



# AGENDA

## REGULAR MEETINGS OF THE HOUSING SUCCESSOR SUCCESSOR AGENCY AND CITY COUNCIL

**March 8, 2018  
6:00 P.M.**

Council Chambers  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

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

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

**HOUSING SUCCESSOR**

**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 City Council.*

a. Minutes of the February 8, 2018 Housing Successor Meeting

**Recommendation:** That the Housing Successor:

- Approve the minutes as submitted.

**SUCCESSOR AGENCY**

**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 City Council.*

a. Minutes of the February 8, 2018 Successor Agency Meeting

**Recommendation:** That the Successor Agency:

- Approve the minutes as submitted.

**5. NEW BUSINESS**

a. Purchase and Sale Agreement for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield; and authorization to extend Settlement Agreement between the Successor Agency, McGranahan Carlson and Company, and Breitburn Energy Company

**Recommendation:** That the Successor Agency:

- Approve the Purchase and Sale Agreement for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and on the north side of Telegraph Road to the east of Bloomfield more particularly described by Assessor's Parcel Numbers 8011-002-901, 8011-002-902, 8011-002-903, 8011-003-955, 8011-003-956, 8011-003-957, 8011-003-958, 8011-003-959, 8011-003-960, 8011-003-961, 8011-003-962, 8011-003-963, 8011-003-964, 8011-003-965, 8011-003-966, 8011-003-967, 8011-003-968, 8011-003-969, 8011-003-970, 8011-003-971, 8011-003-972, 8011-003-973, 8011-003-974, 8011-003-975, 8011-003-976, 8011-003-977, 9011-003-978, 8011-003-979, 8011-018-900, 8011-018-901, 8011-018-902, 8011-018-903, 8011-018-904, 9011-018-905, and 8011-018-906;



- Authorize extension of the Settlement Agreement between the Successor Agency to the City of Santa Fe Springs Redevelopment Agency, McGranahan and Carlson, and Breitburn.

**CITY COUNCIL**

**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.*

a. Minutes of the February 8, 2018 City Council Meeting

**Recommendation:** That the City Council:

- Approve the minutes as submitted.

b. Claim Against the City

**Recommendation:** That the City Council:

- Deny the claim filed by Jennifer Lilley.

**NEW BUSINESS**

**7. Request for Out-of-State Travel for the Director of Planning, Senior Planner and Associate Planner, to attend the 2018 International Council of Shopping Center (ICSC) –RECon in Las Vegas, and for the Director of Planning to attend the 2018 American Planning Association (APA) Annual Conference in New Orleans.**

**Recommendation:** That the City Council:

- Approve out-of-state travel for the Director of Planning, Senior Planner and Associate Planner to attend the 2018 International Council of Shopping Center (ICSC) –RECon in Las Vegas held May 20, 2018 through May 23, 2018; and
- Approve out-of-state travel for the Director of Planning to attend the 2018 American Planning Association (APA) Annual Conference in New Orleans, held April 21, 2018 through April 24, 2018.

**8. 2018 5k Fun Run/Walk Traffic Control Plans - Request for Approval**

**Recommendation:** That the City Council:

- Approve the traffic control plans prepared for the closure of various City streets in the area bordered by Orr and Day Road, Pioneer Boulevard, Florence Avenue and Telegraph Road for the detouring of traffic around the 2018 5K Fun Run/Walk routes on Saturday April 21, 2018.

**9. Heraeus Precious Metals North America, Inc. Renewal of Underground Facilities License**

**Recommendation:** That the City Council:

- Approve the renewal of the Underground Facilities License for Heraeus Precious Metals North America, Inc. to operate a pressurized sewer line along Alondra Boulevard between Shoemaker Avenue and Resin Place.

**10. Custodial Services – Award of Contract**

**Recommendation:** That the City Council:

- Accept the bids for Custodial Services; and
- Award a Contract to Golden Touch Cleaning, Inc., of Tustin, California (GTC) to provide Custodial Services; and
- Authorize the Mayor to execute a three (3) year Contract with GTC in the amount of \$34,717.00 per month beginning March 19, 2018 through March 18, 2021, and with the provision to renew the Agreement for an additional two (2) 1-year terms at the end of the first term based on performance and approval by the City Council.

**11. Approval of Agreement for Actuarial Valuation Services**

**Recommendation:** That the City Council:

- Approve a professional services agreement for actuarial valuation services with Bartel Associates, LLC.

**12. FY 2017-18 Midyear Budget Review and Modifications**

**Recommendation:** That the City Council:

- Approve the proposed revenue and expenditure adjustments as detailed in Attachments A through C.

**13. Authorization for the City Manager to Contract for Election Consulting Services related to the General Sales Tax Measure**

**Recommendation:** That the City Council:

- Provide direction on election consulting services and authorize the City Manager to contract for election consulting services related to the general sales tax measure.

**Please note:** Item Nos. 14 – 23, will commence at the 7:00 p.m. hour.

**14. INVOCATION**

**15. PLEDGE OF ALLEGIANCE**

**16. INTRODUCTIONS**

- Representatives from the Chamber of Commerce

**17. ANNOUNCEMENTS**

**18. CITY MANAGER'S AND EXECUTIVE TEAM REPORTS**

**19. PRESENTATIONS**

- a. Presentation to Terry Hope for Retirement from Lakeview Elementary School
- b. Eagle Scout Project Recognition for Ivan Aguilar

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

***March 08, 2018***

**APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

20. Committee Appointments

**21. 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.*

**22. COUNCIL COMMENTS**

**23. 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

March 2, 2018  
Date

**FOR ITEM NO. 3A**  
**PLEASE SEE ITEM NO. 6A**

**FOR ITEM NO. 4A**  
**PLEASE SEE ITEM NO. 6A**



# *City of Santa Fe Springs*

Successor Agency Meeting

March 8, 2018

## **NEW BUSINESS**

Purchase and Sale Agreement for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield; and authorization to extend Settlement Agreement between the Successor Agency, McGranahan Carlson and Company, and Breiburn Energy Company

### **RECOMMENDATION** that the Successor Agency:

- Approve the Purchase and Sale Agreement for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and on the north side of Telegraph Road to the east of Bloomfield more particularly described by Assessor's Parcel Numbers 8011-002-901, 8011-002-902, 8011-002-903, 8011-003-955, 8011-003-956, 8011-003-957, 8011-003-958, 8011-003-959, 8011-003-960, 8011-003-961, 8011-003-962, 8011-003-963, 8011-003-964, 8011-003-965, 8011-003-966, 8011-003-967, 8011-003-968, 8011-003-969, 8011-003-970, 8011-003-971, 8011-003-972, 8011-003-973, 8011-003-974, 8011-003-975, 8011-003-976, 8011-003-977, 8011-003-978, 8011-003-979, 8011-018-900, 8011-018-901, 8011-018-902, 8011-018-903, 8011-018-904, 8011-018-905, and 8011-018-906;
- Authorize extension of the Settlement Agreement between the Successor Agency to the City of Santa Fe Springs Redevelopment Agency, McGranahan and Carlson, and Breiburn.

## **BACKGROUND**

The proposed purchase and sale agreement ("PSA") involves two properties. The first is located on the southeast corner of Bloomfield and Telegraph Road ("Site III") and, the second, on the north side of Telegraph Road to the east of Bloomfield ("Site IV", Sites III & IV collectively referred to as "Property") that were owned by the former redevelopment agency of the City of Santa Fe Springs. Due to the dissolution of redevelopment agencies throughout the State of California, the Successor Agency prepared a Long Range Property Management Plan ("LRPMP") in accordance with the redevelopment dissolution laws, which identified a plan for the disposal of this, and other properties of the former redevelopment agency. Under the LRPMP the Successor Agency is required to sell them.

In accordance with the LRPMP, the Successor Agency subcommittee (Mayor Sarno and Councilmember Moore) interviewed three (3) prospective buyers interested in purchasing the properties. The highest bidder, Alere Properties was chosen, however, the Successor Agency and Alere were unable to reach an agreement on terms of the sale.



As a result, the Successor Agency staff reached out to the second highest bidder and was able to reach an agreement for the purchase of the property. The development would include one building with a total building area of 197,990 sq. ft. on Site III and six (6) smaller buildings totaling 139,555 sq. ft. on Site IV. The building configurations are depicted in Exhibit C-1 of the attached Purchase and Sale Agreement. In addition, the main terms of the agreement with PPF, LLC are as follows:

- 1) \$30,200,000 purchase price,
- 2) \$250,000 deposit with \$50,000 non-refundable (less certain costs),
- 3) Sixty (60) day due diligence period with four (4) additional thirty (30) day extensions for a maximum of one hundred eighty (180) days for the buyer to conduct their investigation of the title, soils, oil field work etc. required on the Property,
- 4) Additional \$500,000 deposit upon expiration of the due diligence period,
- 4) Buyer must enter into a separate Surface Rights Agreement with Breitburn that provides full indemnification of Breitburn,
- 5) Buyer's acceptance of the property as-is and release of the Successor Agency & Breitburn from liability for the condition of property.

Assuming the Successor Agency approves the Purchase and Sale Agreement, the Buyer, PPF, will immediately proceed with its due diligence investigation for the development of the property.

### **Settlement Agreement**

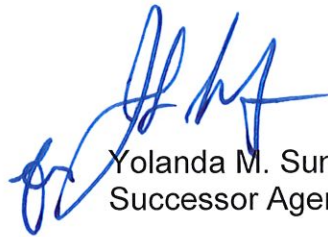
In addition to the Purchase and Sale Agreement, staff seeks authority from the Successor Agency to extend the Settlement Agreement entered into between it, McGranahan and Carlson ("MC&C") and Breitburn. The history of this property is very complex. A brief background as to the settlement agreement and why staff proposes an extension of the agreement is as follows. MC&C is owner and Breitburn was the former tenant of the "tank farm" that adjoins Site III. MC&C and Breitburn had a legal dispute regarding which party was responsible to pay the property taxes, among other issues, on the "tank farm." In 2008, MC&C and Breitburn agreed to settle the dispute that would stay the legal proceedings regarding the "tank farm."

The reason the former redevelopment agency is a party to the Settlement Agreement is that it wanted Sites III & IV (which Breitburn has subsurface rights to) developed. In order to incentivize Breitburn's cooperation with the development of Sites III & IV, the parties agreed that upon sale and development of the Property that is the subject of the Purchase and Sale Agreement, Breitburn would receive the "tank farm" from MC&C. The Settlement Agreement expires in February 2019.

The Oversight Board to the Successor Agency will dissolve this summer and, going forward, all decisions governing the former redevelopment agency will be considered by a countywide oversight board. Given the complexity of developing Sites III and IV and the fact that our Oversight Board will dissolve, staff seeks authorization to extend the Settlement Agreement in the event it is necessary.

**FISCAL IMPACT**

Since the property is an asset of the former redevelopment agency, the proceeds of the sale will be divided amongst the various taxing entities including the City, County of Los Angeles, school district, community colleges and various divisions of the County like flood control and other special districts. Additionally, the oil field clean up costs, which are unknown at this time, will also be deducted from the proceeds of the sale.



Yolanda M. Summerhill  
Successor Agency Counsel

**Attachment:**

Purchase and Sale Agreement

## PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

THIS PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is made and entered into as of \_\_\_\_\_, 2018, by and between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs (“**Seller**” or the “**Successor Agency**”) and PPF Industrial, LLC, a Delaware limited liability company (“**Buyer**” or “**Developer**”) (Seller/Successor Agency and Buyer/Developer may be referred to hereinafter individually as a “**Party**” or collectively as the “**Parties**”), and shall be joint escrow instructions to the Escrow Holder, designated herein below.

### RECITALS

A. The Successor Agency owns the following parcels of real property, located in the City of Santa Fe Springs, California (the “**City**”), which parcels were previously acquired by the Successor Agency’s predecessor for redevelopment purposes (collectively, the “**Property**”): (i) Approximately 9.87 acres of land located at the southeast corner of Telegraph Road and Bloomfield Avenue (legally described on Exhibit A-1 and depicted on Exhibit B-1, attached hereto); and (ii) approximately 8.49 acres of land on the north side of Telegraph Road east of Bloomfield Avenue (legally described on Exhibit A-2 and depicted on Exhibit B-2, attached hereto).

B. With the dissolution of redevelopment agencies in 2011, the Redevelopment Agency was dissolved and the Successor Agency was created in order to wind down the affairs of the former Redevelopment Agency. Pursuant to the California Health & Safety Code, the Successor Agency was required to draft a Long Range Property Management Plan (the “**LRPMP**”) to control the disposition of its real property assets, which included the Property, and which has been approved by the Successor Agency’s Oversight Board (“**OB**”) and the State of California Department of Finance (the “**DOF**”).

C. The LRPMP requires that the Successor Agency sell the Property for development.

D. Developer desires to purchase the Property from the Successor Agency and develop it in accordance with the City’s General Plan, zoning codes and other applicable laws, and consistent with the requirements of the California Environmental Quality Act, related State Guidelines and related local ordinances, and the Successor Agency desires to sell the Property to Developer for such development in accordance with the terms of this Agreement (the “**Project**”).

E. The conveyance of the Property pursuant to the terms and conditions of this Agreement is in the best interest of the surrounding community and the health, safety and welfare of the City’s residents, and in accord with the public purposes and provisions of applicable state and local laws.

NOW, THEREFORE, the Parties agree as follows:

### ARTICLE I.

## AGREEMENT TO SELL AND PURCHASE

1.1 Purchase and Sale. Seller agrees to sell and Buyer agrees to purchase the Property as described in accordance with the terms of this Agreement.

### ARTICLE II.

#### DESCRIPTION OF PROPERTY & PROJECT

2.1 Project Description. Buyer and Seller currently contemplate that the Project shall include the construction of one (1) building of approximately 197,990 square feet on Site III, and the construction of six (6) buildings with a total of approximately 139,555 square feet on Site IV, both as depicted on Exhibit C-1.

2.2 Improvements and Personal Property. The Property shall include Seller's rights in all improvements, structures, fixtures, permits and entitlements on the land and all personal property, if any, which it acquired at the time of Seller's purchase of the Property ("**Seller's Improvements**" herein), but shall exclude all improvements, structures, and fixtures and personal property owned by Seller's predecessors in interest and others under the agreements identified in Section 2.3 below.

2.3 Reservation. The Seller's fee title of the Property is subject to a reservation of all oil, gas, and hydrocarbon substances lying below a depth of five hundred feet (500'). Seller's fee title is also subject to certain rights to use the surface of the Property for oil and gas operations pursuant to agreements collectively referred to hereinafter as "Existing Oil and Gas Agreements", which rights going forward are to be negotiated between Buyer and BreitBurn Energy Company ("**BEC**"), resulting in a new "Surface Rights Agreement", under which there will be established and defined certain parameters and rights for both the orderly surface development of the Property and existing and future oil and gas operations to be conducted by BEC.

2.3.1 Additional Exceptions. Additionally, the Property shall be conveyed to Buyer subject to the following:

2.3.2 All the title exceptions set forth in the Preliminary Title Report referred to in Section 6.2 hereinafter.

2.3.3 All other valid and existing assessments, conditions, easements, reservations, restrictions, licenses, agreements, leases, and exceptions affecting the Property, recorded or otherwise disclosed to Buyer.

### ARTICLE III.

#### PURCHASE PRICE

3.1 Purchase Price. Buyer hereby agrees to purchase from Seller, and Seller agrees to sell to Buyer all Seller's right, title and interest in and to the Property upon the terms and conditions hereinafter set forth. The Purchase Price for Buyer's acquisition of the Property shall be \$30,200,000, subject to the adjustments and reductions set forth in Section 3.2 hereinafter (the "**Purchase Price**").

3.2. Oil Field Work. The Purchase Price shall be reduced by the mutually agreed upon estimated costs incurred by Buyer for the "**Oil Field Work**" as defined herein: (i) required oil pipeline and electrical relocations, and (ii) oil well reabandonments ordered by governmental agencies having

jurisdiction over such reabandonments, including but not necessarily limited to the California Department of Conservation, Division of Oil, Gas & Geothermal Resources (“DOGGR”). Buyer and Seller shall work together, reasonably and in good faith, to reduce the actual costs of such Oil Field Work. The mutual agreement of Buyer and Seller on a fixed sum price for such Oil Field Work shall be a condition precedent to Buyer’s and Seller’s respective obligations to Close of Escrow, as is hereinafter defined in Section 4.6.

## ARTICLE IV.

### ESCROW AND DEPOSIT OF FUNDS

4.1 Escrow and Escrow Holder. This Agreement shall be consummated through an escrow (“Escrow”) established with Chicago Title Company (“**Escrow Holder**”) and whose address and escrow officer is as follows:

Chicago Title Company  
725 S. Figueroa Street, Suite 200  
Los Angeles, California 90017  
Attn: David Balassi

4.2 Opening of Escrow. Within three (3) days after execution of this Agreement, the Parties shall open an Escrow with the Escrow Holder by causing an executed copy of this Agreement to be deposited with Escrow Holder (the “**Opening of Escrow**”).

4.3 Escrow Instructions. Escrow Holder shall administer Escrow in conjunction with the escrow instructions set forth herein and is authorized to act thereunder insofar as closing this Escrow is concerned. However, Escrow Holder should only be obligated to comply with the escrow instructions or supplemental escrow instructions that will be a part of this Agreement. All other items of this Agreement are matters between the Parties. In addition, Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary supplemental escrow instructions of Escrow Holder, or other instruments as may reasonably be required by Escrow Holder in order to consummate the transaction contemplated by this Agreement, and shall provide the Escrow Holder with such other information, documents, and instruments as the Escrow Holder may reasonably require to enable it to close the transactions on the Closing Date. Any such supplemental instructions shall not conflict with, amend or supersede any portions of this Agreement, and must be reasonably acceptable to Buyer and Seller. If there is any inconsistency between such supplemental instructions and this Agreement, this Agreement shall control. Within fifteen (15) days after execution of this Agreement, each party shall execute and deliver to the Escrow Holder any of its written instructions consistent with the terms of this Agreement.

4.4 Deposit of Funds. The Final Purchase Price shall be paid as follows:

4.4.1 Within three (3) business days of Opening of Escrow, Buyer shall deposit into Escrow the sum of two hundred and fifty thousand dollars (\$250,000) to be applied to the account of Buyer against the Purchase Price on the Closing Date as defined below (the “**Initial Deposit**”). Fifty thousand dollars (\$50,000) of the Initial Deposit shall be nonrefundable to Buyer (the “**Nonrefundable Deposit**”), subject to Buyer’s reimbursement for certain costs as described below. In the event this Agreement is terminated by Buyer, the Nonrefundable Deposit shall be released to Seller, provided, however, the Nonrefundable Deposit shall be reduced by an amount equal to the out-of-pocket third-party costs and expenses incurred by Buyer in connection with its investigations (i.e. ALTA Surveys, Environmental Reports, etc.) (collectively, the “**Third Party Due Diligence Costs**”). Within three (3) days of the expiration of the “Due Diligence Period” as defined below, Buyer shall deposit into Escrow an additional five hundred thousand dollars

(\$500,000) (the “**Additional Deposit**”). The “Initial Deposit” and “Additional Deposit” are referred to collectively herein as the “**Deposit**”.

4.4.2 Buyer shall deposit the balance of the Purchase Price, less the Deposit, in Escrow in cash or by cashier’s check during business hours at least one (1) business day before the Closing Date.

4.5 Deposit Interest. Escrow Holder shall invest the Deposit in an interest-bearing account selected by Seller. Interest on the Deposit shall be for the benefit of Buyer and shall be credited towards payment of the Purchase Price or refunded and disbursed to Buyer regardless of the party that becomes entitled to the Deposit under this Agreement. Escrow Holder is hereby authorized to invest said funds with an institution of credibility with which the Escrow Holder deals with on a daily basis.

4.6 Close of Escrow. The “Close of Escrow” or “Closing Date” shall be, unless mutually agreed to by the Parties in writing, fifteen (15) days following satisfaction of the following, collectively: 1) expiration of the Due Diligence Period without Buyer having delivered a Disapproval Notice to Seller; 2) Project Plan Approvals by the City of Santa Fe Springs pursuant to the City of Santa Fe Springs Code of Ordinances and environmental review under the California Environmental Quality Act; 3) approval of a certified Remediation Action Plan from the Department of Toxic Substances Control or other state or federal agency with legal oversight authority (if required); 4) receipt of a certified Release of Groundwater Contamination from the Regional Water Quality Control Board (if required); and 5) approval by the Parties of the Oil Field Work and the agreed upon costs thereof. The Closing Date shall occur on or prior to December 31, 2018 (the “**Outside Closing Date**”), which Outside Closing Date may be extended for thirty (30) days upon prior written notice from Buyer to Seller.

## ARTICLE V.

### DUE DILIGENCE PERIOD

5.1 Due Diligence Period. Buyer shall have sixty (60) days after Seller has obtained all necessary approvals from the DOF and OB (collectively, the “**Initial Due Diligence**”) to (i) conduct or review surveys, investigations, studies and inspections and make or review such geologic, environmental and soils tests and other studies of the Property, (ii) review the Preliminary Title Report(s) and all documents provided by Seller, (iii) review all other applicable due diligence materials respecting the Property, (iv) obtain Project Plan Approvals from the City of Santa Fe Springs, which Approval shall include review under the California Environmental Quality Act (“CEQA”), plus all other approvals, if any, from other governmental agencies the approvals of which are required for Buyer’s proposed development for the Property, excepting therefrom building permits, beyond all applicable appeal periods (the “**Project Plan Approvals**”), and (v) review any other aspect of the ownership, development, operation, marketing, condition, feasibility, financing, legal, title, entitlement, land use, subdivision, of or relating to the Property. Buyer may provide Seller with notice to extend the Initial Due Diligence for up to four (4) additional thirty (30) day extensions as necessary to obtain Project Plan Approvals (each, a “**Due Diligence Extension**”; the “Initial Due Diligence” and “Due Diligence Extension” are collectively referred to as “**Due Diligence Period**”). Any extension of the Due Diligence Period beyond one hundred eighty (180) days shall require mutual agreement of the Parties. If Buyer, in its sole and absolute discretion, determines that the results of any information, inspection, test, examination or any investigation provided under this Agreement or performed or obtained during the Due Diligence Period fails to meet Buyer’s criteria for the purchase and operation of the Property, then Buyer shall have the option to terminate this Agreement and shall so advise Seller by written notice (“**Disapproval Notice**”), with a copy to Escrow Holder, given no later than 5:00 p.m. (Pacific Standard Time) on or before the last day of the Due Diligence Period. In the event Buyer provides the Disapproval Notice to Seller on or before the expiration of the Due Diligence Period, then this Agreement shall be deemed terminated, in which event: (i) Escrow Holder shall return the Deposit to Buyer, less the difference between the Nonrefundable Deposit and all Third Party Due Diligence Costs; (ii) Buyer and Seller shall each pay one-half of Escrow expenses



incurred to date of termination; and (iii) neither party shall have any right against the other arising out of such termination, except for any rights that expressly survive the termination of this Agreement. If Buyer fails to timely deliver the Disapproval Notice on or before the expiration of the Due Diligence Period, this Agreement shall remain in full force and effect, and Buyer shall have no further right to terminate the Agreement pursuant to this Section 5.1. Upon completion of the Due Diligence, Buyer shall provide to Seller all documentation and information related to the extent of Oil Field Work required on the Property and the Fixed Sum Price of completing the Oil Field Work.

5.2 Right to Enter and Conduct Due Diligence. At any time within the Due Diligence Period, Buyer and its agents and representatives, shall have the right at reasonable times and subject to the rights of tenants, to enter upon the Property for the purpose of making inspections and tests specified in this Agreement. No invasive testing shall be conducted, however, without Seller's prior approval which shall not be unreasonably withheld. Following any such entry or work, unless otherwise directed in writing by Seller, Buyer shall return the Property to the condition it was in prior to such entry or work, including the recompaction or removal of any disrupted soil or material as Seller may reasonably direct. None of Buyer or Buyer's authorized inspectors, agents and representatives ("**Buyer's Parties**") shall cause any adverse impact to the Property and to the extent reasonably practicable Buyer will restore the Property in a timely manner at Buyer's sole cost to the condition that existed immediately prior to the Buyer's Parties entry thereon. Prior to making any on-site inspections, Buyer shall notify the BEC by sending an electronic mail to BEC (jwashburn@brietburn.com) detailing the date, time, person(s) and work to be performed with a copy to Steve Carlson (carlson@mcandc.com), and Rick McGeagh (rick.mcgeagh@cbre.com).

5.3 Due Diligence Consultants. The Parties acknowledge that development of the Property was previously considered by prior developers, and certain expert consultants have prepared materials, and possess institutional knowledge, with respect to the development of the Property. In order to perform its due diligence investigations as quickly as possible, Buyer shall use its best, reasonable efforts to utilize such existing materials and consultants familiar with the Property.

5.4 Materials. Within five (5) days of the date hereof, Seller shall make available for inspection by Buyer and Buyer's Parties documents, reports, surveys, environmental assessments, engineering reports, building plans and blueprints in Seller's possession or under its control or that of its agents respecting the Property, including (but not limited to): (i) any Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties, (ii) any Natural Hazard Zone Disclosure Report, (iii) all lease agreements, if any, relating to any tenant or occupant then occupying the Property, and (iv) the Prior Diligence Materials (collectively "**Materials**"). During the Due Diligence Period, Buyer may review and evaluate the Materials to determine whether the Property is appropriate for Buyer's proposed use, in its sole discretion.

## ARTICLE VI.

### TITLE MATTERS AND TITLE INSURANCE

6.1 Condition of Title. It shall be a condition to the Close of Escrow that title to the Property be conveyed to Buyer by Seller by Grant Deed in form and substance reasonably acceptable to Buyer and Escrow Holder, a form of which is attached hereto as Exhibit "D" (the "**Grant Deed**"), duly acknowledged by Seller and subject only to (i) the conditions of title set forth in the Preliminary Title Report, referred to in Section 6.2 and which Buyer has not disapproved, (ii) those reservations and exclusions identified in Section 2.3, and (iii) other matters mutually agreed upon by the parties hereto ("**Approved Condition of Title**"). The final documents shall be delivered, when available, by Seller to Buyer for Buyer's approval in accordance with Article XI.

Seller covenants and agrees that during the term of this Escrow, it will not cause or permit title to the Property to differ from the conditions of title that Buyer shall have approved from time to time in accordance with this Section 6.1's Approved Condition of Title. Any liens, encumbrances, easements, conditions, covenants, restrictions, rights of way or other matters affecting the Approved Condition of Title which may appear of record or be revealed after the date of delivery of the Title Exceptions, referred to above, ("**Additional Title Exceptions**" herein) shall also be to Buyer's approval and must be eliminated or ameliorated to Buyer's satisfaction by Seller as a condition to the Close of Escrow.

6.2 Title Insurance. Seller will furnish Buyer within five (5) days of execution of this Agreement a Preliminary Title Report for its standard California Land Title Association ("**CLTA**") policy of title insurance (the "**Preliminary Title Report**") with legible copies or reasonable access to all documents relating to the items reported as exceptions in the Preliminary Title Report. Escrow Holder or other title insurance company acceptable to the Parties shall issue the Preliminary Title Report to both Buyer and Seller.

## ARTICLE VII.

### DISCLOSURE OF PHYSICAL CONDITIONS OF PROPERTY

#### 7.1 Present Physical Condition of Property

7.1.1 Surface Rights: Oil Field Operations. Oil field exploration and production operations are taking place on the Property pursuant to the Existing Oil and Gas Agreements. In addition to the Existing Oil and Gas Agreements, which Buyer shall obtain from the Title Company, Seller shall make available to Buyer for inspection any pertinent documents, which are in Seller's possession, that relate to BEC's operations on the Property. Notwithstanding the foregoing, Seller has not made an independent investigation to determine the truth or accuracy of any and all documents and shall have no liability to Buyer for any inaccuracy, misrepresentation or omission of information. Seller makes no representation or warranty regarding the accuracy or completeness of any information contained in the Due Diligence Items, all such information being made available on an "AS-IS" basis.

7.1.2 Surface Rights Agreement Pipeline Easement Adjustments. The Surface Rights Agreement shall provide for facilities easements (referred to in the Surface Rights Agreement as "**Facilities Easements**") for power lines, communication lines, pipelines and these easements will be recorded as part of the Surface Rights Agreement. Buyer will construct said improvements as provided in the Surface Rights Agreement all as set forth in the Project Plan Approvals.

#### 7.1.3 Oil Field Conditions.

7.1.3.1 Oil Field Infrastructure and Abandoned Wells. Development of the Property will require the relocation of oil field infrastructure, the details of which are to be negotiated between the Buyer and BEC. Also, the Property has active, idle and abandoned oil wells. Development of the Property may require the reabandonment of a number of wells pursuant to present standards, regulations and laws. In addition, BEC previously abandoned five (5) wells to facilitate development of the Project, and the Successor Agency and BEC have agreed that BEC will be reimbursed for the cost of such abandonment, out of the net proceeds of the sale of the Property at the time of Close of Escrow. Buyer shall have no responsibility for the reimbursement to BEC of the cost for the abandonment of the five (5) wells. Buyer is responsible (at Buyer's cost, subject to a credit of the Purchase Price) for relocating the oil field infrastructure pursuant to the Surface Rights Agreement in order to develop the Property.

7.1.3.2 Abandoned Pipelines and Structures. There may exist buried pipelines and other structures (“**Abandoned Pipelines**”) on the Property. Buyer should be able to discover and remove (at Buyer’s cost, subject to a credit of the Purchase Price) any Abandoned Pipelines that may affect the building of structures on the Property, but Seller makes no warranty that the Property is free and clear of all such items.

7.1.3.3 Environmental Remediation. Further, Buyer and Seller acknowledge that the Property may require environmental remediation including the removal of buried fuel storage tanks and other possible buried structures, as well as the removal of any soil contaminated by possible tank leaks, abandonment the Abandoned Pipelines and the abandoned wells. Buyer shall undertake such remediation, the cost of which would be deducted from the Purchase Price. Buyer shall determine the amount necessary to perform the work described in this Article VII, plus the amount for possible cost overruns and contingencies. The Parties shall negotiate in good faith to reach agreement on the amount to be offset against the Purchase Price, including the amount to be withheld for cost overruns and contingencies. Seller shall not withhold approval of such amounts unreasonably.

7.1.4 Soils.

7.1.4.1 Seller shall make available to Buyer any environmental reports as Seller has in its possession. Buyer will conduct an independent investigation of the soils and other environment conditions as may be required such that Buyer is satisfied with the environmental status of the Property.

7.1.4.2 Buyer’s Methane Test. It is understood by the parties that the City of Santa Fe Springs requires methane tests for nearly all construction within its jurisdiction. Buyer shall have the right to conduct methane tests at its own expense on the Property and shall submit to Seller the proposed scope of work of Buyer’s testing agent in order to not cause any environmental damage or interference with Seller’s or BEC’s operations. Seller shall have five (5) days to approve Buyer’s scope of work and permit Buyer to commence with the testing. Failure of Seller to approve within such five (5) day period shall be deemed Seller’s approval of Buyer’s scope of work.

## **ARTICLE VIII.**

### **CONDITIONS PRECEDENTS**

The purchase and sale of the Property under this Agreement shall be subject to the satisfaction of the conditions precedent set forth in this Article VIII (unless waived in writing by the party or parties to whom the benefit of such condition runs) on or before the Closing Date or such earlier date as is specified in this Agreement.

## 8.1 Conditions to Buyer's Obligations.

8.1.1 Title Policy. The Escrow Holder shall have issued, or be irrevocably committed to issue, its standard CLTA Owner's Standard Coverage Policy of Title Insurance (the "**Title Policy**") insuring Buyer as the owner of the Property and in an amount equal to the Purchase Price subject only to: (i) liens for real property taxes shown as exceptions in the Title Report provided that the taxes are not delinquent; (ii) the standard exclusions to coverage under the Title Policy;; (iii) any other lien or encumbrance which is caused or approved by Buyer prior to the Close of Escrow; (iv) any title exceptions which are not objected to by Buyer prior to the expiration of the Due Diligence Period (other than matters first arising after the expiration of the Due Diligence Period); and (v) all utility easements of record which do not interfere with the present or planned use of the Property (collectively, the "**Permitted Exceptions**").

8.1.2 Representations and Warranties. Each of the representations and warranties by Seller contained in Section 10.1 shall be true and correct in all material respects as of the date made and continue to be true and correct in all material respects as of the Close of Escrow.

8.1.3 Delivery of Closing Documents. Execution, delivery and acknowledgement as appropriate by Seller of the closing documents set forth in Section 11.3 and other necessary closing documents as may be reasonably requested by Buyer or Escrow Holder.

8.1.4 Seller Performance. Seller shall have duly performed in all material respects each and every undertaking, covenant and agreement required to be performed by Seller under this Agreement prior to or at the Close of Escrow.

8.1.5 Litigation. At Close of Escrow, there shall be no material suits or claims that are pending against the Property or against Seller or Buyer with respect to the Property or this Agreement.

8.1.6 Remediation Plan. Buyer shall have obtained a certified Remediation Action Plan from the Department of Toxic Substances Control or other state or federal agency with legal oversight authority (if required);

8.1.7 RWQCB. Buyer shall have received a certified Release of Groundwater Contamination from the Regional Water Quality Control Board (if required);

8.1.8 Oil Field Work. Buyer shall have obtained the approval to perform the Oil Field Work and the Parties shall have agreed on costs thereof and the mechanism for payment of such costs out of the Purchase Price.

## 8.2 Conditions to Seller's Obligations.

8.2.1 Delivery of Purchase Price. The Purchase Price shall have been delivered by or on behalf of Buyer to Escrow Holder.

8.2.2 Representations and Warranties. Each of the representations and warranties by Buyer contained in Section 10.2 shall be true and correct in all material respects as of the date made and continue to be true and correct in all material respects as of the Close of Escrow.

8.2.3 Delivery of Closing Documents. Execution, delivery and acknowledgement as appropriate by Buyer of the closing documents set forth in Section 11.3 and other necessary closing documents as may be reasonably requested by Seller or Escrow Holder.

8.2.4 Buyer Performance. Buyer shall have duly performed in all material respects each and every undertaking, covenant and agreement required to be performed by Buyer under this Agreement prior to or at the Close of Escrow.

8.2.5 Litigation. At Close of Escrow, there shall be no material suits or claims that are pending against the Property or against Seller or Buyer with respect to the Property or this Agreement.

8.3 Good Faith Approvals and Termination. Both parties' obligations to perform acts or to approve, disapprove, or conditionally approve documents, materials or other matters called for in this entire Agreement shall be in good faith, and the parties shall use their best efforts to obtain the necessary approvals called for from third parties. A party's failure to act in good faith or to use its best efforts shall constitute a material breach.

8.4 Election to Remove Defects. Seller shall have the right to remove any defects, which are conditions to Buyer's performance under the Agreement in accordance with the following procedure:

(a) In the event that Buyer disapproves any matter on which this Agreement is conditioned for Buyer's benefit, or if there is a breach of any covenant or warranty by Seller discovered by Buyer before Close of Escrow, Buyer shall give Seller written notice specifying the items breached or disapproved within ten (10) calendar days of discovery.

(b) Seller may, at Seller's sole election, make an election to correct those matters, within fifteen (15) days of receipt of Buyer's written notice by giving Buyer written notice of Seller's election. (This election period may be extended a reasonable time if Seller reasonably needs further time to investigate the facts and issues raised by Buyer's written notice, but in no event shall be extended by a period of more than 15 calendar days.)

(c) If Seller elects to correct the matter, Seller shall do so within ninety (90) days from delivery of Buyer's written notice. Seller shall for this purpose be entitled to postpone Close of Escrow for no more than ninety (90) days.

(d) If Seller elects not to correct or fails to correct all those matters within the correction period, Buyer has the election of (1) terminating the Agreement without any liability on the part of either party except as set forth below or (2) accepting the Property with a reduction of the price in amount agreed upon by the Parties to account for the for the uncorrected matter. If Buyer terminates this Agreement under this paragraph, Buyer shall be entitled to the prompt return of the Deposit and interest thereon, less half (1/2) of the Escrow cancellation fees and costs and title company charges incurred. Seller shall pay half (1/2) of the Escrow cancellation fees and costs and title company charges incurred.

The parties agree to provide Escrow Holder with written, mutual cancellation instructions should the provisions of this paragraph become applicable.

## **ARTICLE IX.**

## **RELEASES/INDEMNITY SITE CONDITION**

9.1 Environmental Laws. For purposes of this Agreement, "Environmental Laws" shall mean all federal, state or local statutes, regulations, ordinances, codes or rules as such have been or may hereafter be enacted, adopted, amended or supplemented and all common law causes of action relating to the protection of human health or the environment, including without limitations the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. Section 7401, et seq.), the Toxic Substance Control Act, as amended (15 U.S.C. 2601, et seq.), the Safe Drinking Water Act, as amended (42 U.S.C. Section 300f, et seq.), the Federal Insecticide, Fungicide and Rodenticide Act, as amended (7 U.S.C. Section 136, et seq.) and the Clean Air Act, as amended (42 U.S.C. 7401, et seq.), and private rights of action for nuisance, trespass, or damages to property or persons.

9.2 Hazardous Materials. For the purposes of this Agreement, Hazardous Materials shall be deemed to mean asbestos, polychlorinated biphenyls, petroleum or by-products thereof, radioactive materials, or any chemical, material or substance included in the definitions of "hazardous substances", "hazardous materials", "hazardous waste", "toxic substances" and/or words of similar import under any federal, state and local laws, ordinances, rules and regulations whether present or future, relating to and/or dealing with the protection of the environment and/or human health and safety and/or applicable to the generation, handling, manufacture, installation, treatment, storage, use, transportation, discharge, disposal, presence and/or release into the air, soil, water at, above or below ground level (whether accidental or intentional) of such substances or materials.

9.3 As-Is Acceptance of Property. Buyer acknowledges the potential need for environmental remediation of the Property, potential existence of Hazardous Materials contamination and other development constraints, and notwithstanding any contrary provisions of this Agreement or otherwise, Buyer shall and does agree to take the Property in its current condition AS-IS, WITH ALL FAULTS, all defects and conditions whatsoever then existing on the Property, including any Hazardous Materials (as defined herein above), vaults, debris, pipelines, wells, sumps or other structures that are or may be located in, on, under, or around the Property, whether known or unknown. Buyer assumes all responsibility for any and all such defects, faults, and conditions and shall be responsible for any and all defects in the Property, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Property, and the existence of any contamination, Hazardous Materials, existing within the Property. Except as otherwise set forth in this Agreement, Seller makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property. Buyer acknowledges that any liability of Seller for the environmental condition of the Property, including liability for any Environmental Law, shall be extinguished, except a condition resulting directly from the Seller's gross negligence, willful or intentional misconduct, and that Seller shall have no liability for further remediating any environmental condition of the Property, unless otherwise required by any Environmental Laws.

9.5 Buyer's Release of Seller. Notwithstanding any contrary provisions of this Agreement or otherwise, upon the Close of Escrow Buyer shall release Seller, its officers, directors, shareholders, affiliates, subsidiaries, heirs, and successors from any and all claims, liabilities, expenses, costs, or damages that Buyer may incur arising from the presence of any Hazardous Materials (as defined herein above) which are or may be located in, on, under, or around the Property, whether or not caused by Seller or any predecessor-in-interest of Seller. Buyer expressly preserves its rights against other parties and does not release, or waive its rights to contribution against, any other party.



9.6 Waiver of Civil Code § 1542. Buyer hereby acknowledges that it has read and is familiar with the provisions of California Civil Code § 1542 ("Section 1542"), which are set forth below:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

Buyer hereby waives the provisions of Section 1542, and of any statute, principle of common law or case law which would limit the scope of the foregoing waiver and release, in connection with matters which are the subject of the foregoing waiver and release.

AC Buyer's Initials

9.7 Natural Hazards. BUYER ACKNOWLEDGES THAT "NATURAL HAZARDS" DESCRIBED IN THE FOLLOWING CALIFORNIA CODE SECTIONS (THE "NATURAL HAZARD LAWS") MAY AFFECT THE PROPERTY: GOVERNMENT CODE SECTIONS 8589.4; 8589.3; GOVERNMENT CODE SECTIONS 51183.4, 51183.5 (FIRE HAZARD SEVERITY ZONE); PUBLIC RESOURCE CODE SECTION 2621.9 (EARTHQUAKE FAULT ZONE); PUBLIC RESOURCE CODE SECTION 2694 (SEISMIC HAZARD ZONE); AND PUBLIC RESOURCE CODE SECTION 4136 (WILDLAND AREA). BUYER ACKNOWLEDGES AND AGREES THAT BUYER HAS HAD THE OPPORTUNITY TO INDEPENDENTLY EVALUATE AND INVESTIGATE WHETHER ANY OR ALL OF SUCH NATURAL HAZARDS AFFECT THE PROPERTY AND SELLER SHALL HAVE NO LIABILITIES OR OBLIGATIONS WITH RESPECT THERETO. WITHOUT LIMITING THE FOREGOING, BUYER ACKNOWLEDGES AND AGREES THAT BUYER KNOWINGLY AND INTENTIONALLY WAIVES ANY DISCLOSURES, OBLIGATIONS OR REQUIREMENTS OF SELLER WITH RESPECT TO NATURAL HAZARDS, INCLUDING, WITHOUT LIMITATION, ANY DISCLOSURE OBLIGATIONS OR REQUIREMENTS UNDER THE AFOREMENTIONED CODE SECTIONS OR UNDER CALIFORNIA CIVIL CODE SECTION 1102(C). BUYER REPRESENTS THAT BUYER HAS EXPERIENCE ACQUIRING AND CONDUCTING DUE DILIGENCE, AND THAT THIS WAIVER HAS BEEN NEGOTIATED AND IS AN ESSENTIAL ASPECT OF THE BARGAIN BETWEEN THE PARTIES.

## ARTICLE X.

### REPRESENTATIONS AND WARRANTIES

10.1 Seller's Representations and Warranties. Seller hereby makes the following representations and warranties to Buyer which, to the best of Successor Agency's knowledge are true in all respects as of the date hereof and shall be true in all respects on the date of Close of Escrow and shall survive the Close of Escrow, each of which said representations is material and relied upon by Buyer (the continued truth and accuracy of which constitutes a condition precedent to Buyer's obligations hereunder). Seller represents and warrants to Buyer:

10.1.1 Authority of Seller. Seller is Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs, duly organized and validly existing under the laws of the State of California.

10.1.2 Legal Power. The individuals executing this Agreement and the instruments referenced herein on behalf of Seller have the legal power, right and actual authority to bind Seller to the terms and conditions hereof.

10.1.3 No Default. To the best knowledge of Seller, there is no default of any contracts, documents, agreements, or obligations not otherwise disclosed herein.

10.1.4 Delivery of Documents. Seller has and will make available to Buyer copies of all materials in Seller's possession, as provided in Section 5.4, above.

10.1.5 No Lawsuits Pending. To the best of Seller's knowledge, there are no lawsuits against Seller or its predecessors in interest that could affect Buyer's ownership, title or development of the Property after the Close of Escrow.

10.1.6 No Governmental Order for Further Work. Seller has no actual knowledge of any order or directive of any City, county, state, or federal authority, that any work of repair, maintenance, or improvements be performed on the Property other than those disclosed by this Agreement and documents, materials and other items delivered to Buyer.

10.1.7 No Violation or Condemnation. Seller has no actual knowledge, other than disclosed by this Agreement, of any present violation of any law, including, any Environmental Law, ordinance, rule, or administrative or judicial order affecting the Property, nor any condemnation, zoning change, or other proceeding or action (including legislative action) pending, threatened, or contemplated by any governmental body, authority, or agency which will affect the Property as of the date of execution of this Agreement.

10.1.8 Soil Conditions; Hazardous Materials.

10.1.8.1 Seller has disclosed and will make available to Buyer at Seller's offices during normal business hours upon reasonable notice to Seller all information available to Seller or actually known to Seller, including but not limited to the information referred to in Section 7.1.3, including all documents and materials relating to the existence, release or emission of Hazardous Materials (including petroleum hydrocarbon/crude oil) in or on the Property (or relating to governmental actions, approvals or investigations with respect thereto).

10.1.8.2 To Seller's actual knowledge, Seller: (i) Is unaware of any breach of any environmental laws on the Property or any part thereof; (ii) does not know whether any part of the Property has ever been used as a landfill, dump, toxic waste disposal Property or storage area; (iii) does not know whether there are any underground storage tanks at the Property, whether any such tanks were previously removed, or, with respect to removed tanks, at the time of removal, any contaminated soil was removed; and (iv) does not know whether the Property is free of any Hazardous Materials that would trigger response or remedial action under any environmental laws or any existing common law theory based on nuisance or strict liability. These representations are limited to matters of which Seller has actual knowledge, and Buyer acknowledges that Seller has not made any affirmative investigation as to environmental issues affecting the Property in connection with this Agreement.

10.1.9 Termination Due to Sale to Others. Seller represents and warrants to Buyer that during the term of this Agreement, Seller will not enter into an agreement to sell any or all of the Property to another Buyer, and that Seller has not previously sold, transferred or conveyed the Property, or granted to any other person or entity any right or interest in all or any part of the Property and Seller has not entered into any executory contracts for the sale of all or any part of the Property (other than this Agreement), nor do there exist any rights of first refusal or options to purchase the Property, other than this Agreement.

10.1.10 Leases. To Seller's actual knowledge, there are no leases or other agreements (whether oral or written) affecting or relating to the rights of any party with respect to the possession of

the Property or any portion thereof, as of the Effective Date or which will be in effect after the Close of Escrow, except for existing oil and gas agreements.

10.1.11 Bond and Assessments. To Seller's actual knowledge and except for matters of record as of the date hereof, there are no bonds or assessments or charges for any public improvements or utilities made against the Property which remain unpaid (or which will remain unpaid by Seller as of the Closing Date).

10.1.12 DOF, OB, and Successor Agency. Seller does not require any approvals or consents from the DOF, the OB, the Successor Agency, the City or any other party in order to sell the Property and effectuate the transactions contemplated by this Agreement, and Seller further represents and warrants that it has the power and authority to sell the Property to Buyer.

All representations and warranties contained in this Agreement shall be deemed remade as of and will survive the Closing Date, except in the event of a change in circumstances not within the control of Seller affecting any representations or warranties set forth herein, in which case Seller shall provide written notice to Buyer regarding such changed circumstances within a reasonable time following such change (not to exceed five (5) Business Days following the date the Successor Agency obtains actual knowledge of the changed circumstance), and prior to the Close of Escrow. As used herein, "actual knowledge" of Seller refers to the actual knowledge of Seller's employees and agents directly involved in the negotiation and/or drafting of this Agreement, those responsible for the acquisition or maintenance of the Property, the Successor Agency's attorney and the clerk to the Successor Agency.

10.2 Buyer's Representations and Warranties. Buyer represents and warrants to Seller that the following shall be true as of (1) the date that Buyer delivers the documents, materials or other items for Seller's written approval or disapproval, and (2) as of the Closing Date:

10.2.1 Authority of Buyer. Buyer is a the legal entity (or are the legal entities) as set forth in the first paragraph of this Agreement, and Buyer has the legal right, power and authority to enter into this Agreement and all the instruments referenced herein.

10.2.2 All Requisite Actions Taken. All requisite action (corporate, trust, partnership or otherwise) has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein, and the consummation of the transaction contemplated hereby. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, governmental authority or other party is required.

10.2.3 Legal Power. The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.

10.2.4 Buyer's Full Review. Buyer has obtained and fully reviewed all documents, materials and other matters which it deems necessary or appropriate with respect to the Property and the transaction contemplated herein.

10.3 Warranties to Survive Delivery of Deed. All warranties, covenants, and other obligations contained herein shall survive delivery of the Grant Deed.

## **ARTICLE XI.**

### **CLOSING OF ESCROW**

11.1 Place of Closing. The place for the Closing of Escrow shall take place at the Escrow Holder's office.

11.2 Close of Escrow. This Escrow shall close as outlined in Section 4.6 of this Agreement, unless Buyer and Seller mutually agree in writing otherwise.

11.3 Delivery of Documents Through Escrow.

11.3.1 Seller's Documents. On the date of Close of Escrow, Seller shall deliver or cause to be delivered to Buyer through Escrow the following:

11.3.1.1 The Grant Deed in the form approved by Buyer.

11.3.1.2 The Title Policy issued by Escrow Holder in the full amount of the purchase price, insuring title vested in Buyer, subject only to the printed provisions of the policy and the exceptions approved by Buyer under Paragraph 6.1.

11.3.1.3 Possession of the Property, subject to all possessory claims disclosed to and approved or waived by Buyer under this Agreement.

11.3.1.4 A certificate in the form attached as Exhibit "E" or any other documentation required under Section 1445 of the Internal Revenue Code to evidence that Seller is not a "foreign person or entity" within the meaning of the Foreign Investment and Real Property Tax Act of 1980.

11.3.1.5 General Assignment and Bill of Sale. Seller shall deliver to Escrow Holder an assignment and bill of sale ("General Assignment"), duly executed by Seller in the form of, and upon the terms contained in, Exhibit "F" attached hereto and incorporated herein.

11.3.1.6. Seller's Authorization. Seller shall deliver to Escrow Holder all authorizations of Seller necessary to authorize Seller to execute, deliver, and perform its obligations under this Agreement, in form and substance reasonably acceptable to Buyer, executed by Seller's authorized parties.

11.3.2 Buyer's Documents. Buyer shall deliver or cause to be delivered to Seller through Escrow the following:

10.3.2.1 On the Closing Date, the Purchase Price, minus any applicable Deposit, as determined under Article III, in cash or in immediately available funds.

11.3.3 Prorations and Expenses.

11.3.3.1 Real Property taxes and interest on assessments assumed by Buyer shall all be prorated as of the Closing Date on the basis of a thirty (30) day month. The real property taxes shall be prorated based upon the current tax rate applicable for the period being prorated. Delinquent taxes shall not be prorated, however, and Seller shall pay on or before the Closing Date all delinquent taxes and any associated interest and penalties, if any. If Seller does not pay all delinquent taxes on or before the Closing Date, said delinquent taxes shall be paid at the Close of Escrow from the funds accruing to Seller. Bonds or assessments of record shall be prorated as of the Closing Date and will be assumed by Buyer, subject to review and approval of the Buyer within ten (10) days of notice thereof.

11.3.3.2 Seller shall pay all costs and expenses of clearing title, preparing, executing, acknowledging, and delivering the Grant Deed, the Title Policy (as stated in Paragraph 6.2), and shall pay all transfer taxes. Seller shall pay all recording fees. Buyer shall pay all the title policy costs over and above the Title Policy, and all fees and costs resulting from any new financing. Buyer and Seller shall each pay one-half (1/2) of the Escrow fee.

11.3.3.3 Buyer shall deposit in Escrow before the Closing Date the amounts it owes for prorations and expenses; and Seller's share of prorations and expenses shall be deducted from sums due to Seller at Close of Escrow.

11.4 Broker's Commission. Seller shall pay through Escrow at the Close of Escrow and conditioned on the Close of Escrow brokerage commissions as follows, which amount may be paid through Escrow:

To Seller's Broker the sum equal to five percent (5%) of the Final Purchase Price. The commission is payable to CBRE, Inc. as Seller's representative

whose address is: CBRE, Inc.  
2221 Rosecrans Ave, Suite 100  
El Segundo California 90245  
United States  
Attn: Rick McGeagh

Buyer and Seller hereby acknowledge that no other brokerage commission or finder's fee is payable with regard to this transaction; and the Buyer and Seller each ("**Indemnitor**") agree to indemnify and hold the other harmless from and against all liability, claims, demand, damages, or costs of any kind arising from or connected with any broker's or finder's fee or commission or charge claimed to be due any person arising from Indemnitor's conduct with respect to this transaction, other than the commissions and finders fees authorized in this Paragraph.

