



# REVISED AGENDA

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

**September 27, 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

**PUBLIC FINANCING AUTHORITY**

3. **CONSENT AGENDA**

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

**Approval of Minutes**

- a. Minutes of the August 23, 2018 Public Financing Authority Meeting

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

**Monthly Reports**

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

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

**WATER UTILITY AUTHORITY**

4. **CONSENT AGENDA**

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

**Approval of Minutes**

- a. Minutes of the August 23, 2018 Water Utility Authority Meeting

**Recommendation:** That the Water Utility Authority:

- Approve the minutes as submitted.

**Monthly Reports**

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

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.

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

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.



**NEW BUSINESS**

5. Water Well No. 12 Packer Testing Hydrogeological Services – Award of Contract

**Recommendation:** That the City Council:

- Accept the Proposals to provide Hydrogeological Services for Water Well No. 12 Packer Testing; and
- Award a Contract to Richard Slade & Associates from Sherman Oaks, California; and
- Authorize the Mayor to execute a contract with Richard Slade and Associates in the amount of \$60,000; and
- Appropriate \$75,000 from the CIP Water Fund for Activity No. WT195001.

**HOUSING SUCCESSOR**

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 Housing Successor.

**Approval of Minutes**

Minutes of the August 23, 2018 of the Housing Successor Agency

**Recommendation:** That the Housing Successor approve the minutes as submitted.

**NEW BUSINESS**

7. Provide Staff with directions regarding what mechanism (RFP or ENA or other) should be used to develop affordable housing on the ±3.93-acre site (APN: 8011-012-902) at 13241 Lakeland Road and the adjacent three (3) parcels, (APN: 8011-011-906, 8011-011-907, 8011-011-912), with a combined area of ±36,342 sq. ft., at the northeast corner of Lakeland Road and Laurel Avenue, within the R-3-PD, Multiple-Family Residential-Planned Development Overlay, Zone

**Recommendation:** That the City Council:

- Provide staff with direction regarding what mechanism (RFP, ENA or other) should be used to develop affordable housing on the ±3.93-acre site (APN: 8011-012-902) at 13241 Lakeland Road and the adjacent three (3) parcels, (APN: 8011-011-906, 8011-011-907, 8011-011-912) at the northeast corner of Lakeland Road and Laurel Avenue; and
- Provide staff with direction, other than what is enumerated above.

**SUCCESSOR AGENCY**

8. **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 Successor Agency.

**Approval of Minutes**

Minutes of the August 23, 2018 Successor Agency Meeting

**Recommendation:** That the Successor Agency approve the minutes as submitted.

9. **NEW BUSINESS**

Resolution No. SA-2018-004 – First Amendment to Purchase and Sale Agreement between the Successor Agency and PPF Industrial, LLC for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield

**Recommendation:** That the Successor Agency:

- Approve Resolution No. SA-2018-004 and authorize the Mayor to sign the First Amendment to Purchase and Sale Agreement between the Successor Agency and PPF Industrial, LLC for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield.

10. **PRESENTATION**

Presentation to the Oversight Board Members for their service to the City

**CITY COUNCIL**

11. **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 August 23, 2018 Regular City Council Meeting

**Recommendation:** That the City Council:

- Approve the minutes as submitted.

- b. Approval of Letter of Agreement between the City of Santa Fe Springs and United Way's Subsidized Housing Assistance Relief for Energy (SHARE) Program

**Recommendation:** That the City Council:

- Approve, and Mayor execute, the Letter of Agreement for the Subsidized Housing Assistance Relief for Energy (SHARE) Program through United Way of Greater Los Angeles.

**NEW BUSINESS**

12. 2018 Red Ribbon Parade Traffic Control Plan – Request for Approval

**Recommendation:** That the City Council:

- Approve the traffic control plan prepared for the closure of various City streets in the area bordered by Clarkman Street, Jersey Avenue, Charlesworth Road and Alburty Avenue for the detouring of traffic around the 2018 Red Ribbon Parade route on Wednesday October 24, 2018.

13. Approval of Traffic Signal Box – Library Theme: Book Titles

**Recommendation:** That the City Council:

- Approve the art rendering by artist Candace Galvan for the Library Theme traffic signal box, and authorize staff to compensate Hartzog & Crabill, Inc. as part of this traffic signal box art project.

14. Resolution No. 9604 – Establishing the City’s Maximum Contribution Under the Public Employees’ Medical and Hospital Care Act  
**Recommendation:** That the City Council:
- Adopt Resolution No. 9604, establishing the City’s maximum contribution to medical insurance premiums under the Public Employees’ Medical and Hospital Care Act.
15. Award of Contract for City Wide Ethernet Services  
**Recommendation:** That the City Council:
- Authorize the Mayor or designee to execute an agreement with Spectrum Enterprise to provide Ethernet Services between City Hall and other City facilities for 36 months.
16. Go Rio Program AB2766 Funds to Subsidize Bus Passes to City Residents Attending Rio Hondo College – Agreement Renewal  
**Recommendation:** That the City Council:
- Approve the agreement with Rio Hondo College to provide AB2766 Funds for Subsidized Bus Passes for FY2017, FY2018 and FY2019; and
  - Authorize the City Manager to execute the agreement on behalf of the City.
17. Street and Parking Lot Lighting LED Retrofit Evaluation – Authorization to Advertise  
**Recommendation:** That the City Council:
- Authorize the Director of Public Works to advertise for a Request for Proposals from qualified consultants to evaluate replacing the existing City Street and parking lot lighting with energy efficient Light Emitting Diode (LED) equivalents.

***Items 18 – 27 will occur in the 7:00 p.m. hour.***

18. **INVOCATION**
19. **PLEDGE OF ALLEGIANCE**
20. **INTRODUCTIONS**
- Representatives from the Chamber of Commerce
21. **ANNOUNCEMENTS**
22. **CITY MANAGER’S AND EXECUTIVE TEAM REPORTS**
23. **PRESENTATIONS**
- a. Introduction of New Little Lake City School District Principals
  - b. Presentation to the City of Santa Fe Springs from Complete Landscaping Care, Inc.
  - c. Presentation to Milestone Event Celebrants

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

***September 27, 2018***

- d. Proclaiming October 10, 2018 as "Walk to School Day" in Santa Fe Springs
- e. Proclaiming October 2018 as "Breast Cancer Awareness Month" in Santa Fe Springs
- f. Proclaiming the Month of October 2018 as "National Community Planning Month"

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

- a. Advisory Committee Appointments


**25. 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.*

**26. COUNCIL COMMENTS**

**27. 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

September 24, 2018  
Date



**FOR ITEM NO. 3A**  
**PLEASE SEE ITEM NO. 11A**





## **CONSENT CALENDAR**

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

### **RECOMMENDATION**

That the Public Financing Authority receive and file the report.

## **BACKGROUND**

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

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

Financing proceeds available for appropriation at 8/31/18

None

Outstanding principal at 8/31/18

\$38,384,816

### Bond Repayment

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

### Unspent Bond Proceeds

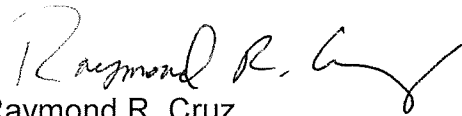
Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding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

### 2016 Bond Refunding

In July 2016 the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding

In December 2017 the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", with a stylized flourish at the end.

Raymond R. Cruz  
City Manager/Executive Director



**FOR ITEM NO. 4A**  
**PLEASE SEE ITEM NO. 11A**





## CONSENT CALENDAR

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

### RECOMMENDATION

That the Water Utility Authority receive and file the report.

### BACKGROUND

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

#### Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 8/31/18	None
Outstanding principal at 8/31/18	\$6,890,000

#### Water Revenue Bonds, 2018

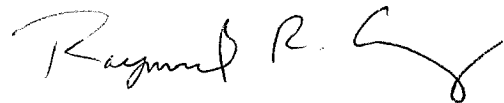
Financing proceeds available for appropriation at 8/31/18	None
Outstanding principal at 8/31/18	\$1,800,000

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

In January 2018 the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of \$1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

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

A handwritten signature in black ink, appearing to read "Raymond R. Cruz". The signature is fluid and cursive, with the first name "Raymond" being more prominent.

Raymond R. Cruz  
City Manager/Executive Director





# City of Santa Fe Springs

Water Utility Authority Meeting

September 27, 2018

## **CONSENT AGENDA**

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

#### **RECOMMENDATION**

That the Water Utility Authority receive and file the report.

#### **BACKGROUND**

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

#### **Water Well No. 12 – Packer Testing Hydrogeological Services**

City Council directed Staff to evaluate the option of installing well packers to eliminate the potential sources of elevated concentrations of iron and hydrogen sulfide. Staff prepared a Request For Proposals and received two proposals. The award of contract for the Packer Testing Hydrogeological Services is on the Council agenda as a separate item.

#### **INFRASTRUCTURE IMPACT**

The production of adequate water quality by Water Well No. 12 is imperative to addressing the City's water demands.

#### **FISCAL IMPACT**

The Imperial Highway Underpass Project is funded through the one-time non-recurring account. Funding for the Water Well No. 12 – Packer Testing Hydrogeological Services is available through the Water CIP Fund.

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

Raymond R. Cruz  
Executive Director

#### **Attachments:**

None





# City of Santa Fe Springs

Water Utility Authority Meeting

September 27, 2018

## NEW BUSINESS

### Water Well No. 12 Packer Testing Hydrogeological Services - Award of Contract

#### RECOMMENDATIONS

That the Water Utility Authority take the following actions:

- Accept the Proposals to provide Hydrogeological Services for Water Well No. 12 Packer Testing; and
- Award a Contract to Richard Slade & Associates from Sherman Oaks, California; and
- Authorize the Mayor to execute a contract with Richard Slade and Associates in the amount of \$60,000; and
- Appropriate \$75,000 from the CIP Water Fund for Activity No. WT195001

#### BACKGROUND

Following a City Council Study Session presentation on a proposed water treatment system for Water Well No. 12, the City Council directed Staff to evaluate the option of installing well packers to eliminate the potential sources of elevated concentrations of iron and hydrogen sulfide.

Staff prepared a Request for Proposals (RFP) for hydrogeological services to prepare specifications to install well packers to Water Well No. 12 and follow-up testing of water quality. The RFP was sent to three (3) Hydrogeological Engineering firms with prior experience with the City's water system.

Two (2) firms responded to the City's RFP, Richard Slade & Associates, and Tetra Tech, Inc. A panel evaluated the proposals. The panel included Robert Garcia, Public Works CIP Manager, Matt Tryon, Water Utility Supervisor, and Al Fuentes, Consultant. A summary of the panel's evaluation is attached.

Richard Slade & Associates (Consultant) will prepare technical specifications for a bid document that identifies the depths of the packers to be installed, the number of tests to be performed at each depth, and technical report that documents the well packer test process and ground water sample results at each packer depth.

Staff recommends that the City Council award a contract to Richard Slade & Associates, and appropriate \$75,000 from the CIP Water Fund for Activity No. WT195001.

#### LEGAL REVIEW

The City Attorney's office has reviewed the Professional Services Agreement.

Report Submitted By: Noe Negrete  
Director of Public Works

A handwritten signature in blue ink, appearing to be "N. Negrete", is written over the printed name of the Director of Public Works.

Date of Report: September 18, 2018

Item No. 5

**FISCAL IMPACT**

Funding for the Water Well No. 12 Packer Testing Hydrogeological Services is available in the CIP Water Fund. Staff recommends an appropriation of \$75,000 from the CIP Water Fund to Account No. (W717) WT195001.

**INFRASTRUCTURE IMPACT**

The production of quality water from Water Well No. 12 will provide the City with a cost-effective option to meet the City's water needs.



Raymond R. Cruz  
Executive Director

**Attachments:**

1. Professional Services Agreement
2. Evaluation Summary



**CITY OF SANTA FE SPRINGS  
PROFESSIONAL SERVICES AGREEMENT  
WITH  
RICHARD SLADE & ASSOCIATES**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this 27<sup>TH</sup> day of September, 2018 ("Effective Date"), by and between the CITY OF SANTA FE SPRINGS, a municipal corporation ("City"), and RICHARD SLADE & ASSOCIATES a ("Consultant").

**W I T N E S S E T H :**

WHEREAS, City proposes to utilize the services of Consultant as an independent contractor to provide Packer Testing and Hydrogeological services to Water Well No. 12, as more fully described herein; 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 the City's Request for Proposals ("RFP"), attached hereto as Exhibit "A," and Consultant's Response to City's RFP ("Consultant's Proposal"), attached hereto as Exhibit "B," both incorporated herein by this reference.

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 in accordance with the fee schedule set forth in Exhibit "C," attached hereto and made a part of this Agreement by this reference (the "Fee

Schedule"). Consultant's total compensation shall not exceed sixty-thousand dollars (\$60,000.00).

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 forty-five (45) 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. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination 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 unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

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, 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 "E" 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:

Richard Slates & Associates  
14501 Burbank Boulevard, Suite 300  
Sherman Oaks, CA 91401  
Tel: (818) 506-0418  
Attn: Richard C. Slade

IF TO CITY:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670  
Tel: (562) 868-0511  
Attn: Noe Negrete

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 of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken 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  
RICHARD SLADE & ASSOCIATES**

\_\_\_\_\_  
Richard C. Slade, President

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

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

**CITY OF SANTA FE SPRINGS**

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

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

ATTEST:

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

APPROVED AS TO FORM:

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

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

**EXHIBIT A**  
**REQUEST FOR PROPOSALS**

# **CITY OF SANTA FE SPRINGS**

## **REQUEST FOR PROPOSALS**

### **WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES**



### **DEPARTMENT OF PUBLIC WORKS**

### **INQUIRIES REGARDING THIS PROJECT MAY BE DIRECTED TO:**

**Al Fuentes, Project Manager  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
Phone: (562) 868-0511, Extension 7355**

## REQUEST FOR PROPOSALS

### WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES

The City of Santa Fe Springs (AGENCY) is seeking proposals for hydrogeological services to develop specifications for installing packers and water quality testing of Water Well No. 12 located at 13939 Borate Street, Santa Fe Springs, CA 90670. Several issues have been identified with the quality of the ground water pumped from the well, particularly elevated concentrations of iron (brown color) and hydrogen sulfide (odor).

Proposers are requested to submit their proposals and written statements of technical qualifications for completing the work in accordance with and as specified in this Request for Proposals (RFP). Failure to comply with the requirements identified in the RFP may render a proposal non-responsive. The specific services requested are described in the Scope of Services included in this RFP.

The AGENCY invites proposals for the above-stated services and will receive such proposals in the Director of Public Works Office, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California 90670, **until 3:00 p.m. on Tuesday, August 14, 2018**. Interested proposers must submit three (3) copies of their proposal labeled **“WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES”** to:

Noe Negrete  
Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Proposals received after the time and date specified above will not be accepted and will be returned to the proposer unopened. No pre-submittal meeting has been scheduled for this project.

The AGENCY reserves the right to reject any or all proposals, to waive any irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received and to take all proposals under advisement for a period of 45 days. The award, if made, will be made to the Consultant whose proposal best meets the technical requirements of the RFP as determined by the AGENCY. The proposal submitted by the selected Consultant shall be incorporated as part of the final contract accordingly.

All questions regarding this project must be directed to Al Fuentes, Project Manager at (562) 868-0511, ext. 7355.



## INSTRUCTIONS TO PROPOSERS

### WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES

#### 1. PROPOSED SCHEDULE

DESCRIPTION	DATE/TIME
Request for Proposals Released	July 30, 2018
Deadline to Submit Questions	August 6, 2018 at 4:00 pm
Deadline to Receive Proposals	August 14, 2018 3:00 pm
Contract Award	August 23, 2018
Notice to Proceed	September 3, 2018

The AGENCY reserves the right to modify any element of the timeline should that become necessary.

#### 2. PRE-SUBMITTAL MEETING

A Pre-Submittal Meeting has not been scheduled for this project.

#### 3. SUBMISSION OF PROPOSALS

To be considered, the Proposals must be received by the **Department of Public Works, City of Santa Fe Springs, by 3:00 p.m. on August 14, 2018.**

Consultants must submit three (3) copies of their Proposal labeled: **“WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES”** to:

Noe Negrete, Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670-3658

Proposals, and amendments to proposals, received after the date and time specified above will not be accepted and will be returned to the Consultant unopened.

#### 4. DISSEMINATION OF RFP INFORMATION

From time to time, the AGENCY may issue responses to requests for clarifications, questions, comments, and addenda to this Request for Proposals (“RFP”), or other material related to this solicitation. **By submitting a proposal, Consultants are deemed to have constructive knowledge and notice of all information pertaining to this RFP.**

#### 5. ADDENDA TO THE RFP

Any change(s) to the requirements of this RFP initiated by the AGENCY will be made by written addenda to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into and made a part of the terms and conditions of any resulting agreement.

The AGENCY will not be bound to any modifications to or deviations from the requirements set forth in this RFP unless they have been documented by addenda to this RFP. Consultants will be required to document that they are aware of all addenda issued, if any, by the AGENCY in their proposal.

**6. QUESTIONS AND REQUESTS FOR CLARIFICATIONS**

**A. Contact Person for the Project**

All questions or contacts regarding this RFP must be directed to Al Fuentes, who can be reached at (562) 868-0511, ext. 7355 or by email at [alfuentes@santafesprings.org](mailto:alfuentes@santafesprings.org).

**B. Clarifications of the RFP**

Consultants are encouraged to promptly notify Al Fuentes of any apparent errors or inconsistencies in the RFP. If a Consultant requires clarifications to this RFP, the Consultant shall notify the AGENCY in writing in accordance with Subsection "A" above. Should it be found that the point in question is not clearly and fully set forth in the RFP, a written addendum clarifying the matter will be issued.

**C. Submitting Requests**

**All questions must be submitted to the AGENCY by 4:00 p.m. on Monday, August 6, 2018.** The AGENCY is not responsible for failure to respond to a request or question that has not been labeled correctly. Questions can be submitted via U.S. Mail, Personal Courier, Fax or Email as long as they are received no later than the date and time specified above. The AGENCY is not liable for any late arrivals due to courier method or electronic delivery.

**Requests for clarifications, questions and comments received after 4:00 p.m. on Monday, August 6, 2018 will not be responded to.**

**D. Agency Responses**

The AGENCY, in its sole discretion, will respond to requests for clarifications, questions and comments. Responses will be emailed to proposers on or before 5:00 p.m. on August 9, 2018.

**7. COST OF PROPOSAL PREPARATION**

Any party responding to this RFP shall do so at their own risk and cost. The AGENCY shall not, under any circumstances, be liable for any pre-contractual expenses incurred by any Consultant who elects to submit a proposal in response to this RFP or by any Consultant that is selected. Pre-contractual expenses are defined as expenses incurred by Consultants and the selected Consultant, if any, in:

- Preparing a Proposal and related information in response to this RFP;
- Submitting a Proposal to the AGENCY;
- Negotiations with the AGENCY on any matter related to this RFP;
- Costs associated with interviews, meetings, travel or presentations; or

- Any and all other expenses incurred by a Consultant prior to the date of award, if any, of an agreement, and formal notice to proceed.

The AGENCY will provide only the staff assistance and documentation specifically referred to herein and will not be responsible for any other cost or obligation of any kind, which may be incurred by the Consultant.

## 8. **CONFLICT OF INTEREST**

By responding to this RFP, each Consultant represents to the best of its knowledge that:

- Neither Consultant, nor any of its affiliates, proposed sub-consultants, and associated staff, have communicated with any member of the AGENCY since the release of this RFP on any matter related to this RFP except to the extent specified in this RFP;
- Neither Consultant, nor any of its affiliates, proposed sub-consultants and associated staff, has obtained or used any information regarding this RFP and the proposed services that has not been generally available to all Consultants, and
- No conflict of interest exists under any applicable statute or regulation or as a result of any past or current contractual relationship with the AGENCY;
- Neither Consultant, nor any of its affiliates, proposed sub-consultants, or associated staff, have any financial interest in any property that will be affected by any of the referenced projects.
- Neither Consultant, nor any of its affiliates, proposed sub-consultants, or associated staff, have a personal relationship with any member of the governing body, officer or employee of the AGENCY who exercises any functions or responsibilities in connection with the referenced projects.

## 9. **KEY PERSONNEL**

It is imperative that key personnel proposed to provide services have the background, experience and qualifications to properly undertake all necessary services for the successful completion of the referenced project. The Consultant must identify all proposed key personnel in its Proposal. Key personnel must be well qualified and have sufficient experience in the areas described in the Scope of Services.

The AGENCY reserves the right to approve all key personnel individually for any and all projects authorized by the AGENCY as a result of this solicitation. After an agreement has been executed, the selected consultant may not replace any key staff without written approval from the AGENCY. The AGENCY must approve replacement staff before a substitute person is assigned to a project. The AGENCY reserves the right to require the Consultant to replace a staff person assigned to the contract should the AGENCY consider replacement to be for the good of the project. Replacement staff will be subject to the AGENCY's approval prior to assignment by Consultant.

**10. BASIS FOR AWARD OF CONTRACT**

The contract is to be awarded to the Consultant whose proposal best meets the technical requirements of the RFP as determined by the AGENCY. Should an award be made, the proposal submitted by Consultant shall be incorporated as part of the final contract accordingly.

The AGENCY intends to select the Consultant on the basis of demonstrated competence and professional qualifications and accreditation in accordance with applicable State and Federal regulations.

**11. FEE SCHEDULE**

The AGENCY will compensate the Consultant for actual hours worked by assigned personnel on a monthly basis. Compensation will be based on the fee schedule in the proposal. The consultant will provide an invoice clearly documenting the services performed each day and the number of hours worked.

**12. REQUIRED FORMAT FOR PROPOSALS**

The AGENCY is requiring all proposals submitted in response to this RFP to follow a specific format. The Proposal, including the Appendices, shall not exceed thirty (30) pages in length, utilizing 8.5" x 11" pages with one-inch margins. As an exception, 11" x 17" pages may be used to display organizational charts. Font size shall not be smaller than 12 point for text or eight (8) point for graphics. Dividers used to separate sections will not be counted. Creative use of dividers to portray team qualifications, etc. is discouraged.

Consultants are required to prepare their written proposals in accordance with the instructions outlined below. Deviations from these instructions may be construed as non-responsive and may be cause for disqualification. Emphasis should be placed on accuracy, completeness, and clarity of content.

The written proposal should be organized as described below. Each section of the written proposal should contain the title of that section, with the response following the title. The following are the required titles with a brief statement as to that section's desired content:

**A. Letter of Offer**

The Letter of Offer shall be addressed to Noe Negrete, Director of Public Works, City of Santa Fe Springs, and at a minimum, must contain the following:

- Identification of Consulting firm or individual, including name, address and telephone number.
- Name, title, address, and telephone number of Contact Person.
- Federal Tax ID or Social Security No. for firm or individual.
- A statement to the effect that the Proposal shall remain valid for a period of not less than 90 calendar days from the date of submittal.

- Identification of all proposed sub-consultants or subcontractors, including legal name of the company, address and contact person.
- Acknowledgement that Consultant is obligated by all addenda to this RFP.
- Signature of a person authorized to bind Consulting firm to the terms of the Proposal.
- Signed statement attesting that all information submitted with the Proposal is true and correct.

**B. Qualifications of the Firm**

This section of the Proposal shall explain the ability of the Consultant to satisfactorily perform the required work. More specifically, in this section, the Consultant shall:

- Provide a profile of the Consultant including the types of services offered; the year founded; form of organization (corporate, partnership, sole proprietorship); number, size and location of offices; number of employees.
- Provide a detailed description of Consultant's financial condition, including any conditions (e.g., bankruptcy, pending litigation, outstanding claims in excess of twenty-five thousand dollars (\$25,000) for or against the firm; planned office closures or mergers that may impede Consultant's ability to provide Traffic Engineering Services.
- Provide a list of previous projects in which the Consultant and sub-consultants have worked together. The list should clearly identify the previous projects and include a summary of the roles and responsibilities of each party.
- Provide information on the strength and stability of the Consultant; current staffing capability and availability; current work load; and proven record of meeting schedules on similar types of projects.

**C. Proposed Staffing and Project Organization**

The Proposal should include the following information:

- The education, experience and applicable professional credentials of project staff. Include applicable professional credentials of "key" staff.
- Brief resumes, not more than two (2) pages each, for the individuals proposed as key personnel. Key personnel must have extensive knowledge and experience with engineering and design of water treatment systems.
- A statement that key personnel will be available to the extent proposed for the duration of the contract and an acknowledgement that no person designated as

key personnel shall be removed or replaced without the prior written concurrence of the AGENCY. Identify any constraints, conflicts or situations.

**D. Consultants and/or Sub-consultants**

The AGENCY desires to enter into a contract with one Consultant that will be responsible for all work, products, and services. There is to be no assignment of any aspect of this project without the prior written authorization of the AGENCY. If the Consultant plans on using consultants and/or subcontractors as part of its implementation plan, then company profile, name, address, and telephone for all consultants and/or subcontractors providing support during the term of this project is required. Define the responsibilities and give a description of services to be provided by consultants and/or subcontractors. Describe the Firm's business and reporting relationship with any consultants and/or subcontractors. Include references and resumes for all third party Firms in your proposal. The AGENCY has the right to accept or reject any changes made to the proposed project team members, including the use of consultants and/or subcontractors.

**E. Work Approach**

This section of the Proposal shall include a narrative that addresses the Scope of Services and demonstrates that Consultant understands the scope of this project. More specifically, the Proposal should include the Consultant's general approach for completing the activities specified in the Scope of Services. The work approach shall be of sufficient detail to demonstrate Consultant's ability to accomplish the project tasks.

**F. Client References**

List your three (3) most recent similar clients (including name, address, contact person, and phone number). The AGENCY is most interested in government and California clients and may randomly select agencies to contact from your list as part of the evaluation process.

**G. Appendices**

This part shall include brief resumes of proposed staff. Consultant information and general marketing materials will not be considered in the ranking of the Proposals.

**H. Rights to Materials**

All responses, inquiries, and correspondence relating to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the Consultant that are submitted as part of the proposal and not withdrawn shall, upon receipt by AGENCY, become property of AGENCY.

**J. Fee Proposal.**

A Fee Proposal shall be provided in a separately sealed envelope and shall comply with the following guidelines:

Two copies of a Fee Proposal shall be submitted in a separately sealed envelope plainly labeled "Fee Proposal" with the name of the Consultant and project title "Hydrogeological Services for Water Well No. 12 Packer Testing" shall be presented in a manner that allows the AGENCY to understand the Fee Schedule. The terms and conditions for obtaining 'reimbursable costs' shall be identified in the Proposal.

**13. PROPOSAL EVALUATION PROCESS AND CRITERIA**

**A. GENERAL**

All proposals will be evaluated based on the technical information and qualifications presented in the proposal, reference checks, and other information, which may be gathered independently. Requests for clarification and/or additional information from any proposer may be requested at any point in the evaluation process. Pricing (Consultant fees) will be an important criterion; however, the AGENCY reserves the right to select a firm that presents the best qualifications, but not necessarily the lowest price.

**B. EVALUATION CRITERIA**

- Completeness of proposal.
- Consultant and key project team member's experience in performing similar work.
- Consultant and key project team member's record in accomplishing work assignments for projects.
- Consultant's demonstrated understanding of the scope of work.
- Quality of work previously performed by the firm as verified by reference checks.
- Relevant project experience.
- Fee proposal.

**C. EVALUATION PROCESS**

After evaluating all proposals received, the AGENCY will rank the firms and a maximum the three (3) most qualified firms will be invited to an interview with the AGENCY Evaluation Committee, if deemed necessary by the AGENCY.

**D. INTERVIEW (If Necessary)**

For the interview, the Consultant should have available the project manager and key project personnel to discuss the following:

- Major elements of the proposal
- Proposed project team
- Description of related experience for key project personnel
- Proposed project schedule

**E. FINAL SELECTION**

The final selection will be the consultant which, as determined by the AGENCY, is the most responsive and responsible, meets the AGENCY's requirements in



providing this service, and is in the AGENCY's best interest. The AGENCY maintains the sole and exclusive right to evaluate the merits of the proposals received.

**14. EXCEPTIONS OR ADDITIONS**

The Proposal shall include a detailed description of all of the exceptions to the provisions and conditions of this RFP upon which the Consultant's submittal is contingent and which shall take precedence over this RFP.

**15. INSURANCE REQUIREMENTS**

Prior to the start of contract negotiations, the highest qualified Consultant will be required to submit to the City the required insurance certificates for the Consultant and its team. Insurance certificates will also be required, in advance, for any Consultant subsequently identified for negotiations with the AGENCY.

The successful Consultant shall indemnify and hold AGENCY and its officers, agents, employees, and assigns harmless from any liability imposed for injury whether arising before or after completion of work hereunder or in any manner directly or indirectly caused, occasioned, or contributed to, or claims to be caused, occasioned, or contributed to, in whole or in part, by reason of any act or omission, including strict liability or negligence of Consultant, or of anyone acting under Consultant's direction or control or on its behalf, in connection with, or incident to, or arising out of the performance of this contract.

The Consultant selected will be required to maintain the following levels of insurance coverage for the duration of the services provided, as well as any sub-consultants hired by the Consultant:

- Worker's Compensation insurance with statutory limits, and employer's liability insurance with limits not less than \$1,000,000 per accident
- Commercial general liability insurance or equivalent form, with a combined single limit of not less than \$2,000,000 per occurrence
- Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.
- Professional liability (errors and omissions) insurance, with a combined single limit of not less than \$1,000,000 per occurrence.

**16. RIGHTS OF THE AGENCY**

The AGENCY reserves the right, in its sole discretion and without prior notice, to terminate this RFP; to issue subsequent RFPs; to procure any project-related service by other means; to modify the scope of the Project; to modify the AGENCY's obligations or selection criteria; or take other actions needed to meet the AGENCY's goals. In addition, the AGENCY reserves the following rights:

- The right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in any proposal.
- The right to amend, withdraw or cancel this RFP at any time without prior notice.
- The right to postpone proposal openings for its own convenience.
- The right to request or obtain additional information about any and all proposals.
- The right to conduct a back-ground checks of any Consultant. This may include, but is not limited to, contacting individuals and organizations regarding capabilities and experience of the potential candidate.
- The right to waive minor discrepancies, informalities and/or irregularities in the RFP or in the requirements for submission of a Proposal.
- The right to modify the response requirements for this RFP. This may include a requirement to submit additional information; an extension of the due date for submittals; and modification of any part of this RFP, including timing of RFP decisions and the schedule for presentations.
- The right to disqualify any potential candidate on the basis of real or perceived conflict of interest that is disclosed or revealed by information available to the AGENCY.
- The right at any time, subject only to restrictions imposed by a written contractual agreement, to terminate negotiations with any potential candidate and to negotiate with other potential candidates who are deemed qualified.
- Although cost is an important factor in deciding which proposal will be selected, it is only one of the criteria used to evaluate consultants. The AGENCY reserves the absolute right, in its sole discretion, to award a contract, if any, which under all the circumstances will best serve the public interest.
- The AGENCY reserves the right to reject any or all proposals or to make no award at all, to determine whether any alternate proposals are equal to the specifications and general requirements, and to accept proposals with minor variations from the Request for Proposals and/or conditions. The AGENCY reserves the right to negotiate for a higher level, lower level or additional services.

