



AGENDA

REGULAR MEETINGS OF THE SANTA FE SPRINGS HOUSING SUCCESSOR SUCCESSOR AGENCY AND CITY COUNCIL

**July 9, 2020
6:00 P.M.**

VIA TELECONFERENCE

**Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor**

******GOVERNOR'S EXECUTIVE ORDER N-29-20****
REGARDING CORONAVIRUS COVID-19**

On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19. The Governor has issued Executive Orders that temporarily suspend requirements of the Brown Act, including allowing the City Council to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public. Please be advised that, until further notice, City Council meetings will be held by teleconference. City Hall, including Council Chambers, is closed to the public.

You may attend the City Council meeting telephonically or electronically using the following means:

Electronically using Zoom: Go to Zoom.us and click on "Join A Meeting" or use the following

link: <https://zoom.us/j/521620472?pwd=U3cyK1RuKzY1ekVGZFdKQXNZVzh4Zz09>

Zoom Meeting ID: 521620472 Password: 659847

Telephonically: Dial: 888-475-4499 Meeting ID: 521620472

Public Participation: You may submit public comments in writing by sending them to the City Clerk at cityclerk@santafesprings.org. If you attend the meeting by telephone, you must submit a public comment in writing to be heard. To ensure that they are received for the meeting, please submit your written comments prior to 4:00 p.m. on the day of the City Council meeting. You may also contact the City Clerk's Office at (562) 868-0511 ext. 7314.

1. CALL TO ORDER

2. ROLL CALL

Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor

- 3. PUBLIC COMMENTS** *This is the time when comments may be made by citizens on matters under the jurisdiction of the City Council, on the agenda and not on the agenda. Each citizen is limited to three (3) minutes.*

HOUSING SUCCESSOR

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 Housing Successor.

Minutes of the June 11, 2020 Housing Successor Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

NEW BUSINESS

- 5. Amendment Number Two ("Amendment") to the Exclusive Negotiating Agreement (ENA) by and between the Housing Successor to the Community Development Commission of the City of Santa Fe Springs ("Housing Successor"), The Whole Child, a California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer") (Planning)**

Recommendation:

- Approve the Amendment Number Two between the Housing Successor and Developer to extend the Negotiation Period for an additional 90-day "extension period" commencing July 26, 2020, by mutual agreement; and
- Authorize the Mayor or designee to execute the Amendment between the Housing Successor and Developer to extend the Negotiation Period for an additional 90-day "extension period" commencing July 26, 2020, by mutual agreement.

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.

Minutes of the June 11, 2020 Successor Agency Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

CITY COUNCIL

7. 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 June 11, 2020 Regular City Council Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. A Resolution of the City Council Reaffirming the Existence of a Local Emergency Due to the Threat of COVID-19 (pursuant to Government Code Section 8630) (City Attorney)

Recommendation:

- Adopt Resolution No. 9684:
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, REAFFIRMING THE EXISTENCE OF LOCAL EMERGENCY DUE TO THE THREAT OF COVID-19.

NEW BUSINESS

- 8. Landscape Maintenance Services – Award of Contract (Public Works)**

Recommendation:

- Accept the proposals;
- Award a contract to Merchants Landscape Services, Inc. of Santa Ana, California, for the annual amount of \$899,792.16; and
- Authorize the Mayor to execute Agreement.

- 9. Amendment No. 7 to Interstate 5 Consortium Cities Joint Powers Authority Agreement (Public Works)**

Recommendation:

- Approve Amendment No. 7 to the Interstate 5 Consortium Cities Joint Powers Authority (I-5 JPA) Agreement; and
- Authorize the Mayor to execute Amendment No. 7.

- 10. Lakeland and Meyer Road Street Improvements – Award of Contract (Public Works)**

Recommendation:

- Accept the bids; and
- Award a contract to Hardy & Harper Company of Lake Forest, California, in the amount of \$916,000.00.

- 11. Replacement of Baseball / Basketball Scoreboards and Basketball Backboards and Rims – Award of Contract (Public Works)**

Recommendation:

- Appropriate \$90,000 from the Utility Users Tax (UUT) Capital

Improvement Plan (CIP) to the Replacement of Baseball / Basketball Scoreboards and Basketball Backboards and Rims Project (PW200102);

- Accept the bids; and
- Award a contract to LJB Construction of Norwalk, California, in the amount of \$211,947.68.

12. Los Nietos Road Improvements – Authorization to Advertise for Construction Bids (Public Works)

Recommendation:

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

13. Approve the Authorized Screening Agency Agreement and Scope of Services between the City of Santa Fe Springs and United Way of Greater Los Angeles for the Gas Assistance Fund and the Edison Assistance Fund Programs (Community Services)

Recommendation:

- Approve the Authorized Screening Agency Agreement and Scope of Services with United Way of Greater Los Angeles for the continued participation in the Gas Assistance Fund (GAF) and the Edison Assistance Fund (EAF) Programs.
- Authorize the Mayor to execute and sign the agreement electronically through iPartner - United Way of Greater Los Angeles.

14. Presentation and Consideration of the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2019 (Finance)

Recommendation:

- Receive and file the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2019 and related communications

15. Resolution No. 9685 – Review and Consideration to Adopt a Resolution of the City Council of the City of Santa Fe Springs Authorizing Participation in the Los Angeles Urban County Community Development Grant (CDBG) Program for the Period of July 1, 2021 through June 30, 2024, Pursuant to Terms of a Cooperation Agreement with the County of Los Angeles (City Manager)

Recommendation:

- Adopt Resolution No. 9685; and
- Authorize Staff to transmit the Participating City Cooperation Agreement to the Los Angeles County Development Authority.

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

17. **COUNCIL COMMENTS**

RECESS TO CLOSED SESSION [will not take place on Zoom or over telephone]

City of Santa Fe Springs
Regular Meetings

July 9, 2020

- CLOSED SESSION**
18. THREAT TO PUBLIC SERVICES OR FACILITIES
(Pursuant to California Government Code Section 54957)
Consultation with: Fire Chief, Police Chief and Captain, Director of Police Services, City Attorney
- CLOSED SESSION**
19. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to California Government Code Section 54957.6)
Agency Designated Representatives: City Manager, Director of Finance, Human Resources Manager, City Attorney, Labor Negotiator.
Employee Organizations: Santa Fe Springs City Employees' Association and Santa Fe Springs Firefighters' Association
- CLOSED SESSION**
20. CONFERENCE WITH LABOR NEGOTIATORS
(Pursuant to California Government Code Section 54957.6)
Agency Designated Representatives: City Manager, City Attorney, Labor Negotiator
Employee Organization: Santa Fe Springs Executive, Management and Confidential Employees' Association
- CLOSED SESSION**
21. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): Two Cases
- RECONVENE MEETING** [on Zoom and over telephone]
- 22. CLOSED SESSION REPORT**
- 23. ADJOURNMENT**

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.

I, Janet Martinez, City Clerk for the City of Santa Fe Springs, do hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; city's website at www.santafesprings.org; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC, City Clerk

July 2, 2020
Date Posted

FOR ITEM NO. 4
PLEASE SEE ITEM NO. 7A



NEW BUSINESS

Amendment Number Two ("Amendment") to the Exclusive Negotiating Agreement (ENA) by and between the Housing Successor to the Community Development Commission of the city of Santa Fe Springs ("Housing Successor"), The Whole Child, a California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer").

RECOMMENDATIONS:

- Approve the Amendment Number Two between the Housing Successor and Developer to extend the Negotiation Period for an additional 90-day "extension period" commencing July 26, 2020, by mutual agreement; and
- Authorize the mayor or designee to execute the Amendment between the Housing Successor and Developer to extend the Negotiation Period for an additional 90-day "extension period" commencing July 26, 2020, by mutual agreement.

BACKGROUND

At its March 26, 2020, City Council meeting, the City Council approved Amendment Number One to the Exclusive Negotiating Agreement (ENA) by and between the Housing Successor to the Community Development Commission of the city of Santa Fe Springs ("Housing Successor"), The Whole Child, a California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer"). The purpose of the ENA is the development of an affordable housing project, built on Housing Successor-owned property at the northeast and northwest corners of Laurel Avenue and Lakeland Road. The proposed project is intended to include a transitional housing component for homeless families, a low-income rental housing component with social services, and an affordable for-sale component prioritizing veteran families.

The initial ENA was approved by the City Council on March 28, 2019. It was for 365 days. Amendment Number One, extended the ENA for an additional 120 days. Since the initial ENA approval in 2019, the Lakeland Collaborative completed preliminary due diligence and design. The development team then submitted and updated a project concept with financial underwriting on four (4) different occasions, allowing for a cycle of review and feedback.

This process and partnership between the City of Santa Fe Springs and the Lakeland Collaborative have resulted in the following points of progress:

- Confirmation and early implementation by The Whole Child of a \$4 million grant towards the transitional housing component by County of Los Angeles Supervisor's Hahn's office. This grant is now escrowed and administered by Brilliant Corners and is being supervised by Housing for Health.

- Confirmation by The Whole Child of an additional \$1million grant from the Bezos' Foundation for the transitional housing component.
- Confirmation by the Lakeland Collaborative with the California Department of Housing and Community Development that the proposed development will meet the City of Santa Fe Springs' Regional Housing Needs Assessment requirements as they relate the City's Housing Element.
- Preliminary architectural review and near completion of the Lakeland Collaborative's planning submittal pending final payment of fees.
- Preliminary determination of the appropriate environmental document (currently under review by the City), for the development, according to the California Environmental Quality Act (CEQA).
- Preliminary review of draft development agreement(s) and key business terms (currently under review by the City).
- Initial financial review and recommendation(s) by the City's housing consultant, MDG Associates.

The 365-day initial term, coupled with the additional 120-day extension period, will expire on July 26, 2020. Under the provisions of the ENA (Section 2 (a) of the Agreement), the Negotiation Period may be extended only by written amendment to the Agreement, executed by authorized representative(s) of the Parties.

The Developer is requesting an additional 90-day extension to complete negotiations and to draft the development agreements. Amendment Number Two would extend the Negotiation Period for an additional 90-day "extension period" commencing July 26, 2020, by mutual agreement.

LEGAL REVIEW

The City's Attorney's Office has reviewed the Amendment.

FISCAL IMPACT

The Amendment would have no impact on the general fund. It would, however, provide the Developer time to complete negotiations and to draft the development agreements.


Raymond R. Cruz.
City Manager

Attachment(s):

1. Amendment Number Two
2. Amendment Number One
3. Exclusive Negotiating Agreement

AMENDMENT NUMBER TWO EXCLUSIVE NEGOTIATING AGREEMENT

This Amendment Number Two ("Amendment") to Section 2 (a) of the Exclusive Negotiating Agreement ("Amendment"), is made and entered into this 9th day of July 2020, by and between the Housing Successor to the Community Development Commission of the city of Santa Fe Springs ("Housing Successor") The Whole Child, A California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as "Developer")

RECITALS

WHEREAS, on or about March 28, 2019, the Housing Successor and Developer entered into an Exclusive Negotiating Agreement for certain real property located at Lakeland Road and Laurel Avenue, comprised of two distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development; and

WHEREAS, The intent of both the City and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate a future agreement between them governing the potential development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be documented in a DDA; and

WHEREAS, at its March 26, 2020, City Council meeting, the City Council approved Amendment Number One to the Exclusive Negotiating Agreement (ENA) pursuant to Section 2 (a) "Term of Agreement," which extended the Negotiation Period for an additional 120-day extension period, by mutual agreement; and

WHEREAS, pursuant to Section 2 (a) Terms of Agreement: The Negotiation Period may be extended only by mutual agreement of the Parties in a written amendment to this Agreement executed by authorized representative(s) of the Parties; and

WHEREAS, the Parties, by mutual consent, are desirous of amending the Agreement, pursuant to Section 2 (a), "Term of Agreement," for an additional 90-day extension period (Amendment Number Two).

