AGREEMENT must be in writing. Notice will be sufficiently given for all purposes as follows:

- 1) Personal Delivery. When personally delivered to the recipient, notice is effective on delivery.
- 2) First-class Mail. When mailed first-class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox.
- 3) Certified Mail. When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
- 4) Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.
- 5) Facsimile Transmission. When sent by facsimile transmission ("fax") to the last fax number of the recipient known to the party giving notice, notice is effective on receipt, provided that (1) a duplicate copy of the notice is given by first-class or certified mail or by overnight delivery, or (2) the receiving party delivers a written confirmation of receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purposes of giving notice are as follows:

<u>CONCESSIONAIRE:</u>	<u>CITY:</u>
Mr. Henry Hernandez 1020 S. Cypress, Suite "A" La Habra, CA 90631 Fax: (714) 773-4304	City of Santa Fe Springs Attn: Director of Community Services 9255 S. Pioneer Boulevard Santa Fe Springs, CA 90670 Fax: (562) 695-8620

B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified will be deemed effective as of the first date the notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

C. Any party may change its address its address or fax number by giving the other party notice of the change in any manner permitted by this AGREEMENT.

#### **17. AMENDMENTS AND MODIFICATIONS**

This AGREEMENT may not be amended or modified in any way, except in writing signed by both parties.

#### **18. APPROVALS BY THE CITY**

No consent, approval, or satisfaction of the CITY, and no waiver by the CITY of any provision will be effective unless in writing specifically referring to this AGREEMENT and executed by the City Manager or his designee for the CITY; no consent, approval, or satisfaction with respect to this AGREEMENT will be inferred or implied from any other act or omission of the CITY or any agent or employee of the CITY. Similarly, unless expressly provided, no approval, consent, or other action taken by the CITY under or pursuant to this AGREEMENT will in any way restrict or diminish the rights, powers, or jurisdiction of the CITY, its City Council, its Commissions, and other agencies with respect to the governance of the premises and all improvements, business, and activities located on or conducted on the premises.

#### **19. NOTICES**

A. Exclusive.

No remedy or election provided by any provisions in this AGREEMENT will be deemed exclusive unless so indicated, but will whenever possible be cumulative with all other remedies in law or equity, except as otherwise specifically provided herein.

B. Covenant and Condition.

Each provision will be deemed both a covenant and condition.

C. Time and Essence.

Time is of the essence of this AGREEMENT and of each and every provision of this AGREEMENT where time is a factor.



D. Paragraph Headings.

The paragraph and subparagraph headings in this AGREEMENT are for convenience and reference only, and are not intended to and do not define, govern, limit, modify, or in any manner affect the scope, meaning or intent of any provision in this AGREEMENT.

E. Severability.

If any part of this AGREEMENT is found to be in conflict with applicable law, that part will be inoperative, null and void insofar as it is in conflict with the law, but the remainder of the AGREEMENT will remain in full force and effect.

F. Consent or Approval.

In the event any provision under this AGREEMENT requires or anticipates that either party make judgment, give consent or approval, or exercise discretion, that party agrees to do so reasonably and in good faith, with due diligence, except in those specific instances where an AGREEMENT provision specifically sets forth a different standard of approval, in which case the specific standard of that AGREEMENT provision will govern.

G. Jurisdiction.

This AGREEMENT will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the AGREEMENT will be in Los Angeles County, California.

H. Security.

CONCESSIONAIRE hereby acknowledges that the CITY has no obligation to provide security. CONCESSIONAIRE assumes all responsibility for the protection of the CONCESSIONAIRE, its employees, agents, invitees, customers, and property from acts of third parties.

I. Relationship.

Nothing contained in this AGREEMENT will be deemed or construed to create the relationship of principal and agent or of partnership or of joint venture or of any association between the CITY and CONCESSIONAIRE or any other relationship other than Grantor and CONCESSIONAIRE.

J. Attorney's Fees.

If an action is instituted to enforce any provision or for damages by reason of an alleged breach of any provision of this AGREEMENT, the prevailing party will

be entitled to receive from the other party all costs and expenses and an amount as the court may adjudge to be reasonable attorneys' fees and costs.

K. Complete Understanding.

This AGREEMENT represents the full and complete understanding between the parties with respect to the subject matter. No verbal AGREEMENTS or representations or implied covenants will be held to vary the provisions of this AGREEMENT.

L. Further Assurances.

CONCESSIONAIRE and CITY will execute any and all additional papers, documents, and other assurances and will do any and all acts or things reasonably necessary in connection with the performance of their obligations to carry out the express intent of the parties to the AGREEMENT in a timely manner.

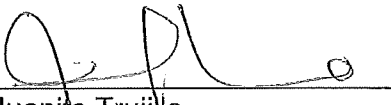
M. Force Majeure.

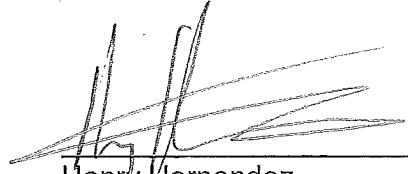
If the performance by CONCESSIONAIRE of any of its obligations or undertakings under this AGREEMENT is interrupted or delayed by an occurrence not occasioned by the conduct of either party to this AGREEMENT, whether that occurrence is an act of God or public enemy, or whether that occurrence is caused by war, riot, storm, earthquake, or other natural forces, or by the acts of anyone not a party to this AGREEMENT, then CONCESSIONAIRE will be excused from any further performance for whatever period of time after the occurrence is reasonably necessary to remedy the effects of the occurrence.

N. Exhibits.


All exhibits identified in this AGREEMENT are incorporated into the AGREEMENT by this reference.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT on  
the date first written above.


By   
\_\_\_\_\_  
Juanita Trujillo  
Mayor of the City of Santa Fe Springs

  
\_\_\_\_\_  
Henry Hernandez  
Concessionaire

ATTEST:

  
\_\_\_\_\_  
Anita Jimenez, CMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Steve Skolnik  
City Attorney

# EXHIBIT “A” – SCOPE OF SERVICES

## **Facilities**

The CONCESSIONAIRE will manage and administer the CITY's batting cages facility at Little Lake Park located at 10900 Pioneer Boulevard, Santa Fe Springs, CA at the north end of the park, adjacent the parking lot just east of Pioneer Boulevard. The batting cages opened in 1994 and has nine (9) batting stations. Five (5) stations have dual pitching machines, which allows the batter a choice of baseballs or softballs; two (2) stations are for solely fast pitch baseball and the remaining two (2) stations are fast pitch softball. Adjacent to the cages is a pitching and hitting area with three (3) separated bull pen areas that are ideal for private lessons. There is also an office building on the premises.

## **Maintenance**

The CONCESSIONAIRE will maintain and perform all repairs to the facility, including maintenance of pitching machines, netting, timers, and lighting and will perform basic maintenance to the facility including walkways and seating areas, as well as trash removal.

## **Marketing**

The CONCESSIONAIRE is responsible for the marketing of its programs and facility and all costs associated with said marketing, with the exception of the City's Quarterly Activities, Class Schedule & Programs Guide. CONCESSIONAIRE will be notified of the due dates for all information contained in the Quarterly Guide, and will be expected to submit information as required to meet the CITY's publication schedule.

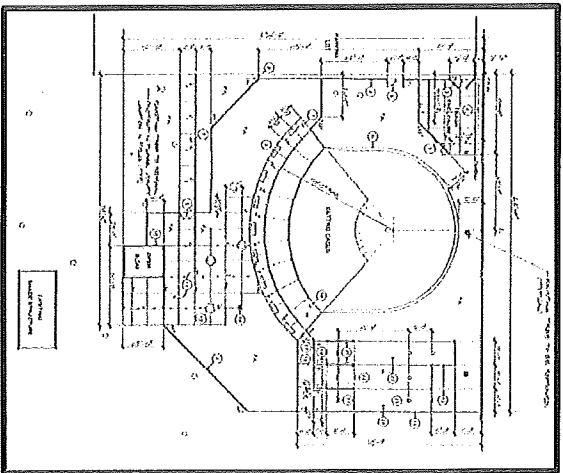
## **Capital Improvements**

CONCESSIONAIRE is responsible for performing the following Capital Improvements to the batting cages facility at an estimated cost of \$74,259:

- Install new wheels on pitching machines
- Install two (2) new motors for pitching machines
- Install four (4) new feeders with motors
- Install nine (9) pinch rollers
- Paint pitching machines, canopy tent, and wrought iron fence
- Replacement balls, bats, and batting helmets
- Replacement of batting cage signage, including cage numbers and rules.