This RFP is not a contract or commitment of any kind by the AGENCY. This RFP does not commit the AGENCY to enter into negotiations with any consultant and the AGENCY makes no representations that any contract will be awarded to any consultant that responds to this RFP. Proposals received by the AGENCY are public information and will be made available to any person upon request after the AGENCY has completed the proposal evaluation. Submitted proposals are not to be copyrighted.

Should a contract be subsequently entered into between the AGENCY and Consultant, it shall be duly noted that entering into such an agreement shall be interpreted, construed, and given effect in all respects according to the laws of the State of California.

**Waiver of Proposals**

Proposals may be withdrawn by submitting written notice to the AGENCY's Contact Person at any time prior to the submittal deadline. Upon submission, the Proposal and all collateral material shall become the property of the AGENCY.

**17. CALIFORNIA PUBLIC RECORDS ACT DISCLOSURES**

The Consultant acknowledges that all information submitted in response to this RFP is subject to public inspection under the California Public Records Act unless exempted by law. If the Consultant believes any information submitted should be protected from such disclosure due to its confidential, proprietary nature or other reasons, it must identify such information and the basis for the belief in its disclosure. **Any proposal submitted with a blanket statement or limitation that would prohibit or limit such public inspection shall be considered non-responsive and shall be rejected.** Notwithstanding that disclaimer, it is the intention of the AGENCY to keep all submittals confidential until such time as negotiations are successfully concluded.

## **SCOPE OF SERVICES**

### **WATER WELL NO. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES**

**1. PERFORM WATER QUALITY TESTS**

Review existing water quality test results and perform applicable water quality tests. Compare current water quality tests to previous water quality data and apply information to prepare packer testing specifications for a bid document.

**2. PREPARE TECHNICAL SPECIFICATIONS TO IMPLEMENT WATER WELL No. 12 PACKER TESTING**

Prepare technical specifications for a bid document that identifies the depths of the packers to be installed, and the number of tests to be performed at each depth. Prepare a bid schedule with specific line items showing units and quantities for the work to be performed.

**3. SELECTION OF THE CONTRACTOR**

Assist the City with selecting the contractor to perform the specified well packer scope of work. This includes coordinating and scheduling a contractor's pre-bid meeting at the well site; preparation of bid addenda as required; answering contractor's questions; and reviewing bids to evaluate conformance with the technical specifications.

**4. WELL PACKER TESTING**

Following installation of well packers at designated depths, conduct video surveys and down-well testing as required.

**5. GROUND WATER SAMPLING**

Perform ground water sampling at each well packer depth.

**6. PREPARE TECHNICAL MEMORANDUM**

Prepare technical memorandum documenting the well packer test process and ground water sample results at each well packer depth.

**EXHIBIT B**  
**CONSULTANT'S PROPOSAL**



**RICHARD C. SLADE & ASSOCIATES LLC**  
**CONSULTING GROUNDWATER GEOLOGISTS**

**TECHNICAL PROPOSAL  
FOR  
HYDROGEOLOGIC SERVICES FOR  
WATER WELL NO. 12 PACKER TESTING  
CITY OF SANTA FE SPRINGS  
LOS ANGELES COUNTY, CALIFORNIA**

**Prepared for:**

**City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, California**

**Prepared by:**

**Richard C. Slade & Associates LLC  
Sherman Oaks, California  
(818) 506-0418**

**August 10, 2018**



**RICHARD C. SLADE & ASSOCIATES LLC**  
**CONSULTING GROUNDWATER GEOLOGISTS**

**LETTER OF OFFER**  
**CONFIDENTIAL & PROPRIETARY**

August 10, 2018

Mr. Noe Negrete  
Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, California 90670-3658

Job No. 375-LAS07

Re: Technical Proposal,  
Hydrogeologic Services for  
Water Well No. 12 Packer Testing  
City of Santa Fe Springs, Los Angeles County, California

Dear Mr. Negrete:

In response to the City of Santa Fe Springs (City) Request for Proposals (RFP) distributed by the City on July 30, 2018, Richard C. Slade & Associates LLC, Consulting Groundwater Geologists (RCS), is pleased to submit this Letter of Offer and our Technical and Fee Proposals for hydrogeological services related to the proposed packer testing of City Well No. 12. The basic work is oriented to help determine the causes for the unusual water quality being pumped from this well. Specifically, the groundwater previously pumped by this well has shown elevated concentrations of such analytes as color, iron, hydrogen sulfide, and possibly temperature.

For your project, RCS will provide the following hydrogeologic office and field services associated with the packer testing of Well No. 12:

- Task 1 – Review Available Data.
- Task 2 – Preparation of the Technical Specifications for the Testing and Bid Support.
- Task 3 – RCS Field Services during Packer Testing.
- Task 4 - Preparation of a Technical Memorandum

RCS has reviewed reports prepared by other consultants for the original construction of the well in 2012, and for the limited downwell testing performed a few years later. Thus, RCS has already performed some initial work with regard to downwell conditions and to the proposed packer testing of the subject well and, thus, is familiar with what already needs to be performed. This prior experience will assist the City in determining the causes for the current colored nature of the water, its hydrogen sulfide odors, its elevated iron values, and its possibly elevated temperatures.

Our Technical Proposal, which is provided on the following pages, generally follows your RFP in terms of organization of the proposal. Indeed, our tasks, as listed above, are the specific steps that we propose to be performed in conducting the packer testing of the well, in order to evaluate the current downwell hydrochemical conditions. We believe our proposed work will help the





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City by determining the issues associated with the quality of groundwater pumped by the well and in providing possible downwell measures to help mitigate those quality problems.

To answer Section 12A of your RFP, we submit the following responses:

1. The Company Issuing the Proposal:

Richard C. Slade & Associates LLC  
Consulting Groundwater Geologists  
14051 Burbank Blvd. Suite 300  
Sherman Oaks, CA 91401

2. Key Contact Person:

Mr. Earl LaPensee, a Senior Groundwater Geologist at RCS, has been with the firm for 29 years and will be assigned as the Project Manager for this project. Mr. Slade, the undersigned, will serve as Principal-in-Charge. Messrs. LaPensee and Slade can be reached at 818-506-0418.

3. Federal Tax ID: 95-4711388

4. This proposal and its associated costs will remain in effect for a minimum period of 120 days from August 14, 2018.

5. We do not anticipate using any subconsultants on this project.

6. Binding signature provided below.

7. Attesting Statement:

The undersigned attests that all information provided within this Technical Proposal and companion Fee Proposal is true and correct to the best of my knowledge.

Per your request, we have provided our costs associated with the Scope of Hydrogeologic Services described herein within a separately-sealed envelope marked "Fee Proposal."

Thank you for this opportunity to submit this Technical Proposal to you. We look forward to the opportunity of working with you and your City of Santa Fe Springs staff on the proposed packer testing of City Well No.12.

Respectfully submitted,  
RICHARD C. SLADE & ASSOCIATES LLC

A handwritten signature in black ink, appearing to read "Richard C. Slade", written over a horizontal line.

Richard C. Slade  
President & Principal Groundwater Geologist



## **SECTION B QUALIFICATIONS OF FIRM**

### **Introduction**

1. Richard C. Slade & Associates LLC (RCS), Consulting Groundwater Geologists, was founded in 1983 by Mr. Slade. RCS is registered as a Limited Liability Company (LLC) in California.
2. The RCS firm has seven full-time, professional, groundwater geology employees including:
  - Mr. Richard C. Slade has 50 years of hydrogeologic experience in California, the last 35 of which have been as President and Principal Groundwater Geologist of RCS. Mr. Slade maintains licenses as a Registered Geologist and Certified Engineering Geologist in California.
  - Two senior, project-level hydrogeologists: Mr. Earl LaPensee, who is a Registered Geologist and Certified Hydrogeologist in California. Mr. LaPensee has been with RCS since 1989. Mr. Anthony Hicke, who is also a registered Geologist and Certified Hydrogeologist in California, has been with RCS since 2001 and also serves as a senior hydrogeologist with the firm.
  - Four dedicated staff/field geologists to provide field and office support during well construction and testing activities on this project.
  - The firm's office is located in Sherman Oaks, Los Angeles County.
3. RCS' specific areas of hydrogeologic expertise include:
  - groundwater resource development via siting, specifying, and designing of new water wells for both municipal-supply;
  - preparing technical specifications and detailed line item bid sheets for the preliminary design and cost analysis of new wells;
  - providing experienced geologists to field monitor the drilling, final design, construction and testing of new water wells;
  - providing evaluations, cost estimates and technical specifications for the rehabilitation of existing wells;
  - groundwater basin evaluations and basin management;
  - aquifer analysis and water well testing;
  - evaluating groundwater contamination;
  - assessing groundwater quality;
  - rehabilitation of older wells;
  - providing independent reviews of technical reports prepared by others; and
  - providing expert witness services in hydrogeology.



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4. Descriptive lists of key projects which document the groundwater experience of Richard C. Slade & Associates LLC are provided, together with the respective resumes for Mr. Slade, Mr. LaPensee and Mr. Hicke. Typical RCS clients have included City water departments, county water agencies, water districts, various engineering and architectural firms, environmental attorneys, and numerous wineries and vineyards.
5. Hydrogeologic Services for Municipal-Supply Water Wells

Richard C. Slade and Associates LLC, Consulting Groundwater Geologists, have been retained by numerous water agencies, cities, water districts and private water companies to develop their local groundwater resources. Typical of the types of services provided for these agencies depends on the needs of the client and have included the following types of projects:

**Existing Wells**

**Well Evaluation for Rehabilitation/Testing/Destruction**

- review driller's logs and previous well rehabilitation;
- review and analysis of water level, water quality and operational pumping data;
- view and assess downwell conditions via video surveys;
- perform site visit to assess onsite conditions for well rehabilitation/packer testing/destruction equipment
- identify down-hole well problems and develop guidelines for rehabilitating and/or packer testing of existing wells;
- prepare recommendations for well rehabilitation/packer testing/destruction.

**Technical Specifications/Guidelines**

- determine preliminary well rehabilitation/packer testing/destruction tasks and options;
- evaluate conditions for discharge of fluids under NPDES permit regulations;
- prepare detailed technical specifications and line item estimates of the probable cost for rehabilitation/packer testing/destruction of wells;
- assist in the bidding process.

**Field Monitoring Services – Existing Wells**

- monitor/observe removal of pump;
- perform sampling of scale/biofilm on pump column and casing and submit to laboratory for scale identifications and speciation of biological growth;
- observe downwell video surveys and evaluate;
- recommend changes to preliminary well rehabilitation, packer testing, destruction tasks based on video survey findings;



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- observe contractor operations during well rehabilitation/destruction;
- prepare summary reports documenting well rehabilitation, packer testing, destruction work on wells
- prepare recommendations for rehabilitating existing wells.

**New Wells**

**Hydrogeologic Evaluation and Well Siting**

- Research of published geologic maps and reports;
- evaluate site geology and watershed conditions;
- evaluate surface and subsurface geologic conditions;
- identify groundwater flow directions;
- perform site reconnaissance visits;
- review driller's logs and casing records;
- evaluate and correlate electric logs;
- monitor water levels in wells;
- assess potential water quality problems;
- monitor field water quality parameters in existing wells;
- conduct pumping (aquifer) tests in wells;
- evaluate well interference between pumping wells;
- review down-hole videos of wells;
- evaluate water quality in onsite and in offsite wells;
- locate nearby offsite wells;
- determine feasibility of siting and constructing new water wells;
- prepare reports with conclusions and recommendations regarding feasibility of developing local groundwater supplies.

**Prepare Technical Specifications for New Wells**

- identify the location and depth for new onsite wells;
- assess site logistics for well construction;
- determine drilling methodology;
- evaluate conditions for wastewater discharge under NPDES permitting;
- prepare detailed technical specifications and line item estimates of the probable cost for drilling and constructing new wells;
- assist in bidding process.

**Field Monitoring Services – New Wells**

- geologically log drill cuttings from pilot hole;
- evaluate the electric log of the pilot hole;
- select depth zones and monitor aquifer zone isolation testing for water quality in selected aquifers



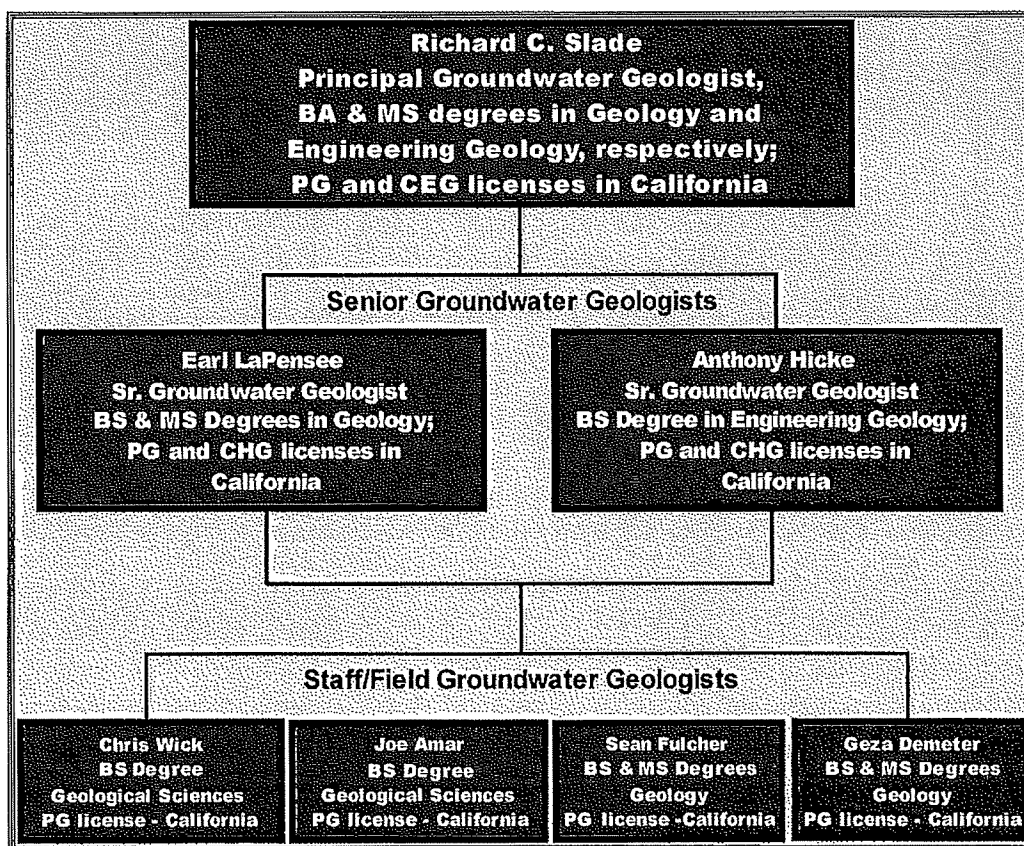
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## SECTION C PROPOSED STAFFING AND PROJECT ORGANIZATION

RCS will provide the requisite hydrogeological consulting services, with regard to preparing the Technical Specifications for the project and conducting monitoring of Contractor field operations.

The Key Staff members that will be dedicated to this project for RCS are Mr. Richard C. Slade, President and Principal Groundwater Geologist. He will oversee the entire project. Notably, Mr. Earl LaPensee, Senior Groundwater Geologist, will serve as the overall Project Manager, and will oversee the daily work for the preparation of the Technical Specifications and for the day-to-day operations during testing of the well. RCS staff and field geologists will assist in providing office support and in conducting the actual onsite duties during testing of the well. Their resumes are provided in the Appendix to this proposal.

The Key Personnel listed herein will be present and involved throughout the entire project, without any constraints, conflicts or situations. None of the assigned Staff members will be reassigned nor replaced without prior written notification and approval from the City. The following flow chart illustrates the current organizational structure of RCS:





**SECTION E**  
**UNDERSTANDING AND PROJECT APPROACH**

RCS has conducted several similar packer testing evaluations on other water-supply wells and, thus, has experience in conducting such downwell testing projects. In those evaluations, the primary water quality issues have included: the impact of volatile organic compounds and/or particular trace metals (such as arsenic and chromium); and the depths at which these constituents were entering the well, because those analytes were encountered at concentrations that exceeded their respective Maximum Contaminant Levels (MCLs) in the final wellblend water sample. The objective was to determine at what depth a permanent packer could be placed that would allow the well to pump groundwater containing quality parameters that would follow California Title 22 regulated analytes.

The local aquifer systems that generally underlie the City are comprised of continental deposits of the Lakewood Formation, which contains the Exposition and Gage aquifer systems, followed by continental and marine deposits of the San Pedro Formation. The aquifer systems within this latter formation are the Hollydale, Jefferson, Lynwood, Silverado and Sunnyside aquifer systems. Underlying the San Pedro Formation is the Pico Formation, which is of marine origin. Because this latter formation generally consists of fine-grained sand, silt and clay, it has a low permeability and is generally considered to be nonwater-bearing for municipal-supply purposes. Further, because it was originally deposited in a marine environment, there could be potential for water quality issues in the sediments of the Pico Formation.

Existing City wells extract their groundwater primarily from only a few aquifer systems; namely the Hollydale, Jefferson, Lynwood, Silverado and Sunnyside aquifer systems. The deepest City well, Well No. 2, was constructed to a depth of 1,250 ft bgs, and it obtained its groundwater supply from all of those aquifers. However, it is understood that this well was shut down several years ago due primarily to arsenic (As) concentrations that exceeded its MCL for domestic supply purposes. It should be noted that As gradually increased over time, between 1992 and 2013 (the last recorded sample date), from 7.8 to 15 micrograms per Liter ( $\mu\text{g/L}$ ). Color reportedly ranged from 3 to 20 Color Units (CU), although those data did not indicate any particular trend.

Well No. 12, the subject well, was constructed to a depth of 1,470 ft bgs in 2012, and contains perforations only within the Silverado and Sunnyside aquifer systems. Groundwater samples collected from that well immediately upon its construction date revealed that the water quality was compliant with Title 22 regulated analytes. However, subsequent operational pumping of the well in 2015, sampling and testing revealed that color ranged during time-series sampling from 7.5 to 40 CUs. Also, iron (Fe) was also high ranging from 130 to 1,300  $\mu\text{g/L}$  (the Secondary MCL for Fe is 300  $\mu\text{g/L}$ ). Hydrogen sulfide odors and possibly even slightly elevated groundwater temperatures have also been reported.

A preliminary comparison of the data from the two wells seems to suggest the elevated color and Fe concentrations may be originating from the deeper perforated intervals in Well No. 12. Indeed, initial isolated aquifer zone testing of Well No. 12 by others at the date of construction in 2012 revealed a high color concentration at 12.5 CU at a depth of 1,365 ft and 1,385 ft. Thus,



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packer testing may be performed to target those deeper zones. To better refine the actual depth interval to set a packer, a dynamic flow meter survey and depth specific sampling could be initially conducted to allow for the final placement depth of a packer and/or packers during the proposed testing of the well.

Our proposed Scope of Hydrogeologic Services also recognizes the following key items:

1. The subject well may still be equipped with its permanent pump.
2. This pump will need to be removed to conduct any/all downwell testing.
3. Importantly, since the well was originally constructed 6 years ago (2012), and since it was only re-tested by others only a few years ago (2015/16), this well has essentially not been actively pumped by the City on a regular basis since it was originally constructed.
4. As a result, a major concern for RCS is the probable buildup over time of biological growths/slimes (aka, biofilm) and/or chemical precipitates on the casing perforations and adjoining gravel pack. These factors will cause a change in the current downwell flow regime compared to that in prior testing years, such that different perforated zones will now be plugged to varying degrees by the biofilm and/or chemical precipitates.
5. With such potential problems, and to help verify that the proposed packer testing will replicate, if possible, the previous downhole flow regime in the well, RCS strongly recommends that an initial, clear-viewing survey of the entire casing be performed prior to conducting any other work on this well. Review of this new video will help determine the relative amount of plugging and the possible need to conduct some level of rehabilitation before conducting the packer testing.



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## **SCOPE OF HYDROGEOLOGICAL SERVICES**

### **Task 1 – Data Review & Consultation with City Staff**

#### **Subtask 1.1: Kick-off Meeting**

RCS will attend an initial Kick-off meeting with City staff to become acquainted with the individuals who will be associated with the project and to discuss the overall objectives of and scheduling for the project. Also, at this time, RCS will collect additional data and/or documents, if any, as needed for the project. During this meeting, RCS will also conduct a field visit to the Well No. 12 property to assess the basic logistics for equipment, etc. during the forthcoming packer testing.

#### **Subtask 1.2: Review Available Data**

Review: available data and information on the well, including the Summary of Well Construction Operations Report; available water level and pumping data subsequently generated for the well by the City and others; the reports prepared by others for prior downwell testing in 2015/16; water quality data available from the City; and data on the depth settings and capacity of the existing permanent pump.

#### **Subtask 1.3: Additional Meetings**

Prepare for and attend a total of three (3) additional project meetings. These meetings will be conducted in conjunction with City Staff to discuss the project. The following meetings will be conducted as follows:

- a pre-bid site walk (during the bidding process);
- a pre-construction meeting (following selection of the contractor by City and prior to commencement of testing activities at the site);
- a final meeting with City staff to discuss the results and findings of the packer testing.

### **Task 2 – Technical Guidelines**

#### **Subtask 2.1 – Preparation of Technical Guidelines & Bid Documents**

For this task, RCS will prepare the Technical Guidelines and line item Bid Sheets for the initial video log survey and for the eventual packer testing of the subject well. These Technical Guidelines will be provided to the City to combine with its upfront “boiler plate” documents for City-distribution to qualified bidders. Our Technical Guidelines will encompass and describe the following items:

1. Remove the existing pump from the well, prepare all the necessary bonds, and acquire all requisite permits.
2. Provide an initial pre-test pump installation color video survey to check the current condition of the casing and its perforated intervals; review this new survey, compare





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it to prior ones by others, and determine if the casing need to be bailed or wire brushed, and/or subjected to some level of well development prior to conducting the packer tests.

3. Prepare for the installation of the packers, and mobilize and install a temporary test pump capable of pumping up to 2,500 gpm against a total dynamic head of 250 ft; also, to be provided by the Contractor are an electric motor, variable frequency drive (VFD), and all appurtenances and accessories. The contractor will also temporarily re-wire the test pump into the City's existing electrical system, and provide for measurement of water levels, sand content (with the use of a Rossum Sand Tester), and flow rates/volumes for each proposed pumping test.
4. Install an in-line zeolite filter assembly to a special side pipeline capable of filtering a 50-gpm water stream from a portion of the pumped discharge.
5. Conduct limited pumping development, including the use of polymer dispersants during surging of the pump (since the test pump will not contain a check valve), for a maximum of 24 hours.
6. Conduct a 3-day, (72-hour) maximum, constant rate pumping test at a rate of 1,500 gpm. This is the first 3-day (72-hour) constant rate test and it will not use packers. Measure the field water quality parameters of the pumped discharge for temperature, EC, pH and ORP
7. Near the end of the 72-hour test, perform a dynamic spinner survey of the entire perforated interval in the well along with depth-specific sampling to help identify the specific perforated intervals at which color, Fe, manganese, hydrogen sulfide, and possibly even higher than normal temperatures may be entering the well at elevated concentrations. Also, determine the current downwell flow regime into each set of perforations, and compare these new data with those from prior dynamic spinner surveys of this well. These data will be used to determine the final depths of the packer(s).
8. Remove the test pump, install an inflatable packer on the pump column, reinstall the test pump, column and packer assembly with the packer initially set between the approximate depths of 1,280 and 1,290 ft and with the pump intake set below (at a depth of approximately 1,300 ft) the packer; re-wire the motor into the City's electrical system.
9. Conduct a 2nd, 3-day (72-hour) maximum, constant rate pumping test and measure and record water levels, sand content, and pumping rates/volumes during testing at this initial packer depth setting. As with the first 3-day test (see No. 6 above), measure the field water quality parameters of the pumped discharge for temperature, EC, pH and ORP.
10. Remove the test pump, re-install the packer to the pump column, re-install the pump, the column, and the packer assembly, provide for measurement of water levels, and



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re-wire the motor into the City's electrical system, with the packer now set between the approximate depths of 1,060 to 1,070 ft, and with the pump intake set **below** (at a depth of approximately 1,080 ft) the packer.

11. Conduct a 3rd and final 3-day (72-hour) maximum, constant rate pumping test and measure and record water levels, sand content, and pumping rates/volumes during testing at this second packer depth setting. Also monitor the same field water quality parameters as noted above.
12. Remove the test pump and packer, demobilize the equipment from the site, chlorinate and cap the well, and clean up the well site.
13. Provide a final color video survey and static spinner survey of the well.
14. At this time, RCS is not planning on having the contractor re-install the existing permanent pump.

Our Technical Guidelines will also include graphical illustrations with regard to the original construction parameters for the well. Following your review of our Draft of the Technical Guidelines, we will incorporate your comments. RCS will assist the City in the preparation of the bid documents and in the competitive bidding process by City.

**Subtask 2.2 – Estimate of Probable Contractor Testing Costs**

Prepare our detailed estimate of the probable cost (on a line item basis) for the testing of the well. This construction cost estimate should provide the City with a reasonable and realistic expectation of packer testing costs for the new well. RCS is generally aware of current costs for such testing to be performed because of our prior well construction and testing projects for others.

**Subtask 2.3 – Pre-bid Meeting and Bidding Assistance**

Prepare for and attend a pre-bid meeting, respond to any questions the bidders may have, and provide pre-bid clarifications and/or addenda, if necessary. RCS will also assist in the review of contractor bids received by City. Costs for this meeting are included under Subtask 1.2 of Task 1, above.

**Task 3 – Field Services During Packer Testing**

**Subtask 3.1 – Pre-construction Meeting**

Prepare for and attend a pre-construction meeting for the proposed testing and review information provided by the drilling contractor who has been awarded the well testing contract. Discuss key issues in the Technical Guidelines and also discuss the Contractor-proposed mobilization and scheduling of personnel and equipment.

**Subtask 3.2 – Video Surveys:** It is anticipated that two video surveys will be performed: one prior to packer testing and another following completion of all packer testing. A final spinner



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survey will be performed simultaneously with the final video survey. An RCS geologist will be present to view each of these video surveys and the final spinner survey.

*Subtask 3.3 – During Downwell Testing:* Three tests of the well will be performed as described above under Task 2: an initial 72-hour pumping test (without a packer installed) and two, subsequent 72-hour pumping tests, using the two separate packer depth settings. Occasional field visits will be conducted by an RCS field groundwater geologist during each separate test. The visits include: one to install a pressure transducer prior to the initial test to provide for water level monitoring during pumping; a second visit to remove the pressure transducer; and several individual visits during subsequent packer testing of the well.

In addition, a new dynamic spinner survey and downwell depth-specific groundwater sampling is also anticipated to be performed near the end of the initial pumping test. RCS will be present during this testing to observe the spinner survey and collect the depth-specific samples, which will be delivered to the City for analysis at its Contract laboratory (Clinical Laboratory of San Bernardino).

*Subtask 3.4 – Groundwater Sampling:* It is anticipated that time-series groundwater sampling will be performed during packer testing of the well. This time-series sampling will be performed at the following intervals during each of the three pumping tests:

- 1 hr
- 12 hrs
- 24 hrs
- 30 hrs
- 36 hrs
- 48 hrs
- 72 hrs

RCS will be available to collect these time-series water samples and to submit them to a City's contract laboratory for analysis of target constituents, such as Fe, color units, and total dissolved solids (TDS). Two sets of samples will be collected, one set for total Fe, apparent color and TDS, and another set for dissolved Fe, true color and TDS, through the in-line zeolite filter (for a total of 126 analytes for all three test periods).

As noted above, RCS geologists will measure and record the temperature, pH, specific conductance (EC), and oxidation-reduction potential (ORP) of the pumped discharge during all 3 pumping scenarios; the discharge will also be checked for odors (such as from hydrogen sulfide) and for entrained air. In addition, RCS will also collect measurements of the dissolved oxygen (DO) in the pumped discharge. These measurements of ORP and DO will be collected via a flow chamber.

Near the end of each of the three constant rate pumping tests, it is also anticipated that a partial suite of California Title 22 analytes, consisting of general physical and mineral constituents,



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inorganics (trace metals) and volatile organic compounds (VOCs) will be collected by RCS and submitted to the City for pickup and analysis by the City's contract laboratory.

**Task 4 – Technical Memorandum**

The results of this new testing and sampling will be summarized and analyzed, and our findings, conclusions, and recommendations (and the field- and laboratory-generated data) will be provided in a Technical Memorandum (TM). A draft of this TM will be provided to the City in Adobe Portable Document Format (PDF). Following any City comments, a final TM in Adobe PDF will be provided to the City.



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**ESTIMATED PROJECT SCHEDULE**

We herein provide a preliminary project schedule for this project. This schedule is based on the time from the notice to proceed (NTP) is granted by the City. This schedule will be refined as project operations unfold

TASKS	DURATION
1 – Data Review & Consultation with City Staff	Kick-off meeting and site visit within two weeks of NTP; subsequent meetings as project advances.
2 – Preparation of Technical Guidelines	4 weeks.
3 – Field Services During Packer Testing	4 to 6 weeks (dependent upon Contractor availability and testing schedule).
4 – Technical Memorandum	4 to 8 weeks after project completion, and contingent upon receipt of all water quality sample analytical results from the laboratory.

RCS geologists will be immediately available to meet the project schedule, and is committed to providing the required field monitoring services during the packer testing activities at Well No. 12.



## **SECTION F CLIENT REFERENCES FOR RCS**

The following provides a short list of client references for similar projects to the current proposed work for the City. Mr. Slade, President and Principal Groundwater hydrogeologist for RCS has been providing these types of services for 50 years throughout California and the RCS firm, since its inception in 1983, has continued to provide these same hydrogeologic services for various municipalities, specifically in southern California. Please feel at liberty to contact any of the listed references below.

### **Contact**

Mr. Carl Spangenberg  
Senior Civil Engineer  
Irvine Ranch Water District  
Michaelson Operations Center  
3512 Michelson Drive  
Irvine, CA 92612  
Phone: (949) 453-5567

Mr. Fred Cardenas  
City of Vernon  
4305 S. Santa Fe Ave  
Vernon, CA 90058  
Phone: (323)-583-8811

Mr. David Shen  
Water Engineer & Design Manager  
Public Utilities Department  
201 S. Anaheim Blvd.  
Suite 601  
Anaheim, CA 92805  
Phone: (714) 765-4421

### **Project Description**

Since 2005 RCS has performed a number of groundwater projects for IRWD commencing with a study for Irvine Desalter Project, design and construction of several municipal-supply water wells, packer testing of IDP Well No. 1, and current ongoing rehabilitation of water-supply wells, including packer testing of Dyer Road Wellfield Well No. 3 during rehabilitation and subsequent testing of that well.