## ARTICLE XII.

### LIQUIDATED DAMAGES

#### 12.1 Default and Termination.

11.1.1 Default by Buyer: Deposit as Liquidated Damages. IN THE EVENT THE SALE OF THE PROPERTY AS CONTEMPLATED HEREUNDER IS NOT CONSUMMATED BECAUSE OF A DEFAULT UNDER THIS AGREEMENT SOLELY ON THE PART OF BUYER, FIFTY-THOUSAND DOLLARS OF THE BUYER'S DEPOSIT SHALL BE PAID TO AND RETAINED BY SELLER AS LIQUIDATED DAMAGES. THE PARTIES ACKNOWLEDGE THAT SELLER'S ACTUAL DAMAGES IN THE EVENT OF A DEFAULT BY BUYER WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE THEREFORE, BY PLACING THEIR SIGNATURES BELOW, THE PARTIES ACKNOWLEDGE THAT THE DEPOSIT (PLUS INTEREST) HAS BEEN AGREED UPON, AFTER NEGOTIATION, AS THE PARTIES' REASONABLE ESTIMATE OF SELLER'S DAMAGES AND AS SELLER'S EXCLUSIVE REMEDY AGAINST BUYER IN THE EVENT OF A DEFAULT SOLELY ON THE PART OF BUYER.

Buyer's Initials



Seller's Initials

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## ARTICLE XIII

### BUYER'S REMEDIES

13.1 Buyer's Remedies. If this transaction fails to close on account of a default by Seller under this Agreement, Purchaser shall be entitled either (a) to enforce Seller's obligations to convey the Property by delivering written notice to Seller pursuant to an action for specific performance, or (b) to terminate this Agreement by delivering notice to Seller and Escrow Holder, receive from Escrow Holder a prompt refund of the Deposit, and recover from Seller all of Purchaser's actual out-of-pocket third-party costs incurred as part of Purchaser's due diligence efforts hereunder in an amount not to exceed Seventy Five Thousand Dollars (\$75,000). Buyer understands and acknowledges that Seller's ability to make any such payment is subject to the approval of the OB and the DOF. Purchaser's remedies hereunder are in addition to the right to receive the return of the Deposit to the extent it is not applied to the Purchase Price in connection with Purchaser's action for specific performance.

## **ARTICLE XIV**

### **RISK OF LOSS AND INSURANCE**

14.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain with respect to the Property or any portion of the Property, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("Condemnation"), and if such Condemnation would: (i) materially and adversely affect the use or operation of the Property, (ii) have the effect of decreasing the square footage of the buildable area at the Property, or (iii) reduce or eliminate access to the Property, then Buyer may either (a) terminate this Agreement, or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Buyer will be entitled to keep, all awards for the Condemnation that accrue to Seller; provided, however, if any award is rendered specifically to compensate Seller for Seller's lost goodwill, such an award shall belong to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Buyer's written consent. Seller must notify Buyer of any notice of Condemnation of all or any portion of the Property within five (5) days after the receipt of such notice, and Buyer must exercise its option(s) as provided in this Section 14.1 within fifteen (15) days after receipt of such notice. If necessary, the Closing Date will be extended to give Buyer the full fifteen (15)-day period to make such election. Notwithstanding the foregoing, if any condemnation action is commenced prior to the Closing Date, Buyer shall have the right to terminate this Agreement and to receive the return of the Deposit, as well as a sum equal to Buyer's out-of-pocket costs incurred in connection with this transaction. Seller hereby waives any right Seller may have to condemn the Property or any portion thereof.

14.2 Insurance. Buyer shall maintain a commercial general liability insurance policy with respect to Developer's activities on or about the Property with liability limits of at least Two Million and no/100 Dollars (\$2,000,000.00) per occurrence and shall cause Seller to be named as an additional insured by way of endorsement thereto. Buyer shall also maintain Automobile Insurance with liability limits of at least One Million no/100 Dollars (\$1,000,000.00) per accident for owned, non-owned, and hired autos and Workers Compensation Insurance as required by law.

14.2.1 Nature of Insurance. All Liability Insurance and Automobile Liability Insurance policies required herein shall be issued by carriers that: (a) are listed in the then current "Best's Key Rating Guide—Property/Casualty—United States & Canada" publication (or its equivalent, if such publication ceases to be published) with a minimum financial strength rating of "A-" and a minimum financial size category of "VII" (exception may be made for the State Compensation Insurance Fund when not specifically rated); and (b) are authorized to do business in the State. Buyer may provide any insurance under a "blanket" or "umbrella" insurance policy, provided that: (i) such policy or a certificate of such policy shall specify the amount(s) of the total insurance allocated to the Property and the Project, which amount(s) shall equal or exceed the amount(s) required by this Agreement and shall not be reduced for claims made for other properties or projects; and (ii) such policy otherwise complies with this Agreement.

14.2.2 Policy Requirements and Endorsements. All insurance policies as required by this Agreement shall contain (by endorsement or otherwise) the following provisions:

(a) Insured. Liability Insurance and Automobile Liability Insurance policies shall name the Successor Agency as "additional insured." The coverage afforded to the Successor Agency shall be at least as broad as that afforded to Buyer and may not contain any terms, conditions, exclusions, or limitations applicable to the Seller that do not apply to Buyer.



(b) Primary Coverage. All policies shall be written as primary policies, respecting the Buyer. Any insurance or self-insurance maintained by the Buyer shall be excess of all insurance required under this Agreement and shall not contribute with it.

(c) Contractual Liability. Liability Insurance policies shall contain contractual liability coverage, for the Seller's indemnity obligations under this Agreement.

14.2.3 Deliveries to the Seller. Evidence of Developer's maintenance of all insurance policies required by this Agreement shall be delivered to Seller prior to the Close of Escrow. No later than three (3) days before any insurance required by this Agreement expires, is cancelled or its liability limits are reduced or exhausted, Developer shall deliver to Seller evidence of such Party's maintenance of all insurance this Agreement requires. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be cancelled, except after thirty (30) calendar days' advance written notice of cancellation or non-renewal has been given to Seller by certified mail, return receipt requested. Phrases such as "endeavor to" and "but failure to mail such Notice shall impose no obligation or liability of any kind upon the company" shall not be included in the cancellation wording of any certificates or policies of insurance applicable to the Parties pursuant to this Agreement.

14.2.4 Waiver of Certain Claims. Buyer shall cause each insurance carrier providing any Liability Insurance, Worker's Compensation Insurance, or Automobile Liability Insurance under this Agreement to endorse their applicable policy(ies) with a Waiver of Subrogation with respect to the Seller if not already in the policy.

14.2.5 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions under insurance policies required by this Agreement shall be declared to and approved by Seller. The insurer under each such insurance policy shall eliminate such deductibles or self-insured retentions as respects the Seller.

14.2.6 Insurance Independent of Indemnification. The insurance requirements of this Agreement are independent of the Parties' indemnification and other obligations under this Agreement and shall not be construed or interpreted in any way to satisfy, restrict, limit, or modify the Parties' indemnification or other obligations or to limit the parties' liability under this Agreement, whether within, outside, or in excess of such coverage, and regardless of solvency or insolvency of the insurer that issues the coverage; nor shall the provision of such insurance preclude Seller from taking such other actions as are available to it under any other provision of this Agreement or otherwise at law or in equity.

## **ARTICLE XV.**

### **GENERAL PROVISIONS**

15.1 Required Actions of Buyer and Seller. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

15.2 Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

15.3 No Obligations to Third Parties. Except as otherwise provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties thereto, to any person or entity other than the parties hereto.

15.4 Exhibits and Schedules. The Exhibits and Schedules, if any, attached hereto and referred to herein are hereby incorporated herein by this reference.

15.5 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

15.6 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

15.7 Confidentiality of Transaction. All notices and publication to third parties and all other publicity concerning the transaction contemplated in this Agreement shall be jointly planned and coordinated by and between Buyer and Seller. None of the parties shall act unilaterally in this regard without the prior written approval of the others; however, this approval shall not be unreasonably withheld. All information, documents, materials, matters, negotiations, tests, reports, opinions, Purchase Price, broker's commissions and other matters shared with the other party under the terms of this Agreement shall remain confidential, except as provided by law.

15.8 Attorneys' Fees. In the event either Buyer or Seller brings any suit or other proceeding with respect to the matter or enforcement of this Agreement, the prevailing party (as determined by the court, agency, other authority, or reference judge before which such suit or proceeding is commenced) shall, in addition to such other relief as may be awarded, be entitled to recover attorneys' fees, expenses and costs of investigation as actually incurred (including, without limitation, attorneys' fees, expenses and costs of investigation in appellate proceedings, costs incurred in establishing the right of indemnification, or in any action or participation in, or in connection with, any case or proceeding under Chapter 7, 11 or 13 of the Bankruptcy Code of the United States of America.).

15.9 Time of the Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

15.10 Entire Agreement. This Agreement supersedes any prior agreements, negotiations, and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

15.11 Notices. All notices under this Agreement shall be effective within (i) one (1) day of personal delivery to Buyer or Seller, as the case may be, or (ii) one (1) days of telecopier or electronic mail transmission with a hard copy deposited by overnight courier or United States mail, registered or certified, or (iii) one (1) business day after deposit with an overnight courier service (e.g., Federal Express), or (iv) three (3) business days after deposit in the United States mail, registered, certified, postage fully prepaid and addressed to the respective parties as follows:

To Buyer:

Prime Property Fund, LLC  
1999 Avenue of the Stars, Suite 2400  
Los Angeles, California 90067  
Attention: Mr. Aaron Greeno  
Telephone: (310) 788-2229  
Email: [aaron.greeno@morganstanley.com](mailto:aaron.greeno@morganstanley.com)

Prime Property Fund, LLC  
555 California St.  
21st Floor, San Francisco, CA 94104

Attention: Braden Wilhelm, Esq.  
Telephone: (415) 576-8972  
Email: [braden.wilhelm@morganstanley.com](mailto:braden.wilhelm@morganstanley.com)

Kearny Real Estate  
1875 Century Park East, Ste 380  
Attn: c/o Jeff Dritley  
Los Angeles, CA 90067  
Telephone: (310) 203-1845  
Email: [jdritley@kearny.com](mailto:jdritley@kearny.com)

Kearny Real Estate  
1875 Century Park East, Ste 380  
Los Angeles, CA 90067  
Attention: Hoonie Kang  
Telephone No.: (310) 203-1847  
Email: [hkang@kearny.com](mailto:hkang@kearny.com)

Holland & Knight LLP  
400 S. Hope Street, 8<sup>th</sup> Floor  
Los Angeles, CA 90071  
Attention: Douglas Praw  
Telephone: (213) 896-2588  
Email: [doug.praw@hklaw.com](mailto:doug.praw@hklaw.com)

To Seller: Successor Agency Manager  
Santa Fe Springs City Hall  
11710 Telegraph Rd.  
Santa Fe Springs, CA 90670  
Telephone: 562-868-0511  
Facsimile: 562-868-7112  
Email:

With a copy to: Yolanda M. Summerhill, Successor Agency Attorney  
Jones & Mayer  
3777 N. Harbor Blvd.  
Fullerton, CA 92835  
Telephone: (714) 446-1400  
Facsimile: (714) 446-1448  
Email: [yms@jones-mayer.com](mailto:yms@jones-mayer.com)

Mr. Stephen Carlson  
McGranahan Carlson & Company  
8212 Billowvista Dr  
Playa del Rey, CA 90293  
Email: [carlson@mcandc.com](mailto:carlson@mcandc.com)

Rick McGeagh, Senior Vice President  
CBRE Brokerage Services

2221 Rosecrans Avenue, Suite 100  
El Segundo, CA 90245  
Email: [rick.mcgeagh@cbre.com](mailto:rick.mcgeagh@cbre.com)

To Escrow Holder and Chicago Title Company  
725 S. Figueroa Street, Suite 200  
Los Angeles, California 90017  
David Balassi

15.12 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

15.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

15.14 Assignment. This Agreement shall not be assigned by any party hereto to any person or entity without the express written consent of Seller. In the event Buyer provides written consent of Assignment, this Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

15.15 Computation of Period. All periods of time referred to in this Agreement shall include all Saturdays, Sundays, and state or national holidays, unless the period of time specifies business days, provided that if the date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday, or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday, or state or national holiday.

15.16 Interpretation. Buyer and Seller hereto acknowledge and agree that each has been given the opportunity to review this Agreement with legal counsel independently, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. Buyer and Seller have equal bargaining power, and intend the plain meaning of the provisions herein; there are no secret or code words. In the event of an ambiguity in or dispute regarding the interpretation of same, the interpretation of this Agreement shall not be resolved by any rule of interpretation providing for interpretation against the Party who causes the uncertainty to exist or against the draftsman.

15.17 Survivability. All covenants of Buyer or Seller which are intended hereunder to be performed in whole or in part after Close of Escrow and all representations and warranties (to the extent set forth above), and indemnities by either Buyer or Seller to the other, shall survive Close of Escrow and delivery of the deed, and be binding upon and inure to the benefit of the respective Parties.

15.18 Third Party Reports. In the event the Close of Escrow does not occur, Buyer agrees to provide Seller with copies of any reports, maps, studies or other information (including draft reports and government data) generated or compiled with respect to the Property or the Developer's investigations. Such third party work product, if any, is delivered on an "AS-IS, WITH ALL FAULTS, ERRORS, AND OMISSIONS" basis and Buyer does not make, and hereby disclaims, any representations or warranties as to the accuracy or completeness of any such work product.

15.19 Authority. Any individual signing this Agreement on behalf of a partnership or other business entity represents that he or she is authorized by such entity and has the power to enter into this Agreement and by such person's act such partnership or other business entity is bound hereto. Any individual signing this Agreement in the capacity of a trustee or co-trustee represents that he or she is authorized under the appropriate trust documents to enter into this Agreement and by such person's act such trust is bound hereto.

15.20           Buyer covenants and agrees for itself, its successors, its assigns, Buyer, for himself and his successors and assigns, agrees that in the construction by Buyer of the Project and/or any improvements, it shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first-  
above written.

“Buyer”


**PPF Industrial, LLC,**  
a Delaware limited liability company

By: PPF OP, LP,  
a Delaware limited partnership,  
its Member

By: PPF OPGP, LLC,  
a Delaware limited liability company,  
its General Partner

By: Prime Property Fund, LLC,  
a Delaware limited liability company,  
Its Member

By: Morgan Stanley Real Estate Advisor, Inc.,  
a Delaware corporation,  
its Manager

By:   
Name: Aaron Greene  
Title: Executive Director

“Seller”

**SUCCESSOR AGENCY TO THE COMMUNITY  
DEVELOPMENT COMMISSION/REDEVELOPMENT  
AGENCY OF THE CITY OF SANTA FE SPRINGS**

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

Acceptance by Escrow Holder:

First American Title Insurance Company hereby acknowledges that it has received a fully executed counterpart of the foregoing Purchase and Sale Agreement and agrees to act as Escrow Holder there under and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

Dated: \_\_\_\_\_

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

Its: \_\_\_\_\_

## EXHIBIT A

### MC & C Site III

#### LEGAL DESCRIPTION

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

##### PARCEL 1:

LOT 1 OF TRACT NO. 17977, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 149, PAGES 21, 22 AND 23 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF MURRAY AVENUE, VACATED AS PARCEL XII IN EXHIBIT "A" OF THAT CERTAIN RESOLUTION NO. 4243, RECORDED JULY 18, 1979 AS INSTRUMENT NO. 79-788602 OF OFFICIAL RECORDS OF SAID COUNTY, LYING NORTHERLY OF THE CENTER LINE AND ITS EASTERLY PROLONGATION OF PARK AVENUE, 60.00 FEET WIDE, AS SHOWN ON THE MAP OF SAID TRACT NO. 17977, EXCEPT THAT PORTION OF MURRAY AVENUE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT SAID NORTHEAST CORNER OF LOT 1; THENCE SOUTH 0°20'15" EAST 55.21 FEET ALONG SAID EASTERLY LOT LINE; THENCE SOUTH 88°31'55" EAST 60.03 FEET TO THE EASTERLY LINE OF MURRAY AVENUE; THENCE NORTH 0°20'15" WEST 57.00 FEET TO THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF SAID LOT 1, SAID LINE ALSO BEING THE SOUTHERLY LINE OF TELEGRAPH ROAD (80.00 FEET WIDE), AS SHOWN ON SAID TRACT NO. 17977; THENCE SOUTH 89°45'35" WEST 60.00 FEET ALONG SAID EASTERLY PROLONGATION TO THE POINT OF BEGINNING.

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER, PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS INSTRUMENT NO. 89-2087140 OF OFFICIAL RECORDS, IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

##### PARCEL 2:

LOTS 8, 9, 10 AND 11 IN BLOCK 32 OF THE TOWNSITE OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 26, PAGE 37 OF MISCELLANEOUS RECORDS OF SAID COUNTY.

RESERVING THEREFROM ALL RIGHTS TO OIL, GAS, AND HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN FIVE HUNDRED (500) FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE THE PROPERTY FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES, MINERALS, OR OTHER EXTRACTABLE SUBSTANCES ("OIL AND GAS PRODUCTION ACTIVITIES") FROM THE PROPERTY IN ACCORDANCE WITH EXISTING OIL AND GAS PRODUCTION ACTIVITIES AGREEMENTS. ANY PAYMENTS, RENTS, ROYALTIES, OR OTHER MONIES PAID UNDER ANY EXISTING BONAFIDE LEGAL LEASE AGREEMENT(S) SHALL BE THE SOLE PROPERTY OF GRANTOR, AS RESERVED IN DEED RECORDED SEPTEMBER 20, 2006 AS INSTRUMENT NO. 06-2089172 OF OFFICIAL RECORDS.



**EXHIBIT A**  
**MC& C Site III**

(Continued)

PARCEL 3:

LOTS 12 AND 13 IN BLOCK 52 OF SANTA FE SPRINGS, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 26, PAGE 37 OF MISCELLANEOUS RECORDS](#) OF SAID COUNTY.

EXCEPT THEREFROM ANY MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES ON AND UNDER THE PROPERTY OF MORE THAN 500 FEET BELOW THE SURFACE, WITHOUT THE RIGHT OF SURFACE ENTRY, AS RESERVED IN A DEED RECORDED DECEMBER 30, 2005 AS [INSTRUMENT NO. 05-3231892 OF OFFICIAL RECORDS](#).

PARCEL 4:

LOTS 1 THROUGH 26, INCLUSIVE, IN BLOCK 53 OF TOWNSITE OF SANTA FE SPRINGS, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN [BOOK 26, PAGE 37 ET SEQ. OF MISCELLANEOUS](#) RECORDS OF SAID COUNTY.

APN: [8011-018-900](#); [8011-018-901](#); [8011-018-902](#); [8011-018-903](#); [8011-018-904](#); [8011-018-905](#); [8011-018-906](#); [8011-019-911](#)

## EXHIBIT "A"

### MC& C Site IV

#### LEGAL DESCRIPTION

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

##### PARCEL 1:

LOTS 1, 2, 3, 4, 5, 6, 29 AND 30 IN BLOCK 46 OF SANTA FE SPRINGS, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 26 PAGES 37 TO 40 INCLUSIVE OF MISCELLANEOUS RECORDS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF THE EAST HALF OF VACATED ALLEY ADJOINING SAID LOTS 1, 2, 3, 4, 5 AND 6 ON THE WEST AND THAT PORTION OF THE WEST HALF OF THE VACATED ALLEY ADJOINING SAID LOTS 29 AND 30 ON THE EAST, TOGETHER WITH THAT PORTION OF THE SOUTH HALF OF FIRST STREET ADJOINING SAID LOTS 1 AND 30 ON THE NORTH.

EXCEPT FROM SAID LOTS 1, 5 AND 6, ALL OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN, ON AND UNDER SAID LAND AS SET OUT IN THAT CERTAIN GRANT DEED, RECORDED MARCH 4, 1980 AS [INSTRUMENT NO. 80-216991, OF OFFICIAL RECORDS](#) OF LOS ANGELES COUNTY.

ALSO EXCEPT FROM SAID LOT 29, ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS UNDER AND IN SAID LAND, LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, IN FAVOR OF LEON BEAUMON, BY DEED RECORDED FEBRUARY 9, 1981 AS [INSTRUMENT NO. 81-144399, OF OFFICIAL RECORDS](#).

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

##### PARCEL 2:

LOTS 18, 19, 20, 21, 22, 23, 24 AND 25 OF [TRACT NO. 17977](#), IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 549 PAGES 21, 22 AND 23 OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THE NORTH HALF OF FIRST STREET, ADJOINING SAID LOTS 22, 24 AND 25 ON THE SOUTH; TOGETHER WITH THE SOUTH HALF OF FIRST STREET, ADJOINING SAID LOT 20 ON THE NORTH; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 22 ON THE EAST; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 25 ON THE WEST; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 23 ON THE SOUTH; TOGETHER WITH THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 19 ON THE NORTH; TOGETHER WITH THE EAST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID LOTS 19 AND 20 ON THE WEST; TOGETHER WITH THE WEST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID LOT 21 ON THE EAST; TOGETHER WITH THE WEST HALF OF THE 20.00 FOOT ALLEY, ADJOINING SAID LOTS 19 AND 20 ON THE EAST AND THE EAST HALF OF A 20.00 FOOT ALLEY, ADJOINING SAID LOT 18 ON THE WEST.

**EXHIBIT A**  
**MC& C Site IV**  
**(Continued)**

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERAL WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

**PARCEL 3:**

LOTS 7, 8, 9, 10 AND 11 OF [TRACT NO.5326](#), IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 58 PAGES 56 AND 57 OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

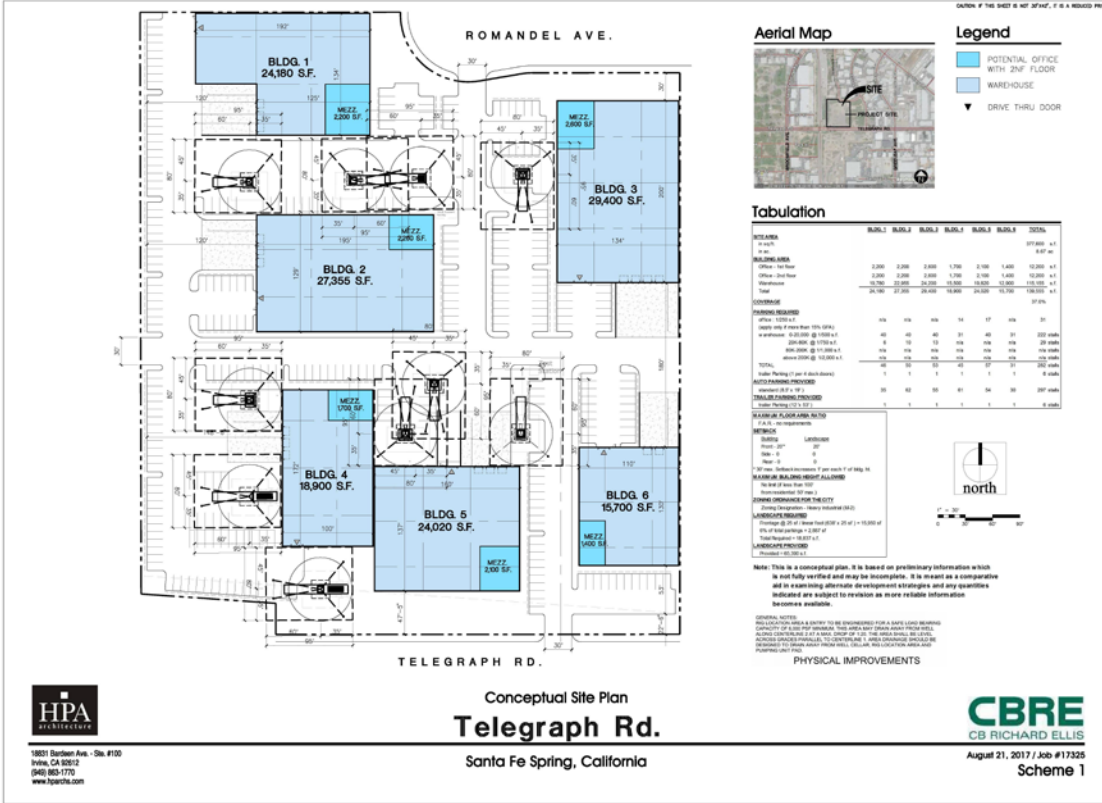
EXCEPT FROM SAID LOTS 8 AND 11, ALL OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN, ON AND UNDER SAID LAND, AS SET OUT IN THAT CERTAIN GRANT DEED, RECORDED MARCH 4, 1980 AS [INSTRUMENT NO. 80-216991, OF OFFICIAL RECORDS](#).

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATSOEVER, PETROLEUM, OIL, ASPHALTUM, GAS AND/OR HYDROCARBON SUBSTANCES, INCLUDING, BUT NOT LIMITED TO, HELIUM AND CARBON DIOXIDE, WITHIN OR UNDERLYING THE HERETOFORE DESCRIBED REAL PROPERTY, AT A DEPTH OF MORE THAN 500 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDRILLING, MINING, PRODUCING AND/OR REMOVING THE SAME THEREFROM AND THEREUNDER; PROVIDED THAT EXCEPT AS SET FORTH IN THAT CERTAIN MINERAL RESERVATION AGREEMENT DATED DECEMBER 27, 1989, AND RECORDED DECEMBER 28, 1989 AS [INSTRUMENT NO. 89-2087140, OFFICIAL RECORDS](#), IN THE LOS ANGELES COUNTY RECORDER'S OFFICE, SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, SHALL HAVE NO RIGHT OF SURFACE ENTRY NOR RIGHT TO DISTURB THE SURFACE OF SAID REAL PROPERTY NOR OTHER RIGHT TO ENTER AT ANY POINT ON SAID REAL PROPERTY WITHIN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSE, WHETHER TO EXPLORE, TO EXTRACT AND/OR REMOVE SAID OIL, GAS AND/OR HYDROCARBON OR MINERAL SUBSTANCES OR OTHERWISE.

**PARCEL 4:**

THAT PORTION OF ROMANDEL AVENUE, 60 FEET WIDE, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES; STATE OF CALIFORNIA, AS SHOWN ON MAP OF [TRACT NO. 17977](#), AS PER MAP RECORDED IN [BOOK 549 PAGES 21 TO 23 INCLUSIVE OF MAPS](#), IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE SOUTHERLY BOUNDARY LINE OF THE LINE OF THE LAND DESCRIBED AS PARCEL XIII IN EXHIBIT "A" OF THAT CERTAIN RESOLUTION NO. 4243, RECORDED JULY 18, 1979 AS [INSTRUMENT NO. 79-788602, OF OFFICIAL RECORDS](#) OF SAID COUNTY, AND THE WESTERLY PROLONGATION OF A LINE PARALLEL WITH AND DISTANT NORTHERLY 30 FEET, MEASURED AT RIGHT ANGLES FROM THE NORTHERLY LINE OF LOT 22 OF SAID [TRACT NO. 17977](#).

EXHIBIT B







## EXHIBIT C

<i>Site III – SEC Bloomfield &amp; Telegraph Road, Santa Fe Springs</i>						
Building #	Square Footage	Office SF	Ceiling Clear	Loading DH/GL	Fire Sprinkler	Fenced Yard
1.	197,990	10,000	32'	22/2	<del>ESFR</del>	Y

<i>Site IV – Telegraph / Romandel, Santa Fe Springs</i>						
Building #	Square Footage	Office SF	Ceiling Clear	Loading DH/GL	Fire Sprinkler	Fenced Yard
1.	24,180	3,000	24'	3/1	.60/3,000	P
2.	27,355	3,000	24'	3/1	.60/3,000	N
3.	29,400	4,000	24'	4/1	.60/3,000	N
4.	18,900	2,500	24'	3/1	.60/3,000	P
5.	24,020	3,000	24'	3/1	.60/3,000	N
6.	15,700	2,500	24'	2/1	.60/3,000	N

**EXHIBIT D  
FORM OF GRANT DEED**

RECORDING REQUESTED BY: )  
WHEN RECORDED, MAIL TO: )

)  
Douglas A. Praw, Esq. )  
Holland & Knight LLP )  
400 South Hope Street, 8th Floor )  
Los Angeles, California 90071 )

MAIL TAX STATEMENTS TO: )

)  
\_\_\_\_\_)  
\_\_\_\_\_)  
\_\_\_\_\_)  
\_\_\_\_\_)  
\_\_\_\_\_)

Space Above for Recorder's Use

Assessor's Parcel # \_\_\_\_\_

The undersigned Grantor declares:

Documentary Transfer Tax is: \$ \_\_\_\_\_

\_\_\_\_\_ Computed on the consideration or value of property  
conveyed; OR

\_\_\_\_\_ Computed on the consideration or value less liens or  
encumbrances remaining at time of sale.

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**GRANT DEED**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

\_\_\_\_\_,  
a \_\_\_\_\_

hereby GRANTS to:

\_\_\_\_\_,  
a \_\_\_\_\_

all right, title and interest in and to that certain real property located in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of California, described more particularly in Exhibit "A" attached hereto.

**SUBJECT, HOWEVER, TO:**

1. All easements, encumbrances, covenants, conditions, restrictions, reservations, rights-of-way and other matters of whatever kind and nature shown of record; and
2. Installments of non-delinquent general and special real property taxes and assessments.

Date: \_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_, 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

Commission Expiration Date \_\_\_\_\_

[SEAL]



**EXHIBIT A**

**PROPERTY DESCRIPTION**

**EXHIBIT E**  
**FORM OF FIRPTA AFFIDAVIT**

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**FOREIGN INVESTMENT AND REAL PROPERTY TAX**  
**AFFIDAVIT**

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STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ § **KNOW ALL PERSONS BY THESE PRESENTS:**

Section 1445 of the Internal Revenue Code provides that a transferee (Purchaser) of a U.S. real property interest must withhold tax if the transferor (Seller) is a foreign person. To inform the Purchaser that withholding of tax is not required upon the disposition of a U.S. real property interest by \_\_\_\_\_, the undersigned hereby certifies the following on behalf of said entity:

1. \_\_\_\_\_, is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations).
2. The taxpayer identification number of \_\_\_\_\_, is \_\_\_\_\_.
3. The office address of \_\_\_\_\_, is:

I understand that this certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is a true and correct document on behalf \_\_\_\_\_.

**SELLER:**

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

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_  
My Commission expires: \_\_\_\_\_

**EXHIBIT F**  
**FORM OF GENERAL ASSIGNMENT AND BILL OF SALE**

**Form of Assignment and Assumption Agreement**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT**, dated \_\_\_\_\_, 20\_\_, by and between (a) \_\_\_\_\_, a \_\_\_\_\_ ("**Assignor**"), and (b) \_\_\_\_\_, a \_\_\_\_\_ ("**Assignee**").

WHEREAS, Assignor and Assignee entered into that certain Purchase and Sale Agreement and Escrow Instructions dated \_\_\_\_\_, 20\_\_, as the same may have been amended prior to the date hereto (as amended, the "**Agreement**"), for the sale and purchase of certain "Property", consisting of certain "Real Property" (as more particularly described in **Exhibit A**), "Personal Property", and "Intangible Property" (capitalized terms used herein and not otherwise defined herein have the meanings ascribed to them in the Agreement);

WHEREAS, \_\_\_\_\_ ("**Property Owner**") is the owner of the Real Property, Personal Property and Intangible Property;

WHEREAS, Assignor has the power and authority to convey the Real Property, Personal Property and Intangible Property pursuant to \_\_\_\_\_;

WHEREAS, Assignor desires to assign unto Assignee all of Assignor's right, title and interest in and to the Intangible Property (as hereinafter defined) as hereinafter provided; and

WHEREAS, Assignee desires to acquire the Intangible Property and assume the duties and obligations first arising on or after, the date hereof, of Assignor with respect to the Intangible Property.

NOW, THEREFORE, in accordance with the Agreement and in consideration of the sum of Ten Dollars (\$10.00), the sufficiency and receipt of which are hereby acknowledged, the parties do hereby covenant and agree as follows and take the following actions:

1. Assignor does hereby assign, transfer, set over and deliver unto Assignee all of the Assignor's and Property Owner's right, title and interest in and to the following property to the extent the same is transferable by Assignor (collectively, "**Intangible Property**"):

(a) any and all leases, tenancies, licenses and other rights of occupancy or use of or for any portion of the Real Property or the Personal Property (including all amendments, renewals and extensions thereof), in effect as of the date of this Assignment and Assumption Agreement and more particularly described on **Exhibit A** attached hereto, and incorporated by this reference (collectively, "**Leases**");

(b) any and all contracts and agreements of any kind for the management, repair or operation of the Property (other than Leases) in effect as of the date of this Assignment and Assumption Agreement and more particularly described on **Exhibit B** attached hereto, and incorporated by this reference (collectively, "**Contracts**");

(c) any and all licenses, permits, authorizations, certificates of occupancy and other approvals that are in effect as of the date of this Assignment and Assumption Agreement and necessary

for the current use and operation of the Property and more particularly described on Exhibit C attached hereto, and incorporated by this reference (collectively, "Permits"); and

(d) any and all other intangible property, including, but not limited to, warranties, telephone exchange numbers, architectural or engineering plans and specifications, and development rights that exist as of the date of this Assignment and Assumption Agreement and relate to the Real Property or the Personal Property (collectively, "General Intangibles").

Intangible Property shall not be deemed to include any rights to use the name, website or domain name under which the Property was operated, which name is not being transferred hereby. "Intangible Property" means the Leases, Contracts, Permits and General Intangibles.

2. EXCEPT AS OTHERWISE SET FORTH IN THE AGREEMENT, THE INTANGIBLE PROPERTY IS BEING ASSIGNED "AS IS", "WHERE IS", AND "WITH ALL FAULTS" AS OF THE DATE OF THIS ASSIGNMENT AND ASSUMPTION AGREEMENT, WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. EXCEPT AS OTHERWISE SET FORTH IN THE AGREEMENT, ASSIGNOR SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE INTANGIBLE PROPERTY OR ASSIGNOR'S TITLE THERETO. EXCEPT AS OTHERWISE SET FORTH IN THE AGREEMENT, ASSIGNEE IS HEREBY THUS ACQUIRING THE INTANGIBLE PROPERTY BASED SOLELY UPON ASSIGNEE'S OWN INDEPENDENT INVESTIGATIONS AND INSPECTIONS OF THAT PROPERTY AND NOT IN RELIANCE UPON ANY INFORMATION PROVIDED BY ASSIGNOR OR ASSIGNOR'S AGENTS OR CONTRACTORS.

3. Assignee hereby accepts the foregoing assignment of the Intangible Property and hereby assumes all duties and obligations of Assignor first arising on or after the date hereof with respect to the Leases, Contracts and Permits for the period on and after the date of this Assignment and Assumption Agreement.

4. This Assignment and Assumption Agreement shall be (a) binding upon, and inure to the benefit of, the parties to this Assignment and Assumption Agreement and their respective heirs, legal representatives, successors and assigns, and (b) construed in accordance with the laws of the jurisdiction in which the Real Property is located, without regard to the application of choice of law principles, except to the extent such laws are superseded by federal law.

5. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, Assignor has signed and delivered this Assignment and Assumption Agreement as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ASSIGNOR:

\_\_\_\_\_

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

Print Name: \_\_\_\_\_

Title:\_\_\_\_\_

**IN WITNESS WHEREOF**, Assignee has signed and delivered this Assignment and Assumption Agreement as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ASSIGNEE:

\_\_\_\_\_

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

Print Name:\_\_\_\_\_

Title:\_\_\_\_\_

Exhibit A to Assignment and Assumption Agreement

List of Leases

Exhibit B to Assignment and Assumption Agreement

List of Contracts

Exhibit C to Assignment and Assumption Agreement

List of Permits



## SETTLEMENT AGREEMENT

This Settlement Agreement (this "Agreement") is made and entered into as of February 28, 2008 (the "Effective Date") by and between the Community Development Commission of the City of Santa Fe Springs, a public entity ("CDC"), BreitBurn Operating L.P., a Delaware limited partnership ("BreitBurn"), McGranahan, Carlson & Company, a limited liability company ("MC&C"), MC&C Partnership Four, a California limited partnership ("MC&C IV") and SFSA Investment Company, Inc., a California "C" corporation ("SFSA"). (For purposes of this Agreement, MC&C, MC&C IV and SFSA collectively, shall be the "MC&C Parties".)

### Recitals

A. CDC owns the legal parcels described on Exhibit "A", attached hereto (the "CDC Property").

B. CDC and MC&C are parties to that certain agreement dated June 24, 1994, and subsequently amended (the "RTC Agreement"), which agreement sets forth the respective rights of CDC and MC&C regarding the proceeds of a sale of the CDC Property. CDC desires to sell the CDC Property for development by a purchaser.

C. BreitBurn owns certain rights to use the surface and subsurface of the CDC Property, which rights affect the ability to develop the CDC Property. As part of its use of the CDC Property, BreitBurn operates oil wells thereon.

D. SFSA's sole asset is that certain real property described in Exhibit "B", attached hereto (the "Tank Farm Property").

E. MC&C IV owns all of the stock of SFSA.

F. BreitBurn owns the minerals beneath the Tank Farm Property and operates a Tank Farm on the Tank Farm Property.

G. BreitBurn and SFSA are opposing parties in litigation pending in the Los Angeles County Superior Court, Case No. BC313273, which involves the respective obligations of BreitBurn and SFSA with respect to the Tank Farm Property (the "Tank Farm Litigation").

Now therefore, based on the Recitals set forth above, and in consideration of the mutual promises set forth below, the parties agree as follows:

#### 1. **Negotiation of SRA; Sale of CDC Property.**

(a) BreitBurn shall work in good faith with potential purchasers of the CDC Property identified by CDC in an attempt to reach agreement on one or more Surface Rights Agreements (each an "SRA") acceptable to both BreitBurn and such purchaser(s). The SRA(s) shall address, among other things, the issues of the design, installation and testing of replacement oil field infrastructure and the value of any wells (other than the Abandonment Wells (defined below)) which BreitBurn may agree to give up to facilitate the development of the CDC Property. The SRA(s) shall provide for the payment to BreitBurn for all lost oil and gas production during the

period of installation and testing of replacement oil field infrastructure. The SRA(s) shall also provide for the costs of the oil field work (including but not limited to the design, installation and testing of replacement oil field infrastructure, well reabandonment, well abandonment, well modification, removal of old infrastructure and environmental remediation) to be incurred by the purchaser(s) of the CDC Property and at no cost to BreitBurn. BreitBurn shall be under no obligation to agree to any particular term or provision in any such SRA(s) and agreement upon the terms of any final SRA(s) shall be at the sole discretion of BreitBurn. In connection with the foregoing, BreitBurn agrees that in order to facilitate development of the CDC Property, it will agree in the SRA(s) to give up Well Nos. 543D, 560R, 556F, 540S and 580B (the "Abandonment Wells"); provided, however, that in such case, the SRA(s) shall provide that the purchaser(s) of the CDC Property shall at its sole cost and expense, cause the Abandonment Wells to be abandoned in accordance with all applicable laws.

In the event that BreitBurn and a purchaser(s) agree upon an acceptable SRA(s) within the time frames set forth in Paragraph 2 below, BreitBurn will deliver an executed version of the SRA(s) to the Escrow Agent (defined below) with delivery conditioned upon: (i) the execution and delivery to the Escrow Agent of the SRA(s) by the purchaser(s); (ii) the execution and delivery to the Escrow Agent by SFSA of the Deed (defined below) to the Tank Farm Property; and (iii) the closing of each and every one of the transactions provided for in Paragraph 5 below. All parties shall bear their own costs of legal counsel in negotiating the SRA(s). All costs associated with the preparation of exhibits to the SRA(s), including all surveying and engineering costs, shall be paid by CDC.

(b) CDC shall work with potential purchasers (and BreitBurn) to reach agreement regarding the sale of the CDC Property. While CDC agrees to work in good faith toward such objective, CDC is not obligated to reach such agreement.

(c) All of the transactions described in Paragraphs 5 and 6 below are expressly contingent upon both: (i) agreement between BreitBurn and the potential purchaser(s) of the entire CDC Property concerning the SRA(s), and (ii) agreement between CDC and the potential purchaser(s) for the sale of the CDC Property to such purchaser(s).

## **2. Termination.**

In the event that: (a) BreitBurn and a purchaser(s) are unable or unwilling to enter into an acceptable SRA(s) on or before four (4) years from the Effective Date (the "Termination Date"); or (b) BreitBurn and the purchaser(s) execute an acceptable SRA(s) and deliver it to the Escrow Agent (defined below) in conjunction with a sale of the CDC Property and such escrow does not close, and each and every one of the transactions set forth in Paragraph 5 below is not completed by the Termination Date; this Agreement shall automatically terminate without further action by any party hereto. In the event of a termination pursuant to this Paragraph, the parties shall have no obligation, rights or duties arising under the terms of this Agreement and the parties shall be placed in the same position with respect to one another that they would have been in had this Agreement never been executed, except that any time periods affecting the prosecution or defense of the Tank Farm Litigation shall be tolled during the period from the execution of this Agreement until 30 days after this Agreement is terminated. In the event of such termination and in the event that an SRA(s) and any other agreements have been executed by BreitBurn and

delivered to the Escrow Agent, such original agreements shall be returned to BreitBurn without having been recorded and shall be deemed not to have been delivered to the purchaser(s), CDC or any other party. The deadline and Closing Date set forth in this Paragraph may be extended by a written amendment to this Agreement executed by all of the parties hereto.

**3. Escrow Agent.**

Each of the parties to this Agreement shall agree upon a mutually acceptable escrow company ("Escrow Agent") to process the transactions contemplated by this Agreement. Each of the parties shall execute commercially reasonable escrow instructions for the Escrow Agent in conjunction with the closing of the transactions provided for in this Agreement. All costs and fees payable for the services of the Escrow Agent shall be paid as follows: 33.3% by CDC; 33.3% by MC&C/SFSA; and 33.3% by BreitBurn.

**4. Simultaneous Closing.**

All of the transactions set forth or referenced in Paragraph 5 below shall take place concurrently and simultaneously or not at all at "Closing", and the date on which the Closing shall occur is referred to herein as (the "Closing Date"). The Closing date shall be the earliest practicable date following the satisfaction of all of the conditions precedent to such Closing. The transactions shall be handled by the same Escrow Agent under a single escrow account or under a series of joint escrow accounts. In the event that, for any reason, the Closing does not occur by the Termination Date, the Escrow Agent shall immediately cancel the escrow and return all documents and funds to the party from whom they were received.

**5. Closing Transactions.**

(a) **SRA(s).** The SRA(s), executed by BreitBurn and the purchaser(s) of the CDC Property shall be delivered to the Escrow Agent (to be recorded simultaneously with the recording of the deed from CDC to the purchaser(s) of the CDC Property).

(b) **CDC Property Sale.** Title to the CDC Property shall be transferred subject to the SRA(s) to the purchaser(s) thereof, MC&C shall receive from CDC its share of the proceeds of the sale of the CDC Property pursuant to the provisions of the RTC Agreement, and any and all rights the MC&C Parties (defined below) have with respect to the CDC Property shall be terminated.

(c) **Tank Farm Property.** Title to the Tank Farm Property shall be transferred by SFSA and/or any other MC&C Party or MC&C Parties holding title thereto to BreitBurn, or its designee, pursuant to a properly signed and acknowledged Deed in the form of Exhibit "C" attached hereto (such that from and after the date on which the Deed is recorded, no MC&C Party(ies) shall have any right, title or interest in, to or with respect to the Tank Farm Property). All recording fees and documentary transfer taxes associated with the transfer of the Tank Farm Property to BreitBurn shall be paid by CDC or SFSA through the Escrow Agent.

(d) **Mutual Releases by the MC&C Parties and BreitBurn.** The MC&C Parties and BreitBurn shall execute and deliver to the Escrow Agent a Mutual Release in the form of Exhibit "D" attached hereto. The effective date of the Mutual Release shall be the date of the

Closing. In the event that the Closing does not occur and that this Agreement is terminated, the Mutual Release shall be deemed null and void.

(e) **Payment to MC&C.** In addition to the sum provided for in Paragraph 5(b) above, upon Closing, the CDC shall pay to MC&C or its designee \$500,000.00 (which may come from the proceeds of the sale of the CDC Property), as consideration for the MC&C Parties' conveyance of the Tank Farm Property to BreitBurn.

6. **Tank Farm Property Landscaping.** At least 90 days prior to advertising for bids, the CDC and/or the City of Santa Fe Springs shall provide to BreitBurn plans for landscaping to be installed (and maintained at its own cost) by the CDC and/or the City of Santa Fe Springs along the side of the Tank Farm Property which fronts on Telegraph Road. Such plans shall provide for landscaping equivalent to that currently existing along the south side of Telegraph Road along the north side of the development known as the Villages at Santa Fe Springs and shall provide that the access that presently exists within the frontage of the Tank Farm on Telegraph Road shall remain in place. The CDC and/or City of Santa Fe Springs shall not advertise the project without approval of the landscaping plans by BreitBurn, but such approval shall not be unreasonably withheld. Upon awarding a contract therefore, the CDC or the City of Santa Fe Springs shall proceed with the installation of the landscaping pursuant to the approved plans. Upon written notice from the CDC and/or the City of Santa Fe Springs that they are prepared to advertise for bids to install the landscaping on the Tank Farm Property, BreitBurn shall grant the City of Santa Fe Springs a landscaping easement substantially similar to the landscaping easement in place along the south side of Telegraph Road adjacent to the development known as the Villages at Santa Fe Springs. To the extent that such landscaping and related work extends beyond City-owned rights of way and extends onto the Tank Farm Property, such work shall be done by the CDC and/or the City of Santa Fe Springs on behalf of BreitBurn and, except to the extent set forth in the landscaping easement, such work and improvements will not give any rights, including rights of possession, use or ownership, of or to all or any portion of the Tank Farm Property to the CDC, the City of Santa Fe Springs or any other governmental entity. Within 30 days of receipt of notice from the CDC and/or the City of Santa Fe Springs that a contract for the landscaping work has been awarded, BreitBurn shall deposit with the CDC and/or the City of Santa Fe Springs the amount of \$250,000.00 to cover BreitBurn's share of the cost for the landscaping work to be completed within the frontage of the Tank Farm Property. BreitBurn hereby grants to the CDC and/or the City of Santa Fe Springs a temporary construction license to carry out the landscaping work referred to in this Paragraph. The obligations of the parties under this Paragraph shall survive the Closing.

7. **Tolling Agreement re Claims in the Tank Farm Litigation.** Upon the signing of this Agreement, SFSA and BreitBurn shall execute a request for dismissal of the Tank Farm Litigation, without prejudice and with each party to bear its own fees and costs, and promptly file it with the court presiding over the Tank Farm Litigation. The MC&C Parties and BreitBurn agree that, in consideration of BreitBurn's and SFSA's dismissal of the Tank Farm Litigation without prejudice, commencing on the Effective Date and extending until 30 calendar days after the Termination Date, all statutes of limitations governing the causes of action against SFSA in the Tank Farm Litigation shall be, and hereby are, tolled during the operative period of this Agreement ("Tolling Provision"). It is the intention of the MC&C Parties and BreitBurn that until 30 days after the Termination Date, the parties' respective positions with regards to statutes

of limitations shall be as they were upon the Effective Date of this Agreement, and shall not in any way be altered or prejudiced by the passage of time during the operative period hereof. This Tolling Provision shall not be deemed to be a waiver of any claims by the MC&C Parties or BreitBurn. This Tolling Provision shall be governed by, and construed in accordance with, the laws of California, including, specifically, California Code of Civil Procedure Section 360.5. In the event that the Closing does not occur and that this Agreement is terminated, the provisions of Paragraph 7 of this Agreement shall survive such termination.

8. **Cooperation.** The parties shall cooperate regarding the actions to be taken subsequently (e.g., escrow documents) in order to effectuate the purposes of and to consummate the transactions contemplated under this Agreement.

9. **Settlement.** This Agreement is entered into as part of the settlement of the Tank Farm Litigation and is protected by California Evidence Code Section 1152.

10. **Additional Provisions With Respect to Transfer of Tank Farm Property.**

(a) It is the express intent of the parties that all of the right, title, and interest of each of the MC&C Parties and their affiliates in the Tank Farm Property be transferred to BreitBurn hereunder. Accordingly, it is agreed that the MC&C Parties shall grant, sell, assign, transfer and convey to BreitBurn, or its designee, all of their right, title and interest in and to the following:

(i) The fee simple real property, water rights, mineral fee estates, oil and gas leases, surface leases and royalties, oil, gas and other minerals, and all other interests under or in oil, gas or mineral leases, and interests in rights to explore for and produce oil, gas or other minerals in and to the Tank Farm Property;

(ii) All franchises, licenses, permits, approvals, consents, certificates and other authorizations and other rights granted by governmental authorities that relate to the Tank Farm Property;

(iii) All equipment, machinery, tanks, fixtures, flow lines, roads, pipelines, pole lines, appurtenances, materials, improvements and other real, personal and mixed property (including inventory) located on the Tank Farm Property as of the Closing Date;

(iv) All contracts, permits, road use agreements, rights-of-way, easements, licenses, servitudes, orders and decisions of regulatory authorities related to the Tank Farm Property;

(v) All originals in the possession of the MC&C Parties or their affiliates of all of the files, records, information and materials relating to the Tank Farm Property; and

(vi) All other rights and interests in, to, or under or derived from the Tank Farm Property.

(b) **Title Review.**

(i) Within 21 days from the date of the execution of this Agreement, the MC&C Parties, at their own expense, shall obtain and deliver to BreitBurn a copy of a preliminary title report for the Tank Farm Property ("PTR") issued by Chicago Title Insurance Company or First American Title Company of Los Angeles or another qualified title insurance company agreed to in writing by the MC&C Parties and BreitBurn (the "Title Company"). Within thirty (30) days after its receipt of the PTR, BreitBurn shall notify the MC&C Parties of any title defects that are disclosed by the PTR and are of concern to BreitBurn.

(ii) The MC&C Parties will also make available at their offices or such other places as agreed upon by the MC&C parties and BreitBurn, during normal business hours until the Closing Date, for BreitBurn's review and copying, all documents relating to the title of the Tank Farm Property and all title information and abstracts in their possession and control to the best of their knowledge. NO WARRANTY OF ANY KIND IS MADE BY THE MC&C PARTIES AS TO THE COMPLETENESS OR ACCURACY OF INFORMATION SO SUPPLIED, and BreitBurn agrees that any conclusions drawn there from shall be the result of its own independent review and judgment.

(iii) BreitBurn shall have until shortly before the Closing to fully investigate any and all matters relating to the title and the state of all documents evidencing the title to the Tank Farm Property. In the event that BreitBurn identifies any title defects that are of concern to BreitBurn, it shall promptly notify the MC&C Parties, and the parties will work together in good faith to resolve such issues. If the parties are unable to resolve any such title issues to BreitBurn's satisfaction, BreitBurn shall not be obligated to proceed with the acquisition of the Tank Farm Property and this Agreement shall terminate pursuant to the provisions of Paragraph 2 above.