Exhibit "B"

# LITTLE LAKE PARK "BATTING CAGES"



10900 Pioneer Boulevard, Santa Fe Springs, CA 90670

## EXHIBIT “C” – PERFORMANCE OF SERVICES

### **Performance:**

The Concessionaire shall perform the services in accordance with the provisions of these specifications in a professional, ethical, courteous, and orderly manner as a best effort to obtain and keep the confidence of the community.

### **Days and Hours of Operation:**

DAY	HOURS OF OPERATION
Monday – Thursday	12:00 p.m. – 9:30 p.m.
Friday	12:00 p.m. – 10:00 p.m.
Saturday	9:00 a.m. – 7:00 p.m.
Sunday	10:00 a.m. – 7:00 p.m.

### **Charges:**

Tokens will no longer be utilized. Users will rent the cage and pay for time (see below):

TIME	COST
10 minutes	\$8
15 minutes	\$12
20 minutes	\$15
30 minutes	\$20
60 minutes	\$35
90 minutes	\$55

Specialized hitting, pitching, and fielding instruction and clinics will also be offered by Mr. Hernandez and his staff. The pricing of these services will be comparable and competitive to other batting cages and baseball/softball academies.



# *City of Santa Fe Springs*

City Council Meeting

May 26, 2016

## **NEW BUSINESS**

### Water Well Siting Study for Zone 1 – Award of Contract

#### RECOMMENDATION

That the City Council take the following actions:

1. Accept the Proposals; and
2. Award a contract to Richard C. Slade & Associates, LLC, Sherman Oaks California, in the amount of \$37,650.00; and
3. Authorize the Director of Public Works to execute a contract with Richard C. Slade & Associates, LLC.
4. Appropriate \$37,650 from the Bond Funds for Capital Improvement Projects (Activity No. 455-397-S037-4400) to fund the cost of the proposed contract.

#### BACKGROUND

The City Council, at their March 24, 2016 meeting, authorized the Director of Public Works to request proposals from qualified hydrogeological firms to perform a water well siting study for Zone 1.

The City received proposals from the following three (3) firms:

1. Geoscience Support Services, Inc.
2. Richard C. Slade & Associates, LLC
3. Wood Rogers, Inc.

The proposals were evaluated based on several criteria, including qualifications of the contractor, proposed staffing levels, key personnel, proposed approach to the project's scope of work, past experience and proposed fee schedule. The proposals were evaluated, interviews conducted, and a summary of the Evaluation Team's scores is attached.

Staff is recommending that the City Council award a contract to Richard Slade & Associates, LLC in the amount of \$37,650.

#### FISCAL IMPACT

The cost of the proposed contract will be funded by the Bond Funds for Capital Improvement Projects. The proposed study will be within the former redevelopment project areas and therefore eligible for Bond funding.

A handwritten signature in blue ink, appearing to be "JN", is located at the bottom center of the page.

**INFRASTRUCTURE IMPACT**

The siting of a new water well in Zone 1 would provide a new source of water supply for the City's residents and business. A new well would reduce the City's cost of purchasing water from outside sources which continue to increase their water rates and charges.



Thaddeus McCormack  
City Manager

**Attachments:**

1. Summary of Evaluation Team Scores
2. Contract



**City of Santa Fe Springs  
Water Well Siting Study for Zone 1  
Evaluation Team Ratings**

**Written Proposals**

Criteria	GEOSCIENCE		
	Reviewer #1	Reviewer #2	Reviewer #3
Qualifications of Firm	14	15	14
Project Team	18	15	17
Key Personnel	18	15	15
Project Understanding/ Approach	18	15	17
Past Experience/ References	8	10	9
Pricing	13	15	12
<b>Subtotal scores:</b>	89	85	84
<b>Average Score- Written Prop.:</b>	<b>86</b>		

	RICHARD SLADE & ASSOC.		
	Reviewer #1	Reviewer #2	Reviewer #3
	14	15	14
	18	18	18
	18	18	18
	18	20	18
	8	10	9
	15	15	15
	91	96	92
	<b>93</b>		

	WOOD RODGERS		
	Reviewer #1	Reviewer #2	Reviewer #3
	14	15	12
	18	15	16
	18	18	16
	16	20	16
	8	10	6
	12	5	11
	86	83	77
	<b>82</b>		

**Interviews**

Criteria	GEOSCIENCE		
	Reviewer #1	Reviewer #2	Reviewer #3
Experience/ Capability of Firm	14	12	13
Project Manager	18	18	16
Project Team	18	15	15
Project Understanding/ Approach	18	18	15
Past Experience/ References	8	10	8
Pricing	13	10	11
<b>Subtotal scores:</b>	89	83	78
<b>Average Score-Interviews:</b>	<b>83</b>		

	RICHARD SLADE & ASSOC.		
	Reviewer #1	Reviewer #2	Reviewer #3
	14	15	15
	18	18	18
	18	20	18
	18	20	19
	8	10	9
	15	15	15
	91	98	94
	<b>94</b>		

	WOOD RODGERS		
	Reviewer #1	Reviewer #2	Reviewer #3
	14	12	12
	18	15	15
	18	20	15
	18	20	15
	8	10	6
	12	5	10
	88	82	73
	<b>81</b>		

**Final Rankings**

	Total Score
Richard Slade & Assoc.	<b>94</b>
Geoscience	<b>85</b>
Wood Rodgers	<b>82</b>

"Total Score" equals the average scores of the written proposals and the interviews

## CITY OF SANTA FE SPRINGS PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this 26<sup>th</sup> day of May 2016 by and between the City of Santa Fe Springs (CITY), and Richard C. Slade & Associates, LLC, (CONSULTANT), CITY and CONSULTANT (PARTIES) hereby enter into in consideration of the mutual covenants and promises contained herein. The Parties do mutually agree as follows:

1. CONSULTANT will provide the services (SERVICES) proposed in a Proposal from CONSULTANT, dated April 26, 2016, and which Proposal is hereby incorporated by reference and made a part of this Agreement, and CONSULTANT shall organize, supervise, prepare and complete said SERVICES as set forth therein. Said services shall be referred to as "Water Well Siting Study for Zone 1".
2. It is the intent of the CITY to enter into this Agreement with the CONSULTANT for a not to exceed fee of **\$37,650.00**.
3. CITY shall compensate CONSULTANT for the SERVICES as detailed in the CONSULTANT'S Fee Proposal, and which Fee Proposal is hereby incorporated by reference and made part of this Agreement. Compensation shall become payable on a periodic time schedule as approved and agreed to by CITY and the CONSULTANT.
4. The parties hereto acknowledge and agree that the relationship between CITY and CONSULTANT is one of principal and independent CONSULTANT and no other. CONSULTANT is solely responsible for all labor and expenses associated with the performance of the SERVICES. Nothing contained in the Agreement shall create or be construed as creating a partnership, joint venture, employment relationship, or any other relationship except as set forth between PARTIES. This includes, but is not limited to the application of the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provision of the Internal Revenue Code, the State Revenue and Taxation Code relating to income tax withholding at the source of income, the Workers' Compensation Insurance Code, 401(k) and other benefit payments and third party liability claims. CONSULTANT specifically acknowledges that CITY is not required to, nor shall, provide Worker's Compensation Benefits Insurance for CONSULTANT. Notwithstanding the above, CONSULTANT hereby specifically waives any claims and/or demands for such benefits.
5. CONSULTANT shall defend, indemnify, hold free and harmless the CITY and its appointed and elected officials, officers, employees and agents from and against any and all damages to property or injuries to or death of any person or persons, including attorney fees and shall defend, indemnify, save and hold harmless CITY and its appointed and elected officials, officers, employees and agents from any and all claims, demands, suits, actions or proceedings of any kind or nature, including but not by way of limitation, all civil claims, worker's' compensation claims, and all other claims resulting from or arising out of the acts, errors or omission of CONSULTANT, whether intentional or negligent, in the performance of this Agreement.
6. CONSULTANT will not be required to follow or establish a regular or daily work schedule. Any advice given to the CONSULTANT regarding the accomplishment of SERVICES shall be considered a suggestion only, not an instruction. The CITY retains the right to inspect, stop, or alter the work of the CONSULTANT to assure its conformity with this Agreement.