RCS has performed various well design and construction and well testing projects since 2008. One of these involved the packer testing of Well No. 21 in 2011 for the purpose of determining what screened intervals were able to produce no VOCs. Testing was performed for a period of 14 days. The testing provided data to equip a well with the packer at a particular depth, enabling the City to pump water with no VOCs.

Since 1995, RCS has been involved in the construction of at least 11 water-supply wells. These wells were drilled and set to varying depths ranging between 1,100 to 1,500 ft bgs. Pumping rates of the wells generally ranged from 2,500 to 4,000 gpm. More recently, in 2016, RCS completed construction of Well No. 59, which was constructed to a depth of 1,290 ft and tested at a target operational pumping rate of 3,000 gpm.

RCS has performed previous packer testing on water-supply wells for Irvine Ranch Water District, City of Rialto and City of Vernon between 2011 and 2017. The attached Table 1 provides the contact information and detail with regard to each of these packer testing projects.



**TABLE 1**  
**LIST OF PACKING TESTING PROJECTS IN WATER-SUPPLY WELLS**  
**2011 THROUGH 2017**

<b>Client &amp; Well Name/No. and Contact Information</b>	<b>Start Date</b>	<b>Completion Date</b>	<b>Project Description</b>
Irvine Ranch Water District Well No. 3 Mr. Carl Spangenberg Senior Engineer (949) 453-5675	January 2017	April 2017	As part of a complete rehabilitation of this well, including mechanical, chemical and pumping redevelopment and the installation of a liner, packer testing was conducted with two separate packers set to different depths in order to isolate screened zones for the purpose of determining the water quality and Contaminants of Concern (COC) entering the deepest portions of the well. Technical Specifications prepared for the project and final report on all aspects of rehabilitation submitted to District.
City of Rialto Well 3A Mr. Alejandro Juarez Project Engineer Veolia Water (909) 820-0449	November 2014	February 2015	This project entailed conducting limited redevelopment and packer testing at two different depth zones to determine if concentrations of a targeted COC could be mitigated downwell by packing off affected perforated sections. Initially, depth specific sampling was performed, followed by packer testing and a seven-day time-series sampling at each of the two isolated depth zones. Technical Specifications prepared for the work for bidding purposes and final report submitted to Veolia Water.
City of Vernon Well No. 21 Mr. Scott Rigg Public Works & Water Supervisor (now with Golden State Water Company; contact information available upon request)	June 2011	July 2011	Performed limited pumping development and a 14-day packer test with inflatable packers alternately inflated and not inflated, each for a 7 day time period. The purpose of the testing was to determine if a main COC could be mitigated downwell by sealing off the shallow zone in the well from a deeper zone. Results revealed that this particular sealing mechanism would be successful. Well was later equipped and placed into service.



# **APPENDIX RESUMES OF KEY RCS STAFF**





## **RICHARD C. SLADE, PRESIDENT & PRINCIPAL GROUNDWATER GEOLOGIST**

### **PROFESSIONAL EXPERIENCE**

Major fields of hydrogeologic emphasis for Mr. Slade include groundwater resource development (basin-wide studies, and water well design and construction), and aquifer analysis. Principal projects have involved, evaluations of entire groundwater basins, aquifer test analyses, assessment of water quality problems and groundwater degradation, design of water wells for municipal supply, well rehabilitation assessments, monitoring of all phases of water well construction, locating and designing groundwater monitoring networks, and providing expert witness testimony for groundwater litigation. Considerable work has also been performed for numerous vineyards and wineries in both the Central Coast and Northern California regions; types of work have included feasibility studies for determining final locations for new wells, designing new wells, monitoring of the construction of new wells, working with drilling contractors, evaluating down-hole problems (such as sanding) in existing wells, and developing protocol for water well rehabilitation.

Hydrogeologic studies have also involved evaluation of hazardous wastes such as acid mine drainage, leachate from sanitary landfills, and groundwater degradation resulting from leaking underground storage tanks containing various chemicals and organic compounds. Numerous groundwater studies and monitoring projects have involved volatile organics (TCE, PCE, etc.) and subsurface gasoline spills. Hydrogeologic assessments and definition of appropriate mitigation measures for environmental impact analyses have been provided also. Important to Mr. Slade's broad background is the experience gained while being a participant with other geologists on international geologic study tours to Europe, Iceland and Scandinavia, the former Soviet Union, South America, the People's Republic of China, Africa, New Zealand and Australia. Local groundwater and surface water features, large faults and landslides, mines, and oilfields were visited in these countries.

In December 2008, based on the recommendation of the Administrative Committee (the water managers for the cities of Burbank, Glendale, Los Angeles and San Fernando, and the Crescenta Valley Water City), the Superior Court of Los Angeles County selected Mr. Slade as the new Watermaster for the entire Upper Los Angeles River Area (ULARA). Mr. Slade represents only the third Watermaster of ULARA since the date of the original adjudication of the region in January 1979.

### **HIGHLIGHTS**

#### **Education**

- **University of California, Los Angeles, B.A., Geology, January 1966**
- **University of Southern California, M.S., Engineering Geology, 1974**

#### **Registrations/Certifications**

- **Professional Geologist, State of California**
- **Certified Engineering Geologist**
- **State of California**
- **Registered Geologist, State of Idaho**



## **EXPERIENCE HISTORY**

### **RICHARD C. SLADE & ASSOCIATES LLC, CONSULTING GROUNDWATER GEOLOGISTS.**

Independent consulting practice established in 1983 to provide technical, professional, and direct personal services to the groundwater industry. Hydrogeologic projects have included groundwater resource development; locating and designing water wells; assessing potential degradation resulting from hazardous waste sites and sanitary landfills; conducting water level and water quality monitoring from monitoring networks; defining aquifer characteristics from long-term aquifer tests in active wells; observation and monitoring of water well construction; providing expert witness testimony for a variety of groundwater cases; and providing hydrogeologic elements and mitigation measures for environmental assessments.

**GEOTECHNICAL CONSULTANTS, INC.,** 1970-1983. Joined the firm in 1970 as an engineering geologist and hydrogeologist. Advanced to Associate in 1975. Participated in and supervised geotechnical and hydrogeologic projects of various complexities, from the feasibility level through final design. His investigation and reports have analyzed faults and seismicity, earth materials, and groundwater problems for such facilities as dams, reservoirs, treatment plants, tunnels, industrial and residential buildings, sanitary landfills and groundwater basins. Major experience has involved field mapping, logging of bore holes, monitoring of groundwater observation holes, data analyses, and report writing.

Since 1972, Mr. Slade was the responsible hydrogeologist for several major groundwater basin projects including locating and designing of new wells and well redevelopments, calculations of groundwater in storage, determination of aquifer parameters, and evaluation of dewatering criteria. Several studies utilized emplacement of deep exploratory drill holes, analyses of geologic and geophysical data, and monitoring and analyses of groundwater levels, quality and pollution, and assessment of leachate and gases at existing landfills.

In addition, he conducted and supervised groundwater pollution studies and evaluation of several active and proposed sanitary landfill sites; he has supervised geologic and hydrogeologic studies for the evaluation and abatement of acid mine drainage from a large, inactive sulfur mine; and he has participated in assessing groundwater, geologic, and geotechnical parameters which affect sewer infiltration and inflow.

### **METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA,** Los Angeles, 1967-1970.

Performed hydrogeologic studies along pipeline and tunnel routes for State Water Project, conducted field mapping and exploration along tunnel routes, conducted and supervised aquifer tests for calculations of dewatering parameters for tunnel routes and dam sites. Served as Resident Geologist in charge of tunnel mapping and tunnel conditions for the Newhall and Castaic tunnels, excavated by tunnel boring machines.



## **EARL F. LAPENSEE, SENIOR GROUNDWATER GEOLOGIST**

### **PROFESSIONAL EXPERIENCE**

Mr. LaPensee has been a Groundwater Geologist/Hydrogeologist with the firm since 1989. Major projects while with the firm have included the hydrogeologic assessment and analysis of groundwater basins in southern and northern California and the exploration for and development of groundwater in those basins. Mr. LaPensee's current focus has been on projects involving the development of groundwater in southern California groundwater basins encompassing the siting, design and technical oversight of construction for municipal- and irrigation-supply water wells. In addition, Mr. LaPensee has also provided technical oversight in the siting, design and testing of aquifer storage and recovery (ASR) wells and groundwater monitoring wells for hazardous waste sites.

To perform an analysis of groundwater basins and hazardous waste sites, Mr. LaPensee uses several data elements in the evaluation process such as:

- Geology and hydrogeology.
- Water-level and water-quality data.
- Driller's logs of wells.
- Surface geophysical surveys (when deemed appropriate).
- Downhole geophysical surveys (electric logs) and electric log correlation of aquifer systems.
- Downhole flowmeter (spinner) surveys.

These elements are synthesized in groundwater projects to aid in the selection of suitable well sites and test drilling methods; determine depths of well drilling; outline types of testing to be performed in test hole drilling; select suitable types of well casing and other well construction materials; outline appropriate mechanical, chemical, and pumping development methods; define aquifer testing protocol; formulate groundwater sampling methods using accepted protocol for such contaminants as hydrocarbons, metals, and volatile organic compounds (VOCs), and; estimate key aquifer parameters and production capabilities based on the resulting drilling and testing data

### **EXPERIENCE HISTORY**

#### **RICHARD C. SLADE & ASSOCIATES LLC, CONSULTING GROUNDWATER GEOLOGISTS,**

August 1989 to present. Employment position is of Senior Groundwater Geologist with major responsibilities as a project manager directed towards groundwater evaluation, exploration, and development projects. The areas of responsibilities in these projects encompass: preparation of proposals and cost estimates for various types of hydrogeologic projects; preparation of technical specifications for new well projects and well rehabilitation; providing technical and administrative oversight of well drilling and rehabilitation, construction, development, and testing activities on well projects, and; the preparation and completion of final project reports.

### **HIGHLIGHTS**

#### **Education**

- University of California, Los Angeles, B.S., Geology, 1983
- University of California, Riverside, M.S., Geological Sciences, 1986, Trace-element geochemistry specialty

#### **Registrations/Certifications**

- Certified Hydrogeologist and Professional Geologist, State of California,
- California Community College Instructor, June 1986 (Charter



**APPLIED GEOSYSTEMS**, 1988 to 1989, Project Geologist. Responsibilities encompassed the overview and management of commercial hazardous waste site investigations, including the installation of vadose-zone and groundwater monitoring wells; aquifer testing, and computer manipulation and modeling of aquifer test data.

**ECOLOGY AND ENVIRONMENT**, 1987 to 1988. Associate Geologist. Responsibilities encompassed the assessment and investigation of Federal and California Superfund sites (soil and groundwater), including the installation of groundwater monitoring wells, aquifer testing, geophysical surveying (utilizing ground penetrating radar, electro-magnetic, and resistivity methods), and computer modeling of geophysical data.

**McKESSON ENVIRONMENTAL SERVICES**, 1986 to 1987. Staff Hydrogeologist. Responsibilities encompassed site assessment and investigation (soil and groundwater) of commercial and industrial hazardous waste sites. This included the installation of vadose-zone and groundwater monitoring wells, aquifer testing, and computer processing of geophysical data.



## **ANTHONY HICKE, SENIOR GROUNDWATER GEOLOGIST**

### **PROFESSIONAL EXPERIENCE**

Major areas of groundwater work for Mr. Hicke while an employee at Richard C. Slade & Associates, LLC, include project management for numerous groundwater development projects, including well construction projects, groundwater basin evaluations, creation of hydrogeologic conceptual models, and aquifer testing studies throughout California. In addition, Mr. Hicke serves as the lead geologist during the creation, management and utilization of large electronic databases of subsurface geologic data for use in preparing Hydrogeologic Evaluations of California Groundwater basins, and calculation of estimates of underflow and groundwater in storage for those basins. Mr. Hicke is also project manager overseeing preparation of groundwater availability studies for various agricultural clients, as well as the preparation of technical documents intended to support the creation of Environmental Impact Reports (EIRs). Mr. Hicke has many years' experience using the MapInfo GIS software package to create maps from these data sets, for use in the Hydrogeologic Evaluations. Mr. Hicke also provides technical and administrative oversight during well construction and aquifer testing projects. Since Mr. Richard Slade's appointment as the Upper Los Angeles River Area Watermaster in December 2008, Mr. Hicke has performed the duties of the Assistant ULARA Watermaster. Mr. Hicke helps to collect and analyze data for the various annual reports and review documents prepared by the Watermaster.

### **HIGHLIGHTS**

#### **Education**

- **University of California, Los Angeles. B.S., Geology (Engineering Geology), 2000**

#### **Registration/Certification**

- **Certified Hydrogeologist and Professional Geologist, State**

### **EXPERIENCE HISTORY**

#### **RICHARD C. SLADE & ASSOCIATES LLC, CONSULTING GROUNDWATER GEOLOGISTS.**

October 2001 to present. Duties include: project management and technical analysis for the creation of a hydrogeologic conceptual model for a southern California coastal groundwater basin; estimation and calculation of various hydrogeologic aspects of groundwater basins to support the creation of groundwater budgets, including groundwater in storage, and inflow/outflow of groundwater; management during multi-well design and construction projects in the Central Valley and High Desert areas of California; field monitoring of all elements of the drilling and construction of municipal-supply and irrigation-supply water wells; providing technical and administrative oversight of well drilling, construction, development, and testing activities on production well and monitoring well projects; geologic logging of numerous boreholes in the High Desert areas of southern California, including the pilot boreholes for both production and monitoring wells; field monitoring of water quality and water level data during construction and testing of new water wells; planning and administration of long term aquifer tests, including the utilization of pressure transducers in a variety of hydrogeologic settings; preparation of hydrogeologic feasibility reports for sites throughout California; computer analyses of data and considerable computer work on map and data presentation using a Geographic Information System (GIS). Other significant responsibilities include: collection and analyses of basic groundwater data; computerized analyses of data; computerized mapping and graphics work; and troubleshooting problems with computers and/or with field water level/water quality monitoring equipment.



**RALPH STONE AND COMPANY, INC.**, April 2000 to October 2001. Employment position was as a Staff Geologist with responsibilities that included organization of site investigations, geologic logging of boreholes, data collection, preparing maps and cross sections, and lab testing of soil. Prior work includes numerous seismic hazard (seismically induced landslide and liquefaction) analyses for homes in the Santa Monica Mountains, as well as the cities of Los Angeles, Beverly Hills, Culver City, Malibu, and Santa Monica.

**EXHIBIT C**  
**FEE SCHEDULE**



**RICHARD C. SLADE & ASSOCIATES LLC**  
**CONSULTING GROUNDWATER GEOLOGISTS**

**FEE PROPOSAL  
FOR  
HYDROGEOLOGIC SERVICES FOR  
WATER WELL NO. 12 PACKER TESTING  
CITY OF SANTA FE SPRINGS  
LOS ANGELES COUNTY, CALIFORNIA**

**Prepared for:**  
**City of Santa Fe Springs**  
**Department of Public Works**  
**11710 Telegraph Road**  
**Santa Fe Springs, California 90670**

**Prepared by:**  
**Richard C. Slade & Associates LLC**  
**Sherman Oaks, California**  
**(818) 506-0418**

**August 10, 2018**





**RICHARD C. SLADE & ASSOCIATES LLC**  
**CONSULTING GROUNDWATER GEOLOGISTS**

Confidential and Proprietary

August 10, 2018

Mr. Noe Negrete  
Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, California 90670

Re: Fee Proposal,  
Hydrogeologic Services for  
Water Well No. 12 Packer Testing  
City of Santa Fe Springs, Los Angeles County, California

RCS Job No. 375-LAS07

Dear Mr. Negrete:

In response to your RFP distributed by the City in July 2018, Richard C. Slade & Associates LLC, Consulting Groundwater Geologists (RCS) is pleased to present this Fee Proposal for our proposed hydrogeological services during packer testing of City Well No. 12.

Our costs presented herein are on a not-to-exceed (NTE) basis for the Scope of Hydrogeologic Services described in our Technical Proposal, can be considered to be firm for 90 days from August 14, 2018. Further, Richard C. Slade will be the Principal for the project and will sign all necessary contracts, related to this project, on behalf of the firm.

If you have any questions regarding this fee proposal, please call us.

Respectfully Submitted,  
RICHARD C. SLADE & ASSOCIATES LLC

A handwritten signature in black ink, appearing to read "Richard C. Slade", written over a horizontal line.

Richard C. Slade, President and  
President & Principal Groundwater Geologist



**RICHARD C. SLADE & ASSOCIATES LLC**  
**CONSULTING GROUNDWATER GEOLOGISTS**

**FEE PROPOSAL FOR  
HYDROGEOLOGIC SERVICES FOR  
WATER WELL NO. 12 PACKER TESTING  
CITY OF SANTA FE SPRINGS  
LOS ANGELES COUNTY, CALIFORNIA  
CONFIDENTIAL & PROPRIETARY**

**INTRODUCTION**

This Fee Proposal provides an estimate of consulting costs prepared by Richard C. Slade & Associates LLC, Consulting Groundwater Geologists (RCS), for hydrogeologic consulting services during the packer testing of existing City Well No. 12. Please refer to our Technical Proposal for our hydrogeologic services for this project which has been provided under separate cover.

**COST ESTIMATE FOR SERVICES**

For the proposed project, our estimate for the costs of our professional hydrogeological services regarding preparing the project Technical Guidelines and bid sheets, and field and office work during the testing of the well, and preparation of a Technical Memorandum, as outlined in our separately submitted scope of services, are as follows:

Task 1	Data Review & Consultation with City Staff	\$3,546
Task 2	Technical Specifications	\$13,920
Task 3	RCS Field Services During Packer Testing	\$28,072
Task 4	Technical Memorandum	<u>\$11,992</u>
Subtotal RCS Cost Estimate:		<u>\$57,530</u>
Communications Fee (at 2.5%):		<u>\$1,438</u>
RCS Direct Costs:		<u>\$1,032</u>
Total RCS Project Cost Estimate:		<u>\$60,000</u>

Our services will be billed on a time-and materials (T&M) basis with the total estimated cost representing a not-to-exceed (NTE) limit. Payment will be based on the hours worked and the hourly rates as outlined in attached Table 1, "RCS Estimate of Professional Hours & Costs" showing the number of professional hours budgeted for the project and the costs associated with the project for RCS, and in accordance with our attached Schedule of Charges.

Among the items specifically excluded from our cost estimate are any and all costs for the contractor(s) needed to conduct the packer testing of the well, and/or to perform some degree of well rehabilitation, and/or to perform any/all laboratory testing of groundwater samples collected during the course of work on this project, and/or to provide for the dynamic and static spinner surveys or video surveys of the subject well.

**TABLE 1**  
**RCS ESTIMATE OF PROFESSIONAL HOURS & COSTS**  
**FOR CITY OF SANTA FE SPRINGS WATER WELL NO. 12 PACKER TESTING**

TASK DESCRIPTION		Principal Groundwater Geologist		Senior Groundwater Geologist		Staff Groundwater Geologist		Field Groundwater Geologist		Administrative		Total	
		Hourly Rate:	\$284	Hourly Rate:	\$206	Hourly Rate:	\$166	Hourly Rate:	\$120	Hourly Rate:	\$88		
		Wk-Hrs	Amount	Wk-Hrs	Amount	Wk-Hrs	Amount	Wk-Hrs	Amount	Wk-Hrs	Amount		
Task 1	Review Data & Consultation with City Staff	6	\$1,704	16	\$6	10	\$1,660	0	\$0	2	\$176	34	\$3,546
Task 2	Technical Specifications	4	\$1,136	12	\$2,472	60	\$9,960	0	\$0	4	\$352	80	\$13,920
Task 3	Field Services during Packer Testing	9	\$2,556	24	\$4,944	34	\$5,644	120	\$14,400	6	\$528	193	\$28,072
Task 4	Technical Memorandum	6	\$1,704	16	\$3,296	40	\$6,640	0	\$0	4	\$352	66	\$11,992
SUBTOTALS RCS PROFESSIONAL HOURS AND COSTS:		25	\$7,100	68	\$10,718	144	\$23,904	120	\$14,400	16	\$1,408	373	\$57,530

Communications Fee at 2.5% \$1,438

RCS Direct Costs: \$1,032

TOTAL PROJECT COSTS: \$60,000

## **SCHEDULE OF CHARGES**

November 2017

### **Professional Services**

### **Hourly Rates**

Principal Groundwater Geologist	\$284.00
Senior Groundwater Geologist	\$206.00
Staff Groundwater Geologist	\$166.00
Field Geologist/Geologic Logging	\$120.00
Clerical, Graphics and GIS Work	\$ 88.00

### **Field Equipment Charges**

Pressure Transducers (water level & barometric pressure monitoring during pumping tests)	\$ 50.00/wk
Electric Tape Water Level Probe	\$ 25.00/day
Field Water Quality Probe (T, pH, EC)	\$ 50.00/day

### **Litigation, Depositions and Testimony**

Depositions and trial testimony are charged at twice the hourly rate (4-hour minimum/day).

### **Travel Time and Mileage**

Travel time for meetings and/or to job sites will be charged at our standard hourly rates.  
Mileage is charged at the rate of \$0.535 per mile as of January 2018.

### **Communications Fee**

In-house costs for phone, e-mail, fax, regular postage, printing, copying, binding, and records retention, unless otherwise provided for in our project proposal Scope of Services.

Communications Fee = total project labor charges multiplied by 2.5%.

### **Outside Services**

All services not ordinarily furnished by RCS, including subcontracted services (i.e., water quality laboratory testing), delivery services, reproduction and printing, etc., are billed at cost + 15%. Reproduction costs for large format printing, and/or high volume reproduction and binding of hard copy reports performed in-house by RCS staff, will be billed at rates similar to comparable outside services.

### **Conditions**

RCS reserves the right to update this Schedule of Charges on November 1 of each year (the beginning of our Fiscal Year). Invoices are issued at our option on a monthly basis or when the work is completed. A service charge of 1½ % will be payable on any amount not paid within 30 days. Any attorney fees or other costs incurred in collecting delinquent charges shall be paid by the client.

Client will furnish rights-of-way to land as required for field visits and field operations, such as sampling or testing of water wells.

**CITY OF SANTA FE SPRINGS**  
**WATER WELL No. 12 PACKER TESTING HYDROGEOLOGICAL SERVICES**  
**PROPOSAL EVALUATION RATINGS**

<b>CRITERIA:</b>	<b>Richard Slade &amp; Associates</b>			<b>Tetra Tech</b>		
	Reviewer #1	Reviewer #2	Reviewer #3	Reviewer #1	Reviewer #2	Reviewer #3
Qualifications of Consultant	15	14	14	10	14	14
Consultant's Staffing	18	18	18	13	18	18
Key Personnel	18	18	18	17	18	18
Project Understanding/ Approach	20	18	19	15	14	19
Past Experience/ References	9	10	10	7	10	10
Pricing	12	13	12	11	10	10
<b>Total Score:</b>	<b>92</b>	<b>91</b>	<b>91</b>	<b>73</b>	<b>84</b>	<b>89</b>
<b>Average Score:</b>	<b>91</b>			<b>82</b>		



**FOR ITEM NO. 6**  
**PLEASE SEE ITEM NO. 11A**







### NEW BUSINESS

Provide Staff with directions regarding what mechanism (RFP or ENA or other) should be used to develop affordable housing on the ±3.93-acre site (APN: 8011-012-902) at 13241 Lakeland Road and the adjacent three (3) parcels, (APN: 8011-011-906, 8011-011-907, 8011-011-912), with a combined area of ±36,342 sq. ft., at the northeast corner of Lakeland Road and Laurel Avenue, within the R-3-PD, Multiple-Family Residential-Planned Development Overlay, Zone.

#### **RECOMMENDATIONS:** That the City Council:

- Provide staff with direction regarding what mechanism (RFP, ENA or other) should be used to develop affordable housing on the ±3.93-acre site (APN: 8011-012-902) at 13241 Lakeland Road and the adjacent three (3) parcels, (APN: 8011-011-906, 8011-011-907, 8011-011-912) at the northeast corner of Lakeland Road and Laurel Avenue; and
- Provide staff with direction, other than what is enumerated above.

### **BACKGROUND**

The purpose of this item is for the City Council as Housing Successor, to decide if the ±3.93-acre site (APN: 8011-012-902) at 13241 Lakeland Road (northwest corner of Laurel Avenue and Lakeland Road) and the adjacent three (3) parcels, (APN: 8011-011-906, 8011-011-907, 8011-011-912), with a combined area of ±36,342 sq. ft., should be developed with affordable housing using a Request For Proposal (RFP) or enter into an Exclusive Negotiating Agreement (ENA) with a specific developer and/or nonprofit organization.

Olson Urban Housing LLC acquired the ±3.93-acre property in 2008, with the intension of developing it with up to 108 market-rate townhome units. However, because of the collapse of the financial markets in 2008 and further analysis showing that a market-rate project was no longer economically feasible, Olson Urban Housing LLC offered to sell the property to the City. In April 2008, escrow closed on the property and the Community Development Commission (CDC) purchased the ±3.93-acre property from Olson Urban Housing, LLC. At the time of purchase, two metal buildings of 24,000 sq. ft., and 21,770 sq. ft., respectively, occupied the site.

In 2009, the City determined that it could best meet the needs of the moderate and low-income families and the community surrounding the Site by the demolition of the two buildings and the development of the property with affordable housing. The City further determined that it could best accomplish this by involving nonprofit housing entities to develop the site. As a result, in 2009, the City conducted a competitive selection procedure utilizing a Request for Proposal (RFP), and through that process, selected East L.A. Community Corporation, a California nonprofit corporation (ELACC), and National Community Renaissance of California (National CORE) collectively, to

develop up to the forty-eight (48) for-sale homes on the property. ELACC and National CORE were one of six firms that responded to the RFQ. The others were: Comstock Homes, City Ventures, TELACU, The Olson Company, and Abode Communities/City View/Creative Housing Association.

The CDC, ELAC and National CORE began negotiations to develop for-sale affordable housing at the site. These negotiations culminated with a draft Disposition and Development Agreement (DDA). However, the project was placed on hold due to the financial market collapse in 2008/2009. Said collapse resulted in a depressed homeownership market and a foreclosure crisis. Furthermore, the underwriting standards for construction financing, underwriting, and the qualifying parameters for homeowners were significantly tightened, making it difficult for potential homeowners to access mortgage financing.

The project was further delayed, when in 2012, the availability of subsidy funding from public agencies, specifically LA County Community Development Commission was virtually non-existent or significantly reduced and subsidies for entitlement programs were either eliminated or significantly reduced. These programs traditionally financed down payment assistance and/or subsidized home mortgage financing. As a result, ELAC and National CORE reconsidered whether the project should change from for-sale affordable housing to affordable rental housing, and presented such an analysis to the City for consideration.

When redevelopment agencies (RDAs) were dissolved in 2012, the project was again delayed. With the dissolution of RDAs, ownership of the property was transferred to the Housing Successor by operation of law on February 1, 2012. Housing successors were established to manage assets of the Low-and-Moderate Income Housing Fund (LMIHF) of RDAs. Since all the provisions of the draft DDA were based on Redevelopment laws, with the dissolution of redevelopment, many provisions of the DDA were no longer applicable. Notwithstanding, even with the elimination of RDAs, Gap financing for rental affordable housing was more readily available than for-sale housing. The traditional sources such as federal tax credits were still available and were becoming less competitive due to decreased availability of public subsidies; making multi-family housing much more viable than for-sale affordable housing. Moreover, other sources to fund rental development were available, including the Federal Home Loan Bank Affordable Housing Program, Los Angeles County HOME funding, State of California Housing and Community Development programs and various HUD financing programs.

Negotiations continued, with the focus now on revising the DDA to accommodate new rules pertaining to how LMIHF could be spent and possibly changing the product type from 48 for-sale units to higher density rental housing (100+ rental units). The thought at the time was that higher density rental housing would yield more affordable units for the City to count towards meeting its Regional Housing Needs Requirements. Also

considered was that development cost per unit for for-sale housing were significantly higher than rental units and the increased density in multi-family rentals typically results in a lower per subsidy per/unit needed for rental housing.

Eventually the City retained a housing consultant to evaluate the DDA since the rules had substantially changed pre dissolution versus post dissolution. The consultant also evaluated the latest Performa submitted by ELAC and National CORE for rental housing. Meanwhile, the City proceeded to change the zoning and general plan of the subject property and the adjacent three parcels. The subject property's zoning was changed from M-2-BP, Heavy Manufacturing-Buffer Parking to R-3-PD, Multiple-Family Residential-Planned Development. The zoning of the adjacent three parcels was also changed from A-1, Light Agricultural to R-3-PD, Multiple-Family Residential-Planned Development. The general plan of the subject property was changed from Industrial to Multiple-Family Residential and the adjacent three properties from Agricultural to Multiple-Family Residential.

As of 2014/2015, communications continued in an effort to move the DDA forward. After extensively reviewing the previous environmental documents commissioned by the City, both ELAC and National CORE concluded that they were comfortable indemnifying the City on all environmental issues and that further environmental due diligence would be conducted after the DDA was executed. They also committed to revising the DDA and engaging in all tasks necessary to move the project forward.

In 2016, the DDA and Performa were revised to include the adjacent three parcels. Negotiations continued off and on through 2018. On March 21, 2018, the Director of Planning sent an email to National CORE indicating that the City would be issuing an RFP to develop the property with affordable housing and that the RFP would probably be similar to the 2009 RFP. This decision was based on input from the City's housing consultant, City attorney and the Council Housing Subcommittee. After more than eight years of negotiations and despite everyone's best efforts, there were just too many extenuating circumstances preventing continued negotiations. Those circumstances included, but were not limited to the following:

- financial market collapse
- depressed homeownership market
- foreclosure crisis
- tightened underwriting standards for construction financing
- difficulty for potential homeowners to access mortgage financing
- dissolution of redevelopment
- changing regulations regarding how LMIHF could be spent
- changes in City Managers

During the eight years of negotiations with ELAC and National CORE, staff received numerous proposals, mainly from nonprofit housing developers, to develop the sites with a variety of affordable housing types. Such proposals continued after ELAC and National CORE were notified that the City was pursuing development of the sites through an RFP process. For the proposals received during negotiations with ELAC and National CORE, all parties were informed that the City was already engaged with a nonprofit to develop the sites, but if the negotiations fell through, they would be placed on a "Notification List." Staff then began to compile an "Interested Parties" list.