(c) **Limited Warranty of Title.** The title to the Tank Farm Property shall be subject to all matters appearing of record or that can be ascertained by an inspection thereof and shall be conveyed to BreitBurn without any warranty of title, express or implied, except that the MC&C Parties shall warrant at Closing to BreitBurn that the Tank Farm Property is free of any prior conveyance, encumbrance or lien made or suffered by the MC&C Parties or by any person claiming by, under or through the MC&C Parties, but not otherwise. The MC&C Parties shall also represent and warrant at Closing to BreitBurn that, to their actual knowledge (i.e., to the then actual knowledge of Chris McGranahan and Steve Carlson, without inquiry or investigation), except as set forth in the PTR (and any updates thereto), the Tank Farm Property is not subject to any third-party consents to assignment or preferential rights to purchase and that there are no existing agreements, options, or commitments with, of, or to any person to acquire the Tank Farm Property. The MC&C Parties agree not to enter into any such agreements, options, or commitments or to take any action that will encumber the title to the Tank Farm Property prior to the Closing.

(d) **Title Insurance.** The cost of title insurance for the Tank Farm Property, if requested by BreitBurn, shall be borne by BreitBurn.

(e) **Records Review.** Upon 30 days written notice from BreitBurn, the MC&C parties will make available at their offices or such other places as agreed upon by the MC&C parties and BreitBurn, during normal business hours until the Closing, all of their files, records, and other written materials that relate to the Tank Farm Property. BreitBurn shall have the right to review and copy such records at its sole expense. NO WARRANTY OF ANY KIND IS MADE BY THE MC&C PARTIES AS TO THE ACCURACY OF INFORMATION SO SUPPLIED, and BreitBurn agrees that any conclusions drawn there from shall be the result of its own independent review and judgment.

(f) **Bunker Removal.** Before the Closing, the MC&C Parties shall remove the bunker historically maintained by one or more of them on the Tank Farm Property and, if necessary, shall remediate any environmental conditions (if any) caused by the existence or use of such bunker. The MC&C Parties obligations under this Paragraph 10(f) shall be deemed satisfied upon the MC&C Parties' completion of removal and closure of the above described bunker in accordance with the requirements of the City of Santa Fe Springs Fire Department.

(g) **As-Is.** Except as otherwise provided by this Paragraph 10 of this Agreement, BreitBurn shall acquire title to the Tank Farm Property in its then existing "As-Is" condition. Upon acquisition of the Tank Farm Property, BreitBurn shall assume the MC&C Parties' responsibility for the environmental condition thereof.

(h) **Property Taxes.** After the Effective Date, the MC&C Parties shall cooperate in good faith with BreitBurn in an attempt to reduce the current property tax assessment for the Tank Farm Property.

11. **Notices.** All notices and consents to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, faxed with receipt acknowledged, or delivered by a recognized overnight commercial courier to the party at the address set forth below or such other address as any party shall have designated for itself by 5 days' prior written notice to the other parties.

MC&C, MC&C IV and SFSA

McGranahan Carlson and Co.  
2271 West Malvern Avenue, #521  
Fullerton, California 92833  
Facsimile No.:

CDC

11710 E. Telegraph Road  
Santa Fe Springs, CA 90670-3679  
(562) 868-0511 - City Hall  
(562) 868-7112 - Fax Number

BREITBURN

BreitBurn Operating L.P  
515 South Flower Street  
Suite 4800  
Los Angeles, California 90071  
Attn. Land Department  
Facsimile No.: (213) 225-5916

12. **Construction of Ambiguity.** All parties to this Agreement are sophisticated parties, each having fully participated in the drafting of the Agreement. In the event of any ambiguity in any of the terms or conditions of this Agreement including any exhibits whether or not placed of record, such ambiguity shall not be construed for or against any party hereto.

13. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, superseding all prior statements, representations, discussions, agreements and understandings relating to such subject matter, except as may be expressly provided for herein. No amendment shall be binding unless in writing and signed by representatives of each party bound by such amendment. Headings used in this Agreement are only for convenience of reference and shall not be used to define the meaning of any provision. This Agreement is for the benefit of the parties only and not for the benefit of third parties.

14. **Governing Law.** THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO RULES CONCERNING CONFLICTS OF LAW.

15. **Successors and Assigns.** This Agreement and the provisions herein which shall survive Closing shall bind and inure to the benefit and burden of the heirs, successors and assigns of the parties hereto. Intending to be legally bound, the parties have executed this Agreement, below, as of the date first set forth above.

16. **Authority.** Each of the parties hereto hereby represents and warrants to the others that is has the sole and full right, authority and power to enter into and perform this Agreement, that no consent or approval is required from any other party for it to validly execute and consummate this Agreement, and that the person signing this Agreement and any other document or instrument contemplated herein on behalf of it is duly authorized to do so.

17. **Counterparts, Facsimile Signatures, Copies.** This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same agreement. Signatures may be delivered by facsimile transmission. Facsimile copies or photocopies of an executed version of this Agreement shall have the same force and effect as the original version.

Community Development Commission of the  
City of Santa Fee Springs,  
a public entity

By: Paul R. Ashworth

Print Name: Paul R. Ashworth

Title: Director of Planning & Development



BreitBurn Operating L.P.,  
a Delaware limited partnership

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

Print Name: Gregory C. Brown

Title: Executive Vice President and General Counsel

McGranahan, Carlson & Company, LLC,  
a California limited liability company

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

MC&C Partnership IV,  
a California limited partnership

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

SFSA Investment Company, Inc.,  
a California corporation

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_


BreitBurn Operating L.P.,  
a Delaware limited partnership

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

McGranahan, Carlson & Company, LLC,  
a California limited liability company

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

Print Name: CHRISTOPHER W. MCGRANAHAN

Title: MEMBER

MC&C Partnership IV,  
a California limited partnership

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

Print Name: CHRISTOPHER W. MCGRANAHAN

Title: PARTNER

SFSA Investment Company, Inc.,  
a California corporation

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

Print Name: STEPHEN M. CARLSON

Title: PRESIDENT

**EXHIBIT "A"**  
**LEGAL DESCRIPTION OF THE**  
**CDC PROPERTY**

**Parcel 1:**

Lots 1, 2, 3, 4, 5, 6, 29 and 30 in Block 46 of Santa Fe Springs, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 26, Pages 37 to 40, inclusive, of Miscellaneous Records, in the Office of the County Recorder of said County, together with that portion of the East Half of vacated alley adjoining said Lots 1, 2, 3, 4, 5 and 6 on the West and that portion of the West Half of the vacated alley adjoining said Lots 29 and 30 on the East, together with that portion of the South Half of first street adjoining said Lots 1 and 30 on the North.

EXCEPT from said Lots 1, 5 and 6, all oil, gas, mineral and other hydrocarbon substances in, on and under said land as set out in that certain Grant Deed, recorded March 4, 1980 as Instrument No. 80-216991 of Los Angeles County.

ALSO EXCEPT from said Lot 29, all crude oil, petroleum, gas, brea, asphaltum and all kindred substances and other minerals under and in said land, lying below a depth of 500 feet from the surface thereof, in favor of Leon Beaumon, by Deed recorded February 9, 1981 as Instrument No. 81-144399.

ALSO EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

**Parcel 2:**

Lots 18, 19, 20, 21, 22, 23, 24 and 25 of Tract No. 17977, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 549, Pages 21, 22 and 23 of Maps, in the Office of the County Recorder of said County, together with the North Half of the first street, adjoining said Lots 22, 24 and 25 on the South; together with the South Half of first street, adjoining said Lot 20 on the North; together with the 20.00 foot alley, adjoining said Lot 22 on the East; together with the 20.00 foot alley,

adjoining said Lot 25 on the West; together with the 20.00 foot alley, adjoining said Lot 23 on the South; together with the 20.00 foot alley, adjoining said Lot 19 on the North; together with the East Half of the 20.00 foot alley, adjoining said Lots 19 and 20 on the West; together with the West Half of the 20.00 foot alley, adjoining said Lot 21 on the East; together with the West Half of the 20.00 foot alley, adjoining said Lots 19 and 20 on the East and the East Half of a 20.00 foot alley, adjoining said Lot 18 on the West.

ALSO EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

Parcel 3:

Lots 7, 8, 9, 10 and 11 of Tract No. 5326, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 58, Pages 56 and 57 of Maps, in the Office of the County Recorder of said County.

EXCEPT from said Lots 9 and 11, all oil, gas, mineral and other hydrocarbon substances in, on and under said land, as set out in that certain Grant Deed, recorded March 4, 1980 as Instrument No. 80-216991.

ALSO EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

Parcel 4:

That portion of Romandel Avenue, 60 feet wide, in the City of Santa Fe Springs, County of Los Angeles, State of California, as shown on Map of Tract No. 17977, as per Map recorded in Book 549, Pages 21 to 23 inclusive of Maps, in the Office of the County Recorder of said County, lying between the Southerly boundary line of the line of the land described as Parcel XIII in Exhibit "A" of that certain Resolution No. 4243, recorded July 18, 1979 as Instrument No. 79-788602 of said County, and then Westerly prolongation of a line parallel with and distant Northerly 30 feet, measured at right angles from the Northerly line of Lot 22 of said Tract No. 17977.

EXCEPT from a portion of said land, all crude oil, petroleum, gas, brea, asphaltum and all kindred substances and other minerals under and in said land, lying below a depth of 500 feet from the surface thereof, in favor of Leon Beaumon, by Deed recorded March 17, 1980 as Instrument No. 80-265102.

ALSO EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

Parcel 5:

Lot 1 of Tract No. 17977, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 549, Pages 21, 22 and 23 of Maps, in the Office of the County Recorder of said County, together with that portion of Murray Avenue, vacated as Parcel XII in Exhibit "A" of that certain Resolution No. 4243, recorded July 18, 1979 as Instrument No. 79-788602, Official Records of said County, lying Northerly of the center line and its Easterly prolongation of Park Avenue, 60.00 feet wide, as shown on the Map of said Tract No. 17977, except that portion of Murray Avenue being described as follows:

Beginning at said Northeast corner of Lot 1; thence South 0 degrees 20 minutes 15 seconds East 55.21 feet along said Easterly lot line; thence South 88 degrees 31 minutes 55 seconds East 60.03 feet to the Easterly line of Murray Avenue; thence North 0 degrees 20 minutes 15 seconds West 57.00 feet to the Easterly prolongation of the Northerly line of said Lot 1, said line also being the Southerly line of Telegraph Road (80.00 feet wide),

as shown on said Tract No. 17977; thence South 89 degrees 45 minutes 35 seconds West 60.00 feet along said Easterly prolongation to the point of beginning.

ALSO EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

Parcel 6:

Lots 8, 9, 10 and 11 in Block 52 of the Townsite of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 26, Page 37 of Miscellaneous Records of said County.

EXCEPT all rights to oil, gas and hydrocarbon substances and minerals of every kind and character lying more than five hundred (500) feet below the surface, together with the right to drill into, through and to use the property for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances, minerals or other extractable substances ("oil and gas production activities") from the property in accordance with existing oil and gas production activities agreements.

Parcel 7:

Lot 1 to 26, inclusive, in Block 53 of Townsite of Santa Fe Springs, in the City of Santa Fe Springs, County of Los Angeles, State of California, as per Map recorded in Book 26, Page 37, et seq., Miscellaneous Records of said County.

EXCEPT all interests in all oil, gas, minerals and other hydrocarbon substances in, under and which may be produced from said land, without, however, the right to enter on the surface thereof or within five hundred (500) feet beneath the surface thereof.

**EXHIBIT "B"**  
**LEGAL DESCRIPTION OF THE**  
**TANK FARM PROPERTY**

Parcels A, B, C and D, in the City of Santa Fe Springs, County of Los Angeles, State of California, as shown on Parcel Map No. 20215, filed in Book 225, Pages 57 to 59, inclusive, of Parcel Maps, in the Office of the County Recorder of said County.

EXCEPTING AND RESERVING unto Santa Fe Energy Company, its successors or assigns, all minerals whatsoever, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including, but not limited to, helium and carbon dioxide, within or underlying the heretofore described real property, at a depth of more than 500 feet below the surface, together with the right of prospecting, drilling, redrilling, mining, producing and/or removing the same therefrom and thereunder; provided that except as set forth in that certain Mineral Reservation Agreement dated December 27, 1989, and recorded December 28, 1989 as Instrument No. 89-2087140, Official Records, in the Los Angeles County Recorder's Office, Santa Fe Energy Company, its successors or assigns, shall have no right of surface entry nor right to disturb the surface of said real property nor other right to enter at any point on said real property within 500 feet below the surface thereof for any purpose, whether to explore, to extract and/or remove said oil, gas and/or hydrocarbon or mineral substances or otherwise.

**EXHIBIT "C"**

**DEED FOR TANK FARM PROPERTY**

**STATEMENT OF DOCUMENT TRANSFER TAX DUE**



Recording requested by and  
When recorded mail to:

**BreitBurn Operating L.P.**  
**515 South Flower Street**  
**Suite 4800**  
**Los Angeles, California 90071**

**Attn: Land Department**

Please send tax statements  
and related materials to:

**The Same**

---

*Space above for Recorder's use only, please.  
Special Indexing Request: Recorder,  
Please separately each of several "Grantors"*

## **GRANT DEED**

Affects Assessor's Parcel(s) No.: [See Exhibit "A"]
---

This conveyance is made and entered into by and between **SFSA INVESTMENT COMPANY**, a California "C" corporation [, **McGRANAHAN, CARLSON & COMPANY**, a [California] limited liability company, and **MC&C PARTNERSHIP FOUR**, a California limited partnership (hereinafter "**Grantor[s]**"), on one hand, and **BREITBURN OPERATING L.P.**, a Delaware limited partnership (hereinafter "**Grantee**"), on the other, effective as of December \_\_ 2007 (the "**Effective Date**").

FOR AND IN CONSIDERATION of the payment of Ten Dollars (\$10.00), and other consideration, the receipt and sufficiency of which are hereby mutually acknowledged, Grantor[s] hereby grant[s], convey[s], transfer[s], assign[s], bargain[s], sell[s] and deliver[s] to Grantee, its successors and assigns that certain real property in the incorporated area of the City of Santa Fe Springs, County of Los Angeles, State of California, more fully described in the attached Exhibit "A" (the "**Property**"), and all incidents and appurtenances thereto, including, but not limited to, all the following ((i) through (vi), inclusive):

- (i) The fee simple interest, water rights, mineral fee interest in oil, gas and other hydrocarbon or other mineral substances, oil, gas and mineral lease interests (i.e., lessor, lessee or other right, title or interest under any oil, gas and mineral lease), royalties, rentals or other revenue rights thereunder, and any and all other interests under or in oil, gas or mineral leases, and all interests in rights to explore for and produce oil, gas or other minerals, or to use and improve the surface and subsurface of the Property in connection with the exercise of such rights, as well as any and all right, title and interest in and to non-mineral leases (commercial, residential, etc.), affecting all or any part of the Property;
- (ii) All franchises, licenses, permits, approvals, consents, certificates and other authorizations and other rights granted by governmental authorities that relate to the Property;

- (iii) All equipment, machinery, tanks, fixtures, flow lines, roads, pipelines, pole lines, appurtenances, materials, improvements and other real, personal and mixed property (including inventory) located on the Property as of the delivery and acceptance of this conveyance;
- (iv) All contracts, permits, road use agreements, rights-of-way, easements, licenses, servitudes, orders and decisions of regulatory authorities pertaining to the Property;
- (v) All originals in the possession of the Grantor[s] or [its/their] affiliates of all of the files, records, information and materials relating to the Property; and
- (vi) All other right, title and interest in, to or under, or derived from, the Property.

Grantor[s] [and each of them, for itself alone] warrants to Grantee Grantor[s'] right, title and interest in and to the Property hereby conveyed to Grantee is free from any prior conveyance, lien or encumbrance made or suffered by [such] Grantor or by any person claiming by, through or under [such] Grantor, **except only** matters appearing of record or that can be ascertained by an inspection of the Property. Provided, however, that Grantor[s] [and each of them, for itself alone] also represent and warrant to Grantee that, such Grantor has no actual knowledge of the existence of any required third-party consent to assignment, or preferential rights to purchase, all or any part of the right, title and interest of Grantors, or any of them, in and to the Property, and that there are no existing agreements, options, or commitments with, of, or to any person to acquire the Property from Grantors or any of them. This conveyance is otherwise made without warranty or representation concerning title or any other subject, express or implied, and Grantee otherwise accepts the Property on an "As-Is" basis, and assumes all of the Grantor[s'] responsibility for its environmental condition.

This conveyance is made and delivered pursuant to that certain Settlement Agreement, dated as of the Effective Date, among the parties hereto [and others] (the "**Agreement**"), all of the terms and provisions of which are incorporated fully herein, and reference is made to a fully executed copy of that Agreement in the hands of each of the Parties for further particulars. As between the parties to this conveyance, the terms and provisions of the Agreement survive the delivery and acceptance of this conveyance. However, the Agreement does not create or provide for any rights or obligations that may be enforced by or against any third party including any successor or assign of any of the parties hereto which is not also a party to the Agreement.

IN WITNESS OF WHICH, the Parties have caused this instrument to be executed and delivered on the date set forth in the respective acknowledgment form concerning execution of this conveyance on their behalf, but as of the Effective Date.

**GRANTOR[s]:**

SFSA INVESTMENT COMPANY, a  
California "C" corporation

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

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

**GRANTEE:**

BREITBURN OPERATING L.P., a  
Delaware limited partnership

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

Its: \_\_\_\_\_

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

Its: \_\_\_\_\_

Exhibit "A" to Grant Deed  
[Property Description]

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California ]  
County of \_\_\_\_\_ ] ss.

On \_\_\_\_\_ before me, \_\_\_\_\_,  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared \_\_\_\_\_  
Name(s) of Signor(s)

- ☐ personally known to me  
☐ 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, as \_\_\_\_\_ of \_\_\_\_\_ executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document*

*Description of Attached Document*

Title or Type of Document: Grant Deed

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signor**

Signer's Name: \_\_\_\_\_

- ☐ Individual  
☐ Corporate Officer – Title(s): \_\_\_\_\_  
☐ Partner – ☐ Limited ☐ General  
☐ Attorney-in-Fact  
☐ Trustee  
☐ Guardian or Conservator  
☐ Other: \_\_\_\_\_

Signor is Representing: \_\_\_\_\_

RIGHT THUMBPRINT  
OF SIGNOR

Top of thumb here

State of California ]  
County of \_\_\_\_\_ ] ss.

☐ personally known to me

☐ proved to me on the basis of satisfactory evidence

WITNESS my hand and official seal.

## OPTIONAL

*Description of Attached Document*

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- RIGHT THUMBPRINT  
OF SIGNOR
- Top of thumb here

Signor is Representing: \_\_\_\_\_

STATEMENT OF DOCUMENTARY TRANSFER TAX DUE  
AND REQUEST THAT DOCUMENTARY TRANSFER TAX  
DECLARATION NOT BE MADE A PART OF THE  
PERMANENT RECORD IN THE OFFICE OF THE COUNTY  
RECORDER  
[Rev & Tax Code § 11932]

RECORDED DATE:

INSTRUMENT. NO.

TO: COUNTY RECORDER, LOS ANGELES COUNTY, CALIFORNIA

A REQUEST IS HEREBY MADE IN ACCORDANCE WITH THE PROVISIONS OF SECTION 11932 OF THE CALIFORNIA REVENUE AND TAXATION CODE THAT THE AMOUNT OF DOCUMENTARY TRANSFER TAX DUE IN CONNECTION WITH THE RECORDATION OF THE DOCUMENT DESCRIBED HEREIN NOT BE SHOWN ON THE PERMANENT RECORD OF THE DOCUMENT IN QUESTION.

The Document in question is a Grant Deed from SFSA Investment Company, Inc., [et al.,] to BreitBurn Operating L.P., which affects Assessor's Parcel(s) Number:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE PROPERTY DESCRIBED WITHIN THIS DOCUMENT IS LOCATED WITHIN THE INCORPORATED AREA OF THE CITY OF SANTA FE SPRINGS, LOS ANGELES COUNTY, CALIFORNIA. DOCUMENTARY TRANSFER TAX DUE IN CONNECTION WITH THE RECORDATION OF THIS DOCUMENT IS \$\_\_\_\_\_, BASED UPON THE FULL VALUE OF THE PROPERTY INTEREST CONVEYED (i.e., @ \$0.55/\$500).

\_\_\_\_\_  
[signature]

\_\_\_\_\_  
[printed name]

BreitBurn Operating L.P.

\_\_\_\_\_  
[representing]

## EXHIBIT "D"

### MUTUAL RELEASE

This Mutual Release is made and entered into by and between BreitBurn Operating L.P., a Delaware limited partnership ("BreitBurn"), McGranahan, Carlson & Company, a limited liability company ("MC&C"), MC&C Partnership Four, a California limited partnership ("MC&C IV") and SFSA Investment Company, Inc., a California "C" corporation ("SFSA"). MC&C, MC&C IV and SFSA shall collectively be known as the "MC&C Parties".

The MC&C Parties and BreitBurn, for themselves and for their parents, subsidiaries, predecessors, successors, affiliates, general partners, limited partners, heirs, devisees, assigns, agents, and principals, do hereby fully release and forever discharge each other, as well as each others' parents, subsidiaries, predecessors, successors, affiliates, general partners, limited partners, heirs, devisees, attorneys, assigns, insurers, partners, directors, officers, employers, employees, principals, and agents, of and/or from any and all rights and duties, including all claims, demands, damages, debts, liabilities, accounts, accountings, reckonings, obligations, guarantees, costs, expenses, liens, actions, suits, proceedings, controversies, contracts and causes of action of every kind and nature whatsoever relating to the CDC Property, the Tank Farm Property or any other property located in the City of Santa Fe Springs in which the MC&C Parties and/or their affiliates and BreitBurn and /or its affiliates have any interest, at any time whatsoever up to and including the Closing Date, whether now known or unknown, suspected or unsuspected, which the MC&C Parties and BreitBurn and their parents, subsidiaries, predecessors, successors, affiliates, general partners, limited partners, heirs, devisees, assigns, agents, and principals may now have, own or hold, or which at any time heretofore may have ever had, owned or held, or could, shall or may hereafter have, own or hold through the Closing Date, except that such release shall not apply to any claims arising from claims made by or injuries allegedly suffered by third-parties relating to the property mentioned in this Paragraph that are first asserted after the Closing Date ("Excluded Claims"). The MC&C Parties and BreitBurn each represent and warrant that they have no actual present knowledge of any pending or threatened Excluded Claims.

Except with respect to the Excluded Claims, neither the MC&C Parties or BreitBurn or their parents, subsidiaries, predecessors, successors, affiliates, general partners, limited partners, heirs, devisees, assigns, agents, and principals, shall have any claims of any kind or nature against each other, or each other party's parents, subsidiaries, predecessors, successors, affiliates, general partners, limited partners, heirs, devisees, attorneys, assigns, insurers, partners, directors, officers, employers, employees, principals, and agents, directly or indirectly, with respect to any such matter, cause, fact, thing, act or omission existing, done, or omitted to be done relative to the CDC Property, the Tank Farm Property and any matters relating to any property located in the City of Santa Fe Springs in which the MC&C Parties and/or their affiliates and BreitBurn and /or its affiliates have any interest, at any time whatsoever up to and including the Closing Date.

The MC&C Parties and BreitBurn understand, warrant and represent that this release shall be effective as a full and final accord and satisfaction, and settlement of and a bar to each and every claim for relief and cause of action that they now have, own, hold, or possess in connection with the CDC Property, the Tank Farm Property and any matters relating to any other property located in the City of Santa Fe Springs in which the MC&C Parties and/or their affiliates and BreitBurn and/or its affiliates have any interest. In connection with such waiver, the MC&C Parties and BreitBurn understand, warrant and represent that they are aware that they or their attorneys may hereafter discover facts different from or in addition to the facts, which they now know or believe to be true and further, that they are familiar with California Civil Code section 1542, which provides as follows:

**"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."**

The MC&C Parties and BreitBurn hereby expressly waive and relinquish any and all rights, remedies, and/or benefits they may now have, own, hold, or possesses under California Civil Code section 1542.

**THE PARTIES WARRANT AND REPRESENT THAT THEY HAVE CAREFULLY READ THIS MUTUAL RELEASE, AND THAT THEIR ATTORNEYS HAVE FULLY EXPLAINED ITS CONTENTS TO THEM. THE PARTIES WARRANT AND REPRESENT THAT THEY FULLY UNDERSTAND THE FINAL AND BINDING EFFECT OF THIS MUTUAL RELEASE. THE ONLY PROMISES OR REPRESENTATIONS MADE TO THE PARTIES ABOUT THIS MUTUAL RELEASE ARE CONTAINED HEREIN. THE PARTIES HEREBY ACKNOWLEDGE THAT THEY EXECUTE THIS MUTUAL RELEASE VOLUNTARILY AND FREELY, WITH THE INTENTION TO BE FULLY BOUND THEREBY, WITHOUT PRESSURE OR UNDUE INFLUENCE FROM PARTY OR ATTORNEY.**

**APPROVED AND AGREED:**

BreitBurn Operating L.P.,  
a Delaware limited partnership

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

McGranahan, Carlson & Company, LLC,  
a California limited liability company

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

MC&C Partnership IV,  
a California limited partnership

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_

SFSA Investment Company, Inc.,  
a California corporation

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_





# *City of Santa Fe Springs*

City Council Meeting

March 8, 2018

## **APPROVAL OF MINUTES**

Minutes of the February 8, 2018 Regular City Council Meeting

### **RECOMMENDATION**

Staff recommends that the City Council:


- Approve the minutes as submitted.

### **BACKGROUND**

Staff has prepared minutes for the following meeting:

- February 8, 2018

Staff hereby submits the minutes for Council's approval.

  
Raymond R. Cruz  
City Manager

Attachment:

Minutes for February 8, 2018



APPROVED:

## MINUTES OF THE MEETINGS OF THE HOUSING SUCCESSOR, SUCCESSOR AGENCY AND CITY COUNCIL

February 08, 2018

1. **CALL TO ORDER**

Mayor Sarno called the meeting to order at 6:03 p.m.

2. **ROLL CALL**

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

**Members absent:** None

### CITY COUNCIL

3. **CONSENT AGENDA**

a. Minutes of the January 11, 2018 City Council Meeting

**Recommendation:** That the City Council:

- Approve the minutes as submitted.

It was moved by Mayor Pro Tem Trujillo, seconded by Council Member Rounds, to approve Item No. 3A, by the following vote:

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

**Nays:** None

**Absent:** None

**OLD BUSINESS**

4. Amendment to Professional Services Agreement with MuniEnvironmental

**Recommendation:** That the City Council:

- Approve the Amendment for the Waste and Recycling Program Management Services Agreement with MuniEnvironmental Professional Consultants.

It was moved by Council Member Moore, seconded by Council Member Rounds, to approve the Amendment for the Waste and Recycling Program Management Services Agreement with MuniEnvironmental Professional Consultants, by the following vote:

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

**Nays:** None

**Absent:** None

**PUBLIC HEARING**

5. Resolution No. 9567 – Approving the issuance of revenue bonds by the California Statewide Communities Development Authority (CSCDA) for the benefit of Pioneer Gardens Venture LP (Borrower), or a partnership created by MRK Partners (Developer) for the acquisition, rehabilitation, improvement and equipping of a 141-unit multifamily rental housing project located at 11011 Cultura Street, Santa Fe Springs, generally known as Pioneer Gardens and located in the R-3-PD, Multiple-Family Residential-Planned Development Overlay, Zone.

**Recommendation:** That the City Council:

- Open the Public Hearing and receive any comments from the public regarding the issuance of revenue bonds by the CSCDA for the benefit of Pioneer Gardens Venture LP (Borrower), or a partnership created by MRK Partners (Developer) for the acquisition, rehabilitation, improvement and equipping of a 141-unit multifamily rental housing project located at 11011 Cultura Street, Santa Fe Springs, generally known as Pioneer Gardens; and
- Conduct the Public Hearing under the requirements of the Tax and Equity Fiscal Responsibility Act (TEFRA) and the Internal Revenue Code of 1986, as amended (the Code); and
- Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required for the project; and
- Adopt Resolution No. 9567, approving the issuance of the Bonds by the CSCDA for the benefit of Pioneer Gardens Venture LP (Borrower), or a partnership created by MRK Partners (Developer) for the acquisition, rehabilitation, improvement and equipping of a 141-unit multifamily rental housing project located at 11011 Cultura Street, Santa Fe Springs, generally known as Pioneer Gardens, such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code and the California Government Code Section 6500

Mayor Sarno opened the public hearing at 6:04 p.m.

There were no speakers present to speak on Item No. 5.

Mayor Sarno closed the public hearing at 6:05 p.m.

It was moved by Council Member Rounds, seconded by Council Member Zamora, to adopt Resolution No. 9567 approving the issuance of the Bonds by the CSCDA for the benefit of Pioneer Gardens Venture LP (Borrower), or a partnership created by MRK Partners (Developer) for the acquisition, rehabilitation, improvement and equipping of a 141-unit multifamily rental housing project located at 11011 Cultura Street, Santa Fe Springs, generally known as Pioneer Gardens, such adoption is solely for the purposes of satisfying the requirements of TEFRA, the Code and the California Government Code Section 6500, by the following vote:

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

**Nayes:** None  
**Absent:** None

**NEW BUSINESS**

**6. Resolution No. 9570 Weed Abatement**

**Recommendation:** That the City Council:

- Adopt a Resolution declaring weeds a public nuisance, declaring its intention to remove them, and setting Thursday, February 22, 2018 as the date for the Public Hearing.

It was moved by Mayor Pro Tem Trujillo, seconded by Council Member Zamora, to adopt a Resolution declaring weeds a public nuisance, declaring its intention to remove them, and setting Thursday, February 22, 2018 as the date for the Public Hearing, by the following vote:

**Ayes:** Moore, Trujillo, Zamora, Sarno, Rounds  
**Nayes:** None  
**Absent:** None

**7. Creation of Hotel Development Fund**

**Recommendation:** That the City Council:

- Approve a transfer \$50,000 from the General Plan update account to create a fund to underwrite specific expenses related to the development of the hotel in Heritage Corporate Center.

It was moved by Council Member Moore, seconded by Mayor Pro Tem Trujillo, to approve a transfer \$50,000 from the General Plan update account to create a fund to underwrite specific expenses related to the development of the hotel in Heritage Corporate Center, by the following vote:

**Ayes:** Moore, Trujillo, Zamora, Sarno, Rounds  
**Nayes:** None  
**Absent:** None

**8. Signature Authorization Amendment for Contracts with State Department of Education (SDE) for Fiscal Year 2017-2018**

**Recommendation:** That the City Council:

- Approves Resolution No. 9569 authorizing the Mayor as signatory authority for Contract CSPP-7168 with the State Department of Education for Fiscal Year 2017/2018 for the purpose of providing child care and development services for preschool age children.

It was moved by Council Member Moore, seconded by Council Member Zamora, to approve Resolution No. 9569 authorizing the Mayor as signatory authority for Contract CSPP-7168 with the State Department of Education for Fiscal Year 2017-2018 for the purpose of providing child care and development services for preschool age children, by the following vote:

**Ayes:** Moore, Trujillo, Zamora, Sarno, Rounds  
**Nayes:** None  
**Absent:** None

**9. South Residential Street Improvement – 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 Mayor Pro Tem Trujillo, seconded by Council Member Zamora, to approve the Plans and Specifications, and authorize the City Engineer to advertise for construction bids, by the following vote:

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

**Nayes:** None

**Absent:** None

**10. Right-of-Way Acquisition Services – Authorization to Advertise**

**Recommendation:** That the City Council:

- Authorize the Director of Public Works to Advertise a Request for Proposals (RFP) to Provide Right-of-Way Acquisition Services in connection with the Alondra Boulevard and Valley View Avenue Intersection Improvements Project, and the Rosecrans Avenue and Valley View Avenue Intersection Improvements Project.

It was moved by Council Member Rounds, seconded by Council Member Moore, to authorize the Director of Public Works to Advertise a Request for Proposals (RFP) to Provide Right-of-Way Acquisition Services in connection with the Alondra Boulevard and Valley View Avenue Intersection Improvements Project, and the Rosecrans Avenue and Valley View Avenue Intersection Improvements Project, by the following vote:

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

**Nayes:** None

**Absent:** None

**11. Acceptance of State Homeland Security Grant Program (SHSGP) Funds for the Purchase of Sixteen (16) “Level-A” Hazmat Suits for the Department of Fire-Rescue**

**Recommendation:** That the City Council:

- Accept the State Homeland Security Grant Program (SHSGP) funds in the amount of \$34,941.45 and authorize the purchase of sixteen (16) “Level-A” Hazmat Suits from LN Curtis.

It was moved by Mayor Pro Tem Trujillo, seconded by Council Member Moore, to accept the State Homeland Security Grant Program (SHSGP) funds in the amount of \$34,941.45 and authorize the purchase of sixteen (16) “Level-A” Hazmat Suits from LN Curtis, by the following vote:

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

**Nayes:** None

**Absent:** None

**12. Approval of the Following Classification: Human Resources Technician**

**Recommendation:** That the City Council:

- Adopt a new classification: Human Resources Technician
- Adopt a revised Citywide Salary Schedule inclusive of the personnel action.

Mayor Sarno announced that this item would be continued to a future meeting.

**CLOSED SESSION**

**13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Pursuant to subdivision (d)(4) of California Government Code Section 54956.9 for two (2) potential cases.

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***Mayor Sarno recessed the meetings at 6:08 p.m.***

***Mayor Sarno convened the meeting at 7:02 p.m.***

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Report from City Attorney Yolanda Summerhill on Closed Session: Convened at closed session, nothing to report.

**14. INVOCATION**

Invocation was led by Council Member Moore.

**15. PLEDGE OF ALLEGIANCE**

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

**16. INTRODUCTIONS**

- Chamber of Commerce Representatives: Debbie Baker of Simpson Advertising.

**17. ANNOUNCEMENTS**

The Youth Leadership Committee Members made the following announcements:

- Love Birds Valentines Dance, February 9, 2018
- Anti-Valentine's Day Crafts, February 13, 2018
- President's Day Penny Carnival, February 19, 2018
- Income Tax Preparation Assistance available at the Gus Velasco Neighborhood Center via appointment for those who qualify.

**18. CITY MANAGER'S AND EXECUTIVE TEAM REPORTS**

- Travis Hickey, Director of Finance spoke about the end-user training for the upcoming financing system.
- Maricela Balderas, Director of Community Services spoke about receiving a

donation for a basketball arcade at Town Center from the 49ers Youth Football Team.

- Noe Negrete, Director of Public Works spoke about the I-605 Corridor Improvement Project meetings held in Norwalk.
- Wayne Morrel, Director of Planning, spoke in regards to attending RECON in Los Angeles to represent the city.
- Dino Torres, Director of Police Services, spoke about a community gathering occurring to remember fallen Whittier Police Officers on Tuesday, February 20, 2018 at the Whittier Police Department Memorial. He also commented on crime being down 11 percent.

**19. PRESENTATIONS**

- a. Youth Leadership Committee Report on Retreat to Green Valley, California held January 12 – 14, 2018 and Recognition of Retreat Sponsor Serv-Wel Disposal
- b. Proclamation - Earned Income Tax Credit and Volunteer Tax Assistance (VITA) Program
- c. Presentation to the Santa Fe Springs 49ers Junior Clinic Red Football Team for Winning the Division, League, and Superbowl Championships
- d. Presentation of Badge and Firefighter Protective Gear to Firefighters Brent Eastman and Casey Jones
- e. Presentation to Ruth Slusher upon her Retirement

**APPOINTMENTS TO BOARDS, COMMITTEES, COMMISSIONS**

**20. Committee Appointments**

Mayor Pro Tem Trujillo appointed Beverly Radoumis to the Sister City Committee.

**21. ORAL COMMUNICATIONS**

There were no public speakers.

**22. COUNCIL COMMENTS**

- Council Member Moore requested a report of accidents on Telegraph Road between Albutis Street and Jersey Avenue occurring during the last five years.
- Council Member Zamora thanked Don Powell and the rest of the department heads for doing a great job.
- Council Member Rounds spoke about an item needing to be added to the November election ballot.

**ADJOURNMENT**

- 23.** Mayor Rounds adjourned the meeting at 8:07 p.m. to Thursday, February 22, 2018 in memory of Hector Loya.

**Minutes of the February 08, 2018 Housing Successor, Successor Agency and City Council Meetings**

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\_\_\_\_\_  
Jay Sarno  
Mayor

**ATTEST:**

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

\_\_\_\_\_  
Date





# *City of Santa Fe Springs*

City Council Meeting

March 8, 2018

## **CONSENT AGENDA**

### Claim Against the City

#### RECOMMENDATION

That the City Council deny the claim filed by Jennifer Lilley.

## **BACKGROUND**

Jennifer Lilley filed a claim against the City. The City's Claims Administrator has reviewed the claim and recommends that it be denied.

## **DISCUSSION**

The City of Santa Fe Springs contracted with the Lilley Planning Group ("LPG") for planning services. The principal owner, Jennifer Lilley, sold the business and the City continued to contract with LPG until the planning services agreement expired in June 2017. LPG and Jennifer Lilley had a dispute regarding monies owed to Jennifer Lilly and, as a result, Jennifer Lilley has made this claim to the City for the final amounts owed on the City's agreement with LPG.

The City Attorney's Office is in the process of depositing the remaining balance on the planning services agreement with the court handling LPG and Jennifer Lilley's legal dispute so that the court can pay the remaining balance to the prevailing party.

As you are aware, since all claims should be considered potential lawsuits, it is requested that all Councilmembers refrain from making public comments as to not prejudice any claim. Specific questions should be referred to the City Attorney.

## **FISCAL IMPACT**

None.

  
Raymond R. Cruz  
City Manager

### Attachments:

None



## **NEW BUSINESS**

Request for Out-of-State Travel for the Director of Planning, Senior Planner and Associate Planner, to attend the 2018 International Council of Shopping Center (ICSC) –RECon in Las Vegas, and for the Director of Planning to attend the 2018 American Planning Association (APA) Annual Conference in New Orleans.

**RECOMMENDATIONS:** That the City Council take the following actions:

- Approve out-of-state travel for the Director of Planning, Senior Planner and Associate Planner to attend the 2018 International Council of Shopping Center (ICSC) –RECon in Las Vegas held May 20, 2018 through May 23, 2018; and
- Approve out-of-state travel for the Director of Planning to attend the 2018 American Planning Association (APA) Annual Conference in New Orleans, held April 21, 2018 through April 24, 2018.

## **BACKGROUND/ICSC RECon 2018**

Founded in 1957, ICSC is the premier global trade association of the shopping center industry. Its more than 70,000 members in over 100 countries include shopping center owners, developers, managers, marketing specialists, investors, retailers and brokers, as well as academics and public officials. As the global industry trade association, ICSC links with more than 25 national and regional shopping center councils throughout the world.

ICSC's RECon 2018 is the world's largest retail real estate exhibition and conference for the shopping center industry, and provides networking, deal making and educational opportunities for retail real estate professionals from around the world. Over 37,000 attendees and 1,200 exhibitors are expected at ICSC's RECon 2018, at the Las Vegas Convention Center.

RECon 2018 is an opportunity for cities, municipalities, government and non-profit organizations to attract real estate development to their respective communities. As in prior years, Staff will work the owners, management companies and brokers for the various commercial shopping centers within the City to create cut sheets for the leasable units/buildings within each of the centers. The cut sheets will also contain any former redevelopment agency properties that are for sale.

Unlike prior years, the City will have its own 10' x 10' space within the P3 Pavilion. The P3 Pavilion is an area in the convention center designated for cities and municipalities. The City space is between the cities of Bellflower and City of Norco. Having a space will provide an area to sit and meet with prospective retailers and to continue the City's effort to network and to bring certain businesses to the City. It is also an opportunity to highlight the amenities of the City and the various development opportunities.

Report Submitted By: Wayne. Morrell, Director  
Department of Planning.

Date of Report: March 2, 2018

**ITEM NO. 7**

Moreover, it offers the prospect of matching the right developer(s) with specific developable properties.

Attending RECon has resulted in some successes for the City. A previous RECon resulted in Jersey Mike's Subs moving to the former florist and long-standing vacant building within the Promenade Shopping center. Eventually, that location became one of their highest performing store. As a result, they have since opened another location at a former Starbuck's within the Gateway Plaza shopping center. Another success was with Sonics. A Disposition and Development Agreement (DDA) between the Successor Agency to the City of Santa Fe Springs Community Development Commission and Coast to Coast Commercial, LLC, the approved Sonic Drive-In franchise/development group for Los Angeles County, San Bernardino County, Riverside County and Orange County, is currently being finalized. Once finalized, it will culminate in the development of a Sonic Drive-In and another fast-casual eatery at 10712 Laurel Avenue, at the southeast corner of Laurel Avenue and Florence Avenue, south of Target.

#### **BACKGROUND/APA 2018**

The American Planning Association (APA) is holding its annual conference April 21, 2018 through April 24, 2018, in New Orleans, Louisiana. The APA is an independent, not-for-profit educational organization that was organized exclusively for charitable, educational, literary and scientific purposes, to advance the art and science of planning and the activity of planning, physically, economically, and socially, at the local, regional, state and national level.

A function of the APA is to educate policy makers and partners on planning issues and advocate policy changes to incorporate planning principals at all levels of government. Within the APA is the American Institute of Planners, the organization that is responsible for the national certification of professional planners.

The Director of Planning has been a member of APA for many years; however, it has been several years since he has attended a national conference. The conference will feature a variety of sessions and discussion forums on topics such as walkable communities, inclusiveness and social justice, ethical responsibilities, gentrification, leveraging citizen engagement for better planning, building a culture of health through leadership, simplifying and aligning dated zoning code with current planning goals and federal laws, web based plans, reinventing mixed-use districts, smart growth and sustainability, whole streets, economic development, housing, urban design, transportation/circulation, and environmental quality. This event will not only provide an opportunity to develop relationships, see what others within the planning field are doing, but also an opportunity to find new and innovative approaches to address local issues. Additionally, it is a means to keep current with industry best practices, trends and pending legislation.

**FISCAL IMPACT**

The projected costs are as follows: **ICSC –RECon 2018**

	Cuong	Laurel	Wayne	City	Total \$
Airfare	\$213.00	\$213.00	N/A (driving)		
Hotel	\$379.11	\$379.11	677.21		
Booth (10'x10')				\$1,200.00	
Online Presence				\$700.00	
ICSC Registration	\$1,290.00	\$1,290.00	640		
Per Diem Food	TBD	TBD	TBD		
Rentals	TBD	TBD	TBD		
Travel to/from airport	TBD	TBD	TBD		
Total	\$1,882.11	\$1,882.11	\$1,317.21	\$1,900	\$6,981.43

The projected costs are as follows: **APA 2018**

Hotel	\$1,252
Conference Registration Fee	\$735.00
Airfare	\$459.10
Total	\$2446.10

The total projected cost, excluding TBD's are \$9,427.53. The money in the budget, that would cover these expenses and incidentals, would come from the following accounts: 4185-4210 (\$3,756.25), 4185-4100 (\$4,000) and 4185-4400 (\$10,000).

**INFRASTRUCTURE IMPACT**

There will be no infrastructure impacts



Raymond R. Cruz  
City Manager





# City of Santa Fe Springs

City Council Meeting

March 8, 2018

## NEW BUSINESS

### 2018 5K Fun Run/Walk Traffic Control Plans - Request for Approval

#### RECOMMENDATION

That the City Council approve the traffic control plans prepared for the closure of various City streets in the area bordered by Orr and Day Road, Pioneer Boulevard, Florence Avenue and Telegraph Road for the detouring of traffic around the 2018 5K Fun Run/Walk routes on Saturday April 21, 2018.

#### BACKGROUND

The City of Santa Fe Springs 2018 5K Fun Run/Walk will be held on Saturday, April 21, 2018. The 5K Fun Run/Walk will start at approximately 7:00 a.m. in front of Town Center Hall. Participants will head west through Town Center Plaza, south on Alburdis Avenue and then west through the Town Center Walkway. The route continues south on Fallon Avenue, then east on Garetal Street, south on Alburdis Avenue and then west along Parkmead Street. The route continues north on Jersey Avenue then west on Davenrich Street and then south on Orr and Day Road to Kinghorn Street and then east to Roseton Avenue. The route then goes north on Roseton Avenue to Clarkman Street and then east through the Clarkman Walkway. The course continues south along the main walkway through Lake Center Athletic Park, thru the plaza area and then along the track out to the Pioneer Boulevard service road and then north to Clarkman Street. At Clarkman Street the course continues north along the west side of Pioneer Boulevard, then through the Aquatic Center parking lot and then through the Town Center Plaza to the finish line.

The traffic control plans indicate the locations of lane and road closures, placement of traffic control devices and stationing of City personnel along the 5K Fun Run/Walk route. The traffic control plans are on file in the City Clerk's office. In order to obtain insurance coverage for this event from the California Joint Powers Insurance Authority (CJPIA), the CJPIA requires that the City Council approve the traffic control plans for the City street closures for the 5K Fun Run/Walk route.

Due to the magnitude of the number of traffic control devices required for the event, the City will need to rent traffic control devices in the amount of \$1,500 from a traffic control company.

A handwritten signature in blue ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

#### Attachment:

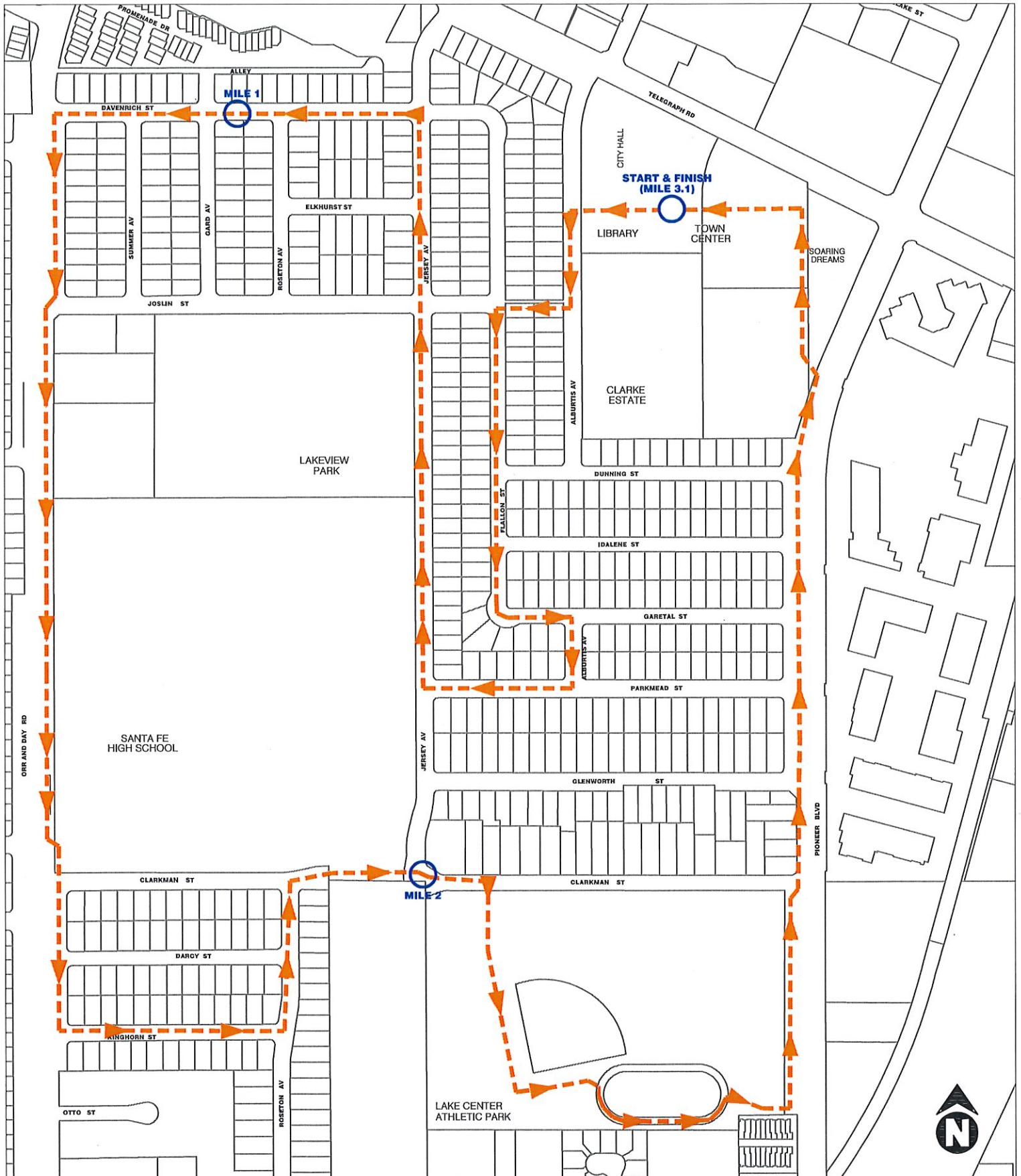
5K Fun Run/Walk Route Exhibit

Report Submitted By: Noe Negrete, Director  
Department of Public Works

A handwritten signature in blue ink, appearing to read "Noe Negrete".

Date of Report: March 1, 2018

ITEM NO. 8



## 5K FUN RUN ROUTE - 2018



# City of Santa Fe Springs

City Council Meeting

March 8, 2018

## **NEW BUSINESS**

Heraeus Precious Metals North America, Inc. Renewal of Underground Facilities License

### **RECOMMENDATIONS**

That the City Council approve the renewal of the Underground Facilities License for Heraeus Precious Metals North America, Inc. to operate a pressurized sewer line along Alondra Boulevard between Shoemaker Avenue and Resin Place.

### **BACKGROUND**

Heraeus Metal Processing, Inc. (HMPI) is a refiner of precious metals, including gold, silver, and platinum group metals. HMPI currently receives and treats hazardous and non-hazardous waste from off-site sources for precious metal reclamation under a standardized permit issued by the Department of Toxic Substances Control (DTSC). HMPI's standardized Permit includes a Wastewater Treatment System (WWTS) that discharges to the Los Coyotes Water Reclamation Plant under a pretreatment permit from the Los Angeles County Sanitation District (LACSD).

On February 12, 2008, the City Council granted HMPI an Underground Facilities License to operate the aforementioned pressurized sewer line along Alondra Boulevard for a 10-year term. The sewer line was needed due to LACSD requiring HMPI to reroute their sewer effluent from the Los Coyotes Treatment Plant to the Joint Water Pollution Control Plant. Approximately .60 miles of the sewer pipeline is located in Santa Fe Springs while the remaining 2.4 miles is located in the City of Norwalk.

The provisions of the renewal of the Underground Facilities License will remain unchanged from the original and will include the following:

1. The term of the license will be ten (10) years.
2. The annual license fee as proposed will be computed by multiplying the sum of four cents (.04) times the nominal internal diameter of the pipe expressed in inches, times the number of linear feet of the pipe within the public right-of-way. The total fee will be \$787 per year.
3. The City reserves the right to revise the annual license fee following one year's written notice to HMPI.
4. HMPI is required to maintain liability insurance consistent with City requirements and name the City as an additional insured.