7. CONSULTANT shall comply with CITY'S Harassment Policy. CITY prohibits any and all harassment in any form.

8. CONSULTANT is required to obtain the following forms of insurance and provide City with copies therewith:

- a. Worker's Compensation insurance with statutory limits, and employer's liability insurance with limits not less than \$1,000,000 per accident
- b. Commercial general liability insurance or equivalent form, with a combined single limit of not less than \$2,000,000 per occurrence
- c. Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.
- d. Professional liability (errors and omissions) insurance, with a combined single limit of not less than \$1,000,000 per occurrence.

CONSULTANT shall maintain the required insurances throughout the term of the contract, and shall have insurance agent send Certificate of Insurance to CITY, with CITY named as additional insured. A 30 day notice of cancellation is required.

9. This Agreement may be terminated by either party for any reason at any time by providing written notice of such termination to the other party.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their respective authorized officers, as of the date first above written.

\_\_\_\_\_  
CONTRACTOR SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
NAME (PRINT)

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
COMPANY NAME

Corporation ☐

Sole Proprietor ☐

Partnership ☐

LLC ☐

\_\_\_\_\_  
SSN OR TAX ID#

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE, ZIP

\_\_\_\_\_  
TELEPHONE NO.

\_\_\_\_\_  
NOE NEGRETE, DIRECTOR OF PUBLIC WORKS

\_\_\_\_\_  
DATE

**City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 868-0511**



# City of Santa Fe Springs

City Council Meeting

May 26, 2016

## NEW BUSINESS

### Amendment of Water Rates and Related Charges for FY 2016/17

#### RECOMMENDATION

That the City Council direct staff to initiate proceedings in accordance with Proposition 218 to consider implementing an 11% increase in water rates as of August 1, 2016.

#### BACKGROUND

Potable water rates and service charges were last amended by 9% in March, 2012 to keep pace with the annual increases levied on water by the Metropolitan Water District (MWD) and the Water Replenishment District (WRD). Since 2012 MWD has raised its rates by 12% with a potential 6-8% increase looming in 2016, while the Replenishment Assessment (RA) levied a 14% increase on all Central Basin Pumps by the WRD with a potential 3-6% increase looming in 2016.

#### Timeline for Proposed Rate Increase

Any adjustments to water rates are subject to Proposition 218, which mandates that all customers receive a 45-day notice of the City's intent to increase rates before any action can be taken. At the end of the 45-day notice period, the City Council must hold a public hearing to receive comments on the proposed increase. The following timeline has been established for the possible implementation of a rate increase:

- |   |                |
|---|----------------|
| • City Council Initiates Prop 218 Process | May 26, 2016   |
| • Notices Mailed to Customers             | June 10, 2016  |
| • City Council Holds Public Hearing       | July 28, 2016  |
| • Rate Increases Implemented              | August 1, 2016 |

It should be noted that the City Council cannot implement any rate adjustments if written protests are received from a majority of water customers. With approximately 6300 water customers, a majority protest would be about 3150 customers. Water rates need to be set so that sufficient revenue is generated to cover estimated costs to operate the water system. Without a rate increase, the revenue generated by water sales in FY 16/17 will not be sufficient to cover the anticipated costs to operate the water system.

#### Overview of Water Usage

Actual water usage by City customers in FY 2015/16 will be approximately 9% below the previous year. This decrease can be attributed to efforts by residents and businesses to conserve water in response to an Executive Order issued by Governor Brown on April 1, 2015 to conserve water. As the City's customer base has remained stable during the past two years, staff has assumed that water usage in FY 2016/17 will be the same as in FY 2015/16.

Report Submitted By:

Noe Negrete, Director  
Public Works Department

A handwritten signature in blue ink, appearing to be "N. Negrete".

Date of Report: May 19, 2016

**ITEM NO. 15**

Anticipated Costs to Provide Water

In FY 2016/17 the City will have to pay \$450,000 more for water to meet the needs of City customers as compared to FY 2011/12. This is due to previous and current rate increases by outside agencies that are beyond the City's control. An explanation of this is provided below:

Imported Water

About 48% of the potable water used by City customers is purchased from the Metropolitan Water District (MWD). As a result of the MWD increases since 2012 plus increases implemented by Central Basin, the City's cost for imported water in FY 2016/17 will be \$304,200 higher than in FY 2011/12, the last increase year for the Water Utility Authority.

Pumped Water

52% of the potable water needed to supply City customers is pumped from underground aquifers and delivered to Santa Fe Springs consumers through the Water Quality Protection Plan (WQPP). The Water Replenishment District (WRD) assesses a charge to all groundwater pumped known as the RA. As a result of the increases to the RA since 2012, the City's cost for pumping water in FY 2016/17 will be \$109,200 higher than in FY 2011/12, the last increase year for the Water Utility Authority.

Reclaimed Water

The balance of water supplied to the City customers is from the reclaimed water system. As a result of a 4% increase in reclaimed water rates since 2012, the City's cost to provide reclaimed water to the customers in FY 2016/17, is up \$36,200 with a potential increase by the Central Basin Municipal Water District pending in 2016.

Anticipated Revenue

The positive effect of a decrease in water usage is that less water will need to be purchased or pumped to meet the needs of City water customers. However, the decrease in water usage also means that less revenue will be generated if rates remain the same. After evaluating anticipated revenues and expenditures, staff has determined that an additional \$900,000 in revenue combined with the total amount of \$450,000 in anticipated water provision costs will be needed to cover the cost increases described above for water, budgeted costs for personnel and maintenance, and to maintain the required debt service coverage on outstanding bonds.

Recommended Changes in Rates and Service Charges

After evaluating various options, staff has determined that water rates and service charges will need to be increased as follows in order to generate the additional revenue required to cover anticipated expenses:

- Potable Water Rates                      Increase by 11.0%
- Reclaimed Water Rates                   Increase by 11.0%

- Meter Service Charges Increase by 11.0%
- Fire Service Charges Increase by 11.0%

#### Effective Date of Rate Adjustments

All adjustments would go into effect on Monday, August 1, 2016. The actual date of implementation would be subject to billing schedules and the new rates and charges would only be applied to billing periods after August 1, 2016.

#### Impact on Customers

If the proposed adjustments are implemented, the impact on residential and business customers would be as follows:

##### Residential Customers

The impact on residential customers would be as follows:

- The bill for a residential customer with a 5/8" or 3/4-inch meter that uses 12 billing units of water each month will increase from \$45.52 to \$50.44 for a net change of \$4.92 per month.
- The bill for a residential customer with a 1-inch meter that uses 18 billing units of water each month will increase from \$65.98 to \$73.15 for a net change of \$7.17 per month.

With this increase, residential water customers will still be approximately on average with surrounding water purveyors.

##### Business Customers

For commercial customers, the actual impact will depend on the quantity of water used and the size of the customer's water meter. The following examples are provided to illustrate the impact on business customers.

- The bill for a customer that uses 18 billing units of water each month and has a 1.5" meter will increase by \$11.48 per month.
- The bill for a customer that uses 30 billing units of water each month and has a 2" meter will increase by \$18.00 per month.
- The bill for a customer that uses 50 billing units of water each month and has a 3" meter will increase by \$34.00 per month.
- The bill for a customer that uses 100 billing units of water each month and has a 4" meter will increase by \$61.00 per month.

##### Reclaimed Customers

With respect to consumers of reclaimed water, the monthly water bill for an average user would increase from \$147 to \$155 for a net change of \$8.00 per month. The above cost is based on consuming 25 reclaimed water billing units.

**FISCAL IMPACT**

The proposal to amend water rates and related charges is needed to ensure that operating revenue will cover operating expenditures associated with water-funded operations.