NOW THEREFORE, certain provision(s) of the Exclusive Negotiation Agreement is hereby amended as follows:

SECTION 1. . Section 2 (a), entitled "Term of Agreement" is hereby amended, to extend the Negotiation Period for an additional 90-day extension period, (Amendment Number Two), commencing July 26, 2020, by mutual agreement.

SECTION 2. Except as provided herein, Section 2 (a), entitled "Term of Agreement" shall otherwise remain in full force and effect.

SECTION 3. Except as set forth herein, all other provisions of the Exclusive Negotiating Agreement and Amendment Number One, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by and through their respective authorized officers, as of the date and year first written above.

HOUSING SUCCESSOR
OF SANTA FE SPRINGS

DEVELOPER

WHOLE CHILD

By: _____ / _____
William K. Rounds, Mayor Date

By: _____ / _____
Signature Date

ATTEST:

HABITAT FOR HUMANITY

Janet Martinez, City Clerk

By: _____ / _____
Signature Date

APPROVED AS TO FORM:

THE RICHMAN GROUP OF
CALIFORNIA DEVELOPMENT
COMPANY, LLC

Ivy M. Tsai, Legal Counsel
Housing Successor Attorney

By: _____ / _____
Signature Date

EXHIBIT 'A'

Property Legal Description

A.P.N. 8011-012-912

LOT 13 OF TRACT 5309, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 64 PAGES 398 AND 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 13 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 13' THENCE ALONG THE SOUTHERLY LINE OF SAID LOT, NORTH 89° 55' EAST 234.63 FEET; THENCE NORTH 405.55 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT NORTH 89° 55' EAST 234.63 FEET FROM THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 89° 55' WEST 234.63 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 405.55 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN SAID LAND AND ALSO EXCEPTING AND RESERVING ALL INTEREST UNDER THE COMMUNITY OIL AND GAS LEASE KNOWN AS "GAULDIN COMMUNITY OIL LEASE," DATED SEPTEMBER 7, 1951, EXECUTED IN VARIOUS COUNTERPARTS IN FAVOR OF T. & T. 011 COMPANY, A PARTNERSHIP, COMPOSED OF WALTER N. THOMPSON, HORACE W. THOMPSON AND JACK H. THOMPSON, PARTNERS, AS LESSEE; A COUNTERPART "ORIGINAL" THEREOF EXECUTED BY VERONICA CONDON NATHHORST, ET AL., WAS REGISTERED ON NOVEMBER 26, 1961 AS DOCUMENT NO. 31139-T AND RECORDED MARCH 12, 1952 AS INSTRUMENT NO 1615 IN BOOK 38460 PAGE 34 OFFICIAL RECORDS, AS EXCEPTED AND RESERVED BY VERONICA CONDON NATHHORST, A WIDOW B DEED RECORDED MARCH 11, 1959.

A.P.N. 8011-011-912

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 1 of Parcel Map No. 25238, Filed in book 288 pages 65 and 66 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-906

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 2 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-907

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 3 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

**AMENDMENT NUMBER ONE
EXCLUSIVE NEGOTIATING AGREEMENT**

This **Amendment Number One (“Amendment”)** to **Section 2 (a) of the Exclusive Negotiating Agreement (“Amendment”)** dated March 26, 2020, by and between the **Housing Successor to the Community Development Commission of the city of Santa Fe Springs (“Housing Successor”)** **The Whole Child, A California nonprofit public benefit corporation, Habitat For Humanity of Greater Los Angeles and The Richman Group of California Development Company, LLC (jointly known as “Developer”)**, is made and entered into this 26th day of March 2019 (“Effective Date”).

RECITALS

WHEREAS, on or about March 28, 2019, the Housing Successor and Developer entered into an Exclusive Negotiating Agreement for certain real property located at Lakeland Road and Laurel Avenue, comprised of two distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit ‘A’ (‘Property’) and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development; and

WHEREAS, The intent of both the City and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate a future agreement between them governing the potential development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be documented in a DDA; and

WHEREAS, pursuant to Section 2 (a) Terms of Agreement: The effective date of the Agreement was March 26, 2019 and the 365 day initial term is due to expire March 25, 2020.

WHEREAS, Section 2 (a) Terms of Agreement: further provides that the Parties may extend the Negotiation Period for an additional 120-day extension period, by mutual agreement; and

WHEREAS, pursuant to Section 2 (a) Terms of Agreement: The Negotiation Period may be extended only by written amendment to this Agreement executed by authorized representative(s) of the Parties; and

WHEREAS, the Parties, by mutual consent, are desirous of amending the Agreement, pursuant to Section 2 (a), Terms of Agreement, for an additional 120-day extension period.

NOW THEREFORE, certain provision(s) of the Exclusive Negotiation Agreement is hereby amended as follows:

SECTION 1. . Section 2 (a), entitled “Terms of Agreement” is hereby amended to extend the Negotiation Period for an additional 120-day “extension period,” commencing March 26, 2020, by mutual agreement.

SECTION 2. Except as provided herein, Section 2 (a), entitled "Terms of Agreement" shall otherwise remain in full force and effect.

SECTION 3. Except as set forth herein, all other provisions of the Exclusive Negotiating Agreement, attached hereto as Exhibit B, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by and through their respective authorized officers, as of the date and year first written above.

HOUSING SUCCESSOR
OF SANTA FE SPRINGS

DEVELOPER

WHOLE CHILD

By: Willie K DL / 03/27/2020 By: _____ / _____
Signature Date Signature Date

HABITAT FOR HUMANITY

By: _____ / _____
Signature Date

THE RICHMAN GROUP OF
CALIFORNIA DEVELOPMENT
COMPANY, LLC

By: _____ / _____
Signature Date

APPROVED AS TO FORM:

Ivy M. Tsal
Ivy M. Tsal, Legal Counsel
Housing Successor Attorney

EXHIBIT 'A'

Property Legal Description

A.P.N. 8011-012-912

LOT 13 OF TRACT 5309, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 64 PAGES 398 AND 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 13 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 13' THENCE ALONG THE SOUTHERLY LINE OF SAID LOT, NORTH 89° 55' EAST 234.63 FEET; THENCE NORTH 405.55 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT NORTH 89° 55' EAST 234.63 FEET FROM THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 89° 55' WEST 234.63 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 405.55 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN SAID LAND AND ALSO EXCEPTING AND RESERVING ALL INTEREST UNDER THE COMMUNITY OIL AND GAS LEASE KNOWN AS "GAULDIN COMMUNITY OIL LEASE," DATED SEPTEMBER 7, 1951, EXECUTED IN VARIOUS COUNTERPARTS IN FAVOR OF T. & T. 011 COMPANY, A PARTNERSHIP, COMPOSED OF WALTER N. THOMPSON, HORACE W. THOMPSON AND JACK H. THOMPSON, PARTNERS, AS LESSEE; A COUNTERPART "ORIGINAL" THEREOF EXECUTED BY VERONICA CONDON NATHHORST, ET AL., WAS REGISTERED ON NOVEMBER 26, 1961 AS DOCUMENT NO. 31139-T AND RECORDED MARCH 12, 1952 AS INSTRUMENT NO 1615 IN BOOK 38460 PAGE 34 OFFICIAL RECORDS, AS EXCEPTED AND RESERVED BY VERONICA CONDON NATHHORST, A WIDOW B DEED RECORDED MARCH 11, 1959.

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The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 1 of Parcel Map No. 25238, Filed in book 288 pages 65 and 66 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-906

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 2 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-907

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 3 of Parcel Map No. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

HOUSING SUCCESSOR OF SANTA FE SPRINGS

EXCLUSIVE NEGOTIATION AGREEMENT

(Lakeland Road and Laurel Avenue Affordable Residential Project)

THIS EXCLUSIVE NEGOTIATION AGREEMENT ('Agreement') is dated as of March 28, 2019 for reference purposes only, and is entered into by and between the **Housing Successor to the Community Development Commission of the City of Santa Fe Springs** ("Housing Successor"), **The Whole Child**, a California nonprofit public benefit corporation **Habitat for Humanity of Greater Los Angeles**, a California nonprofit public benefit corporation, and The Richman Group of California Development Company, LLC (jointly known as "Developer") to provide a specified period of time to negotiate a disposition and development agreement ("DDA"). The City and Developer are sometimes referred to in this Agreement individually, as a 'Party' and, collectively, as the 'Parties.' This Agreement is entered into by the Parties with reference to the following recited facts (each, a 'Recital'):

RECITALS

A. The Housing Successor is the current owner of certain real property located at Lakeland Road and Laurel Avenue, in the City of Santa Fe Springs ("City") comprised of four distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

B. The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development ("Project"), and

C. The intent of both the Housing Successor and the Developer in entering into this Agreement is to establish a specific, limited period of time to negotiate a future agreement between them governing the potential development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be documented in a DDA.

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE HOUSING SUCCESSOR RELATING TO THE IMPLEMENTATION OF THE PROJECT AND THE PROMISES OF THE HOUSING SUCCESSOR AND THE DEVELOPER SET FORTH IN THIS AGREEMENT, THE HOUSING SUCCESSOR AND THE DEVELOPER AGREE, AS FOLLOWS:

1. **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement, in their entirety, by this reference.

2. **Term of Agreement.**

(a) The rights and duties of the Housing Successor and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the 'Effective Date'): (1) execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the Housing

Successor and (2) execution of this Agreement by the authorized representative(s) of the Housing Successor and delivery of such executed Agreement to the Developer. The Housing Successor shall deliver a fully executed counterpart original of this Agreement to the Developer, within five (5) business days following the execution of this Agreement by the authorized representative(s) of the Housing Successor. This Agreement shall continue in effect for the period of 365 consecutive calendar days immediately following the Effective Date ('Negotiation Period'). Notwithstanding the foregoing, if the Parties have not executed and delivered the DDA within such 365-day period, the Parties may extend the Negotiation Period for an additional 120-day extension period, by mutual agreement. The Negotiation Period may be extended only by written amendment to this Agreement executed by authorized representative(s) of the Parties.

(b) This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period, unless, prior to that time, both the Housing Successor staff and the Developer approve an extension of the ENA for an additional period of time acceptable to both the Housing Successor and the Developer.

3. Obligations of the Parties.

(a) Obligations of Developer. During the Negotiation Period, the Developer shall proceed diligently and in good faith to develop and present to Housing Successor staff and, subsequently, to the Housing Successor Board, for review, all of the following:

(i) A proposed conceptual development plan for the Project on the Property that describes and depicts: (1) the location and placement of proposed buildings and (2) the architecture and elevations of the proposed buildings;

(ii) Proposed zoning change or changes to the City's General Plan, if any, necessary to accommodate the Project on the Property;

(iii) A proposed time schedule and cost estimates for the development of the Project on the Property; and

(iv) A proposed financing plan identifying financing sources for all private and public improvements proposed for the Project.

(v) A preliminary project proforma which includes development costs, including, but not limited to, construction and non-construction costs, and project income and return.

(b) Obligations of Housing Successor. During the Negotiation Period, the Housing Successor shall proceed diligently and in good faith to perform the following:

(i) Enter into a Right of Entry Agreement with Developer substantially in the form attached as Exhibit D hereto within five (5) days of the Effective Date;

(ii) Provide the Developer with access to the Property during the Negotiation Period for the purpose of performing due diligence activities in accordance therewith; and

(iii) Provide Developer with a preliminary title report for the Property in accordance with the Timeline.

5. **Milestone Schedule.** Housing Successor and Developer acknowledge and agree that all submittals required by this Agreement shall be made pursuant to the time schedule attached hereto as Exhibit C, as may be amended administratively by Executive Director of the Housing Successor with the concurrence of Developer; provided that the timeline does not exceed the Negotiation Period.