Report Submitted By: Noe Negrete, Director  
Department of Public Works

Date of Report: March 1, 2018

**ITEM NO. 9**



**LEGAL REVIEW**

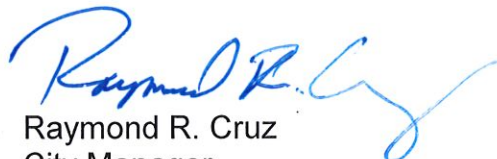
The City Attorney's office has reviewed the proposed agreement.

**FISCAL IMPACT**

None.

**INFRASTRUCTURE IMPACT**

The underground facility license includes a provision for relocation of the pipeline due to any conflict with any proposed city-owned utility or due to the change of grade, alignment or width of Alondra Boulevard and for the removal of the sewer line when it is no longer needed by HPML.

  
Raymond R. Cruz  
City Manager

**Attachments**

1. Proposed Underground Facility License
2. Existing License Agreement Dated 02/12/2008



## **CITY OF SANTA FE SPRINGS UNDERGROUND FACILITIES LICENSE**

WHEREAS, HERAEUS PRECIOUS METALS NORTH AMERICA, LLC has requested permission from the CITY OF SANTA FE SPRINGS to operate and maintain a 6" HDPE sewer/Brine pipeline within and along Alondra Boulevard to serve the property located at 15610 Resin Place; and

WHEREAS, the Director of Public Works has recommended that the City Council of the City of Santa Fe Springs allow the operation and maintenance of said pipeline subject to the terms and conditions contained herein:

NOW, THEREFORE, the CITY OF SANTA FE SPRINGS, hereinafter referred to as "CITY" does hereby grant a license to HERAEUS PRECIOUS METALS NORTH AMERICA, LLC, hereinafter referred to as "COMPANY," as follows:

CITY hereby grants to COMPANY a license for a period of 10 (ten) years ("License"), with said period commencing on April 17, 2018 and terminating on April 16, 2028, to operate and maintain an underground conduit for sewer/Brine purposes in the location designated on Exhibit "A", attached hereto, and by this reference, made a part hereof.

1. COMPANY shall, during the term of this License, pay to CITY, in lawful money of the United States, and in the manner provided by law, an annual License fee ("Fee") computed by multiplying the sum of four cents (\$.04) times the nominal internal diameter of the pipe, expressed in inches, times the number of lineal feet of such pipe within the public streets, ways, alleys, or other public places within CITY. In the event that such payment is not made, the City Council of CITY may declare this License forfeited. CITY reserves the right, upon one year's written notice to the COMPANY, to revise the foregoing Fee to any fee or fee basis which is then allowable under the laws of the State of California and of the CITY. If the fee as determined by the CITY is unacceptable to COMPANY, COMPANY shall have the right, upon six months advance written notice to CITY, to terminate this License. Any such change shall be prospective in operation.
2. The payment of the annual Fee shall be paid by the COMPANY to CITY on April 17, 2018 and the anniversary of this date will become the annual date when payment of the annual Fee is due.
3. Precise location of facilities and technical specifications and requirements for all work done within any public street shall be per approved plans and to the satisfaction of the City Engineer and the Fire Chief, and in accordance with all applicable ordinances, regulations and standards of CITY.
4. The License provided to COMPANY by this Agreement may be subject to property taxation if a possessory interest is created, and that the COMPANY may be subject

to the payment of property taxes levied on that interest. If the License is subject to property taxes, COMPANY shall pay when due all real property taxes for the License. Notwithstanding the foregoing, COMPANY shall pay any personal property tax, real property tax, operational tax, or any other tax or fee which are directly attributable to the COMPANY's exercise of the License

5. COMPANY shall, during the term of this License, maintain for the benefit of CITY a policy of public liability and to confirm that is consistent with the COMPANY'S insurance program property damage insurance, in amount of not less than \$1,000,000, per occurrence and \$2,000,000 aggregate naming CITY as an additional insured, to the satisfaction of the City Attorney, and protecting CITY against any liability whatsoever, direct or indirect, arising out of the exercise by COMPANY of the privileges granted by this License. This insurance must be renewed annually.
6. COMPANY agrees to defend, indemnify, hold free and harmless the CITY, its elected and appointed officials, officers, agents and employees, at COMPANY's sole expense, from and against any and all claims, demands, actions, suits or other legal proceedings brought against the CITY arising out of or related to the exercise of the License. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the COMPANY, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the COMPANY, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the CITY, their respective elected and appointed officials, officers, agents and employees based upon the exercise of the License by the COMPANY, its employees, and/or authorized subcontractors under this Agreement, whether or not the COMPANY, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the COMPANY shall not be liable for the defense or indemnification of the CITY for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of CITY.
7. COMPANY shall not sell, transfer, assign or lease this License to any other party without the written consent of CITY (which consent shall not be unreasonably withheld or delayed), and any such action by COMPANY without the approval of CITY shall constitute a forfeiture of this License.
8. COMPANY agrees to relocate said pipeline, or any portion thereof, and bear the full cost thereof, should CITY reasonably determine that relocation is needed to accommodate the installation or modification of any City-owned underground facility, or any such facility owned by another public utility or due to the change of grade, alignment or width of Alondra Boulevard by the City.
9. Should any portion of any public street subsequently be damaged by reason of facilities installed or operated under this License, COMPANY shall, at COMPANY

expense, repair such damage to the reasonable satisfaction of the Director of Public Works.

10. In the event COMPANY ceases operation at the location stated above for more than 180 consecutive days, this License shall be forfeited and all facilities installed under this License shall be considered abandoned, unless otherwise approved by CITY, which approval shall not be unreasonably withheld or delayed. If operation is ceased for 365 consecutive days the pipeline shall be considered abandoned. Abandonment of all pipelines shall be done in accordance with CITY specifications. Said specifications shall include that all above ground pipes, valves, etc., shall be removed, ends shall be plated after filling pipes with slurry sand, and a fee of one-half (1/2) the estimated cost of removal for all pipelines owned by COMPANY shall be paid to the CITY. The COMPANY shall then have no further responsibility for the abandoned facilities, nor shall COMPANY pay any annual fees for such facilities. If these conditions are not satisfied, the proposed abandoned facilities shall be considered as being deactivated and shall remain the responsibility of the COMPANY and shall remain on their records and maps and the annual fees shall be paid. In the event that such payment is not made, the City Council of the CITY may declare said License forfeited and COMPANY shall pay to the CITY all costs for removal of all pipelines and appurtenances.
11. This License agreement contains the entire agreement between the CITY and the COMPANY with respect to the subject matter hereof, superseding all previous communications and negotiations, and no representation, undertaking, promise or condition concerning the subject matter hereof shall be binding upon the COMPANY unless clearly expressed in this License agreement.

HERAEUS PRECIOUS METALS NORTH  
AMERICA LLC  
By: \_\_\_\_\_  
ARTIN JANIAN, SENIOR VP FINANCE

CITY OF SANTA FE SPRING

By: \_\_\_\_\_  
JAY SARNO, MAYOR

ATTEST:

\_\_\_\_\_  
JANET MARTINEZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
YOLANDA M. SUMMERHILL, CITY ATTORNEY

04/16/08

**COPY**



**20080664193**

.....  
Has not been compared with original.  
Original will be returned when  
processing has been completed.  
**LOS ANGELES COUNTY REGISTRAR - RECORDER**

Record and after recordation return to:  
Barbara Earl, City Clerk  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs CA 90670

### **UNDERGROUND FACILITIES LICENSE**

WHEREAS, HERAEUS METAL PROCESSING, INC. has requested permission from the CITY OF SANTA FE SPRINGS to install and operate a 6" HDPE sewer pipeline within and along Alondra Boulevard to serve the property located at 15600 Resin Place; and

WHEREAS, the Director of Public Works has recommended that the City Council of the City of Santa Fe Springs allow the installation of said pipeline subject to the terms and conditions contained herein:

NOW, THEREFORE, the CITY OF SANTA FE SPRINGS, hereinafter referred to as "CITY" does hereby grant a license to HERAEUS METAL PROCESSING, INC., hereinafter referred to as "COMPANY," as follows:

CITY hereby grants to COMPANY a license for a period of 10 (ten) years, with said period commencing upon recordation of this license, to install and operate an underground conduit for sewer purposes in the location designated on Exhibit "A", attached hereto, and by this reference, made a part hereof.

1. COMPANY shall, during the term of this license, pay to CITY, in lawful money of the United States, and in the manner provided by law, an annual license fee computed by multiplying the sum of four cents (\$.04) times the nominal internal diameter of the pipe, expressed in inches, times the number of lineal feet of such pipe within the public streets, ways, alleys, or other public places within CITY. In the event that such payment is not made, the City Council of CITY may declare this license forfeited. CITY reserves the right, upon one year's written notice to the COMPANY, to revise the foregoing annual fee to any fee or fee basis which is then allowable under the laws of the State of California and of the CITY. If the fee as determined by the CITY is unacceptable to COMPANY, COMPANY shall have the right, upon six months advance written notice to CITY, to terminate this license. Any such change shall be prospective in operation.
2. The first payment of the annual license fee shall be paid by the COMPANY to CITY upon recordation of this license agreement and the date of recordation will become the annual date when payment of the annual license during the term of this license is due.

Record and after recordation return to:  
Barbara Earl, City Clerk  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs CA 90670

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2. The first payment of the annual license fee shall be paid by the COMPANY to CITY upon recordation of this license agreement and the date of recordation will become the annual date when payment of the annual license during the term of this license is due.

3. Precise location of facilities and technical specifications and requirements for all work done within any public street shall be per approved plans and to the satisfaction of the City Engineer and the Fire Chief, and in accordance with all applicable ordinances, regulations and standards of CITY.
4. COMPANY shall, during the term of this license, maintain for the benefit of CITY a policy of public liability and to confirm that is consistent with the COMPANY'S insurance program property damage insurance, in amount of not less than [\$250,000/\$500,000/\$1,000,000], naming CITY as an additional assured, to the satisfaction of the City Attorney, and protecting CITY against any liability whatsoever, direct or indirect, arising out of the exercise by COMPANY of the privileges granted by this permit. This insurance must be renewed annually.
5. COMPANY shall defend, indemnify and hold harmless CITY, its officers, employees and agents, against any loss or liability of any nature, arising from or related to the subject license, except to the extent that such loss or liability is caused by the negligent or willful acts or omissions of CITY, its officers, employees or agents. Such obligation shall survive the expiration of the subject license.
6. COMPANY shall not sell, transfer, assign or lease this license to any other party without the written consent of CITY (which consent shall not be unreasonably withheld or delayed), and any such action by COMPANY without the approval of CITY shall constitute a forfeiture of this license.
7. COMPANY agrees to relocate said pipeline, or any portion thereof, and bear the full cost thereof, should CITY reasonably determine that relocation is needed to accommodate the installation or modification of any City-owned underground facility, or any such facility owned by another public utility or due to the change of grade, alignment or width of Alondra Boulevard by the City.
8. Should any portion of any public street subsequently be damaged by reason of facilities installed or operated under this license, COMPANY shall, at COMPANY expense, repair such damage to the reasonable satisfaction of the Director of Public Works.
9. In the event COMPANY ceases operation at the location stated above for more than 180 consecutive days, this license shall be forfeited and all facilities installed under this license shall be considered abandoned, unless otherwise approved by CITY, which approval shall not be unreasonably withheld or delayed.
10. This license agreement contains the entire agreement between the CITY and the COMPANY with respect to the subject matter hereof, superseding all previous communications and negotiations, and no representation, undertaking, promise or condition concerning the subject matter hereof shall be binding upon the COMPANY unless clearly expressed in this license agreement.

HERAEUS METAL PROCESSING, INC.

By: 

Uli Blankenstein President & CEO

Its: CRS

13429 Alondra Blvd., Santa Fe Springs  
CA 90670  
ADDRESS

CITY OF SANTA FE SPRINGS

By: 

MAYOR

Date: 2/12/2008

ATTEST:

  
CITY CLERK

APPROVED AS TO FORM:

  
CITY ATTORNEY



## ACKNOWLEDGMENT

State of California  
County of Los Angeles

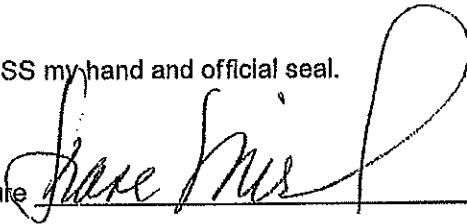
On February 8, 2008 before me, Diane Mireles, Notary Public  
(insert name and title of the officer)

personally appeared Ulrich Blankenstein, Heraeus Metal Processing, President & CEO,  
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.

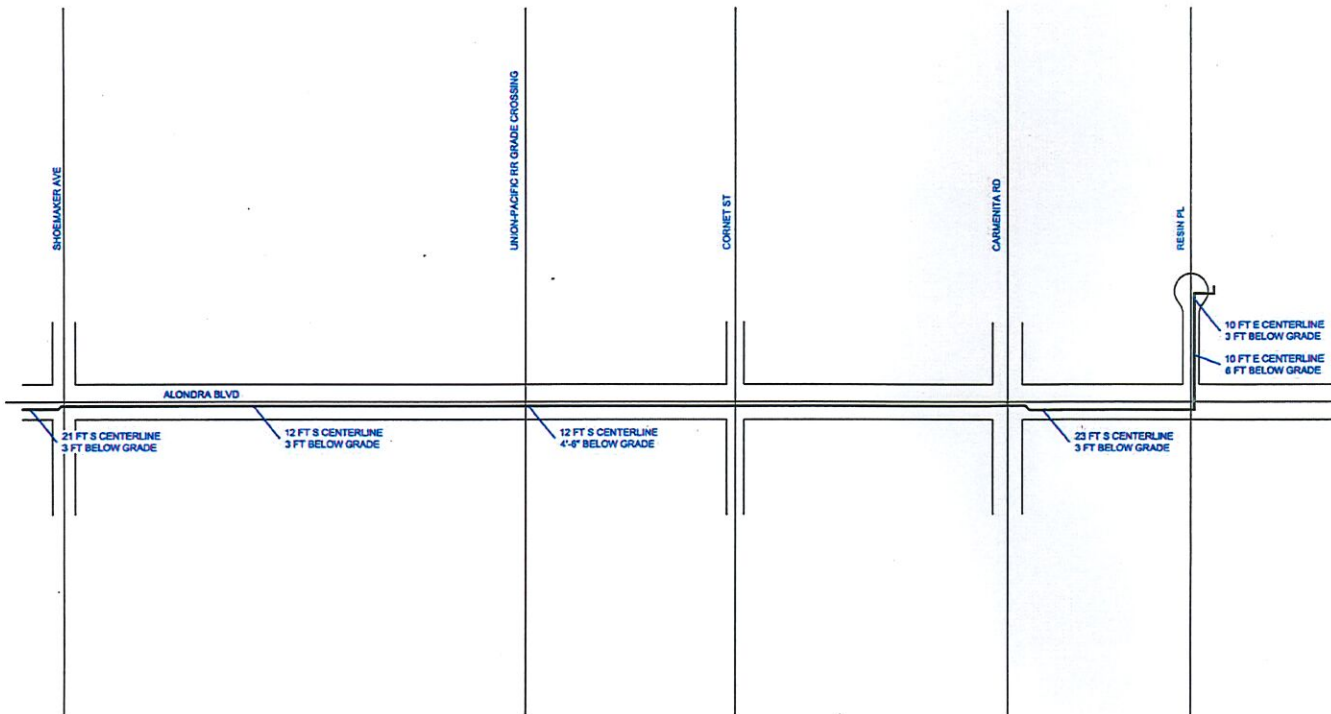
Signature



(Seal)



REVISIONS				
ZONE	REV	DESCRIPTION	DATE	APPROVED



Heraeus

HERAEUS METAL PROCESSING INC.  
150X CARMENTA RD  
SANTA FE SPRINGS, CA 90670

**6" HDPE WASTEWATER PIPELINE  
GENERAL ARRANGEMENT, AS BUILT**

SIZE	FSCM NO.	DWG NO.	REV
		C-021	0
SCALE NONE		SHEET	



# City of Santa Fe Springs

City Council Meeting

March 8, 2018

## NEW BUSINESS

### Custodial Services – Award of Contract

#### RECOMMENDATIONS

That the City Council take the following actions:

- Accept the bids for Custodial Services; and
- Award a Contract to Golden Touch Cleaning, Inc., of Tustin, California (GTC) to provide Custodial Services; and
- Authorize the Mayor to execute a three (3) year Contract with GTC in the amount of \$34,717.00 per month beginning March 19, 2018 through March 18, 2021, and with the provision to renew the Agreement for an additional two (2) 1-year terms at the end of the first term based on performance and approval by the City Council.

#### BACKGROUND

The City Council, at their meeting of January 30, 2018, authorized the City Engineer to advertise for Custodial Services bids.

Staff mailed a Request for Bids (RFB) to six (6) custodial services contractors providing services to surrounding cities and also posted the RFB on eBidboard. Bids were opened on February 22, 2018 and a total of six (6) bids were received. The low bid was received from Golden Touch Cleaning, Inc. of Tustin, California in the amount of \$34,717.00 per month.

United Maintenance Systems currently provides custodial services to the City for a monthly fee of \$38,885.00. Under the proposed GTC contract, the total 3-year estimated cost for custodial services is \$1,249,812.00, or a savings of \$150,048.

The Department of Public Works has reviewed the bids and has determined the bid submitted by GTC to be satisfactory.

The following represents the bids received and the amount of each bid:

Company Name	Monthly Bid Amount
Golden Touch Cleaning	\$ 34,717.00
EE Building Maintenance	\$ 46,306.00
Ultimate Maintenance Services	\$ 47,770.00
General Building Management	\$ 50,388.00
Merchants Building Maintenance	\$ 55,699.09
ABM Industry Groups, LLC	\$ 59,850.48

Report Submitted By: Noe Negrete, Director  
Department of Public Works

Date of Report: March 1, 2018

ITEM NO. 10

**LEGAL REVIEW**

The City Attorney's office has reviewed the proposed agreement.

**FISCAL IMPACT**

Under the proposed GTC contract, the total 3-year estimated cost for custodial services is \$1,249,812.00, or a savings of \$150,048. The funding for the Custodial Services contract is provided for in the approved FY17-18 O&M Public Works budget.

**INFRASTRUCTURE IMPACT**

Custodial services of the City's facilities is required for the safety and welfare of residents and employees.



Raymond R. Cruz  
City Manager

Attachment:  
Contract Agreement

**THE CITY OF CITY OF SANTA FE SPRINGS**  
**CUSTODIAL SERVICES AGREEMENT**

THIS AGREEMENT is entered into this 19<sup>th</sup> day of March, 2018, by and between the **City of Santa Fe Springs**, a municipal corporation ("City"), and **Golden Touch Cleaning, Inc.** ("Contractor").

**RECITALS**

**WHEREAS**, the City desires to employ the Contractor to provide custodial services for the City's facilities.

**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**

The Contractor will perform services as set forth in the attached Scope of Services (Exhibit A).

The City may unilaterally, or upon request from the Contractor, from time to time reduce or increase the Scope of Services 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 single Project Director 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 **\$34,717.00** for services rendered in accordance with the Contractor's cost proposal 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 schedule, the City may suspend all or a portion of the monthly payment due until the Contractor corrects any such deficiency.

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 shall not be performed without prior authorization from the Contract Administrator or his/her designee. Compensation for Emergency or Call-out work shall be compensated based on the Contractor's hourly rate schedule which is made a part of this Agreement by reference.

In the event any City building or facility is not usable for any reason, including but not limited to acts of nature, vandalism, construction or renovation and is deemed out of use, the Contractor shall not be compensated for the period cleaning services are not provided. If a portion of any building or facility is partially out of use, the City and the Contractor shall negotiate the cost of providing limited cleaning services.

5. **LENGTH OF AGREEMENT**

The term of this Agreement shall be for three (3) years from the effective date of this Agreement. The AGENCY reserves the right to renew the Agreement for an additional two (2) 1-year terms at the end of the first term based on performance and approval by the City Council.

Contractor reserves the right to request from the City Council a cost-of-living increase to the annual fee for each of the two (2) 1-year terms if the Agreement is renewed at the end of the first term.

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 ventures with one another. Neither the Contractor nor the Contractor's employees are employee 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 Work as to maintain the sanitary conditions, aesthetic appearance, safety and usefulness of the City buildings 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 custodial materials, chemicals, and all other cleaning supplies needed to maintain all contracted areas to a level acceptable to the City. All materials are subject to City approval.

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 of Santa Fe Springs, 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 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 or dispute, whether by final judgment or out-of-court settlement, shall be entitled to have and recover of and from the other party all 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. Attorney's fees to the prevailing party if other than the City shall, in addition, be limited to the amount of attorney's fees incurred by the City in its prosecution or defense of the action, irrespective of the actual amount of attorney's 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; or 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, 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

To the Contractor:              Michael Dawes  
    President  
    Golden Touch Cleaning  
    13681 Newport Avenue, Suite 8  
    Tustin, CA 92780-7815

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 or fax 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 interests 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: \_\_\_\_\_  
MICHAEL DAWES, PRESIDENT

CITY OF SANTA FE SPRINGS

By: \_\_\_\_\_  
JAY SARNO, MAYOR

ATTEST

\_\_\_\_\_  
JANET MARTINEZ, CITY CLERK

APPROVED AS TO FORM

\_\_\_\_\_  
YOLANDA M. SUMMERHILL, CITY ATTORNEY

## **SCOPE OF SERVICES**

### **EXHIBIT A**

## **SPECIAL PROVISIONS**

### **Project Description**

Contractor will furnish all labor, supplies, paper products, chemicals, materials, equipment, transportation, supervision, management and incidentals required to provide Custodial Services in accordance with all terms and conditions of this Request for Bids. Contractor shall perform the Daily Standard Cleaning Services identified in Attachment A, and as scheduled for each location identified in Attachment B. Contractor shall perform the Quarterly Floor Stripping and Waxing for each location identified in Attachment C.

### **Section 1. Materials**

Contractor will furnish toilet paper, (continuous and regular) toilet seat covers, paper towels (sheets and rolls), hand soap, deodorizers, cleaning agents, trash can liners and cleaning supplies required to maintain the City's facilities and parks.

The cost of materials identified above shall be included in the cost proposal. Contractor will use standard commercial grade materials of size and type to fit existing dispensers. All supplies required to carry out the cleaning operations within the scope of this contract shall meet the standards of the Federal Occupational Safety and Health Act. These items are subject to inspection and approval. Sustainable products are to be used whenever feasible.

City parks and specific City facilities are available to rent for a fee. Approximately 24,000 persons per year attend special events at City parks, especially during the summer months of June-September. Approximately 65,000 persons per year attend special events at City facilities, in particular, Clarke Estate, Heritage Park, Town Center Hall, Betty Wilson Center, and Gus Velasco Neighborhood Center. Contractor shall furnish toilet paper, toilet seat covers, paper towels (sheet and rolls), hand soap and trash can liners for City facilities and park rentals for special events.

### **Section 2. Equipment**

Contractor shall furnish, and maintain in good working condition, all cleaning equipment required to maintain each service location including, but not limited to, vacuum cleaners, buffers, strippers, scrubbing machines, extension poles, ladders and carpet extraction equipment. All equipment shall meet Occupational Safety and Health Administration (OSHA) safety standards and will be kept clean by the Contractor. The City is not responsible for stolen or vandalized items.

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

The City will conduct quarterly inspections of all equipment. The City will reserve the right to determine if a piece of equipment is not meeting OSHA safety standards and request the Contractor to replace it within five (5) working days.

### **Section 3. Storage Space**

The City will provide limited space at the various facilities for janitorial supplies, materials and equipment. Due to the limited amount of space, any storage spaces beyond that which City is presently providing for janitorial equipment, is the responsibility of Contractor. Contractor is responsible for keeping janitorial closets clean and orderly.

### **Section 4. Inspection of Buildings and Facilities**

Monthly inspections of all areas included in the Contract shall be made by the Contractor's Supervisor, with any deficiencies noted and copied to the City's Facilities Supervisor. The results of each inspection shall be recorded and retained for reference as a Custodial Cleaning Inspection Report. The Contractor's Supervisor will conduct regular inspections with the City's Facilities Supervisor and as such other times as may be required by the City to review performance of the Agreement and to discuss any problems or matters as determined by the City. The City may also conduct unscheduled periodic inspections to assure compliance with Contract requirements.

### **Section 5. Non-Performance of Custodial Services**

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 schedule, the City may suspend all or a portion of the monthly payment due until the Contractor corrects any such deficiency. After three (3) written notices to the Contractor pertaining to the same service item, e.g. Quarterly Carpet Cleaning, the City reserves the right to remove this service item from the Agreement.

### **Section 5. Contractor's Representatives**

The Contractor shall have present at all times when performing custodial services, an onsite representative who speaks fluent English whose duty shall be to supervise and coordinate cleaning services as they occur. This onsite representative shall carry on their person during working hours a cellular phone for contact purposes. All day porters must speak fluent English.

The Contractor shall have two responsible, dedicated supervisors on the job each workday. One (1) assigned to the day shift, one (1) to the night shift and weekends. The supervisors shall be provided with cellular phones so that City representatives will be able to contact them during normal business hours. The Contractor's representatives must immediately report to the City any evidence of security breach at a City building or facility.

### **Section 6. Day Porters**

Contractor shall provide three (3) Day Porters, for a monthly total of 500 hours, to provide custodial services Monday-Friday, from 7:30 a.m. – 4:00 p.m. The Day Porters will be deployed to perform Daily Standard Cleaning Services at the City facilities identified below:

#### Day Porter #1

1. Aquatic Center
2. City Hall
3. City Library

4. Fire Station No. 4 – Exercise Room/Restroom
5. Town Center Hall
6. Community Garden Restroom

Day Porter #2

1. Gus Velasco Neighborhood Center-Offices and Meeting Rooms
2. Gus Velasco Neighborhood Center- Childcare Classrooms

Day Porter #3

1. Activity Center
2. Los Nietos Park Childcare Classroom
3. Police Services Center
4. Police Staging Area
5. Heritage Park Buildings
6. Sculpture Garden - Artwork

In addition, Day Porters may be requested to perform service requests by the Contract Administrator on an as-needed basis during the work day.

Contractor shall allocate the proposed fee for 500 hours per month of Day Porter custodial services to the applicable City facilities in preparing the Bid Schedule.

**Section 8. Cleaning Exterior Walkways**

Contractor shall clean exterior walkways surfaces, ball courts and picnic areas only with handheld blowers (or power wash as required) at the following parks and facilities:

1. Santa Fe Springs Park (Contractor staff will open entry gate at 5:00 a.m. City Staff will be responsible for closing the gate.)
2. Little Lake Park
3. Los Nietos Park
4. Lakeview Park
5. Lake Center Park (Contractor staff will open entry gate at 5:00 a.m. City Staff will be responsible for closing the gate.)

**Section 9. Work Schedules**

All work must be accomplished within the hours identified by the City. The City reserves the right to revise schedules, adjust days and hours of the work, as necessary.

The Contractor shall provide in writing, schedules for all activities for all locations. The Contractor shall notify the City in writing and receive approval prior to any revisions in the schedule.

**Section 10. Extra Services**

Extra services are defined as a reasonable request of general clean up, emergency or non-emergency, requested and authorized in advanced by the City. Emergency, after hours cleaning support shall be responded to within one (1) hour and billed at a two (2) hour minimum. All charges



are included in the contract and the hourly rate schedule. Contractor shall notify the Contract Administrator within eight hours of the emergency service being completed.

#### **Section 11. Contractor's Employees**

The Contractor shall certify that employees providing the custodial cleaning services under the terms, conditions and specifications of the Contract are paid not less than the applicable minimum wage and provided health benefits in compliance with federal and California minimum wage and health care laws.

The Contractor shall provide employees with uniforms that have the Contractor's company name and the employee's name clearly displayed on the shirt. All uniforms worn by the Contractor's employees shall be of the same color, material and style.

The Contractor shall submit a list of all employees who are authorized to work within the limits of the City's buildings and facilities maintained by the Contractor. At no time will there be permitted any person or persons not working directly for the Contractor to enter, loiter or be involved in any action dealing with the Contract.

The Contractor shall not employ undocumented workers for work on this Agreement and shall make every reasonable effort to confirm legal resident status prior to assignment to the City. Failure to comply with this provision of the Contract may be grounds for termination of the Contract.

#### **Section 12. Contractor Orientation**

Immediately following the Notice to Proceed, the City will schedule an orientation for the Contractor's Day Supervisor, Night Supervisor, Day Porters and all other staff identified and authorized to work under the Contract. The orientation will include a site visit to each City facility and park. The orientation will review the applicable Daily Cleaning Standards, required custodial service standards, and other information pertinent to the particular City facility and park.

## **GENERAL PROVISIONS**

### **Section 1. Worker's 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.

### **Section 2. 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.

### **Section 3. Holidays**

The following days are designated by the City as holidays:

1. New Year's Day.
2. Martin Luther King Jr.'s Birthday.
3. Lincoln's Birthday.
4. Washington's Birthday.
5. Cesar Chavez's Birthday
6. Memorial Day.
7. Independence Day.
8. Labor Day.
9. Veteran's Day.
10. Thanksgiving Day.
11. Day after Thanksgiving Day.
12. The day before Christmas.
13. Christmas Day.

Every day appointed by the President or Governor as a public holiday.

When a holiday falls on Sunday, the following Monday shall be observed. If the holiday falls on Saturday, the previous Friday is observed.

Except as noted below, all City facilities are closed on the holidays listed above and do not require custodial cleaning services on these dates.

Exceptions include:

- a) The Police Services Staging Facility does not close and the cleaning schedule remains the same every day.
  - b) City parks are only closed on New Year's Day, Thanksgiving Day, Christmas Eve Day, and Christmas Day and the cleaning schedule remains the same every day.
- City Hall only is closed every other Friday and does not require scheduled custodial services.

### **Section 4. Compensation and Payment**

The Contractor shall be compensated a fixed monthly amount for services rendered in accordance with the Contractor's cost proposal. The Contract Administrator will review and approve the invoice for payment of services rendered consistent with the Agreement.

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.

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 schedule, the City may suspend all or a portion of the monthly payment due until the Contractor corrects any such deficiency.

Any extra work performed beyond the work described in the Scope of Services shall not be performed without prior authorization from the Contract Administrator or his/her designee. Compensation for Emergency or Call-out work shall be compensated based on the Contractor's hourly rate schedule.

In the event any City building or facility is not usable for any reason, including but not limited to acts of nature, vandalism, construction or renovation and is deemed out of use, the Contractor shall not be compensated for the period cleaning services are not provided. If a portion of any building or facility is partially out of use, the City and the Contractor shall negotiate the cost of providing limited cleaning services.

## **ATTACHMENT A**

### **DAILY STANDARD CLEANING SERVICES – ALL FACILITIES**

1. Furniture and Equipment - shall be free of dust, cobwebs and soil. This shall include the elimination of cleaner residue, streaks and film.
2. Telephones - shall be free of dust and soil. The cradle, earpiece & mouthpiece should be sanitized.
3. Lamps - shall be free of dust, cobwebs and soil. This shall include the elimination of streaks, cleaner residue and film.
4. Mats and Carpets - shall be free of spots, stains, gum, dirt and debris. Adjoining walls, doors and floor surfaces shall be free of dust, soil and cleaner residue.
5. Glass and Metal Surfaces - shall be streak-free, film-free and uniformly clean. This shall include the elimination of dust and soil from sills and ledges and heat registers.
6. Corners/Thresholds - shall be free of dust, cobwebs soil, finish build-up and debris.
7. Floors and Cove bases - shall be free of dust, cobwebs, soil, gum, spots, stains and debris. Hard/resilient floors shall have multiple coats of a slip-resistant seal and finish applied that result in a consistent high-shine, unless otherwise directed by the City. This shall include the elimination of dust streaks, lint, standing water, cleaner residue and film. Floors shall be stripped and waxed quarterly or as floor conditions warrant.
8. Walls and Fixtures - shall be free of dust, cobwebs, and soil. This shall include the elimination of film, streaks and cleaner residue. Walls behind waste/trash cans need to be cleaned.
9. Water Fountains - shall be free of dust, cobwebs, and soil, scale and water spots. Bright work shall be disinfected and polished to a streak-free shine.
10. Dispensers - shall be free of dust, and soil. These surfaces shall be cleaned and disinfected. This shall include the elimination of film, streaks and cleaner residue. Dispensers shall be refilled when required with proper expendable supply item.
11. Hardware - shall be free of dust, soil, bacteria and scale. Bright work shall cleaned, disinfected and polished to a streak-free shine. This shall include the elimination of polish residue.
12. Sinks and Countertops - shall be free of dust, bacteria, soil, cleaner residue and soap film. This shall include the elimination of streaks, embedded soil, film and water spots.

13. Park Sinks – shall be cleaned daily.
14. Mirrors - shall be free of dust and soil. Mirrors and surrounding metal framework shall be streak-free, film-free and uniformly clean.
15. Toilets and Urinals - toilet seats and urinals shall be free of dust, cobwebs, bacteria, soil, organic matter, cleaner residue and scale. Fixtures shall be cleaned, disinfected and polished-dry. This shall include the elimination of streaks, film and water spots.
16. Dispensers – toilet seat cover and soap dispensers should be refilled as needed.
17. Urinals – Waterless urinal cartridges shall be replaced as needed based on usage.
18. Restroom Partitions - shall be free of dust, cobwebs, soil and graffiti. Partitions shall be cleaned, disinfected and polished-dry. This shall include the elimination of streaks and film.
19. Showers – tile walls and floors shall be washed, disinfected, and sanitized. Shower stalls, fixtures, glass and doors shall be cleaned and polished.
20. Locker Rooms – sanitize showers and floor tile surfaces and locker doors, and clean counters.
21. Kitchen Areas – clean and sanitize all appliances, sinks, floor sinks, grease traps, counter areas, ceramic tile walls glass serving window and exhaust hoods and filters.
22. Waste Containers - contents shall be removed from waste containers and can liners replaced. Inside and outside of the container shall be cleaned and disinfected. This shall include the elimination of streaks, foodstuff and the presence of an offensive odor emitting from the container.
23. Air Vents - shall be free of dust, cobwebs, and soil. This also pertains to air distribution units and exhaust vents.
24. Cabinets, refrigerator and microwave - exterior tops, sides and front shall be cleaned and free of dust, soil, cleaner residue and soap film.
25. Light Fixtures - shall be free of dust, cobwebs, and soil.
26. Ceilings – All cobwebs shall be removed.
27. Trash Removal/Trash Containers - Contractor shall facilitate the City's waste recycling program that requires each building occupant to separate recyclable from non-recyclable waste. All work areas shall be provided with separate waste containers for this purpose, by the City. The contractor shall empty recyclable and non-recyclable waste into designated containers. Contractor shall comply with AB341. Waste removal shall be to containers

designated by the City and shall be deposited in such a manner that it will not fly around causing a mess or nuisance.

28. Formal Picnic Areas – clean table tops, food service areas, patio floors, barbeque grills, and sinks.
29. Parks and Plazas - clean all buildings, restrooms, sidewalks, bleachers, tables, benches, dugouts, gazebos, umbrellas, and playground areas.
30. Exercise Rooms, Boxing Rooms, Weight Rooms, Racquet Ball Courts, Indoor basketball courts – clean room surfaces, equipment surfaces with disinfectant cleaning solution.
31. Playground Equipment – clean playground equipment surfaces and play surfaces.
32. Outdoor Basketball Courts – clean basketball court surfaces.
33. Exterior Walkways – clean exterior walkway surfaces with handheld blowers or power wash as required.

# ATTACHMENT B

## CITY FACILITIES AND CUSTODIAL SERVICES SCHEDULE

Facility/Features	Building Size (Sq. Ft.)	No. of Restrooms	Cleaning Schedule	Day Porter Schedule
1. Activity Center ♦ 11155 Charlesworth Road <ul style="list-style-type: none"> <li>• 2<sup>nd</sup> Story</li> <li>• Boxing Room</li> <li>• Weight Room</li> <li>• Indoor Basketball Court</li> </ul>	17,460	2	Mon-Fri 6:00pm  Note: Indoor Basketball Court only	Day Porter 7:30am-4:00pm
2. Aquatic Center ♦ 10145 Pioneer Boulevard <ul style="list-style-type: none"> <li>• Locker Rooms</li> <li>• Showers</li> <li>• Picnic Area</li> </ul>	5,004	2	Mon-Fri 6:00pm (Season: June- September)  Off-Season: Bi-Weekly	Day Porter 7:30am-4:00pm  Off-Season: No Porter Services
3. Betty Wilson Center ♦ 11641 Florence Avenue <ul style="list-style-type: none"> <li>• Kitchen</li> <li>• Snack Bar</li> </ul>	8,170	4	Mon-Sun 6:00 PM	No
4. City Hall ♦ 11710 E. Telegraph Road <ul style="list-style-type: none"> <li>• Kitchen</li> <li>• Basement</li> </ul>	22,080	9	Mon-Wed -Thur 6:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
5. City Library ♦ 11700 E. Telegraph Road <ul style="list-style-type: none"> <li>• Kitchen</li> <li>• Reading Garden</li> </ul>	14,581	4	Mon-Sat 6:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
6. Clarke Estate ♦ 10211 Pioneer Boulevard <ul style="list-style-type: none"> <li>• 2nd Story</li> <li>• Kitchen</li> </ul>	7,504	4	Mon-Sun 6:00 PM	No

\*Open Area



## ATTACHMENT B

### CITY FACILITIES AND CUSTODIAL SERVICES SCHEDULE

Facility/Features	Building Size (Sq. Ft.)	No. of Restrooms	Cleaning Schedule	Day Porter Schedule
7. Community Gardens Restroom ♦ Pioneer Boulevard	65	2	No Night Services	Day Porter Mon-Fri 7:30-4:00pm
8. Fire Station No. 1 Headquarters ♦ 11300 Greenstone Avenue • Offices • Conf. Rooms	3,325	4	Tues & Friday 6:00 PM	No
9. Fire Station No. 4-Exercise Room ♦ 11300 Greenstone Avenue	400	1-Shower 1-Restroom	No Night Services	Day Porter Mon-Fri 7:30-4:00pm
10. Gus Velasco Neighborhood Center – Childcare Classrooms (2) 9255 S. Pioneer Boulevard	6480	3	Mon-Sun 6:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
11. Gus Velasco Neighborhood Center ♦ 9255 S. Pioneer Boulevard • Offices • Meeting Rooms (2) • Kitchens (2) • Fitness Room	25,920	6	Mon-Sun 6:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
12. Heritage Park Buildings ♦ 12100 Mora Drive • Train Depot • Caboose • Carriage Barn • Ranger Station • Tank House • Conservatory	7,044	4	No Night Services	Day Porter Mon-Fri 7:30am-4:00pm

\*Open Area

# ATTACHMENT B

## CITY FACILITIES AND CUSTODIAL SERVICES SCHEDULE

Facility/Features	Building Size (Sq. Ft.)	No. of Restrooms	Cleaning Schedule	Day Porter Schedule
13. Heritage Park Sculpture Garden ♦ Mora Drive • Artwork	7,000*	0	No Night Services	Day Porter Mon-Fri 7:30am-4:00pm
14. Lake Center Athletic Park ♦ 11641 E. Florence Avenue • Walkways • Ball Courts	10,000*	2	Mon-Sun 5:00 AM	No
15. Lakeview Park Building ♦ 10225 S. Jersey Avenue • Picnic Area • Ball Courts	1,413	4	Mon-Sun 5:00am	No
16. Lakeview School Childcare Classroom ♦ 11436 E. Joslin Avenue • Kitchen	3,416	2	Mon-Fri 6:00 PM	No
17. Little Lake Park Buildings ♦ 10900 Pioneer Boulevard • Kitchen • Picnic Area • Walkways • Ball Courts	3,312	4	Mon-Sun 5:00 AM	No
18. Los Nietos Park and Recreation Building ♦ 11143 Charlesworth Road • 2 <sup>nd</sup> Story • Kitchen • Walkways • Ball Courts	1,968	2	Mon-Sun 5:00 AM	No

\*Open Area

# ATTACHMENT B

## CITY FACILITIES AND CUSTODIAL SERVICES SCHEDULE

Facility/Features	Building Size (Sq. Ft.)	No. of Restrooms	Cleaning Schedule	Day Porter Schedule
19. Los Nietos Park Childcare Classroom ♦ 11143 Charlesworth Road • Kitchen	4,464	2	Mon-Fri 6:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
20. Municipal Services Yard ♦ 12636 Emmens Way • 4-Buildings • Locker Rooms (2) • Showers (4)	8,652	8	Mon-Fri 6:00 PM	No
21. Police Staging Facility ♦ 12636 Emmens Way	19,170	3-Restrooms 4-Showers 2-Locker Rms.	Mon-Sun 9:00 am – 12 noon	No
22. Police Services Center ♦ 11576 Telegraph Road • 2 <sup>nd</sup> Story • Kitchen	7,667	4	Mon-Sat 5:00 PM	Day Porter Mon-Fri 7:30am-4:00pm
23. SFS Athletic Fields Building ♦ 9720 Pioneer Boulevard • Kitchen • Walkways	3,136	2	Mon-Sun 5:00 AM	No
24. SFS Park Building ♦ 10068 Cedardale Drive • Picnic Area • Walkways • Ball Courts	1,008	2	Mon-Sun 5:00 AM	No
25. Town Center Hall ♦ 11740 E. Telegraph Road • 2 <sup>nd</sup> Story • Kitchen	16,940	4	Mon-Sun 10:00 PM	Day Porter Mon-Fri 7:30am-4:00pm

\*Open Area

**ATTACHMENT C**

**CITY OF SANTA FE SPRINGS  
CUSTODIAL SERVICES**

**FLOOR STRIPPING AND WAXING SERVICES  
SCHEDULE**

<b>FACILITY</b>	<b>SIZE SERVICE AREA</b>	<b>UNIT</b>
1. Betty Wilson Center	1,800 sq. ft.	Bi-Annual
2. Little Lake Park-Community Rm.	1,500 sq. ft.	Bi-Annual
3. Municipal Services Yard – Bld. #1	3,475 sq. ft.	Annual
4. Municipal Services Yard – Bld. #2	800 sq. ft.	Annual
5. Municipal Services Yard – Bld. #3	594 sq. ft.	Annual
6. Municipal Services Yard – Bld. #4	616 sq. ft.	Annual
7. Town Center Hall	11,500 sq. ft.	Quarterly

## CONSULTANT'S PROPOSAL

Submitted By Golden Touch Cleaning,

## PROPOSAL FOR CUSTODIAL SERVICES

To the Director of Public Works of the City of Santa Fe Springs, as City,

In accordance with the City's Request for Bids, the undersigned BIDDER hereby proposes to furnish all materials, equipment, tools, labor and incidentals required to perform the custodial services set forth in the Request for Bids and to perform all work in the manner and time described therein.

BIDDER declares that this original proposal is based on the Request for Bids, and all other applicable documents. If this proposal is accepted for award, BIDDER agrees to enter an Agreement with the City of Santa Fe Springs at the total lump sum price set forth in the following Bid Proposal.

BIDDER understands that a bid is required for the entire work, and that the Lump Sum price bid includes all appurtenant expenses, overhead, taxes, royalties and fees. Erasures or other changes must be noted over the signature of the BIDDER.

### BIDDER'S INFORMATION:

  
Signature

Michael Dawes  
Name (Please print or type)

President  
Title

Golden Touch Cleaning Solutions, Inc  
Firm Name

1426 S. Ritchey St, Ste-B, Santa Ana, CA 92705  
Firm Address

(714) 542-9999  
Firm Business Phone No.

goldentouchcleaning@gmail.com  
E-mail Address

## FEE SCHEDULE

Submitted by: Golden Touch Cleaning.

**CITY OF SANTA FE SPRINGS**

**CUSTODIAL SERVICES**

**BID SCHEDULE**

**BASE BID**

<b>FACILITY</b>	<b>*MONTHLY FEE</b>
1. Activity Center	\$ 3,249.00
2. Aquatic Center	\$ 90.00
3. Betty Wilson Center	\$ 817.00
4. City Hall	\$ 2,648.00
5. City Library	\$ 2,298.00
6. Clarke Estate	\$ 825.00
7. Community Gardens Restroom	\$ 390.00
8. Fire Dept. Headquarters	\$ 490.00
9. FS No. 4 -Employee Exercise Room/Restroom	\$ 470.00
10. Gus Velasco Neighborhood Center	\$ 3,852.00
11. Gus Velasco N.C - Childcare Program Classrooms	\$ 1,846.00
12. Heritage Park	\$ 750.00
13. Heritage Park - Sculpture Garden	\$ 540.00
14. Lake Center Athletic Park	\$ 1,000.00
15. Lakeview Park Building	\$ 690.00
16. Lakeview School Childcare Classroom	\$ 989.00
17. Little Lake Park Buildings	\$ 950.00
18. Los Nietos Park Recreation Building	\$ 720.00
19. Los Nietos Park Childcare Classroom	\$ 1,372.00
20. Municipal Services Yard	\$ 1,550.00
21. Police Staging Facility	\$ 3,155.00
22. Police Services Center	\$ 1,465.00
23. SFS Athletic Fields Buildings	\$ 790.00
24. SFS Park Buildings	\$ 950.00
25. Town Center Hall	\$ 2,821.00
<b>Total Monthly Fees:</b>	<b>34,717.00</b>

**\*\*TOTAL ANNUAL BASE BID**

**(TOTAL MONTHLY FEES X 12 MONTHS):** \$ 416,604.00

Notes:

*\*Day Porters: Fee for 500 hours per month should be allocated to applicable facilities (Attachment B).*

*\*\*Award of Contract will be determined by Base Bid Only*



Submitted by: \_\_\_\_\_

**CITY OF SANTA FE SPRINGS**  
**CUSTODIAL SERVICES**  
**ADDITIONAL SERVICES**  
**FLOOR STRIPPING AND WAXING SERVICES**

**FEE SCHEDULE**

<b>Facility</b>	<b>Size Service Area</b>	<b>Unit</b>	<b>Unit Price</b>	<b>Annual Fee</b>
1. Betty Wilson Center	1,800 sq. ft.	Bi-Annual	\$ .25	\$ 900.00
2. Little Lake Park-Community Rm.	1,500 sq. ft.	Bi-Annual	\$ .25	\$ 750.00
3. Municipal Svcs. Yard – Bld. #1	3,475 sq. ft.	Annual	\$ .50	\$ 1,737.00
4. Municipal Svcs. Yard – Bld. #2	800 sq. ft.	Annual	\$ .50	\$ 400.00
5. Municipal Svcs. Yard – Bld. #3	594 sq. ft.	Annual	\$ .50	\$ 297.00
6. Municipal Svcs. Yard – Bld. #4	616 sq. ft.	Annual	\$ .50	\$ 308.00
7. Town Center Hall	11,500 sq. ft.	Quarterly	\$ .10	\$ 4,600
<b>TOTAL ANNUAL COST:</b>				<b>\$ 8,992.00</b>

Submitted by: Golden Touch Cleaning.

**CITY OF SANTA FE SPRINGS**

**CUSTODIAL SERVICES**

**EXTRA WORK AND EMERGENCY CALL-OUT**

**HOURLY RATE SCHEDULE**

<b>EMPLOYEE</b>	<b>LABOR HOURLY RATE*</b>
Office Cleaning	\$ <u>15.00</u>
Restroom Cleaning and Stocking	\$ <u>15.00</u>
Strip and Wax Vinyl/Composition/Resilient Floor	\$ <u>25.00</u>
Strip and Wax Tile, Concrete and Ceramic Floor	\$ <u>25.00</u>
Carpet Cleaning	\$ <u>25.00</u>

*\*Note: Equipment, supplies and materials shall be included in the Hourly Rates for Extra Work and Emergency Call-Out Custodial Services*

Submitted by: Golden Touch Cleaning.

### REFERENCES

Please list a minimum of three (3) references for similar custodial services work performed in the past five (5) years. Include the name of the city/agency, address and phone number of the contact person.

Complete information is important. Contractor qualifications and experience will be used as evaluation criteria and determining factor in award of contract recommendation by the Director of Public Works. A lack of references, or unsuitable summary of past performance as reported by references, may be considered by the City as sufficient reason to reject bid(s).

Agency: City of Whittier.  
Address: 13230 Penn St, Whittier, CA 90602  
Contact Name: Bryan Petroff Phone No.: (562) 464-3412  
Project Description: Janitorial Services Year Service Provided: 7/04-Present

Agency: City of Bell  
Address: 6330 Pine Ave, Bell, CA 90201  
Contact Name: Connie Hurtado Phone No.: (323) 773-1596  
Project Description: Janitorial Services Year Service Provided: 6/13-Present

Agency: City of Signal Hill  
Address: 2175 Cherry Ave, Signal Hill, CA 90755  
Contact Name: Greg Franco Phone No.: (562) 989-7255  
Project Description: Janitorial Services Year Service Provided: 6/16-Present

Agency: City of San Juan Capistrano  
Address: 32400 Paseo Adelanto, San Juan Capistrano, CA 92675  
Contact Name: Mark Buberl Phone No.: (949) 443-6323  
Project Description: Janitorial Services Year Service Provided: 1/16-Present

Agency: City of San Fernando  
Address: 117 Macneil St, San Fernando, CA 91340  
Contact Name: Rodrigo Mora Phone No.: (818) 438-4112  
Project Description: Janitorial Services Year Service Provided: 2010-Present



## ***City of Santa Fe Springs***

City Council Meeting

March 8, 2018

### **NEW BUSINESS**

#### **Approval of Agreement for Actuarial Valuation Services**

##### **RECOMMENDATION**

That the City Council Approve a Professional Services Agreement for Actuarial Valuation Services with Bartel Associates, LLC.

##### **BACKGROUND**

Under the requirements of the Governmental Accounting Standards Board ("GASB") Statement No. 45, the City is required to have an actuarial valuation of the retiree health care benefit plan performed every two years. The plan is known as an Other Post-employment Benefit Plan ("OPEB") since the benefit provided is other than a pension benefit. The valuation is required in order to determine the value of the plan benefits, assets held in trust, and annual required contributions. Staff is recommending Bartel Associates, LLC ("Bartel") to perform the valuation of the plan as of June 30, 2017.

Since the requirements were put in place in 2007, the City has utilized Bartel to perform the valuation. Bartel is the recognized leader in performing actuarial valuations for California Public Agencies. Bartel personnel frequently present educational sessions for the California Society of Municipal Finance Officers and the League of California Cities. Most recently, the League of California Cities commissioned Bartel to perform a study on the impacts to California cities of the recent changes made by the CalPERS Board, which will dramatically increase annual contributions for most public agencies.

Based on Bartel's expertise in this field, the City utilized the firm to perform a review of the City's pension and OPEB plans earlier in FY 2017-18. The results of this review are being finalized and a study session with the City Council and labor associations is being planned. Topics covered by the review include: reasons why pension contributions have risen so dramatically, reason why plans are experiencing large unfunded liabilities, projected future contributions, and options to mitigate increasing costs. The cost of this review is anticipated to be approximately \$10,000.

Staff believes Bartel is the best option for the City due to their overall experience, prior excellent service to the City, and quality of assigned personnel. Bartel is thoroughly familiar with the City's plan, including significant changes in employee levels and demographics over the past several years. The proposed not-to-exceed fee for the OPEB valuation is \$23,300. Because the combined total fees of \$33,300 to Bartel for the fiscal year exceed the City Manager approval level of \$25,000, City Council approval is being requested to proceed.



## *City of Santa Fe Springs*

City Council Meeting

March 8, 2018

Attached to this report is the City's standard professional services agreement including Bartel's proposal letter attached to the agreement as Exhibit A. The agreement has been reviewed by the City Attorney.