**INFRASTRUCTURE IMPACT**

The proposed adjustments in rates and charges will provide the resources needed to maintain operation of the City water system and to meet water demands of residential and commercial customers for FY 2016/17.



Thaddeus McCormack  
City Manager

**Attachments:**

1. Exhibit A: Schedule of Proposed Water Rates and Related Charges
2. Exhibit B: Monthly Water Rate Comparison



## Schedule of Proposed Water Rates and Related Charges for FY 2016/17

	<u>Current Fee</u>	<u>Proposed Fee</u>
<b><u>Quantity Rates*</u></b>		
Tier 1 (First 1,800 cubic feet per month)	\$2.86	\$3.17
Tier 2 (Over 1,800 and up to 3,600 cubic feet per month)	\$3.26	\$3.62
Tier 3 (Over 3,600 and up to 10,000 cubic feet per month)	\$3.73	\$4.14
Tier 4 (Over 10,000 and up to 40,000 cubic feet per month)	\$3.82	\$4.24
Tier 5 (Over 40,000 cubic feet per month)	\$3.91	\$4.34
<b><u>Reclaimed Water Rates*</u></b>		
First 1,800 cubic feet per month	\$2.76	\$3.06
Over 1,800 and up to 25 acre feet per month	\$3.11	\$3.45
Over 25 and up to 50 acre feet per month	\$3.00	\$3.33
Over 50 acre feet per month	\$2.86	\$3.17
<i>* The fees for quantity and reclaimed water are per 100 cubic feet.</i>		
<b><u>Meter Service Charge (Per Month)</u></b>		
5/8 x 3/4 inch meter	\$11.20	\$12.40
3/4 inch meter	\$11.20	\$12.40
1 inch meter	\$14.50	\$16.09
1-1/2 inch meter	\$53.65	\$59.55
2 inch meter	\$75.00	\$83.25
3 inch meter	\$151.00	\$167.61
4 inch meter	\$199.00	\$220.89
6 inch meter	\$250.00	\$277.00
8 inch meter	\$332.00	\$368.52
10 inch meter	\$500.00	\$555.00
<b><u>Fire Service Charge (Per Month)</u></b>		
2.5 inch fire service	\$49.00	\$54.40
4 inch fire service	\$74.00	\$82.14
6 inch fire service	\$92.00	\$102.12
8 inch fire service	\$125.00	\$138.75
10 inch fire service	\$158.00	\$175.38
<b><u>Late Payment Charge</u></b>	-No Change-	-No Change-
<b><u>Reconnection Charge</u></b>	-No Change-	-No Change-
<b><u>Unauthorized Turn-on Charge</u></b>		
1st occurrence in a six-month period	-No Change-	-No Change-
2nd and subsequent occurrence in a six-month period	-No Change-	-No Change-

### **Effective Date**

Proposed rates and charges are recommended to go into effect on August 1, 2016.

## Monthly Water Cost Comparison

Water Purveyor	Average Residential Bill			Other Agency Cost Compared to City of Santa Fe Springs Proposed Rate
	Monthly Cost 10 units	Monthly Cost 15 units	Monthly Cost 18 units	
Park Water Company	\$79.00	\$105.00	\$122.00	74% higher
City of Southgate	\$60.00	\$90.00	\$108.00	54% higher
City of Norwalk	\$82.00	\$98.00	\$107.00	53% higher
Golden State Water Company	\$70.00	\$88.00	\$102.00	45% higher
San Gabriel Valley Water	\$59.00	\$73.00	\$81.00	15% higher
City of Whittier	\$58.00	\$67.00	\$72.00	3% higher
<b>City of Santa Fe Springs (5 tier with 11%)</b>	<b>\$44.40</b>	<b>\$61.00</b>	<b>\$70.00</b>	
<b>City of Santa Fe Springs (Current)</b>	<b>\$40.00</b>	<b>\$55.00</b>	<b>\$63.00</b>	
City of Downey	\$42.00	\$48.00	\$53.00	24% lower
Pico Water District	\$27.00	\$35.00	\$41.00	41% lower
City of Cerritos	\$24.00	\$32.00	\$37.00	47% lower

**Note:**

Calculations are based on a residential 3/4 inch meter  
Percentage Higher/Lower is compared to 5 tier with 11% increase



## City of Santa Fe Springs

City Council Meeting

May 26, 2016

### **NEW BUSINESS**

Authorization to Submit Program Payment Application to CalRecycle for Beverage Container Recycling Program Funding

#### **RECOMMENDATION**

That the City Council approve Resolution No. 9510 authorizing the City Manager or his designee to submit a program payment application for the CalRecycle Beverage Container Recycling Program.

#### **BACKGROUND**

The California Department of Resources Recycling and Recovery (CalRecycle) administers funding programs to assist organizations with establishing convenient beverage container recycling and litter abatement projects. Funds are available to local governments through the Beverage Container Recycling Payment Program.

The City will apply for a Beverage Container Recycling Payment Program amount of \$5,000 (based on population) for FY 2015-16. The funding application requires City Council approval of the attached Resolution.

The City's Beverage Container Recycling Program includes public information and beverage container recycling bins located throughout the City's parks, facilities, and other public locations.

#### **FISCAL IMPACT**

The Beverage Container Recycling Payment Program funds will be used to off-set the costs for maintaining the beverage recycling bins throughout the City.

#### **INFRASTRUCTURE IMPACT**

None.

  
Thaddeus McCormack  
City Manager

Attachment:  
Resolution No. 9510

**RESOLUTION NO. 9510**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS  
AUTHORIZING THE SUBMITTAL OF APPLICATION FOR PAYMENT PROGRAMS  
AND RELATED AUTHORIZATIONS**

WHEREAS, pursuant to Public Resources Code sections 48000 et seq., 14581, and 42023.1(g), the Department of Resources Recycling and Recovery (CalRecycle) has established various payment programs to make payments to qualifying jurisdictions; and

WHEREAS, in furtherance of this authority CalRecycle is required to establish procedures governing the administration of the payment programs; and

WHEREAS, CalRecycle's procedures for administering payment programs require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the payment program.

NOW, THEREFORE, BE IT RESOLVED that City of Santa Fe Springs is authorized to submit an application to CalRecycle for any and all payment programs offered; and

BE IT FURTHER RESOLVED that the City Manager, or his/her designee, is hereby authorized as Signature Authority to execute all documents necessary to implement and secure payment; and

BE IT FURTHER RESOLVED that this authorization is effective until rescinded by the Signature Authority or this governing body. That the City Clerk shall certify to the adoption of this resolution.

APPROVED and ADOPTED this 26<sup>th</sup> day of May 2016.

\_\_\_\_\_  
RICHARD MOORE, MAYOR

ATTEST:

\_\_\_\_\_  
JANET MARTINEZ, CITY CLERK



## NEW BUSINESS

Acceptance of a State of California Monetary Award for Upgrades to the Railcar, Tank Farm and Pipe Tree Training Props located at the Santa Fe Springs Homeland Security Regional Training Center

### RECOMMENDATIONS

That the City Council accept the State of California award funds in the amount of \$25,000 and authorize the Fire Chief to commence the performance of services as described in the "Statement of Work" agreement.

### Background

The California State Training Institute (CSTI) has recently partnered with the Los Angeles Area Fire Chief's Association (LAAFCFA) and Rio Hondo College to provide Hazardous Material Technician and Specialist training at the Santa Fe Springs Homeland Security Regional Training Center.

The State of California has granted a monetary award of \$25,000 to the Training Center for the purpose of upgrading the Railcar, Tank Farm and Pipe Tree training props to ensure that the CSTI's Hazardous Materials by Rail Technician and Specialist students will have a safe and healthy training environment.

The State has identified the Santa Fe Springs Fire Department as the prime contractor giving the Department the responsibility of assuring all upgrades are performed by a certified and licensed contractor, that all work performed is in accordance to the specifications described in Exhibit A, Statement of Work, and that the upgrades do not exceed the fixed total costs listed in Exhibit B-1, Cost Worksheet. Furthermore, all agreements and bid estimates will be in accordance with the Santa Fe Springs Purchasing Policy.