Several of the nonprofits requested to bypass the RFP process and instead negotiate an exclusive negotiating agreement with the City to develop the sites. A few submitted site plans and elevations showing how the sites could be developed. Notwithstanding, Staff consistently responded that negotiations were ongoing or that any future development of the site would be through the RFP process as determined by the City's housing consultant, the City Attorney and Housing Subcommittee. It was again reiterated that they will be placed on the "Interested Parties" list and would be notified when the RFP was ready to be issued. The RFP is now complete and is ready to be issued. On the List are: Jamboree Housing, Community Housing Works, City Ventures, Southern California Association of Nonprofit housing, CBRE, Lee & Associates, National CORE and Azria Homes.

Lately, homelessness and housing for the homeless have dominated the local and national headlines: **L.A. Times-** *L.A. County's Homeless Problem is Worsening Despite Billions from Tax Measures*; **Bloomberg-** *Homelessness Is a Tragedy the U.S. Can Afford to Fix, but it is a job for the Feds, not state and local government*; **New York Times-** *Cots Can't Solve a Homeless Crisis*. Some 553,742 people experienced homelessness in January 2017, according to HUD's 2017 Annual Homeless Assessment Report to Congress. That marked the first nationwide increase in seven years. The challenge is particularly acute in some of the largest and most expensive cities. New York and Los Angeles account for nearly a quarter of America's homeless population, with L.A. reporting an astounding 26 percent increase in 2017. The latest homeless count data, by the Los Angeles Homeless Service Authority, for the City was 63 Unsheltered and 0 Sheltered in 2016, 163 Unsheltered and 0 Sheltered in 2017 and is 190 Unsheltered and 72 Sheltered in 2018.

The Mayor, City Manager, Director of Planning, Director of Community Services, Family and Human Service Manager, The Whole Child's CEO and Housing Director and Habitat for Humanity's SVP of Community Development and Real Estate Project Manager, have met recently to discuss affordable housing opportunities on the sites. One proposal would be to develop the site with affordable housing with supportive services for homeless families. This proposal has also been shared with Supervisor Janet Hanh's office and utmost support has been expressed. The Whole Child and Habitat for Humanity have entered into a partnership to bring affordable housing solutions to our region. While The Whole Child and Habitat for Humanity are amenable



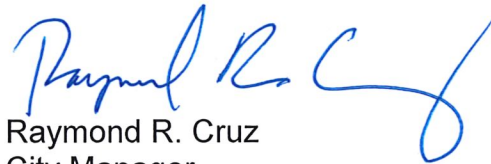
to an RFP process to develop the sites in question, they caution about the prospect of an RFP causing them to miss the opportunities that are currently available to secure funding from the County and other governmental sources. Such funding opportunities are tied to this fiscal year's funding cycle, are open now and will close by the end of October-November; requests for funding for this kind of development are predicated on proposing agencies showing that they have secured sites. Since the City of Santa Fe Springs did not submit a Homeless plan as part of the call from the County CEO's office, securing funds from the County to combat the homeless problem and affordable housing shortage could be done through partnering with nonprofits in ventures like the one proposed by The Whole Child.

**FISCAL IMPACT**

There are no fiscal impacts.

**INFRASTRUCTURE IMPACT**

There are no infrastructure impacts.



Raymond R. Cruz  
City Manager

Attachment:  
Location Aerial

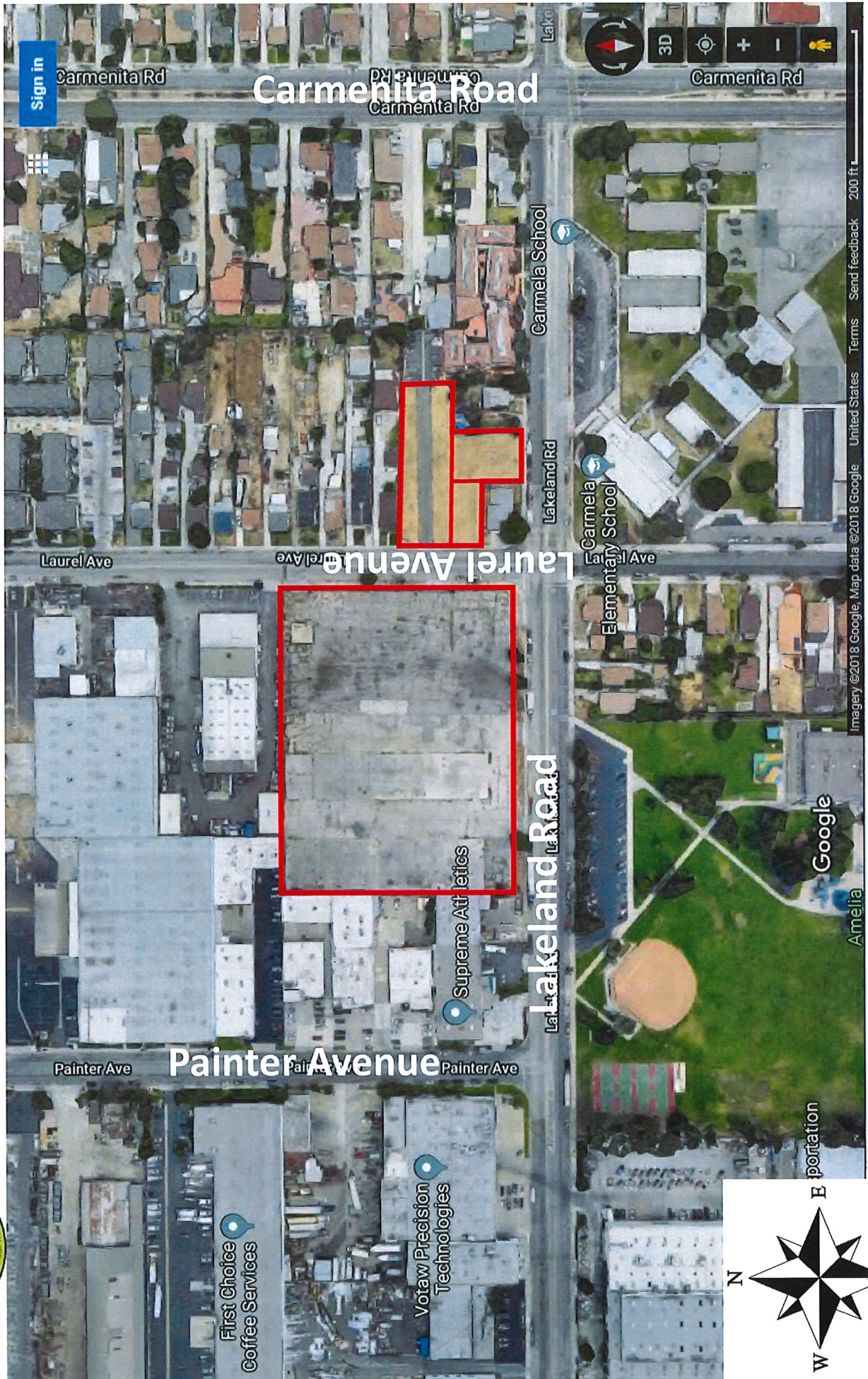






## LOCATION AERIAL

(APN: 80111-012-902) at 13241 Lakeland Road &  
(APN: 80111-011-906, 80111-011-907, 80111-011-912),







**FOR ITEM NO. 8**  
**PLEASE SEE ITEM NO. 11A**





## NEW BUSINESS

Resolution No. SA-2018-004 – First Amendment to Purchase and Sale Agreement between the Successor Agency and PPF Industrial, LLC for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield

### RECOMMENDATION that the Successor Agency:

Approve Resolution No. SA-2018-004 and authorize the Successor Agency Chair to sign the First Amendment to Purchase and Sale Agreement between the Successor Agency and PPF Industrial, LLC for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield.

## BACKGROUND

In March, 2018, the Successor Agency to the Community Development Agency of the City of Santa Fe Springs and PPF Industrial, LLC entered into a purchase and sale agreement ("PSA") for two (2) properties located on the southeast corner of Bloomfield and Telegraph Road ("Site III") and the north side of Telegraph Road to the east of Bloomfield ("Site IV", Sites III & IV collectively referred to as "Property"). The main terms of the PSA are as follows:

- 1) \$30,200,000 purchase price based upon a conceptual site plan with the potential reduction depending upon the final building configuration,
- 2) \$250,000 deposit with \$50,000 non-refundable less certain costs,
- 3) One hundred eighty (180) day due diligence period in order for the buyer to conduct an investigation of the title, soils, oil field work of the property, and obtain project plan,
- 4) An additional \$500,000 deposit upon expiration of the due diligence period,
- 5) Buyer working with Breitburn to come up with an building configuration that would allow Breitburn access to the active oil wells on the site,
- 6) Buyer entering into a separate Surface Rights Agreement with Breitburn that provides full indemnification of Breitburn,
- 7) Buyer's acceptance of the property as-is and release of the Successor Agency & Breitburn from liability for the condition of property.

Breitburn is making two (2) requests of the Successor Agency that require an amendment to the PSA which include 1) an extension of the due diligence period which expires September 30, 2018 to February 15, 2019; and 2) a reduction in the purchase price from \$30,200,000 to \$26,373,745 for the reasons explained below and in the attached memorandum.

**Extension of Due Diligence Period**

As indicated above, Buyer had 180 days (until September 30, 2018) to conduct its Due Diligence and obtain its Project Plan Approvals under the PSA. The memo, attached to this staff report, provides a summary of the Buyer's work during the due diligence period. In the memo, the Buyer explains the considerable time spent working with Breitburn to come up with a building configuration that worked for Breitburn's ongoing oil operations while also maximizing the developable square footage of the buildings.

Additionally, over the past 6 months, the Buyer conducted a Phase I environmental review, prepared an ALTA survey, submitted its application and received a first round of comments from the Department of Oil, Gas and Geothermal Resources ("DOGGR") related to the abandoned oil wells on the Property, nearly completed the environmental reports required under the California Environmental Quality Act ("CEQA") for the project, and had project plans completed but awaiting final approval from Breitburn.

The Buyer is requesting an additional 4 1/2 months in order to perform geotechnical and gas vapor surveys, commence drawings for Breitburn's underground pipeline infrastructure that will show new pipeline configuration, complete the environmental review process under CEQA, and proceed with on-site well abandonment protocol, and submit its application and complete its application for zoning approvals to the City.

**Reduction of the Purchase Price**

The amendment to the PSA would allow for a reduction in the purchase price from \$30,200,000 to \$26,373,745 due to the fact that the final building configuration Breitburn has tentatively agreed to (that will allow continued access to their wells) will result in a 12% reduction in floor area ratio. When the Successor Agency and Buyer originally entered into the PSA, a conceptual site plan was provided as a potential building size and building configuration for both sites. Breitburn, however, rejected the conceptual site plan and, over the past 6 months, has been working with the Buyer to come up with a design that worked for Breitburn's ongoing oil operations while also maximizing the developable square footage. The Buyer and Breitburn have reached a virtual final agreement on that building configuration which will reduce the building square footage that, in turn, will reduce the purchase price.

**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:

- 1) First Amendment to Purchase and Sale Agreement between the Successor Agency and PPF Industrial, LLC for properties located on the southeast corner of Bloomfield and Telegraph Road and north side of Telegraph Road east of Bloomfield
- 2) Memorandum dated September 20, 2018 and titled & "MCC Transaction Status-PSA Amendment Request" provided by Kearny Real Estate Company
- 3) Resolution SA-2018-004 of the Successor Agency approving the First Amendment to the Purchase and Sale Agreement between the Successor Agency to the Community Development Agency of the City of Santa Fe Springs and PPF Industrial, LLC

**FIRST AMENDMENT TO  
PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this "**Amendment**"), dated as of September 24, 2018, is entered into 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**"). This Amendment is entered into with reference to the following facts:

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions, effective as of March 20, 2018 (the "**Purchase Agreement**") attached hereto as Exhibit 1, pursuant to which Buyer agreed to acquire from Seller, among other items, (i) approximately 9.87 acres of land located at the southeast corner of Telegraph Road and Bloomfield Avenue; and (ii) approximately 8.49 acres of land on the north side of Telegraph Road east of Bloomfield Avenue ("**Property**"), as more particularly described in the Purchase Agreement. Each initially-capitalized term used but not defined herein shall have the meaning ascribed to such term in the Purchase Agreement.

B. Pursuant to Section 5.1 of the Purchase Agreement, Buyer had until June 1, 2018 to undertake its Initial Due Diligence and obtain its Project Plan Approvals, subject to Buyer's right to extend the Initial Due Diligence for up to four (4) additional thirty (30) day extensions, which were exercised by Buyer on May 25, 2018, June 28, 2018, July 27, 2018, and August 28, 2018. The parties now desire to extend the Due Diligence Period from October 1, 2018 to January 2, 2019.

C. During the Due Diligence Period, Buyer undertook certain investigations and studies in order to understand the potential development footprint for the Property. After various discussions and meetings with BreitBurn Energy Company ("**BEC**"), in order to create a viable site plan for the Property, it was determined that due to BEC's infrastructure requirements, the developable square footage must be reduced from 337,545 square feet, which was based on the square footage set forth in the original bid plans, to 294,779 square feet, which results in a loss of 12.7% of the expected floor area ratio. Accordingly, Buyer and Seller desire to reduce the Purchase Price by 12.7% to adjust, on a pro-rata basis, for the reduction in developable square footage.

D. Further, the parties desire to extend the Closing Date from December 31, 2018 to February 15, 2019.

NOW, THEREFORE, in consideration of the premises and the mutual promises herein made and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. **Due Diligence Period.** The Due Diligence Period is hereby amended to terminate on January 31, 2019.

2. **Purchase Price.** The second sentence of Section 3.1 of the Purchase Agreement is hereby amended to provide that:

“The Purchase Price for Buyer’s acquisition of the Property shall be \$26,373,745, subject to the adjustments and reductions set forth in Section 3.2 hereinafter (the “**Purchase Price**”).”

3. **Closing.** The last sentence of Section 4.6 of the Purchase Agreement is hereby amended to provide that:

“The Closing Date shall occur on or prior to February 15, 2019 (the “**Outside Closing Date**”), which Outside Closing Date may be extended for thirty (30) days upon prior written notice from Buyer to Seller.”

4. **References to the Purchase Agreement.** After giving effect to this Amendment, each reference in the Purchase Agreement to “this Agreement”, “hereof”, “hereunder” or words of like import referring to the Purchase Agreement shall refer to the Purchase Agreement as amended by this Amendment.

5. **Miscellaneous.** The provisions of Article XV of the Purchase Agreement shall apply *mutatis mutandis* to this Amendment, and to the Purchase Agreement as modified by this Amendment, taken together as a single agreement, reflecting the terms therein as modified hereby.

6. **No Further Amendment.** Except as amended by the terms of this Amendment, the Purchase Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

**“SELLER”:**

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

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

\_\_\_\_\_  
Successor Agency Chair

\_\_\_\_\_  
Successor Agency Clerk

\_\_\_\_\_  
Successor Agency Legal Counsel



**“BUYER”**

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

By: PPF OP, LP,  
a Delaware limited partnership,  
Its: sole Member

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

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

By: Morgan Stanley Real Estate Advisor, Inc.,  
a Delaware corporation,  
Its: Investment Adviser

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

**EXHIBIT 1**  
**PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS**

**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 March 20, 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 RWOCB. 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.

AG 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:

11.3.2.1 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

AG

Seller's Initials

\_\_\_\_\_

## 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 Green

Title: Executive Director

“Seller”

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

By: 

Name: Jay Sarno

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. 1797, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 34, PAGES 2, 3, AND 4 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF MURRAY AVENUE, VACATED AS PARCEL XI IN EXHIBIT "A" OF THAT CERTAIN RESOLUTION NO. 424, RECORDED JULY 18, 1979 AS INSTRUMENT NO. 79-78862 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. 1797, EXCEPT THAT PORTION OF MURRAY AVENUE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT SAID NORTHEAST CORNER OF LOT 1; THENCE SOUTH 0°20'15" EAST 31.21 FEET ALONG SAID EASTERLY LOT LINE; THENCE SOUTH 88°31'35" EAST 80.03 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 (20.00 FEET WIDE), AS SHOWN ON SAID TRACT NO. 1797; THENCE SOUTH 88°47'35" WEST 89.00 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 300 FEET BELOW THE SURFACE, TOGETHER WITH THE RIGHT OF PROSPECTING, DRILLING, REDELLING, MINING, PRODDING 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. 89-785740 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 300 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 31 OF THE TOWNSHIP OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 24, 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 BONA FIDE LEGAL LEASE AGREEMENTS SHALL BE THE SOLE PROPERTY OF GRANITON, AS RESERVED IN DEED RECORDED SEPTEMBER 21, 2006 AS INSTRUMENT NO. 06-108112 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: #011-018-900; #011-018-901; #011-018-902; #011-018-903; #011-018-904; #011-018-905; #011-018-906; #011-018-911

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. 81-14399, 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. 89-208714, 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 WHATEVER, 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.

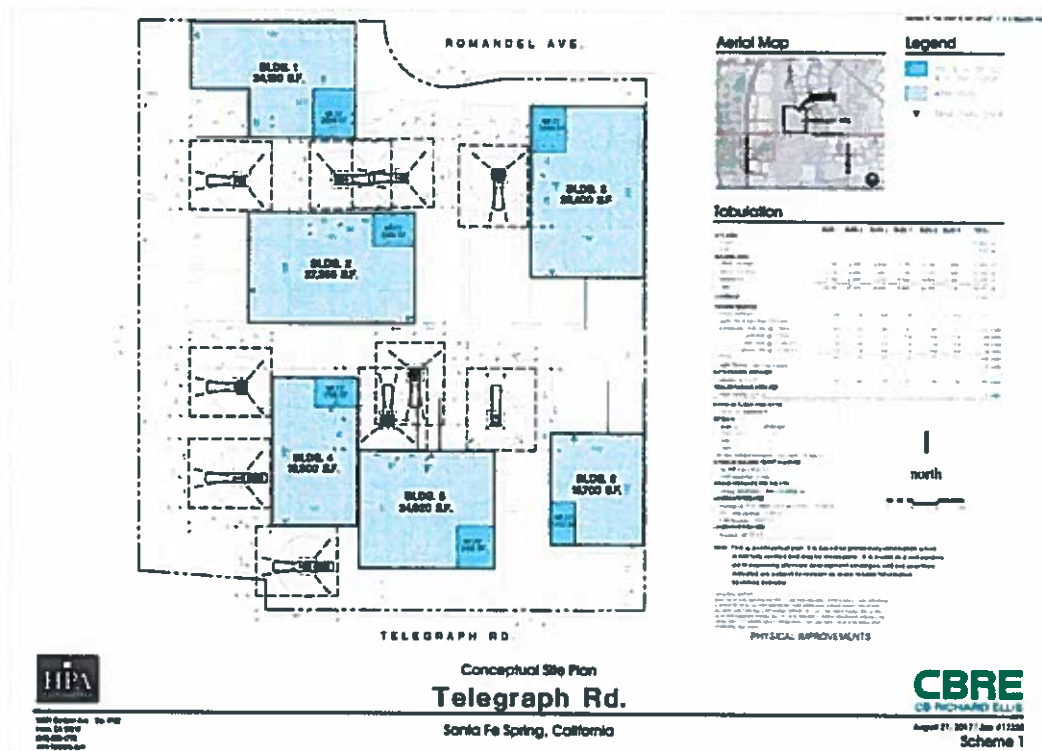
EXCEPT FROM SAID LOTS 8 AND 11, ALL OIL, GAS, MINERAL AND OTHER HYDROCARBON SUBSTANCES IN, ON AND UNDER SAID LAND, AS SET OUT IN THAT CERTAIN GRANT DEED, RECORDED MARCH 4, 1980 AS INSTRUMENT NO. 80-216991, OF OFFICIAL RECORDS.

ALSO EXCEPTING AND RESERVING UNTO SANTA FE ENERGY COMPANY, ITS SUCCESSORS OR ASSIGNS, ALL MINERALS WHATEVER, 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 - SFC Bloomfield &amp; Telegraph Road, Santa Fe Springs</i>						
<b>Building #</b>	<b>Square Footage</b>	<b>Office SF</b>	<b>Ceiling Clear</b>	<b>Loading DH/GL</b>	<b>Fire Sprinkler</b>	<b>Fenced Yard</b>
1.	197,990	10,000	32'	22/2	ESFR	Y

<i>Site IV - Telegraph / Romandel, Santa Fe Springs</i>						
<b>Building #</b>	<b>Square Footage</b>	<b>Office SF</b>	<b>Ceiling Clear</b>	<b>Loading DH/GL</b>	<b>Fire Sprinkler</b>	<b>Fenced Yard</b>
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





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**

**FOREIGN INVESTMENT AND REAL PROPERTY TAX  
AFFIDAVIT**

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

1875 Century Park East, Suite 380  
Los Angeles, California 90067  
310 203-1840 Fax 310 203-1850

**DATE: September 20, 2018**

**SUBJECT: MCC Transaction Status – PSA Amendment  
Request**

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This memorandum summarizes what we have accomplished to date as well as the request for an adjustment of the purchase price and an extension of the due diligence period and closing date.

PPF Industrial, LLC (“Buyer”) and Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs (“Seller”) are parties to the Purchase and Sale Agreement dated March 20, 2018 for the sale of the MCC properties. When we entered into escrow, it was our understanding that the site plans dated 8/21/17 and 8/23/17, respectively, attached to the PSA as Exhibit B (attached to this memo as well) were conceptual in nature, but also thoughtful and purposeful. The \$30.2MM purchase price referenced in the PSA was based on being able to develop 337,545 square feet of buildings as shown on the site plans. We had therefore planned on utilizing the Due Diligence Period to perform the following major tasks:

- 1) Update and review the ALTA survey on the property, and subsequent review of title of the property.
- 2) Environmental assessment of the property, starting with a Phase I environmental report (and any further investigations as required by the Phase I).
- 3) Commence and complete the City’s environmental review process (a condition of closing as outlined in the PSA).
- 4) Go through DOGGR’s review process for the on-site abandoned wells and quantify the cost of any re-abandonment, as necessary.
- 5) Commence drawings for the Breitburn underground pipeline infrastructure, develop the plans far enough to quantify the cost of re-location.
- 6) Geotechnical surveys of both properties.

One of our first steps was to meet with Breitburn. We met with Jackson Washburn and his team on April 11, 2018. The goal of the meeting was to introduce ourselves, discuss the site plans we had and to proceed with item #5 above. We learned from that meeting that Breitburn was not comfortable with the site plans as they existed at that time and that the plans required further revision. They stated that both site plans did not work for them as there was inadequate working areas around their active wells as well as not providing enough site access for them or the fire department. We have spent the past five months working diligently with Breitburn through many iterations to get to a site plan for each site that worked for their ongoing oil operations as well as maximizing the developable square feet. We are proud of the work we have completed over this time period. We have successfully gotten Breitburn to negotiate with us in good faith

1875 Century Park East, Suite 380  
Los Angeles, California 90067  
310 203-1840 Fax 310 203-1850

and find common ground, achieving compromise in ways that previous potential buyers have been unable to accomplish. While they are still awaiting final approval, we believe the attached site plans are final (or very close to it) as they have been conceptually approved by the Breitburn local office (Jackson Washburn and his local operations personnel).

As can be seen, the developable square footage of the development has dropped from 337,545 sf of the original bid plans to the current 294,779 sf, a loss of 12.7% of the floor area ratio ("F.A.R.").

Due to this delay in finalizing the site plans, we have not been able to proceed with many of the tasks which must be completed from the due diligence task list above, as many of these tasks can only be accomplished after a finalized site plan is available.

We have spent significant time, money and energy to get to where we are today with the transaction. In order to proceed with the transaction, Buyer is requesting the following:

- 1) Adjustment of the purchase price from \$30,200,000 to \$26,373,745. This represents a 12.7% pro-rata reduction of the price based on the lost developable square footage.
- 2) Extension of the Contingency Period (which currently expires 9/30/18) to 1/31/19 and a revised Closing Date of 2/15/19. We need the next four months to complete the following:
  - a. Additional due diligence of the property including geotechnical surveys and gas vapor surveys. We have already completed an updated ALTA survey and Environmental Phase I.
  - b. Commence drawings for the Breitburn underground pipeline infrastructure, develop the plans far enough to quantify the cost of re-location of the underground infrastructure.
  - c. Proceeding with City's environmental review process of a Mitigated Negative Declaration.
  - d. Proceeding with on-site well abandonment protocol and quantifying the cost of any necessary re-abandonment (initial DOGGR application was submitted and we expect initial comments back by next week).

With approval of our request, we feel confident we can get this transaction across the goal line and closed. Thank you.

**RESOLUTION NO. SA-2018-004**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS APPROVING THE FIRST AMENDMENT TO THE PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS 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**

**WHEREAS**, pursuant to ABx 1 26, enacted on or about June 28, 2011, and as subsequently amended by AB 1484, SB 341, and SB 107 ("Dissolution Act"), the Santa Fe Springs Community Redevelopment Commission/Redevelopment Agency ("RDA") was dissolved as of February 1, 2012, and the City of Santa Fe Springs elected to serve as Successor Agency to the RDA;

**WHEREAS**, the State of California Department of Finance ("DOF") has approved the Successor Agency's Long Range Property Management Plan ("LRPMP");

**WHEREAS**, the LRPMP listed as "for sale" the 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 ("Property");

**WHEREAS**, in March 2018, the Successor Agency entered into a purchase and sale agreement with PPF Industrial, LLC for the sale of the Property ("PSA") subject to the terms and conditions set forth in the PSA;

**WHEREAS**, in September 2018, PPF Industrial, LLC requested an amendment to the PSA as set forth in attachment and identified as "First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions";

**WHEREAS**, pursuant to Health and Safety Code Section 34177(e) and (h) and other applicable provisions, the Successor Agency is obligated to expeditiously wind down the affairs of the former RDA including the sale of real property identified in the LRPMP.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION/REDEVELOPMENT AGENCY OF THE CITY OF SANTA FE SPRINGS HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The Successor Agency hereby approves the First Amendment to the Purchase and Sale Agreement and Joint Escrow Instructions attached hereto.

SECTION 2. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution SA-18-004, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The Successor Agency hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 3. The Secretary shall certify passage of this Resolution SA-2018-004.

SECTION 4. The Successor Agency officials and staff are hereby authorized and directed to transmit this Resolution and take all other necessary and appropriate actions as required by law in order to effectuate its purposes including delivery to the Los Angeles County 4<sup>th</sup> Supervisorial District Consolidated Oversight Board for approvals.

**PASSED, APPROVED AND ADOPTED** by the Successor Agency at a duly noticed meeting held on September 27, 2018, by the following vote:

Ayes:  
Noes:  
Absent:  
Abstain:

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

Successor Agency Chair

ATTEST:

\_\_\_\_\_  
Secretary  
City of Santa Fe Springs  
Successor Agency



## **PRESENTATION**

Presentation to the Oversight Board Members for their service to the City

## **RECOMMENDATION:**

That the Successor Agency call upon the Finance Director, Travis Hickey.

## **BACKGROUND**

The oversight board members have served on a volunteer basis since the dissolution of the redevelopment agency in 2012; since that time the oversight board members have been very supported of the Successor Agency.

As of July 1, 2018 the oversight board has been transitioned to the County Oversight board; therefore, we would like to recognize the oversight board members for their six (6) years of volunteer service with the City of Santa Fe Springs.

The Mayor may wish to call upon Finance Director, Travis Hickey.

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

Raymond R. Cruz  
City Manager

## **Attachments:**

None





# *City of Santa Fe Springs*

City Council Meeting

September 27, 2018

## **APPROVAL OF MINUTES**

Minutes of the August 23, 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 meetings:

- August 23, 2018

Staff hereby submits the minutes for Council's approval.

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

Raymond R. Cruz  
City Manager

### **Attachment:**

Minutes for August 23, 2018







APPROVED:

## MINUTES OF THE MEETINGS OF THE CITY COUNCIL

August 23, 2018

1. **CALL TO ORDER**

Mayor Sarno called the meeting to order at 6:01 p.m.

2. **ROLL CALL**

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

**Members absent:** Mayor/Chair Sarno

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

Mayor Sarno announced Closed Session items no. 11 and 12 will be moved to the beginning of the agenda.

City Attorney read both Closed Session items. She opened public comment for closed session items. No public comments were received.

Mayor Sarno recessed the meeting at 6:03 p.m.

Mayor Sarno reconvened the meeting at 6:34 p.m.

Mayor Sarno asked the City Attorney to provide any report on the closed session.

City Attorney Yolanda Summerhill provided a brief report on both closed session items, no was action taken.

### PUBLIC FINANCING AUTHORITY

3. **CONSENT AGENDA**

**Approval of Minutes**

- a. Minutes of the July 26, 2018 Public Financing Authority Meeting

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

**Monthly Reports**

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

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

It was moved by Mayor Pro Tem Trujillo, seconded by Council Member Moore, approving Item No. 3A, and 3B, by the following vote:

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

**Nayes:** None

**Absent:** None

#### **WATER UTILITY AUTHORITY**

#### **4. CONSENT AGENDA**

##### **Approval of Minutes**

- a. Minutes of the July 26, 2018 Water Utility Authority Meeting

**Recommendation:** That the Water Utility Authority:

- Approve the minutes as submitted.

##### **Monthly Reports**

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

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.

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

**Recommendation:** That the Water Utility Authority:

- Receive and file the report.

It was moved by Council Member Rounds, seconded by Council Member Moore, approving Item No. 4A, 4B, & 4C, by the following vote:

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

**Nayes:** None

**Absent:** None

#### **HOUSING SUCCESSOR**

5. Minutes of the July 26, 2018 of the Housing Successor Agency.

**Recommendation:** That the Housing Successor approve the minutes as submitted.

It was moved by Council Member Zamora, seconded by Council Member Moore, approving the minutes as submitted, by the following vote:

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

**Nayes:** None

**Absent:** None

#### **SUCCESSOR AGENCY**

#### **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 Successor Agency.

**Approval of Minutes**

Minutes of the July 26, 2018 Successor Agency Meeting

**Recommendation:** That the Successor Agency:

- Approve the minutes as submitted.

It was moved by Council Member Rounds, seconded by Council Member Zamora, to approve the minutes as submitted, by the following vote:

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

**Nayes:** None

**Absent:** None

**CITY COUNCIL**

**7. CONSENT AGENDA**

a. Minutes of the June 28, 2018 City Council Meetings

**Recommendation:** That the City Council:

- Approve the minutes as submitted.

b. Imperial Highway Underpass Storm Pump Retrofit – Final Payment

**Recommendation:** That the City Council:

- Approve the Final Payment (less 5% retention) to Caliagua, Inc. of Yorba Linda, California in the amount of \$7,094.50 for the subject project.