### **FISCAL IMPACT**

Sufficient appropriations exist within the Finance activity budget to cover the cost for the requested services.

A handwritten signature in blue ink, reading "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

### **ATTACHMENTS:**

Professional Services Agreement, including Bartel Associates Proposal Letter attached as Exhibit A

**CITY OF SANTA FE SPRINGS  
PROFESSIONAL SERVICES AGREEMENT  
WITH BARTEL ASSOCIATES, LLC**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2018 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation ("City"), and Bartel Associates, a limited liability corporation ("Consultant").

**WITNESSETH:**

WHEREAS, City proposes to utilize the services of Consultant to provide actuarial consulting services more particularly described in Exhibit "A"; and

WHEREAS, Consultant represents that it has that degree of specialized expertise contemplated within California Government Code section 37103, and holds all necessary licenses to practice and perform the services herein contemplated; and

WHEREAS, City and Consultant desire to contract for the specific services described in Exhibit "A" (the "Project") and desire to set forth their rights, duties and liabilities in connection with the services to be performed; and

WHEREAS, no official or employee of City has a financial interest, within the provisions of sections 1090-1092 of the California Government Code, in the subject matter of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the parties hereby agree as follows:

**1.0. SERVICES PROVIDED BY CONSULTANT**

1.1. Scope of Services. Consultant shall provide the professional services described in Consultant's Proposal ("Consultant's Proposal"), attached hereto as Exhibit "A."

1.2. Professional Practices. All professional services to be provided by Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence and skill ordinarily exercised by professional consultants in similar fields and circumstances in accordance with sound professional practices. Consultant also warrants that it is familiar with all laws that may affect its performance of this Agreement and shall advise City of any changes in any laws that may affect Consultant's performance of this Agreement.

1.3. Performance to Satisfaction of City. Consultant agrees to perform all the work to the complete satisfaction of the City and within the hereinafter specified. Evaluations of the work will be done by the City Manager or his or her designee. If the quality of work is not satisfactory, City in its discretion has the right to:

- (a) Meet with Consultant to review the quality of the work and resolve the matters of concern;
- (b) Require Consultant to repeat the work at no additional fee until it is satisfactory; and/or

(c) Terminate the Agreement as hereinafter set forth.

1.4. Warranty. Consultant warrants that it shall perform the services required by this Agreement in compliance with all applicable Federal and California employment laws, including, but not limited to, those laws related to minimum hours and wages; occupational health and safety; fair employment and employment practices; workers' compensation insurance and safety in employment; and all other Federal, State and local laws and ordinances applicable to the services required under this Agreement. Consultant shall indemnify and hold harmless City from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description including attorneys' fees and costs, presented, brought, or recovered against City for, or on account of any liability under any of the above-mentioned laws, which may be incurred by reason of Consultant's performance under this Agreement.

1.5. Non-Discrimination. In performing this Agreement, Consultant shall not engage in, nor permit its agents to engage in, discrimination in employment of persons because of their race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military or veteran status, except as permitted pursuant to section 12940 of the Government Code.

1.6. Non-Exclusive Agreement. Consultant acknowledges that City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

1.7. Delegation and Assignment. This is a personal service contract, and the duties set forth herein shall not be delegated or assigned to any person or entity without the prior written consent of City. Consultant may engage a subcontractor(s) as permitted by law and may employ other personnel to perform services contemplated by this Agreement at Consultant's sole cost and expense.

1.8. Confidentiality. Employees of Consultant in the course of their duties may have access to financial, accounting, statistical, and personnel data of private individuals and employees of City. Consultant covenants that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed by Consultant without written authorization by City. City shall grant such authorization if disclosure is required by law. All City data shall be returned to City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

## **2.0. COMPENSATION AND BILLING**

2.1. Compensation. Consultant shall be paid for the services provide herein pursuant to the fee schedule set forth in Exhibit "A." The Compensation shall include all expenses incurred by Consultant in providing services under this Agreement.

2.2. Additional Services. Consultant shall not receive compensation for any services provided outside the scope of services specified in the Consultant's Proposal unless the City or the Project Manager for this Project, prior to Consultant performing the additional services, approves such additional services in writing. It is specifically understood that oral requests and/or approvals of such additional services or additional compensation shall be barred and are

unenforceable.

2.3. Method of Billing. Consultant may submit invoices to the City for approval on a progress basis, but no more often than two times a month. Said invoice shall be based on the total of all Consultant's services which have been completed to City's sole satisfaction. City shall pay Consultant's invoice within thirty (30) days from the date City receives said invoice. Each invoice shall describe in detail, the services performed, the date of performance, and the associated time for completion. Any additional services approved and performed pursuant to this Agreement shall be designated as "Additional Services" and shall identify the number of the authorized change order, where applicable, on all invoices.

2.4. Records and Audits. Records of Consultant's services relating to this Agreement shall be maintained in accordance with generally recognized accounting principles and shall be made available to City or its Project Manager for inspection and/or audit at mutually convenient times from the Effective Date until three (3) years after termination of this Agreement.

### **3.0. TIME OF PERFORMANCE**

3.1. Commencement and Completion of Work. The professional services to be performed pursuant to this Agreement shall commence within five (5) days from the Effective Date of this Agreement.

3.2. Excusable Delays. Neither party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the party or parties. Such acts shall include, but not be limited to, acts of God, fire, strikes, material shortages, compliance with laws or regulations, riots, acts of war, or any other conditions beyond the reasonable control of a party.

### **4.0. TERM AND TERMINATION**

4.1. Term. This Agreement shall commence on the Effective Date and continue until the services required herein are completed.

4.2. Notice of Termination. The City reserves and has the right and privilege of canceling, suspending or abandoning the execution of all or any part of the work contemplated by this Agreement, with or without cause, at any time, by providing written notice to Consultant. The termination of this Agreement shall be deemed effective upon receipt of the notice of termination. In the event of such termination, Consultant shall immediately stop rendering services under this Agreement unless directed otherwise by the City.

4.3. Compensation. In the event of termination, City shall pay Consultant for reasonable costs incurred and professional services satisfactorily performed up to and including the date of City's written notice of termination. Compensation for work in progress shall be prorated based on the percentage of work completed as of the effective date of termination in accordance with the fees set forth herein. In ascertaining the professional services actually rendered hereunder up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, to complete and incomplete drawings, and to other documents pertaining to the services contemplated herein whether delivered to the City or in the possession of the Consultant.

4.4. Documents. In the event of termination of this Agreement, all documents prepared by Consultant in its performance of this Agreement including, but not limited to,

Bartel Associates 03/18



finished or unfinished design, development and construction documents, data studies, drawings, maps and reports, shall be delivered to the City within ten (10) days of delivery of termination notice to Consultant, at no cost to City. Any use of uncompleted documents without specific written authorization from Consultant shall be at City's sole risk and without liability or legal expense to Consultant.

## **5.0. INSURANCE**

5.1. Minimum Scope and Limits of Insurance. Consultant shall obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by City:

- (a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.
- (b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.
- (c) Workers' compensation insurance as required by the State of California. Consultant agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the City, its officers, agents, employees, and volunteers arising from work performed by Consultant for the City and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.
- (d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars (\$1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultant shall obtain and maintain, said E&O liability insurance during the life of this Agreement and for three years after completion of the work hereunder.

5.2. Endorsements. The commercial general liability insurance policy and business automobile liability policy shall contain or be endorsed to contain the following provisions:

- (a) Additional insureds: "The City of Santa Fe Springs and its elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the City; products and completed operations of the Consultant; premises

owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant."

- (b) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to City."
- (c) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Santa Fe Springs, its officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Santa Fe Springs shall be excess and not contributing with the insurance provided by this policy."
- (d) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the City of Santa Fe Springs, its officers, officials, agents, employees, and volunteers.
- (e) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5.3. Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by City. No policy of insurance issued as to which the City is an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

5.4. Certificates of Insurance. Consultant shall provide to City certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by City, prior to performing any services under this Agreement. The certificates of insurance shall be attached hereto as Exhibit "B" and incorporated herein by this reference.

5.5. Non-Limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

## **6.0. GENERAL PROVISIONS**

6.1. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations. This Agreement may be modified only in writing, and signed by the parties in interest at the time of such modification. The terms of this Agreement shall prevail over any inconsistent provision in any other contract document appurtenant hereto, including exhibits to this Agreement.

6.2. Representatives. The City Manager or his or her designee shall be the representative of City for purposes of this Agreement and may issue all consents, approvals, directives and agreements on behalf of the City, called for by this Agreement, except as otherwise expressly provided in this Agreement.

Consultant shall designate a representative for purposes of this Agreement who

shall be authorized to issue all consents, approvals, directives and agreements on behalf of Consultant called for by this Agreement, except as otherwise expressly provided in this Agreement.

6.3. Project Managers. City shall designate a Project Manager to work directly with Consultant in the performance of this Agreement.

Consultant shall designate a Project Manager who shall represent it and be its agent in all consultations with City during the term of this Agreement. Consultant or its Project Manager shall attend and assist in all coordination meetings called by City.

6.4. Notices. Any notices, documents, correspondence or other communications concerning this Agreement or the work hereunder may be provided by personal delivery or mail and shall be addressed as set forth below. Such communication shall be deemed served or delivered: (a) at the time of delivery if such communication is sent by personal delivery, and (b) 48 hours after deposit in the U.S. Mail as reflected by the official U.S. postmark if such communication is sent through regular United States mail.

IF TO CONSULTANT:

Bartell Associates  
411 Borel Avenue, Ste. 101  
San Mateo, CA 94402

Tel: (650) 377-1600  
Attn: Mary Elizabeth Redding

IF TO CITY:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670

Tel: (562) 868-0511  
Attn: Ray Cruz

Courtesy copy to:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670  
Attn: Finance Director

6.5. Attorneys' Fees. In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

6.6. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California without giving effect to that body of laws pertaining to conflict of laws. In the event of any legal action to enforce or interpret this Agreement, the parties hereto agree that the sole and exclusive venue shall be a court of competent jurisdiction located in Los Angeles, California.

6.7. Assignment. Consultant shall not voluntarily or by operation of law assign, transfer, sublet or encumber all or any part of Consultant's interest in this Agreement without City's prior written consent. Any attempted assignment, transfer, subletting or encumbrance shall be void and shall constitute a breach of this Agreement and cause for termination of this

Agreement. Regardless of City's consent, no subletting or assignment shall release Consultant of Consultant's obligation to perform all other obligations to be performed by Consultant hereunder for the term of this Agreement.

6.8. Indemnification and Hold Harmless. Consultant agrees to defend, indemnify, hold free and harmless the City, its elected officials, officers, agents and employees, at Consultant's sole expense, from and against any and all claims, actions, suits or other legal proceedings brought against the City, its elected officials, officers, agents and employees arising out of the performance by the Consultant, its employees, and/or authorized subcontractors pursuant to this Agreement. The defense obligation provided for hereunder shall apply without any advance showing of negligence or wrongdoing by the Consultant, its employees, and/or authorized subcontractors, but shall be required whenever any claim, action, complaint, or suit asserts as its basis the negligence, errors, omissions or misconduct of the Consultant, its employees, and/or authorized subcontractors, and/or whenever any claim, action, complaint or suit asserts liability against the City, its elected officials, officers, agents and employees based upon the work performed by the Consultant, its employees, and/or authorized subcontractors under this Agreement, whether or not the Consultant, its employees, and/or authorized subcontractors are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the Consultant shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City. This provision shall supersede and replace all other indemnity provisions contained either in the City's specifications or Consultant's Proposal, which shall be of no force and effect.

6.9. Independent Contractor. Consultant is and shall be acting at all times as an independent contractor and not as an employee of City. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City or otherwise act on behalf of City as an agent. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as set forth in this Agreement. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this paragraph.

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

Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

6.11. Cooperation. In the event any claim or action is brought against City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance and cooperation which City might require.

6.12. Ownership of Documents. All findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Consultant or any of its subcontractors in the course of performance of this Agreement, shall be and remain the sole property of City. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of City. Any use of such documents for other projects not contemplated by this Agreement, and any use of incomplete documents, shall be at the sole risk of City and without liability or legal exposure to Consultant. City shall indemnify and hold harmless Consultant from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from City's use of such documents for other projects not contemplated by this Agreement or use of incomplete documents furnished by Consultant. Consultant shall deliver to City any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other Project related items as requested by City or its authorized representative, at no additional cost to the City.

6.13. Public Records Act Disclosure. Consultant has been advised and is aware that this Agreement and all reports, documents, information and data, including, but not limited to, computer tapes, discs or files furnished or prepared by Consultant, or any of its subcontractors, pursuant to this Agreement and provided to City may be subject to public disclosure as required by the California Public Records Act (California Government Code section 6250 *et seq.*). Exceptions to public disclosure may be those documents or information that qualify as trade secrets, as that term is defined in the California Government Code section 6254.7, and of which Consultant informs City of such trade secret. The City will endeavor to maintain as confidential all information obtained by it that is designated as a trade secret. The City shall not, in any way, be liable or responsible for the disclosure of any trade secret including, without limitation, those records so marked if disclosure is deemed to be required by law or by order of the Court.

6.14. Conflict of Interest. Consultant and its officers, employees, associates and subconsultants, if any, will comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this agreement, including, but not limited to, the Political Reform Act (Government Code sections 81000, *et seq.*) and Government Code section 1090. During the term of this Agreement, Consultant and its officers, employees, associates and subconsultants shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subconsultants to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

6.15. Responsibility for Errors. Consultant shall be responsible for its work and results under this Agreement. Consultant, when requested, shall furnish clarification and/or explanation as may be required by the City's representative, regarding any services rendered under this

Agreement at no additional cost to City. In the event that an error or omission attributable to Consultant occurs, then Consultant shall, at no cost to City, provide all necessary design drawings, estimates and other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

6.16. Prohibited Employment. Consultant will not employ any regular employee of City while this Agreement is in effect.

6.17. Order of Precedence. In the event of an inconsistency in this Agreement and any of the attached Exhibits, the terms set forth in this Agreement shall prevail. If, and to the extent this Agreement incorporates by reference any provision of any document, such provision shall be deemed a part of this Agreement. Nevertheless, if there is any conflict among the terms and conditions of this Agreement and those of any such provision or provisions so incorporated by reference, this Agreement shall govern over the document referenced.

6.18. Costs. Each party shall bear its own costs and fees incurred in the preparation and negotiation of this Agreement and in the performance of its obligations hereunder except as expressly provided herein.

6.19. No Third Party Beneficiary Rights. This Agreement is entered into for the sole benefit of City and Consultant and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under or to this Agreement.

6.20. Headings. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

6.21. Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

6.22. Amendments. Only a writing executed by the parties hereto or their respective successors and assigns may amend this Agreement.

6.23. Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

6.24. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the

offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

6.25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

6.26. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by doing so the parties hereto are formally bound to the provisions of this Agreement.

**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.

**CONSULTANT**

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
John Bartel

\_\_\_\_\_  
Social Security or Taxpayer ID Number

**CITY OF SANTA FE SPRINGS**

\_\_\_\_\_  
Raymond Cruz, City Manager

Date: \_\_\_\_\_

ATTEST:

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

APPROVED AS TO FORM:

\_\_\_\_\_  
Yolanda M. Summerhill, City Attorney

Date: \_\_\_\_\_

APPROVED AS TO INSURANCE:

\_\_\_\_\_

Date: \_\_\_\_\_

DEPARTMENTAL APPROVAL:

\_\_\_\_\_  
Travis Hickey  
Director of Finance & Administrative Services

Date: \_\_\_\_\_



## **EXHIBIT A**

### **CONSULTANT'S PROPOSAL**



January 31, 2018

Travis Hickey  
Director of Finance & Administrative Services  
**City of Santa Fe Springs**  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

**Re: June 30, 2017 OPEB Actuarial Valuation Fee Proposal & Data Request**

Dear Mr. Hickey:

Bartel Associates would be pleased to provide actuarial consulting services to the City of Santa Fe Springs. This letter summarizes the project scope and our fee estimate for a June 30, 2017 actuarial valuation of the City's retiree healthcare plan.

**Background**

Bartel Associates prepared a June 30, 2015 valuation which provided the City a recommended contribution for the 2016/17 and 2017/18 fiscal years, and GASB 45 accounting information for 2016/17. Since that prior valuation, revised OPEB accounting rules were approved by the GASB in June 2015:

- Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement replaces GASBS 45, effective for the City's 2017/18 fiscal year.
- Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. GASBS 74 sets new plan reporting requirements for government OPEB plans administered through a trust, effective for the 2016/17 fiscal year. The City prefunds with the CERBT OPEB trust Strategy Trust 1. We understand plans funding through CERBT are considered multiple employer plans, and so have no reporting requirements under GASBS 74. The City should confirm this with its auditors; this letter does not include reporting under GASBS 74.

The June 30, 2017 valuation will provide the City a funding report suitable for CERBT's requirements, with the Plan's June 30, 2017 funded status and actuarially determined contributions (ADC) for fiscal years 2018/19 and 2019/20. GASBS 75 accounting information for the 2017/18 and 2018/19 fiscal years will be provided in two separate reports. We believe issuing separate reports for funding and accounting improves clarity.

**GASBS 75 Financial Reporting**

The City must comply with GASBS 75 beginning with the 2017/18 fiscal year. Following is a table with our suggested valuation schedule for the GASBS 75 reporting:

Fiscal Year End	Actuarial Valuation Date	Measurement Date
■ June 30, 2018	6/30/17	6/30/17
■ June 30, 2019	6/30/17 (rolled forward 12 months)	6/30/18

We understand that audited CERBT assets (statement of changes in fiduciary net position) for June 30, 2017 are expected to be available in April 2018, and in October or November of following years. We recommend waiting until these audited statements are published before completing the GASBS 75 reports.



Note that we have assumed a Measurement Date one year prior to the City's fiscal year end, which is the same approach used by CalPERS, and gives the City the earliest possible reporting results.

### Valuation Fees

The funding valuation will include a meeting with the City to review the plan provisions, census data, actuarial methods and assumptions, and valuation results. Our discussion outline for the meeting will include:

- 1) Historical valuation results and demographic information;
- 2) Historical asset information including returns;
- 3) Gain and loss analysis with changes in the Actuarial Accrued Liability since the prior valuation;
- 4) 10-year projection of expected City contributions and benefit payments;
- 5) Results provided separately for Management, Miscellaneous, and Fire groups;
- 6) Results provided separately for cash benefits versus the implied subsidy;
- 7) Statistical comparison of City results with other Bartel Associates OPEB valuations;
- 8) Detailed participant statistics, including summary of healthcare plan and coverage elections; and
- 9) Summary of upcoming OPEB and CalPERS issues.

This approach provides the same scope of work as previous valuations we have prepared for the City.

Following are timing and not-to-exceed fees for the projects:

Project	Approximate Start/Completion Date <sup>1</sup>	Fees
Funding valuation report and meeting, including <ul style="list-style-type: none"><li>▪ 6/30/17 funded status</li><li>▪ 18/19 and 19/20 recommended contributions</li></ul>	February 2018/ April 2018	\$ 18,500
GASB 75 accounting report for 17/18 (based on the 6/30/17 valuation)	March 2018/ April 2018	2,300
GASB 75 accounting report for 18/19 (based on the 6/30/17 valuation)	October 2018/ November 2018	2,500
Total		23,300

Our fee quote assumes:

- We will bill the City monthly at the following hourly rates up to the amounts listed above:

Position	2018 Hourly Rate
President (Bartel)	\$ 330
Partner & Vice President (Redding)	280
Assistant Vice President (Van Valer)	250
Associate Actuary	200
Senior Actuarial Analyst	180
Actuarial Analyst	150

- We will not bill more than the amounts above unless the project scope changes.
- The City has made no changes to its retiree healthcare plan or healthcare providers since the last actuarial valuation as of June 30, 2015.

<sup>1</sup> Assumes 6/30/17 Measurement Date for GASB 75.





- No substantial changes occur between the valuation date and the GASBS 75 measurement dates that would require revised actuarial assumptions and/or plan provisions.
- Participant census data requested will be provided completely and accurately in an Excel workbook with one record per participant.
- All plan, financial, and census information requested will be provided and is internally consistent.
- We will provide the information required by CERBT. Similar to previous valuations, the report format will be a certified discussion outline (acceptable to CalPERS).
- The City has not changed its funding policy of paying the full ADC each year.
- There will be no additional charges for expenses (e.g., travel, telephone, copying, etc.). The hourly rates above include our costs for these items.

Please note that our fees will be higher if:

- Results are needed for additional assumptions, funding methods, contribution policies, or alternative plan designs.
- The City requests additional meetings.
- Assistance is requested with Notes or RSI under GASBS 75 beyond our reports (which will contain all actuarial related information needed for Notes and RSI).

#### **Data Requirements**

In order for us to begin the OPEB valuation, please provide:

- Written summary of the City's retiree healthcare plan provisions, including a description of the City's contributions for active and retired employees if they have changed since the June 30, 2015 actuarial valuation.
- Copies of the most recent MOUs for bargained employee groups and agreements for unrepresented groups if that information is not available on the City's website.
- The City's most current CalPERS PEMHCA resolution(s) if different from that provided for the June 30, 2015 valuation.
- The City's June 2017 monthly CalPERS health premium invoice including the employee and retiree roster. (Please remove any Social Security numbers.)
- Total City pay-as-you-go costs for retiree healthcare benefits for 2016/17 and an estimate for 2017/18 if the City has prepared one for budgetary purposes.
- The monthly Tier 1 and Tier 2 caps, for Miscellaneous and Safety, for 2018 (and 2019 if available).
- Current retiree premiums for life insurance for basic and supplemental coverage.
- To complete the GASBS 75 reporting information, we will need covered-employee compensation for both the 2017 and 2018 fiscal years.
- A draft of the City's 2017 OPEB financial statement footnotes and required supplementary information.
- All quarterly and annual CERBT trust statements since June 30, 2016 including contributions and dates made.
- Active and retired participant data as of the June 30, 2017 valuation date in an Excel workbook format. Active and retired participant information can be provided on separate worksheets.
  - Active Data - name, employee number (not Social Security number), gender, birth date, hire date, medical plan, single/2-party/family coverage (medical, dental), CalPERS pension plan (Miscellaneous, Fire), CalPERS pension tier (e.g. 2.7%@55, 2%@55, 2%@62, 3%@50, 3%@55, 2.7%@57), total CalPERS service including service at other agencies (if available), City service,



employee group (Miscellaneous, Management/Confidential, Fire), spouse's birth date (if available), and annual PERSable compensation (optional: compensation is only needed if you would like us to report the Actuarially Determined Contribution as a percentage of payroll). Indicate the pay period for any compensation reported. Include any active employees who have waived healthcare coverage. Note if hours for part-time employees are less than 20 hours per week.

- Retiree Data - name, employee number (not Social Security number), gender, birth date, hire date, retirement type (service retirement, disability retirement, surviving spouse), retirement date, medical plan, single/2-party/family coverage (medical, dental), CalPERS pension plan (Miscellaneous, Fire, Police), employee group (Miscellaneous, Management/Confidential, Fire), spouse's birth date (if available), retiree healthcare cap type (tier 1/2, misc/safety), portion of medical premium paid by the City, portion of premium paid by the retiree, Medicare/Non-Medicare indicator, life insurance coverage amount (separately for Basic, Additional, Spouse and Child), and life insurance premium (separately for Basic, Additional, Spouse and Child). Include any retirees or surviving spouses of retirees who have waived coverage.
- Covered employee compensation – to finalize the 2018 GASBS 75 reporting, we will need the total covered employee compensation paid for fiscal year 2017 and 2018 (when available). Fiscal year 2019 covered employee compensation will be needed next year. You can add this yourself to our draft reports or we can issue a revised final report after June 30th.
- To finalize the 2018 GASBS 75 reporting, we will need the total employer contribution (paid to CERBT plus benefits paid directly) for fiscal year 2018 (when available). Fiscal year 2019 contributions will be needed next year. You can add this yourself to our draft reports or we can issue a revised final report after June 30th.
- Regarding the census data, please note:
  - The census data provided should be a snapshot of the City's active employees and retirees as of the June 30, 2017 valuation date.
  - The City can request a copy of its CalPERS PEMHCA database by emailing CalPERS at [CERBT4U@calpers.ca.gov](mailto:CERBT4U@calpers.ca.gov) with the desired date of the extract (i.e. June 30, 2017):
    - This data extract may be helpful to the City in assembling the requested employee census information, including retirees who waived coverage. If the City wants us to use the CalPERS data extract for the valuation, it should (1) add PERSable compensation and CalPERS pension plan tier to each active record, (2) add employee group to each active and retiree record if results are needed by employee group, (3) remove any retirees who are not eligible to participate in the City's retiree healthcare plan, for example, if they did not retire directly from the City, (4) add Life Insurance information for each retiree record, and (5) make any additions, deletions, or changes necessary to make the file current as of the valuation date.
  - In lieu of individual PERSable compensation, the City can provide the current average PERS pay rate for employees and for each bargaining unit or employee group if results are needed by employee group. Indicate the pay period for the compensation reported.
  - Our fee estimate assumes that the City will merge and reconcile all data files and provide one census file with one complete record for each employee and eligible retiree in an Excel workbook. If the City needs our help to merge and reconcile data, our fees will be higher.
  - In order to maintain confidentiality, please do not provide Social Security numbers on any of the information provided. We will delete any files that include Social Security numbers and request revised files.
- We may need additional data depending on our review of the City's retiree medical plan design.





**Timing**

We are prepared to begin this project immediately. Normally, we will need 6 to 8 weeks to complete the valuation after we receive all the requested information and the City replies to any questions we may have after our initial review of the data provided.

We look forward to continue working with you and the City. Please call Deanna Van Valer (650/377-1612) or me (650/377-1617) with any questions.

Sincerely,

Mary Elizabeth Redding, FSA  
Vice President and Actuary

c: Deanna Van Valer, Bartel Associates, LLC  
Jose Gomez, City of Santa Fe Springs  
Lana Dich, City of Santa Fe Springs

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**EXHIBIT B**

**CERTIFICATES OF INSURANCE**



## **NEW BUSINESS**

### FY 2017-18 Midyear Budget Review and Modifications

#### **RECOMMENDATION**

That the City Council approve the proposed revenue and expenditure adjustments as detailed in Attachments A through C.

#### **BACKGROUND**

Annually, the midyear budget review process presents an opportunity to adjust forecasted revenues, appropriation amounts, and budget assumptions based on fiscal year-to-date actual information. The fiscal year 2017-18 budget was originally adopted in June 2016 as the second year of a two-year budget. The budget was subsequently amended in June 2017 and is referenced as the "adopted mid-cycle budget".

Working with the City's Finance Subcommittee (Mayor Sarno and Councilmember Moore), staff presented the various components of the City's fiscal performance during the first six months of the fiscal year and the forecasted outlook for the balance of the year. Following is more detailed information regarding the estimated revenue and expenditure amounts for the City's largest funds, the General and Water Utility Funds:

#### **General Fund**

It is anticipated that the General Fund will end the year with an operating deficit of \$1,963,600. This is in contrast to the \$1,760,000\* operating deficit estimated in the adopted mid-cycle budget, an increase of \$203,600 (See Attachment A). The most significant reason for the unfavorable change is due to a number of leave payouts related to several retirements/separations during the fiscal year. These costs are somewhat offset by anticipated increases in revenues and labor savings for the year based on year-to-date data and anticipated trends for the remaining portion of the year.

\* The original deficit for the mid-cycle budget was \$5,063,500. The adoption of the revised budget included the elimination of planned transfers to the CIP and Equipment Replacement Funds totaling \$2.0 million along with transfers from the Risk Management and Employee Benefits Funds totaling \$1.3 million. The combined effect was to reduce the adopted mid-cycle budget operating deficit to \$1.76 million. The originally planned one-time loan repayments of \$1.76 million offset the operating deficit for a net zero effect on available fund balance.

Although not part of the City's operating budget, the receipt of one-time loan repayments increases the City available fund balance. The one-time loan





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repayments are anticipated to be \$766,000 higher than originally budgeted. Taken together with the anticipated operating deficit, the overall projected increase in the General Fund's available fund balance is \$562,400.

### *Revenues (See Attachments A and B)*

The adopted mid-cycle budget projected total General Fund revenues to be about \$44.6 million (not including Applied Revenues). The revised midyear budget forecast is \$44.7 million, or about \$158,000 more than originally estimated. Modest increases are expected in property taxes, utility users taxes (UUT), and property transfer taxes.

It should be remembered, however, that the revenue forecast was lowered by \$2.0 million as part of the adopted mid-cycle budget as compared to the originally adopted two-year budget. The decreases were primarily in anticipated sales, UUT, and franchise taxes. In addition, the adopted mid-cycle budget includes \$892,800 in transfers from the Employee Benefits Fund as a one-time revenue/source to assist in closing the operating deficit.

### *Expenditures (See Attachments A and C)*

Total budgeted expenditures or uses in the adopted mid-cycle budget were approximately \$46.3 million. The revised amount reflects an increase of \$361,600 to \$46.7 million. The net increase is a combination of departmental savings of \$528,400 offset by additional non-recurring expenditures anticipated to be \$890,000 higher than forecasted.

The departmental savings consist largely of labor savings related to a number of positions vacated during the year due to retirements and separations. In addition, increases in applied revenues are also anticipated in development fees and the City's Child Care program. The increase in non-recurring expenditures primarily stems from leave balance liquidations related to the retirements/separations noted above. A detailed listing is included in Attachment C.

As with revenues, it is worthwhile to recall that the expenditure/uses budget was significantly modified in the mid-cycle budget from the originally adopted budget. Most significantly a \$1.8 million transfer to the Capital Improvements Fund was eliminated from the mid-cycle budget in order to reduce the operating deficit. In addition, a transfer to the Equipment Replacement Fund (\$210,700) was eliminated while a transfer from the Risk Management Fund (\$400,000) was budgeted in order to further reduce the operating deficit.

### *One-Time Payments to be Received*

The City's budget picture would be more unfavorable if it were not for the anticipated receipt of approximately \$2.5 million in one-time monies. These funds consist of the





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receipt of loan repayments on the advance made to the former redevelopment agency. Under the dissolution bills, repayment amounts are dependent upon the amount of residual taxes available to taxing agencies after approved obligations of the Successor Agency are paid. Residual taxes were higher than anticipated allowing for a larger repayment of the loan to the City. While the repayment increases the City available fund balance, the total is finite and will be completely repaid in the next 2-4 years.

### **Water Utility Fund**

The revised budget figures incorporate an increase in both water sales and property damage recoveries for the Water Utility Fund. If the recommended changes are incorporated, a \$461,000 budgeted surplus is anticipated.

#### *Revenues (See Attachments A and B)*

The adopted mid-cycle budget projected revenues to be about \$12.5 million. The revised midyear budget forecast is \$12.9 million, or \$450,000 more than originally estimated. This is primarily reflective of the 2016 rate increase being received for a full fiscal year.

#### *Expenditures (See Attachments A and C)*

The adopted budgeted included expenditures and transfers totaling approximately \$12.5 million. No adjustment to operating expenditures is proposed, however, higher than anticipated applied revenues in the form of property damage collections are expected to be approximately \$11,000 greater than originally estimated.

### **Future Outlook Concerns**

As discussed on previous occasions, there are items of concern when looking to meet the organization's ongoing needs. The most significant is the growth in CalPERS' pension contribution rates for full-time personnel. While all full-time employees now pay all of the employee equivalent contribution rates (Safety 9% and Miscellaneous 8%), employer rates are expected to continue increasing significantly over the next seven years. Less significant increases are also anticipated for many years into the future. There are a number of reasons for the substantial increase in contributions, including: a smaller City workforce relative to the number of retirees, CalPERS investment losses, a lower investment discount rate, a shorter amortization period, changes in mortality assumptions, and changing the unfunded liability payment from a percentage of payroll to a fixed amount each year.

Revenues are expected to be mostly flat to slightly increasing in the coming years, but falling far short of the anticipated increases in expenditures. As noted previously, the City will continue to receive one-time monies in the form of loan repayments from the Successor Agency, however, these are expected to continue for only the next 2-4 years. Additionally, at \$2 to \$3 million per year, the one-time



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monies are insufficient to close ongoing operational deficit.

### **Next Year: FY 2018-19 Budget**

Staff has begun reviewing the FY 2018-19 Budget. For the last four years the City has prepared a two-year budget. Given the revenue and expenditure uncertainties facing the City, a one-year budget is contemplated for FY 2018-19. For both the General and Water Utility Funds it is anticipated that the operational changes implemented over the last several years will better position the City well into the future. Nevertheless, the structural deficit remains an issue and Staff will continue exploring a variety of options to ensure the City's fiscal sustainability and better serve the community.

### **FISCAL IMPACT**

If the recommend changes to the budget are approved, the anticipated available balances of the General and Water Utility Funds will increase by \$562,400 and \$461,000, respectively.

A handwritten signature in blue ink, reading "Raymond R. Cruz". The signature is fluid and stylized, with a long horizontal stroke at the end.

Raymond R. Cruz  
City Manager

### **Attachments:**

- A – FY 2017-18 Midyear Budget Review Summary
- B – FY 2017-18 Midyear Budget Review Revenue Adjustments
- C – FY 2017-18 Midyear Budget Review Operating Expenditure Adjustments

**FY 2017-18 Midyear Budget Review  
Summary**

**General Fund**

	Adopted Mid-Cycle Budget	Proposed Midyear Budget	Change Favorable / (Unfavorable)	
			\$	%
Revenues	44,567,800	44,725,800	158,000	0.4%
Expenditures				
Department	46,077,200	45,548,800	(528,400)	-1.1%
Non-Recurring	250,600	1,140,600	890,000	355.1%
Interfund Transfers	-	-	-	#DIV/0!
CIPs *	-	-	-	#DIV/0!
	46,327,800	46,689,400	(361,600)	-0.8%
<b>Operating Surplus / (Deficit)</b>	<b>\$ (1,760,000)</b>	<b>\$ (1,963,600)</b>	<b>\$ (1,299,800)</b>	<b>195.8%</b>
One-Time Payments to City DOF Dispute Repayment**	1,760,000	2,526,000	766,000	43.5%
<b>Total</b>	<b>1,760,000</b>	<b>2,526,000</b>	<b>766,000</b>	<b>43.5%</b>
<b>Net Change in Available Fund Balance</b>	<b>\$ -</b>	<b>\$ 562,400</b>	<b>\$ 562,400</b>	<b>-</b>

\*\$1.0 million of the annual \$2.8 million was "pre-desposited" in FY 2015-16.

\*\* Net amount to the General Fund after 20% transfer to the Housing Assets Fund as required.

**Water Fund**

	Midyear Budget	Proposed Midyear Budget	Change Favorable / (Unfavorable)	
			\$	%
Revenues	12,460,900	12,910,900	450,000	3.6%
Expenditures				
Department	11,264,600	11,253,600	(11,000)	-0.1%
Equipment Repl.	-	-	-	-
Interfund Transfers	1,196,300	1,196,300	-	-
CIPs	-	-	-	-
	12,460,900	12,449,900	(11,000)	-0.1%
<b>Surplus / (Deficit)</b>	<b>\$ -</b>	<b>\$ 461,000</b>	<b>\$ 439,000</b>	<b>-</b>

**FY 2017-18 Midyear Budget Review  
Revenue Adjustments**

Account Number	Revenue Source	Actual FY 2015-16	Final Estimate FY 2016-17	Adopted Mid-Cycle Budget FY 2017-18	Proposed Midyear Budget FY 2017-18	Proposed vs. Adopted Budget Favorable / (Unfavorable)	
						\$	%
<b>General Fund</b>							
	<u>Taxes</u>						
0110	Property	\$ 2,306,103	\$ 2,390,000	\$ 2,375,000	\$ 2,410,000	\$ 35,000	1.5%
0145	Property - Pass Thru to City	753,822	1,134,000	1,187,000	1,187,000	-	0.0%
0155	Utility User's Tax (UUT)	6,669,155	6,205,000	6,205,000	6,275,000	70,000	1.1%
0160	Sales & Use	25,518,717	25,250,000	25,470,000	25,470,000	-	0.0%
0165	Transient Occupancy	165,397	164,000	166,000	166,000	-	0.0%
0170	Franchise	2,888,135	2,704,000	2,704,000	2,704,000	-	0.0%
0175	Business Operations	801,658	802,000	802,000	802,000	-	0.0%
0180	Property Transfer	378,464	152,000	152,000	205,000	53,000	34.9%
0185	Oil Well	153,460	153,000	154,000	154,000	-	0.0%
0186	Barrel	365,648	368,000	375,000	375,000	-	0.0%
	Subtotal	40,000,559	39,322,000	39,590,000	39,748,000	158,000	0.4%
	<u>Use of Money &amp; Property</u>						
0410	Interest Earnings	250,304	370,000	400,000	400,000	-	0.0%
0420	Rentals	94,408	100,000	102,000	102,000	-	0.0%
0430	Ground Lease	710,100	710,000	710,000	710,000	-	0.0%
0430	Development	-	98,000	106,000	106,000	-	0.0%
	Subtotal	1,054,812	1,278,000	1,318,000	1,318,000	-	0.0%
	<u>State Subventions</u>						
0530	Vehicle In Lieu Taxes	1,716,181	1,767,000	1,767,000	1,767,000	-	0.0%
	Subtotal	1,716,181	1,767,000	1,767,000	1,767,000	-	0.0%
	<u>Other</u>						
0660	Other	437,183	47,000	-	-	-	0.0%
0850	Water Utility Lease Payment	1,000,000	1,000,000	1,000,000	1,000,000	-	0.0%
0851	Trans from Emp Benefits Fund	-	-	892,800	892,800	-	0.0%
	Subtotal	1,437,183	1,047,000	1,892,800	1,892,800	-	0.0%
	<b>Total General Fund</b>	<b>\$ 44,208,735</b>	<b>\$ 43,414,000</b>	<b>\$ 44,567,800</b>	<b>\$ 44,725,800</b>	<b>\$ 158,000</b>	<b>0.4%</b>

**FY 2017-18 Midyear Budget Review  
Expenditure Adjustments**

**Attachment C**

Description	Budget Adjustment Expenditure Decrease/(Increase)
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**General Fund**

**Operating/Departmental Expenditures**

City Mgr - Labor Savings	\$ 24,300
City Mgr - Increase in HR Legal Services	(30,000)
City Mgr - Increase in Comm Support Contribution (FY 2016-17 Carryover)	(10,000)
Finance - Labor Savings	113,300
Police Svcs - Increase in Whittier PD Contract OT	(300,000)
Fire - Labor Savings	129,200
Planning - Increase in Travel and Meetings (ICSC)	(10,000)
PW Eng - Labor Savings	68,700
PW Eng - Increase in Development Fees Collections	190,000
PW Maint - Labor Savings	99,700
Comm Svcs - Labor Savings	73,700
Comm Svcs - Increase in State Child Care Contract	132,900
Comm Svcs - Decrease in Lease Costs	24,400
Comm Svcs - Increase in Child Care Parent Fees	22,200
Total Department Expenditure Adjustments	528,400

**Non-Recurring Expenditures**

Multiple Depts - Leave Payouts (Retirements/Separations)	(745,000)
City Mgr - Increase in Professional Services (Recruiter)	(25,000)
PW - Increase in Underpass Pumps (New)	(100,000)
PW - Increase in Underpass Pumps (FY 2016-17 Carryover)	(40,000)
PW - Increase in AutoCAD Software Update	(10,000)
Police Svcs - Decrease in EOC Equipment	20,000
Police Svcs - Decrease in Hazard Mitigation Plan	10,000
Total Non-Recurring Expenditure Adjustments	(890,000)

**General Fund - Total Expenditure Adjustments** \$ (361,600)

**Water Fund**

**Operating/Departmental Expenditures**

Water Maint - Increase in Property Damage Recoveries	\$ 11,000
<b>Water - Total Expenditure Adjustments</b>	<u><u>\$ 11,000</u></u>





# *City of Santa Fe Springs*

*City Council Meeting*

*March 8, 2018*

## **NEW BUSINESS**

Authorization for the City Manager to Contract for Election Consulting Services related to the General Sales Tax Measure.

### **RECOMMENDATION:**

That the City Council provide direction on election consulting services and authorize the City Manager to contract for election consulting services related to the general sales tax measure.

### **BACKGROUND**

The City of Santa Fe Springs intends to place a general sales tax measure on the November 2018 general election ballot. Although cities are prohibited from using public funds to assist in the passage or defeat of a ballot measure, it may spend public moneys to enhance the voters' knowledge about the consequences of a particular initiative. With this in mind, city staff has requested proposals from election consultants to assist with the ballot measure. There are two (2) components for the City Council's consideration which includes 1) conducting polling of potential voters as to whether they would support the measure and 2) preparation of informational materials to residents and the community. The City received three (3) responses from TBWB, Strategy Research Institute, and CERRELL which are attached hereto. Below is a brief summary of the consultants' experience as well as the information staff has received from surrounding public agencies that have worked with them.

TBWB: TBWB has worked on sales tax, utility users tax and bond measures within the surrounding area including the City of Downey with their recently passed sales tax measure, the City of Glendale related to their utility users' tax and the City of Whittier with their recent library bond. Their work would include the preparation of information materials to present to voters. As of the time this staff report was written, staff was able to speak to the cities of Glendale and Whittier, both providing positive feedback on the informational materials prepared on behalf of those cities in their ballot measures. It is also important to point out that the City of Glendale has worked with both TBWB as well as CERRELL, and their endorsement was with TBWB. TBWB's consulting fee is \$6500 per month. Staff does not anticipate that this monthly fee to apply every month between now and the election, but rather, will be necessary for a 2-3 month period when informational materials are being prepared and disseminated before the election.



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Strategy Research Institute (SRI): SRI conducts polling of prospective voters by conducting telephone surveys of a mutually agreed upon number of voters with specifically crafted questions conducted by trained callers. Staff has not yet spoken to any public agencies that have worked with SRI in the surrounding community, however, staff is continuing to do some research regarding their work in other jurisdictions. According to their proposal, the polling services range from \$18,000.00 to \$28,000.00.

CERRELL: As indicated above, the City of Glendale worked with both TBWB as well as CERRELL and provided support for working with TBWB.

OTHER CONSULTANTS: With respect to polling services, staff intends to reach out to at least one other firm that conducts polling, Godbe Research, that conducted polling in the City of Whittier related to their library bond. Although the measure did not pass, the results of Godbe Research's polling proved to be consistent with the final election results.


With respect to consultants providing informational materials, staff did reach out to Lew Edwards which assisted the City of Santa Fe Springs voter approval of the utility users' tax. Lew Edwards was not able to provide a proposal at this time based on the number of projects they are currently working on.

### CONCLUSION

Staff seeks the City Council's input regarding election consultant services mentioned above and seeks the City Council's authorization to contract for election consulting services for the upcoming sales tax measure.

### FISCAL IMPACT

For fiscal year 2017/18, the City budgeted \$20,000 for the sales tax measure.

  
Raymond R. Cruz  
City Manager

### Attachment(s)

Proposals from:

1. TBWB
2. Strategy Research Institute
3. CERRELL

Report Submitted By: Yolanda Summerhill  
City Attorney's Office

Date of Report: March 2, 2018



## ATTACHMENT 1



## Proposal for Election Consultant Services

Prepared for

City of Santa Fe Springs

February 21, 2018



Janet Martinez, CMC  
City Clerk  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Dear Ms. Martinez:

Thank you for the opportunity to present our proposal to the City of Santa Fe Springs as you consider a potential sales tax ballot measure to address your funding needs. Following this letter is a proposal outlining the services we offer to help you engage with your community regarding your needs and prepare a potential sales tax for the ballot.

TBWB is a different kind of political consulting firm. We specialize in crafting and helping pass public finance ballot measures for cities and other public agencies. TBWB was formed around a simple basic idea: passing taxes is different from other types of political endeavors.

We believe that TBWB is uniquely qualified to lead the City of Santa Fe Springs through a process to achieve a successful sales tax measure for the following reasons:

- **Extensive Local Experience.** TBWB has helped cities throughout California design and pass dozens of successful local funding measures. These successes include general taxes, special taxes, sales taxes, transient occupancy taxes (TOTs), utility user taxes (UUTs) and others.

In 2016, TBWB assisted the City of Downey with developing and passing a sales tax (Measure S; 63.1%), as well as assisting the City of Glendale defeat the proposed repeal of their utility users' tax (Measure N; 28.6%) and the City of Santa Monica fund local schools and affordable housing programs with a pair of initiatives that included a sales tax (Measure GS; 70.2% & Measure GSH; 62.4%). We also guided a 15-month-long public education effort for the County of Los Angeles that resulted in passage of the historic Measure A parks funding measure (74.9%).

TBWB also helped pass recent sales taxes for the Cities of Ventura (Measure O 2016; 58.8%), Palm Springs (Measure D 2017; 56.4%) and Chula Vista (Measure P 2016; 68.4%), and a TOT increase for the City of Laguna Beach (Measure LL 2016; 78.7%).

- **Knowledge of the Tax Fairness, Transparency and Accountability Act of 2018.** One of our top priorities at TBWB is to stay abreast of and understand impactful legislation around public finance measures. We have specifically been following the Tax Fairness, Transparency and Accountability Act as it moves forward gathering signatures to qualify for the ballot, and the various interested parties who are looking to oppose any measure that may qualify. In the meantime, we are helping the Cities we serve understand the risks and options available to them in the coming elections.
- **Effective Materials.** We've included samples of our informational materials for your review, created in-house by our award-winning design and production team. In several cases, our clients had to make multiple ballot measures comprehensible to voters at the same time.
- **Commitment to Client Service.** Our former clients tell us that our responsiveness and attention to detail sets us apart. You shouldn't have to struggle to get the attention of your strategist.

- **Experience with Information, Not Advocacy.** We have extensive experience helping cities and other public agencies craft effective public informational materials that don't cross the line into advocacy. We'll work closely with city officials to develop a specific communication plan.

The remainder of this proposal provides detailed information about our firm, the services we provide, our approach to passing successful funding measures and a list of clients we have worked with, including references.

Please don't hesitate to contact me at (510) 914-0028 or via email at [jtatarka@tbwb.com](mailto:jtatarka@tbwb.com) if you have any questions or need additional information.

Sincerely,



Joy Tatarka  
Partner

TBWB Strategies  
400 Montgomery St., 7<sup>th</sup> Floor  
San Francisco, CA 94104  
Email: [jtatarka@tbwb.com](mailto:jtatarka@tbwb.com)  
Cell: (510) 914-0028  
Fax: (415) 291-1172  
Type of Firm: Corporation  
Authorized Signer: Joy Tatarka, Partner



# About TBWB

Terris Barnes Walters Boigon Heath, Inc., DBA TBWB Strategies is a strategy and communications consulting firm specializing in public finance ballot measures for school districts, community college districts, cities, counties and other public agencies. Our firm has been in business since 1988 under the legal names of Political Media Inc. and Public Finance Strategies LLC before merging earlier this year under the name Terris Barnes Walters Boigon Heath Inc.

Operating as TBWB Strategies continuously since 2005, we focus on strategy and communications consulting services for public agencies pursuing bond and tax ballot measures. Our main office is in San Francisco, and we have a secondary office in Santa Monica. TBWB's six practicing partners offer a combined 100 years' worth of strategy and communications consulting experience in California.

## **Public Consensus → Winning Propositions**

TBWB was formed around a simple basic idea: passing taxes is different from other types of political endeavors. For example, candidates run campaigns to differ from their opponents and stand out from the crowd. But when the issue is taxes, winning requires consensus: uniting people around shared priorities and values. We believe public consensus leads to winning propositions, and that is what we seek to deliver for our clients.

## **Commitment to Client Service**

We view our working relationship with our clients as a partnership. We know public finance measures, and you know your community. We pride ourselves in developing unique plans for every client as opposed to applying a "cookie cutter" model that may have worked in other places or at other times. We also understand that the reputation of your district is at stake when you seek funding from your community. It's not enough just to "win" in the short term. Your measure, your message and your outreach efforts must help you strengthen your relationship with your community for the long term.

## **Experience**

The partners and consultants at TBWB have experience on over 350 successful public finance ballot measures that have raised billions in voter-approved revenue for public programs, services and facilities. The successful measures include bonds, parcel taxes, sales taxes, transient occupancy taxes, utility users taxes, assessments and fees. We help school districts, community colleges, cities, counties, parks, water and open space districts, fire districts, libraries, healthcare districts, transportation authorities and others.

## **In-House Design and Production**

TBWB is one of the few firms in our industry that maintains in-house art and production departments. Our full-time Art Director manages a studio of graphic designers who produce award-winning, creative concepts. Our full-time Production Director attends to the details required for efficient and timely delivery of media, advertising and printed materials.

**Today's communication tools.** We take full advantage of modern communication tactics, including social media and digital advertising. We are also experts in traditional print media, direct mail and earned media, allowing us to help you efficiently leverage a full array of communication channels to engage voters.

# TBWB Organization



## TBWB Team

TBWB has six experienced partners with the time and capacity to give your effort the devoted senior-level attention it deserves. Your project will not be handed off to inexperienced staff once the contract is signed. You will work directly with Joy Tatarka, a Partner in our firm. Our direct and personal “in the trenches” experience guiding recent successful bond measures offers a keen understanding of the nuances in messaging and strategy required for success.

## Full Service and Support

With sixteen talented employees, TBWB maintains the largest and best-trained support team in our industry. Under the close supervision of the Partner leading the project strategy, messaging and direction, one of TBWB’s talented Consultants will be assigned to focus on managing project logistics to ensure the project is completed on time, on budget and with no deadlines missed. One or more of TBWB’s Associates will be assigned to provide logistical support to the Partner, Consultant and client team.

## In-House Design and Production

TBWB is one of the few firms in our industry that maintains in-house art and production departments. Our full-time Art Director manages a studio of graphic designers who produce award-winning, creative concepts. Our full-time Production Director attends to the details required for efficient and timely delivery of media, advertising and printed materials.

## PARTNERS

Barry Barnes  
Jared Boigon  
Charles Heath  
Joy Tatarka  
Michael Terris  
Erica Walters

## CLIENT SERVICES

Rochelle Fanali  
*Senior Consultant*  
Sabrina Kochprapha  
*Senior Consultant*

Jeremy Hauser  
*Consultant*

Jake Martin  
*Consultant*

Alex Wara-Macapinlac  
*Consultant*

Lauren Babb  
*Consultant*

Brittany Brady  
*Senior Associate*

Annie Seymour  
*Associate*

Calah Vargas  
*Associate*

Jeffrey Witter  
*Associate*

## CREATIVE

Maximillian Medina  
*Art Director*

Erin Henry  
*Graphic Designer*

## PRODUCTION

Dan Dimendberg  
*Partner/Production Director*

## ADMINISTRATION

David Tick  
*Partner/Business Manager*

Brandon Moss  
*Office Manager*

William Jensen  
*IT System Administrator*



# Our Approach



Over time, we've found that meeting a few essential benchmarks is critical to success.

Every agency approaches these benchmarks in its own way. TBWB will help you craft and implement a unique plan that meets your needs, makes sense in your community and meets these essential benchmarks.

**Benchmark 1:** Feasibility study to determine if, and under what conditions, the city can pass a local funding measure – and if so, what type of measure is feasible in the current political landscape.