### Scope of Project Upgrades

### Costs

#### *Railcar Prop:*

\$20,000

Upgrade acid dome and LPG dome with plumbed stainless steel lines for Liquid Nitrogen. Extend existing platform and add safety railing.

#### *Tank Farm and Pipe Tree:*

\$5,000

Add additional valves and stainless steel Plumbing to existing pipe tree.



# *City of Santa Fe Springs*

City Council Meeting

May 26, 2016

## Fiscal Impact

Invoices for work performed will be submitted directly to the State for payment as stated in Exhibit B, Budget Detail and Payment Provisions. There will be no impact to the General Fund.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack", is written over a horizontal dashed line.

Thaddeus McCormack  
City Manager

## Attachment(s)

State of California Standard Agreement - #6081-5  
Exhibit A – Statement of Work  
Exhibit B – Budget Detail and Payment Provisions  
Exhibit B-1 – Cost Work Sheet  
Exhibit C –General Terms and Conditions (GTC) 610.



# *City of Santa Fe Springs*

City Council Meeting

February 25, 2016

(If the title of your report is long, please start here)  
Title of Report

Page 4 of 4



STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

AGREEMENT NUMBER

**6081-5**

REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Governor's Office of Emergency Services (hereafter called the "State")

CONTRACTOR'S NAME

Santa Fe Springs Fire Department (hereafter called the "Contractor")

2. The term of this

Agreement is: May 30, 2016 through May 29, 2017

3. The maximum amount of this Agreement is: Twenty-Five Thousand Dollars and Zero Cents  
\$ 25,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

EXHIBIT A STATEMENT OF WORK

PAGES 2-7

EXHIBIT B BUDGET DETAIL AND PAYMENT PROVISIONS

PAGE 8

EXHIBIT B-1 COST WORKSHEET

PAGE 9

EXHIBIT C GENERAL TERMS AND CONDITIONS (GTC) 610

This document is incorporated by reference and is available on the Internet at [www.documents.dgs.ca.gov/ols/GTC-610.doc](http://www.documents.dgs.ca.gov/ols/GTC-610.doc)

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

**CONTRACTOR**

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

**Santa Fe Springs Fire Department**

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

**Michael Crook, Chief**

ADDRESS

**11300 Greenstone Ave.  
Santa Fe Springs, CA 90670**

**STATE OF CALIFORNIA**

AGENCY NAME

**California Governor's Office of Emergency Services**

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

**RICK STOLZ, Assistant Director Administration Services**

ADDRESS

**3650 Schriever Ave.  
Mather, CA 95655**

**California Department of General  
Services Use Only**

☐ Exempt per:

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**EXHIBIT A  
STATEMENT OF WORK**

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**1. OBJECTIVE**

To provide the Santa Fe Springs Regional Training Partner Site located at Santa Fe Springs Fire Department 11400 Greenstone Ave., Santa Fe Springs CA 90670 equipment repairs and or upgrades as identified in the project deliverables. This will ensure that the CSTI's Hazardous Materials by Rail Technician and Specialist visiting students can have a safe and healthy training environment.

**2. TERM/PERIOD OF PERFORMANCE**

- a. The period of performance for the Agreement shall be May 30, 2016 through May 29, 2017.
- b. The Contractor shall not be authorized to deliver or commence the performance of services as described in this SOW until written approval has been obtained from all entities. Any delivery or performance of service that is commenced prior to the signing of the Agreement shall be considered voluntary on the part of the Contractor and non-compensable.
- c. Consistent with the terms and conditions of the original solicitation, and upon mutual consent, the State and the Contractor may execute written amendments for changes to this Agreement that were evaluated and considered.

**3. BUDGETED AMOUNT**

The initial award of this agreement shall not exceed \$25,000.00 and there is no obligation on the State's part to utilize the entire amount. Any increases in the budgeted amount will be at the rates evaluated and considered.

**4. MANDATORY QUALIFICATIONS**

All upgrades and repairs must be done using a Certified California Licensed Contractor and/or Certified California Licensed Equipment Contractor.

**5. PROJECT TASKS**

Contractor shall be expected to have all work completed within six months of the executed date of this Agreement.

## 6. PROJECT DELIVERABLES

Deliverables	Location	PCA	Cost
Upgrade Railcar prop : ( acid dome and LPG dome) with plumbed stainless steel lines for Liquid Nitrogen. Extend existing platform and add Safety Rails.	Santa Fe Springs Regional Training Partner Site located at Santa Fe Springs Fire Dept. 11400 Greenstone Ave., Santa Fe Springs, CA 90670	02199	\$20,000.00
Tank Farm and Pipe Tree Upgrades: Add additional valves, and Stainless Steel plumbing to existing Pipe tree.	Santa Fe Springs Regional Training Partner Site located at Santa Fe Springs Fire Dept. 11400 Greenstone Ave., Santa Fe Springs, CA 90670	02199	\$5,000.00

## 7. ACCEPTANCE OF DELIVERABLES

It shall be in the State's sole determination as to whether a deliverable has been successfully completed and acceptable to the State. Acceptance criteria shall consist of the following:

- a. Payment for tasks performed under this Agreement shall be by **firm fixed price**. It shall be the State's sole determination as to whether the tasks and deliverables identified in this Agreement have been successfully completed and are acceptable. The approval process is outlined in Section 13 – Performance.
- b. The Contractor costs related to rework of unacceptable work products shall be costs of the Contractor, and shall not be billed to the State.
- c. The Contractor shall meet all time-lines and deliverable dates, as agreed to in the Agreement.
- d. Upon completion of all repairs and upgrades CSTI will perform a work completion review and collect all receipts associated with the site equipment upgrades and or repair.

## **8. CONTRACTOR RESPONSIBILITIES**

- a. Contractor will provide all labor and parts for the repairs and upgrades and will maintain all receipts for parts and labor for all work that is completed at the site.
- b. Contractor shall appoint a primary contact person to whom all project communications may be addressed and who has the authority to act on all aspects of the services.
- c. Contractor will notify the State, in writing, of any changes in the personnel assigned to the tasks. If the Contractor's Contract Manager is unable to perform due to illness, resignation, or other factors beyond the point of contact's control, the point of contact will make every reasonable effort to provide suitable substitute personnel. The substitute personnel shall meet all requirements and must be approved in advance of any performance under the Agreement by the State via an approved Amendment.

## **9. STATE RESPONSIBILITIES**

- a. Designate a person to whom all Contractor communication may be addressed, and who has the authority to act on all aspects of the services. This person will review the SOW and associated documents with the Contractor to ensure understanding of the responsibilities of both parties.
- b. Provide access to department staff and management, offices and operation areas, as required, to complete the tasks and activities defined under this Agreement.
- c. Provide at least a minimum of ten (10) State business days for the timely review and approval of information and documentation provided by the Contractor to perform its obligations.

## **10. PERFORMANCE**

The State will be the sole judge of the acceptability of all work performed and all work products produced by the Contractor as a result of this SOW. Should the work performed or the products produced by the Contractor fail to meet the State conditions, requirements, specifications, guidelines, or other applicable standards, the following resolution process will be employed, except as superseded by other binding processes:

- a. The State will notify the Contractor in writing within five (5) State business days after completion of each phase of service of any acceptance problems

by identifying the specific inadequacies and/or failures in the services performed and/or the products produced by the Contractor.

- b. The Contractor will, within five (5) State business days after initial problem notification, respond to the State by submitting a detailed explanation describing precisely how the identified services and/or products actually adhere to and satisfy all applicable requirements, and/or a proposed corrective action plan to address the specific inadequacies and/or failures in the identified services and/or products. Failure by the Contractor to respond to the State's initial problem notification within the required time limits may result in immediate termination of the Contract.

In the event of such termination, the State shall pay all amounts due the Contractor for all work accepted prior to termination.