It was moved by Mayor Pro Tem Trujillo, seconded by Council Member Rounds, approving Item No. 7A & 7B, by the following vote:

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

**Nayes:** None

**Absent:** None

**NEW BUSINESS**

8. Award of Contract – Further Evaluation of a Community Revitalization and Investment Authority (CRIA)

**Recommendation:** That the City Council:

- Appropriate \$15,000 from the Unassigned General Fund Reserve to Activity #9007-4400
- Award a contract to Kosmont and Associates, Inc., in an amount not to exceed \$15,000; and
- Authorize the Mayor or designee to execute an Agreement with Kosmont and Associates, Inc., for further evaluation of a Community Revitalization and Investment Authority (CRIA).

Item no. 8 was tabled to the next meeting.

9. On-Call Land Development Plan Checking Services – Authorization to Issue a Request for Proposals

**Recommendation:** That the City Council:

- Authorize the Director of Public Works to issue a Request for Proposals to retain one or more firms to provide On-Call Land Development Plan Checking Services on an as-needed basis.

It was moved by Council Member Zamora, seconded by Council Member Moore, authorize the Director of Public Works to issue a Request for Proposals to retain one or more firms to provide on-call Land Development Plan Checking Services on an as-needed basis, by the following vote:

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

**Nayes:** None

**Absent:** None

10. Listing Agreement with Cushman and Wakefield of California, Inc., as sole agent, the exclusive right to negotiate the renewal (whether through a renewal, extension or new lease) of a ground lease, to the United States Postal Services ("USPS") at the real property located at 11760 Telegraph Road, Santa Fe Springs, California 90670

**Recommendation:** That the City Council:

- Enter into a listing Agreement with Cushman and Wakefield of California, Inc., for the exclusive right to negotiate the renewal (whether through a renewal, extension or new lease) of a ground lease, to the United States Postal Services ("USPS") at 11760 Telegraph Road, Santa Fe Springs, California 90670; and
- Authorize the Mayor or designee to execute the Listing Agreement with Cushman and Wakefield of California, Inc., to negotiate the renewal of the ground lease with USPS.

It was moved by Council Member Moore, seconded by Council Member Rounds, enter into a listing agreement with Cushman and Wakefield of California, Inc., for the exclusive right to negotiate the renewal (whether through a renewal, extension or new lease) of a ground lease, to the United States Postal Services ("USPS") at 11760 Telegraph Road, Santa Fe Springs, California 90670; and authorize the Mayor or designee to execute the listing agreement with Cushman and Wakefield of California, Inc., to negotiate the renewal of the ground lease with USPS, by the following vote:

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

**Nayes:** None

**Absent:** None

Items No. 11 and 12 were moved to the beginning of the agenda.

**CLOSED SESSION**

11. **CONFERENCE WITH LEGAL COUNCIL – EXISTING LITIGATION**  
(Pursuant to California Government Code Section 54956.9(d)(1))  
Case Information: CalPERS Case No. 2017-0586 and also identified by Office of Administrative Hearings (OAH) Case No. 2017120843
12. **CONFERENCE WITH REAL PROPERTY NEGOTIATOR**  
(Pursuant to California Government Code Section 54956.8)  
Property: 11760 Telegraph Road, Santa Fe Springs, CA  
Agency Negotiator: Michael Foley, Cushman & Wakefield  
Negotiating Party: U.S. Postal Service  
Under Negotiation: Price and Terms of Lease Agreement
- 

***Mayor Pro Tem Trujillo recessed the meetings at 6:37 p.m.***

***Mayor Pro Tem Trujillo convened the meeting at 7:03 p.m.***

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13. **INVOCATION**  
Invocation was led by Council Member Zamora.
14. **PLEDGE OF ALLEGIANCE**  
The Youth Leadership Committee led the Pledge of Allegiance.
15. **INTRODUCTIONS**
  - Representatives from the Chamber of Commerce: Carolyn Corbin from Raymond Handling Solutions, Inc.
16. **ANNOUNCEMENTS**  
The Youth Leadership Committee Members made the following announcements:
  - Tunes and Tumbles, August 31-September 28, 2018
  - Fiestas Patrias, September 14, 2018 at 6p.m.
  - LEGO Robotics for kids, September 15, 2018 at 1p.m.
17. **CITY MANAGER AND EXECUTIVE TEAM REPORTS**
  - City Manager Raymond Cruz spoke about attending his first Chamber of Commerce Annual conference in Temecula. He also stated that during the conference, the chamber expressed their support for the sales tax measure.

- Director of Public Works, Noe Negrete spoke about the north residential street improvements on Whiteland street, Terradell street, Nova street and Roma street from August 10, 2018 to late September. He also spoke about another open house for the high-speed rail that is scheduled for Wednesday, September 12, 2018 at 5:30 p.m.
- Council Member Moore inquired what was occurring on Norwalk and Telegraph
- Mr. Negrete noted he did not have that information however he will follow up.
- Council Member Rounds also asked what was occurring on telegraph and pioneer.
- Mr. Negrete noted he will follow up.
- Council Member Zamora spoke about the gravel that was left on Lakeland and would like to have staff pick up the gravel.
- Mr. Negrete noted that issue will be addressed.
- Director of Planning, Wayne Morrell introduced Colonel Darrin Bender, Director of Government Affairs/California Military Department to make a presentation on the proposed Readiness Center for California National Guard.
- Director of Police Services, Dino Torres spoke about Whittier Police Department having pink patches on sale for \$10 in support of breast cancer research. Also, he provided an update on the City's Traffic Enforcement statistics. Noted there were total of 31 days of enforcement, in 4-6 hour shift that officers issued these citations.
- Fire Chief, Brent Hayward spoke about the fire team returning back from the Carr Fire incident and the 2018 Relay for Life Potato Bake.
- Finance Director, Travis Hickey spoke about the payroll clerk employee retiring and about Finance Accounting Manager Lana Dich.
- Director of Community Services Maricela Balderas spoke about the "Diving Movie" at the aquatic center.

**18. PRESENTATIONS**

- a. Introduction of New Employee, Arthur Cervantes, Assistant Civil Engineer
- b. Presentation to Maria Eggers upon her Retirement

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

- a. Advisory Committee Appointments  
No appointments were made.

**20. ORAL COMMUNICATIONS**

Santa Fe Springs resident John Gonzalez spoke during oral communications.

**21. COUNCIL COMMENTS**

Council Member Zamora spoke about the Chamber's Annual Meeting. Thanked staff, volunteers and residents.

Council Member Rounds spoke about also attending the Chamber of Commerce Annual meeting and the City's Relay for Life Potato Bake. Last, he spoke about the committee in

support to Measure Y.

Council Member Moore thanked everyone for the birthday wishes. He also spoke about missing the potato bake due to attending a previous commitment. In addition, thanked Wayne Morrell for a citizen that had a concerned about a recent inspection, he owns a shop. Last, regarding Measure Y he thanked Council Member Rounds for taking the lead and thanked the City Manager for his presentations and getting the Chamber on board to support Measure Y.

Mayor Sarno thanked everyone for their support from businesses and employees.

**22. ADJOURNMENT**

Mayor Sarno adjourned the meeting at 8:06 p.m.

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

**ATTEST:**

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

\_\_\_\_\_  
Date







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

*City Council Meeting*

*September 27, 2018*

## **CONSENT CALENDAR**

Approval of Letter of Agreement between the City of Santa Fe Springs and United Way's Subsidized Housing Assistance Relief for Energy (SHARE) Program

### **RECOMMENDATION**

That City Council approve, and Mayor execute, the Letter of Agreement for the Subsidized Housing Assistance Relief for Energy (SHARE) Program through United Way of Greater Los Angeles.

### **BACKGROUND**

The Family and Human Services Division (FHS) in the Department of Community Services continues to partner with the United Way of Greater Los Angeles to offer utility assistance to families through Southern California Edison and Southern California Gas Company. United Way is now expanding their services and has requested the City's assistance in implementing the Subsidized Housing Assistance Relief for Energy (SHARE) Program. This is a two year pilot program which focuses on reducing and preventing homelessness by removing some financial obstacles related to past due utility charges. This program targets people trying to access subsidized housing (i.e. Section 8), but are unable to due to outstanding utility bills; it also targets families who are currently in a housing assistance program, but at risk of losing housing assistance due to their utility debt.

By signing the Letter of Agreement, the City of Santa Fe Springs will become an Authorized Partner Agency; other organizations working with these qualifying families will be able to refer their clients to us. FHS Case Workers will then enroll the clients into the SHARE Program. By enrolling them in the program, outstanding utility bills can be paid. This will either (A) allow people to pass all requirements for a subsidized housing voucher, and no longer be in a "homeless" status, or (B) assist current subsidized housing recipients who are in jeopardy of losing their subsidized housing voucher due to unpaid utility bills.

The SHARE Program does not have a limit on the amount that can be paid to satisfy the clients' past debt. Southern California Edison allocated \$1.5 million, and the Gas Company allocated \$400,000 for the pilot program.

The Mayor may call upon Ed Ramirez, Family and Human Services Manager, to answer any questions the Council may have regarding this agreement.

### **LEGAL REVIEW**

The City Attorney has reviewed the Letter of Agreement for the implementation of the SHARE Program from United Way of Greater Los Angeles.



# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **FISCAL IMPACT**

This is a non-monetary agreement and has no fiscal impact to the general fund. The agreement allows for additional resources from the City to community residents.

A handwritten signature in black ink, reading "Raymond R. Cruz". The signature is fluid and cursive.

Raymond R. Cruz  
City Manager

## **Attachment**

Subsidized Housing Assistance Relief for Energy (SHARE) Program Letter of Agreement between United Way of Greater Los Angeles and the Authorized Partner Agency (APA)



**Subsidized Housing Assistance Relief for Energy (SHARE) program  
Letter of Agreement  
United Way of Greater Los Angeles and the Authorized Partner Agency (APA)**

**Statement of Purpose:** The "Subsidized Housing Assistance Relief for Energy (SHARE) Program was established by the utility companies to help clear past gas or electric utility debt for subsidized housing customers to help meet the requirements to obtain or keep their subsidized housing. Authorized Partner Agencies will help qualified customers apply for a grant for residential gas and/or electric service.

The Subsidized Housing Assistance Relief for Energy (SHARE) program is funded by Southern California Edison, and Southern California Gas Company for their respective programs.

**Operating Guidelines:** The APA's will utilize the on-line iPartner Grant Management System to complete applications for utility assistance for customers of Southern California Gas Company, and/or Southern California Edison customers. The APA's will review all customer documentation to ensure customers meet the program guidelines and eligibility requirements prior to entering an application for the customer. Program funds have been deposited for each utility separately when the programs begin. APA's will have access to view program funding at the "global" level throughout the program periods set for each utility, or until funding has been depleted.

The Subsidized Housing Assistance Relief for Energy (SHARE) Program is operating on a pilot period starting April 2018 and expected to operate through December 2019 or until program funds are depleted. Program dates are subject to change.

**Probation Status and/or Termination of Agency Participation:** United Way of Greater Los Angeles, and/or Southern California Edison, and/or Southern California Gas Company, reserve the right to place an agency on "probationary status" or "terminate" agency participation for the SHARE.

**As an Authorized Partner Agency, you and the staff you designate will receive:**

- All program related materials at no cost.
- SHARE program training for designated staff from your agency directly working with the program.
- Support, advice, updates, and answers to your questions about the grant program and its guidelines and rules.

**During the SHARE Program period, each Authorized Partner Agency agrees to:**

- Follow the rules, regulations, and guidelines of the United Way of Greater Los Angeles set forth in program training materials.
- Operate the SHARE Program on a voluntary basis.
- Provide SHARE Program assistance throughout the scheduled program period.
- Have access to operating electronic equipment necessary to provide assistance; Computer, Fax Machine, Scanner, Shredder, and Copier.
- Have access to internet and email at all times.

- Review documentation for each SHARE Program application and ensure the verification submitted matches the information provided on the application.
- Ensure that applications are only entered into the iPartner system if the customer has provided all supporting documentation.
- Accept phone calls and schedule appointments for the SHARE Program.
- Return this Letter of Agreement and all subsequent requests for information timely.
- Ensure all staff completing SHARE Program applications attend the mandatory training session facilitated by United Way.
- Update United Way of Greater Los Angeles with any address, telephone, personnel, or other changes timely.
- Treat all applicants with kindness, dignity and respect.
- Maintain the standards set by the United Way of Greater Los Angeles, and if necessary, attend additional training to maintain your organization's status as an Authorized Partner Agency.

**Confidentiality of Customer Information:**

- All customer information, i.e. applications, subsidized housing vouchers or approval letters, and any other documents used to obtain SHARE Program assistance must be stored in a secure and locked location.
- All documents (barcoded fax cover sheet, signed application, supporting documentation) must be kept for a period of 90 days from the date of application.
- Disposal of confidential customer information must be done in a secure manner such as shredding.
- If you find at any time customer documents associated with the SHARE Program have been compromised, you must notify United Way of Greater Los Angeles immediately in compliance with Senate Bill 1386.

**Eligibility Requirements and Documentation for SHARE Program assistance:**

**If currently homeless and have been approved for Subsidized Housing and have attained housing:**

- Must provide subsidized housing letter or Section 8 voucher
- Proof of homelessness, or letter from agency verifying homelessness
- Bill with transferred debt from Southern California Edison or Bill/Letter from Southern California Gas Company
- Proof of failed housing habitability standard inspection

**If currently living in Subsidized Housing unit:**

- Must provide subsidized housing letter or Section 8 voucher
- Impending Disconnection of service notice or:
- Termination of utility service notice

By signing below, the Authorized Partner Agency agrees to recognize and acknowledge the purpose of the Subsidized Housing Assistance Relief for Energy (SHARE) program and abide by the operating guidelines as detailed above and covered during training.

Primary contact for United Way:

Patricia Banuelos  
Program Officer Emergency Food & Shelter and Utilities  
United Way of Greater Los Angeles  
1150 S. Olive Street, Suite T500  
Los Angeles, CA 90015  
(213) 808-6257 office (213)808-6531 fax  
E-mail: [pbanuelos@unitedwayla.org](mailto:pbanuelos@unitedwayla.org)

Accepted for United Way, Inc. dba United Way of Greater Los Angeles

Signature

Name

Title

Date

Accepted for Disbursement Organization

Name of Organization

Signature

Name

Title

Date

Address

Phone

Email Address







# **City of Santa Fe Springs**

*City Council Meeting*

*September 27, 2018*

## **NEW BUSINESS**

### **2018 Red Ribbon Parade Traffic Control Plan – Request for Approval**

#### **RECOMMENDATION**

That the City Council approve the traffic control plan prepared for the closure of various City streets in the area bordered by Clarkman Street, Jersey Avenue, Charlesworth Road and Alburdis Avenue for the detouring of traffic around the 2018 Red Ribbon Parade route on Wednesday October 24, 2018.

#### **BACKGROUND**

The City of Santa Fe Springs 2018 Red Ribbon Parade will be held on Wednesday, October 24, 2018. The Parade will start at approximately 9:30 a.m. in front of Lake Center Middle School. Participants will proceed west on Clarkman and then head north on Jersey Avenue intersecting several residential streets. The route continues past Telegraph Road, until reaching Charlesworth Road where the parade veers right and culminates on Alburdis Avenue; the pick-up area for many of the parade participants.

The traffic control plan indicates the location of signs, barricades, controlled locations, and message boards along the Red Ribbon Parade route. The traffic control plan is 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 plan for the City street closures for the Red Ribbon Parade route.

#### **Attachment:**

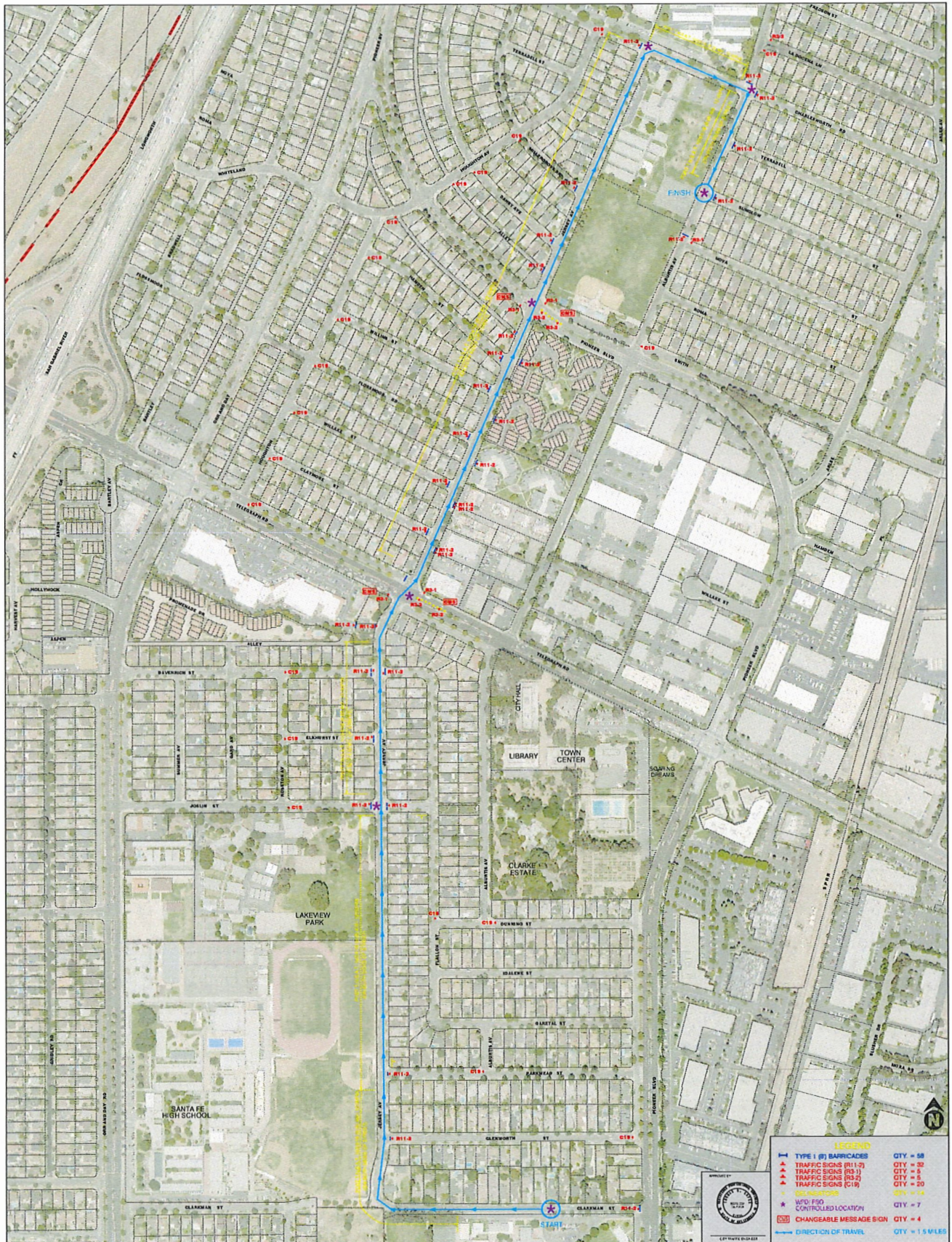
Red Ribbon Parade Route Exhibit

Raymond R. Cruz  
City Manager









RED RIBBON PARADE ROUTE 2018 - TRAFFIC CONTROL PLAN







# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **NEW BUSINESS**

Approval of Traffic Signal Box - Library Theme: Book Titles

### **RECOMMENDATION**

That the City Council approve the art rendering by artist Candace Galvan for the Library Theme traffic signal box, and authorize staff to compensate Hartzog & Crabill, Inc. as part of this traffic signal box art project.

### **BACKGROUND**

The Heritage Arts Advisory Committee (HAAC) has approved and is recommending an artwork proposal for the traffic signal box on the northeast corner of Telegraph Road and Alburty Avenue. This will be the fourth art-filled traffic signal box under the proposed traffic signal cabinet art project. The proposed art theme for this signal box is a Library concept which illustrates the "The World in my Hands" art piece located in front of the library, including various books on a book shelf. The young girl in the rendering (attached) will be displayed on the street side of the box with the book shelf wrapped around the three other sides. Each book will be titled with a fictional title relating to the history of Santa Fe Springs.

The art murals in the traffic boxes continue to enhance the City's aesthetics, as well as reduce maintenance costs associated with graffiti removal. These murals have an anti-graffiti sealant which deters graffiti.

The selected artist for this traffic box art project, Ms. Candace Galvan, has completed all of the City's traffic signal boxes, including: 1) "All-America City" (on the corner of Telegraph Road and Orr & Day); 2) "Red Ribbon Parade" (on the northwest corner of Telegraph Road and Jersey Ave.); 3) the City's 60<sup>th</sup> Anniversary (on the corner of Telegraph Road and Pioneer Blvd.). Ms. Galvan submitted two renderings depicting the City's Library Theme: Book Titles to the HAAC for their review. The HAAC selected and approved the attached rendering for City Council's final review and approval.

The Mayor may call upon Ed Ramirez, Executive Secretary for the HAAC, to answer any questions the Council may have regarding the proposed Traffic Signal Cabinet Art Project.

### **FISCAL IMPACT**

The total cost of this project will be \$780.00 and will be fully funded by the Heritage Art in Public Places Program (HAPP) Fund. There will be no impact to the General Fund.



# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **INFRASTRUCTURE IMPACT**

The infrastructure impact is minimal. Any necessary aesthetic repairs are provided by the artist at a rate of \$50.00 per hour which is also paid by the HAPP fund.

Raymond R. Cruz  
City Manager

## **Attachments**

- Proposed Traffic Signal Box Art Rendering and Book Titles
- Invoice from Hartzog and Crabill, Inc. for painted utility box in Library Theme



## PROPOSED TRAFFIC SIGNAL BOX ART RENDERING AND BOOK TITLES

Real Life Adventures of Manuel Nieto

The Hawkins Tragedy

The Turn of the Windmill

Oil Derrick Repair Manual

Marius Meyer: Rags to Riches

Train Travel through Santa Fe Springs

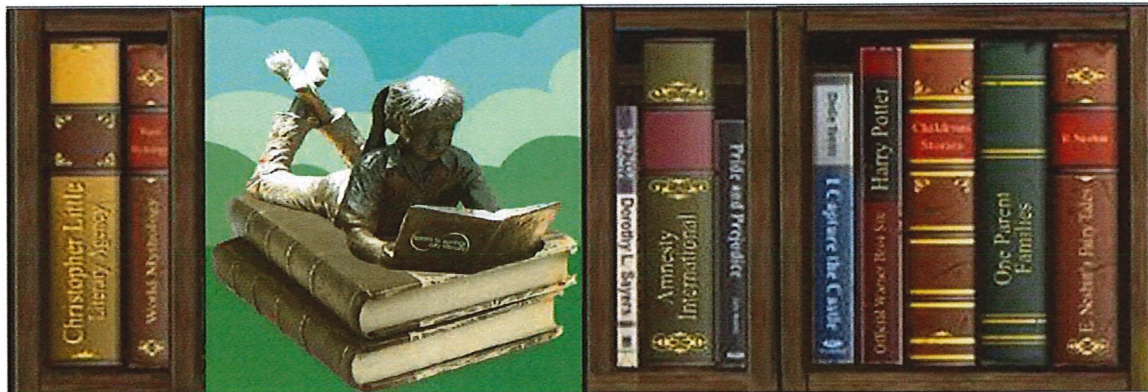
Black Gold: The Story of Santa Fe Springs

The History of the Tongva

Chancy & Marie; A Love Story

Images of America Santa Fe Springs

1



Location: Alburty/Telegraph Rd.





September 17, 2018

**Candace Galvan**

*Design-Mural Painting*

2420 Park Avenue

Long Beach, CA 90815

[ctgalvan@verizon.net](mailto:ctgalvan@verizon.net)

(562) 985-9891 Home

(562) 243-9660 Cell

*Hartzog & Crabill, Inc.  
Gerald J. Stock, P.E.,  
Executive Vice President  
17852 E. 17<sup>th</sup> Street  
Suite 101  
Tustin, CA 92780*

**Invoice**

**City of Santa Fe Springs**

*Utility Box at Telegraph Rd. & Alburtis Ave.*

Painted utility box in Library Theme

<b><u>Classification</u></b>	<b><u>Amount</u></b>
Painted utility 4'h x 4'w & 2'w x 4'h	\$780.00







# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **NEW BUSINESS**

Resolution No 9604 – Establishing the City's Maximum Contribution under the Public Employees' Medical and Hospital Care Act

### RECOMMENDATION That the City Council:

- Adopt Resolution No. 9604, establishing the City's maximum contribution to medical insurance premiums under the Public Employees' Medical and Hospital Care Act.

## BACKGROUND

The various Memorandum of Understanding (MOUs) between the General Employees Association, the Executive Management Confidential Association and the Firefighters Association agree to extend the current medical contribution for the 2019 calendar year.

Medical premiums will remain as follows, effective January 1, 2019:

Executive, Management & Confidential Association and General Employees Association:

Tier 1 – Employees hired on or before November 18, 2012 - \$1,458.75 per month

Tier 2 – Employees hired after November 18, 2012 (Classic, and Tier 2 – PEPR) - \$1,059.98 per month

Firefighters Association:

Tier 1 – Employees hired on or before November 18, 2012- \$1,456.44 per month

Tier 2 – Employees hired after November 18, 2012 (Classic, and Tier 2 – PEPR) - \$1,074.56 per month

Retirees – \$1,458.75 per month

Government Code Section 22892 requires that a resolution be adopted fixing this maximum amount for medical coverage.

Report Submitted By:  
Travis Hickey, Director of Finance  
Debbie Ford, Human Resources Manager

Date of Report: September 19, 2018  
**Item No. 14**



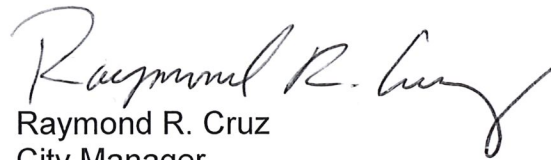
# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## FISCAL IMPACT

The financial impact of this adjustment has already been incorporated and approved in the FY2018-19 Budget as part of the applied benefits and labor costs.

  
Raymond R. Cruz  
City Manager

## Attachment(s)

Resolution No. 9604

Report Submitted By:  
Travis Hickey, Director of Finance  
Debbie Ford, Human Resources Manager

Date of Report: September 19, 2018

## **RESOLUTION NO. 9604**

### **A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES' MEDICAL HOSPITAL CARE ACT**

**WHEREAS**, City of Santa Fe Springs is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "ACT"); and

**WHEREAS**, Government Code Section 22892(a) provides that a contracting agency subject to ACT shall fix the amount of the employer contribution by resolution; and

**WHEREAS**, Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the ACT; and

**RESOLVED**, That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of \$1,458.75 per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further

**RESOLVED**, City of Santa Fe Springs has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

**RESOLVED**, That the participation of the employees and annuitants of the City of Santa Fe Springs shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that City of Santa Fe Springs would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.

**RESOLVED**, That the executive body appoint and direct, and it does hereby appoint and direct, Travis Hickey, Director of Finance and Administrative Services to file with the Board a verified copy of this resolution, and to perform on behalf of the City of Santa Fe Springs Councilmembers all functions required of it under the ACT.

Adopted at a regular meeting of the City Council at Santa Fe Springs, this 27th day of September, 2018.

ATTEST:

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

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





## **NEW BUSINESS**

### Award of Contract for City Wide Ethernet Services

#### RECOMMENDATION

- Authorize the Mayor or designee to execute an Agreement with Spectrum Enterprise to provide Ethernet Services between City Hall and other City facilities for 36 months

#### BACKGROUND

Five years ago, the City began to work on an infrastructure upgrade that would greatly increase the voice and data connectivity between the facilities. The City had discussions with Verizon, Time Warner Enterprise Group and wireless vendors. Verizon had only copper technology in place and it was too costly on a monthly basis. Wireless vendors had trouble getting line of sight between the different facilities and City Hall. Time Warner Enterprise Group proposed a fiber connectivity (Bcf Fiber Metro Ethernet Services) from City's facilities back to City Hall. They proposed that they will lay the fiber connectivity to our facilities in exchange for a five year term where they would spread the cost of the infrastructure on a monthly basis. Ultimately we chose to enter into an agreement with Time Warner Enterprise Group. The fiber connection provide the facilities with voice and data capabilities. In 2016, Spectrum Enterprise purchased Time Warner Cable and all of its assets. Over the last five years, the uptime for Time Warner Cable/Spectrum Enterprise connection was 99%.

The Director of Technology Services began having discussions with Spectrum Enterprise about the upcoming renewal of services in June of this year. He reiterated to the newly assigned Spectrum Enterprise team that the City expects to see a decrease in monthly price and see an increase in connectivity speed between the facilities and City Hall.

Spectrum Enterprise is proposing the following:

Facility	Current Speed	Current Monthly Cost	Proposed Upload/Download Speed	Proposed Monthly Cost	Savings per Month
City Hall	100 Mbps	\$1,351.36	1.0 Gbps	\$920.00	\$431.36
Police Services Center	100 Mbps	\$1,351.36	1.0 Gbps	\$920.00	\$431.36
Municipal Services Yard	100 Mbps	\$1,351.36	1.0 Gbps	\$920.00	\$431.36
Fire Headquarters	100 Mbps	\$1,351.36	1.0 Gbps	\$920.00	\$431.36
Gus Velasco Neighborhood Center *	100 Mbps	\$1,000.00	1.0 Gbps	\$920.00	\$80.00



## City of Santa Fe Springs

City Council Meeting

September 12, 2018

Facility	Current Speed	Current Monthly Cost	Proposed Upload/Download Speed	Proposed Monthly Cost	Savings per Month
Fire Station #2	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00
Fire Station #3	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00
Fire Station #4	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00
Betty Wilson Center	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00
Activity Center	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00
Heritage Park	10 Mbps	\$740.00	200 Mbps	\$560.00	\$180.00

\* Gus Velasco Neighborhood Center pricing was revised in July 2018 due to Options for Learning taking over the building.

Spectrum Enterprise Services differs from Spectrum Internet for Residents in that the speed (upload and download) is guaranteed from point A to point B and can go as high as 10 Gbps (Gigabits per second). The enterprise connection is constantly monitored by the Spectrum Enterprise personnel. The services for home varies by address so some residents get 100 Mbps (Megabits per Second) download speed while others will get below that. 150 Mbps is currently the maximum speed they will support. Often the Spectrum Internet for Residents upload speed is only 10-20 Mbps.

Spectrum Enterprise will increase the network bandwidth capabilities between the City's facilities. The core facilities such as Police Services Center, Fire Headquarters, Gus Velasco Neighborhood Center and the Municipal Services Yard will go from 100 Mbps to 1 Gbps. The other facilities will go from 10 Mbps to 200 Mbps. The bandwidth increase at these facilities will improve the access to the financial system and network attached storage systems.

The Director of Technology Services is recommending that the City enter into a 36 month contract with Spectrum Enterprise to provide Ethernet Services (voice and data capabilities) at the proposed connection speed and monthly cost.