6. **Negotiation of DDA.** During the Negotiation Period, the Housing Successor and the Developer shall negotiate diligently and in good faith to negotiate a DDA between them. The Housing Successor shall not negotiate with any entity other than the Developer regarding the development of the Property or solicit or entertain bids or proposals to do so. The Housing Successor and the Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the Housing Successor and the Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a DDA and such other matters, as may be mutually acceptable to both the Housing Successor and the Developer, in their respective sole discretion. The exact terms and conditions of a DDA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the Housing Successor or the Developer that a mutually acceptable DDA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive DDA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed DDA that may be negotiated by Housing Successor staff and the Developer will be approved by the Housing Successor governing body. The Developer acknowledges and agrees that the City consideration of any DDA is subject to the sole and absolute discretion of the City governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

7. **Restrictions Against Change in Ownership, Management and Control of Developer and Assignment of Agreement.**

(a) The qualifications and identity of the Developer and its principals are of particular concern to the Housing Successor. It is because of these qualifications and identity that the Housing Successor has entered into this Agreement with the Developer. During the Negotiation Period, no voluntary or involuntary successor-in-interest of the Developer shall acquire any rights or powers under this Agreement, except as provided in Section 7(c).

(b) The Housing Successor shall consider additional resources requested by the Developer, financial or institutional, for the successful execution of the Project.

(c) The Developer shall promptly notify the Housing Successor in writing of any and all additions or changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 7(d)) of the Developer, as well as any and all changes in the interest or the degree of Control of the Developer by any such person, of which information the Developer or any of its shareholders, partners, members, directors, managers or

officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change, whether voluntary or involuntary, in ownership, management or Control of the Developer (other than such changes occasioned by the death or incapacity of any individual) that has not been approved by the Housing Successor, prior to the time of such change, the Housing Successor may terminate this Agreement, without liability to the Developer or any other person, by sending written notice of termination to the Developer, referencing this Section 7(b).

(d) The Developer may assign its rights under this Agreement to an Affiliate (as defined in Section 7(d)), on the condition that such Affiliate expressly assumes all of the obligations of the Developer under this Agreement in writing reasonably satisfactory to the Housing Successor.

(e) For purposes of this Agreement, the term 'Affiliate' means any person, directly or indirectly, controlling or controlled by or under common control with the Developer, whether by direct or indirect ownership of equity interests, by contract, or otherwise. For the purposes of this agreement, 'Control' means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether by ownership of equity interests, by contract, or otherwise.

8. Obligations to Review Draft Agreements and Attend Meetings.

(a) During the Negotiation Period, the Developer shall diligently review and comment on drafts of a DDA prepared by the Housing Successor's legal counsel and, if the terms and conditions of such a DDA are agreed upon between Housing Successor staff and the Developer, submit the DDA fully executed by the authorized representative(s) of the Developer to the Housing Successor's Executive Director for submission to the Housing Successor governing body for review and approval or disapproval. Any future DDA shall consist of terms and conditions acceptable to both the Developer and the Housing Successor governing body, in their respective sole and absolute discretion.

(b) During the Negotiation Period, the Developer shall also keep the Housing Successor governing body and staff advised on the progress of the Developer in performing its obligations under this Agreement, on a regular basis or as requested by Housing Successor staff, including, without limitation, having one or more of the Developer's employees or consultants who are knowledgeable regarding this Agreement, the design and planning of the Project and the progress of negotiation of a DDA, such that such person(s) can meaningfully respond to Housing Successor questions regarding the progress of the design and planning of the Project or the negotiation of a DDA attend both: (1) weekly meetings or conference calls with Housing Successor staff, as reasonably scheduled by Housing Successor staff during the Negotiation Period (each, a 'Weekly Meeting'), and (2) meetings of the Housing Successor governing body, when reasonably requested to do so by Housing Successor staff.

(c) Developer and Housing Successor shall use commercially reasonable best efforts to perform the tasks set forth in the Timeline within the times set forth therein.

9. **Developer to Pay All Costs and Expenses.** All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a DDA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the Housing Successor. The Developer shall also pay all fees, charges and costs, make all deposits and provide all bonds or other security associated with the submission to and processing by the Housing Successor and/or the City of any and all applications and other documents and information to be submitted to the Housing Successor and/or the City by the Developer pursuant to this Agreement or otherwise associated with the Project, including, but not limited to, any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Housing Successor during the Negotiation Period. The Housing Successor shall not be obligated to pay or reimburse any expenses, fees, charges or costs incurred by the Developer in pursuit of any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, whether or not this Agreement is, eventually, terminated or extended or a DDA is entered into between the Housing Successor and the Developer, in the future.

10. **Hazardous Materials and Development Assessment.** During the Negotiating Period, Developer may conduct such inspections, tests, surveys, and other analyses ("Inspections") as Developer deems reasonably necessary to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project but shall not be obligated to complete such Inspections within the Negotiating Period. However, failure to complete the inspections shall not be grounds for extension of the Negotiating Period, unless both Parties agree. Housing Successor shall make available to Developer, upon Developer's written request, existing information and plans in its possession regarding the Property. The Developer at its sole cost and expense shall conduct or cause to be conducted environmental assessments, audits and/or testing and any other activities, audits, tests and assessments to determine the feasibility of the Project ("Tests") of the Property. The Developer shall have the right to terminate this Agreement if the Developer is not reasonably satisfied with the findings and the recommendations made in the Tests, or if the Project is determined not to be feasible in the sole discretion of the Developer. However, both Parties acknowledge and agree that specific representations or warranties, agreements, obligations, liabilities or responsibilities pertaining to the condition or title of the Property and/or the Project may be the subject of negotiations between the Parties in connection with the negotiations of any DDA or other agreement entered into by the Parties.

11. **Housing Successor Not To Negotiate With Others.**

(a) During the Negotiation Period, the Housing Successor shall not negotiate with any other person regarding the sale or redevelopment of the Property. The term 'negotiate,'

as used in this Agreement, means and refers to engaging in any discussions with a person other than the Developer, regardless of how initiated, with respect to that person's redevelopment of the Property to the total or partial exclusion of the Developer from redeveloping the Property, without the Developer's written consent, subject to the provisions of Section 10(b) and further provided that the Housing Successor may receive and retain unsolicited offers regarding redevelopment of the Property, but shall not negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the Housing Successor may discuss the fact that the Housing Successor is a party to this Agreement.

(b) Nothing in this Agreement shall limit, prevent, restrict or inhibit the Housing Successor from providing any information in its possession or control that would customarily be furnished to persons requesting information from the Housing Successor concerning the Housing Successor's activities, goals, matters of a similar nature relating to implementation of the project as required by law to be disclosed, upon request or otherwise.

12. Acknowledgments and Reservations.

(a) The Housing Successor and the Developer agree that, if this Agreement expires or is terminated for any reason, or a future DDA is not approved and executed by both the Housing Successor and the Developer, for any reason, neither the Housing Successor nor the Developer shall be under any obligation, nor have any liability to each other or any other person regarding the sale or other disposition of the Property or the redevelopment of the Property.

(b) The Developer acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by the Housing Successor, nor an acceptance by the Housing Successor of any offer or proposal from the Developer for the Housing Successor to convey any estate or interest in the Property to the Developer or for the Housing Successor to provide any financial or other assistance to the Developer for redevelopment of the Project or the Property.

(c) The Developer acknowledges and agrees that the Developer has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in real or personal property from the Housing Successor.

(d) Certain development standards and design controls for the Project may be established between the Developer and the Housing Successor, but it is understood and agreed between the Housing Successor and the Developer that the Project and the redevelopment of the Property must conform to all Housing Successor, City and other applicable governmental development, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of the Housing Successor and the City, through the standard development application process in the community. Nothing in this Agreement shall be considered approval of any plans or specifications for the Project or of the Project itself by the Housing Successor.

(e) The Housing Successor reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of the Developer to develop the Property and/or the Project. The Developer acknowledges that it may be requested to

make certain financial disclosures to the Housing Successor, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of the Housing Successor relating to the potential sale of the Property and redevelopment of the Project on the Property by the Developer and that any such disclosures may become public records. The Housing Successor shall maintain the confidentiality of financial information of the Developer to the extent allowed by law, as determined by the Housing Successor Legal Counsel.

(f) The Housing Successor shall not be deemed to be a Party to any agreement for the acquisition of, lease of or disposition of real or personal property, the provision of financial assistance to the Developer or development of the Project on the Property or elsewhere, until the terms and conditions of a complete future DDA are considered and approved by both the City Council and the Housing Successor governing body, in their respective sole and absolute discretion, following the conclusion of one or more duly noticed public hearings, as required by law. The Developer expressly acknowledges and agrees that the Housing Successor will not be bound by any statement, promise or representation made by Housing Successor staff or representatives during the course of negotiations of a future DDA and that the Housing Successor shall only be legally bound upon the approval of a complete DDA by both the City Council and the Housing Successor Board, in their respective sole and absolute discretion, following one or more duly noticed public hearings, as required by law.

(g) Each Party represents that it has not engaged any broker, agent or finder in connection with this transaction and each party agrees to hold the other party harmless from any claim by any broker, agenda or finder retained by or claimed through such Party.

13. **Nondiscrimination.** The Developer shall not discriminate against nor segregate any person, or group of persons on account of race, color, creed, religion, sex, marital status, handicap, national origin or ancestry in undertaking its obligations under this Agreement.

14. **Default.**

(a) Failure or delay by either Party to perform any material term or provision of this Agreement shall constitute a default under this Agreement. If the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 14(a) shall be automatically reduced to the number of days remaining in the Negotiation Period.

(b) The Party claiming that a default has occurred shall give written notice of default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. However, the injured Party shall have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default.

(c) Any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies associated with a default.

(d) If a default of either Party remains uncured for more than fifteen (15) calendar days following receipt of written notice of such default, a 'breach' of this Agreement by the defaulting Party shall be deemed to have occurred. In the event of a breach of this Agreement, the sole and exclusive remedy of the Party who is not in default shall be to terminate this Agreement by serving written notice of termination on the Party in breach and, in the case of a breach by the Housing Successor, the Developer shall also be entitled to receive the Liquidated Damages Amount.

15. **Compliance with Law.** The Developer acknowledges that any future DDA, if approved by the governing body of the Housing Successor, will require the Developer (among other things) to carry out the development of the Project in conformity with all applicable laws, including all applicable building, planning, housing and zoning laws, environmental laws, safety laws and federal and state labor and wage laws.

16. **Press Releases.** The Developer agrees to obtain the approval of the Housing Successor Executive Director or his or her designee or successor in function of any press releases Developer may propose relating to the redevelopment of the Property or negotiation of a DDA with the Housing Successor, prior to publication.

17. **Notice.** All notices required under this Agreement shall be presented in person, by nationally recognized overnight delivery service or by facsimile and confirmed by first class certified or registered United States Mail, with return receipt requested, to the address and/or fax number for the Party set forth in this Section 17. Notice shall be deemed confirmed by United States Mail effective the third (3rd) business day after deposit with the United States Postal Service. Notice by personal service or nationally recognized overnight delivery service shall be effective upon delivery. Either Party may change its address for receipt of notices by notifying the other Party in writing. Delivery of notices to courtesy copy recipients shall not be required for valid notice to a Party.

TO DEVELOPER:

The Whole Child
10155 Colima Road
Whittier, CA 90603
Attention: Constanza Pachon

Habitat for Humanity of
Greater Los Angeles
8739 Artesia Blvd.
Bellflower, CA 90706
Attention: Darrell Simien

The Richman Group of California Development
Company, LLC
420 31st Street Suite B1
Newport Beach, CA 92663
Attn: Rick Westberg

TO HOUSING
SUCCESSOR:

City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Wayne Morrell

18. **Warranty against Payment of Consideration for Agreement.** The Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section 18, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects and other consultants, when such fees are considered necessary by the Developer.

19. **Acceptance of Agreement by Developer.** The Developer shall acknowledge its acceptance of this Agreement by delivering to the Housing Successor three (3) original counterpart executed copies of this Agreement signed by the authorized representative(s) of the Developer.

20. **Counterpart Originals.** This Agreement may be executed by the Housing Successor and the Developer in multiple counterpart originals, all of which together shall constitute a single agreement.

21. **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to benefit any person or entity other than the Housing Successor or the Developer.