- c. The State will, within five (5) State business days after receipt of the Contractor's detailed explanation and/or proposed corrective action plan, notify the Contractor in writing whether it accepts or rejects the explanation and/or plan. If the State rejects the explanation and/or plan, the Contractor will submit a revised corrective action plan within three (3) State business days of notification of rejection. Failure by the Contractor to respond to the State's notification of rejection by submitting a revised corrective action plan within the required time limits may result in immediate termination of the Contract. In the event of such termination, the State shall pay all amounts due the Contractor for all work accepted prior to termination.
- d. The State will, within three (3) State business days of receipt of the revised corrective action plan, notify the Contractor in writing whether it accepts or rejects the revised corrective action plan proposed by the Contractor. Rejection of the revised corrective action plan will result in immediate termination of the Contract. In the event of such termination, the State shall pay all amounts due the Contractor for all work accepted prior to termination.

### **13. PROBLEM ESCALATION**

The parties acknowledge and agree that certain technical and project related problems or issues may arise, and that such matters shall be brought to the State's attention. Problems or issues shall normally be reported in regular status reports. There may be instances, however, where the severity of the problems justifies escalated reporting. To this extent, the Contractor will determine the level of severity and notify the appropriate State personnel. The State personnel notified, and the time period taken to report the problem or issue, shall be at a level commensurate with the severity of the problem or issue. The State personnel include, but are not limited to, the following:

First level:                      Jacob Volkov 805-549-3203

Second level: Clare Owen-McComas 805-549-3005

Third level: Dinah Davison 805-549-3546

#### **14. CANCELLATION**

The State may exercise its option to terminate the Agreement at any time with 30 calendar day's prior written notice. In the event of such termination, the State shall pay all amounts due the Contractor for all deliverables accepted prior to termination.

#### **15. OTHER AGREEMENT CONSIDERATIONS**

- a. The Contractor will act as prime contractor under this Agreement. In addition to identifying all personnel proposed to work under this Agreement, the Contractor shall also identify its subcontractor affiliation, as applicable.
- b. The State reserves the right to approve all subcontractors prior to the performance of any work by the subcontractor.
- c. Nothing contained in this Agreement shall create any conceptual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor is fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them.
- d. If a subcontractor is a California Certified Small Business and/or DVBE, then those amounts paid to certified subcontractors shall be identified on the Contractor's invoice(s).
- e. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have obligation to pay or to enforce the payment of any monies to any subcontractor.

## 16. PROJECT REPRESENTATIVES

The project representatives during the term of this Agreement will be:

State:	California Governor's Office of Emergency Services, Public Safety Communications	Contractor:	Santa Fe Springs Fire Department
Name:	Jacob Volkov	Name:	Sean Escontrias
Address	10 Sonoma Ave., Bldg 904 San Luis Obispo, CA 93405	Address:	11400 Greenstone Ave., Santa Fe Springs, CA 90670
Phone:	(805) 549-3203	Phone:	(562) 254-5459
Fax:		Fax:	
e-mail:	Jacob.Volkov@caloes.ca.gov	e-mail:	<a href="mailto:seanescontrias@santafesprings.org">seanescontrias@santafesprings.org</a>

Direct all contract inquiries to:

State:	CA Governor's Office of Emergency Services	Contractor:	Santa Fe Springs Fire Dept.
Unit:	Procurement and Logistics Services Branch	Attention:	Chief Michael Crook
Attention:	Cathy Turner	Address:	11300 Greenstone Ave Santa Fe Springs, CA 90670
Address:	3650 Schriever Ave Mather, CA 95655	Phone:	562-944-9713
Phone:	(916) 845-8142	Fax:	
Fax:	(916) 845-8303	e-mail:	<a href="mailto:mikecrook@santafesprings.org">mikecrook@santafesprings.org</a>
e-mail:	<a href="mailto:Cathy.turner@caloes.ca.gov">Cathy.turner@caloes.ca.gov</a>		



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**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

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1. Payment for services performed under this Agreement shall be firm-fixed by deliverable. It shall be the State's sole determination as to whether a task has been successfully completed and is acceptable. Signed acceptance is required from the State's Project/Contract Manager before processing an invoice for payment.
2. Upon acceptance of each deliverable, the Contractor will submit an invoice for payment associated with the individual payment amounts. Payment shall be based on the cost worksheet and acceptance by the State's Project/Contract Manager.
3. Invoices shall be submitted in triplicate, and shall costs charged for each task. Invoices shall be submitted monthly, in arrears, identifying Contractor, Service, Price and Unit Cost; however, invoices shall be due and payable, and payment shall be made, only after the State's Project/Contract Manager acceptance and completion of each task under this Agreement.
4. The Contractor costs related to items such as travel and per diem are costs of the Contractor, shall be inclusive of the hourly rate bid, and **will not be paid separately** as part of this Agreement.
5. Submit invoices with reference to the Contract number to:

**Governor's Office of Emergency Services**  
**Attention: Accounting Unit**  
**3650 Schriever Ave.**  
**Mather, CA 95655**

6. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to the Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
7. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Contract with no liability occurring to the State, or offer a contract amendment to the Contractor to reflect the reduced amount.
8. Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927. Payment to small/micro businesses shall be made in accordance with and within the time specified in Chapter 4.5, Government Code 927 et seq.



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**EXHIBIT B-1**  
**COST WORKSHEET**

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The Contractor shall provide a certified and licensed contractor necessary to perform the required equipment repairs. Equipment project, in accordance with the specifications described in Exhibit A, Statement of Work, at the rates specified below. **Payment for services performed under this agreement shall be firm fixed price deliverable.**

Deliverables	Location	PCA	Cost
Upgrade Railcar prop : ( acid dome and LPG dome) with plumbed stainless steel lines for Liquid Nitrogen. Extend existing platform and add Safety Rails.	Santa Fe Springs Regional Training Partner Site located at Santa Fe Springs Fire Dept. 11400 Greenstone Ave., Santa Fe Springs, CA 90670	02199	\$20,000.00
Tank Farm and Pipe Tree Upgrades: Add additional valves, and Stainless Steel plumbing to existing Pipe tree.	Santa Fe Springs Regional Training Partner Site located at Santa Fe Springs Fire Dept. 11400 Greenstone Ave., Santa Fe Springs, CA 90670	02199	\$5,000.00
<b>TOTAL</b>			<b>\$25,000.00</b>

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)



## **NEW BUSINESS**

### City Investments Update from PFM Asset Management LLC

#### RECOMMENDATION

That the City Council receive and file this report.

#### BACKGROUND

Earlier this year PFM Asset Management LLC (PFMAM) began providing investment portfolio advisory services to the City. As a result, PFMAM became primarily responsible for investing the City's idle reserve funds. This action came after the Council adopted a revamped Investment Policy, serving as the City's guiding document for investment decisions and reporting requirements.

#### PFMAM

PFMAM manages over \$56 billion for public agencies nationwide, including \$3.3 billion for 48 cities in California. They tailor investment strategies based on client policies and optimize investment returns while complying with both the requirements of the California Government Code and the City's Investment Policy.

This evening, Sarah Meacham from PFMAM will provide a brief overview of the City's current investments, including performance and future outlook. On a going forward basis, she will be providing a quarterly presentation regarding the City's investments.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack  
City Manager



## *City of Santa Fe Springs*

City Council Meeting

May 26, 2016

### **PRESENTATION**

CAPIO Excellence in Communications Award to the City Council

### **RECOMMENDATION**

The Mayor may wish to call upon Public Relations Specialist, Julie Herrera, to assist with this presentation.

### **BACKGROUND**

As a member of CAPIO (the California Association of Public Information Officials), a statewide organization with over 400 members in the communications field, the City submitted an entry for an Excellence in Communications Awards for our Branding Campaign on Water Conservation – Every Drop Counts – Go Native!

The City was selected among 233 award entries for an Award of Merit for this branding campaign, as one of 3 finalists in this category. This is a great honor for Santa Fe Springs, as the CAPIO Excellence in Communications Award recognizes those agencies who are among the best in the state in providing outstanding communications to their communities.

Simpson Advertising should be acknowledged and commended for its role in providing the branding concept for this award-winning campaign.

CAPIO President, C.L. Lopez and former Past President Rachel A. McGuire, are in attendance to present the award.

A handwritten signature in blue ink, appearing to read "Thaddeus McCormack".

Thaddeus McCormack  
City Manager

### **Attachment(s)**

None.