### FISCAL IMPACT

The newly revised pricing will save the City approximately \$34,000 per year.

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

Raymond R. Cruz  
City Manager

### Attachments:

Vendor Quote – Spectrum Enterprise Proposal

# **Spectrum Enterprise**

## **Proposal for Ethernet Services for the City of Santa Fe Springs**

**Presented To:**

**Alex Tong  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
[alextong@santafesprings.org](mailto:alextong@santafesprings.org)**

**Presented By:**

**Liisa Vardayou  
Strategic Account Manager Gov/Ed  
7337 Central Avenue  
Riverside, CA 92504  
951-255-2980  
[liisa.vardayou@charter.com](mailto:liisa.vardayou@charter.com)**





September 10, 2018

Alex Tong  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
alextong@santafesprings.org

Dear Alex:

Charter Communications™\* (Spectrum) is pleased to submit the enclosed proposal for Ethernet Services. Our proposal demonstrates Spectrum's ability to provide network solutions that will enable City of Santa Fe Springs to meet its technology needs.

Spectrum is committed to providing City of Santa Fe Springs with broadband services necessary to meet its current and future technology needs. Spectrum provides advanced broadband services to more than one million business customers across 41 states, and we are one of the largest Ethernet providers in the country and the largest provider in the major US cities we serve.

Partnering with Spectrum provides the foundation to open opportunity, drive innovation and deliver exceptional experiences. Spectrum's advanced technology and product innovations address customer's growing demands for increased bandwidth, scalability, reliability and mobility. Spectrum' is committed to delivering industry-leading client service and support.

Thank you for the opportunity to submit this proposal. We look forward to the opportunity to review our proposal with you in detail and to implement the recommendations we are making.

Please do not hesitate to call if you have further questions or if there is anything else you need at this time. I look forward to speaking with you soon!

Sincerely,

*Liisa Vardayou*

Liisa Vardayou

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\* Spectrum Enterprise is the commercial brand of Charter Communications, Inc. The legal entities proposing hereunder are Charter Communications Operating, LLC, subsidiaries of Charter Communications, Inc.



## **LEGAL DISCLAIMER AND SUMMARY**

This proposal shall not be considered an acceptance of any offer by City of Santa Fe Springs or otherwise create a binding contract between City of Santa Fe Springs and Spectrum. This proposal is submitted with the express understanding that the specific, comprehensive terms under which Spectrum and City of Santa Fe Springs may enter into a binding contract are understood to be subject to negotiation between the parties hereafter. The terms of this proposal are confidential and should not be disclosed directly or indirectly to any third party, except as may be required by law.

This proposal may assume a certain minimum level of acceptance of our bid. Therefore, in the event only a portion of Spectrum's proposal is accepted, our offer may be affected, and thus, Spectrum requests to review any such partial acceptance before final acceptance.

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## EXECUTIVE SUMMARY

Spectrum Enterprise ("Spectrum"), the commercial brand of Charter Communications, is pleased to provide this proposal illustrating our ability to provide City of Santa Fe Springs with communications services. We take pride in being an innovative resource for businesses and communities. Our reliable and economical service is a natural fit with your mission.

### Unsurpassed Expertise and Customer Support

A network of specially trained, industry experts supports Spectrum. We have around-the-clock, U.S.-based business support centers and knowledgeable, locally based technicians who are specifically trained to help with your unique needs. Our dedicated work ethic, shared knowledge, and proprietary systems allow us to ensure that the solutions we are quoting City of Santa Fe Springs will match your specific and discrete needs.

When you collaborate with Spectrum for communications services, we assign a dedicated account team who will support your services:

- ▶ **Account Executive:** a dedicated, local market expert who is available for your consultation needs
- ▶ **Sales Engineering:** trained technical experts who customize designs based on your needs.
- ▶ **Project Management:** customer focused experts who manage your build and communicate with you every step of the way
- ▶ **Account Manager:** your point of contact; responsible for providing you with accurate billing and consultation on future growth needs
- ▶ **Network Operations Center:** Spectrum staff that continuously monitors the network

### Renewal Plan

As your incumbent provider, we have developed this proposal with the benefit of our experience, and have based it on our knowledgeable understanding of your requirements. Our combination of technology services and proposed cost, based on actual experience with City of Santa Fe Springs, provides an incredible value. By choosing once again to collaborate with Spectrum, you will be choosing a vendor with the proven infrastructure and experienced team currently in place to support the program. It is Spectrum's objective to continue our partnership with you while continuing to focus on responsiveness, transparency, and continuity of services.

### About Us

#### Acquisition of Time Warner Cable and Bright House Networks

Charter Communications (NASDAQ: CHTR) has completed the merger transactions with Time Warner Cable and Bright House Networks. Spectrum, a division of Charter Communications, is a national provider of scalable, fiber-based technology solutions serving many of America's largest businesses and communications service providers. Spectrum's broad portfolio includes Internet access, Ethernet access and networks, Voice, and TV solutions and extends to Managed IT solutions including Application, Cloud Infrastructure and Managed Hosting Services offered by its affiliate,

Navisite. Our industry-leading team of experts work closely with clients to achieve greater business success by providing these right fit solutions designed to meet their evolving needs. For more information, visit [enterprise.spectrum.com](http://enterprise.spectrum.com).

Much of our growth has been achieved through acquisitions of cable properties and the subsequent increase of customers in those communities, as well as development and launch of new products and services. Standing at the intersection of technology and entertainment, we facilitate essential communications that connect more than 25 million residential and business customers in 41 states. Our commitment to serving customers and exceeding their expectations is the foundation of our business strategy and this philosophy that guides our 90,000 employees.

All of our services are delivered over our state-of-the-art network and we back them up with professional customer service and support from local technicians. We are dedicated to bringing our clients innovative, reliable services, and responsible care.

Additional financial information about Spectrum, including annual and quarterly reports, may be found at our [Investor Relations](#) portal.

For more information about Charter, visit the [Charter Communications Newsroom](#).

#### The New Government Network, Today

Advanced solutions and services for federal, state, and local governments  
Spectrum delivers the Government solutions that equip staff, agencies, and citizens to reliably and securely connect and collaborate. A smart technology partner helps you accomplish your mission-critical objectives.

#### **Advanced Technology connects State and Local Agencies**

State and local government agencies struggle to meet mounting citizen and employee service demands within limited budgets. City leaders with growing communities need significant upgrades to IT infrastructure, to maintain service to City Halls, police departments, fire stations, senior centers, and other facilities to meet diverse needs of constituents.

Cayce, SC, was seeking a cost-effective solution to its challenges. Cayce needed a secure way to link remote employees to the main City Hall network. It also wanted to ensure it had the bandwidth and flexibility to meet future service demands.

***“Time Warner Cable’s (TWCBC is now Spectrum) Ethernet [service] was the most cost-effective way of linking our off-site locations to our main campus—and it was the easiest solution, too.”***

— Roger Marini, IT Director, City of Cayce, SC ([Full Case Study](#))

Cayce solved their challenges and improved their service offerings with affordable fiber-based solutions from Spectrum. Fiber Internet Access (FIA) circuits, Ethernet services, and fiber-based PRI trunks help Cayce give citizens and employees bandwidth, security, and flexibility.

## IT Solutions For Multi-Location Businesses

### No location is an island

Organizations with multiple locations have unique and challenging communications and connectivity needs. Sometimes these special requirements create opportunities for creating efficiencies and reduced costs by using technologies that provide opportunities to consolidate services. In other cases, complex network architecture may be required. Whether you are trying to provide voice, data, Internet, or video services for a multi-location business, the best approach is to consider the needs of your organization as a whole.

### Your organizational needs, combined with our knowledge of technology and experience

The needs of an organization with a few locations within a metropolitan area versus one with hundreds of locations spanning multiple time zones are entirely different. It is essential to collaborate with a partner that not only provides the technologies you need, but that can also work with your unique business requirements. Bring your needs and knowledge, and we will combine them with our experience and technological skills to help you construct a solution that meets your unique needs. Our solutions include reliable, high-bandwidth, fiber Internet, traditional and IP voice, WAN (including MEF CE 2.0 Ethernet services), and commercial video.

With Spectrum, you can:

- ▶ Drive success by supporting high-speed, reliable, and secure data exchange across your operation
- ▶ Reach all of your locations through our fiber, coaxial, and partnering solutions
- ▶ Reduce vendor complexity by enabling connectivity solutions to meet your enterprise's unique needs
- ▶ Enjoy savings with volume discount pricing

## Seamlessly Integrate Your Company's Locations

Create better product and services, improve customer service and lower costs

Ask any business leaders what their objectives are, and you will get very similar responses: create better goods and services; improve customer service; or lower operational costs. Your goals are probably similar, and the IT challenge that presents itself is to enable communication and collaboration from geographically dispersed locations. In an ever-increasing competitive environment, how do you set your business apart from the rest? The answer is simple. Do the same thing, but do it better.

Let the innovation flow by seamlessly integrating your office locations  
When it comes to creating better products and services, improving customer service or lowering costs, businesses consistently turn to technology to deliver the improvements they need to meet these goals. Today, this innovation happens in the cloud, in data centers, and sometimes via our various mobile devices. The key to doing this better lies in how well you enable information to flow between these sources of innovation throughout your organization locations.

#### Seamless cloud connectivity, big data, and mobility

Setting up an effective network to link all of your sites and resources together in the most efficient way requires an understanding of your operations and technical knowledge. Just as your business is unique, there is no single right answer. If your innovation is coming from the cloud, then high-speed Internet access will be critical. However, if mining Big Data is what drives your business, then a high-performance WAN between your data centers is essential. Alternatively, perhaps the application of video or the enablement of a mobile workforce with a reliable fiber connection is what enables you.

Connecting the sources of innovation together in a better way requires more than the use of the right type of network technology. Your network needs to be reliable, offer high performance for a competitive advantage, and be supported by a team you can trust so that you can focus on your goals.

## SPECTRUM ETHERNET SERVICES

Link multiple locations, leverage bandwidth-intensive applications, and fortify your business continuity plans with Spectrum Ethernet services. Take advantage of cost-effective, customized network solutions, which can power your Wide Area Network infrastructure for seamless and secure collaboration. Moreover, Spectrum holds a Metro Ethernet Forum Carrier Ethernet 2.0 (MEF CE 2.0) certification with 645 Certified Professionals, the greatest number of any current provider. Your evolving business can depend on Ethernet services from an industry leader with a reliable, fiber-rich network.

### Ethernet Private Local Area Network overview

EP-LAN enables any-to-any connectivity for businesses that need to connect all their locations on a single network. EP-LAN brings together cost-effectiveness, speed, simplicity and flexibility in a broadly customizable Ethernet solution.

EP-LAN provides a multipoint-to-multipoint Ethernet WAN that extends your LAN to a Metro or Wide Area Network that allows your company's business-critical applications and data to travel seamlessly across the entire network. EP-LAN can move significant amounts of information between sites, quickly and securely.

### EP-LAN benefits

- ▶ **Privacy:** All data travels within the secure domain of a Layer 2, dedicated, high capacity, and point-to-point connection at native Ethernet speeds
- ▶ **Standards-Based:** Depend on EP-LAN MEF CE 2.0 certifications
- ▶ **Single Interconnection:** A hub aggregates all data traffic on a single network linking all your business locations
- ▶ **Traffic Separation:** Maintain discrete pathways when you consolidate previously separate domains for specific applications or departments onto a single network
- ▶ **Cost Savings:** A single handoff reduces network equipment and management costs

## Spectrum's Ethernet Experience

Spectrum has provided Wide Area Network (WAN) services for over 19 years, with a long-standing record of accomplishment, providing Optical Ethernet services to K-12 schools, colleges/universities, hospital systems, and small-to-large enterprises. In recent years, we have added Long-Haul links utilizing our national backbone, which allows us to provide better service to our multi-state customers.

Our experience includes a tradition of customized WAN solutions to meet our customers' specific design parameters. Design standards include physical and logical network designs that provide flexibility to change and grow. This means that you can implement a design suitable to your current needs and evolve that design for the future.

### Service Overview

Spectrum's Optical Ethernet service is a scalable fiber-optic solution, providing bandwidth options ranging from 10 Mbps to 10 Gbps. Our Ethernet is available in three service types:



- ▶ **EPL** – Ethernet Private Line
- ▶ **EVPL** – Ethernet Virtual Private Line
- ▶ **EP-LAN** – Ethernet Local Area Network

Spectrum is Metro-Ethernet Forum (MEF) compliant. We have obtained CE 1.0 (MEF 9 & MEF 14) and CE 2.0 MEF certifications on all service types.

We design each network to provide a high level of availability and automatic failover in the event of failure of a component in the network. Our head-ends are physically and environmentally secured, have equipment that includes multiple paths, automatic failover, dual power supplies, and backup power to the facility.

### Network Designs

We consider needs for diversity or redundancy while designing the physical plant. We will engage you to determine the optimal design. Final network design includes recommendations, coupled with your agreement on physical and logical network design factors:

- ▶ The physical plant consists of construction/installation of fibers from City of Santa Fe Springs's facility to the nearest splice point terminating at a Spectrum head-end. All provisioning is managed on the core gear.
- ▶ The logical design includes decisions on the implementation of the Ethernet services such as: Layer 2 vs. Layer 3, connectivity options (Point-to-Point, MultiPoint-to-Multipoint, and Point-to-MultiPoint or fully meshed), whether Border Gateway Protocol (BGP) routing is needed for failover of multiple internet connections, and connections to City of Santa Fe Springs's routing equipment.

### Operational Support

Critical to the success of any WAN is the ongoing operational support that City of Santa Fe Springs can expect.

Spectrum's support includes:

- ▶ **Technical Support, Monitoring, and Maintenance**

We provide 24/7/365 proactive monitoring of the service via the Spectrum and Strategic Markets Network Operations Center (ESM NOC). Reported troubles escalate within the ESM NOC and to local network maintenance and repair technicians, as necessary. On-site technicians are typically Spectrum employees who reside locally to provide the quickest turnaround possible.

We provide customers with a list of escalation contacts after the test and turn-up process. This also includes one number to call for fiber support (866) 603-3199 and details on how to engage support when needed.

- ▶ **Preventative Network Maintenance**



We conduct proactive network maintenance between the hours of midnight and 6:00 a.m. local time. Spectrum will typically provide at least ten days' notice before conducting preventative maintenance.

► **Emergency Network Maintenance**

Emergency network maintenance is work that is not reasonably anticipated but requires immediate action to address an issue that is likely to cause a material service outage. We will typically provide notice to the customer of emergency network maintenance as soon as is practical and will do so in advance of such maintenance when reasonable.

## **SPECTRUM'S PROPOSAL TO CITY OF SANTA FE SPRINGS**

Spectrum is pleased to submit this proposal for Ethernet Services to City of Santa Fe Springs. On the pages to follow, Spectrum can provide you with the best, most timely, cost effective solution to meet your needs. We also provided evidence of our competence to deliver solutions in a professional manner, and have indicated the value of our recommendations for you.

As the second largest cable operator in the United States, Spectrum can provide customized solutions in several marketplaces that are unified, powerful, cost-effective, easily managed, and perhaps most importantly, reliable.

Spectrum owns and operates our network from end-to-end and offers one phone number to call after installation for all support and service inquiries. There is never any question as to how to get help, or who will be supporting you should you ever need assistance.

- ▶ **Service and Savings:** Owning our network allows us to not only manage and monitor your services, but also pass cost savings on to our end customers with highly competitive rates
- ▶ **Reliable connectivity:** With dedicated connectivity up to 10 Gbps, Spectrum can offer the newest technology and services
- ▶ **Adaptability:** Spectrum offers future-proof solutions that are scalable and flexible to adapt to our customers changing requirements
- ▶ **Service:** We serve all of our customers with a dedicated team of Account Executives with supporting teams that understand complex requirements for acquiring, funding and installing solutions like yours

We understand that not all businesses have the same needs and are committed to working with our clients to move past limitations, integrating the most valuable solutions, and achieving greater success together. We invite you to review the following proposal and discover how Spectrum can provide a solution for you. Our customers value our knowledge and understanding of their challenges, objectives, operating environments, and rely on our accumulation of best practices from the industry. We realize that your initiatives can often create more ways to use our services than was originally anticipated, so you need to be able to adapt quickly, as demand increases. Since we design solutions that solve your specific needs and anticipate future growth needs, we know that you will achieve the results that you expect from your communications partner now, and into the future. .



## SPECTRUM SERVICE PROPOSAL

These prices will remain in effect throughout the initial Service Period, subject to the following contingencies:

- final engineering, design and site visits; and
- complete Terms & Conditions as provided in our service contract

Investment for Spectrum Services based on a 36 month term

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
City Hall 11710 Telegraph, Santa Fe Springs, CA 90670	EPLAN	1 G	\$920.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Fire Station 4 11736 Telegraph, Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Fire Station Rescue Headquarters 11300 Greenstone, Santa Fe Springs, CA 90670	EPLAN	1 G	\$920.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Police Services Center 11576 Telegraph, Santa Fe Springs, CA 90670	EPLAN	1 G	\$920.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Municipal Services Yard 12636 Emmens Way, Santa Fe Springs, CA 90670	EPLAN	1 G	\$920.00	\$0.00



LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Fire Station 2 8634 Dice Road, Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Fire Station 3 15517 Carmenita Rd, Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Activity Center 11155 Charlesworth Rd, Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Heritage Park 12100 Mora Drive, Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Neighborhood Center 9255 Pioneer Blvd., Santa Fe Springs, CA 90670	EPLAN	1 G	\$920.00	\$0.00

LOCATION	SERVICE	QTY/ SVC. CAP	MRC	NRC
Betty Wilson Center 11641 Florence Ave. Santa Fe Springs, CA 90670	EPLAN	200 M	\$560.00	\$0.00

Spectrum's Taxes, Surcharges, and Fees provision is as follows:

Taxes, Surcharges, and Fees. Customer shall pay all applicable taxes, fees, or surcharges imposed on or in connection with the Services that are the subject of this Service Agreement, including but not limited to applicable federal, state, and local sales, use, property, excise, telecommunications, or other taxes, franchise fees, federal and state universal service fund fees, and other state or local governmental charges or regulatory fees, excluding income taxes measured on Spectrum's net income. If a Customer wishes to claim tax-exempt status, then Customer must supply Spectrum with a copy of Customer's tax exemption certificate or other documentation supporting Customer's certification of its entitlement to such exempt status within fifteen (15) days of installation of applicable Services. If Customer supplies such documentation after that time, Spectrum will apply it to Customer's account on a prospective basis, allowing Spectrum at least thirty (30) days for processing. To the extent such documentation is held invalid for any reason, Customer agrees to pay or reimburse Spectrum for any tax or fee not collected or liability incurred, and including without limitation related interest and penalties arising from Spectrum's reliance on such invalid certificate or documentation. Customer hereby consents that Spectrum may disclose such written documentation, which may include a tax exemption form, to any governmental authority. Tax-exempt status shall not relieve Customer of its obligation to pay applicable franchise fees or other non-tax fees and surcharges since the application of such fees and surcharges may not be governed by the tax standing of Customer. Spectrum reserves the right, from time to time, to change the surcharges for Services under this Service Agreement to reflect incurred costs, charges, or obligations imposed on Spectrum to the extent permitted, required, or otherwise not prohibited under applicable law (e.g., universal service fund charges). Furthermore, Spectrum shall have the right to collect or recover from Customer the amount of any state or local fees or taxes arising as a result of this Service Agreement, which are imposed on Spectrum or its services, or otherwise assessed or calculated based on Spectrum's receipts from Customer that Spectrum is entitled under applicable law to pass through to or otherwise charge Customer for Customer's use or receipt of the Services. Such fees or taxes shall be invoiced to Customer in the form of a surcharge included on Customer's invoice.

To the extent that a dispute arises under this Service Agreement as to which Party is liable for fees or taxes, Customer shall bear the burden of proof in showing that the fee or tax is imposed upon Spectrum's net income. This burden may be satisfied by Customer producing written documentation from the jurisdiction imposing the fee or tax indicating that the fee or tax is based on Spectrum's net income. Customer acknowledges that currently, and from time to time, there is uncertainty about the taxability or regulatory classification of some of the Services Spectrum provides and, consequently, uncertainty about what fees, taxes and surcharges are due to or from Spectrum or from its customers. Customer agrees that Spectrum has the right to determine, in its sole discretion, what fees, taxes, and surcharges are due and to collect and remit them to the relevant governmental authorities, or to pay and pass them through to Customer. Customer hereby waives any claims it may have regarding Spectrum's collection or remittance of such fees, taxes, and surcharges.

## SPECTRUM ENTERPRISE SERVICE LEVEL AGREEMENT

This document outlines the Service Level Agreement ("SLA") for Ethernet fiber-based service (the "Service").

This SLA is a part of, and hereby incorporated by reference into the Spectrum Enterprise Service Agreement (including the terms and conditions, attachments, and Service Orders described therein, the "Agreement"). To the extent any provision of this SLA conflicts with the Agreement, this SLA shall control. All SLA Targets in the table below are measured end to end (i.e. from any two applicable Customer's edge or network interface devices at the Service Location) at the individual circuit or service level, and any applicable credits are issued for the affected circuit or service (the "Affected Service"). Capitalized words used, but not defined herein, shall have the meanings given to them in the Agreement.

### I. SLA Targets for Ethernet Services:

Spectrum Enterprise Ethernet Services SLAs				
Performance Tier	On-Net			Off-Net
	Metro	Regional	National	
Miles	0 - 155	156 - 746	> 746	N/A
Kilometers	0 - 250	251 - 1200	> 1200	N/A
Latency	< 10ms	< 25ms	< 125ms	< 125ms
Jitter	< 2ms	< 4ms	< 8ms	< 8ms
Frame Loss	< 0.01%	< 0.01%	< 0.01%	< 0.01%
Availability	> 99.99%	> 99.99%	> 99.99%	> 99.99%
MTTR	4 hrs.	4 hrs.	4 hrs.	4 hrs.

"On-Net" includes circuits that are provided by Spectrum Enterprise to Service Locations directly from the Spectrum Network. .

"Off-Net" includes circuits that are provided to geographic locations that may be outside or inside Spectrum Enterprise service areas and are provided by third party service providers and not from the Spectrum Network.

### II. Priority Classification:

A "Service Disruption" is defined as an outage, disruption, or severe degradation, other than an Excluded Disruption, that interferes with the ability of a Spectrum Enterprise network hub to transmit and receive network traffic between Customer's A and Z Service Locations. The Service Disruption period begins when Customer reports a Service Disruption using Spectrum Enterprise's trouble ticketing system by contacting Customer Care, Spectrum Enterprise acknowledges receipt of such trouble ticket, Spectrum Enterprise validates that the Service is affected , and Customer releases the Service for testing. The Service Disruption ends when the affected Service has been restored.

"Service Degradation" means a degradation of the Service that is not a Service Disruption or a result of an Excluded Disruption, such as failure of the Service to achieve the SLA Targets for Latency / Frame Delay, Jitter / Frame Delay Variation, or Packet / Frame.

"Excluded Disruptions" means (i) planned outages, (ii) routine or urgent maintenance, (iii) time when Spectrum Enterprise is unable to gain access to Customer's premises

to troubleshoot, repair or replace equipment or the Service, (iv) service problems resulting from acts of omissions of Customer or Customer's representatives or agents, (v) Customer equipment failures, (vi) Customer is not prepared to release the Service for testing, and (vii) Force Majeure Events.

Spectrum Enterprise will classify Service problems as follows:

Priority	Criteria
Priority 1	<ul style="list-style-type: none"> <li>Service Disruption resulting in a total loss of Service; or</li> <li>Service Degradation to the point where Customer is unable to use the Service and is prepared to release it for immediate testing (each a "Priority 1 Outage").</li> </ul>
Priority 2	<ul style="list-style-type: none"> <li>Service Degradation where Customer is able to use the Service and is not prepared to release it for immediate testing.</li> </ul>
Priority 3	<ul style="list-style-type: none"> <li>A service problem that does not impact the Service; or</li> <li>A single non-circuitspecific quality of Service inquiry.</li> </ul>

### III. Service Availability

"Service Availability" is calculated as the total number of minutes in a calendar month less the number of minutes that the Service is unavailable due to a Priority 1 Outage ("Downtime"), divided by the total number of minutes in a calendar month.

The following table contains examples of the percentage of Service Availability translated into minutes of Downtime for the 99.99% Service Availability Target:

Percentage by Days Per Month	Total Minutes / Month	Downtime Minutes
99.99% for 31 Days	44,640	4.5
99.99% for 30 Days	43,200	4.3
99.99% for 29 Days	41,760	4.2
99.99% for 28 Days	40,320	4

### IV. Mean Time to Restore ("MTTR")

The MTTR measurement for Priority 1 Outages is the average time to restore Priority 1 Outages during a calendar month calculated as the cumulative length of time it takes Spectrum Enterprise to restore a Service following a Priority 1 Outage in a calendar month divided by the corresponding number of trouble tickets for Priority 1 Outages opened during the calendar month for the Service.

MTTR per calendar month is calculated as follows:

<p><b>Cumulative length of time to restore Priority 1 Outage(s) per Service</b></p> <hr/> <p><b>Total number of Priority 1 Outage trouble tickets per Service</b></p>
---



Jitter / Frame Delay Variation =	Sum of the Frame Delay Variation measurements for a Service
	Total # of measurements for a Service

#### V. Latency / Frame Delay

Latency or Frame Delay is the average roundtrip network delay, measured every 5 minutes during a calendar month, unless measurement is not possible as a result of an Excluded Disruption, to adequately determine a consistent average monthly performance level for frame delay for each Service. The roundtrip delay is expressed in milliseconds (ms).

Latency / Frame Delay is calculated as follows:

Latency / Frame  
Delay=

Sum of the roundtrip delay measurements for a Service
Total # of measurements for a Service

#### VI. Packet Loss / Frame Loss Ratio

Packet Loss or Frame Loss Ratio is defined as the percentage of frames that are not successfully received compared to the total frames that are sent in a calendar month, except where any packet or frame loss is the result of an Excluded Disruption. The percentage calculation is based on frames that are transmitted from a network origination point and received at a network destination point.

Packet Loss / Frame Loss Ratio is calculated as follows:

Packet Loss / Frame Loss (%) = 100 (%) – Frames Received
--

#### VII. Jitter / Frame Delay Variation

Jitter or Frame Delay Variation is defined as the variation in delay for two consecutive frames that are transmitted (one-way) from a network origination point and received at a network destination point. Spectrum Enterprise measures a sample set of frames every 5 minutes during a calendar month, unless measurement is not possible as a result of an Excluded Disruption, and determines the average delay between consecutive frames within each sample set. The monthly Jitter / Frame Delay Variation is calculated as the average of all of the frame delay variation measurements during such calendar month and is expressed in milliseconds (ms).

#### Network Maintenance

##### Maintenance Notice:

Customer understands that from time to time, Spectrum Enterprise will perform network maintenance for network improvements and preventive maintenance. In some cases, Spectrum Enterprise will need to perform urgent network maintenance, which will usually be conducted within the routine maintenance windows. Spectrum Enterprise will

use reasonable efforts to provide advance notice of the approximate time, duration, and reason for any urgent maintenance outside of the routine maintenance windows.

**Maintenance Windows:**

Routine maintenance may be performed Monday – Friday 12 a.m. – 6 a.m. Local Time.

**IX. Remedies Service Credit:**

If the actual performance of a Service during any calendar month is less than the SLA Targets, and Customer is in compliance with the terms of the Agreement and this SLA, then Customer may request credit equal to the corresponding percentage of the monthly recurring charges for the Affected Service as set forth in the table below. Any credit to be applied will be off-set against any amounts due from Customer to Spectrum Enterprise in the billing cycle following the date Spectrum Enterprise makes its credit determination. Credit requests must be submitted to Spectrum Enterprise within thirty (30) days of the calendar month in which the SLA Target was missed. Spectrum Enterprise will exercise commercially reasonable efforts to respond to such credit requests within 30 days of receipt thereof.

Service Availability	Mean Time To Restore ("MTTR")		Latency / Frame Delay (Roundtrip)	Jitter / Frame Delay Variation	Packet Loss /Frame Loss
30%	> 4 hours ≤ 7:59:59 hours	4%	5%	5%	5%
	> 8 hours	10%			

All SLA Targets are monthly measurements, and Customer may request only one credit per SLA Target per month for the Affected Service. Should one event impact more than one SLA hereunder, Customer shall receive the single highest of the qualifying credits only. Except as set forth below, the credits described in this SLA shall constitute Customer's sole and exclusive remedy, and Spectrum Enterprise's sole and exclusive liability, with respect to any missed SLA Targets. Service Credits hereunder shall not be cumulative per Service.

**Chronic Priority 1 Outages:**

If Customer experiences and reports three (3) separate Priority 1 Outages where the Downtime exceeds four (4) hours during each Priority 1 Outage within three (3) consecutive calendar months, then Customer may terminate the Affected Service without charge or liability by providing at least thirty (30) days written notice to Spectrum Enterprise; provided, however, that (i) Customer may only terminate the Affected Service; (ii) Customer must exercise its right to terminate the Affected Service by providing written notice to Spectrum Enterprise within thirty (30) days after the event giving rise to Customer's termination right; (iii) Customer shall have paid Spectrum Enterprise all amounts due at the time of such termination for all Services provided by Spectrum Enterprise pursuant to the Agreement, and (iv) the foregoing termination right provides the sole and exclusive remedy of Customer and the sole and exclusive liability of Spectrum Enterprise for chronic Priority 1 Outages and Customer shall not be eligible for any additional credits. Termination will be effective forty-five (45) days after Spectrum Enterprise's receipt of such written notice of termination.





# City of Santa Fe Springs

City Council Meeting

September 27, 2018

## **NEW BUSINESS**

Go Rio Program AB2766 Funds to Subsidize Bus Passes to City Residents Attending Rio Hondo College - Agreement Renewal

### **RECOMMENDATIONS**

That the City Council take the following actions:

- Approve the agreement with Rio Hondo College to provide AB2766 Funds for Subsidized Bus Passes for FY2017, FY2018 and FY2019; and
- Authorize the City Manager to execute the agreement on behalf of the City.

### **BACKGROUND**

On November 10, 2015 the City Council approved an agreement between the City and Rio Hondo Community College District to provide assistance with the Go Rio Program. The College requested that the City provide \$2,062.40 of AB2766 funds to subsidize bus passes issued to City of Santa Fe Springs residents for access to transportation to the College. The agreement was for a period commencing on July 1, 2015 and ending on June 30, 2016.

In January of 2017 the College made a request for payment to the City for the 2016/17 Fiscal year. The request was directed, per the agreement, to the City Manager. The request was not acted upon by the Interim City Manager at that time and thus no addendums were made to the agreement causing the funding and the agreement to lapse.