22. **Indemnity.** Developer agrees to defend (with counsel approved by City), hold harmless and indemnify the Housing Successor, City, and each of their officers, agents and employees (the "Indemnified Parties") from and against any and all claims, causes of action, liabilities, damages, judgments, losses, costs or expenses (including, without limitation, attorneys' fees) actually caused by or resulting from Developer's acts or omissions pursuant to this Agreement; provided that the obligation to defend does not apply to actions arising solely from Indemnified Parties' acts or omissions; and provided, further, that the obligation to hold harmless applies only to the extent damages are the result of negligent acts or omissions or willful misconduct of Developer or Developer's agents, officers, owners or employees. Notwithstanding this limitation, Developer agrees to defend or pay the cost of defense of any action brought by any third party challenging the City's or Authority's ability to enter into this Exclusive Negotiation Agreement on any grounds whatsoever.

23. **Non-Liability of City Officials.** No member, official, officer, employee, agent, representative, volunteer, or consultant of the Housing Successor shall be personally liable to Developer, or any successor in interest of Developer, in the event of any default or breach by City or for any amount which may become due to Developer or to its successor, or on any obligations under the terms of this Agreement.

24. **Governing Law.** The Housing Successor and the Developer acknowledge and agree that this Agreement was negotiated, entered into and is to be fully performed in the City of Santa Fe Springs, California. The Housing Successor and the Developer agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of California, without application of such laws' conflicts of laws principles.

25. **Waivers.** No waiver of any breach of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding breach of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, or any modification of this Agreement shall be enforceable against the Housing Successor or the Developer, unless made in writing and executed by both the Housing Successor and the Developer.

26. **Construction.** Headings at the beginning of each section and sub-section of this Agreement are solely for the convenience of reference of the Housing Successor and the Developer and are not a part of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. This Agreement shall not be construed as if it had been prepared by one or the other of the Housing Successor or the Developer, but rather as if both the Housing Successor and the Developer prepared this Agreement. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to this Agreement and incorporated into this Agreement by this reference. If the date on which the Housing Successor or the Developer is required to take any action pursuant to the terms of this Agreement is not a business day of the Housing Successor, the action shall be taken on the next succeeding business day of the City.

24. **Attorneys' Fees.** If either Party hereto files any action or brings any action or proceeding against the other arising out of this Agreement, then the prevailing Party shall be entitled to recover as an element of its costs of suit, and not as damages, its reasonable attorneys' fees and costs as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees and costs. For the purposes hereof the words 'reasonable attorneys' fees' mean and include, in the case of Housing Successor, salaries and expenses of the lawyers employed by Housing Successor (allocated on an hourly basis) who may provide legal services to Housing Successor in connection with the representation of the Housing Successor in any such matter.

25. **Entire Agreement.** This Agreement contains the entire understanding and agreement of the Parties, integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties or their predecessors in interest with respect to all or any part of the subject matter hereof.

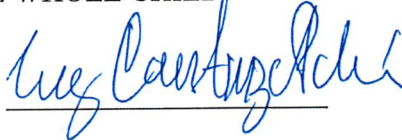
[Signatures on following page]

IN WITNESS WHEREOF, the Housing Successor and the Developer have executed this Negotiation Agreement on the dates indicated next to each of the signatures of their authorized representatives, as appear below.

DEVELOPER:

THE WHOLE CHILD

Dated: 4/12/19

By: 

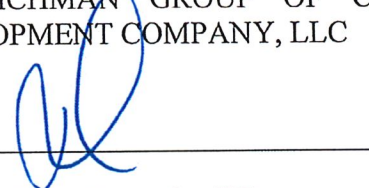
Constanza Pachon, CEO

HABITAT FOR HUMANITY OF GREATER LOS ANGELES

By: 

Erin Rank, President & CEO

THE RICHMAN GROUP OF CALIFORNIA DEVELOPMENT COMPANY, LLC

By: 

Rick Westberg, Executive VP

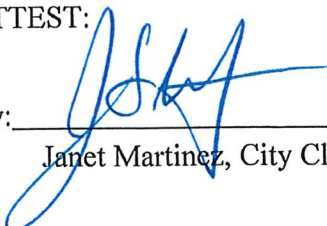
HOUSING SUCCESSOR:

HOUSING SUCCESSOR TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SANTA FE SPRINGS

Dated: 4/30/19

By: 

Juanita Trujillo, Mayor

ATTEST:
By: 
Janet Martinez, City Clerk

APPROVED AS TO FORM:


By:  _____
Housing Successor Legal
Counsel

EXHIBIT 'A'
TO
NEGOTIATION AGREEMENT

Property Legal Description

A.P.N. 8011-012-912

LOT 13 OF TRACT 5309, IN THE CITY OF SANTA FE SPRINGS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 64 PAGES 398 AND 39 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THAT PORTION OF SAID LOT 13 DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 13' THENCE ALONG THE SOUTHERLY LINE OF SAID LOT, NORTH 89° 55' EAST 234.63 FEET; THENCE NORTH 405.55 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT, DISTANT NORTH 89° 55' EAST 234.63 FEET FROM THE NORTHWEST CORNER OF SAID LOT, THENCE SOUTH 89° 55' WEST 234.63 FEET TO SAID NORTHWEST CORNER; THENCE SOUTH 405.55 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT ALL OIL, GAS OR OTHER HYDROCARBON SUBSTANCES IN SAID LAND AND ALSO EXCEPTING AND RESERVING ALL INTEREST UNDER THE COMMUNITY OIL AND GAS LEASE KNOWN AS "GAULDIN COMMUNITY OIL LEASE," DATED SEPTEMBER 7, 1951, EXECUTED IN VARIOUS COUNTERPARTS IN FAVOR OF T. & T. 011 COMPANY, A PARTNERSHIP, COMPOSED OF WALTER N. THOMPSON, HORACE W. THOMPSON AND JACK H. THOMPSON, PARTNERS, AS LESSEE; A COUNTERPART "ORIGINAL" THEREOF EXECUTED BY VERONICA CONDON NATHHORST, ET AL., WAS REGISTERED ON NOVEMBER 26, 1961 AS DOCUMENT NO. 31139-T AND RECORDED MARCH 12, 1952 AS INSTRUMENT NO 1615 IN BOOK 38460 PAGE 34 OFFICIAL RECORDS, AS EXCEPTED AND RESERVED BY VERONICA CONDON NATHHORST, A WIDOW B DEED RECORDED MARCH 11, 1959.

A.P.N. 8011-011-912

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 1 of Parcel Map NO. 25238, Filed in book 288 pages 65 and 66 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-906

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 2 of Parcel Map NO. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

A.P.N. 8011-011-907

The land referred to herein is situated in the city of Santa Fe Springs, county of Los Angeles, state of California, and is described as follows:

Parcel 3 of Parcel Map NO. 24115, Filed in book 266 pages 94 and 95 of Parcel Maps, in the office of the county recorder of said county.

EXHIBIT 'B'
TO
NEGOTIATION AGREEMENT

Project Description

Developer is proposing to build a multi-use, affordable housing development.

All work described above shall be performed in accordance with all applicable laws.

EXHIBIT 'C'

Exclusive Negotiating Agreement Timeline

Within 90 Days of Effective Date of ENA (April 30, 2019) of ENA
Title Report. Housing Successor to provide preliminary title report on property; Developer to commence physical due diligence on Property.
<p>Preliminary Development Concept Package. Developer shall submit to the Housing Successor a "Preliminary Development Concept Package," consisting of the following:</p> <ul style="list-style-type: none">a. a preliminary development proposal generally describing the Project for the site subject to Housing Successor review and approval.b. an initial estimate of development costs, including construction and non-construction costs, such as the proposed purchase price for land;c. a preliminary description of the proposed method of financing;d. a proposed construction and operating pro forma which identifies all sources and uses of funds;e. submittal of preliminary design(s) (including a scaled site plan indicating building and parking layout) for the purpose of demonstrating compliance with the design requirements of the City of Santa Fe Springs and to assist the Housing Successor in conducting a review under the California Environmental Quality Act ("CEQA"); andf. evidence reasonably acceptable to the Housing Successor that the Developer have the significant financial resources necessary for development. <p>Housing Successor staff may solicit proposals and select independent financial or design consulting firms to verify and further analyze the Preliminary Development Concept Package at the Housing Successor's sole expense.</p>
Within 180 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Preliminary Agency Evaluation. Within thirty (90) days of the date of receipt of the Preliminary Development Concept Package, the Housing Successor will provide its evaluation ("Preliminary Housing Successor Evaluation") to the Developer of the Preliminary Development Concept Package. Such evaluation will include:</p> <ul style="list-style-type: none">a. The Housing Successor's evaluation of items addressed in the Preliminary Development Concept Package. The Preliminary Housing Successor Evaluation shall indicate Housing Successor's preliminary determinations as to the appropriate level of review under CEQA and local planning approvals (e.g., DPA, CUP, TPM, TTM, MOD, etc).b. The Housing Successor will identify the amount of local City of Santa Fe Springs funding sources for infrastructure and affordable housing development
<p>Draft Disposition & Development Agreement ("DDA"). The Housing Successor will provide the Developer with a 1st draft of the DDA and exhibits.</p>

Within 300 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Finalize DDA. Within one hundred and twenty (120) days of receipt of the 1st draft of the DDA, Developer and Housing Successor will conclude negotiations on a final form of DDA. It is expected that this negotiation will require multiple rounds of review and comment by Developer and Housing Successor, and will also be dependent on identifying and pursuing other funding sources outside of the City of Santa Fe Springs.</p>
<p>Outreach. During the finalization of the DDA, in coordination with City staff and the Housing Successor, the Developer will perform necessary community outreach to garner support for the development and the DDA.</p>
<p>Procurement of Other Funding Sources. Developer will work with the Housing Successor and other affordable housing agencies at the County, State and Federal levels, with industry advocates, to identify, plan for, apply for and secure other funding sources.</p>
Within 365 Days of Effective Date of ENA as such time may be extended by the Parties
<p>Impact of and timing of Disparate Funding Sources. The above timing commitments and subsequent DDA will be impacted by the identification, pursuit and attainment of funding for the agreed upon affordable housing development. The remainder of the ENA period (365 days of effective date of ENA plus any mutually agreed upon extensions, if any) allows further time for the Housing Successor and Developer to gain these commitments to ensure a feasible execution.</p>

EXHIBIT 'D'
TO
NEGOTIATION AGREEMENT

Right of Entry Agreement

[To Be Attached Behind This Cover Page]

EXHIBIT "D"
RIGHT OF ENTRY AGREEMENT
(Lakeland Road and Laurel Avenue Affordable Residential Project)

This Right of Entry Agreement ("Agreement") is made and entered into this 12th day of April, 2019, by and between the HOUSING SUCCESSOR TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SANTA FE SPRINGS ("Housing Successor") and THE WHOLE CHILD, a California nonprofit public benefit corporation HABITAT FOR HUMANITY OF GREATER LOS ANGELES, a California nonprofit public benefit corporation, and THE RICHMAN GROUP OF CALIFORNIA DEVELOPMENT COMPANY, LLC (jointly known as "Developer") and its employees, officers, members, agents, representatives, invitees, affiliates, and its contractors, including their consultants, subcontractors and suppliers (collectively, the "Affiliated Parties").

RECITALS

WHEREAS, the Housing Successor owns certain real property ("Property") located at Lakeland Road and Laurel Avenue, in the City of Santa Fe Springs ("City") comprised of four distinct parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit 'A' ('Property') and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as an affordable mixed-use housing development ("Project"); and

WHEREAS, The Developer and its Affiliated Parties have requested access to the Property that they may conduct such inspections, tests, surveys, and other analyses ("Inspections") as Developer deems reasonably necessary to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project; and

WHEREAS, the Housing Successor desires to provide access to Property the Developer and its Affiliated Parties for the purposes of Inspections.