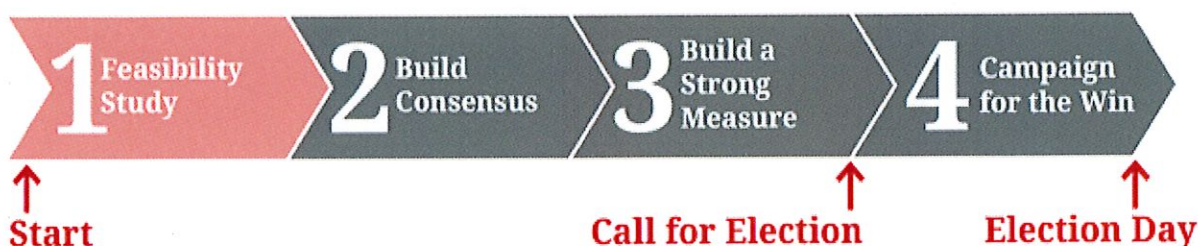
**Benchmark 2:** Build consensus with outreach, awareness-building and public input strategies that position your measure for success.

**Benchmark 3:** Build a strong measure by aligning the measure's features with the community's priorities and sensitivities.

**Benchmark 4:** Campaign for the win by efficiently getting your message out to persuade voters and mobilize your base of support.\*

*\*A public agency cannot fund campaigns; this benchmark is for informational purposes only, in order to fully explain our process.*

# Feasibility Study



TBWB will help you assess the basic viability of a finance measure in your community. We will work closely with you and a pollster to develop a questionnaire and voter sampling strategy that will help you tackle the key strategic questions that must be answered in order to set your measure on a path to victory.

## TBWB will help you answer:

- Is it reasonable to think that a funding measure can achieve the needed support from voters?
- What projects and services are voters most likely to fund?
- What is the optimal timing for an election? What level of voter turnout helps maximize support?
- What tax rate will voters support?
- Does sufficient community awareness of your needs already exist or is proactive outreach required to build awareness?
- How might specific accountability protections be included in a successful measure?
- What controversies or competing issues must be considered before moving forward?

We often like to involve key stakeholders from the community in the process of developing the survey so that they become invested in the finance measure process from the very beginning. Once the survey data is collected and analyzed, we will provide detailed recommendations to you and your City Council for moving forward with a funding measure.

# Build Consensus



If the Feasibility Study results in a green light for moving forward with a funding measure, we generally recommend a public information and outreach program to educate the community about your needs and build broad consensus around a solution.

## TBWB will:

- Develop information-only messaging and a plan for getting the message out to key audiences
- Provide information to be added to your website, distributed through social media and included in newsletters
- Prepare presentations and talking points for community meetings
- Write, design and produce informational mailings to educate, inform and engage voters
- Develop strategies and plans to inform and engage key internal stakeholder groups within your agency
- Develop strategies and plans to inform and engage influential external groups, including current and former elected leaders, local business and industry leaders, key neighborhood leaders, faith community leaders, taxpayer groups and others



# Build a Strong Measure

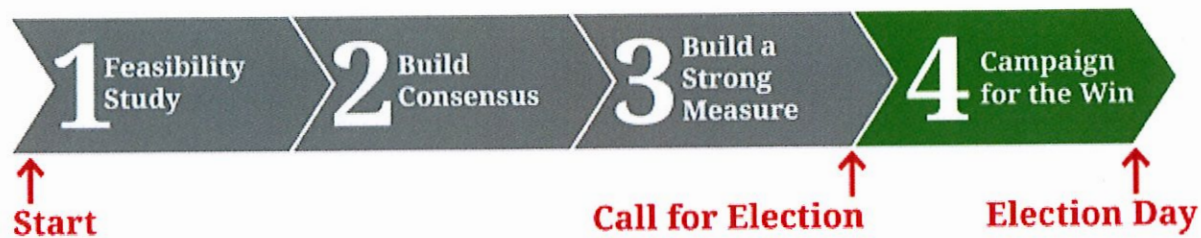


Once we know what a viable, winnable funding measure looks like, TBWB will work with you, your financial team, city leaders and legal advisors to develop the specific details of your measure and qualify for the ballot.

## Specifically, TBWB will:

- Work with you and your team to finalize amounts, tax rates and the structure of your measure
- Refine your projects to make sure they are written in clear and understandable language and feature projects and programs that are high priorities for your community
- Work with you and your City Attorney to develop important taxpayer accountability protections, including an independent citizens' oversight committee and public reporting process
- Work with you and your City Attorney to develop all resolutions required for calling the election
- Develop the critical ballot question that will appear on ballots
- Develop and refine the full text of the measure and other materials that will appear in the ballot pamphlet mailed to all voters
- Present recommendations and documents to your City Council for formal approval
- Work with the City Clerk and elections officials in your area to qualify for the ballot

# Campaign for the Win



The next step in the process is to mount a strategic advocacy campaign to secure the votes needed to win on Election Day. As consultant to volunteer campaign committees, we build campaign plans with the following elements to ensure the best possible chance of success on Election Day:

- **A winning plan for you.** We pride ourselves in developing unique plans for every client as opposed to applying a “cookie cutter” model that may have worked in other places or at other times.
- **Effective messaging and materials.** Campaign logos, brochures, websites, social media, online advertisement and other materials must be eye-catching and have a local feel in order to persuade and motivate voters effectively.
- **Avoiding controversy and obstacles.** We can’t take anything for granted in today’s economic and political environment. To win, it is important to run an organized campaign that avoids controversy and neutralizes opposition to the extent possible.
- **Good teamwork.** Above all, winning campaigns take good teamwork. We work closely with pollsters, professionals, committee members and other local partners.
- **Efficient grassroots organizing.** The time and energy of your volunteers are precious resources. We’ll work with you to develop a plan that maximizes the impact of their efforts on the outcome of the election.
- **Strong Fundraising.** Fundraising for local ballot measures can be a challenge. It takes resources to get your message out to the voters who will determine the outcome of your election. We can help you create a fundraising plan to help you achieve the resources needed to win.

*\*A public agency cannot fund campaigns; this benchmark is for informational purposes only, in order to fully explain our process.*

# References

**City of Chula Vista**

Gary Halbert  
City Manager  
(619) 691-5002  
ghalbert@chulavistaca.gov

**City of Downey**

Gilbert Livas  
City Manager  
(562) 904-7284  
glivas@downeyca.org

**City of Glendale**

Tom Lorenz  
Director of Communications & Community Relations  
(818) 535-1958  
tlorenz@glendaleca.gov

**City of Laguna Beach**

Christa Johnson  
Assistant City Manager  
(949) 497-0797  
cjohnson@lagunabeachcity.net

**City of Ventura**

Dan Paranick  
Interim City Manager  
dparanick@cityofventura.net



## Fees

As is the standard in our industry, TBWB contracts on a fixed-fee basis. For a city the size of Santa Fe Springs, our standard consulting fee is \$6,500 per month.

Reimbursable business expenses, such as travel, photocopying and overnight delivery, will be billed separately along with any other costs associated with printing, postage and digital advertising for informational communication and outreach. Our contract can be severed at any time if you chose to abandon or delay your revenue measure effort. Partial months of services would be prorated.

We will work with you to develop an appropriate budget for any printing, mailing or advertising costs through the development of the public outreach plan. For budget estimating, most cities send two to three informational community mailers along with targeted digital and print advertising during the revenue measure planning and outreach process.

We expect to collaborate with you and the City Attorney to ensure all informational materials satisfy the legal requirements of information, not advocacy.

## COMBINED EXPERIENCE OF TBWB'S PARTNERS

With experience on over 350 successful local funding measures for all types of public agencies, TBWB has worked in virtually all parts of our home state.

We've passed measures in sparsely populated rural areas, suburban communities in Northern and Southern California as well as the urban neighborhoods of California's biggest cities.



### Community College Districts

Allan Hancock College  
Antelope Valley College  
Cabrillo College  
Chabot-Las Positas CCD  
College of the Canyons  
College of the Marin  
College of the Siskiyous  
Contra Costa CCD  
Foothill-De Anza CCD  
Glendale College  
Hartnell College  
Lane Community College (Oregon)  
Mendocino College  
MiraCosta College  
Napa Valley College  
Peralta CCD  
Mt. San Jacinto CCD  
Rancho Santiago CCD  
San Joaquin Delta College  
San Mateo CCD  
Santa Barbara City College  
Santa Monica College  
Santa Rosa Junior College  
Sierra College  
Yuba College

### Hospitals and Health Care

Alameda County Medical Center\*  
Cascade Valley Hospital (WA)\*  
Daughters of Charity Health System  
Plumas Healthcare District\*  
Salinas Valley Memorial Healthcare System  
Sage Laguna Hospital  
Seton Medical Center  
Tahoe Forest Hospital District\*  
Valley Medical Center (Washington)\*  
West Contra Costa Healthcare District\*  
Valley Health System

### Transportation

AC Transit District\*  
Fresno County Transportation Authority  
Monterey-Salinas Transit  
Napa County Transportation Agency  
San Benito County Transportation  
Santa Clara County BART  
Santa Cruz County Regional Transportation Commission  
Sonoma County Transportation Authority  
Stanislaus County Transportation  
Transportation Agency of Monterey County  
Truckee/North Tahoe Transportation Agency

### High School Districts

Campbell Union High SD  
Chaffey Joint Union High SD  
Delano Joint Union High SD  
East Side Union High SD  
Fremont Union High SD\*  
Fullerton Joint Union High SD  
Galt Joint Union High SD  
Grant Joint Union High SD  
Jefferson Union High SD  
Los Gatos-Saratoga Union High SD  
Nevada Joint Union High SD  
Oxnard Union High SD  
Perris Union High SD  
Petaluma Joint Union High SD  
Roseville Joint Union High SD  
San Benito High SD  
San Dieguito Union High SD  
San Mateo Union High SD  
San Rafael High SD  
Santa Cruz City High SD  
Santa Rosa High SD  
Sequoia Union High SD  
William S. Hart Union High SD

(Partial List) \*Projects managed by Charles Heath while at a prior firm.



## Parks, Open Space and Water Districts

Alameda County Clean Water Program  
Camden Water  
Greater Vallejo Recreation District  
Hayward Area Recreation District  
Los Angeles County Regional Park and Open Space District  
Marin Agricultural Land Trust  
Marin County Parks and Open Space  
Midpeninsula Regional Open Space District  
Missoula Open Space (Montana)  
Monterey Peninsula Regional Park District  
Napa County Regional Park and Open Space District  
Pleasant Hill Recreation and Park District\*  
Santa Clara County Open Space Authority  
Santa Clara County Parks  
Santa Clara Valley Water District  
Save the Bay  
Sonoma County Agricultural Preservation and Open Space District  
Zone 7 Water Agency (Alameda County)

## Fire Districts

East Contra Costa Fire Protection District  
Fresno County Fire Protection District  
Marin County Fire Department  
North Tahoe Fire Protection District  
Oakland Wildfire District\*  
Santa Cruz County Fire District - CSA48  
Truckee Fire Protection District

## Cities, Counties and Special Districts

Alameda Free Library*	Placer County
Citizens for Carmel Valley	San Mateo County
City of Campbell	Santa Clara County
City of Chula Vista	Santa Clara County Libraries*
City of Colton*	Santa Cruz County
Town of Corte Madera	Santa Cruz County Library
City of Del Mar	
City of Downey	
City of Fairfield	
City of Fremont	
City of Glendale	
City of Gustine	
City of Lafayette	
City of Laguna Beach	
City of Los Altos	
City of Madera	
City of Merced	
City of Morgan Hill	
City of Pacifica	
City of Palmdale	
City of Palo Alto	
City of Pleasant Hill	
City of Port Hueneme*	
City of Redwood City	
City of Salinas	
Town of San Anselmo	
City of San Bernardino*	
City of San Carlos	
City of San Gabriel*	
City of San Jose	
City of San Rafael	
City of Santa Cruz	
City of Santa Monica	
City of Santa Rosa	
City of South Lake Tahoe	
Town of Truckee	
City of Union City*	
City of Vacaville	
City of Ventura	
City of Watsonville	
Town of Windsor	
Yuba City	
Los Angeles County	
Homeless Initiative	
Marin County	
Marin County Free Library	
Merced County Association	
of Governments	
Napa County	
Oakland Public Library*	
Pacifica Library	

## Elementary School Districts

Alisal Union SD  
Alpine Union SD  
Alta Loma SD  
Alum Rock Union Elementary SD  
Anaheim Elementary SD  
Auburn Union SD  
Beardsley SD  
Belmont-Redwood Shores SD  
Berryessa Union SD  
Buena Park SD  
Burlingame SD  
Cambrian SD  
Campbell Union SD  
Castaic Union SD  
Central SD  
Centralia Elementary SD  
Cupertino Union SD  
Del Mar Union SD  
Dixie SD  
Fountain Valley SD  
Franklin-McKinley SD  
Fruitvale SD  
Hermosa Beach City SD  
Huntington Beach City SD  
Jefferson Elementary SD  
Kentfield SD  
Lakeside Union SD (San Diego County)  
Larkspur-Corte Madera SD  
Live Oak SD  
Loma Prieta Joint Union SD  
Los Altos SD  
Los Gatos Union SD  
Menifee Union SD  
Millbrae SD  
Moraga SD  
Moreland SD  
Mount Pleasant Elementary SD  
Mountain View Whisman SD  
Norris SD  
North Sacramento SD  
Oakley Union Elementary SD  
Ocean View SD (Orange County)  
Pacifica SD  
Palmdale SD  
Perris Elementary SD  
Petaluma City Elementary SD  
Portola Valley SD  
Ravenswood City SD  
Redwood City SD  
Reed Union SD  
Rosemead SD  
Roseville City SD\*  
Ross Valley SD  
San Carlos SD  
San Mateo-Foster City SD  
San Rafael Elementary SD  
Santa Cruz City Elementary SD  
Santa Rita Union SD  
Santa Rosa Elementary SD  
Saratoga Union SD  
Saugus Union SD  
Savanna SD  
Soquel Union Elementary SD  
Stanislaus Union SD  
Sulphur Springs Union SD  
Sunnyvale SD\*  
Union SD  
Westminster SD

## Unified School Districts

Alameda USD  
Albany USD  
Arcadia USD  
Azusa USD  
Bossett USD  
Cabrillo USD  
Castro Valley USD  
Charter Oak USD  
Claremont USD  
Conejo Valley USD  
Corona-Norco USD  
Catali-Rohnert Park USD  
Culver City USD  
Downey USD  
Dublin USD  
El Rancho USD  
Emery USD\*  
Evansville-Vanderburgh School Corporation (Indiana)  
Fairfield-Suisun USD  
Folsom Cordova USD  
Fremont USD  
Garden Grove USD  
Glendale USD  
Hayward USD  
Irvine USD  
Jurupa USD  
Kerman USD  
La Cañada USD  
Lammersville USD  
Las Virgenes USD  
Lake Elsinore USD  
Madera USD  
Martinez USD  
Milpitas USD  
Monterey Peninsula USD  
Moreno Valley USD  
Morgan Hill USD  
Mount Diablo USD  
Mountain Empire USD  
Napa Valley USD  
New Albany Floyd County Consolidated  
School Corporation (Indiana)  
Newark USD  
New Haven USD  
Novato USD  
Oakland USD\*  
Oak Park USD  
Orange USD  
Pajaro Valley USD  
Palo Alto USD  
Palos Verdes Peninsula USD\*  
Patterson Joint USD  
Piedmont USD\*  
Pleasanton USD  
Poway USD\*  
Riverside USD  
San Jose USD  
San Lorenzo Valley USD  
San Marcos USD  
San Marino USD  
San Ramon Valley USD  
Santa Monica-Malibu USD  
Scotts Valley USD  
Simi Valley USD  
Snowline Joint USD  
Sonoma Valley USD  
South Pasadena USD  
South San Francisco USD  
St. Helena USD  
Tahoe Truckee USD  
Torrance USD\*  
Tustin USD  
Val Verde USD  
Walnut Valley USD  
West Contra Costa USD  
Westside School District 66 (Nebraska)  
Woodland Joint USD  
Yucaipa-Calimesa Joint USD

(Partial List) \*Projects managed by  
Charles Heath while at a prior firm.

# ATTACHMENT 2



**G. Gary Manross, Ph.D.**  
Chairman/CEO

**G. Gary Manross, Ph.D.**  
Political Communications  
& Media Effects

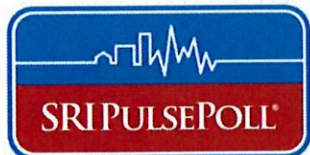
**Richard R. Miller, Jr., Ph.D.**  
Urban & Regional Planning

**Michael D. Cozzens, Ph.D.**  
Communication Research &  
Organizational Communications

**Debra L. Schultz, Ph.D.**  
Interpersonal Communications  
& Persuasion

**MaryAnn Williams, M.A.**  
Sociology  
Senior Research Associate

Creators of the...



WWW.SRI-CONSULTING.ORG

Toll Free  
**800.224-7608**

714.447-4884  
Corp. Headquarters

P.O. Box 1724  
Lake Arrowhead, CA 92352

February 20, 2018

**Ms. Janet Martinez, CMC**  
City Manager's Office  
**City of Santa Fe Springs**  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 409-7514  
[janetmartinez@santafesprings.org](mailto:janetmartinez@santafesprings.org)

Re: **SRI's Proposal in response to the City's RFP for a Sales Tax Measure**

Dear Ms. Martinez,

With this cover letter, please find SRI's proposal in response to the City's RFP, asking for assistance from a highly seasoned consultant to partner with the City of Santa Fe Springs in placing a Sales Tax on the November 2018 ballot.


Frankly, you may not recognize our firm, since SRI was not included in the list of consultants who were sent your RFP; rather, we were contacted by David Taussig, of David Taussig & Associates, with whom we work on a regular basis. At the moment, for example, we are supporting DTA on a project with the City of Soledad and another project with the North (San Diego) County Fire Protection District, headquartered in Fallbrook, CA. David sent me your RFP, with the following note: *"This RFP is right up your alley."*

Since our proposal is comprehensive and self-explanatory, I won't speak further to it here, with the exception of pointing out the following:

- While I did not state this in SRI's formal proposal, you asked if we are familiar with the **Tax Fairness, Transparency and Accountability Act of 2018**? The answer is YES.
- Also, you might like to know that our Institute is presently working with the City of Maywood, assisting them on placing an annual sewer service fee on the local ballot. In addition to the professional references that are included in our proposal, if you would like to touch base with Maywood re: SRI's performance on this project, feel free to contact Dan Garcia, who is presently serving as the City's Engineer. He can be reached at (310) 968-7263 or via e-mail at: [dr Garcia@interwestgrp.com](mailto:dr Garcia@interwestgrp.com)

I trust you will find our proposal to be tailored to the needs of your City. As you review the proposal, if you have questions that require additional input from our end, please don't hesitate to advise. I'm telephone close and I monitor my e-mails, quite closely. I'll stay tuned...

Warmest regards,

  
(909) 744-8750 home office  
(909) 239.8757 cell

P.S.

Since I'm in the field much of the time, if you wish to touch base by phone, please feel free to call me on my cell phone.

**Strategy Research Institute**  
*An Institute for CONSENSUS BUILDING*



**A Benchmark Scientific Survey...**

**Determine Voter Support for a  
Sales Tax in the City of Santa Fe Springs**

*Proposal prepared expressly for the...*



*Submitted by...*

**Strategy Research Institute**  
*An Institute for CONSENSUS BUILDING*  
[www.sri-consulting.org](http://www.sri-consulting.org)



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## Section 1.0

### Situation Analysis

The City of Santa Fe Springs is considering placing a Sales Tax measure on the local ballot during the November 2018 election cycle. Prior the placing such a funding Measure on the local ballot, in terms of 'Best Practices,' the City wants to commission a scientific survey of registered voters Citywide to determine whether or not there is requisite support within the local electorate for such a funding Measure. The voter survey needs to be designed in a fashion that will address a host of questions; for example, identify spending priorities for the yield from a successful sales tax, and more.

**Strategy Research Institute (SRI)** is perfectly positioned to assist City officials with this important matter. We have nearly three decades of experience in partnering with Cities, Counties, and Special Districts throughout California, and elsewhere, helping them address this precise objective.

Three elections are of particular note here. In the June 2012 election cycle, SRI orchestrated a successful half-cent sales tax increase (Measure Q) for the City of San Pablo; the Measure needed simple-majority support to pass; it received **73.56% YES vote**. SRI not only surveyed the local electorate to determine whether or not this funding Measure was feasible and to develop a "message strategy" for explaining the need to local voters, but we also designed and implemented the public outreach effort to explain to local voters (without advocating a YES vote) the need for these funds AND how the monies from the sales tax would be spent.<sup>1</sup>

Two years later, in the June 2014 election cycle, we assisted the City of San Pablo in securing 2/3rds voter support for yet another ¼-cent increase in the local sales tax; these monies were earmarked for creating a **Hybrid Emergency Medical Services (EMS) Squad** designed to help lower the cost of operating the County fire station (ConFire #70) located in downtown San Pablo; thus, minimizing the likelihood that the Contra Costa Board of Supervisors would either cut back EMS services being provided to San Pablo residents at that time (or close the fire station, altogether) due to the fiscal challenges being faced by the County due to reduced income from property taxes. What was noteworthy in this election was that the Contra County Fire Department did NOT embrace this funding Measure (Measure K); yet, it secured 70.8% voter support.

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<sup>1</sup> Refer to Addendum 'B' for a partial listing of SRI Clients, many involving literally every type of funding mechanism available to public agencies in California and beyond.



Third, SRI assisted the City of Rio Vista in securing over 81% voter support for a Sales Tax. In all three of the above cases, our Institute was commissioned to oversee BOTH the BENCHMARK voter survey AND the public outreach effort, which was designed to inform local voters of the need for these monies.

In fact, SRI orchestrated a successful half-cent sales tax Measure on behalf of Fresno COG (Council Governments), which is comprised of Fresno County and the 15 cities within the County, that generated \$1.7 billion (with a 'B'); this funding Measure secured 78% voter support. Here again, SRI handled both the scientific voter surveys, as well as the public outreach on behalf of Measure C. The list could go on and on.

## Section 2.0

### Research Questions

Before identifying the Research Questions that SRI will incorporate into the scientific survey of registered voters in Santa Fe Springs, perhaps it would be useful to point out the two (2) determinants of voting behavior. They are: (i) the collective **CORE VALUES** of the members of the local electorate and (ii) the collective **EXPECTATIONS** of local voters (e.g., how the monies from the proposed tax measure will be spent). Thus, in order to accurately predict voting behavior, it is essential not only to identify the core values and the expectations of local voters; but, it is necessary to determine how these correspond (relate to) a YES vote on the initiative(s) being investigated. Our behavioral scientists do precisely that.

The scientific survey of registered voters in Santa Fe Springs will include, but NOT necessarily be limited to, the following:

- 1) Identify the present level of **voter support** for the sales tax that City officials are envisioning.
- 2) Identify the **core values** and **expectations** among Santa Fe Springs voters, rank-ordered; then, determine how these will impact voting behavior.
- 3) If directed, test to see if a "Sunset Clause" is needed; and, if it is, how long the respective revenue stream can be kept in place?
- 4) Test **ARGUMENTS** both in support of, and in opposition to, the proposed tax.

## Section 3.0

# Telephone Survey that strictly adheres to *The Scientific Method*

### 3.1 Research Design

The central component of this effort will be designing and administering a scientific telephone survey that will determine, definitively, whether or not there is sufficient support from within the local electorate to secure the requisite voter support for the proposed sales tax. Equally important, if there's NOT sufficient voter support at the present time, can anything be done to realize requisite voter support; if so, what that is?

### 3.2 SRI's proven 'Go, No-Go Model' will be employed

This will be accomplished by applying SRI's proven 'Go, No-Go Model'...which, for more than the past two decades, has predicted voting behavior either spot on, or within no more than 1% or 2% of reality (regardless of the statistical '*margin of error*', which typically ranges between  $\pm 4\%$  to  $5.8\%$ ). There are three (3) possible outcomes when applying SRI's **Go, No-Go Model**. They are:

- (i) **GO:** All is good and the funding measure being tested will, indeed, secure the requisite voter support; e.g., 2/3<sup>rd</sup>s voter support for the proposed sales tax.
- (ii) **NO-GO:** There is simply not sufficient support within the local electorate to secure the requisite vote for the funding measure(s) being tested; and won't be in the foreseeable future.
- (iii) **GO...but NOT NOW**, some work needs to be done BEFORE placing the measure(s) on the local ballot. The good news is that, should this turn out to be the case, the scientific survey will be designed in a manner that will identify precisely what needs to be done. Furthermore, our Final Report will include specific recommendations for how to accomplish this objective and without violating any of the laws or even being accused of spending tax dollars advocating voter support. The key here is **CONSENSUS BUILDING** among stakeholders, many with competing agendas. SRI is an acknowledged expert in consensus building, which is easily documented through our track record.

Perhaps the best example of how this operates is to point to the successful \$1.7 billion (with a 'B') funding Measure (noted above) in which SRI partnered with Fresno COG (comprised of Fresno County and the 15 cities within the County)...called Measure C). SRI was commissioned to conduct the BENCHMARK voter survey; it showed that we had 67% voter support...thus, we could

have recommended 'GO'. However, SRI concluded that more insurance was needed; the Client agreed.

We suggested that the Expenditure Plan be adjusted to MIRROR the collective desires of Fresno County voters AND that a comprehensive Public Outreach effort be designed and administered BEFORE the Measure was placed on the local ballot.

Our Institute was commissioned by Fresno COG to move forward, accordingly. Prior to placing Measure C on the ballot, we administered a Tracking Poll, which showed that Measure C would secure a minimum of 72% voter support and maximum voter support of 80%...probably at the high end. The outcome turned out to be 78% voter support. In fact, SRI's efforts culminated with an **8-page Editorial**, produced at no cost to Fresno COG and published by the Fresno Bee...giving ALL the reasons to SUPPORT the \$1.7 billion funding measure.<sup>2</sup>

### 3.3 Crafting the Research Instrument (questionnaire)

SRI researchers and strategic planners will work closely with City officials (professional staff, elected officials assigned to this project) in developing an appropriate research instrument (questionnaire) for gathering the desired information (data).

We will employ the appropriate *question formats* and *response scales* (from both the scientific and applied perspectives) that are needed in order to address the research question(s) in the study at hand. Given a "team" approach between SRI researchers and the City, the research design being advocated herein holds special promise for the City of Santa Fe Springs.

### 3.4 Data Collection

Data will be collected by employing a technology called **CATI** (*Computer Assisted Telephone Interviewing*). **Trained callers** will conduct telephone interviews until the agreed upon number of respondents have completed the entire survey.

The approved instrument will be pre-tested on 20 respondents. Any and all necessary adjustments will be made; the Client will be advised, in advance, of any required alterations. Once these alterations have been made and approved by the Client, the survey will be completed in its entirety.

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<sup>2</sup> We will happily provide you with a copy of this 8-page editorial in the Fresno Bee, upon request.



### 3.5 Data Analysis

Data analysis will be administered through the well-known Statistics package, SPSS. We will employ BOTH descriptive and advanced statistical analysis, where appropriate. For example, it may be necessary to include **CAUSAL MODELING**, which no other research or polling firm provides; in other words, we will go far beyond 'A correlates to 'B' to 'A CAUSES 'B'...with 'B' being a **YES vote**.

The *findings* from the survey will be thoroughly examined by SRI's researchers and strategic planners, conclusions drawn, and recommendations developed.

### 3.6 Final Report

The *findings* from the data analysis phase will be carefully reviewed by SRI researchers and strategic planners and a comprehensive **final report** will then be prepared for presentation to the Client. The final report will consist of a narrative and graphic interpretation of the *findings*. This report will include the following:

- *Key findings*
- *SRI's interpretations*
- *SRI's conclusions*
- *SRI's recommendations.*

The report will include a graphic depiction of the *findings* in the form of charts, graphs, tables, and figures.

Before a final report is prepared, however, SRI researchers and strategic planners will **debrief** Santa Fe Springs officials, in person (using charts and graphs).

This provides decision-makers with an opportunity to assess the *findings* from the research effort at the earliest possible moment; furthermore, if the *findings* bring to the surface additional questions, SRI researchers can conduct the appropriate data analyses in order to address these questions.

Finally, SRI will provide the Client with *four bound copies*, plus *one unbound copy* (produced in Microsoft Word®) for purposes of duplication, and one electronic copy of the final report. We will also provide you with a Book of Crosstabs. The *findings* will also be presented in the form of an oral report, using PowerPoint slides.



### 3.7 Fee schedule

In order to permit City officials to “tailor” the present research effort to its own needs and budget parameters, we are providing 12 alternative approaches. The alternative approaches differ in such determinants of cost as: (a) length of interview AND (b) sample size. We will, of course, recommend the research design and methodology that we believe to be most appropriate and cost effective for the circumstances at hand.

The most useful way of discussing the “cost” of conducting a telephone survey is to show the cost in the context with other parameters of the respective survey; which is to say, compare each alternative approach based upon the key dimensions of the research design. Thus, for the sake of clarity and ease, the alternative approaches will be presented below in **matrix format**.

Sample Size	15 minutes	17 minutes	20 minutes
<b>N=300</b> Sampling error ±4.5 to 5.8%	Option 1-A <b>\$18,000</b>	Option 1-B <b>\$20,000</b>	Option 1-C <b>\$22,000</b>
<b>N=400</b> Sampling error ±4 to 5%	Option 2-A <b>\$20,000</b>	Option 2-B <b>\$22,000</b>	Option 2-C <b>\$24,000</b>
<b>N=500</b> Sampling error ±3.5 to 4.5%	Option 3-A <b>\$22,000</b>	Option 3- B <b>\$24,000</b>	Option 3-C <b>\$26,000</b>
<b>N=600</b> Sampling error ±3 to 4%	Option 4-A <b>\$24,000</b>	Option 4- B <b>\$26,000</b>	Option 4-C <b>\$28,000</b>

*95% confidence level*

*Sampling error varies with size of sample*

*Descriptive & Advanced Statistical Analysis for ALL options*

### 3.8 **Recommended Research Design**

For a service area with the population of approximately 18,027 residents (according to the U.S. Census Bureau) AND given your goals and objectives, as we understand them, we believe to the **most appropriate** and **cost effective** research design for the upcoming scientific survey is:

<b>Option 1-B</b>	
Sample Size:	<b>N=300</b> (Margin of Error: ±4.5 to 5.8%)
Length of Interview:	Not to exceed <b>17 minutes</b>
Level of Analysis:	<b>Descriptive &amp; Advanced statistics</b>
Fee:	<b>\$20,000</b>

### 3.9 Payment Policy

It is SRI policy to be paid one-half of the total fee upon the signing of the contract by both parties. We are paid one fourth of the contracted price when the data are gathered and the final one-fourth upon delivery of the final report to the Client.

### 3.10 Timeline

Under normal conditions, SRI provides the Client with *findings* from a given research effort within four (4) weeks of have an approved research instrument (questionnaire) in hand. However, SRI has the ability to expedite the process without negatively impacting the level of accuracy of the *findings*, in order to accommodate the needs of the Client.

### 3.11 Project Team

As seen in the organization chart (below), the project **team leader** will be **Dr. G. Gary Manross, Ph.D.**, Chairman/CEO of the research and consulting Institute.

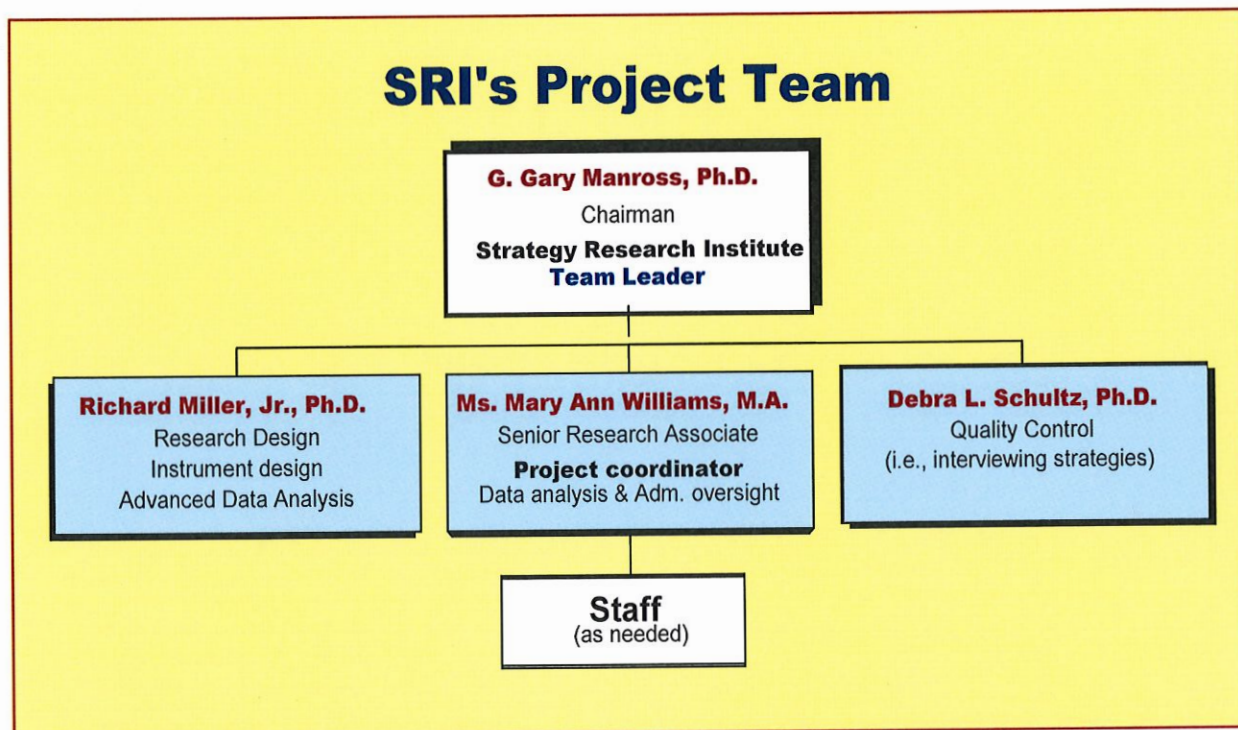
Dr. Manross will be supported by the firm's Executive Vice President and Senior Research Associate, Mary Ann Williams; SRI's Chief Methodologist, Richard Miller, Ph.D; and its Director of Qualitative Research, Debra L. Schultz, Ph.D.

Dr. Manross and Dr. Miller are behavioral scientists, with stellar academic credentials and years of applied experience. Ms. Williams has an M.A. in Sociology and brings to the project nearly 20 years of applied experience; 16 of them with SRI. Dr. Schultz will oversee callers during the data-gathering phase of the research effort.

SRI will assign additional staffers to assist on the project on an "as-needed" basis. An **organization chart** showing the staff to be assigned to this project appears below.

Bios for the Project team are provided in Addendum A.





## Section 4.0

### Public Outreach

This section of the proposal speaks to an option wherein SRI would partner with the City in developing and implementing a strategic and tactical **Plan of Action** designed to:

- ☑ Develop **BALLOT LANGUAGE**;
- ☑ Develop and administer a Public Outreach effort to inform local voters of the **NEED** for these monies AND how the monies from a successful sales tax initiative will be spent;
- ☑ Work with local business, community groups, and other stakeholders to address their collective interests, issues, and concerns, then **BUILD CONSENSUS** among these groups and organizations with regard to supporting, and even endorsing, such a tax measure.<sup>3</sup>

STRATEGY RESEARCH INSTITUTE (SRI) has extensive experience in designing and administering outreach efforts for **CONSENSUS BUILDING** among stakeholders, many with competing

<sup>3</sup> These efforts will involve interfacing with the community-at-large, with community and civic groups & organizations, and any special interest groups or organizations that perceive themselves as being 'stakeholders' in matters that will be impacted by financial resources that will be made available to local residents through this funding stream. These outreach efforts could involve public hearings and/or Town Hall meetings, neighborhood meetings, and-the-like.

agendas. It's not uncommon for this element to be the difference between success and failure for a given funding mechanism.

However, it would be irresponsible to develop a formal proposal for public outreach until we have benefit of the *findings* from the BENCHMRK scientific survey; those firms that do are providing the Client with nothing more than a **COOKIE CUTTER** approach (one fits all). SRI, on the other hand, TAILORS the Public Outreach and Consensus Building effort to the case at hand. Thus, when the time is appropriate, we will happily provide you with a specific proposal for realizing these critical goals and objectives; and, our pricing is extremely competitive.

That said, a typical approach begins with crafting two documents: (i) a **Quick Facts** sheet and (ii) an **FAQ (Frequently Asked Questions)**. We also begin by creating a compelling PowerPoint presentation to be used for presenting the case to community and civic groups/organizations and other stakeholders. The Public Outreach effort would, in all likelihood, include at least one collateral piece (e.g., self-mailers). Of course, it would involve comprehensive media relations, perhaps beginning with a Press Conference (perhaps not). Finally, it would incorporate such social media as the City's Web site, Facebook, YouTube, Twitter, and/or Instagram, among other social media outlets (e.g., NextDoor).

Attached to the present proposal (refer to Addenda D and E) are two documents pertaining to a Public Outreach effort our Institute was commissioned to handle on behalf of the City of San Pablo, called **Measure Q**.

Addendum D is a **Gantt Chart** (time line) in which each element of this effort is identified and controlled for.

Addendum E is a PROOF of the first of three self-mailers; obviously, this is NOT to size, therefore, it is a bit hard to see. You will see that we present the message in BOTH **English** and **Español** (Spanish).



## Section 5.0

# SRI is uniquely qualified to partner with the City of Santa Fe Springs

STRATEGY RESEARCH INSTITUTE (SRI) has extensive experience in designing and administering studies identical to the present one; please refer to SRI's partial Client list that is included in Addendum 'B' of the present proposal and to our web page at [www.sri-consulting.org](http://www.sri-consulting.org).

Our research and consulting Institute is uniquely qualified to partner with your City for three specific reasons:

- (1) For the past two decades, we have been conducting tax feasibility studies virtually identical to the one being recommended here; more importantly, our predictions routinely turn out to be within 1% of reality, when the statistical “margin of error” typically ranges between  $\pm 4\%$  to 5% (depending upon sample size).**

This unprecedented level of accuracy in predicting voting behavior has been made possible as a result of SRI's team of four behavioral scientists having developed, through years of practical experience, a model that incorporates sound mathematical calculations that, as noted above, routinely yield predictions of actual voting behavior that are markedly below the statistical *sampling error*. As noted above, this model has become known as the **'SRI Go, No-Go Model'** (visit SRI's web site at [www.sri-consulting.org](http://www.sri-consulting.org), click Public Policy panel on home page, then on Tax Feasibility Studies, and finally on Go, No-Go Model in the bar at the bottom of the page). While the number of successes are far too numerous to list here, a couple of them appear to merit note.

For example, in 1988, we partnered with the largest regional park District in the United States, the East Bay Regional Park District, in securing the requisite 2/3-voter support for a **\$225 million bond measure**, Measure AA; since then, we've assisted the District in securing over \$1 billion, including the largest funding measure placed on the ballot by any regional park District in the United States. Our most recent effort involved the successful RENEWAL (continuation) of Measure AA, which was called **Measure WW**.

As noted above, we recently nurtured Fresno COG (Council of Governments) in securing 78% voter support for a \$1.7 billion (with a 'B') transportation funding Measure. The identical funding Measure was placed on the ballot four years earlier; the research firm handling that effort predicted 72% voter support; at the end of the day, it received only 54% voter support...thus, failed miserably. SRI's voter survey predicted that voter support would range between 72% and 80%; as noted above, it secured 78% voter support.

**(2) SRI has experience involving virtually every form of funding measure, including (but not limited to) sales taxes, special tax, parcel tax, bonds, 218-type Special Benefit Assessments, and more.<sup>4</sup>**

For example, after having a half-cent sales tax earmarked for public transportation defeated twice at the polls, the Marin County Congestion Management District commissioned SRI to join its consulting team for yet another try. The outcome of our efforts is perhaps best depicted in the following e-mail from one of the consultants with whom we partnered, Bonnie Nelson of San Francisco-based, Nelson/Nygaard, **"Hope you noticed the vote in November (2004)...71%, just as you predicted."**

In 2011, we were commissioned to assist Marin (County) Parks Department in securing the requisite support for a quarter-cent retail transactions and use tax (sales tax) that was placed on the November 2012 ballot; it passed by 74.37%.

We've worked with AC Transit and BART (Bay Area Rapid Transit Authority), among many other public agencies.

We've assisted numerous public school Districts in securing millions of dollars to address their respective needs and objectives.

**(3) The Institute is comprised of a select team of behavioral scientists (both quantitative and qualitative researchers) and strategic planners.**

SRI's researchers are proficient in the most up-to-date, advanced scientific methodologies and have advanced degrees from such academic institutions as U.C. Berkeley, The Annenberg School for Communication and Journalism at the University of Southern California, and New York University.

The Chairman/CEO of SRI, G. Gary Manross, Ph.D. taught Political Communications at UCLA; he also taught Journalism and Mass Media Effects at USC. Dr. Manross was an Associated Professor in the California State University system, where he held a joint appointment in Public Relations and Advertising. Before that, he was the #2 executive on the West Coast for the largest Public Relations agency in the world, Hill & Knowlton, Inc., headquartered in New York City. He authored a book entitled: **The Impact of Theory-driven Public Opinion Research in Strategic Planning for Winning Campaigns**. He began his career as a journalist and editor at an award-winning daily metropolitan newspaper.

Other factors that we believe merit note in the present proposal include the following:

## **5.1 Documented Accuracy**

The accuracy of SRI's research may be best demonstrated in a statement from an official of the City of Berkeley:

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<sup>4</sup> Please refer to SRI's partial Client list that is included as an Addendum to the present research proposal.



**"You predicted that if we followed your recommendations (based upon a scientifically-conducted telephone survey) that the bond measure would be approved by 79% of the voters. We followed your recommendations quite closely, and the measure was approved by 78.7% of the voters."**

*Mr. Hal Cronkite  
Assistant City Manager (at that time)  
City of Berkeley, Calif.*

To dissuade any notion that the above quote is an anomaly, permit us to cite yet another extremely current testimony from a government official. His name is Sid Leiken, Chairman, Lane County, Oregon, Board of Commissioners. This came after SRI nurtured the County through a successful funding Measure that had previously been placed on the County's ballot 9 times in a row and failed 9 times in a row; after which, the County commissioned SRI's professional services. Commissioner Leiken wrote...

The data you provided on voter's willingness to pay, combined with what you told us about the communities' values, allowed us to craft a revenue question that received the support of 57% of our voters. Most notable is that with your help, we turned around an electorate that had said NO to nine previous public safety elections dating back to 1998.

Following is a similar quote from Alex Cuyler, Intergovernmental Relations Manager for Lane County:

You know, Sid and I just looked back again at your predictions. After you'd asked the question of, "...would voters support a modest increase specifically designed to reopen (jail) beds?", you got into the threshold of willingness to pay issue. On fifty cents, your Go, No-Go model said 58%. Last tally I looked at we were at 56.95%. Sid and I were just shaking our head's in appreciation for your nailing that number. Really remarkable. AC

One of SRI's major strengths lies in its ability to conduct **cause and effects research**, employing both descriptive and advanced statistical procedures. Most relevant to this effort, however, is the fact that once specific causes are known, **SRI strategists** can suggest solutions that lead the Client to successful planning and goal attainment.

We've worked with BART (the Bay Area Rapid Transit Authority), which services three counties in the San Francisco Bay Area (Alameda, Contra Costa, and San Francisco Counties); and the **AC Transit District**, which services two counties in the Bay Area (Alameda and Contra Costa).

Our Client list includes, but is NOT nearly limited to, the City of Davis, Union City, the towns of Fairfax and San Anselmo, the City of Moreno Valley, the City of South Gate. In addition to the above public agencies, we've represented numerous other cities and governmental agencies in the San Francisco Bay Area. These include, but are not nearly limited to, the following: the Cities/Towns of Hercules, Martinez, Pleasant Hill, Danville, Benecia, Brentwood, Berkeley, Oakland, Pleasanton, Fremont, Newark, Los Altos, Half Moon Bay, Gilroy, Santa Rosa (to

name a few); the Counties of Contra Costa, Napa, Sonoma, Holister/San Benito, and others. At the present time, for example, we are working with Solano County, helping them create a Regional Parks system in their county.

## **5.2 Economic Development**

Of particular note is the fact that SRI is expert in conducting **Economic Development** studies for government agencies in the public sector, as well as for entities in private enterprise.

One such study, for example, involved a city in the heart of California's Silicon Valley, entitled *"Advancing the City of Sunnyvale's 'Economic Prosperity Program'...Securing 'Intelligence' for Enhancing Economic Vitality."* We have also conducted an ECONOMIC ANALYSIS for the largest regional park district in America, the East Bay Regional Park District, which culminated with an "Economic Summit" attended by economists from throughout the nation, indeed, the world. We are in the process of updating that economic analysis in order to understand the economic impact of the District on the local and regional economies, today.

In the private sector, SRI was commissioned by the **Oakland CEO Council**, comprised of the largest firms with corporate headquarters in the City of Oakland (including Clorox, Dryers, Kaiser Permanente, and many others), to conduct an Economic Development study designed to provide City government with input from the private sector as local government went about developing policy regarding this important facet of City government.

We were commissioned to conduct economic development surveys for 18 cities in Utah and two cities in Wyoming to test the feasibility of creating new revenue streams for local government by introducing fiber optics (*Fiber to the Home* and *Fiber to Local Business*) to the local marketplace. At the present time, we're helping the City of San Pablo wire the entire city with Municipal Broadband, as part of it's economic development efforts.

## **5.3 Consensus Building**

Our Institute works closely with local government Agencies in helping to build consensus among stakeholders and stakeholder groups.

With 24% of California voters describing themselves as being "anti-tax," a tax measure that requires 2/3-voter support can be derailed with a negative impact on voting behavior of 10%, or even less. As such, any special interest group, stakeholder group, or voting bloc (e.g., seniors) can easily cause a given tax measure to go down to defeat.



We help local government agencies develop a consensus among such groups, so that they will either publicly ENDORSE the respective ballot measure; or, in a worst case scenario, remain neutral...thus, maximizing the likelihood that the measure will, indeed, secure the requisite 2/3-voter support.

#### 5.4 Opinion Leadership Studies

As noted earlier in this proposal, SRI has developed a systemic approach for identifying BOTH the **Opinion Leaders** and the “**Influentials**” (which are two separate groups) within a given community. We also have a built-in mechanism for being able to communicate effectively with these important people, which is central to developing a true consensus among stakeholders and stakeholder groups regarding any major initiative being brought forward by a given government agency in the public sector.

We invite you to visit our web site for more information regarding our research and consulting Institute. Our web address is: [www.sri-consulting.org](http://www.sri-consulting.org)

#### 5.5 We Literally wrote ‘The Book’

Without wanting to sound immodest, SRI is perceived as being an authority on the topic of campaign development and implementation. Indeed, it’s been said that we’ve literally “written the book.” on this topic. The book is entitled: **THE IMPACT OF THEORY-DRIVEN PUBLIC OPINION RESEARCH IN STRATEGIC PLANNING.**<sup>5</sup> One of the chapters in the book focuses on a study conducted involving the Oakland Fire Department, this research effort deals with the Oakland Hills Fires; the study was commissioned by the East Bay Chapter of the Public Relations Society of America.

### Section 6.0

## Summary Conclusion

We have presented what we believe to be the most appropriate (from both the *scientific* and *applied perspectives*) and cost effective research design possible, which is designed to secure the form of “intelligence” needed for placing a Sales Tax Measure on the Santa Fe Springs ballot. We have also spoken to the notion of providing additional professional services involved with placing a funding measure on the local ballot (e.g., CONSENSUS BUILDING and Public Outreach), assuming the proposed Sales Tax Measure will secure requisite voter support.

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<sup>5</sup> This book is used at both the graduate and undergraduate levels of education.

Given that you select Option 1-B in our pricing matrix, as recommended, the cost of commissioning the BENCHMARK research will not exceed \$20,000. If this fee EXCEEDS your budget parameters, we've provided less expensive research designs that will yield highly valid "intelligence". We will happily discuss additional cost-cutting measures (and their implications), should cost become an issue in awarding the present contract to SRI.

We're confident that the City of Santa Fe Springs simply cannot receive a better ROI (*Return on Investment*) than it will receive through commissioning our research and consulting Institute. You will find that we remain extremely loyal and attentive to the needs and desires of our Clientele. We look forward to learning of your decision and, hopefully, to begin working with you in the near future.



## **Addendum 'A'**

### **Biographical Sketches**

**Dr. G. Gary Manross, Ph.D.**  
Chairman/CEO  
**STRATEGY RESEARCH INSTITUTE**

A behavioral scientist, G. Gary Manross, Ph.D., has more than 25 years' experience in applied research (policy research, political research, and marketing research), and as a consultant in political communications, marketing communications, and communications management.

Dr. Manross has taught political communications at UCLA, mass media effects at U.S.C., and was Associate Professor of Communications in the California State University system, where he held a joint appointment in Advertising and Public Relations. He was the head of the Advertising Sequence when he left academe; during this period, he taught courses in applied research, integrated marketing communications (IMC), management, advertising, and public relations at both the undergraduate and graduate levels.

Prior to founding SRI, Dr. Manross held executive-level position with the largest public relations agency in the world, Hill & Knowlton, Inc., the largest state trade association in the United States, the California Association of Realtors®, plus two Fortune 500 companies, Diamond Shamrock Corporation (then 152 on Fortune 500) and Chase Brass and Copper Company.

Dr. Manross' publishing record includes numerous refereed academic journals, including the **top-ranked paper** internationally in the Human Communications Technology Group of the International Communication Association (ICA), which was subsequently published as a chapter in **Communication Yearbook 10**.

His research is routinely cited in both the scholarly and popular press and in classic textbooks, such as **Diffusion of Innovations** (Everett M. Rogers, 1995, 4<sup>th</sup> ed., Free Press, N.Y.). Dr. Manross is author of a paper developed in a joint effort with Dr. Rogers that will soon be submitted to the Harvard Business Review. He also authored a book entitled: **The Impact of Theory-driven Public Opinion Research in Strategic Planning for Winning Campaigns**, Carlton Press, NY, 1995. He is presently writing a second book entitled: **Closing the Chasm**.

His academic credentials include a B.A. in Public Relations, M.A. in Communications Management, M.A. in Communications Theory, and a quantitative Ph.D. in Communication Research, with a dual emphasis in Political Communications and Media Effects, from the Annenberg School for Communication and Journalism at the University of Southern California (USC.).





**Richard Miller, Jr., Ph.D.**  
Senior Consultant/Strategic Planner  
**STRATEGY RESEARCH INSTITUTE**

Dr. Miller began his career as a planner for the Honolulu Department of General Planning, where his responsibilities included evaluating Development Plan changes based upon population distribution and land use policies, as well as forecasting growth on the island of O'ahu by aggregate and discrete geographic areas.

He earned his doctorate in Geography, with an emphasis on economic geography and spatial analysis, and an M.A. degree in Urban and Regional Planning, both from the University of Hawaii.

Immediately prior to joining SRI, Dr. Miller was Business Planning Manager for Health Net, Inc., where he was responsible for all business development, including the HMO's marketing research, new product development, and competitive analysis

Prior to joining Health Net, he was employed by Kaiser Permanente Medical Care, where he held the following positions: (a) Senior Market Research Analyst, (b) Land Use/Real Estate Manager for southern California (responsible for all real estate transactions and securing land use entitlements); and (c) Director of Facilities Planning and Property for the HMO's Hawaii medical facilities.