Recently the Rio Hondo College School District invoiced the City of Santa Fe Springs on behalf of the Go Rio Program in the amount of \$6,187.20 for FY2017, FY2018, and FY2019 periods. The College referenced Agreement dated 11/10/2015 an agreement that lapsed on June 30, 2016. It is understood that the intention of the City was to continue supporting the Go Rio Program as long as residents of the City were directly benefitting.

Staff recommends that the City renew the agreement and retroactively fund the Go Rio Program for FY2017 and FY2018 as originally intended. Staff also recommends to extend the agreement from one year to three years after the current period of service expires to ensure that funding does not lapse.

### **LEGAL REVIEW**

The City Attorney's office has reviewed the AB2766 Funding Agreement.

Report Submitted By: Noe Negrete  
Director of Public Works

A handwritten signature in blue ink, appearing to be "MN" or similar initials.

Date of Report: September 17, 2018

**Item No. 16**

**FISCAL IMPACT**

There is no Fiscal Impact to the City in that AB2766 funds are restricted and can only be used for programs that reduce vehicle emissions. Currently there are no City provided programs that fit the criteria and the funds are being accumulated until such a program is identified.

A handwritten signature in black ink, appearing to read 'Raymond R. Cruz', followed by a large checkmark.

Raymond R. Cruz  
City Manager

**Attachment:**

1. Agreement 12915
2. Agreement Dated 11/10/2015

**AGREEMENT NO: 12915**

**COMMUNITY SERVICES AGREEMENT  
FY 2018-2019**

**Date Approved:   October 11, 2018**

**Amount of Grant:   \$6,187.20 (\$2,062.40 for three successive years)**

**Organization:       Rio Hondo College**

**THIS AGREEMENT**, entered on this **11th day of October 2018** by and with the **CITY OF SANTA FE SPRINGS**, hereinafter referred to as "CITY", and the **RIO HONDO COMMUNITY COLLEGE DISTRICT**, hereinafter referred to as "CONTRACTOR". The parties hereto agree as follows:

1. Scope of Services. CONTRACTOR is to perform all services set forth in **Exhibit "A"** of this Contract. CONTRACTOR represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. CONTRACTOR further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

2. Time of Performance. Said services of CONTRACTOR are to commence as of **July 1, 2016** and shall be completed **June 30, 2019**.
3. Fee: Compensation to CONTRACTOR for the total services to be rendered pursuant to this Agreement shall not exceed \$6,000.00 (\$2,000.00 for each year) and the disbursement of funds shall be made according to Section 4 of this contract.
4. Payment. Payments by the CITY to the CONTRACTOR shall be paid in three equal installments of \$2,062.40 each for a total of \$6,187.20 payable 30 days after receipt of the annual report. If the annual report is not filled out completely or accurately, payment will not be made.

Payments will be made to the CONTRACTOR at the following address:

Attn: Dr. Russell Castañeda-Calleros,  
Director of Government & Community Relations  
Rio Hondo Community College District  
3600 Workman Mill Road  
Whittier, CA 90601

5. Maintenance and Availability of Records. CONTRACTOR shall establish and maintain, on a current basis, a project records file and an adequate accounting system in accordance with generally accepted accounting principles and standards. CONTRACTOR shall retain all records for at least three years. CONTRACTOR shall make available for inspection its performance, financial and all other records pertaining to the performance of this Contract to authorized CITY personnel and allow said personnel to inspect and monitor its facilities and program conditions, including the interview of CONTRACTOR'S staff and program participants as required to enable the CITY to fulfill their obligations to insure compliance with all applicable laws.
6. Program Report. Annually, or as frequent as may reasonably be determined by the CITY, the CONTRACTOR shall provide the CITY, a report on the status of the services to be performed pursuant to this agreement. The CONTRACTOR shall, no later than thirty (30) days after the close of the school year, provide the CITY with a status and summary of the previous quarter's caseload and activities. The due dates for the annual performance report will be June 30<sup>th</sup>. Failure to submit the required reports may result in the termination of this Agreement.
7. Independent Contractor. CONTRACTOR'S relationship to CITY in performance of this Agreement is that of an independent contractor. The personnel performing services under this Agreement shall at all times be under CONTRACTOR'S exclusive direction and control and shall be employees of CONTRACTOR and not employees of CITY.
8. Assignability. The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or transfer), without the prior written consent of the CITY hereto. However, claims for money due or to become due to the CONTRACTOR from the CITY under this Contract may be assigned to a bank, trust company, or other financial institution without such approval; notice of any such assignment or transfer shall be furnished promptly to the CITY.
9. Termination of Agreement. This Agreement may be terminated by City without cause upon five-(5) days prior written notice and by CONSULTANT without cause upon thirty (30) days prior written notice. CITY shall be responsible for payment for work performed prior to the time such notice is given, but not for work performed after the notice if given, unless such work is requested in writing by CITY after the notice of termination.
10. Indemnification and Insurance. CONTRACTOR shall indemnify, defend and save harmless the CITY, its officers, agents and employees from and against any and all claims and losses whatsoever accruing or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation for damage, injury or death, arising out of or in connection with CONTRACTOR'S performance of this Contract. Without limiting CONTRACTOR'S indemnification, it is agreed that CONTRACTOR shall maintain in

force at all times during the performance of this Contract a policy or policies of insurance covering its operations. CONTRACTOR shall furnish CITY with certificates evidencing the maintenance of such insurance coverage. CITY shall be given notice in writing at least thirty (30) days prior to cancellation or modification of any policy. CITY, its officers and employees, shall be named as additional insured on all policies of liability insurance. All policies of insurance shall be in a company authorized by law to transact insurance business in the State of California and shall include the following:

- a) General Liability - With a combined single limit of \$1,000,000.
- b) Automobile - If used in performing services hereunder, automobile insurance must be obtained in an amount equal to that required for general liability.
- c) Worker's Compensation - In compliance with California Worker's Compensation laws.

The insurance provided by CONTRACTOR shall be primary to any coverage available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of CONTRACTOR's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR, and CONTRACTOR's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against the City. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses. Procurement of insurance by CONTRACTOR shall not be construed as a limitation of CONTRACTOR's liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

- 11. Equal Opportunity in Program Benefits. CONTRACTOR shall not deny service to or otherwise discriminate against any person on the grounds of race, color, religion, creed, sex, national origin, material status, physical handicap, medical condition or age.
- 12. Reimbursement. CONTRACTOR'S obligation to reimburse CITY of misuse of funds shall survive the termination or expiration of this Contract.
- 13. Conflict of Interest. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Contract nor shall any member, official or employee participate in any decision relating to the Contract which affects his or her personal interests of any corporation, partnership or association in which it is, directly or indirectly, interested.
- 14. Equal Opportunity Employment Practices Provision.

- a) CONTRACTOR certifies and represents that, during the performance of the



Contract, the CONTRACTOR will adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex or age.

- b) CONTRACTOR agrees that it will, in all solicitations or advertisements for applicants for employment placed by or on behalf of the CONTRACTOR, state that it is an "Equal Opportunity - Affirmative Action Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.
- c) CONTRACTOR agrees to provide the CITY with access to and, if requested to do so by the CITY, provide copies of all of its records pertaining or relating to its employment practices, to the extent such records are not confidential or privileged under State and Federal law.
- d) CONTRACTOR agrees to recruit vigorously and encourage businesses owned by persons who are members of a protected class to bid on its subcontract.
- e) Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

15. Ownership Of Written Product. All reports, documents or other written material ("written products") developed by CONTRACTOR in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. CONTRACTOR may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by CONTRACTOR.

16. NOTICES. Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: i) the day of delivery if delivered by hand, facsimile or overnight courier service during CONTRACTOR's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

To City:

Ray Cruz  
City Manager  
City of Santa Fe Springs  
11710 E. Telegraph Rd.  
Santa Fe Springs, CA 90670  
(562) 868-0511 ext. 7510  
[rcruz@santafesprings.org](mailto:rcruz@santafesprings.org)

To Contractor:

Teresa Dreyfuss, Superintendent/President  
Rio Hondo Community College District  
3600 Workman Mill Road  
Whittier, CA 90601  
(562) 463-7268  
[tdreyfuss@riohondo.edu](mailto:tdreyfuss@riohondo.edu)

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed on this **11th day of October, 2018**.

**RIO HONDO COMMUNITY  
COLLEGE DISTRICT**

**CITY OF SANTA FE SPRINGS**

By \_\_\_\_\_  
Teresa Dreyfuss,  
Superintendent/President

By \_\_\_\_\_  
Ray Cruz  
City Manager

Date: October 11, 2018

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

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Deputy City Clerk

\_\_\_\_\_  
City Attorney

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

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

## **EXHIBIT "A"**

**Rio Hondo College**  
FY 2016-17  
FY 2017-18  
FY 2018-19

### **PERFORMANCE ACCOMPLISHMENT REPORT**

#### **The General Purpose:**

The Rio Hondo College "GO RIO" Program is an innovative program that connects full-time students with universal access to mass transit throughout the Rio Hondo College district. GO RIO features a partnership between Rio Hondo College and its six primary transit partners: Metro, Foothill Transit, Norwalk Transit, Montebello Bus Lines, El Monte Transit, and the L.A. County Sunshine Shuttle. Rio Hondo College is requesting funds from the City of Santa Fe Springs to subsidize the GO RIO Program that Rio Hondo provides to full-time students who reside in the City of Santa Fe Springs.

#### **Goals and Objectives:**

- Increase the number of Rio Hondo College students who use public transportation
- Decrease the number of single occupancy vehicles that come to campus
- Improve the quality of the air

#### **Program Reports:**

- Quarterly Performance Report
- Quarterly Expenditure Financial Statement

#### **SUBRECIPIENT AGENCY WILL BE RESPONSIBLE FOR:**

Quarterly Performance Report providing a detailed summary of Santa Fe Springs residents serviced by the program, as well as needed back-up documentation.

Quarterly Expenditure Financial Statement of actual costs and disbursements incurred as they relate to the City of Santa Fe Springs.

City of Santa Fe Springs funds must only be used to service Santa Fe Springs residents.

**AGREEMENT NO: \_\_\_\_\_**

**THIS AGREEMENT**, entered on this 10th day of December, 2015 by and with the **CITY OF SANTA FE SPRINGS**, hereinafter referred to as "CITY", and the **RIO HONDO COMMUNITY COLLEGE DISTRICT**, hereinafter referred to as "DISTRICT". The parties hereto agree as follows:

1. Scope of Services. DISTRICT is to perform all services set forth in **Exhibit "A"** of this Contract. DISTRICT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. DISTRICT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

City shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

2. Time of Performance. Said services of DISTRICT are to commence as of July 1, 2015 and shall be completed June 30, 2016.

3. Fee: Compensation to DISTRICT for the total services to be rendered pursuant to this Agreement shall not exceed \$2,062.40 and the disbursement of funds shall be made according to Section 4 of this contract.

4. Payment: Payments by the CITY to the DISTRICT shall be paid in one lump sum of \$2,062.40, upon receiving an invoice from DISTRICT, payment will be made by CITY within thirty (30) days

Attn: Russell Castañeda-Calleros,  
Director of Government & Community Relations  
Rio Hondo Community College District  
3600 Workman Mill Road  
Whittier, CA 90601

5. Maintenance and Availability of Records. DISTRICT shall establish and maintain, on a current basis, a project records file and an adequate accounting system in accordance with generally accepted accounting principles and standards. DISTRICT shall retain all records for at least three years. DISTRICT shall make available for inspection its performance, financial and all other records pertaining to the performance of this Contract to authorized CITY personnel and allow said personnel to inspect and monitor its facilities and program conditions, including the interview of DISTRICT'S staff and program participants as required to enable the CITY to fulfill their obligations to insure compliance with all applicable laws.

6. Program Report. Quarterly, or as frequent as may reasonably be determined by the CITY, the DISTRICT shall provide the CITY, in a form approved by the CITY (see **Exhibit "B"**), a budget and report on the status of the services to be performed pursuant to this agreement. The DISTRICT shall, no later than ten (10) days after the close of each quarter, provide the CITY with a status and summary of the previous quarter's caseload and activities. Other periodic performance reports and information may be required upon request by CITY. Failure to submit the required reports may result in the termination of this Agreement.

7. Independent Contractor. DISTRICT'S relationship to CITY in performance of this Agreement is that of an independent contractor. The personnel performing services under this Agreement shall at all times be under DISTRICT'S exclusive direction and control and shall be employees of DISTRICT and not employees of CITY.

8. Assignability. The DISTRICT shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or transfer), without the prior written consent of the CITY hereto. However, claims for money due or to become due to the DISTRICT from the CITY under this Contract may be assigned to a bank, trust company, or other financial institution without such approval; notice of any such assignment or transfer shall be furnished promptly to the CITY.

9. Termination of Agreement. This Agreement may be terminated by City without cause upon five-(5) days prior written notice and by DISTRICT without cause upon thirty (30) days prior written notice. CITY shall be responsible for payment for work performed prior to the time such notice is given, but not for work performed after the notice if given, unless such work is requested in writing by CITY after the notice of termination.

10. Indemnification and Insurance. DISTRICT shall indemnify, defend and save harmless the CITY, its officers, agents and employees from and against any and all claims and losses whatsoever accruing or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm, or corporation for damage, injury or death, arising out of or in connection with DISTRICT'S performance of this Contract. Without limiting DISTRICT'S indemnification, it is agreed that DISTRICT shall maintain in force at all times during the performance of this Contract a policy or policies of insurance covering its operations. DISTRICT shall furnish CITY with certificates evidencing the maintenance of such insurance coverage. CITY shall be given notice in writing at least thirty (30) days prior to cancellation or modification of any policy. CITY, its officers and employees, shall be named as additional insured on all policies of liability insurance. All policies of insurance shall be in a company authorized by law to transact insurance business in the

State of California and shall include the following:

- a) General Liability - With a combined single limit of \$1,000,000.
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All insurance coverage provided pursuant to this Agreement shall not prohibit DISTRICT, and DISTRICT's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. DISTRICT hereby waives all rights of subrogation against the City. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of City, DISTRICT shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or DISTRICT shall procure a bond guaranteeing payment of losses and expenses. Procurement of insurance by DISTRICT shall not be construed as a limitation of DISTRICT's liability or as full performance of DISTRICT's duties to indemnify, hold harmless and defend under Section 10 of this Agreement.

11. Equal Opportunity in Program Benefits. DISTRICT shall not deny service to or otherwise discriminate against any person on the grounds of race, color, religion, creed, sex, national origin, material status, physical handicap, medical condition or age.

12. Reimbursement. DISTRICT'S obligation to reimburse CITY of misuse of funds shall survive the termination or expiration of this Contract.

13. Conflict of Interest. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Contract nor shall any member, official or employee participate in any decision relating to the Contract which affects his or her personal interests of any corporation, partnership or association in which it is, directly or indirectly, interested.

14. Equal Opportunity Employment Practices Provision.

- a) DISTRICT certifies and represents that, during the performance of the Contract, the DISTRICT will adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex or age.
- b) DISTRICT agrees that it will, in all solicitations or advertisements for applicants for employment placed by or on behalf of the DISTRICT, state that it is an "Equal Opportunity - Affirmative Action Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.
- c) DISTRICT agrees to provide the CITY with access to and, if requested to do so by the CITY, provide copies of all of its records pertaining or relating to its employment practices, to the extent such records are not confidential or privileged under State and Federal law.



d) DISTRICT agrees to recruit vigorously and encourage businesses owned by persons who are members of a protected class to bid on its subcontract.

e) Nothing contained in this Contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

15. Ownership Of Written Product. All reports, documents or other written material ("written products") developed by DISTRICT in the performance of this Agreement shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. DISTRICT may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by DISTRICT.

16. NOTICES. Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, facsimile or overnight courier service during DISTRICT's and City's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

To City:

Thaddeus McCormack  
City Manager  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
(562) 868-0511  
ThaddeusMcCormack@santafesprings.org

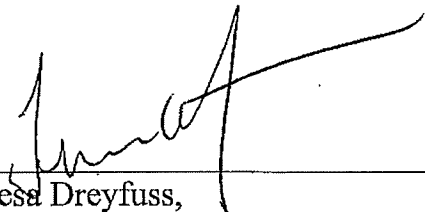
To Contractor:

Teresa Dreyfuss,  
Superintendent/President  
Rio Hondo Community College District  
3600 Workman Mill Road  
Whittier, CA 90601  
(562) 463-7268  
rcastaneda-calleros@riohondo.edu


(Signatures on Next Page)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be  
executed in duplicate on this \_\_\_\_ day of \_\_\_\_\_ 2015.

**RIO HONDO COMMUNITY  
COLLEGE DISTRICT**

By   
Teresa Dreyfuss,  
Superintendent/President

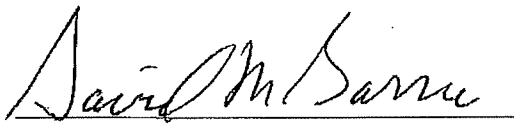
**CITY OF SANTA FE SPRINGS**

By   
Thaddeus McCormack  
City Manager


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

Date: 12.14.15

**ATTEST:**

  
interim  
City Clerk

**APPROVED AS TO FORM:**

  
Steve Skolnik  
City Attorney

Date: Dec 21, 2015

Date: Dec 21, 2015



## **EXHIBIT "A"**

### **Rio Hondo College FY 2015-2016**

#### **PERFORMANCE ACCOMPLISHMENT REPORT**

##### **The General Purpose:**

The Rio Hondo College "GO RIO" Program is an innovative program that connects full-time students with universal access to mass transit throughout the Rio Hondo College district. GO RIO features a partnership between Rio Hondo College and its six primary transit partners: Metro, Foothill Transit, Norwalk Transit, Montebello Bus Lines, El Monte Transit, and the L.A. County Sunshine Shuttle. Rio Hondo College is requesting funds from the City of Santa Fe Springs to subsidize the GO RIO Program that Rio Hondo provides to full-time students who reside in the City of Santa Fe Springs.

##### **Goals and Objectives:**

- Increase the number of Rio Hondo College students who use public transportation
- Decrease the number of single occupancy vehicles that come to campus
- Improve the quality of the air

##### **Program Reports:**

- Quarterly Performance Report
- Quarterly Expenditure Financial Statement

##### **SUBRECIPIENT AGENCY WILL BE RESPONSIBLE FOR:**

Quarterly Performance Report providing a detailed summary of Santa Fe Springs residents serviced by the program, as well as needed back-up documentation.

Quarterly Expenditure Financial Statement of actual costs and disbursements incurred as they relate to the City of Santa Fe Springs.

City of Santa Fe Springs funds must only be used to service Santa Fe Springs residents.

## Exhibit B

2015-2016

Organization: Rio Hondo College's "GO RIO" Program

Narrative Report: **Only Report Services Provided to Santa Fe Springs Residents**

**Quarter 1:**

The Office of GCR at Rio Hondo College would submit the First Quarter Narrative here in this space. This narrative would include data on the number of SFS residents served by the GO RIO Program in Fall 2015 between July 1 and September 30, 2015.

**Quarter 2:**

The Office of GCR at Rio Hondo College would submit the Second Quarter Narrative here in this space. This narrative would include data on the number of SFS residents served by the GO RIO Program in Fall 2015 between October 1 and December 31, 2015

**2015-2016**

**Quarter 3:**

The Office of GCR at Rio Hondo College would submit the Third Quarter Narrative here in this space. This narrative would include data on the number of SFS residents served by the GO RIO Program in Spring 2016 between January 1 and March 31, 2016

**Quarter 4:**

The Office of GCR at Rio Hondo College would submit the Fourth Quarter Narrative here in this space. This narrative would include data on the number of SFS residents served by the GO RIO Program in Spring 2016 between April 1 and June 30, 2016.



# City of Santa Fe Springs

City Council Meeting

September 27, 2018

## **NEW BUSINESS**

Street and Parking Lot Lighting LED Retrofit Evaluation – Authorization to Advertise

### **RECOMMENDATION**

That the City Council authorize the Director of Public Works to advertise for a Request for Proposals from qualified consultants to evaluate replacing the existing City street and parking lot lighting with energy efficient Light Emitting Diode (LED) equivalents.

### **BACKGROUND**

Pursuant to City Council direction, evaluate cost-saving options for the operation and maintenance of the City's lighting infrastructure, Staff is proposing to contract with a qualified consultant to evaluate replacing existing City street and parking lot lighting with energy efficient LED luminaires (complete LED lighting units).

The purpose of the evaluation is to prepare a detailed technical and financial analysis of retrofitting the City's street and parking lot lighting with LED luminaires. The project will compare LED luminaires from at least three (3) manufacturers against the City's current high-pressure sodium (HPS) streetlights. The evaluation is intended to establish whether retrofitting the City's street and parking lot lighting with LED luminaires will reduce energy consumption and maintenance costs without compromising current lighting levels. The City has approximately 6,500 street and parking lot lights.

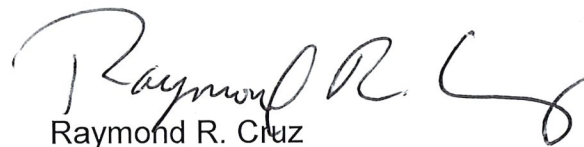
The proposed scope of work includes evaluating a minimum of three (3) different LED luminaires installed in different areas of the City. The project will produce a detailed technical and financial analysis report of retrofitting the City's street and parking lot lighting with LED luminaires. The report will be presented to the City Council for further direction on retrofitting the City's street and parking lot lighting with LED luminaires.

### **FISCAL IMPACT**

Staff will request funding for this evaluation from the UUT Capital Improvement Funds at a future council meeting when the contract will be awarded.

### **INFRASTRUCTURE IMPACT**

The evaluation is intended to establish whether retrofitting the City's street and parking lot lighting with LED luminaires will reduce energy consumption and maintenance costs without compromising current lighting levels.

  
Raymond R. Cruz  
City Manager

Attachment:  
Request for Proposals

Report Submitted By: Noe Negrete, Director  Date of Report: August 27, 2018  
Department of Public Works

**Item No. 17**



# **CITY OF SANTA FE SPRINGS**

## **REQUEST FOR PROPOSALS**

### **STREET AND PARKING LOT LIGHTING LED RETROFIT EVALUATION**



**DEPARTMENT OF PUBLIC WORKS**

**INQUIRIES REGARDING THIS PROJECT  
MAY BE DIRECTED TO:**

**Al Fuentes, Project Manager  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670  
Phone: (562) 868-0511, Extension 7355**



**REQUEST FOR PROPOSALS**  
**STREET AND PARKING LOT**  
**LIGHTING LED RETROFIT EVALUATION**

The City of Santa Fe Springs (AGENCY) is soliciting written proposals from qualified firms or individuals (Consultant) to evaluate replacing existing City street and parking lot lighting with energy efficient Light Emitting Diode (LED) equivalents.

Consultants are requested to submit their proposals and written statements of technical qualifications for completing the work in accordance with and as specified in this Request for Proposals (RFP). Failure to comply with the requirements identified in the RFP may render a proposal non-responsive. The specific services requested are described in the RFP Scope of Services.

The AGENCY invites proposals for the above-stated services and will receive such proposals in the Director of Public Works Office, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California 90670, **until 3:00 p.m. on Tuesday, October 23, 2018**. Interested Consultants must submit six (6) copies of their proposal labeled **"STREET AND PARKING LOT LIGHTING RETROFIT EVALUATION"** to:

Noe Negrete  
Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670

Proposals received after the time and date specified above will not be accepted and will be returned to the proposer unopened. No pre-submittal meeting has been scheduled for this project.

The AGENCY reserves the right to reject any or all proposals, to waive any irregularity in any proposal received, and to be the sole judge of the merits of the respective proposals received and to take all proposals under advisement for a period of 45 days. The award, if made, will be made to the Consultant whose proposal best meets the technical requirements of the RFP as determined by the AGENCY. The proposal submitted by the selected Consultant shall be incorporated as part of the final contract accordingly.

All questions regarding this project must be directed to Al Fuentes, Project Manager at (562) 868-0511, ext. 7355.

## INSTRUCTIONS TO PROPOSERS

### STREET AND PARKING LOT LIGHTING LED RETROFIT EVALUATION

#### 1. PROPOSED SCHEDULE

DESCRIPTION	DATE/TIME
Request for Proposals Released	10/01/2018
Deadline to Submit Questions	10/15/2018 at 4:00 pm
Deadline to Receive Proposals	10/23/2018 at 3:00 pm
Contract Award	12/13/2018
Notice to Proceed	01/02/2019

The AGENCY reserves the right to modify any element of the timeline should that become necessary.

#### 2. PRE-SUBMITTAL MEETING

A Pre-Submittal Meeting has not been scheduled for this project.

#### 3. SUBMISSION OF PROPOSALS

To be considered, the Proposals must be received by the **Department of Public Works, City of Santa Fe Springs, by 3:00 p.m. on October 23, 2018.**

Consultants must submit six (6) copies of their Proposal labeled: **"STREET AND PARKING LOT LIGHTING LED RETROFIT EVALUATION"** to:

Noe Negrete, Director of Public Works  
City of Santa Fe Springs  
11710 Telegraph Road  
Santa Fe Springs, CA 90670-3658

Proposals, and amendments to proposals, received after the date and time specified above will not be accepted and will be returned to the Consultant unopened.

#### 4. DISSEMINATION OF RFP INFORMATION

From time to time, the AGENCY may issue responses to requests for clarifications, questions, comments, and addenda to this Request for Proposals ("RFP"), or other material related to this solicitation. **By submitting a proposal, Consultants are deemed to have constructive knowledge and notice of all information pertaining to this RFP.**

#### 5. ADDENDA TO THE RFP

Any change(s) to the requirements of this RFP initiated by the AGENCY will be made by written addenda to this RFP. Any written addenda issued pertaining to this RFP shall be incorporated into and made a part of the terms and conditions of any resulting agreement. The AGENCY will not be bound to any modifications to or deviations from the

requirements set forth in this RFP unless they have been documented by addenda to this RFP. Consultants will be required to document that they are aware of all addenda issued, if any, by the AGENCY in their proposal.

6. **QUESTIONS AND REQUESTS FOR CLARIFICATIONS**

A. **Contact Person for the Project**

All questions or contacts regarding this RFP must be directed to Al Fuentes, who can be reached at (562) 868-0511, ext. 7355 or by email at [alfuentes@santafesprings.org](mailto:alfuentes@santafesprings.org).

B. **Clarifications of the RFP**

Consultants are encouraged to promptly notify Al Fuentes of any apparent errors or inconsistencies in the RFP. If a Consultant requires clarifications to this RFP, the Consultant shall notify the AGENCY in writing in accordance with Subsection "A" above. Should it be found that the point in question is not clearly and fully set forth in the RFP, a written addendum clarifying the matter will be issued.

C. **Submitting Requests**

**All questions must be submitted to the AGENCY by 4:00 p.m. on Monday, October 15, 2018.** The AGENCY is not responsible for failure to respond to a request or question that has not been labeled correctly. Questions can be submitted via U.S. Mail, Personal Courier, Fax or Email as long as they are received no later than the date and time specified above. The AGENCY is not liable for any late arrivals due to courier method or electronic delivery.

**Requests for clarifications, questions and comments received after 4:00 p.m. on Monday, October 15, 2018 will not be responded to.**

D. **Agency Responses**

The AGENCY, in its sole discretion, will respond to requests for clarifications, questions and comments. Responses will be emailed to proposers on or before 5:00 p.m. on October 18, 2018.

7. **COST OF PROPOSAL PREPARATION**

Any party responding to this RFP shall do so at their own risk and cost. The AGENCY shall not, under any circumstances, be liable for any pre-contractual expenses incurred by any Consultant who elects to submit a proposal in response to this RFP or by any Consultant that is selected. Pre-contractual expenses are defined as expenses incurred by Consultants and the selected Consultant, if any, in:

- Preparing a Proposal and related information in response to this RFP;
- Submitting a Proposal to the AGENCY;
- Negotiations with the AGENCY on any matter related to this RFP;
- Costs associated with interviews, meetings, travel or presentations; or

- Any and all other expenses incurred by a Consultant prior to the date of award, if any, of an agreement, and formal notice to proceed.

The AGENCY will provide only the staff assistance and documentation specifically referred to herein and will not be responsible for any other cost or obligation of any kind, which may be incurred by the Consultant.

## 8. **CONFLICT OF INTEREST**

By responding to this RFP, each Consultant represents to the best of its knowledge that:

- Neither Consultant, nor any of its affiliates, proposed sub-consultants, and associated staff, have communicated with any member of the AGENCY since the release of this RFP on any matter related to this RFP except to the extent specified in this RFP;
- Neither Consultant, nor any of its affiliates, proposed sub-consultants and associated staff, has obtained or used any information regarding this RFP and the proposed services that has not been generally available to all Consultants, and
- No conflict of interest exists under any applicable statute or regulation or as a result of any past or current contractual relationship with the AGENCY;
- Neither Consultant, nor any of its affiliates, proposed sub-consultants, or associated staff, have any financial interest in any property that will be affected by any of the referenced projects.

Neither Consultant, nor any of its affiliates, proposed sub-consultants, or associated staff, have a personal relationship with any member of the governing body, officer or employee of the AGENCY who exercises any functions or responsibilities in connection with the referenced projects.

## **KEY PERSONNEL**

It is imperative that key personnel proposed to provide services have the background, experience and qualifications to properly undertake all necessary services for the successful completion of the referenced project. The Consultant must identify all proposed key personnel in its Proposal. Key personnel must be well qualified and have sufficient experience in the areas described in the Scope of Services.

The AGENCY reserves the right to approve all key personnel individually for any and all projects authorized by the AGENCY as a result of this solicitation. After an agreement has been executed, the selected consultant may not replace any key staff without written approval from the AGENCY. The AGENCY must approve replacement staff before a substitute person is assigned to a project. The AGENCY reserves the right to require the Consultant to replace a staff person assigned to the contract should the AGENCY consider replacement to be for the good of the project. Replacement staff will be subject to the AGENCY's approval prior to assignment by Consultant.

## 9. **BASIS FOR AWARD OF CONTRACT**

The contract is to be awarded to the Consultant whose proposal best meets the technical

requirements of the RFP as determined by the AGENCY. Should an award be made, the proposal submitted by Consultant shall be incorporated as part of the final contract accordingly.

The AGENCY intends to select the Consultant on the basis of demonstrated competence and professional qualifications and accreditation in accordance with applicable State and Federal regulations.

**10. FEE SCHEDULE**

The AGENCY will compensate the Consultant for actual hours worked by assigned personnel on a monthly basis. Compensation will be based on the fee schedule in the proposal. The consultant will provide an invoice clearly documenting the services performed each day and the number of hours worked.

**11. TERM OF AGREEMENT**

The Agreement shall commence on the Effective Date and continue for a period of \_\_\_\_\_ months, ending on \_\_\_\_\_, 20\_\_\_\_, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

**12. REQUIRED FORMAT FOR PROPOSALS**

The AGENCY is requiring all proposals submitted in response to this RFP to follow a specific format. The Proposal, including the Appendices, shall not exceed thirty (30) pages in length, utilizing 8.5" x 11" pages with one-inch margins. As an exception, 11" x 17" pages may be used to display organizational charts. Font size shall not be smaller than 12 point for text or eight (8) point for graphics. Dividers used to separate sections will not be counted. Creative use of dividers to portray team qualifications, etc. is discouraged.