NOW THEREFORE, in consideration of the mutual covenants herein set forth and the mutual benefits to be derived therefrom, the parties agree as follows:

1. **Grant.** Housing Successor, the owner of the Property, hereby grants a right of entry ("Right of Entry") to the Developer and its Affiliated Parties to enter upon the Property. Use of the Property is for the purpose of conducting Inspections.
2. **Permitted Activities.** The Developer and the Affiliated Parties shall use the Right of Entry to perform the aforementioned Inspections.
3. **Term.** This Agreement will be effective on the date first written above. The Developer and its Affiliated Parties shall have the Right of Entry for a period of 52 weeks commencing on April 30, 2019 to April 30, 2020 unless this Agreement is earlier terminated as set forth in this Agreement.

4. **Condition of Property.** During the term of this Agreement, the Developer and its Affiliated Parties shall not cause physical damage, create dangerous conditions on the property or otherwise cause any other damage to the Property and shall take all reasonable steps to maintain the Property in an orderly and appealing manner. In addition, the Developer and its Affiliated Parties shall interfere with the peaceful enjoyment of the Property by the current tenant of the Property.

5. **Termination.** This Agreement may be terminated by City if the City determines using its sole discretion that the Developer and its Affiliated Parties' use of the Property is in violation of this Agreement, creates any kind of health and safety hazard, or would impose any liability upon the City.

6. **Access to the Property.** The City shall make a reasonable effort to keep access to the Property open to the Developer and its Affiliated Parties at all times and shall not unreasonably interfere with the Developer and its Affiliated Parties' access to the Property. The Developer and its Affiliated Parties shall not interfere with the City's access to or use of the Property, including the current tenant's use of the property.

7. **Indemnification.** Except as to sole negligence or willful misconduct of the City, the Developer and its Affiliated Parties agree to indemnify, defend, and hold the City and its officers and employees, harmless from and against all claims, damages, losses, liability, cost or expense, including attorney's fees and costs, which arises out of or is in any way connected with the performance of Inspections or use of the Property under this Agreement by the Developer and its Affiliated Parties, any of the Developer and its Affiliated Parties. The Developer and its Affiliated Parties shall also be responsible for any attorneys' fees and costs the Housing Successor may incur in the event the Housing Successor has to file any action in connection with this Agreement.

8. **Workers' Compensation Insurance.** By executing this Agreement, the Developer and its Affiliated Parties certify that they are aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. The Developer and its Affiliated Parties shall carry the insurance or provide for self-insurance required by California law to protect Housing Successor from claims under the Workers' Compensation Act. Prior to Housing Successor's execution of this Agreement, the Developer and its Affiliated Parties shall file with Housing Successor either a certificate of insurance showing that such insurance is in effect, or that they are self-insured for such coverage. Any certificate filed with Housing Successor shall provide that Housing Successor will be given thirty (30) days prior written notice before modification or cancellation thereof.

9. **General Liability Insurance.** Prior to the Housing Successor's execution of this Agreement, Developer and its Affiliated Parties shall provide proof of general liability insurance as required to insure the Housing Successor against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of the Developer and its Affiliated Parties. The Housing Successor, and its officers, employees and agents, shall be named as additional insureds under the Developer's and its Affiliated Parties'

insurance policies. Said policies shall be in the usual form of commercial general liability insurance policies, but shall include the following provisions:

It is agreed that the Housing Successor, the City and its officers, employees and agents are added as additional insureds under this policy, solely for the inspections done by and on behalf of the named insured.

All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

General liability insurance policies shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000, unless otherwise approved or reduced by the Housing Successor.

These minimum amounts of coverage shall not constitute any limitation or cap on the Developer's and its Affiliated Parties' indemnification obligations under Section 7 hereof.

Any policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to the Housing Successor by certified or registered mail, postage prepaid. Any policies shall include an endorsement stating that any applicable insurance coverage maintained by the Housing Successor shall be excess in relation to the Developer and its Affiliated parties insurance policies.

10. **Venue and Attorneys' Fees.** Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event any party hereto shall bring suit to enforce any term of this Agreement or to recover any damage for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

11. **Compliance with Law.** The Developer's and its Affiliated Parties' performance under this Agreement shall comply with all applicable local, state, and federal laws, regulations, and ordinances.

12. **Notices.** Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows:

Housing Successor

Director of Planning

Housing Successor of Santa Fe Springs

11710 E. Telegraph Rd.

Santa Fe Springs, CA 90670

(562) 868-0511

The Developer and its Affiliated Parties

13. **Assignment.** It is mutually understood and agreed that this Agreement is personal to both parties and may not be assigned or transferred in any way. Any transfer shall be void and of no effect.

14. **Authority.** The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entities to the terms and conditions hereof and thereof.

15. **Severability.** Each provision, term, condition, covenant, and/or restriction, in whole and in part, in this Agreement shall be considered severable. In the event any provision, term, condition, covenant, and/or restriction, in whole and/or in part, in this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant, and/or restriction, of this Agreement and the remainder of the Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date and year first written above.

HOUSING SUCCESSOR
OF SANTA FE SPRINGS

By: _____

Signature

Date

4/12/19

DEVELOPER

WHOLE CHILD

By: _____

Signature

Date

4/12/19

HABITAT OF HUMANITY

By: _____

Signature

Date

4/12/19

THE RICHMAN GROUP OF CALIFORNIA
DEVELOPMENT COMPANY, LLC

By: _____

Signature

Date

4/12/19

Approved as to Form:

Ivy M. Tsai, Legal Counsel
Housing Successor Attorney

FOR ITEM NO. 6
PLEASE SEE ITEM NO. 7A



City of Santa Fe Springs

City Council Meeting

ITEM NO. 7A

July 9, 2020

CONSENT AGENDA

Minutes of the June 11, 2020 Regular City Council Meetings

RECOMMENDATION(S)

- Approve the minutes as submitted.

BACKGROUND

Staff has prepared minutes for the following meeting:

- June 11, 2020 Meeting Minutes

Staff hereby submits the minutes for Council's approval.

A handwritten signature in blue ink, appearing to read "Raymond R. Cruz", followed by a large, stylized flourish.

Raymond R. Cruz
City Manager

Attachments:

1. June 11, 2020 Meeting Minutes



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

June 11, 2020

1. **CALL TO ORDER**

Mayor Rounds called the meeting to order via teleconference at 6:01 p.m.

2. **ROLL CALL**

Members present: Council Members/Directors: Mora, Rodriguez, Zamora, Mayor Pro Tem/Vice Chair Mora, and Mayor/Chair Rounds.

Members absent: None

3. **PUBLIC COMMENTS**

The following people submitted comments to be read during Public Comments: Frank Martene, David Erb, Juan Carlos Guerrero, and Emily Sandoval.

The following people spoke during Public Comments: Tom Murray, Ralph Aranda, Pierre Romo, Jay Sarno, and Martin Herrera.

HOUSING SUCCESSOR

4. **CONSENT AGENDA**

Minutes of the May 14, 2020 Housing Successor (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Rodriguez, seconded by Mayor Pro Tem Mora, to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

SUCCESSOR AGENCY

5. **CONSENT AGENDA**

Minutes of the May 14, 2020 Successor Agency (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Trujillo, seconded by Councilmember Zamora, to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None
Absent: None

CITY COUNCIL

6. CONSENT AGENDA

- a. Minutes of the May 14, 2020 Regular City Council Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. General Motion to Waive Full Reading and Read Ordinance by Title Only Pursuant to California Government Code Section 36934 (City Clerk)

Recommendation:

- Approve a general motion to waive full reading and read Ordinance titles only, pursuant to California Government Code Section 36934.

- c. Status Update for the Appeal of a Denial Involving an Application for a Conditional Use Permit (CUP Case No. 795), five (5) Zone Variances (ZV Case No. 82 and 84-87) and a Development Agreement (DA 01-2020), filed by Becker Boards, on a Parcel Located at 13539 Freeway Drive (APN: 8069-016-006) (Planning)

Recommendation:

- Receive and file the report.

It was moved by Mayor Pro Tem Mora, seconded by Councilmember Trujillo, to approve Item Nos. 6A through 6C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

PUBLIC HEARING/ORDINANCE FOR INTRODUCTION

7. Categorically Exempt – CEQA Guidelines Section 15282(h)

Zoning Text Amendment – Accessory Dwelling Unit

Ordinance No. 1110: An ordinance of the City of Santa Fe Springs Amending Sections 155.003 (Definitions), 155.644 (Accessory Dwelling Units) and 155.644.1 (Junior Accessory Dwelling Units) of Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code Relating to the Construction of Accessory Dwelling Units and Junior Accessory Dwelling Units in the A-1, Light Agricultural; R-1, Single-Family Residential; and R-3, Multi-Family Residential, Zones. (City of Santa Fe Springs)

Recommendation:

- Open the Public Hearing and receive any comments from the public regarding proposed Ordinance No. 1110 and, thereafter, close the Public Hearing; and
- Find that the proposed amendments to the text of the City's Land Use Regulations are consistent with the City's General Plan; and
- Introduce for first reading the proposed amendments to the City Zoning Ordinance regarding land use requirements for Accessory Dwelling Units and Junior Accessory Dwelling Units in the A-1, Light Agricultural; R-1, Single-Family Residential; and R-3, Multi-Family Residential, Zones.

Mayor Rounds opened the public hearing at: 6:25 p.m.

There was no one present wishing to speak during public hearing.

Mayor Rounds closed the public hearing at: 6:25 p.m.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to find that the proposed amendments to the text of the City's Land Use Regulations are consistent with the City's General Plan, and introduce for first reading the proposed amendments to the City Zoning Ordinance regarding land use requirements for Accessory Dwelling Units and Junior Accessory Dwelling Units in the A-1, Light Agricultural; R-1, Single-Family Residential; and R-3, Multi-Family Residential, Zones, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

NEW BUSINESS

8. Introduction and Discussion of City's Proposed Fiscal Year 2020-21 Budget and Related Items (Finance)

Recommendation:

- Provide staff direction regarding revenue and expenditure matters included in the Fiscal Year 2020-21 proposed budget.

City Manager, Ray Cruz gave a brief introduction to Item No. 8.

Director of Finance, Travis Hickey, provided a presentation on the proposed 2020-21 budget. He stated that COVID-19 has added a level of uncertainty to the City's finances, but the Council is committed to continue providing resources towards improving the quality of life for the community even during uncertain times.

Councilmember Rodriguez discussed the allotted amount for LA CADA and The Whole Child. She made a motion to increase the amount to \$10,000 for LA CADA, it was seconded by Councilmember Zamora.

Mayor Rounds requested to view the list of donations given to all nonprofit agencies.

Discussion ensued amongst Council. The Lake Center Washington D.C. trip was brought forward during the discussion; Council made a consensus agreement to use the amount not used for the trip from Fiscal Year 2019-20 and roll it over to Fiscal Year 2020-21 to increase the amount from \$2,500 to \$12,500.

Councilmember Rodriguez revised her motion to reflect the rest of the Council's consensus of transferring the unused funds.

Councilmember Rodriguez made a motion, seconded by Councilmember Trujillo, to increase the donation amount from \$2,500 to \$12,500 for LA CADA for the 2020-21 FY by taking money allotted for the 2019-20 FY Lake Center Washington D.C. trip, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

9. Approval of In-Kind Services Agreement between the City of Santa Fe Springs and Southeast Area Social Services Funding Authority (SASSFA) for FY 2020-2021 (Community Services)

Recommendation:

- Approve In-Kind Services Agreement between the City of Santa Fe Springs and Southeast Area Social Services Funding Authority (SASSFA) for FY 2020-21; and
- Authorize the Mayor to execute the In-kind Services Agreement.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to approve In-Kind Services Agreement between the City of Santa Fe Springs and Southeast Area Social Services Funding Authority (SASSFA) for FY 2020-21, and authorize the Mayor to execute the In-Kind Services Agreement, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

10. Amendment Number Two to Lease Agreements between the City of Santa Fe Springs and Options for Learning at Gus Velasco Neighborhood Center and the Los Nietos Childcare Center (Community Services)

Recommendation:

- Approve Amendment Number Two to Lease Agreements between the City of Santa Fe Springs and Options for Learning to extend lease term by one year at the Gus Velasco Neighborhood Center and Los Nietos Childcare Center; and
- Authorize the Mayor to execute Amendment Number Two to Lease Agreement.