## **PRESENTATION**

To Sandy Thorstenson, Superintendent of the Whittier Union High School District, upon her retirement

### RECOMMENDATION

The Mayor may wish to call upon City Manager, Thaddeus McCormack to assist with this presentation.

### BACKGROUND

Superintendent Sandy Thorstenson is retiring from the Whittier Union High School District this June, after serving the district for over 14 years.

Ms. Thorstenson grew up in the community which she has served over her 39 year career. She was raised in the City of Whittier, attended Whittier High School, and is a graduate of Whittier College.

Throughout her career and particularly during her tenure as a Superintendent of a district serving more than 13,000 students, she has always worked collaboratively with the City and has stood out as an administrator who always strives to support and provide the best learning environment for her students, teachers, and staff.

Ms. Thorstenson has achieved a long history of excellence and with her contributions has attributed to the continued growth and success of the schools in her district. She has been invited to tonight's meeting to be recognized for her many years of dedication and outstanding contributions to the youth of Santa Fe Springs, and our community-at-large.

  
Thaddeus McCormack  
City Manager





## **PRESENTATION**

### Introduction of the 2016 Memorial Scholarship Program Recipients

#### **BACKGROUND**

The Memorial Scholarship Program began in the year 1985, primarily through the efforts of Ms. Thelma Montgomery, the former Principal of Santa Fe High School, in an effort to remember and celebrate the contributions and legacy of Councilmember Armando Mora. Through the years, the program has expanded to include two additional Councilmembers who have also passed away: Lorenzo Sandoval and Albert L. Sharp. This year, the Memorial Scholarship Program celebrates its 31<sup>st</sup> anniversary by continuing to recognize outstanding young men and women in our community who wish to fulfill their dream of continuing their education beyond high school.

The three Memorial Scholarships each present two recipients with an award of \$1,750 to be used towards the cost of their college education. Students applying for the Memorial Scholarships must meet the basic requirements: 1) Reside in the City of Santa Fe Springs; 2) be a senior in high school attending Santa Fe, St. Paul, or Pioneer High Schools; and 3) currently maintain a 3.0 grade point average (GPA). In addition, the Memorial Scholarships each have a particular area of focus as determined by the respective families, as follows:

#### **Armando Mora Memorial Service Scholarship**

The Armando Mora Service Memorial Scholarship identifies high school seniors attending Santa Fe, St. Paul, or Pioneer High Schools who maintain above average grades while providing and promoting outstanding service to their high school and community. The aspects of service to community and education was of particular interest to Councilmember Mora as he dedicated himself to serving his community and promoted youth development through service to others.

#### **Lorenzo Sandoval Memorial Athletic Scholarship**

The Lorenzo Sandoval Athletic Memorial Scholarship rewards Santa Fe High School seniors who work diligently to maintain a 3.0 or better GPA and are participants in varsity athletics. Not only must the applicants play on a team, but they must also be leaders and describe their leadership traits and how they came to foster and utilize them. High school athletics was a genuine love of Councilmember Sandoval as he was a high school principal and promoted athletic involvement by community youth throughout the City.

**Albert L. Sharp Memorial Scholarship**

The Albert L. Sharp Memorial Scholarship seeks to identify and reward Santa Fe High School seniors who are not only strong performers in the classroom, but found personal growth and development through participation in varsity athletics and who are also dedicated to improving their school through involvement in service groups, clubs, and/or student government.

A total of thirteen applicants were interviewed by the respective representatives of the Memorial Scholarships families with the support of Councilmembers Sarno and Trujillo, as well as representatives from Santa Fe High School. The final candidate interviews were conducted on May 16<sup>th</sup>, 17<sup>th</sup>, and 19<sup>th</sup>.

The recipients, along with their families and high school administrators, have been invited to tonight's meeting to be recognized for their academic accomplishments, athletic achievements, leadership, and service to the community.

The Mayor may wish to call upon Community Services Supervisor Wayne Bergeron, who also served as the Program Coordinator for the Memorial Scholarship Program, to assist with the presentation of the Memorial Scholarships recipients.



Thaddeus McCormack  
City Manager

Attachment(s):  
None



**APPOINTMENTS TO COMMITTEES AND COMMISSIONS**

<b>Committee</b>	<b>Vacancies</b>	<b>Councilmember</b>
Beautification	1	Rounds
Beautification	3	Sarno
Beautification	2	Trujillo
Community Program	1	Moore
Community Program	1	Rounds
Community Program	3	Sarno
Community Program	4	Trujillo
Community Program	3	Zamora
Heritage Arts	1	Zamora
Historical	3	Sarno
Historical	3	Trujillo
Historical	3	Zamora
Parks & Recreation	1	Trujillo
Parks & Recreation	2	Sarno
Senior Citizens	1	Moore
Senior Citizens	1	Rounds
Senior Citizens	2	Sarno
Senior Citizens	4	Trujillo
Senior Citizens	3	Zamora
Sister City	1	Moore
Sister City	3	Sarno
Sister City	2	Trujillo
Youth Leadership	1	Sarno
Youth Leadership	1	Trujillo
Youth Leadership	2	Zamora

**Applications Received:** None

**Recent Actions:** None

  
Thaddeus McCormack  
City Manager

Attachments:  
Committee Lists  
Prospective Members

## Prospective Members for Various Committees/Commissions

### **Beautification**

Frankie Aguayo Jr.

### **Community Program**

Frankie Aguayo Jr.

Frank Aguayo

### **Family & Human Services**

### **Heritage Arts**

Frankie Aguayo Jr.

### **Historical**

### **Personnel Advisory Board**

### **Parks & Recreation**

Linda Vallejo

Frankie Aguayo Jr.

Frank Aguayo

### **Planning Commission**

Delmy Johana Coca

Francis Carbajal

Bryan Collins

### **Senior Citizens Advisory**

### **Sister City**

Jeannette Wolfe

Frankie Aguayo Jr.

### **Traffic Commission**

Delmy Johana Coca

Francis Carbajal

Bryan Collins

### **Youth Leadership**

## BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Hall

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Juliet Ray	(16)
	Paula Minnehan	(16)
	Annie Petris	(17)
	Guadalupe Placencia	(17)
	Gloria Campos	(17)
<b>Zamora</b>	Mary Reed	(16)
	Charlotte Zevallos	(16)
	Doris Yarwood	(16)
	Vada Conrad	(17)
	Joseph Saiza	(17)
<b>Rounds</b>	Sadie Calderon	(16)
	Rita Argott	(16)
	Mary Arias	(17)
	Marlene Vernava	(17)
	<b>Vacant</b>	(17)
<b>Sarno</b>	<b>Vacant</b>	(16)
	Irene Pasillas	(16)
	<b>Vacant</b>	(16)
	May Sharp	(17)
	<b>Vacant</b>	(17)
<b>Trujillo</b>	Mary Jo Haller	(16)
	<b>Vacant</b>	(16)
	Margaret Bustos*	(16)
	<b>Vacant</b>	(17)
	A.J. Hayes*	(17)

*\*Indicates person currently serves on three committees*



## COMMUNITY PROGRAM COMMITTEE

Meets the third Wednesday in Jan., May, and Sept., at 7:00 p.m., Town Center Hall, Meeting Room #1

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	George Felix, Jr.	(16)
	<b>Vacant</b>	(16)
	Mary Jo Haller	(17)
	Gabriela Garcia	(17)
	Bryan Collins	(17)
Zamora	<b>Vacant</b>	(16)
	Mary Anderson	(17)
	Dolores H. Romero*	(17)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(17)
Rounds	Mark Scoggins*	(16)
	Marlene Vernava	(16)
	<b>Vacant</b>	(16)
	Anthony Ambris	(17)
	Johana Coca*	(17)
Sarno	Jeanne Teran	(16)
	Miguel Estevez	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(17)
	<b>Vacant</b>	(17)
Trujillo	Lydia Gonzales	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(17)
	<b>Vacant</b>	(17)

*\*Indicates person currently serves on three committees*

## FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jul., Aug., Sept., and Dec., at 5:45 p.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council