Consultants are required to prepare their written proposals in accordance with the instructions outlined below. Deviations from these instructions may be construed as non-responsive and may be cause for disqualification. Emphasis should be placed on accuracy, completeness, and clarity of content.

The written proposal should be organized as described below. Each section of the written proposal should contain the title of that section, with the response following the title. The following are the required titles with a brief statement as to that section's desired content:

**A. Letter of Offer**

The Letter of Offer shall be addressed to Noe Negrete, Director of Public Works, City of Santa Fe Springs, and at a minimum, must contain the following:

- Identification of Consulting firm or individual, including name, address and telephone number.
- Name, title, address, and telephone number of Contact Person.
- Federal Tax ID or Social Security No. for firm or individual.
- A statement to the effect that the Proposal shall remain valid for a period of not less than 90 calendar days from the date of submittal.

- Identification of all proposed sub-consultants or subcontractors, including legal name of the company, address and contact person.
- Acknowledgement that Consultant is obligated by all addenda to this RFP.
- Signature of a person authorized to bind Consulting firm to the terms of the Proposal.
- Signed statement attesting that all information submitted with the Proposal is true and correct.

**B. Qualifications of the Firm**

This section of the Proposal shall explain the ability of the Consultant to satisfactorily perform the required work. More specifically, in this section, the Consultant shall:

- Provide a profile of the Consultant including the types of services offered; the year founded; form of organization (corporate, partnership, sole proprietorship); number, size and location of offices; number of employees.
- Provide a detailed description of Consultant's financial condition, including any conditions (e.g., bankruptcy, pending litigation, outstanding claims in excess of twenty-five thousand dollars (\$25,000) for or against the firm; planned office closures or mergers that may impede Consultant's ability to provide Traffic Engineering Services.
- Provide a list of previous projects in which the Consultant and sub-consultants have worked together. The list should clearly identify the previous projects and include a summary of the roles and responsibilities of each party.
- Provide information on the strength and stability of the Consultant; current staffing capability and availability; current work load; and proven record of meeting schedules on similar types of projects.

**C. Proposed Staffing and Project Organization**

The Proposal should include the following information:

- The education, experience and applicable professional credentials of project staff. Include applicable professional credentials of "key" staff.
- Brief resumes, not more than two (2) pages each, for the individuals proposed as key personnel. Key personnel must have extensive knowledge and experience with engineering and design of water treatment systems.
- A statement that key personnel will be available to the extent proposed for the duration of the contract and an acknowledgement that no person designated as key personnel shall be removed or replaced without the prior written concurrence of the AGENCY. Identify any constraints, conflicts or situations.

**D. Consultants and/or Sub-consultants**

The AGENCY desires to enter into a contract with one Consultant that will be responsible for all work, products, and services. There is to be no assignment of

any aspect of this project without the prior written authorization of the AGENCY. If the Consultant plans on using consultants and/or subcontractors as part of its implementation plan, then company profile, name, address, and telephone for all consultants and/or subcontractors providing support during the term of this project is required. Define the responsibilities and give a description of services to be provided by consultants and/or subcontractors. Describe the Firm's business and reporting relationship with any consultants and/or subcontractors. Include references and resumes for all third party Firms in your proposal. The AGENCY has the right to accept or reject any changes made to the proposed project team members, including the use of consultants and/or subcontractors.

**E. Work Approach**

This section of the Proposal shall include a narrative that addresses the Scope of Services and demonstrates that Consultant understands the scope of this project. More specifically, the Proposal should include the Consultant's general approach for completing the activities specified in the Scope of Services. The work approach shall be of sufficient detail to demonstrate Consultant's ability to accomplish the project tasks.

**F. Client References**

List your three (3) most recent similar clients (including name, address, contact person, and phone number). The AGENCY is most interested in government and California clients and may randomly select agencies to contact from your list as part of the evaluation process.

**G. Appendices**

This part shall include brief resumes of proposed staff. Consultant information and general marketing materials will not be considered in the ranking of the Proposals.

**H. Rights to Materials**

All responses, inquiries, and correspondence relating to this RFP and all reports, charts, displays, schedules, exhibits, and other documentation produced by the Consultant that are submitted as part of the proposal and not withdrawn shall, upon receipt by AGENCY, become property of AGENCY.

**I. Fee Proposal.**

A Fee Proposal shall be provided in a separately sealed envelope and shall comply with the following guidelines:

Two copies of a Fee Proposal shall be submitted in a separately sealed envelope plainly labeled "Fee Proposal" with the name of the Consultant and project title "**STREET AND PARKING LOT LIGHTING EVALUATION**" shall be presented in a manner that allows the AGENCY to understand the Fee Schedule. The terms and conditions for obtaining 'reimbursable costs' shall be identified in the Proposal.

### **13. PROPOSAL EVALUATION PROCESS AND CRITERIA**

#### **A. GENERAL**

All proposals will be evaluated based on the technical information and qualifications presented in the proposal, reference checks, and other information, which may be gathered independently. Requests for clarification and/or additional information from any proposer may be requested at any point in the evaluation process. Pricing (Consultant fees) will be an important criterion; however, the AGENCY reserves the right to select a firm that presents the best qualifications, but not necessarily the lowest price.

#### **B. EVALUATION CRITERIA**

- Completeness of proposal.
- Consultant and key project team member's experience in performing similar work.
- Consultant and key project team member's record in accomplishing work assignments for projects.
- Consultant's demonstrated understanding of the scope of work.
- Quality of work previously performed by the firm as verified by reference checks.
- Relevant project experience.
- Fee proposal.

#### **C. EVALUATION PROCESS**

After evaluating all proposals received, the AGENCY will rank the firms and a maximum the three (3) most qualified firms will be invited to an interview with the AGENCY Evaluation Committee, if deemed necessary by the AGENCY.

#### **D. INTERVIEW (If Necessary)**

For the interview, the Consultant should have available the project manager and key project personnel to discuss the following:

- Major elements of the proposal
- Proposed project team
- Description of related experience for key project personnel
- Proposed project schedule

#### **E. FINAL SELECTION**

The final selection will be the consultant which, as determined by the AGENCY, is the most responsive and responsible, meets the AGENCY's requirements in providing this service, and is in the AGENCY's best interest. The AGENCY maintains the sole and exclusive right to evaluate the merits of the proposals received.



**14. EXCEPTIONS OR ADDITIONS**

The Proposal shall include a detailed description of all of the exceptions to the provisions and conditions of this RFP upon which the Consultant's submittal is contingent and which shall take precedence over this RFP.

**15. INSURANCE REQUIREMENTS**

Prior to the start of contract negotiations, the highest qualified Consultant will be required to submit to the City the required insurance certificates for the Consultant and its team. Insurance certificates will also be required, in advance, for any Consultant subsequently identified for negotiations with the AGENCY.

The successful Consultant shall indemnify and hold AGENCY and its officers, agents, employees, and assigns harmless from any liability imposed for injury whether arising before or after completion of work hereunder or in any manner directly or indirectly caused, occasioned, or contributed to, or claims to be caused, occasioned, or contributed to, in whole or in part, by reason of any act or omission, including strict liability or negligence of Consultant, or of anyone acting under Consultant's direction or control or on its behalf, in connection with, or incident to, or arising out of the performance of this contract.

The Consultant selected will be required to maintain the following levels of insurance coverage for the duration of the services provided, as well as any sub-consultants hired by the Consultant:

- Worker's Compensation insurance with statutory limits, and employer's liability insurance with limits not less than \$1,000,000 per accident
- Commercial general liability insurance or equivalent form, with a combined single limit of not less than \$2,000,000 per occurrence
- Business automobile liability insurance, or equivalent form, with a combined single limit of not less than \$1,000,000 per occurrence. Such insurance shall include coverage for owned, hired and non-owned automobiles.
- Professional liability (errors and omissions) insurance, with a combined single limit of not less than \$1,000,000 per occurrence.

**16. RIGHTS OF THE AGENCY**

The AGENCY reserves the right, in its sole discretion and without prior notice, to terminate this RFP; to issue subsequent RFPs; to procure any project-related service by other means; to modify the scope of the Project; to modify the AGENCY's obligations or selection criteria; or take other actions needed to meet the AGENCY's goals. In addition, the AGENCY reserves the following rights:

- The right to accept or reject any and all proposals, or any item or part thereof, or to waive any informalities or irregularities in any proposal.
- The right to amend, withdraw or cancel this RFP at any time without prior notice.
- The right to postpone proposal openings for its own convenience.

- The right to request or obtain additional information about any and all proposals.
- The right to conduct a back-ground checks of any Consultant. This may include, but is not limited to, contacting individuals and organizations regarding capabilities and experience of the potential candidate.
- The right to waive minor discrepancies, informalities and/or irregularities in the RFP or in the requirements for submission of a Proposal.
- The right to modify the response requirements for this RFP. This may include a requirement to submit additional information; an extension of the due date for submittals; and modification of any part of this RFP, including timing of RFP decisions and the schedule for presentations.
- The right to disqualify any potential candidate on the basis of real or perceived conflict of interest that is disclosed or revealed by information available to the AGENCY.
- The right at any time, subject only to restrictions imposed by a written contractual agreement, to terminate negotiations with any potential candidate and to negotiate with other potential candidates who are deemed qualified.
- Although cost is an important factor in deciding which proposal will be selected, it is only one of the criteria used to evaluate consultants. The AGENCY reserves the absolute right, in its sole discretion, to award a contract, if any, which under all the circumstances will best serve the public interest.
- The AGENCY reserves the right to reject any or all proposals or to make no award at all, to determine whether any alternate proposals are equal to the specifications and general requirements, and to accept proposals with minor variations from the Request for Proposals and/or conditions. The AGENCY reserves the right to negotiate for a higher level, lower level or additional services.

This RFP is not a contract or commitment of any kind by the AGENCY. This RFP does not commit the AGENCY to enter into negotiations with any consultant and the AGENCY makes no representations that any contract will be awarded to any consultant that responds to this RFP. Proposals received by the AGENCY are public information and will be made available to any person upon request after the AGENCY has completed the proposal evaluation. Submitted proposals are not to be copyrighted.

Should a contract be subsequently entered into between the AGENCY and Consultant, it shall be duly noted that entering into such an agreement shall be interpreted, construed, and given effect in all respects according to the laws of the State of California.

#### **Waiver of Proposals**

Proposals may be withdrawn by submitting written notice to the AGENCY's Contact Person at any time prior to the submittal deadline. Upon submission, the Proposal and all collateral material shall become the property of the AGENCY.

#### **17. CALIFORNIA PUBLIC RECORDS ACT DISCLOSURES**

The Consultant acknowledges that all information submitted in response to this RFP is subject to public inspection under the California Public Records Act unless exempted by

law. If the Consultant believes any information submitted should be protected from such disclosure due to its confidential, proprietary nature or other reasons, it must identify such information and the basis for the belief in its disclosure. **Any proposal submitted with a blanket statement or limitation that would prohibit or limit such public inspection shall be considered non-responsive and shall be rejected.** Notwithstanding that disclaimer, it is the intention of the AGENCY to keep all submittals confidential until such time as negotiations are successfully concluded.

# **STREET AND PARKING LOT LIGHTING LED RETROFIT EVALUATION**

## **SCOPE OF SERVICES**

### **PROJECT PURPOSE**

The purpose of the project is to prepare a detailed technical and financial analysis of retrofitting the City's street and parking lot lighting with LED luminaires. The project will compare LED luminaires from various manufacturers against the City's current high-pressure sodium (HPS) streetlights. The evaluation is intended to establish whether retrofitting the City's street and parking lot lighting with LED luminaires will reduce energy consumption and maintenance costs without compromising current lighting levels. The City has approximately 6,500 street and parking lot lights.

### **PROJECT SCOPE**

- Task 1.0      Review the Street Light Survey (2016)
- Task 2.0      Identify a minimum of three (3) different LED luminaires to evaluate.
- Task 3.0      Install the LED luminaires to be evaluated in three different areas of the City.
- Task 4.0      Perform photometric measurements of illuminance for each LED luminaire.
- Task 5.0      Compare lifecycle energy costs to operate and maintain HPS lights vs. LED luminaires.
- Task 6.0      Identify any financial incentives for LED luminaire retrofit programs.
- Task 7.0      Prepare a detailed technical and financial analysis report of retrofitting the City's street and parking lot lighting with LED luminaires.

**CITY OF SANTA FE SPRINGS  
PROFESSIONAL SERVICES AGREEMENT  
WITH**

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THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_ ("Effective Date"), by and between the CITY OF SANTA FE SPRINGS, a municipal corporation ("City"), and \_\_\_\_\_, a [state] [type of entity] ("Consultant").

**W I T N E S S E T H :**

WHEREAS, City proposes to utilize the services of the Consultant as an independent contractor to evaluate replacing existing City street and parking lot lighting with energy efficient Light Emitting Diode (LED) equivalents, as more fully described herein; 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 the City's Request for Proposals ("RFP"), attached hereto as Exhibit "A," and Consultant's Response to City's RFP ("Consultant's Proposal"), attached hereto as Exhibit "B," both incorporated herein by this reference.

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 in accordance with the fee schedule set forth in Exhibit "C," attached hereto and made a part of this Agreement by this reference (the "Fee Schedule"). Consultant's total compensation shall not exceed \_\_\_\_\_ Dollars (\$ \_\_\_\_\_.00).

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 forty-five (45) 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. Failure to commence work in a timely manner and/or diligently pursue work to completion may be grounds for termination 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 for a period of \_\_\_\_\_ months, ending on \_\_\_\_\_, 20\_\_\_\_, unless previously terminated as provided herein or as otherwise agreed to in writing by the parties.

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

Street and Parking Lot Lighting Retrofit Evaluation

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, 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 "E" 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:

IF TO CITY:

City of Santa Fe Springs  
11710 E. Telegraph Road  
Santa Fe Springs, CA 90670  
Tel: (562) 868-0511  
Attn: Noe Negrete

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 of the Consultant, its employees, and/or authorized subcontractors, of the work undertaken 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

Street and Parking Lot Lighting Retrofit Evaluation

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.





# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **PRESENTATION**

Introduction of New Little Lake City School District Principals

## **RECOMMENDATION**

That the City Council call upon Superintendent Dr. William Crean to present the two (2) new principals.

## **BACKGROUND**

The Mayor may wish to call upon Dr. William Crean, Superintendent of the Little Lake City School District to assist with the presentation of the two (2) new principals at Jersey Elementary and Lakeview Elementary.

Raymond R. Cruz  
City Manager

Attachment(s)

None







# **City of Santa Fe Springs**

**City Council Meeting**

**September 27, 2018**

## **PRESENTATION**

Presentation to the City of Santa Fe Springs from Complete Landscaping Care, Inc.

## **RECOMMENDATION**

That the City Council receive a plaque from Complete Landscaping Care, Inc.

## **BACKGROUND**

The California Landscape Contractors Association sponsors annual awards that encourage interest in landscaping, recognize crafts people who produce outstanding landscapes, create pride in superior workmanship, and bestow public recognition on companies, institutions, municipalities and residents for their interest in a beautiful California.

Complete Landscaping Care, Inc. of Whittier, California was recognized for their exemplary work at the Clarke Estate in Santa Fe Springs.

The Mayor may wish to call upon Jose Solis, General Manager of Complete Landscaping Care, Inc. to assist with the presentation.

Raymond R. Cruz  
City Manager

Attachment(s)

None





# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **PRESENTATION**

Presentation to Milestone Event Celebrants

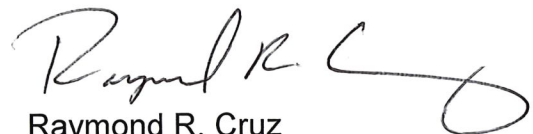
### **RECOMMENDATION:**

The Mayor may wish to call upon Raelene Barraza, Public Affairs Assistant, to assist with this presentation.

## **BACKGROUND**

Quarterly, the City Council holds a Milestone Celebration to recognize residents for significant "milestone" achievements (e.g., significant birthdays or wedding anniversaries). Tonight, the following City resident has been invited to be recognized:

Magdalena (Maggie) V. Morales – 80<sup>th</sup> Birthday

  
Raymond R. Cruz  
City Manager

Attachment(s):  
None





# *City of Santa Fe Springs*

## *City Council Meeting*

*September 27, 2018*

### **PRESENTATION**

Proclaiming October 10, 2018 as "Walk to School Day" in the City of Santa Fe Springs

### **RECOMMENDATION**

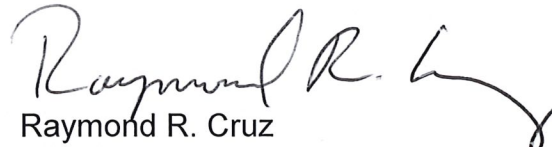
That the City Council proclaim October 10, 2018 as "Walk to School Day" in Santa Fe Springs.

### **BACKGROUND**

For the last three years, the City of Santa Fe Springs has partnered with Little Lake City and Los Nietos School Districts to participate in the national and annual Walk to School Day. This event usually takes place the 2<sup>nd</sup> Wednesday in October, and is an annual one-day event aimed at building awareness for the need for walkable communities. The event promotes and celebrates safety, healthier habits, a cleaner environment, and most importantly, brings the community together. As a Healthy Eating Active Living City (HEAL), this event educates and empowers the community to improve and maintain overall health and well-being and to advocate for a healthy community culture.

This year, Walk to School Day will take place on October 10, 2018 and will be led by the Community Services and Police Services Departments. Every year we expand the event by adding on more schools. This year, five elementary schools will be participating – 1) Rancho Santa Gertrudes; 2) Jersey Avenue; 3) Cresson; 4) Lakeview; and 5) Lakeland. We anticipate close to 500 5<sup>th</sup> and 6<sup>th</sup> grade students, teachers, parent volunteers, and staff to participate in this year's event.

The Mayor may wish to call upon Maritza Sosa-Nieves, Management Assistant, to assist with the proclamation. Superintendents Dr. Crean of Little Lake City and Jonathan Vasquez of Los Nietos School Districts are present to accept the proclamation.

  
Raymond R. Cruz  
City Manager

### **Attachment**

Proclamation – 2018 Walk to School Day

**WHEREAS**, lack of physical activity plays a leading role in rising rates of obesity, diabetes and other health problems among children; and

**WHEREAS**, driving students to school by private vehicle contributes to traffic congestion and air pollution; and

**WHEREAS**, an important role for parents, caregivers, and educators is to teach children about pedestrian safety; and

**WHEREAS**, community members and leaders should make a plan to make changes to enable children to safely walk and bicycle in our communities; and

**WHEREAS**, children, parents, community leaders, teachers, and Law Enforcement around the world are joining together to walk to school to raise awareness for the need for walkable communities.

**NOW, THEREFORE**, be it resolved that I, Jay Sarno, Mayor of the City of Santa Fe Springs, proclaim October 10, 2018 as

**"WALK TO SCHOOL DAY"**

in the City of Santa Fe Springs and encourage everyone to consider the safety and health of children today and every day.

DATED this 27 day of September 2018

---

MAYOR JAY SARNO

ATTEST:

---

JANET MARTINEZ, CMC, CITY CLERK





# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

## **PRESENTATION**

Proclaiming October 2018 as "Breast Cancer Awareness Month" in Santa Fe Springs

## **RECOMMENDATION**

That the City Council proclaim October 2018 as "Breast Cancer Awareness Month" in Santa Fe Springs.

## **BACKGROUND**

October is recognized as National Breast Cancer Awareness Month (NBCAM), an international health campaign organized by major breast cancer charities to increase awareness of the disease and to raise funds for research into its cause, prevention, diagnosis, treatment and cure. In 1985, the American Cancer Association spearheaded the movement with the creation of NBCAM specifically to promote mammography as the most effective weapon in the fight against breast cancer.

According to the National Breast Cancer Foundation, in recent years there has been a gradual reduction in female breast cancer rates among women 50 and older. Furthermore, death rates from breast cancer have been in decline since 1990 in part due to better screening, early detection, increased awareness and improving treatment options.

Approximately 1 in 8 women born in the United States will get breast cancer at some point in their lives. The good news is that if detected early, breast cancer is highly treatable. In addition, steps can be taken to reduce the risk of breast cancer including: maintaining a healthy weight, staying physically active, eating fruits and vegetables, abstaining from smoking and limiting alcohol consumption.

This October, the City of Santa Fe Springs is proud to participate in National Breast Cancer Awareness Month. The City will once again partner with the Abigail Barraza Foundation (ABF) to kick off Breast Cancer Awareness Month in Santa Fe Springs by "Painting the Town Pink." This is the 13<sup>th</sup> anniversary of the Abigail Barraza Foundation and to celebrate, the City will collaborate with ABF to host a Fashion Friday event.

Fashion Friday will take place on Friday, October 5, 2018 from 5:00 p.m. – 10:00 p.m. at Town Center Plaza. This year's event revolves around a fashion show and will also have vendors selling clothes and food in support of breast cancer awareness. This event is free to the public and open to all ages.





# *City of Santa Fe Springs*

*City Council Meeting*

*September 27, 2018*

The Mayor may wish to call upon Adam Matsumoto, Parks & Recreation Services Manager, to assist with the presentation. Monique Barraza, Director of the Abigail Barraza Foundation, is present to accept the proclamation.

Raymond R. Cruz  
City Manager

Attachment:

Proclamation – Breast Cancer Awareness Month

**WHEREAS**, the month of October is National Breast Cancer Awareness Month, a national campaign dedicated to increasing breast cancer awareness; and

**WHEREAS**, steps such as maintaining a healthy weight, staying physically active, eating fruits and vegetables, abstaining from smoking and limiting alcohol consumption can reduce the risk of breast cancer; and

**WHEREAS**, early detection is key in the treatment of breast cancer; if found and treated in the early stages, survival rate is 98.5%; and

**WHEREAS**, the City of Santa Fe Springs is proud to partner with the Abigail Barraza Foundation to celebrate Breast Cancer Awareness Month in Santa Fe Springs by Painting the Town Pink and hosting Fashion Friday; and

**WHEREAS**, this October, the City of Santa Fe Springs celebrates the progress and advancements that have been made due to this national campaign;

**NOW, THEREFORE**, be it resolved that I, Jay Sarno, Mayor of the City of Santa Fe Springs, proclaim October 2018 as

**“BREAST CANCER AWARENESS MONTH”**

in the City of Santa Fe Springs, and encourage all citizens to educate themselves about this disease and spread the word about the importance of mammograms for early breast cancer detection. Furthermore, I call upon all community members to get involved and help increase breast cancer awareness by wearing pink this month or displaying a pink ribbon.

DATED this 27 day of September 2018

---

MAYOR JAY SARNO

ATTEST:

---

JANET MARTINEZ, CMC, CITY CLERK





## **PRESENTATION**

Proclaiming the Month of October 2018 as "National Community Planning Month."

### **RECOMMENDATION:**

That the City Council proclaim the month of October 2018 as "National Community Planning Month" in Santa Fe Springs.

## **BACKGROUND**

Each year the American Planning Association, its members, chapters, divisions and professional institute sponsor National Community Planning Month to raise visibility of the important role of planners and planning in communities across the United States. It is also a way to celebrate the benefits of planning within our communities.

The way a community is planned, from land development, transportation options, or community design, impacts the individual's living there. Planners, working with policy makers, public health professionals, environmental health scientists, transportation engineers, educators and other community members, can work to create healthier communities, eliminating adverse conditions and building better places.

This year's theme *Housing as Community Infrastructure*, highlights the importance of housing as part of our community fabric, and underscores the critical role planning plays in delivering the housing and communities the nation needs. Inclusive growth planning and policies can give current residents a genuine stake in housing and development thus help ensure that all residents are provided with safe and affordable housing options.

The Mayor may wish to call upon Wayne M. Morrell, Director of Planning, to receive the proclamation.

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

Raymond R. Cruz  
City Manager

### **Attachments:**

Proclamation

***WHEREAS**, change is constant and affects all cities, towns, suburbs, counties, boroughs, townships, rural areas, and other places; and*

***WHEREAS**, community planning and plans can help manage this change in a way that provides better choices for how people work and live; and*

***WHEREAS**, community planning provides an opportunity for all residents to be meaningfully involved in making choices that determine the future of their community; and*

***WHEREAS**, the full benefits of planning requires public officials and citizens who understand, support, and demand excellence in planning and plan implementation; and*

***WHEREAS**, the celebration of National Community Planning Month gives us the opportunity to publicly recognize the participation and dedication of the members of Planning Commission and other citizen planners who have contributed their time and expertise to the improvement of the City of Santa Fe Springs; and*

***WHEREAS**, we recognize the many valuable contributions made by the Planning Department of the City of Santa Fe Springs and extend our heartfelt thanks for the continued commitment to public service by these professionals; and*

***NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Santa Fe Springs, hereby proclaim the month of October 2018 as*

***“National Community Planning Month”***

*Adopted this 27<sup>th</sup> day of September, 2018.*

---

JAY SARNO, MAYOR

ATTEST:

---

JANET MARTINEZ, CMC, CITY CLERK





# City of Santa Fe Springs

City Council Meeting

September 27, 2018

## APPOINTMENTS TO COMMITTEES AND COMMISSIONS

Committee	Vacancies	Councilmember
Beautification	2	Rounds
Beautification	4	Sarno
Beautification	1	Zamora
Family & Human Services	1	Sarno
Historical	1	Moore
Historical	2	Rounds
Historical	3	Sarno
Historical	3	Trujillo
Historical	2	Zamora
Parks & Recreation	1	Moore
Parks & Recreation	2	Sarno
Parks & Recreation	1	Trujillo
Parks & Recreation	2	Zamora
Senior Citizens	3	Moore
Senior Citizens	2	Sarno
Senior Citizens	4	Trujillo
Sister City	2	Rounds
Sister City	4	Sarno
Sister City	3	Zamora
Youth Leadership Committee	1	Moore
Youth Leadership Committee	1	Rounds
Youth Leadership Committee	1	Sarno
Youth Leadership Committee	2	Trujillo

**Applications Received:** None

**Recent Actions:** Council Member Rounds appointed Sally Gaitan to the Senior Citizens Advisory Committee.

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

Raymond R. Cruz  
City Manager

Attachments:  
Committee Lists  
Prospective Members



## **Prospective Members for Various Committees/Commissions**

**Beautification**

**Family & Human Services**

**Heritage Arts**

**Historical**

**Personnel Advisory Board**

**Parks & Recreation**

**Planning Commission**

**Senior Citizens Advisory**

**Sister City**

**Traffic Commission**

**Youth Leadership**



## BEAUTIFICATION COMMITTEE

Meets the fourth Wednesday of each month, except July, Aug, Dec.

9:30 a.m., Town Center Hall

Qualifications: 18 Years of age, reside or active in the City

Membership: 25 Residents appointed by City Council

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Juliet Ray	(18)
	Guadalupe Placencia	(19)
	Francis Carbajal	
	Eileen Ridge	(19)
	Jeannie Hale	(19)
<b>Zamora</b>	Mary Reed	(18)
	Charlotte Zevallos	(18)
	Doris Yarwood	(18)
	Vada Conrad	(19)
	<b>Vacant</b>	(19)
<b>Rounds</b>	Sadie Calderon	(18)
	<b>Vacant</b>	(18)
	Mary Arias	(19)
	Marlene Vernava	(19)
	<b>Vacant</b>	(19)
<b>Sarno</b>	<b>Vacant</b>	(18)
	May Sharp	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Trujillo</b>	Jacqueline Martinez	(18)
	AJ Hayes	(18)
	Margaret Bustos*	(18)
	Debra Cabrera	(19)
	Kay Gomez	

*\*Indicates person currently serves on three committees*

# FAMILY & HUMAN SERVICES ADVISORY COMMITTEE

Meets the third Wednesday of the month, except Jul., Aug., Sept., and Dec., at 5:45 p.m., Gus Velasco Neighborhood Center

Qualifications: 18 Years of age, reside or active in the City

Membership: 15 Residents Appointed by City Council

5 Social Service Agency Representatives Appointed by the Committee

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<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>	<b>Vacant</b>	(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

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	AJ Hayes	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

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)
	<b>Vacant</b>	(19)
<b>Zamora</b>	Francis Carbajal	(19)
	<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

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)
	<b>Vacant</b>	
	<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)
	<b>Vacant</b>	(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	6/30/2019
	Ron Biggs	6/30/2019
Personnel Advisory Board	Neal Welland	6/30/2020
Firemen's Association	Jim De Silva	6/30/2019
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

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>	Sally Gaitan	(20)
	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

Meets the First Monday of every month, except Dec., at 6:45 p.m., Town Center Hall, Mtg. Room #1. If the regular meeting date falls on a holiday, the meeting is held on the second Monday of the month.

Qualifications: 18 Years of age, reside or active in the City

Membership: 25

APPOINTED BY	NAME	TERM EXPIRES JUNE 30 OF
<b>Moore</b>	Martha Villanueva	(18)
	Laurie Rios	(18)
	Mary K. Reed	(19)
	Peggy Radoumis	(19)
	Francis Carbajal	(19)
<b>Zamora</b>	Charlotte Zevallos	(18)
	<b>Vacant</b>	(19)
	<b>Vacant</b>	
	Doris Yarwood	(19)
	<b>Vacant</b>	
<b>Rounds</b>	Manny Zevallos	(18)
	Susan Johnston	(18)
	Jacqueline Martinez	(19)
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Sarno</b>	Jeannette Wolfe	(18)
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
	<b>Vacant</b>	
<b>Trujillo</b>	Beverly Radoumis	(19)
	Andrea Lopez	(18)
	A.J. Hayes	(19)
	Marcella Obregon	(19)
	Debra Cabrera	(19)

*\*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**

AJ Hayes

**Zamora**

Nancy Romo

\*Albert Hayes removed on 7/19/17

## YOUTH LEADERSHIP COMMITTEE

Meets the First Monday of every month, at 6:30 p.m., Gus Velasco Neighborhood Center

Qualifications: Ages 13-18, reside in Santa Fe Springs

Membership: 20

APPOINTED BY	NAME	Term Expires in Year Listed or upon Graduation
<b>Moore</b>	<b>Vacant</b>	(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)
	<b>Vacant</b>	(19)
	Walter Alvarez	(18)
	Valerie Yvette A. Gonzales	(18)
<b>Sarno</b>	Angel M. Corona	(19)
	<b>Vacant</b>	(19)
	Ivan Aguilar	(19)
	Jennifer Centeno Tobar	(19)
<b>Trujillo</b>	Bernardo Landin	(18)
	Ionnis Panou	(18)
	<b>Vacant</b>	(19)
	<b>Vacant</b>	(18)