It was moved by Councilmember Trujillo, seconded by Councilmember Rodriguez, to approve Amendment Number Two to Lease Agreements between the City of Santa Fe Springs and Options for Learning to extend lease term by one year at the Gus Velasco Neighborhood Center and Los Nietos Childcare Center, and authorize the Mayor to execute Amendment Number Two to Lease Agreement, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nayes: None
Absent: None

11. Resolution Nos. 9675, 9676 and 9677 - Pertaining to the City's General Municipal Election to be held Tuesday, November 3, 2020 (City Clerk)

Recommendation:

- Adopt Resolution No. 9675, 9676, and 9677 which pertain to the City's General Municipal Election to be held Tuesday, November 3, 2020.

It was moved by Councilmember Rodriguez, seconded by Councilmember Trujillo, to adopt Resolution Nos. 9675, 9676, and 9677 which pertain to the City's General Municipal Election to be held Tuesday, November 3, 2020, by the following vote:

Ayes: Rodriguez, Trujillo, Mora, Rounds

Nays: Zamora

Absent: None

12. Resolution No. 9678 – Approving Use of Senate Bill 1 Funds (Fiscal Year 2020/21) for Los Nietos Road Street Improvements (Pioneer Boulevard to Painter Avenue) Project (Public Works)

Recommendation:

- Adopt Resolution No. 9678 approving the Los Nietos Road Street Improvements (Pioneer Boulevard to Painter Avenue) Project to be partially funded by Senate Bill SB-1, the Road Repair and Accountability Act; and
- Authorize the Director of Public Works to submit an application to the California Transportation Commission for Road Maintenance and Rehabilitation Account (RMRA) funds.

It was moved by Councilmember Zamora, seconded by Councilmember Rodriguez, to adopt Resolution No. 9678 approving the Los Nietos Road Street Improvements (Pioneer Boulevard to Painter Avenue) Project to be partially funded by Senate Bill SB-1, the Road Repair and Accountability Act, and authorize the Director of Public Works to submit an application to the California Transportation Commission for Road Maintenance and Rehabilitation Account (RMRA) funds, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

13. I-605 Arterial Intersections Right-of-Way Acquisition Services – Contract Amendment (Public Works)

Recommendation:

- Approve Contract Amendment Number One with CPSI in the amount of \$17,815 to provide Right-of-Way Acquisition Services for the Alondra Boulevard and Valley View Avenue Intersection Improvements Project and the Rosecrans Avenue and Valley View Avenue Intersection Improvements Project; and
- Authorize the Mayor to execute Contract Amendment Number One.

It was moved by Councilmember Trujillo, seconded by Councilmember Zamora, to

approve Contract Amendment Number One with CPSI in the amount of \$17,815 to provide Right-of-Way Acquisition Services for the Alondra Boulevard and Valley View Avenue Intersection Improvements Project and the Rosecrans Avenue and Valley View Avenue Intersection Improvements Project; and authorize the Mayor to execute Contract Amendment Number One., by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

14. Landscape Maintenance Services: Award of Contract (Public Works)

Recommendation:

- Accept the proposals;
- Award a contract to Merchants Landscape Services, Inc. of Santa Ana, California, for the annual amount of \$899,792.16; and
- Authorize the Mayor to execute Agreement.

Director of Public Works, Noe Negrete provided a presentation on the criteria and selection process of how the winning contract was selected.

Councilmember Rodriguez reiterated that at the last council meeting the City was going to provide Tom Murray of Complete Landscape Care, Inc., an opportunity to renegotiate. She suggested to Table the item to a future meeting.

City Manager Ray Cruz stated that if the chosen bid and the current contractor's bid were comparable enough in amounts that there might have been a possibility to negotiate, they would have moved forward with that option. He stated that the difference is about a quarter of a million dollars.

Councilmember Zamora agreed with Councilmember Rodriguez, stated that the item should be tabled to a later meeting in order to give Complete Landscape Care, Inc. an opportunity to negotiate a new contract and price.

Councilmember Trujillo stated that she does not believe that the price can be negotiated with the current contractor due to the difference in bid amounts. She stated that due to COVID, staffing, and other factors, she cannot justify awarding a contract to Complete Landscape Care, Inc.

Mayor Pro Tem Mora stated that he has been aware of the quality issues by Complete Landscape Care, Inc., and is aware of the great work they have done in the past. He stated that as elected officials, they must be prudent with taxpayer's money and are obligated to make decisions in the best interest of residents.

Councilmember Rodriguez expressed her curiosity at how Complete Landscape Care, Inc. would be able to offer comparable services at the price of the chosen bid, and asked to table the item to give them a chance to negotiate.

Mayor Rounds stated that certain provisions in the RFP requirements prohibited

staff from contacting the bidders. He also stated that he has seen the quality of work done by Merchants Landscape Services, Inc., and that Council has been transparent in the award process. He asked that if Council does table the item and that if they do go to negotiations, they should negotiate and compare.

City Attorney, Ivy M. Tsai clarified that municipal code section 3429 outlines the request for proposals process, and that no negotiation would have been permitted before receiving proposals. The City is able to negotiate with both Merchants Landscape Services, Inc. and Complete Landscape Care, Inc.

Mayor Pro Tem Mora stated that negotiations should be done with both contractors.

Councilmember Trujillo asked if Eric Borunda, Streets and Grounds Supervisor, could provide testimony on the quality of the work done by Complete Landscape Care, Inc.

Eric Borunda stated that due to constant change of contractor's personnel, it has been difficult to maintain the city's standards on quality, especially during the last year. He also agreed with the RFP process so the City could see what the going price is for similar services.

City Attorney Ivy M. Tsai stated that Council can give direction to staff to enter into negotiations with Complete Landscape Care, Inc. and Merchants Landscape Services, Inc., or they can form a new subcommittee to negotiate. Mayor Pro Tem Mora and Mayor Rounds commented that Council should not be a part of negotiations.

Tom Murray, President of Complete Landscape Care, Inc. provided additional information to the discussion.

It was moved by Councilmember Rodriguez, seconded by Councilmember Trujillo, to negotiate the landscaping contract with Merchants Landscape Services, Inc. and Complete Landscape Care, Inc., by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds
Nays: None
Absent: None

15. Rosecrans / Marquardt Grade Separation Project: Traffic Signal and Street Light Conduit Relocation – Award of Contract (Public Works)

Recommendation:

- Accept the bids;
- Award a contract to DB Electric, Inc. of Eastvale, California, in the amount of \$38,799.00; and
- Authorize the Mayor to execute the Agreement with DB Electric, Inc.

It was moved by Councilmember Zamora, seconded by Mayor Pro Tem Mora, to

accept the bids, award a contract to DB Electric, Inc. of Eastvale, California, in the amount of \$38,799.00, and authorize the Mayor to execute the Agreement with DB Electric, Inc., by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

16. CITY MANAGER AND EXECUTIVE TEAM REPORTS

- City Manager, Ray Cruz spoke about a planned demonstration march scheduled for June 12, 2020 from Lake Center Parking Lot to Town Center Plaza. It was organized by a 10th grade high school student who frequents City facilities and services. His goal was to give Santa Fe Springs youth and community at-large a safe opportunity to oppose racial and social injustice.
- Director of Public Works, Noe Negrete spoke about new projects starting that were initially on hold due to COVID-19, specifically the installation of a 10-inch Fire line on Sorensen Ave., sidewalk replacement on Charlesworth Rd., roof replacement at Heritage Park Train Depot, and new wrought iron fence and paint at Heritage Park.
- Senior Planner, Cuong Nguyen spoke about the necessary entitlements being approved by the Planning Commission on Monday for the project on Laurel Ave. and Florence Ave. He provided additional information on the
- Director of Police Services, Dino Torres reported that public safety, code enforcement, and Whittier Police Department staff continues to remain positive amid the protests.
- Fire Chief, Brent Hayward provided an update on COVID-19 cases within the City and what precautions first responders are taking, along with what steps residents can take to stay safe. He also spoke Firefighter assisting a fire on June 2, 2020 in La Habra Heights.
- Director of Finance, Travis Hickey spoke about the Technology Services team replacing the firewall system which is now fully operational. He also thanked all of the staff who were involved in creating the budget for next fiscal year.
- Director of Community Services, Maricela Balderas spoke about the Youth Leadership Committee receiving goodies and visits by city staff to congratulate them on their high school graduation. She also spoke about the "Rec N' Roll Patrol" continuing to visit areas around the City to promote art and good cheer. She also reported that city parks will begin to reopen for passive recreation with limitations. Park staff will be available to answer questions for the general public. She announced that the free summer meals program began on June 8th and will offer free breakfast and lunch to kids up to 18 years of age and to special needs adults up to 24 years of age. She also reported that registration for the July 4th "Party Packs" are going well. She also reported that on June 15th, the library will be offering curbside pickup from 10am to 4pm, and that SASSFA's congregate meal program will now begin using the Gus Velasco Neighborhood Center to allow patrons to pick up frozen meals. Lastly, she noted that Community Services staff has been posting COVID-19 related information on the City's website and have noticed a significant increase in subscriptions.
- Councilmember Zamora requested for the Director of Community Services, Maricela

Balderas to add a future agenda item related to extending the wedding season.

17. COUNCIL COMMENTS

Councilmember Rodriguez thanked first responders for their hard work. She also thanked department and directors for their hard work. She congratulated the 2020 graduates and wished everyone a great weekend.

Councilmember Trujillo hoped that staff is able to work together for the betterment of the residents and thanked staff for all of their hard work. She also wished all the fathers a Happy Father's Day.

Councilmember Zamora thanked Technology Services staff and first responders for their hard work. He also wanted to ensure that the council meeting is adjourned in memory of Tony Key, a longtime resident of the City.

Mayor Pro Tem Mora thanked City staff for all the work they do, and highlighted Public Works on their great work with the RFP process. He also congratulated all of the 2020 graduates.

Mayor Rounds thanked City staff, the Fire Department, and the Police Services Department for being a part of the resident's birthday celebrations. He also thanked Council on the productivity of tonight's council meeting.

CLOSED SESSION

18. THREAT TO PUBLIC SERVICES OR FACILITIES

(Pursuant to California Government Code Section 54957)

Consultation with: Fire Chief, Police Chief and Captain, Director of Police Services, City Attorney

CLOSED SESSION

19. CONFERENCE WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

Agency Designated Representatives: City Manager, Director of Finance, Human Resources Manager, City Attorney, Labor Negotiator.

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

CLOSED SESSION

20. CONFERENCE WITH LABOR NEGOTIATORS

(Pursuant to California Government Code Section 54957.6)

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

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

CLOSED SESSION

21. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code Section 54956.9(d)(4): Two Cases

Mayor Rounds recessed the meetings at 8:33 p.m.

Mayor Rounds convened the meeting at 9:37 p.m.

22. CLOSED SESSION REPORT

City Attorney, Ivy M. Tsai, provided a report on the closed session items: Direction was given to staff and no reportable action was taken.

23. ADJOURNMENT

Mayor Rounds adjourned the meeting at 9:38 p.m. in memory of George Floyd, Gedney Gallagher, and Tony Key.

ATTEST:

Janet Martinez, City Clerk

William K. Rounds, Mayor

Date



City of Santa Fe Springs

City Council Meeting

ITEM NO. 7B

July 9, 2020

CONSENT AGENDA

A Resolution of the City Council Reaffirming the Existence of a Local Emergency Due to the Threat of COVID-19 (pursuant to Government Code section 8630)

RECOMMENDATION

- Adopt Resolution No. 9684:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, REAFFIRMING THE EXISTENCE OF A LOCAL EMERGENCY DUE TO THE THREAT OF COVID-19

BACKGROUND

On March 4, 2020, the Governor of California issued a proclamation declaring a state of emergency due to the threat of COVID-19. On March 13, 2020, the President of the United States issued a proclamation of national emergency, beginning March 1, 2020, due to the COVID-19 outbreak. On March 17, 2020, the City Manager, acting as the Director of Emergency Services, issued a proclamation declaring the existence of a local emergency beginning March 12, 2020, due to the threat of COVID-19. On March 18, 2020, the City Council adopted Resolution No. 9668 ratifying the proclamation, and on April 9, 2020, the City Council adopted Resolution No. 9669 relating to taking action in response to the local emergency. On May 14, 2020, the City Council adopted Resolution No. 9672 reaffirming the existence of a local emergency due to the threat of COVID-19.