Dr. Miller is an award-winning planner, earning the *Exceptional Contribution Award* from the Society of American Institute of Architects.



**Debra L. Schultz, Ph.D.**  
Director of Qualitative Research  
**STRATEGY RESEARCH INSTITUTE**

As SRI's Director of Qualitative Research, Debra L. Schultz, Ph.D., is an expert in advanced interviewing techniques, strategic planning, persuasion, business communications, and multi-cultural communications. Prior to joining SRI, Dr. Schultz was a professor of communications at UCLA; prior to that, at New York University (NYU).

While in New York, Dr. Schultz was a member of the research staff of ABC's *Goodnight America* and *Good Morning America*; she also headed her own literary District representing screenwriters, playwrights and other artists.

Her academic credentials include a Ph.D. in Communication, Arts and Science from New York University.

Dr. Schultz oversees the qualitative aspects of the Institute's research projects. These activities include, but are not limited to, field research (involving person-to-person interviewing), facilitating in focus group research (including in-depth probing strategies), descriptive research, library research and other secondary sources of information gathering.





**Mary Ann Williams, M.A.**  
**Senior Consultant/Strategic Planner**  
**STRATEGY RESEARCH INSTITUTE**

Mary Ann Williams is Executive Vice President and Senior Research Associate for STRATEGY RESEARCH INSTITUTE (SRI); in addition, she oversees the administrative support services for every Client project.

Ms. Williams has nearly two decades of experience in communication management, administration (including human resource management), and related areas of responsibility. She is an expert in data management and data collection. Ms. Williams earned her M.A. and B.A. degrees in Sociology in the California State University system; California State University at Los Angeles and Cal-State University, Fullerton, respectively.

Mary Ann is responsible for Client services. In so doing, she works personally with virtually every SRI Client to ensure that all of their needs are being addressed in a comprehensive and timely fashion.

As such, Ms. Williams functions as a primary contact person for the Institute's Clientele



## Addendum 'B'

### *Partial Client Listing...*

Strategy Research Institute

#### **FUNDING MEASURES, PUBLIC POLICY, ECONOMIC DEVELOPMENT AND SOCIAL MARKETING**

#### **Policy Research & Consulting**

**(Tax Feasibility studies, 218 Special Benefit Assessments,  
Bond Measures, & other Funding Mechanisms)**

##### **City of San Pablo, CA.**

Successful half-cent increase in local sales tax to pay for City services; placed on ballot in June 2012 election cycle. SRI was commissioned to design and administer a BENCHMARK voter survey; and subsequently, to orchestrate and oversee public outreach to local voters to explain need for these funds (refer to Addenda D & E). Measure required simple-majority vote to pass; **Measure received 73.56% voter support.**

##### **Fresno COG (Fresno Council of Governments), Fresno, CA.**

Successful \$1.7 billion half-cent sales tax earmarked for public transportation and public transit. SRI was commissioned to design and administer a BENCHMARK voter survey; and subsequently, to consult with Fresno COG involving outreach to residents of 15 cities and the unincorporated areas of Fresno County regarding the need for the continuation of this funding mechanism. **Measure received 78% voter support.**<sup>6</sup>

##### **East Bay Regional Park District (EBRPD), Oakland, CA.**

Successful \$500 mm tax measure, placed on the November 2008 ballot.

Since 1988, SRI has helped the EBRPD secure in excess of \$1 billion in new taxes and annual assessments. First project was a successful \$225 million bond measure (Measure AA) that required 2/3-voter support. Orchestrated successful Special Benefit Assessments (Measures KK and LL), which received **79.8% and 69.1% voter support**, respectively. Orchestrated a successful \$45 million parcel tax requiring 2/3-voter support in the November 2004 elections; another successful funding measure in 2008, Measure CC; most recently, a \$500 mm bond measure (Measure WW), which secured over **72% voter support**; the largest funding Measure put on the ballot by a regional park District in the history in the United States. Our research and consulting Institute conducted feasibility studies and provided consulting services for outreach to registered voters in the respective zone of benefit (including portions of Alameda and Contra Costa Counties). We continue to be under contract (based upon a monthly retainer) with the District.

<sup>6</sup> The very same funding measure had been placed on the ballot three years earlier; SRI was NOT involved in that effort. Their polling said they had 72% voter support; we re-analyzed their polling data (from a competing firm) using the **SRI Go, No-Go Model**, which said likely voter support, in reality, was 56%. The outcome of that election was 54%. SRI was retained to assist in placing the Measure on the ballot a 2<sup>nd</sup> time...the outcome of that election was **78% voter support.**

### **City of Eugene, Oregon**

Successful \$35.9 million G.O. Bond (Measure 20-145), placed on the November 2008 ballot. This was a street maintenance bond to fund approximately 70 lane miles of streets and 3 miles of off-street bike and pedestrian paths. **Secured 57% voter support.**

### **Marin County Congestion Management District.**

Failed half-cent sales tax in November 2004 elections. Conducted a series of feasibility studies to position Marin County to secure the requisite 2/3-voter support for a half-cent transportation tax to help alleviate regional gridlock. **SRI's Go, No-Go model showed maximum voter support of 45.5%; we recommended NO-GO.** Nonetheless, the Client placed a Measure on the ballot; **vote turned out to be 42.5%.**

### **City of Clovis, CA. (suburb of Fresno, CA)**

Successful LMD (Landscape Maintenance District). SRI partnered with an engineering firm in bringing forward a successful LMD, wherein local property owners agreed to double and triple their annual LMD assessment. Needed simple majority; **SRI's Go, No-Go Model showed minimum support of 53%;** SRI was retained to draft ballot language and assist in Public Outreach...**vote turned out to be 57.24%.**

### **City of Oakland, CA.**

Successful LLAD (Landscape & Lighting District); 2008; partnered with Francisco & Associates. Needed simple majority; **SRI's Go, No-Go Model showed minimum 48.5% support;** based on SRI's data analysis and crafting a targeted MESSAGE STRATEGY, **SRI recommended GO; the initiative passed.** SRI was retained to draft ballot language and assist in Public Outreach...**vote turned out to be 54.91%.**

### **City of Antioch, CA., "218 Feasibility for Creating One or More Landscape & Lighting Districts," a survey of residential and "high-end" property owners.**

Antioch's six existing Landscape & Lighting Districts were about to "sunset" (terminate). SRI was commissioned to survey residential and "high-end" (hard to reach) property owners to determine: (a) whether or not Antioch property owners would be willing to re-approve the existing Landscape & Lighting Districts, (b) whether or not they would approve creating a single, Districtwide District vs. multiple, smaller Districts throughout the District, (c) determine property owners' collective "willingness to pay" for the services provided through this form of annual assessment, and (d) determine if property owners would be willing to forego the require for the District to be "re-approved" every four years and/or approve a cost-of living annual adjustment to the assessment. **SRI's Go, No-Go Model showed INSUFFICIENT support; thus, we recommend NO-GO.** The Client chose to move forward; **the initiative failed.**

### **City of Desert Hot Springs, CA.**

Successful TOT (bed tax); Secured **78% voter support** for a 2% increase in the District's TOT.

### **Bay Area Rapid Transit Authority (BART), Oakland, CA.**

*"Determining the Level of Voter Support for the Continuation of a \$1.3 billion tax to Renovate & Improve the BART System."* Feasibility study for the renewal of a 30-year tax initiative that would yield BART approximately **\$1.3 billion.**



### **AC Transit, Oakland, CA**

Through the years, SRI has partnered with AC Transit in helping identify and secure new revenue streams. Some of our projects include:

- Measure B, Reauthorization; represent AC Transit's interests in a tax initiative involving the funding of public transit in Alameda County under the auspices of the Alameda County Transit Authority. This ultimately led to a successful funding measure being placed on the local ballot.
- Measure B Exit Poll.
- Study to determine public awareness and attitudes regarding bus fares, usage and possible taxation to maintain existing levels of service. Resulted in a successful tax initiative being placed on the local ballot.

### **District of Pittsburg, CA.**

Successful L&L (increase in District's annual Landscape & Lighting Assessment). SRI was retained to identify an appropriate funding mechanism to address the District's fiscal challenges. After conducting a Tax Feasibility Study and an Opinion Leadership Survey, District officials decided to ask local property owners to authorize an increase in the District's existing Lighting & Landscape assessment. **We began with 34% support** for the Measure; following a concerted effort to BUILD CONSENSUS among stakeholders...combined with public outreach, the initiative ultimately **received 69% support**. We are presently working with District on a variety of issues; e.g., public safety funding measure, economic development, annexing Community of Bay Point into the District of Pittsburg, among others.

### **City of Hercules, CA.**

For more than 15 years, SRI has represented the District of Hercules regarding public policy research, including such things as: (i) placing successful parcel tax initiatives (requiring 2/3 voter support) on the ballot and successful 218 Special Benefit Assessment Districts (requiring 50% support) before local property owners; and (ii) "Needs Analysis" to determine where to make cutbacks in District spending plan. More specifically, SRI has conducted the following studies for the District of Hercules:

- Successful 218-type Special Benefit Assessment District, Landscape & Lighting District
- Needs analysis to determine how to cut back on District services due to budget due to pressures brought on by the deficit at the State level.
- Landscape & Lighting Assessment; feasibility study to determine level of voter support for renewing the assessment.
- Utilities study. A study to determine level of support for the District creating a new, District-owned utility via a public/private partnership with a subsidiary of ChevronTexaco.
- Twice now, we been commissioned to design and administer a needs assessment for Economic Development & Growth Management.
- Study to identify and understand opinions and attitudes among residents that impact current District services, programs and public policy decision making.
- Study to determine voter support for a capital improvement bond.
- Study to identify and understand opinions and attitudes among residents that impact current District services, programs and public policy decision making.

SRI is presently assisting District with a series of funding mechanisms designed to address the District's current fiscal challenges

### **San Mateo County, Department of Parks & Recreation.**

Needs Analysis (empirical input for a 5-year Master Plan) and countywide G.O. Bond Feasibility Study, combined with a study involving the possibility of creating a 218 Special Benefits Assessment District in the mid-coast region of the county.

### **The Snyderville Basin Special Recreation District**, Park District, Utah, “**Needs Assessment for Recreation Program & Recreation Capital Facilities**.”

Three community surveys, in Utah’s Summit County conducted three years apart, to secure “intelligence” needed for developing and updating a comprehensive **Master Plan** for regional parks and recreation facilities and programs in the areas immediately contiguous to Park District, Utah. The first study resulted in the passage of an \$11 mm park bond, and the second study was designed to determine how best to invest these monies based on the collective perceptions of the District’s various constituencies. The third study led to a successful \$7 mm park bond.

### **Town of Danville, CA.**

**Successful \$15 million Mello-Roos Tax Measure** for additional parks and recreational facilities and Opinion Leadership Study to assist in campaign strategy.

### **City of Berkeley, CA.**

Successful tax measure to pay for additional fire protection, earthquake preparedness, etc. in aftermath of the Berkeley/Oakland Hills Fire.

## **Economic Development**

**ChevronTexaco Corporation**, the second largest US integrated oil & gas company, with a presence in more than 180 countries.

An Economic Development survey of opinion leaders throughout the Cocotren (coastline) corridor of Baja, California, Mexico (from Ensenada through Tijuana) to secure the “intelligence” needed for developing a COMMUNITY BENEFITS PROGRAM to enhance education, health care, and “the Arts” throughout the region; to upgrade such infrastructure as local roads, streets, and the sewage system); and to promote tourism and other economic development resources.

This research effort was designed to help position ChevronTexaco to win a \$4 billion contract for constructing and operating an LNG regasification complex plant in Baja, California, Mexico.

### **City of Sunnyvale, CA., “Assessing Sunnyvale’s Economic Prosperity Program & its Business Climate.”**

Surveying businesses of all sizes and types (e.g., commercial, professional, high tech, in-home businesses, both light and heavy industry) currently doing business in the District of Sunnyvale. Goal is to **create an Economic Development model** that will enhance the economic vitality of the District in the foreseeable future.

### **East Bay Regional Park District** (the largest regional park district in the United States).

“Quantifying our Quality of Life: An Economic Analysis of the East Bay’s Unique Environment.”

SRI conceived the idea, and partnered with the lead consultant, Economic & Planning Systems, Inc., of Berkeley, CA., which culminated with an Economic Summit.



**18 UTOPIA Cities, Dynamic City MetroNet Advisors**, Lindon, Utah

Economic Development studies on behalf of the **Utopia Consortium** (Utah Telecommunications Open Infrastructure District), which is currently comprised of 18 cities in the State of Utah, and the **Sweetwater Consortium**, which is comprised of 2 cities in Wyoming. The intent of the 20 individual studies was to identify "likely market potential" for the DynamicDistrict Fiber Optic MetroNet in terms of being a viable mechanism for attracting new business and industry into the respective communities.

**Oakland CEO Council**, Oakland, CA., "*Securing 'Intelligence' for Enhancing Economic Vitality in the District of Oakland*"

*Opinion Leadership* study designed to secure the "intelligence" necessary for developing a strategic plan for Economic Development within the District of Oakland. The Oakland CEO Council is comprised of the twelve largest firms with headquarters in Oakland. These include, for example, Clorox, Dryers, Kaiser Permanente, the Oakland A's).

**Rincon San Luiseño Band of Mission Indians**, San Diego County, CA.,

Survey Tribal members to secure "intelligence" for developing a 15-20 year **Economic Development Master Plan** for to allow all Tribal members to benefit from the revenues generated through gaming on the reservation (Harras's Casino). Also, conduct the first comprehensive Tribal census in the Tribe's history.

**Puyallup Indian Nation**, Tacoma, Santa Fe Springs

An Economic Development survey to identify voter attitudes & public sentiment statewide toward providing Education, Health Care & Social Services via Revenue Sharing with the State of Santa Fe Springs of Sales Tax Dollars from Native American Commerce."

## **Parks, Trails & Recreation**

**East Bay Regional Park District** (the largest regional park district in the United States), 1988 to present.

The EBRPD is comprised of Contra Costa and Alameda Counties (over 2.1 million residents). It has within its jurisdiction 59 regional parklands and over 1,100 miles of trails on approximately 85,000 acres of property.

- ☑ **Benchmarking and Longitudinal Monitoring**; SRI conceived and now oversee an on-going program to help the regional park District move from a solely tax-based operating model to a market-driven model of operations. These efforts focus, in part, upon building a comprehensive database comprised of park users, surveying them, and recommending policies and strategies to become more responsive to their collective wants and needs.
- ☑ **Consulting** for developing and implementing a plan to inform constituents of the Regional Park District's decision to place a tax initiative before them in the March '2002 elections. This initiative is designed to provide necessary funding for operations and maintenance of the park districts parklands and trails; currently underway.
- ☑ **Park user Loyalty/Satisfaction Benchmark Survey**
- ☑ Feasibility study to determine the advisability of creating a new **Fire Assessment District** in the Oakland Hills.



- ☒ *Survey of Voters, Renters and Apartment Dwellers.*
- ☒ Constituent Attitudes Toward Assessment Fees for the **Maintenance and Operation of the EBRPD Trail System.**
- ☒ **Park Trail Usage Patterns** and Public Sentiment Toward Maintenance and Operation Cost of the EBRPD Trail System.
- ☒ **Customer Satisfaction Survey**, EBRPD Foundation

**City of Sacramento, CA., Department of Parks & Recreation**

Update five-year Master Plan for District's parks and recreation services, facilities, and programs.

**STATE OF CALIFORNIA, PARKS AND RECREATION Department** (Co-sponsored by the Save-the-Redwoods League)

Determining the feasibility of passing a *Bond Measure* to upgrade and maintain California State Parks and Recreation Facilities statewide.

**CITY OF MILPITAS, CA., DEPARTMENT OF PARKS & RECREATION**

Presently conducting public opinion survey to secure "intelligence" needed for updating the District's Master Plan for its Park & Recreation Master Plan (including funding alternatives).

**TOWN OF CORTE MADERA, CA, UPDATE MASTER PLAN FOR TOWN PARK & RECREATION CENTER**

Conducted community survey to secure "intelligence" needed from local resident for updating the Master Plan for the Town of Corte Madera Town Park & Recreation Center.

**Marin County with the Towns of San Anselmo & Fairfax** (a joint project)

Tax feasibility study to determine the wisdom of creating a Joint Powers of Authority (JPA) to purchase the **Marin Town & Country Club** property and convert it into a parks, trails, and recreation facility, study included determining the electorate's collective "threshold" of *willingness-to-pay*.

**SONOMA COUNTY REGIONAL PARKS DEPARTMENT, CA**

Public Opinion Poll to survey regarding Collective Attitudes and Priorities for Regional Parks and Recreation Facilities provided by and/or through the County.

**CARD (Chico Area Recreation and Park District, Chico, Ca.**

Update District's five-year Master Plan.

**Southgate Recreation & Park District, South Sacramento County.**

Update Master Plan for District's parks and recreation services, facilities, and programs. Presently assisting with a 2<sup>nd</sup> update of the Master Plan and securing new revenue streams for the District.

**The Desert Botanical Garden, Phoenix, AZ.**

Toward Building a Strategic Plan for Repositioning the Desert Botanical Garden in the Collective Mind of the General Public and Increasing Visitation to "The Garden".

**Phoenix Art Museum, Arizona**

Study to evaluate current membership attitudes, motivation for membership and services provided to members.

**Santa Fe Springs, CA**

Parks and Recreation **Master Plan**; plus, assessing issues impacting the 'Quality of life' for Union District residents. Districtwide survey to determine constituent wishes for short-term and long-term needs with respect to District-sponsored parks, recreation, and leisure programs and facilities.

**Tax Initiative for Public Schools**

**Alameda Unified School District**, District of Alameda, California

Two studies (benchmark survey & tracking poll prior to the election) to determine the level of community support for consolidation of high schools and feasibility for passage of a *\$48 million bond*.

**Berryessa Union School District**, San Jose, California

Study to determine feasibility of passing a local school tax initiative for education programs and establishing overall budget priorities (two studies)

**Brentwood/Byron/Oakley School Districts**, Contra Costa County, California

Study to determine the feasibility of passing a local school tax measure.

**CONTRA COSTA COUNTY LIBRARIES**

Survey to determine public library use and needs, general attitudes towards library and county services, and the likelihood of passing public financing for construction of additional libraries.

**Department of Education, State of Arizona** (Co-sponsored by The Goldwater Institute).

Feasibility study for a 1/2 cent sales tax to "equalize school funding" throughout the State of Arizona.

**Livermore Valley Joint Unified School District**, Livermore, California

Survey to determine the feasibility of a parcel tax measure to enhance educational programs within the District on a site-specific basis.

**Martinez Unified School District**, Martinez, California

Baseline survey to determine feasibility of passage of \$25 million bond measure for a new high school; later conducted tracking surveys. Subsequently, ran successful campaign.

**Mt. Diablo Unified School District**, Concord, California

Re-analyze data gathered by another research firm regarding feasibility of *\$90 million bond* measure; subsequently commissioned to conduct a tracking poll to confirm "findings."

**Newark Unified School District & District of Newark**

Joint study to determine the feasibility of two proposed tax measures: the renovation of local schools and a community swimming pool.

**Oakley School District**, Oakley, California

Study to determine the feasibility of passing a local school tax measure. Subsequently retained to manage successful campaign for the bond measure.

**Redwood District Elementary School District**, Redwood District, California

Tracking survey to determine the feasibility for passage of both a successful bond measure for facility improvements and parcel tax measure for educational programs.



### **Reed Union School District**

Study to determine reasons for failure of a prior parcel tax initiative and the parameters of an acceptable measure.

### **West Contra Costa College, Richmond, California**

An assessment of resident attitudes and needs with regards to the college and its programs.

## **Public Policy and Public Opinion Research**

### **City of Brentwood, CA**

- ✓ Needs assessment for **Economic Development & Growth Management**.
- ✓ Two studies over five-year period to identify and understand opinions and attitudes among residents that **impact current District services, programs and public policy decision making**.
- ✓ Study to determine voter support for a **capital improvement bond**.
- ✓ Study to determine level of support among local property owners for the renewal of an existing **Landscape & Lighting District** to provide monies for the creation and maintenance of such infrastructure as street lighting, streets & roads, park and recreation facilities, et al. (this amounts to the renew of a 218 Special Benefit Assessment District within the District).
- ✓ Study to identify and understand opinions and attitudes among residents that impact **current District services, programs and public policy decision making**.

### **City of Davis, CA**

Public Opinion, Attitudes and Spending Priorities regarding Issues of *Open Space, Natural Areas, and Recreation Trails*.

**DELTA ENVIRONMENT SCIENCE CENTER** (survey residents throughout entire S.F. Bay Area)  
Public Perceptions Regarding Prospective Educational and Recreational Programs, Activities & Facilities.

### **City of Fremont, CA**

Survey of local electorate to determine likelihood of support for bond/tax measure with regard to five capital projects and/or a Gann Limit override.

### **City of Gilroy, CA**

Survey of District residents to identify local concerns and community priorities, and to assess District programs and service levels.

### **City of Half Moon Bay, CA**

Voter attitudes toward growth management.

**CITY OF HOLLISTER AND SAN BENITO COUNTY** (CO-SPONSORED BY BOTH PUBLIC AGENCIES).  
Attitude Analysis regarding Growth Restricting Initiatives

**City of Lafayette.**

Survey to determine park and recreation desires and voter willingness to support tax for such projects.

**City of Los Altos, CA**

Survey to determine the general attitudes and concerns of local residents regarding the needs of seniors in the Los Altos area.

**TOWN OF LOS ALTOS HILLS, CA**

Study electorate regarding sentiment towards two ballot measures in election dealing with local *land use decisions* and possible *annexation*; subsequently conducted a tracking survey regarding same issues.

**CITY OF MARTINEZ, CA**

Survey local electorate to determine perceived need for a *community center* and willingness to pay additional taxes for the construction of such a facility.

**CITY OF MARTINEZ, CA, "Developing a Crisis Plan to Address a Serious Budget Shortfall Impacting District Services and Securing 'Matching Funds' to Address the Problem of Flood Control in downtown Martine."**

Feasibility study to determine: (a) the likelihood of securing the requisite voter support and the "threshold" of willingness-to-pay" a new tax in order to avoid cutbacks in District services as a result of a serious budget shortfall, and (b) *willingness-to-pay* a modest tax in order to "match" funds being provided by FEMA (Federal Emergency Management District, CalTrans, and the Union Pacific Railroad in order to resolve a chronic flooding problem in downtown Martinez.

**CITY OF MORENO VALLEY, CA**

Maintaining the Community Services Assessment District (Zone 'A')

Threshold of Willingness-to-Pay for Parklands and Recreation Facilities Made Available from the Closure of the March Air Force Base.

**CITY OF OAKLAND FIRE DEPARTMENT**

Study to determine voter attitudes towards existing services and possible additions/changes in services.

**CITY OF PACIFICA**

Determination of voter support for a ballot measure to exempt current growth limitations.

**CITY OF PLEASANTON (THREE SURVEYS)**

First survey to determine level of support for a *growth-limiting initiative* and to establish voter attitudes towards *general land use policies*; second survey to determine voter support for a General Plan Amendment regarding open space preservation and residential development; third survey to drive strategic planning involving Pleasanton Ridgeland Land-Use Plan.

**CITY OF SANTA ROSA**

Public Usage, Attitudes and Priorities for Parks & Recreation Facilities and Programs.



**CITY OF SOUTH GATE**, California

Developing Benchmarks (baseline measures) for "*consensus-building*" among *Stakeholders* throughout the District's jurisdiction; sustaining Innovation within the District of Southgate.. A District-wide telephone survey, plus a series of Town Hall meetings.

**CITY OF VENTURA**, California.

Demographic profile of the District of San Buenaventura

## Public Utilities

**Salt River Project** (3rd largest public power and water utility in the United States).

New product research in preparation for the divestiture of the utility industry within the following two years.

- ✓ Introducing **Whole House Surge Protection** products to the marketplace.
- ✓ Introducing to the marketplace **SRP's M-Power Technology** (manufactured by Motorola).
- ✓ **Product development** for BOTH residential and business markets.

## Studies in Private Sector Managed Health Care Industry

**MetLife Insurance** (SafeGuard Dental Plan, a dental HMO, subsidiary to MetLife). We conduct on-going monthly "patient satisfaction" surveys involving providers who accept the SafeGuard plan in every market throughout the United States.

**J.D. Power and Associates**, Health Care Division, Mesa, Arizona. Design and administer **customer satisfaction surveys** and surveys designed to enhance business development for J.D. Power Clients.

**Humana, Inc.**, Louisville, Kentucky — Study to determine **market potential** and **pricing threshold** for premium-based POS Supplement to Medicare. Conducted telephone survey that was designed to: (1) confirm the findings from previously-conducted focus group research and (2) to address the above-noted research questions.

**Health Net, Inc.** (subsidiary of Foundation Health Systems/Health Systems International)

- ✓ Phase I: **POS (point of service) product research** to determine how to improve "*HealthNet Select*." Conduct a series of focus group exercises involving members who have purchased Health Net's POS product.
- ✓ Phase II: **POS (point of service) product research** to determine how to improve "*HealthNet Select*." Conduct a series of focus group exercises involving physicians and administrators who service Health Net's POS product.
- ✓ **New Product Development**. Conduct a series of focus group sessions to: (1) determine the likelihood of adoption of new member products/benefits being considered by Health Net and (2) to evaluate key features of the new products under consideration.

**Intergroup Health Plan**, Phoenix, Arizona (subsidiary of Foundation Health Systems/Health Systems International) — Toward enhancing member retention: **Disenrollment telephone survey**.

**PCS Health Systems**, Scottsdale, Arizona (a wholly-owned Division of Eli Lilly Pharmaceuticals) — Conduct 1997 **Annual Customer Satisfaction Survey**. Combination telephone and mail surveys.

**QualMed HealthLine**, Philadelphia, Pennsylvania (subsidiary of Foundation Health Systems/Health Systems International). SRI analyzes the data from mail user satisfaction surveys conducted quarterly; we conduct longitudinal (over time) analyses in order to identify instructive trends and patterns (*quarterly since May 1997*)

**SCAN Health Plan** (social HMO that is part of a Congressional experiment designed to provide health care services to the senior/Medicare population)

- ✓ **Niche Analysis and Branding Study** commissioned for the purpose of determining how to position the senior HMO to compete with larger HMO's (especially those with "deep pockets") when the protection of SCAN's niche is terminated by Congress and the playing field levels out. Study comprised of three-phases: **Phase I: telephone survey** of SCAN members and non-members; **Phase II: one-on-one, in-depth interviews** of SCAN employees & consultants; **Phase III: conduct two focus group exercises** involving consumers recruited from specific target markets.
- ✓ **Building behavioral models for client/member retention**. Combination telephone survey and focus group study.
- ✓ **Needs analysis of seniors**. Telephone survey.
- ✓ **Disenrollment Study**. Combination focus group research and telephone survey.
- ✓ **Proposed name change**. Test proposed name change for senior HMO. Focus group research.
- ✓ **Niche analysis/concept testing**. Niche marketing study (based upon in-depth one-on-one personal interviews) to determine marketability of new HMO (a subsidiary to SCAN Health Plan) called SmartCare. Study included testing three advertising concepts.

**United Health Plan**, Los Angeles, California (telephone surveys)

- ✓ **Member satisfaction survey**. Statistical analysis included "causal modeling."
- ✓ **Member & Non-member Senior Market Profile Survey**; Survey members and non-members to determine a profile of clientele.

**Yellowstone Community Health Plan**, Billings, Montana — **Needs Assessment** and **Local Market Analysis** for purposes of strategic planning. Telephone survey for start-up of new HMO.



## Non-Health Care Research in Private Sector

**Home Builders Association of Northern California** — Multiple studies regarding Inclusionary Zoning, to fund affordable housing in the District of San Jose.

### AAA (Auto Club of Southern California)

- ✓ **Understanding 'Purchase Barriers'** to AAA auto insurance.
- ✓ **Post-election survey re: 'No-fault Insurance' Ballot Initiative.** Member survey to determine level of awareness, knowledge, and attitudes after the No Fault Insurance initiative was on the statewide California ballot.
- ✓ **Pre-election survey re: 'No-fault Insurance' Ballot Initiative.** Member survey to determine level of awareness and likelihood of voter support for the statewide No Fault Insurance initiative that was on the upcoming ballot.
- ✓ **Post-election survey of AAA members** re: two transportation propositions that appeared on the November 8th ballot. Object of study was to analyze voting behavior among AAA members.
- ✓ **Market feasibility study and new product development.** Study involved a new insurance product called Mechanical Breakdown Insurance.

## Not-for-profit Organizations

**Vintage House Senior Center**, Sonoma, CA, "*Public Opinion Research for Purposes of Strategic Planning: Benchmarking Community Awareness, Public Image & Needs Analysis.*"

Vintage House wanted to take a higher profile in the communities they serve in the Sonoma Valley. Toward that end, they wanted to secure a better understanding of how well known the senior center was throughout the region, how they were perceived, and whether or not there were services desired by their constituency that the Center was not presently providing to seniors. Finally, they wanted to secure "intelligence" that would help improve their fund raising efforts.

**Jesus Video Project**, sponsored by the Campus Crusade for Christ

- ✓ **Testing Distribution Strategies & Measuring the Effects** of viewing "The Jesus Video" when sent, unsolicited, to homes of Christians & Non-Christians (Two surveys of residents in three cities located BOTH inside and outside of the 'Bible Belt').
- ✓ **Surveying Pastors** about The Jesus Video: Whether or not their expectations were realized.
- ✓ **Redesigning the Cover Sleeve (jacket) of The Jesus Video**; focus group research involving both Christians & Non-Christians.

**Wycliffe Bible Translation**, Orange, CA.

Developing a strategy to maximize the effectiveness of fund raising letters to supporters of the Wycliffe effort.

**Inland Auto Dismantlers' Association**, Identifying Market Potential for Used Engines & Used Parts throughout the Inland Empire.

**UNITED WAY OF ORANGE COUNTY**

Needs analysis survey.



## Addendum 'C'



## SRI References

### Mr. Matt Rodriquez

City Manager

#### City of San Pablo

3831 San Pablo Avenue

San Pablo, CA 94806

510 ♦ 215-3016 (direct line)

[MattR@sanpabloca.gov](mailto:MattR@sanpabloca.gov)

### Mr. Tony Boren

Executive Director

#### Fresno Council of Governments

*(Fresno County and 15 Cities in the County)*

2035 Tulare Street, Suite 201

Fresno, CA 93721

559 ♦ 233-4148

[tboren@fresnocog.org](mailto:tboren@fresnocog.org)

### Mr. Pat O'Brien

General Manager, Recently Retired

#### East Bay Regional Park District

510 ♦ 612-2093 (cell)

415 ♦ 479-7633 (home phone)

[PatObrien6@hotmail.com](mailto:PatObrien6@hotmail.com)

Creators of the...



[WWW.SRI-CONSULTING.ORG](http://WWW.SRI-CONSULTING.ORG)

Northern California Southern California

925 ♦ 372-3788 714 ♦ 447-4884

Toll Free

800 ♦ 224-7608

Corporate FAX 714 ♦ 447-4537

P.O. Box 6548 Fullerton, CA 92834

### Mr. Kirk Hunter

Chief Executive Officer, Recently Retired

#### Southwest Transportation Agency (JPA)

16644 S. Elm Avenue

Caruthers, CA 93609

208 ♦ 995-5418

[kirk@thevolatorgroup.com](mailto:kirk@thevolatorgroup.com)

### Mr. Alex Cuyler

Intergovernmental Relations Manager

#### Lane County Administration

125 East 8<sup>th</sup> Avenue

Eugene, Oregon 97401

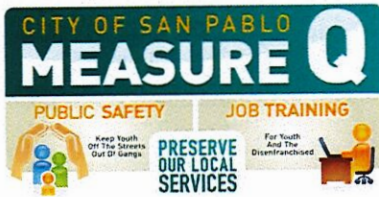
541 ♦ 682-6504

503 ♦ 585-8351 Ext. 145 (Salem office)

541 ♦ 514-7522 (cell)

[alex.CUYLER@co.lane.or.us](mailto:alex.CUYLER@co.lane.or.us)



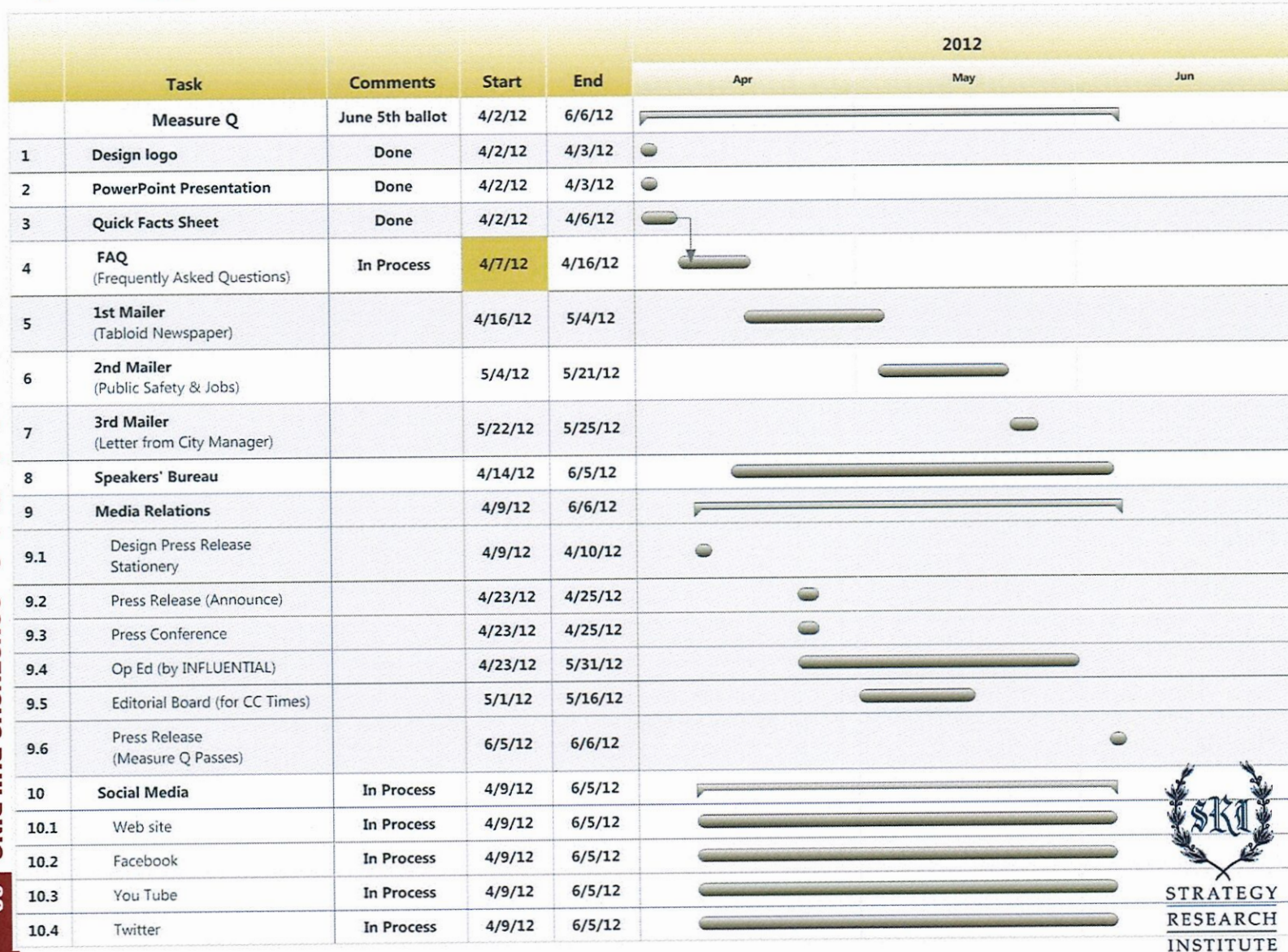


## Gantt Chart (Time Line)

Version 1, 4-09-2011

Research & Consulting Proposal, City of Santa Fe Springs

Addendum 'D'





## Addendum 'E'

# CITY OF SAN PABLO MEASURE Q

MEASURE ON JUNE 2012 BALLOT



### CITIZENS' ADVISORY COMMITTEE

Non-Elected Officials  
(Listed alphabetically by last name)

Aita, Joe, Fmr Police Chief  
Gomes, Joe  
Gonzalez, Martino  
Kinney, Rich  
Medrano, Antonio  
Millar, Doug  
Pedretti, Walter, Fmr Police Chief  
Schuld, Walter, Police Chief  
Turner, Robert  
VanDyk, Dr. William  
Viramontes, Xavier  
Williams, McKinley

### CITY COUNCIL

Cecilia Valdez, Mayor  
Leonard R. McNeil, Vice Mayor  
Genoveva Garcia Calloway  
Paul V. Morris  
Kathy Chao-Rothberg

### CITY CLERK

Ted J. Denney

### CITY TREASURER

Viviana Toledo

### CITY MANAGER

Matt Rodriguez

Documents available for  
download on the City's website  
at <http://sanpabloca.gov>

- Ballot Measure Language
- City Attorney's Impartial Analysis
- CC Staff Report dated 02/21/12
- Resolution adopted 02/21/12
- Proposed Sales Tax Ordinance

13831 San Pablo Avenue  
San Pablo, CA 94806  
(510) 215-3000

[www.SanPabloCA.gov](http://www.SanPabloCA.gov)

## QUICK FACTS

On February 21, 2012, the City Council authorized that Measure Q be placed on the June 2012 ballot due to a fiscal emergency. The emergency findings are contained in Section 14 of the Resolution found on the City's website at: <http://sanpabloca.gov>.

- The money generated from the temporary increase in sales tax will be used to pay for all services presently being provided by/through the City of San Pablo. These include, but are not limited to:

*Public Safety (including gang prevention).*

*Job Training for local residents; especially youth and the disenfranchised (those with barriers to employment) who reside in San Pablo.*

*Youth services (keep kids off the streets and out of gangs).*

*Protect all City services, these are vital to the preservation of public peace, health & safety of San Pablo.*







## CITY OF SAN PABLO MEASURE Q

### QUICK FACTS CONTINUED...

- If Measure Q passes, it will authorize a temporary (10-year), tiered increase in the City's sales tax. Presently, the sales tax charged for purchases made in San Pablo is 8.25%; the passage of Measure Q will increase the sales tax by 1/2-cent for 5 years (to 8.75%)... the sales tax will then be reduced by 1/4-cent (to 8.50%) for the next 5 years...after 10 years, the temporary increase will be terminated (revert back to today's rate of 8.25%).

- The decision to place Measure Q on the local ballot followed a process in which the City's voters were surveyed about priorities, and important community members (listed on the Citizens' Advisory Committee) discussed priorities and debated options.

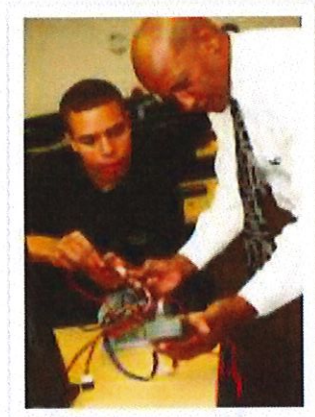
- The City decided to meet its needs with a sales tax, instead of some other funding mechanism, because:

*The sales tax provides funding that cannot be seized (taken away) by the State; rather, will remain in San Pablo to benefit local residents.*

*The tax is paid by non-City residents in addition to City residents.*

*The increase in sales tax will bring money into San Pablo from outside the community that will be used to benefit San Pablo residents. For example, when commuters purchase gas, frequent local restaurants, and shop in San Pablo.*

*The tax is not paid on certain life necessities, such as groceries or medicine purchases.*



- The City has been able to eliminate a \$3.3 million deficit without cutting City services through employee (including Police) retirement and health care concessions and more. City Council agreed to reductions in their in-lieu medical benefits. But the cost of City services is increasing and the City Council will have to consider dramatic cuts in services unless new revenue is found.
- Even with the increase, sales tax in San Pablo will be less than it was (9.25%) prior to July 1st, 2011, when a 1% State Sales tax expired and was taken off the tax rolls.
- The sales tax ordinance requires that there be Citizens' Oversight throughout the duration of the tax, Annual Audits, and consistent Community Reporting on how the monies are spent. [Ordinance available on the City's website at: <http://sanpabloca.gov>.]

FOR FURTHER INFORMATION CONTACT: **MATT RODRIGUEZ, CITY MANAGER**  
13831 San Pablo Avenue, San Pablo, CA 94806 • (510) 215-3000 • [www.SanPabloCA.gov](http://www.SanPabloCA.gov)





# Ciudad de San Pablo MEASURE Q

Medida en junio de 2012 boleta



Asesoramiento de los ciudadanos comité  
Funcionarios no electos  
(Ordenadas alfabéticamente por apellido)

Aita, Joe, Fmr Police Chief  
Gómez, Joe  
Gonzalez, Martino  
Kinney, Rich  
Medrano, Antonio  
Millar, Doug  
Pedretti, Walter, Fmr Police Chief  
Schuld, Walter, Police Chief  
Turner, Robert  
VanDyk, Dr. William  
Viramontes, Xavier  
Williams, McKinley

Ayuntamiento  
Cecilia Valdez, Mayor  
Leonard R. McNeil, Vice Mayor  
Genoveva Garcia Calloway  
Paul V. Morris  
Kathy Chao-Rothberg

Empleado de la ciudad  
Ted J. Denney

Tesorero municipal  
Viviana Toledo

Administrador de la ciudad  
Matt Rodriguez

Documents disponible para su  
descarga el sitio Web de la ciudad  
en <http://sanpabloca.gov>

- Votación medida idioma
- Análisis imparcial del fiscal de la ciudad
- Personal DC informe de fecha 21/02/12
- Resolución aprobado 21/02/12
- Proyecto de Ordenanza sobre impuestos

13831 San Pablo Avenue  
San Pablo, CA 94806  
(510) 215-3000  
[www.SanPabloCA.gov](http://www.SanPabloCA.gov)

## DATOS BREVES

En Febrero 21, 2012, el Concilio de la Ciudad autorizó que la Medida Q fuera puesta en la boleta de votación en Junio del 2012 debido a una emergencia fiscal. Las conclusiones de la emergencia se pueden encontrar en la Sección 14 de la Resolución, la cual se puede encontrar en la página de la ciudad en: <http://sanpabloca.gov>.

- El dinero generado de este incremento temporal de impuesto de venta será usado para pagar por los servicios que actualmente son proporcionados a los residentes locales de la Ciudad de San Pablo. Estos incluyen, pero no están limitados a:

*Seguridad Pública (incluyendo prevención de pandillas).*

*Entrenamiento de Trabajo para residentes locales; especialmente para los jóvenes y aquellos con barreras de empleo y quienes residen en San Pablo.*

*Servicios para la Juventud (para mantener a los jóvenes fuera de las calles y de pandillas).*

*Protección de TODOS los servicios de la Ciudad, los cuales son importantes para la preservación de la paz pública, salud y seguridad de San Pablo.*





San Pablo, CA 94806  
13831 San Pablo Avenue  
City Of San Pablo

**MEASURE Q**  
CITY OF SAN PABLO



PERMIT NO. 194  
PAID  
US POSTAGE  
PRSRNT STD  
Richmond, CA

#### CONTINUACIÓN DE DATOS BREVES...

- Si la Medida Q es aprobada, esta autorizará un incremento temporal (10-años) y gradual en el impuesto de venta. Actualmente, el impuesto de venta que se cobra para compras hechas en San Pablo es de 8.25%; la aprobación de la Medida Q aumentará el impuesto de venta a 1/2-centavo por 5 años (o sea 8.75%)...el impuesto de venta luego será reducido a 1/4-centavo (o sea 8.50%) por los próximos 5 años...después de 10 años, el incremento temporal terminará (regresando a la tasa actual de 8.25%).

- La decisión de poner la Medida Q en la boleta de votación local siguió un proceso en el cual las votantes de la Ciudad fueron encuestados acerca de sus prioridades y se formó un Comité Consultivo de Ciudadanos compuesto de líderes comunitarios quienes discutieron las prioridades y debatieron las opciones.

- La Ciudad decidió cubrir sus necesidades con un impuesto de venta, en vez de algún otro mecanismo de financiación, porque:

*Los impuestos de venta proveen fondos que no pueden ser quitados por el Estado. Los ingresos de la Medida Q permanecerán en San Pablo para beneficiar a residentes locales.*

*El impuesto es pagado por los que residen en la Ciudad y los que no residen en la Ciudad.*

*El incremento en el impuesto de venta traerá dinero a San Pablo de las comunidades de afuera para beneficiar a los residentes de San Pablo. Por ejemplo, cuando los viajeros compran gasolina, visitan restaurantes locales, y compran en San Pablo.*

*Este impuesto no se paga en ciertas necesidades básicas, como compras de comestibles y medicinas.*

- La Ciudad ha podido eliminar un déficit de \$3.3 millones sin cortar los servicios de la Ciudad. Los empleados de la Ciudad (incluyendo la Policía) han acordado en la reducción en sus paquetes de retiro y en los beneficios médicos, y más. El Concilio de la Ciudad acordó reducir los beneficios médicos compartidos. Pero el costo de los servicios de la Ciudad está aumentando y el Concilio de la Ciudad tendrá que considerar recortes dramáticos en los servicios si no se encuentran nuevos ingresos.

- Aún con este incremento, el impuestos de venta en San Pablo será menos de cómo estaba (9.25%) antes de Julio 1, 2011, cuando un 1% del impuesto de venta del Estado expiró y fue quitado de las funciones fiscales.

- La ordenanza de impuesto de ventas requiere que haya una Supervisión de fondos por los Ciudadanos durante toda la duración del impuesto, Auditorías Anuales, y Reportes consistentes a la Comunidad de cómo el dinero es gastado. (La Ordenanza está disponible en la página web de la Ciudad: <http://sanpabloca.gov>.)



Para más contacto de información: **Matt Rodriguez, City Manager**  
13831 San Pablo Avenue, San Pablo, CA 94806 • (510) 215-3000 • [www.SanPabloCA.gov](http://www.SanPabloCA.gov)

## ATTACHMENT 3



320 North Larchmont Boulevard  
Los Angeles, California 90004  
Phone: 323-466-3445  
Fax: 323-466-8653  
[www.cerrell.com](http://www.cerrell.com)

March 1, 2018

Janet Martinez, CMC  
City Clerk, City of Santa Fe Springs  
Sent via email to [janetmartinez@santafesprings.org](mailto:janetmartinez@santafesprings.org)

**Re: Cerrell's Qualifications and Experience  
Public Education & Marketing Activities for a November 2018 Sales Tax Measure**

Dear Ms. Martinez:

Thank you for the opportunity to present Cerrell's qualifications to provide public education, communications and marketing services to the City of Santa Fe Springs (City) related to a potential November 2018 sales tax measure.

Working for cities and government agencies, and delivering the outreach and communications results they need to thrive has been part of Cerrell's storied tradition since our founding in 1966. This includes our recent successful work on revenue measures for Burbank, Glendale, Culver City, El Monte, Westminster, Los Angeles County and Anaheim Union High School District, along with communications programs we've run for Claremont, Huntington Beach and Monrovia among others.

Cerrell's multilingual programs connect a City's issues with their diverse constituents. We excel at creating compelling messages and themes that resonate with diverse audiences, building a greater understanding about why a city explores revenue measures and how that funding would be used.

Our creative, authentic and integrated approach, along with our extensive experience working on similar projects throughout Southern California, makes Cerrell the best partner for Santa Fe Springs on this effort.

We're excited about discussing our qualifications and approach, and would welcome a meeting with you to learn more about the City's challenges to see if the Santa Fe Springs-Cerrell team is the best fit to educate your residents about the City's finances and plans to strengthen its economic future.

Thank you again for the opportunity to submit our qualifications for the City's consideration. We look forward to hearing from you and hope to work with you and the Santa Fe Springs team on this important project. Please don't hesitate to contact either of us with questions at (323) 466-3445, or via email at [tori@cerrell.com](mailto:tori@cerrell.com) or [brandon@cerrell.com](mailto:brandon@cerrell.com).

Sincerely,

Tori Chica  
Vice President

Brandon Stephenson  
Chief Strategic Officer

## **Cerrell's Expertise**

Each city faces unique challenges – budget projections, political environment, constituent engagement. When a city needs to educate constituents about these challenges, as well as the potential solutions, they deserve a customized program that speaks to their specific issues and their specific community.

And that's what sets Cerrell apart from others that perform similar activities. Instead of a cookie-cutter approach, our team collaborates with our municipal clients to develop the right program based on the issue, desired goals and budget.

Cerrell possesses unsurpassed expertise in working with municipalities to educate diverse communities about ballot measures and the choices they face on Election Day. Our successful track record performing public education and marketing activities on local revenue measures includes a number of tax issues, including sales tax, Transient Occupancy Tax (TOT) and others.

We excel at creating clear and effective communication programs to raise awareness about challenging budget situations and plans designed to protect and/or enhance city services. We understand how to create the impactful messages and use the best delivery methods to ensure that the public understands why cities explore revenues measures and how funding generated could be used.

Cerrell has a nearly perfect win rate conducting public education, communications and marketing programs on behalf of cities, counties and school districts looking to enhance revenue stream. We help Southern California municipalities pass local ballot measures, increasing revenues and strengthen financial outlooks.

The following includes some relevant examples of our work, as well as brief bios of our key team members.

## **Relevant Experience**

The following highlights Cerrell's recent experience running municipal educational and marketing programs related to revenue measures. We trust that this, along with our past work for the City – Cerrell performed outreach for the City of Santa Fe Springs and neighboring cities as part of the I-5 Joint Powers Authority in 2016.

### City of Westminster

In 2016, Cerrell provided the City of Westminster with comprehensive community outreach and education services for a sales tax increase measure that appeared on the City's November 2016 ballot.

Using our strategically developed message points, we trained the City's leadership to interface with stakeholders and constituents, developing multilingual and culturally sensitive outreach materials, and spearheading digital and earned media efforts.

Cerrell successfully communicated with voters the necessity of locally-controlled funds to ensure the City's long-term fiscal sustainability, and the measure passed successfully with over 60% support.

#### City of Glendale

Cerrell developed a full-scale public engagement and communications program to gauge Glendale's residents and their opinions on the City's need for additional funding. After a successful survey research and polling phase, Glendale tasked Cerrell to design an education program for a proposed two percent increase to the City's TOT on the April 2015 ballot.

Cerrell's work ensured that all City residents received factual information about Measure O and were fully aware of the challenges that the City would face should Measure O not pass. With Cerrell's brand development and community engagement expertise, the City was able to secure vital funding to support essential public safety, recreation and community-improvement services.

While voters rejected the other three measures on the municipal ballot by wide margins, Measure O passed with nearly 60% support from Glendale voters.

#### City of Culver City

Cerrell ran Culver City's public education push related to its sales tax increase measure in November 2012, devising the strategy and managing all message and materials development to ensure voters were educated in advance of Election Day.

Facing voter distaste for higher taxes, the City retained Cerrell to infuse into its communication channels key messages to detail the City's financial situation and how a sales tax increase would be used to support and maintain existing services. Cerrell created presentation materials and distributed informational mailings to local business owners and community organizations outlining concrete proposals the City could enact to benefit the community with the additional revenue generated by the sales tax increase.

The themes and messages Cerrell developed generated an outpouring of support for the sales tax measure, which ultimately won with more than 76% of the vote.