5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Arcelia Miranda	(16)
	Martha Villanueva	(17)
	Margaret Bustos*	(17)
Zamora	Lydia Gonzales	(16)
	Tina Delgado	(17)
	Gilbert Aguirre	(17)
Rounds	Annette Rodriguez	(16)
	Janie Aguirre	(17)
	Ted Radoumis	(17)
Sarno	Debbie Belmontes	(16)
	Linda Vallejo	(16)
	Hilda Zamora	(17)
Trujillo	Dolores H. Romero*	(16)
	Laurie Rios	(16)
	Bonnie Fox	(17)

Organizational Representatives:  
(Up to 5)

Nancy Stowe  
Evelyn Castro-Guillen  
Elvia Torres  
(SPIRITT Family Services)

*\*Indicates person currently serves on three committees*

## HERITAGE ARTS ADVISORY COMMITTEE

Meets the Last Tuesday of the month, except Dec., at 9:00 a.m., at the Gus Velasco Neighborhood Center Room 1

Qualifications: 18 Years of age, reside or active in the City

Membership: 9 Voting Members  
6 Non-Voting Members

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Laurie Rios	6/30/2016
Zamora	Vacant	6/30/2016
Rounds	Pauline Moore	6/30/2016
Sarno	Francis Carbajal	6/30/2016
Trujillo	Amparo Oblea	6/30/2016

### Committee Representatives

Beautification Committee	Marlene Vernava*	6/30/2017
Historical Committee	Sally Gaitan	6/30/2017
Planning Commission	Vacant	6/30/2017
Chamber of Commerce	Debbie Baker	6/30/2017

### Council/Staff Representatives

Council Liaison	
Council Alternate	Richard Moore
City Manager	Thaddeus McCormack
Director of Community Services	Maricela Balderas
Director of Planning	Wayne Morrell

*\*Indicates person currently serves on three committees*



## HISTORICAL COMMITTEE

Meets Quarterly - The 2nd Tuesday of Jan., April, July, and Oct., at 5:30 p.m.,  
Heritage Park Train Depot

Qualifications: 18 Years of age, reside or active in the City

Membership: 20

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Moore	Astrid Shesterkin	(16)
	Tony Reyes	(16)
	Amparo Oblea	(17)
	George Felix, Jr.	(17)
Zamora	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Larry Oblea	(17)
Rounds	Pauline Moore	(16)
	Linda Vallejo	(16)
	Mark Scoggins*	(17)
	Janice Smith	(17)
Sarno	Vacant	(16)
	Vacant	(16)
	Vacant	(17)
	Sally Gaitan	(17)
Trujillo	Vacant	(16)
	Vacant	(16)
	Merrie Hathaway	(17)
	Vacant	(17)

*\*Indicates person currently serves on three committees*

## PARKS & RECREATION ADVISORY COMMITTEE

Meets the First Wednesday of the month, except Jul., Aug., and Dec., 7:00 p.m., Town Center Hall, Meeting Room #1

Subcommittee Meets at 6:00 p.m.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Mary Tavera	(16)
	Adrian Romero	(17)
	William Logan	(17)
	Ralph Aranda	(17)
	Kurt Hamra	(17)
<b>Zamora</b>	Francis Carbajal	(16)
	Bernie Landin	(16)
	Michele Carbajal	(16)
	Sally Gaitan	(17)
	Steve Gonzalez	(17)
<b>Rounds</b>	Kenneth Arnold	(16)
	Richard Legarreta, Sr.	(16)
	Johana Coca*	(16)
	Tim Arnold	(17)
	Mark Scoggins*	(17)
<b>Sarno</b>	<b>Vacant</b>	(16)
	Debbie Belmontes	(16)
	Lisa Garcia	(17)
	<b>Vacant</b>	(16)
	David Diaz-Infante	(17)
<b>Trujillo</b>	Miguel Estevez	(16)
	Andrea Lopez	(16)
	<b>Vacant</b>	(17)
	Anthony Ambris	(17)
	Arcelia Miranda	(17)

*\*Indicates person currently serves on three committees*

## PERSONNEL ADVISORY BOARD

Meets Quarterly on an As-Needed Basis

Membership: 5 (2 Appointed by City Council, 1 by Personnel Board, 1 by Firemen's Association, 1 by Employees' Association)

Terms: Four Years

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
Council	Angel Munoz	6/30/2017
	Ron Biggs	6/30/2017
Personnel Advisory Board	Vacant	6/30/2017
Firemen's Association	Jim De Silva	6/30/2017
Employees' Association	Anita Ayala	6/30/2017

## PLANNING COMMISSION

Meets the second Monday of every Month at 4:30 p.m.,  
Council Chambers

Qualifications: 18 Years of age, reside or active in the City

Membership: 5

### APPOINTED BY

### NAME

---

Moore

Ken Arnold

Rounds

Ralph Aranda

Sarno

John Mora

Trujillo

Frank Ybarra

Zamora

Gabriel Jimenez

## SENIOR CITIZENS ADVISORY COMMITTEE

Meets the Second Tuesday of the month, except Jul., Aug., Sep., and Dec., at 9:30 a.m.,  
Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Vacant	(16)
	Yoko Nakamura	(16)
	Paul Nakamura	(16)
	Astrid Shesterkin	(17)
	<b>Vacant</b>	(17)
<b>Zamora</b>	Rebecca Lira	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(16)
	Amelia Acosta	(17)
	<b>Vacant</b>	(17)
<b>Rounds</b>	<b>Vacant</b>	(16)
	Bonnie Fox	(16)
	Gilbert Aguirre	(17)
	Lorena Huitron	(17)
	Janie Aguirre	(17)
<b>Sarno</b>	Gloria Duran*	(16)
	<b>Vacant</b>	(16)
	Hilda Zamora	(17)
	<b>Vacant</b>	(17)
	Ed Duran	(17)
<b>Trujillo</b>	<b>Vacant</b>	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(17)
	Margaret Bustos*	(17)
	<b>Vacant</b>	(17)

*\*Indicates person currently serves on three committees*

## SISTER CITY COMMITTEE

Meets the First Monday of every month, except Dec., at 6:45 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Martha Villanueva	(16)
	Laurie Rios	(16)
	Mary K. Reed	(17)
	Peggy Radoumis	(17)
	<b>Vacant</b>	(17)
<b>Zamora</b>	Charlotte Zevallos	(16)
	Francis Carbajal	(16)
	Michele Carbajal	(17)
	Doris Yarwood	(17)
	Lucy Gomez	(17)
<b>Rounds</b>	Manny Zevallos	(16)
	Susan Johnston	(16)
	Robert Wolfe	(16)
	Ted Radoumis	(17)
	Dominique Velasco	(17)
<b>Sarno</b>	<b>Vacant</b>	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(16)
	<b>Vacant</b>	(17)
	Cathy Guerrero	(17)
<b>Trujillo</b>	<b>Vacant</b>	(16)
	Andrea Lopez	(16)
	Dolores H. Romero*	(17)
	Marcella Obregon	(17)
	<b>Vacant</b>	(17)

*\*Indicates person currently serves on three committees*

**TRAFFIC COMMISSION**

Meets the Third Thursday of every month, at 6:00 p.m., Council Chambers

Membership: 5

Qualifications: 18 Years of age, reside or active in the City

APPOINTED BY	NAME
Moore	Albert J. Hayes
Rounds	Ted Radoumis
Sarno	Alma Martinez
Trujillo	Greg Berg
Zamora	Nancy Romo



## YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

APPOINTED BY	NAME	Term Expires in Year Listed or upon Graduation
Moore	Richard Aguilar	(17)
	Evony Reyes	(16)
	Zachary Varela	(17)
	Lexi Cid	(17)
Zamora	Metztli Mercado-Garcia	(17)
	Danniela Chavez	(17)
	<b>Vacant</b>	()
	<b>Vacant</b>	()
Rounds	Gabriel Perez	(16)
	Jennisa Casillas	(17)
	Laurence Ordaz	(16)
	Sarah Garcia	()
Sarno	Anissa Rodriguez	(16)
	<b>Vacant</b>	()
	<b>Vacant</b>	()
	Alyssa Madrid	(16)
Trujillo	Paul Legarreta	(17)
	Victoria Nunez	(16)
	Richard Uribe	(16)
	<b>Vacant</b>	()