Government Code section 8630(c) provides that the City Council shall review the need for continuing the local emergency at least once every 60 days until the City Council terminates the local emergency. At this time, the state of emergency still exists in California, and the "Stay Home" order of the Director of the California Department of Public Health and the "Safer at Home" order of the Los Angeles County Public Health Officer remain in effect. There is currently no vaccine or known treatment for COVID-19, and as of June 30, 2020, the Los Angeles Department of Public Health reported 103,529 cases of COVID-19 in Los Angeles County, including 3,369 deaths. COVID-19 continues to pose an extreme peril to the safety of individuals in Santa Fe Springs and Los Angeles County, and the reasons for declaring a local emergency still exist. Therefore, staff recommends that the City Council adopt the attached Resolution affirming the existence of a local emergency in accordance with Government Code section 8630(c).

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

Raymond R. Cruz
City Manager

Attachment: Resolution No. 9684

RESOLUTION NO. 9684

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, REAFFIRMING THE EXISTENCE OF A LOCAL EMERGENCY DUE TO THE THREAT OF COVID-19

WHEREAS, on March 4, 2020, the Governor of California issued a proclamation declaring a state of emergency due to the threat of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States issued a proclamation of national emergency, beginning March 1, 2020, due to the COVID-19 outbreak; and

WHEREAS, on March 17, 2020, the City Manager, acting as the Director of Emergency Services, issued a proclamation declaring the existence of a local emergency beginning March 12, 2020, due to the threat of COVID-19; and

WHEREAS, on March 18, 2020, the City Council adopted Resolution No. 9668 ratifying the proclamation declaring the existence of a local emergency, and on April 9, 2020, the City Council adopted Resolution No. 9669 relating to taking action in response to the local emergency; and

WHEREAS, on May 14, 2020, the City Council adopted Resolution No. 9672 reaffirming the existence of a local emergency due to the threat of COVID-19; and

WHEREAS, Government Code section 8630(c) provides that the City Council shall review the need for continuing the local emergency at least once every 60 days until the City Council terminates the local emergency; and

WHEREAS, the state of emergency still exists in California, and the "Stay Home" order of the Director of the California Department of Public Health and the "Safer at Home" order of the Los Angeles County Public Health Officer remain in effect; and

WHEREAS, there is currently no vaccine or known treatment for COVID-19, and as of June 30, 2020, the Los Angeles Department of Public Health reported 103,529 cases of COVID-19 in Los Angeles County, including 3,369 deaths; and

WHEREAS, COVID-19 continues to pose an extreme peril to the safety of individuals in Santa Fe Springs and Los Angeles County, and the reasons for declaring a local emergency still exist.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE

SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

1. The City Council determines that there is need for continuing the local emergency until such time as the City Council declares the termination of the local emergency. The City Council will review the need for continuing the local emergency at least once every 60 days in accordance with Government Code section 8630(c).

2. The City Council reaffirms Resolution Nos. 9668 and 9669 relating to the declaration of and response to a local emergency due to the threat of COVID-19, and all parts therein.

APPROVED and ADOPTED this 9th day of July, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

William K. Rounds, Mayor

ATTEST:

Janet Martinez, CMC, City Clerk



City of Santa Fe Springs

City Council Meeting

July 9, 2020

NEW BUSINESS

Landscape Maintenance Services-Award of Contract

RECOMMENDATION

- Accept the proposals;
- Award a contract to Merchants Landscape Services, Inc. of Santa Ana, California, for the annual amount of \$899,792.16; and
- Authorize the Mayor to execute Agreement.

BACKGROUND

The City Council authorized staff to issue a Request for Proposals (RFP) for landscape maintenance services at the regular City Council meeting on April 9, 2020. City staff had brought forward a recommendation to initiate an RFP process consistent with the Santa Fe Springs Municipal Code section 34.29 (Professional Services and Consulting Services Contracts). City staff issued the RFP on April 13, 2020.

On May 12, 2020, ten proposals were received, but one proposal was automatically rejected since it was submitted past the deadline. Therefore, staff evaluated nine proposals.

City staff received a directive to negotiate with both Complete Landscape Care, Inc. (Complete), and Merchants Landscape Services, Inc. (Merchants) at the regular Council meeting on June 11, 2020. City staff met with both Landscape Contractors twice to clarify their proposals and determine if we have received their last and best proposals.

The staffing levels were compared as follows in the table below:

<i>Staffing Levels</i>	<i>Merchants</i>	<i>Complete</i>
Mow Crew	Two 3-man crews (6)	One 4 man crew (4)
Detail Crew	One 3 man crew (3)	One 4 man crew (4)
Groundskeepers	3	3
Irrigation Tech(s)	2	1.5

From the table above, both Landscape Contractors meet the staffing requirements outlined in the RFP. Merchants are providing an additional staff member on the Mow Crew with an additional 20 hours for an irrigation technician.

Following negotiations, the proposal scoring was re-evaluated. Complete revised their proposal price from \$1,165,440 to \$971,160. This reflects a reduction of approximately \$194,280. Complete stated that they were able to lower their price recently after receiving a small business loan as part of the COVID-19 financial assistance afforded to small businesses. Merchants did not make any changes to the proposal but did submit additional services at no cost to the City.

Report Submitted By: Noe Negrete
Director of Public Works

Date of Report: July 2, 2020

The following table shows the company names and pricing of the nine proposals that were evaluated:

	<u>Company Name</u>	<u>Proposal Amount</u>
1	Priority Landscape	\$ 863,880.00
2	Green Tech Landscape, Inc.	\$ 864,000.00
3	Merchants Landscape Services, Inc.	\$ 899,792.16
4	Far East Landscape and Maintenance	\$ 919,836.00
5	<i>Complete Landscape Care, Inc. (Revised)</i>	\$ 971,160.00
6	Terrace Associates	\$ 972,000.00
7	Brightview Landscape LLC	\$ 1,015,915.84
8	Mariposa Landscapes , Inc.	\$ 1,112,808.00
9	Complete Landscape Care, Inc. (Original)	\$ 1,165,440.00
10	Land Care	\$ 1,194,027.00

During the negotiations with Complete, they stated they had undergone a reorganization of officers. Over the past three weeks they have been more responsive to staff requests and customer complaints. They have restored the additional person on the mow/detail crew they previously removed due to financial constraints. City staff has been appreciative of their efforts over the past three weeks, in particular the communication has significantly improved. In addition, Complete is now reporting their daily schedule with staff.

During the negotiations with Merchants, they did not make any changes to their cost proposal. However, they did provide a list of additional services provided at no additional charge to the City. Some of the additional services include: reducing the thatch from all sports fields turf areas, aerating all sports fields with Verti-Drain, reducing the lip between infield and outfield on all baseball/softball fields, fertilizing one additional time in June (more than required by RFP), applying approximately 150 cubic yards of mulch to all bare planter areas and furnish and install approximately 1,000, 1-gallon common shrubs to infill bare areas city-wide. A copy of their entire list of additional services is attached (see Attachment No. 1).

All proposals were re-evaluated based on the following criteria: completeness of the proposal, Contractor's experience in performing similar work for other municipalities, Contractor's ability to perform the work based on the staffing and equipment, quality of work previously performed by the Contractor as verified by reference checks, and total pricing. A summary of the revised Summary Evaluation Sheet is attached, as Attachment No. 2. Complete improved its score from 79.33 to 84.67. However, Merchants score of 92.33 remains the same, and is the highest rated firm to submit a proposal.

Staff believes that Merchants Landscape Services, Inc. is the most qualified to provide the services requested and offers a good value in terms of pricing. Staff has concerns

of the long term financial stability of Complete, as the small business loan it obtained is a one-time short-term solution. Even though Complete has the best local knowledge of the City, its lack of detail and quality over the past year and a half cannot be overlooked. They have shown improvement over the past three weeks and have shown a new commitment to quality control. However, Merchants has submitted the best proposal and shared that they have also been recognized by Landscape Management Magazine. They were rated as the number one Government Landscape firm and rank number seventy-three (73) overall nationally, in the June 2020 issue (see Attachment No. 3).

Additionally, Merchants is providing more staff than Complete, and their cost is approximately \$71,368 per year lower. This would result in a difference in cost of approximately \$214,104 over the three-year period.

The proposed agreement (Attachment No. 4) is for a three-year term with two one-year renewal options, for a total of up to five years. This is consistent with the City's other agreements and provides for stability in pricing and services. The City has the ability to terminate the agreement prior to the end of the term if needed.

LEGAL REVIEW

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

FISCAL IMPACT

The Public Works Operations and Maintenance Budget includes the cost of the annual Landscape Services contract, which is currently \$952,422 annually. The proposed annual amount submitted by Merchants is \$899,792.16, which results in an annual savings of approximately \$52,630 as compared to the current contract amount.

INFRASTRUCTURE IMPACT

The maintenance of the City's landscape and hardscape is vital to the residents' and businesses' safety, welfare, and overall quality of life. This activity is also necessary to protect the City's assets, including parks, parkettes, medians, parkways, and facilities.



Raymond R. Cruz
City Manager

Attachments:

- Attachment No. 1: Merchants Additional Services letter dated June 23, 2020
- Attachment No. 2: Summary Evaluation Sheet
- Attachment No. 3: Landscape Management Magazine article
- Attachment No. 4: Agreement for Landscape Maintenance Services



June 23, 2020

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

Regarding: Landscape Maintenance Contract – Added value

Dear Noe,

Merchants Landscape is pleased to submit the following proposal at NO COST to the City of Santa Fe Springs. This proposal will be added to the Landscape Maintenance Contract if awarded to Merchants Landscape Inc.

Description

The following proposal is to enhance and beautify the current conditions for the enjoyment of residences, and Softball/Baseball little leagues of the City of Santa Fe Springs.

1. Parks: Merchants Landscape will send additional irrigators to work in the irrigation system. During our visits we noticed some deficiencies creating poor coverage and some safety issues such low sprinkler heads, and low valve boxes creating hazard conditions for users.
2. Parks: Merchants Landscape is recommending reducing the thatch from all sport fields turf areas to create better conditions for the players. Dethatching turf areas will include reduce the height of turf from 4"-6' inches to approx. 1.5" inches, verti-cut in two directions to cut stolons, aerate, fertilize, inter-seed, and top-dress bare areas. This work will be done during Oct/Nov.
3. Parks: Aerate with Verti-Drain all Sport fields in June. This task will be done with a piston driven aerator with 6"-8" solid/core tines. This will help with soil compaction created by the users, and promote new grow in turf areas.
4. Parks: Repair softball/baseball fields skin lines by reducing the lip and redo the arches. This task will include removing the excessive dirt, removing noxious weeds, redoing the arches, inter-seeding or re-sodding as necessary.
5. Parks: Treat all Sport Fields turf areas infested with noxious weeds (Dallas grass, Johnson grass, and various other weeds). Once weeds are dead; bare areas will be inter-seeded and top-dress
6. Parks: One additional fertilization all Sport Fields turf areas during June to help turf to recover from heat and stress created by users
7. Parks and Facilities: Apply Mulch (150) cubic yards to all planters bare areas
8. Parks and Facilities: Supply and Install (1,000) common shrubs 1-gallon to infill various bare areas

If you have any questions regarding this proposal, please contact Martin Herrera at (800) 645-4881.