#### City of El Monte

In 2013, Cerrell worked with the City of El Monte to devise a program surrounding the City's November 2013 ballot measures to extend a local sales tax.

Faced with the potential termination of vital revenue, Cerrell created messages to communicate El Monte's budget situation and what an extension of the sales tax would mean for essential City services. We developed messages that succinctly identified the City's need to continue an important revenue mechanism to fund vital services and improve residents' quality of life, as well as what the budget would look like if voters didn't vote to continue the tax.

Ultimately, El Monte voters approved the continuation of its sales tax with more than 71% of the vote.

#### Los Angeles County Department of Parks and Recreation

In August 2014, after placing its parks measure on the ballot just seven weeks before the upcoming election, the Los Angeles County Board of Supervisors set out to educate a county of over 10 million residents on the features and effects of Proposition P.



Cerrell was hired as part of a Countywide consultant team to develop and implement a multifaceted stakeholder and media outreach program designed to educate residents throughout Los Angeles County.

Cerrell engaged with well-established organizations and media outlets to present educational information and to distribute County-approved materials and messages through their existing organizational networks. Cerrell's strategic vision, coupled with its robust educational outreach activities, led to more than 35 presentations to nearly 700 people and five media briefings and interviews in just seven short weeks.

Less than two years after the failed 2014 parks funding measure, the Los Angeles County Regional Parks and Open Space District once again retained Cerrell to help conduct a strategic engagement program to begin sustained conversations with cities and high-value stakeholders throughout the County about the need for dedicated park funding. The goal of this public education effort, this time before a measure was officially on the ballot, was to ensure that key influencers were provided with valuable information about the District's successes, and the need for a new funding measure.

Drawing on our extensive outreach experience and long-standing relationships with the region's leading elected officials, business groups and labor unions, Cerrell launched a comprehensive program, targeting all 88 cities within the County, nearly 150 chambers of commerce and a number of labor groups and government organizations.

In less than two months, the Cerrell team gave more than 100 briefings and presentations to stakeholders throughout the County, communicating the important role that parks play within our communities, increasing awareness about expiring funding, and laying the groundwork for broad support for a potential measure. Through these efforts, our team was able to create a two-way conversation, ensuring municipal and business leaders felt engaged in the process.

Cerrell continued this effort until the Board of Supervisors voted to place a parks measure, which was greatly shaped by feedback received from our briefings and presentations, on the November 2016 ballot. That ballot ultimately received almost 75% approval, significantly more than the two-thirds support needed for adoption.

#### Anaheim Union High School District

In 2014, the Anaheim Union High School District (AUHSD) retained Cerrell to conduct a communications, public education and marketing program in advance of a potential Board vote to place a \$249 million bond before the District's voters. We successfully developed and implemented a multi-faceted communications and community education program designed to reach constituents throughout the District. This program was continued once the Board voted to place the measure on the November 2014 ballot.

Through the use of focused messages communicated across multiple channels, Cerrell enhanced the AUHSD's reputation as an educational and community leader, highlighted the need for campus improvements to continue providing 21<sup>st</sup> Century learning experiences for students, and educated the public about Measure H's effects on the students of today and tomorrow.

Presentations, e-mail blasts, press statements, fact sheets and a direct mail program led to a re-branding of the District and its leadership within the five cities in the District, as well as district-wide constituent awareness of Measure H's potential impact on students, staff and the community.

The measure was ultimately approved with almost 60% of voters supporting it.

### **Overview of Potential Services**

The following outlines the services we could provide to the City to create, launch and run a sustained and comprehensive marketing, communications and outreach program to educate Santa Fe Spring's communities over the next several months.

This outline should be viewed as a universe of potential services. Ideally, the City/Cerrell team would meet and discuss the current situation on the ground, any prior survey research conducted and the City's leadership's ideas before crafting a final strategic approach for this program. It will truly be a collaborative effort that would merge Cerrell's outreach/marketing expertise with the City's deep understanding of its constituents.

Please note that whether we are working for a government entity, corporation or non-profit, we pride ourselves on following the letter and spirit of campaign and lobbying regulations. This includes following the regulations that govern the type of messages that can be communicated by a government entity's education program. We believe that all activities and messages should be reviewed by the City's Counsel to ensure we maintain the highest ethical standards.

We also understand how to work with cities and other government entities. Through our experience, we know how to integrate with the City's existing team and augment their capabilities, delivering immediate benefits.

Potential services include:

- Strategic Communications and Message Development: As we do with all programs, we will begin with a kickoff meeting to discuss the scope of our work and foundational messages. Part of this process will include analyzing past and existing messages and communications channels, as well as any assessments of how constituents view the City. Messages could include:
  - Clearly communicating the state of the City's finances and the impacts of potential cuts on residents
  - Outlining the steps the City has taken to maintain a balanced budget, including the elimination of City positions, and cuts to services and programs
  - Detailing where additional revenues would be spent and how they would allow the City to maintain the quality and breadth of services that residents have to come to rely on
- Materials Development: Once our messages have been created, reviewed and approved by the City, we will work with the City to design, print and disseminate a variety of public education materials to be used during all community and media engagement activities. Materials could include, but are not limited to:
  - Fact sheets
  - Frequently Asked Questions (FAQ) sheet

- PowerPoint presentation for community meetings
- Comment cards for community meetings

We have attached examples of our past work to the end of this proposal.

- Online Materials and Social Media: Using our developed messages, we will create content for the City's website to further educate the public. This should include the posting of all collateral materials. We will also craft messages for the City's social media platforms to engage stakeholders through multiple communications outlets.
- Message Dissemination: Throughout the program and at strategically selected times, we will work with the City to disseminate educational messages through its existing electronic and printed communications vehicles. Additionally, we recommend all materials be placed in City facilities for easy public consumption.
- Community/Stakeholder Outreach: Any successful public education campaign involves stakeholder and media engagement. These efforts also play a critical role in gaining valuable community feedback. Working closely with the City, we will help identify influential stakeholders in the community to engage. This will help to distinguish potential third-party messengers to amplify the City's messages to a wide array of audiences.
- Direct Mail: The most effective method to directly engage the City's residents is through a mail program. We would design and distribute a purely educational piece to deliver the program's messages in an unfiltered way to Santa Fe Springs voters. There would be a cost associated with mailing to the approximately 4,500 registered households in the City, but this method of voter engagement and education is extremely valuable and effective.
- Media Engagement: One of the quickest ways for a public communications program to spin out of control is for the media to misinterpret the City's intentions or potential community impact. To prevent any misunderstanding, we will support the Santa Fe Springs team in engaging with key area reporters and editors, including from *Whittier Daily News*. This will help us frame the public dialogue on the City's terms and educate reporters who frequently cover City business.

These activities will help to lay a base of understanding among residents about the City's finances and why the Council is exploring a potential revenue-generating measure. We will constantly assess our progress toward educating the public about the situation and work with the City to make any necessary adjustments.

If the Council ultimately decides to place a measure on the November 2018 ballot, Cerrell will quickly adjust our messaging to reflect this action, and build on the outreach and communications efforts we have already embarked on. These messages would include clear communication of how new funding would support the City's overall goal of maintaining or expanding public services for the advancement of the community, and the impacts passage or failure would have on the City's future.

## References

Project Client: City of Glendale, Measure O  
Contact: Scott Ochoa, Former City Manager (Current Ontario City Manager)  
Phone: (909) 395-2396  
Email: [sochoa@ontarioca.gov](mailto:sochoa@ontarioca.gov)

Project Client: LA County Department of Parks and Recreation – Prop. P, Needs Assessment and Prop. A  
Contact: Jane Beasley, Regional Park and Open Space District Administrator  
Phone: (213) 738-2961  
Email: [jbeasley@parks.lacounty.gov](mailto:jbeasley@parks.lacounty.gov)

Project Client: Anaheim Union High School District, Measure H  
Contact: Pat Karlak, Public Information Officer  
Phone: (714) 999-5662  
Email: [karlak\\_p@auhsd.k12.ca.us](mailto:karlak_p@auhsd.k12.ca.us)

## Estimated Program Costs

The costs of our public education and marketing programs have several variables, primarily the scope of services that we agree to with our client. In this case, we've provided a potential scope of services to illustrate our capabilities and the tactics we may use during this program.

To provide an approximate cost, Cerrell would estimate a fee of \$5,000 per month for the length of our engagement. We believe this would cover the services detailed above. Please note that all printing of materials would be handled by the City, and we would bill for any expenses (printed, mileage, etc.) at cost (we don't anticipate much). The City would also be responsible for any venue fees associated with public forums.

The only true hard cost we see in addition to this would be for any direct mail. An average direct mail piece is about \$.65 per piece. With 4,531 registered households, a direct mail piece could cost approximately \$3,124, including the design, printing and mailing of the piece and the purchase of the mailing list. Budget constraints may preclude us from including this aspect in our program, but we wanted to provide the cost for this nonetheless.

## Biographies

The following are brief biographies of our key project team members. Depending on the scope of the project and the skill-sets required, we would add on any of the other 15 members of Cerrell's campaign, public affairs, media relations, crisis communications and outreach teams.

### Tori Chica, Vice President/Project Manager

As Vice President at Cerrell, Tori specializes in strategic communications, campaign management, community engagement and media relations for private and public sector clients. With a background in legislative and policy analysis on the campaigns for U.S. Senators and the President of the United States, Tori has developed a unique skill set and a keen ability to grasp complex issues and package them in an easily accessible manner.

As the leader of Cerrell's Campaign & Issues Management team, Tori brings nearly a decade of political campaign and policy experience. She has played a game-changing role on numerous campaigns nationwide and excels in crafting messages that resonate with target audiences. Her efforts in building support for candidates and issues have resulted in news coverage in top tier outlets, editorial placements and campaign victories.

Tori's expansive municipal experience covers a wide range of Cerrell's services. She was the day-to-day lead on all of Cerrell's education activities for the City of Glendale's April 2015 TOT measure and the City of El Monte's November 2014 sales tax extension measure. She also led Cerrell's work with the City of Huntington Beach to conduct a comprehensive media audit and to develop strategic recommendations to enhance the City's communications with residents, business owners and the media.

Prior to joining Cerrell Tori served as a lead manager of the Strategic Research Department for President Barack Obama's successful reelection campaign in 2012. She was a key player in developing proven opposition communication messages for use in both earned and paid media. Tori served in a similar capacity on the President's initial campaign in 2008.

#### Brandon Stephenson, Chief Strategic Officer/Strategic Counsel

As Cerrell's Chief Strategic Officer, Brandon oversees all of the firm's management team and marketing activities. He provides strategic counsel on some of Cerrell's most high-profile clients, while helping the firm's owners chart the company's future direction.

For nearly a decade Brandon has successfully managed political and public education campaigns, and launched grassroots advocacy and media relations activities for the firm's diverse clients. He specializes in developing winning strategic communications plans and mobilizing client supporters to influence decision-makers and the media at the local, state and federal levels.

Brandon has directed Cerrell's public education programs for cities and school districts looking to enhance revenue to maintain or expand services. This includes work on the City of Glendale's TOT measure, Anaheim Union High School District's bond initiative, and the City of El Monte's sales tax extension.

#### Anthony Chica, Public Affairs Manager/Community Engagement and Latino Outreach

As a Public Affairs Manager at Cerrell, Anthony brings a wealth of knowledge in public affairs and public relations spanning several industries. He specializes in strategic communications, media outreach, stakeholder and community engagement, brand development and event coordination.

Anthony has also developed critical communications strategies aimed at the Latino community to reach non-English speakers, giving him the ability to authentically and effectively communicate with diverse communities.

Anthony's municipal experience is best illustrated by his leadership on Cerrell's outreach campaign for the West Basin Municipal Water District. This program focuses on the development and implementation of a coordinated public information and outreach effort to effectively communicate the features and benefits of West Basin's Ocean Water Desalination (OWD) Program and potential OWD facility.



## **Conclusion**

Cerrell appreciates the opportunity to share our vision for this program to engage and educate Santa Fe Springs voters about the potential sales tax revenue measure. From our experience conducting similar programs and our past work on behalf of the City, to our expertise in all aspects of the program, it is clear that the Cerrell team is the ideal choice to work with the City to educate voters about new revenue measure and market its effects.



## **Tori Chica** ***Vice President***

As a Vice President of Cerrell's Campaigns & Issues Management practice area, Tori specializes in strategic communications, campaign management, stakeholder engagement and media relations for private and public sector clients. With more than a decade of political campaign and public policy experience, Tori has played a game-changing role on numerous campaigns nationwide and excels in crafting messages that resonate with target audiences. Her efforts in building support for candidates and issues have resulted in campaign and legislative victories, and news coverage in top tier outlets.

Tori leads the firm's efforts on political and public education campaigns, building successful grassroots advocacy coalitions to influence decision-makers at every level. She manages Cerrell's engagement and education efforts on behalf of cities, counties and school districts on local ballot measures. In 2016, she and her team built and ran an advocacy effort in support of a parkland measure in the City of West Covina, garnering nearly 70% of the vote on Election Day.

In addition, Tori provides government relations counsel and support to the firm's clients on a diverse set of issues at the city and county levels. This includes high profile clients such as Charter Communications and statewide organizations including the California Water Association.

Prior to joining Cerrell Associates, Tori was lead manager of the Strategic Research Department for President Barack Obama's successful reelection campaign in 2012. She was a key player in developing proven opposition communication messages for use in both earned and paid media. Tori served in a similar capacity on the President's initial campaign in 2008.

Tori has also worked in U.S. Senate offices and on the reelection campaigns of two U.S. Senators, Debbie Stabenow of Michigan and Blanche Lincoln of Arkansas, where she played a leading role in quickly developing strategic messages to respond to emerging lines of attack and news stories. As a principal analyst with the Service Employees International Union in Washington, DC, Tori provided legislative analysis to a strategic coalition to inform the partners of the benefits of health care reform and motivate their members.

Tori serves as Director of Operations on the board of the National Women's Political Caucus – LA Westside Chapter. She graduated Phi Beta Kappa from George Washington University in Washington, DC with a B.A. in Political Communications and began her career in politics in Washington, DC as an intern for the John Kerry for President Campaign. Her award-winning strategic communications and campaign efforts have been recognized by the Public Relations Society of America-Los Angeles Chapter and the American Association of Political Consultants.



## **Brandon Stephenson** ***Chief Strategic Officer***

As Chief Strategic Officer, Brandon works with Cerrell's ownership team to continue the firm's enduring legacy of vision, growth and results. Working across the firm's diverse practice areas, Brandon specializes in developing winning strategic communications plans and mobilizing client supporters to influence decision-makers and the media at the local, state and federal levels. For more than a decade, he has successfully managed political and public education campaigns, and created grassroots advocacy and media relations programs for the firm's clients.

Brandon has managed several statewide activities on the firm's behalf, including leading Cerrell's ongoing effort to build a statewide communications network of healthcare stakeholders to influence state and federal health policies. As part of his statewide portfolio, Brandon has worked on numerous statewide initiative campaigns, including the Yes on Proposition 78/No on Proposition 79 campaign, the No on Proposition 86 campaign, the Yes on Proposition 20/No on Proposition 27 campaign, and the No on Proposition 61 campaign. For each of these efforts, he engaged and activated diverse political, business and community groups throughout Southern California to garner support/opposition to these controversial statewide ballot initiatives. He also conducted extensive earned media activities that led to supportive editorials and coverage.

In addition to political campaigns, Brandon helped build the firm's work with cities and counties on public education campaigns to support revenue measures. His recent successes including working with the Anaheim Union High School District to gain voter approval for a \$249 billion bond measure, and the City of Glendale on a transient occupancy tax increase.

Brandon is also skilled at providing government affairs counsel to some of Cerrell Associates' highest-profile clients, including telecommunications firms, water agencies and labor unions, as well as for some of Cerrell's most contentious land use development clients.

Prior to joining Cerrell, Brandon was a Regional Field Director for Woodward and McDowell, a leading campaign consultant firm, for the No on Proposition 68 campaign.

Brandon graduated from Pitzer College in Claremont, California with a Bachelor of Arts in political science. He's a current Board Member with the Valley Industry & Commerce Association (VICA), one of the most influential business advocacy organizations in Southern California.

He completed the Southern California Leadership Network's 2007 Leadership L.A. program, which is designed to strengthen the community by developing, training, and empowering emerging leaders. An award-winning strategist, Brandon led the Cerrell team that won the 2012 and 2014 Public Relations Society of America-Los Angeles Chapter's PRism Award for best Corporate Newsletter, and the 2014 award for Healthcare Program.





## **Anthony C. Chica** ***Public Affairs Manager***

As a Public Affairs Manager at Cerrell, Anthony brings a wealth of knowledge in public affairs and public relations spanning several industries to the firm's Local Government and Land Use teams. He specializes in strategic communications, media outreach, stakeholder and community engagement, brand development and event coordination.

Anthony has more than a decade of experience in the fields of communications, public policy, government and international relations, nonprofit advocacy and business development. He was a member of both the communications and international relations teams for the Consumer Electronics Association (CEA) – one of the country's largest trade associations and organizers of the yearly Consumer Electronics Show in Las Vegas, NV – where he focused on media outreach and the logistical coordination of international trade missions for CEA members.

He also served at the U.S. Department of Transportation Saint Lawrence Seaway Development Corporation as part of the public affairs and trade development team, concentrating on legislative and congressional matters.

Additionally, as a programs associate for a national nonprofit organization in Washington D.C., Anthony focused on creating programs and services to better the lives of Hispanic Americans throughout the country. His efforts helped to bring their issues and concerns to the forefront of congressional dialogue. He engaged in community outreach to better serve his members, assisted in the organization's business development and created communications plans aimed to reach non-English speakers, giving him the ability to authentically engage with the Latino community.

His experience in advocacy has given him the skills necessary to develop effective and culturally-sensitive messages for ethnically diverse audiences.

Anthony was born and raised in Los Angeles, CA. He graduated from George Mason University in the Washington, D.C. area, where he majored in Government and International Politics with a minor in Legal Studies. His efforts on communications strategies, media engagement and event coordination have been recognized by the Public Relations Society of America-Los Angeles Chapter. Anthony is fluent in Spanish.





## GLENDALÉ'S APRIL 7 MUNICIPAL ELECTION FACTS ABOUT MEASURE O



*With the stated goal of ensuring that the City can continue to effectively deliver services to all of its residents, the Glendale City Council unanimously voted to place Measure O on the April 7, 2015 general municipal election ballot.*

### Measure O Will Provide More Funding for City Services

If approved by a majority of Glendale voters, Measure O would increase the City's hotel tax, formally referred to as the Transient Occupancy Tax (TOT), from the current level of 10% to a new level of 12%.

The revenue from Measure O would generate approximately \$800,000 a year in new revenue for the City's general fund. These new funds would be used to preserve and enhance City services, including:

- Police and fire
- Recreation and park programs
- Libraries
- Economic development to support arts and entertainment
- The Alex Theatre and local districts like Montrose Shopping Park, Kenneth Village, Adams Square and other programs

### Measure O Only Applies to Guests in Glendale Hotels

The City's hotel tax is applied only to individuals, normally visitors and tourists to our City, staying in Glendale hotels. If Measure O passes, the 2% increase will represent \$2 on a hotel guest's bill for a \$100 room night.

Measure O's proposed hotel tax rate change would keep Glendale competitive with comparable cities in Southern California.

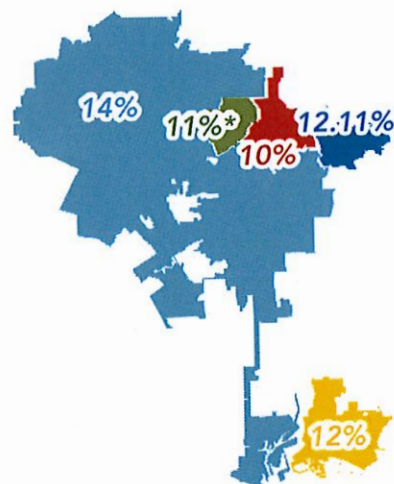
### For More Information

Please contact the City if you have questions about Measure O, why it was put on the April 7, 2015 ballot, and the impacts of voter approval. You can email us at [MyGlendale@glendaleca.gov](mailto:MyGlendale@glendaleca.gov) or call us at 818-548-6464 to leave a message that will be returned to you at our earliest convenience.

We encourage you to sign up for our monthly newsletter, [Glendale City Connection](#), to receive information on the latest news and events in Glendale. You can also follow us on Twitter, [@MyGlendale](#), and be sure to use the hashtag [#MyGlendale](#) to ask questions about Measure O or any other City issue. For more information, please visit our website at <http://www.GlendaleVotes.org>.



As a full-service city, Glendale provides a broad array of services to its residents – public safety, recreation and parks, libraries, arts and culture, quality of life programs – to help our community thrive.



Currently, Glendale's hotel tax rate is one of the lowest when compared to neighboring communities: Pasadena has a 12.11% rate, LA City has a 14% rate, Long Beach has a 12% rate and Burbank has an 11% rate\*.

\* Burbank's hotel tax rate of 11% includes a 1% Tourism Business Improvement District Assessment.





# ELECCIONES MUNICIPALES DE GLENDALE DEL 7 DE ABRIL

## PREGUNTAS FRECUENTES ACERCA DE LA MEDIDA O



### ¿Qué es la Medida O?

Si es aprobada por una mayoría de votantes de Glendale, la Medida O aumentará el impuesto hotelero de la Ciudad, formalmente conocido como el Impuesto de Ocupación Hotelera (Transient Occupancy Tax, TOT), del nivel actual del 10% a un nuevo nivel del 12%.

### ¿Quiénes pagan el impuesto hotelero?

El impuesto hotelero de la Ciudad únicamente se aplica a individuos, comúnmente turistas y personas que visitan nuestra Ciudad, que se alojan en hoteles de Glendale.

### ¿Qué cambiará la Medida O?

La Medida O cambiará el impuesto hotelero de la Ciudad, el cual únicamente se aplica a huéspedes que se alojan en hoteles de Glendale. Si se aprueba la Medida O, el aumento del 2% representará \$2 en la factura del huésped del hotel por una noche en una habitación de \$100.

### ¿A dónde irán los fondos de la Medida O?

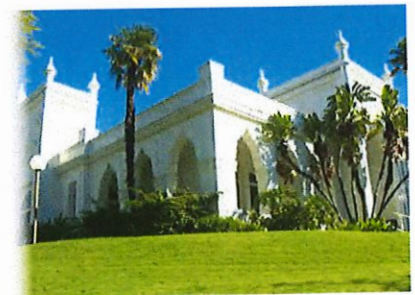
Los ingresos de la Medida O generarán aproximadamente \$800,000 al año en ingresos nuevos para el fondo general de la Ciudad. Estos fondos nuevos se utilizarán para preservar y mejorar servicios de la Ciudad, entre ellos:

- Policía y bomberos
- Programas de recreación y parques
- Bibliotecas
- Desarrollo económico para apoyar las artes visuales y los espectáculos
- El Teatro Alex y los distritos locales como Montrose Shopping Park, Kenneth Village, Adams Square y otros programas.

### ¿Por qué se pone a votación la Medida O en las elecciones del 7 de abril de 2015?

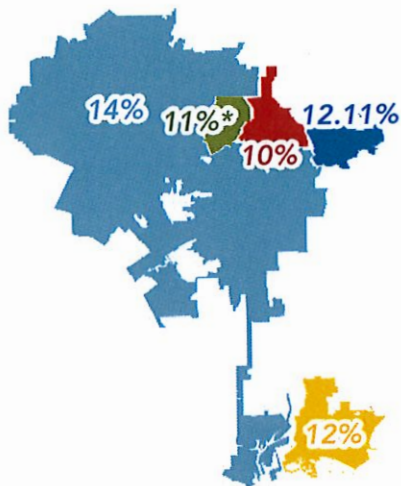
Como Ciudad proveedora de servicios completos, Glendale proporciona una amplia variedad de servicios a sus residentes –seguridad pública, recreación y parques, bibliotecas, arte y cultura, programas para la calidad de vida– para ayudar a que nuestra comunidad prospere.

Con el mencionado objetivo de asegurar que la Ciudad pueda continuar proporcionando de manera eficaz estos servicios a todos sus residentes, el Consejo de la Ciudad de Glendale votó por unanimidad colocar la Medida O en las elecciones municipales generales del 7 de abril de 2015.





## PREGUNTAS FRECUENTES ACERCA DE LA MEDIDA O



Actualmente, la tasa del impuesto hotelero de Glendale es una de las más bajas en comparación con las comunidades vecinas: en Pasadena la tasa es del 12.11%, en la Ciudad de Los Angeles del 14%, en Long Beach del 12% y en Burbank del 11%\*.

\*El impuesto hotelero de Burbank del 11% incluye un 1% para la Evaluación del distrito de mejoras en el negocio del turismo.



### ¿Cuál es el impuesto hotelero en otras ciudades?

Actualmente, la tasa del impuesto hotelero de Glendale es una de las más bajas en comparación con las comunidades vecinas: En Pasadena la tasa es del 12.11%, en la Ciudad de Los Angeles del 14%, en Long Beach del 12% y en Burbank del 11%. El cambio en la tasa del impuesto hotelero propuesto en la Medida O mantendría a Glendale competitiva con ciudades comparables en el Sur de California.

### ¿Cuándo se presentará la Medida O a votación?

Los votantes de Glendale considerarán la Medida O en las elecciones municipales generales el 7 de abril de 2015.



### ¿Cómo puedo encontrar más información?

Si tiene preguntas acerca de la Medida O, por qué se la colocó en las elecciones del 7 de abril de 2015, y sobre los efectos de la aprobación electoral, comuníquese con la Ciudad. Puede enviarnos un mensaje electrónico a [MyGlendale@glendaleca.gov](mailto:MyGlendale@glendaleca.gov) o dejarnos un mensaje en el número de teléfono 818-548-6464, el cual responderemos a la mayor brevedad posible.

Le alentamos a que se inscriba en nuestro boletín de noticias mensual, [Glendale City Connection](#), para recibir información sobre las últimas noticias y acontecimientos en Glendale. También puede seguirnos en Twitter, [@MyGlendale](#), y asegúrese de usar el hashtag: #MyGlendale para hacer preguntas acerca de la Medida O o sobre cualquier otro asunto de la Ciudad. Para obtener más información, visite nuestro sitio en Internet en [www.GlendaleVotes.org](http://www.GlendaleVotes.org).

\* El impuesto hotelero de Burbank del 11% incluye un 1% para la Evaluación del distrito de mejoras en el negocio del turismo.





# IMPORTANT FACTS ABOUT MEASURE Y



## Culver CITY'S MEASURE TO PROTECT ESSENTIAL CITY SERVICES

### WHAT IS MEASURE Y?

The City Council is asking voters in Culver City to consider enacting a temporary local sales tax of one-half cent (e.g. 5 cents on a \$10 purchase), in order to provide funding to maintain critical local services such as 911 emergency responses, paramedics, police and fire protection, as well as funding for street repairs, parks, and after-school programs.

### WHY NOW?

Since 2008 Culver City has lost \$4.5 million in state funding, an additional \$6 million in local revenue due to the economy and housing markets, and \$40 million annually through Sacramento's elimination of local redevelopment agencies. This has left the City unable to fund essential public services at the levels necessary to meet current and future needs. For the current fiscal year, the City has been forced to use nearly \$7 million of emergency reserves to balance the budget and preserve services. Although the economy and improvements to Culver City's main shopping areas have helped, the city is still facing a grim economic outlook. As it currently stands, the City's general fund still has a structural deficit of \$8 million per year.

### WHAT HAS THE CITY DONE?

To address these financial challenges the City has been forced to make significant cuts and dip into emergency reserves in order to balance the budget and preserve essential city services that include:

- Reduced city staff levels by nearly 80 positions, 18% of the general fund workforce.
- Cut over \$7 million in general operating expenditures.
- Worked collaboratively with public employees to negotiate labor agreements that include pension reform and reductions to retiree medical benefits. The new labor agreements will save an additional \$3 million annually over the next several years and are estimated to reach a total of \$10 million in savings annually by 2040.

Culver City is now at a critical juncture, and leaders must choose between making more drastic cuts to public safety and other essential city services, or prepare itself for a sustainable future by raising revenues through a one-half cent sales tax that will generate nearly \$8 million annually.

IF THE CITY IS UNABLE TO SUSTAIN REVENUES, THE CITY WILL BE FORCED TO MAKE MORE SEVERE CUTS TO ESSENTIAL CITY SERVICES. THE FOLLOWING ALTERNATIVES ARE NOT PRESENTLY RECOMMENDED, BUT ARE MEANT TO ILLUSTRATE THE TYPES OF CUTS THAT WOULD HAVE TO BE MADE:

A REDUCTION IN POLICE PATROL LEVELS

AN INCREASE IN RESPONSE TIMES TO EMERGENCY CALLS DUE TO FEWER UNITS IN SERVICE

THE ELIMINATION OF PROGRAMS LIKE JUVENILE DIVERSION AND SCHOOL RESOURCE OFFICERS

A REDUCTION IN STAFFING FOR 911 DISPATCH, AFFECTING TIMELY RESPONSES

SERIOUS CONSIDERATION OF CONTRACTING OUT FIRE DEPARTMENT SERVICES WITH LOS ANGELES COUNTY

THE ELIMINATION OF MOST PARKS AND PLAYGROUNDS STAFFING, AS WELL AS PARK PROGRAMMING THROUGHOUT THE CITY

THE ELIMINATION OF AFTER SCHOOL PROGRAMS AND COMMUNITY FESTIVALS SUCH AS FIESTA LA BALLONA

**MEASURE Y** is a one-half-cent sales tax increase that will help solve the City's fiscal emergency.

**MEASURE Y** will preserve, protect, and enhance law enforcement and public safety services, park and recreation programs and highway and street maintenance.

**MEASURE Y** will increase transparency in the local budget, raise much needed revenue, and allow the City to retain essential public services at current levels.

**MEASURE Y** will ensure that Culver City continues to be an ideal place to live, work and play.

FOR MORE INFORMATION ABOUT MEASURE Y, PLEASE VISIT [WWW.CULVERCITY.ORG](http://WWW.CULVERCITY.ORG).

*Culver* CITY



# BE HEARD AND VOTE ON IMPORTANT WESTMINSTER ISSUES

**Did you know?** In addition to the items at the national and statewide level, this is also Westminster's regularly scheduled municipal election. Local elections include:

- ☐ Mayor
- ☐ Councilmembers (two seats)
- ☐ Ballot Measure SS

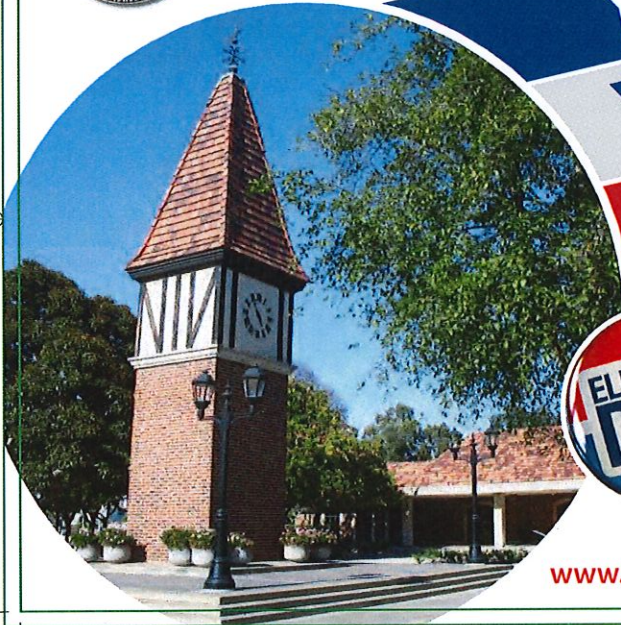
If approved by voters, Measure SS would enact a one-cent transaction and use sales tax, and would expire in 6 years. These locally-controlled funds could be used to maintain local services determined by city residents to be important without additional significant budget reductions, particularly in the area of public safety, which currently comprises 77.5% of the current City budget.

To learn more about the elections, including what's on the Westminster ballot, please visit [www.westminster.ca.gov](http://www.westminster.ca.gov), or contact us at (714)898-3311.





City of Westminster  
8200 Westminster Blvd.  
Westminster, CA 926383



**YOUR CITY  
YOUR VOICE  
YOUR VOTE**

Don't Forget: Election Day is  
Tuesday, November 8, 2016!



[www.westminster.ca.gov](http://www.westminster.ca.gov)



# Measure H



## CLASSROOM AND SCHOOL SAFETY BOND FACT SHEET

In July, the Anaheim Union High School District (AUHSD) Board of Trustees voted to place a \$249 million bond on the **November 4, 2014, election ballot** to meet 21st century safety and academic standards.

The AUHSD has maintained its campuses to ensure a safe learning environment for students, but state budget cuts have reduced the amount of repairs and upgrades we can make to classrooms and buildings. For Measure H, the AUHSD has created a list of projects for each campus so voters understand what specific repairs and upgrades will be delivered to each school.

### THE CLASSROOM REPAIR AND SCHOOL SAFETY BOND

Measure H would create a dedicated funding source for needed repairs and improvements. If approved by voters, Measure H would provide funding to schools with the greatest need for basic repairs so that all campuses can continue to be clean, healthy learning environments.



### MEASURE H WOULD PROVIDE EACH CAMPUS WITH AN INFUSION OF FUNDING FOR THREE CRITICALLY IMPORTANT AREAS:

- Safety and Security Improvements – Replacing and installing new fencing, outdoor lighting and cameras to strengthen campus security, because nothing is more important than the **safety** of our students and staff.
- Technology Infrastructure Improvements – Our students and staff need quick, easy, access to the Internet and its resources to be able to take advantage of instruction geared toward critical thinking, communication, collaboration, and creativity.
- 21st Century Classroom Furniture – This will allow for the project based learning that is the hallmark of Common Core instruction.

### WHAT IS THE AUHSD?

THE ANAHEIM UNION HIGH SCHOOL DISTRICT IS AN AWARD-WINNING SCHOOL SYSTEM, WHICH PROVIDES A HIGH-CALIBER EDUCATION TO OUR DIVERSE STUDENT POPULATION. FOR MORE THAN 115 YEARS, THE DISTRICT HAS DEVELOPED THE FUTURE BUSINESS AND CIVIC LEADERS OF ANAHEIM, BUENA PARK, CYPRESS, LA PALMA, AND STANTON. DISTRICT SCHOOLS HAVE EARNED STATEWIDE AND NATIONAL RECOGNITION, AND 82 PERCENT OF OUR ALUMNI ATTEND TWO- OR FOUR-YEAR COLLEGES AND UNIVERSITIES.



# Measure H

## PLANNING FOR THE FUTURE

AUHSD is currently providing students with a high-caliber education, but the District must keep pace and provide students with the career and technical knowledge in order to compete for tomorrow's high-paying jobs. Improving access to technology in the classroom will allow all students to excel and gain vital skills, preparing them for success in the workplace or as they continue their education.

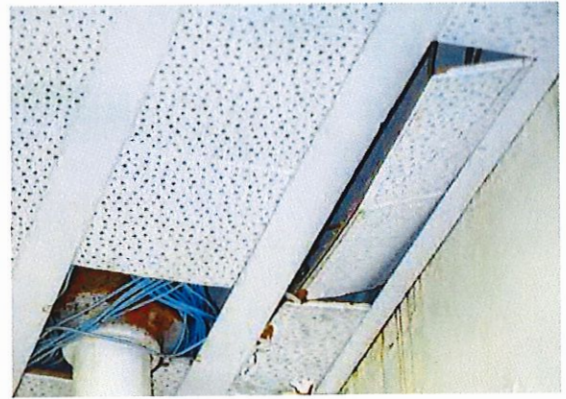
In 2013, the AUHSD started a Facility Master Planning process to create a strategic vision for the future. The plan identified more than \$1.2 billion in facility needs and determined that approximately 70 percent of the District's buildings are in need of some level of repair. Many of our campus facilities were built between 35 and 63 years ago; 129 of the District's 263 buildings haven't received any upgrades.

## MEASURE H WILL:

- Provide new science labs and technology to enhance students' daily learning experiences and allow them to attain greater achievements.
- Strengthen communities throughout the AUHSD by updating neighborhood schools.
- Help the AUHSD compete, attract and retain the award-winning teachers who provide the great education our communities' students need and deserve.

## COMMUNITY ENGAGEMENT

We look forward to engaging students, parents, businesses and community members in the months ahead to educate them about Measure H.



## ACCOUNTABILITY AND TRANSPARENCY

MEASURE H INCLUDES STRICT ACCOUNTABILITY REQUIREMENTS TO ENSURE THAT MONEY IS SPENT LOCALLY AND RESPONSIBLY. A CITIZENS' OVERSIGHT COMMITTEE OF LOCAL RESIDENTS WAS CREATED EARLIER IN THE YEAR TO FOSTER TRANSPARENCY AND OVERSIGHT THROUGHOUT THE PROCESS. MEASURE H WOULD ALSO INCLUDE ANNUAL INDEPENDENT FINANCIAL AND PERFORMANCE AUDITS TO ADD ADDITIONAL ACCOUNTABILITY.

ALL MONEY GENERATED FROM THE BOND MEASURE WILL BE SPENT ON IMPROVING AND EXPANDING CLASSROOM SAFETY AND EDUCATIONAL EQUIPMENT. **NO MONEY WILL BE SPENT ON EMPLOYEE SALARIES OR PENSIONS**, AND ALL MONEY WOULD BE SPENT LOCALLY.

IF APPROVED BY THE VOTERS, THE BOND WOULD BE PAID BY PROPERTY TAXES ESTIMATED TO NOT EXCEED \$30 PER \$100,000 OF ASSESSED VALUATION.

[www.auhsdblueprint.us](http://www.auhsdblueprint.us)

To get the most updated information directly, you can subscribe to e-mail updates by contacting Patricia Karlak at [karlak\\_p@auhsd.us](mailto:karlak_p@auhsd.us)



Learning With Purpose

ANAHEIM  
UNION  
HIGH  
SCHOOL  
DISTRICT



College and Career Ready

Paid for by the Anaheim Union  
High School District

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Anaheim, CA 92801

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# WHAT MEASURE H MEANS FOR THE AUHSD



**Measure H is a \$249 million bond to fund upgrades and improvements to neighborhood junior high and high school classrooms and facilities. If approved by voters on November 4, Measure H would help AUHSD meet 21st century safety and academic standards.**





# PREPARING FOR THE FUTURE

The Anaheim Union High School District (AUHSD) has maintained its campuses to ensure a safe learning environment for students, but state budget cuts have reduced the amount of repairs and upgrades we can make to neighborhood schools. Approximately 70 percent of the District's buildings are in need of some level of repair.

Through annual property taxes estimated not to exceed \$30 per \$100,000 of assessed valuation, collected for as long as the bonds are outstanding, Measure H would fund:



## **SAFETY AND SECURITY IMPROVEMENTS:**

Replacing and installing new fencing, outdoor lighting and cameras to strengthen campus security, because nothing is more important than the safety of our students and staff.

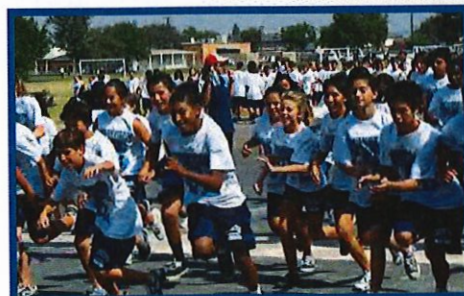
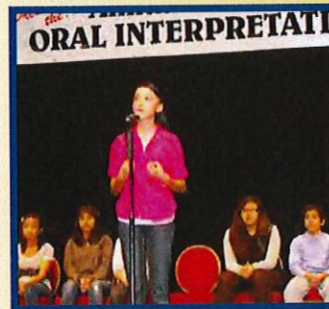


## **TECHNOLOGY INFRASTRUCTURE INVESTMENTS:**

Our students need access to the Internet and science labs to enhance their daily learning experiences and expand their critical thinking, communication, collaboration and creativity.



**21ST CENTURY CLASSROOMS:** New furniture will allow for the project-based learning that is the hallmark of Common Core instruction.



## **THE EFFECTS OF MEASURE H ON THE AUHSD:**

- Updating neighborhood schools will help prepare students for their future careers.
- Improved facilities will help AUHSD compete, attract and retain the award-winning teachers who provide the great education our communities' students need and deserve.
- Construction at neighborhood junior high and high schools would create local jobs.

## **STRICT ACCOUNTABILITY:**

Measure H funds would be spent locally and responsibly. AUHSD already created a Citizens' Oversight Committee of local residents to foster transparency and oversight throughout the process, and Measure H includes annual independent financial and performance audits.

All money generated from the bond measure will be spent on improving and expanding classroom safety and educational equipment. No money would be spent on employee salaries or pensions.

For more information, visit [www.auhsdbblueprint.us](http://www.auhsdbblueprint.us) or contact Patricia Karlak at [karlak\\_p@auhsd.us](mailto:karlak_p@auhsd.us)





# *City of Santa Fe Springs*

City Council Meeting

March 8, 2018

## **PRESENTATION**

Presentation to Terry Hope for Retirement from Lakeview Elementary School

### RECOMMENDATION:

The Mayor may wish to call upon Raelene Barraza, Public Affairs Assistant, to assist with this presentation.

### BACKGROUND

Terry Hope began her career with the Little Lake City School District in 1987 at Cresson Elementary. She became the secretary at Lakeview Elementary School in September of 1990. In December of 2017 she retired and concluded 28 years of service to generations of City residents.

A handwritten signature in blue ink that reads "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

### Attachment(s):

None





# *City of Santa Fe Springs*

## *City Council Meeting*

March 8, 2018

### **PRESENTATION**

#### Eagle Scout Project Recognition for Ivan Aguilar

### **RECOMMENDATION**

The Mayor may wish to call upon Parks and Recreation Manager Adam Matsumoto to assist with the presentation.

### **BACKGROUND**

The completion of the Eagle Scout Project is a major step in completion of the rank of Eagle Scout. The process for completing the Eagle Scout Project is quite lengthy and involves a deep commitment from the Scout taking on the task. After identifying a project, the Scout must develop a plan of implementation that includes areas such as: materials, supplies, logistics, fundraising, and safety issues.

Scout Ivan Aguilar reached out to the City of Santa Fe Springs as his Eagle Scout Project beneficiary. Meeting with Parks and Recreation staff, Ivan proposed building a retaining wall at the Santa Fe Springs Community Garden for his project. The Community Garden's fence that is shared with the Clarke Estate was in need of a retaining wall due to soil erosion. Ivan along with volunteers installed a retaining wall along the fence of the Community Garden and Clarke Estate.

Tonight the Parks and Recreation Services Division would like to recognize Ivan Aguilar on his accomplishment of completing his Eagle Scout Project.

Raymond R. Cruz  
City Manager



# City of Santa Fe Springs

City Council Meeting

March 8, 2018

## APPOINTMENTS TO COMMITTEES AND COMMISSIONS

Committee	Vacancies	Councilmember
Beautification	3	Moore
Beautification	1	Rounds
Beautification	3	Sarno
Beautification	2	Trujillo
Historical	2	Rounds
Historical	3	Sarno
Historical	3	Trujillo
Historical	3	Zamora
Parks & Recreation	1	Moore
Parks & Recreation	1	Sarno
Parks & Recreation	1	Trujillo
Parks & Recreation	1	Zamora
Senior Citizens	3	Moore
Senior Citizens	1	Rounds
Senior Citizens	2	Sarno
Senior Citizens	4	Trujillo
Sister City	3	Rounds
Sister City	4	Sarno
Sister City	2	Trujillo
Sister City	3	Zamora
Traffic Commission	1	Trujillo
Youth Leadership	1	Trujillo

**Applications Received:** None

**Recent Actions:** None.

Attachments:

Committee Lists

Prospective Members

A handwritten signature in blue ink that reads "Raymond R. Cruz".

Raymond R. Cruz  
City Manager

Report Submitted by: Janet Martinez  
City Clerk

Date of Report: March 2, 2018

**ITEM NO. 20**

## **Prospective Members for Various Committees/Commissions**

**Beautification**

**Family & Human Services**

**Heritage Arts**

**Historical**

**Personnel Advisory Board**

**Parks & Recreation**

**Planning Commission**

**Senior Citizens Advisory**

Frank Aguayo Sr.

**Sister City**

**Traffic Commission**

**Youth Leadership**

## BEAUTIFICATION COMMITTEE

updated 2/2/18

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 Residents appointed by City Council

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Juliet Ray	(18)
	Guadalupe Placensia	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Zamora</b>	Mary Reed	(18)
	Charlotte Zevallos	(18)
	Doris Yarwood	(18)
	Vada Conrad	(19)
	Joseph Saiza	(19)
<b>Rounds</b>	Sadie Calderon	(18)
	Rita Argott	(18)
	Mary Arias	(19)
	Marlene Vernava	(19)
	<b>Vacant</b>	
<b>Sarno</b>	Irene Pasillas	(18)
	May Sharp	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Trujillo</b>	Mary Jo Haller	(18)
	<b>Vacant</b>	(18)
	Margaret Bustos*	(18)
	<b>Vacant</b>	

*\*Indicates person currently serves on three committees*



# FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

updated 2/2/18

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
<b>Moore</b>	Martha Villanueva	(18)
	Margaret Bustos*	(18)
	Miriam Herrera	
<b>Zamora</b>	Gaby Garcia	(18)
	Tina Delgado	(19)
	Gilbert Aguirre	(19)
<b>Rounds</b>	Annette Rodriguez	(18)
	Janie Aguirre	(19)
	Peggy Radoumis	(19)
<b>Sarno</b>	Debbie Belmontes	(18)
	Linda Vallejo	(18)
	Hilda Zamora	(19)
<b>Trujillo</b>	Dolores H. Romero*	(18)
	Laurie Rios	(18)
	Bonnie Fox	(19)

**Organizational Representatives:** Nancy Stowe  
(Up to 5) Evelyn Castro-Guillen  
Elvia Torres  
(SPIRITT Family Services)

*\*Indicates person currently serves on three committees*

## HERITAGE ARTS ADVISORY COMMITTEE

updated 2/2/18

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	6/30/2019
Zamora	Larry Oblea	6/30/2019
Rounds	Pauline Moore	6/30/2019
Sarno	Francis Carbajal	6/30/2019
Trujillo	Amparo Oblea	6/30/2019

### Committee Representatives

Beautification Committee	Charlotte Zevallos	6/30/2019
Historical Committee	Sally Gaitan	6/30/2019
Planning Commission	Gabriel Jimenez	6/30/2019
Chamber of Commerce	Debbie Baker	6/30/2019

### Council/Staff Representatives

Council Liaison	Richard Moore
Council Alternate	Jay Sarno
City Manager	Don Powell
Director of Community Services	Maricela Balderas
Director of Planning	Wayne Morrell

*\*Indicates person currently serves on three committees*

## HISTORICAL COMMITTEE

updated 10/12/17

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
<b>Moore</b>	Astrid Shesterkin	(18)
	Tony Reyes	(18)
	Amparo Oblea	(19)
	George Felix, Jr.	(19)
<b>Zamora</b>	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
	Larry Oblea	(18)
<b>Rounds</b>	<b>Vacant</b>	
	<b>Vacant</b>	
	Mark Scoggins*	(19)
	Janice Smith	(19)
<b>Sarno</b>	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
	Sally Gaitan	(19)
<b>Trujillo</b>	<b>Vacant</b>	
	<b>Vacant</b>	
	Merrie Hathaway	(19)
	<b>Vacant</b>	

*\*Indicates person currently serves on three committees*

# PARKS & RECREATION ADVISORY COMMITTEE

updated 2/2/18

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>	<b>Vacant</b>	(18)
	Adrian Romero	(19)
	William Logan	(19)
	Ralph Aranda	(19)
	Kurt Hamra	(19)
<b>Zamora</b>	Michael Givens	(18)
	Ruben Gonzalez	(18)
	Frank Aguayo, Sr.	(18)
	Sally Gaitan	(19)
	<b>Vacant</b>	
<b>Rounds</b>	Kenneth Arnold	(18)
	Mary Anderson	(18)
	Johana Coca*	(18)
	Tim Arnold	(19)
	Mark Scoggins*	(19)
<b>Sarno</b>	Rudy Lagarreta Jr.	(18)
	Debbie Belmontes	(18)
	Lisa Garcia	(19)
	<b>Vacant</b>	(18)
	David Diaz-Infante	(19)
<b>Trujillo</b>	Dolores Romero	(19)
	Andrea Lopez	(18)
	Lydia Gonzalez	(19)
	Anthony Ambris	(19)
	<b>Vacant</b>	(19)

*\*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	Neal Welland	6/30/2020
Firemen's Association	Jim De Silva	6/30/2017
Employees' Association	Johnny Hernandez	6/30/2020

## PLANNING COMMISSION

updated 10/17/17

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 ADVISORY COMMITTEE

updated 10/9/2017

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>	Paul Nakamura	(18)
	Astrid Shesterkin	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Zamora</b>	Dolores Duran	(18)
	Elena Lopez Armendariz	(18)
	Rebecca Lira	(18)
	Amelia Acosta	(19)
	Gloria Madrid	(19)
<b>Rounds</b>	<b>Vacant</b>	
	Bonnie Fox	(18)
	Gilbert Aguirre	(19)
	Lorena Huitron	(19)
	Janie Aguirre	(19)
<b>Sarno</b>	Yoko Nakamura	(18)
	Linda Vallejo	(18)
	Hilda Zamora	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Trujillo</b>	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
	Margaret Bustos*	(19)
	<b>Vacant</b>	

*\*Indicates person currently serves on three committees*

## SISTER CITY COMMITTEE

updated 10/24/17

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
Moore	Martha Villanueva	(18)
	Laurie Rios	(18)
	Mary K. Reed	(19)
	Peggy Radoumis	(19)
	Francis Carbajal	(19)
Zamora	Charlotte Zevallos	(18)
	Vacant	(19)
	Vacant	
	Doris Yarwood	(19)
Rounds	Vacant	
	Manny Zevallos	(18)
	Susan Johnston	(18)
	Vacant	
	Vacant	
Sarno	Vacant	
	Jeannette Wolfe	(18)
	Vacant	
	Vacant	
	Vacant	
Trujillo	Vacant	
	Beverly Radoumis	(19)
	Andrea Lopez	(18)
	Vacant	
	Marcella Obregon	(19)
	Vacant	(18)

*\*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**

Bryan Collins

**Rounds**

Johana Coca

**Sarno**

Alma Martinez

**Trujillo**

**Vacant**

**Zamora**

Nancy Romo

\*Albert Hayes removed on 7/19/17

## YOUTH LEADERSHIP COMMITTEE

updated 2/2/18

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
<b>Moore</b>	Richard Aguilar	(19)
	Destiny Cornejo	(19)
	Zachary Varela	(18)
	Jazmine A. Duque	(19)
<b>Zamora</b>	Metztli Mercado-Garcia	(18)
	Savanna Aguayo	(19)
	Valerie Melendez	(19)
	Christian Zamora	(19)
<b>Rounds</b>	Andrew Chavez	(18)
	Jennisa Casillas	(19)
	Walter Alvarez	(18)
	Valerie Yvette A. Gonzales	(18)
<b>Sarno</b>	Angel M. Corona	(19)
	Rafael Gomez	(19)
	Ivan Aguilar	(19)
	Jennifer Centeno Tobar	(19)
<b>Trujillo</b>	Bernardo Landin	(18)
	Ionnis Panou	(18)
	Karla Cardenas	(19)
	<b>Vacant</b>	(18)