Sincerely,

Martin Herrera
Branch Manager

CC: Mark Brower

**Landscape Maintenance
RFP Summary Evaluation Sheet**

	Merchants Landscape Services, Inc			Complete Landscape Care, Inc		
Criteria	Reviewer #1	Reviewer #2	Reviewer #3	Reviewer #1	Reviewer #2	Reviewer #3
Expereince and Capability of the Firm	29	30	27	30	30	23
Perform work with staff and equipment	10	10	9	10	10	8
Quality of work performed through references	10	10	9	8	8	8
Annual Total Fee Proposal	45	45	43	39	40	40
Subtotal Scores:	94	95	88	87	88	79
Average Scores:	92.33			84.67		



**LANDSCAPE
MANAGEMENT**

Larry Yaffa, CEO,
Brilar, Detroit

STANDING STRONG

150

Landscape companies
share how they grew in 2019
and how they're meeting the
challenges of 2020 in our
annual LM150 rankings

Vermeer

BROUGHT TO YOU BY



150

TOP 25

A look at the LM150 list — sorted for top performers by client mix, profit centers and regions.

EDITOR'S NOTE: Not all companies report client mix, profit center and regional data. Dollar amounts were calculated by LM from data reported. Landscape construction is included in Design Build + Installation figures.

BY CLIENT MIX

COMMERCIAL

1	Yellowstone Landscape	\$268,000,000
2	Gothic Landscape	\$220,400,000
3	Ruppert Landscape	\$209,918,054
4	LandCare	\$186,000,000
5	Park West Cos.	\$185,000,000
6	U.S. Lawns	\$178,520,000
7	HeartLand	\$155,000,000
8	Ambius	\$121,500,000
9	Bartlett Tree Experts	\$97,800,000
10	Landscape Development	\$87,261,000
11	Juniper	\$85,808,718
12	Clintar Commercial Outdoor Services	\$74,529,000
13	Mainscape	\$72,618,000
14	Denison Landscaping	\$63,896,000
15	Loving	\$63,219,307
16	Rotolo Consultants	\$62,050,000
17	The Greenery	\$61,916,000
18	Elite Team Offices	\$57,600,000
19	Clean Scapes	\$55,160,547
20	The Grounds Guys	\$54,774,726
21	Teufel Landscape	\$53,311,449
22	SavATree	\$48,600,000
23	Choate USA	\$46,732,826
24	Dixie Landscape	\$46,580,000
25	Cagwin & Dorward	\$43,517,301

RESIDENTIAL

1	Bartlett Tree Experts	\$208,640,000
2	Weed Man	\$175,186,673
3	Lawn Doctor	\$122,607,000
4	SavATree	\$113,400,000
5	Naturalawn of America	\$71,802,282
6	Massey Services	\$65,747,289
7	Spring-Green Lawn Care Corp.	\$62,551,500
8	Meadows Farms	\$57,230,000
9	LandOpt	\$49,941,045
10	Acres Group	\$49,228,366
11	Marland Landscape	\$47,608,088
12	Garden Design	\$39,650,000
13	R.P. Marzilli & Co.	\$39,615,000
14	Ryan Lawn & Tree	\$38,970,150
15	The Grounds Guys	\$29,494,083
16	Chalet	\$29,000,000
17	McHale Landscape Design	\$28,000,000
18	Berghoff Design Group	\$27,612,450
19	Scott Byron & Co.	\$27,588,000
20	Naturescape	\$27,548,273
21	Senske Services	\$26,560,000
22	D Schumacher Landscape	\$23,100,000
23	Designs By Sundown	\$22,500,000
24	Kline Bros.	\$19,273,100
25	The Joyce Cos.	\$17,807,750

GOVERNMENT

1	Merchants Landscape Services	\$29,500,000
2	Bartlett Tree Experts	\$19,560,000
3	Elite Team Offices	\$14,400,000
4	Rotolo Consultants	\$10,950,000
5	Mountain View Landscape	\$10,700,000
6	Landscape Development	\$10,030,000
7	Maldonado Nursery & Landscaping	\$9,456,254
8	Christy Webber & Co.	\$9,340,000
9	LandOpt	\$9,172,845
10	American Landscape Systems	\$8,740,781
11	Clintar Commercial Outdoor Services	\$5,733,000
12	Environmental Management	\$5,014,360
13	Cagwin & Dorward	\$4,835,256
14	Bland Landscaping Co.	\$4,125,000
15	Landtech Contractors	\$4,095,000
16	Brilar	\$3,640,000
17	Environmental Designs	\$2,990,000
18	Dennis' Seven Dees Landscaping & Garden Centers	\$2,971,746
19	Caretaker Landscape & Tree Management	\$2,884,500
20	Kline Bros.	\$2,753,300
21	Emerald Isle Landscaping	\$2,550,000
22	Level Green Landscape	\$2,316,600
23	Landscape Workshop	\$2,114,600
24	Acres Group	\$2,080,072
25	Timberline Landscaping	\$2,049,695

ILLUSTRATION: SUPERPOV/ISTOCK / GETTY IMAGES PLUS/GETTY IMAGES

150 RANKINGS

		Headquarters	2019 Revenue (U.S. Dollars)	% Rev. Change from 2018	% Projected Change for 2020	FTEs/ Seasonal Employees	% Comm./ Res./Gov.
1	BrightView Holdings	Blue Bell, Pa.	\$2,404,600,000	2%	3%	NR/NR	NR/NR/NR
2	TruGreen	Memphis, Tenn.	\$1,409,000,000	3%	NR	13514/NR	NR/NR/NR
3	The Davey Tree Expert Co.	Kent, Ohio	\$1,140,000,000	12%	10%	9500/550	NR/NR/NR
4	Bartlett Tree Experts	Stamford, Conn.	\$326,000,000	10%	10%	2000/200	30/64/6
5	Yellowstone Landscape	Bunnell, Fla.	\$268,000,000	13%	10%	3000/800	100/0/0
6	Golthic Landscape	Valencia, Calif.	\$232,000,000	6%	9%	2400/2400	95/5/0
7	Ruppert Landscape	Laytonsville, Md.	\$209,918,054	14%	0%	1700/0	100/0/0
8	Weed Man	Oshawa, Ontario	\$187,586,115	9%	6%	878/1185	7/93/0
9	Aspen Grove Landscape Group	Willow Grove, Pa.	\$187,000,000	0%	NR	NR/NR	NR/NR/NR
10	LandCare	Frederick, Md.	\$186,000,000	10%	15%	2000/1200	100/0/0
11	Park West Cos.	Rancho Santa Margarita, Calif.	\$185,000,000	5%	0%	1600/0	100/0/0
12	U.S. Lawns	Orlando, Fla.	\$178,520,000	4%	5%	1600/800	100/0/0
13	SavATree	Bedford Hills, N.Y.	\$162,000,000	17%	12%	1047/131	30/70/0
14	Ferrandino & Son	Farmingdale, N.Y.	\$155,000,000	-6%	NR	NR/NR	NR/NR/NR
	HeartLand	Kansas City, Mo.	\$155,000,000	189%	30%	1000/800	100/0/0
16	Lawn Doctor*	Holmdel, N.J.	\$129,060,000	10%	6%	1500/0	5/95/0
17	Amblus	Reading, Pa.	\$121,500,000	6%	NA	833/140	100/0/0
18	LandOpt*	Pittsburgh, Pa.	\$101,920,500	22%	10%	327/540	42/49/9
19	Landscape Development	Valencia, Calif.	\$100,300,000	15%	20%	1010/0	87/3/10
20	Juniper	Fort Myers, Fla.	\$85,808,718	32%	19%	1000/0	100/0/0
21	The Grounds Guys	Waco, Texas	\$84,268,809	10%	11%	700/70	65/35/0
22	Clintar Commercial Outdoor Services	Markham, Ontario	\$81,900,000	14%	8%	315/315	91/2/7
23	Massey Services*	Orlando, Fla.	\$74,883,017	5%	15%	2196/0	12/88/0
24	Mainscape	Fishers, Ind.	\$74,100,000	2%	0%	800/200	98/0/2
25	Naturalawn of America	Frederick, Md.	\$74,022,971	8%	8%	610/60	3/97/0
26	Rotolo Consultants	Sidell, La.	\$73,000,000	4%	3%	400/325	85/0/15
27	Elite Team Offices	Clovis, Calif.	\$72,000,000	5%	10%	240/150	80/0/20
28	Acres Group	Wauconda, Ill.	\$69,335,727	3%	5%	115/750	26/71/3
29	The Greenery	Hilton Head Island, S.C.	\$67,300,000	7%	10%	800/200	92/5/3
30	Spring-Green Lawn Care Corp.	Plainfield, Ill.	\$66,900,000	8%	8%	492/71	7/93/0
31	Denison Landscaping	Fort Washington, Md.	\$65,200,000	5%	2%	375/275	98/2/0
32	Melco Landscape*	Aurora, Colo.	\$64,000,000	0%	NR	NR/NR	NR/NR/NR
33	Loving	Gastonia, N.C.	\$63,219,307	42%	33%	217/0	100/0/0
34	Garden Design	Farmers Branch, Texas	\$61,000,000	0%	0%	86/0	35/65/0
35	Meadows Farms	Chantilly, Va.	\$59,000,000	8%	0%	175/300	2/97/1
36	Lucas Tree Expert Co.	Portland, Maine	\$56,000,000	0%	8%	550/0	NR/NR/NR
	Seibert Landscape*	Bartlett, Ill.	\$56,000,000	12%	NR	NR/NR	NR/NR/NR
38	Clean Scapes	Austin, Texas	\$55,160,547	18%	23%	425/285	100/0/0
39	Teufel Landscape	Hillsboro, Ore.	\$54,399,438	49%	3%	370/50	98/1/1
40	Marland Landscape	Lake Bluff, Ill.	\$54,100,100	13%	6%	144/378	12/88/0
41	Cagwin & Dorward	Petaluma, Calif.	\$48,352,557	1%	5%	475/50	90/0/10
42	Choate USA	Carrollton, Texas	\$46,732,826	2%	0%	115/175	100/0/0
43	Christy Webber & Co.	Chicago, Ill.	\$46,700,000	19%	-2%	332/0	71/9/20
44	Dixie Landscape	Medley, Fla.	\$46,580,000	6%	-12%	305/305	100/0/0
45	Signature Coast Holdings ¹	Napa, Calif.	\$45,898,000	6%	NR	NR/NR	NR/NR/NR
46	Pierre Landscape	Inwindale, Calif.	\$45,000,000	20%	10%	275/50	NR/NR/NR
47	Baytree Landscape	Stone Mountain, Ga.	\$43,400,000	6%	NR	NR/NR	NR/NR/NR
48	Landscape Workshop*	Birmingham, Ala.	\$42,292,000	5%	8%	374/270	90/5/5
49	Greenscape*	Raynham, Mass.	\$41,800,000	10%	NR	NR/NR	NR/NR/NR
50	R.P. Marzilli & Co.	Medway, Mass.	\$41,700,000	13%	-5%	120/100	5/95/0
51	Ryan Lawn & Tree	Merriam, Kan.	\$41,238,254	7%	10%	294/26	6/94/0
52	Maldonado Nursery & Landscaping	San Antonio, Texas	\$41,114,147	31%	9%	348/111	74/3/23

LEGEND NR = Not reported; * Indicates estimate, based on projected revenue for 2019 reported last year; ¹ Indicates a portion of reported revenue was removed (such as pest control, janitorial services or other nongreen industry offerings); ² Signature Coast Holdings was acquired by BrightView in January 2020. ³ Landscape Concepts Management was acquired by HeartLand in early 2020.

		Headquarters	2019 Revenue (U.S. Dollars)	% Rev. Change from 2018	% Projected Change for 2020	FTEs/ Seasonal Employees	% Comm./ Res./Gov.
53	Beary Landscaping	Lockport, Ill.	\$41,000,000	25%	5%	50/275	80/20/0
54	AAA Landscape	Phoenix, Ariz.	\$40,100,000	13%	12%	525/80	95/2/3
55	Gachina Landscape Management	Menlo Park, Calif.	\$39,171,119	10%	5%	429/0	96/3/1
56	Creative Environments Design & Landscape	Tempe, Ariz.	\$39,000,000	10%	0%	130/130	NR/11R/NR
57	Complete Landscaping Service	Bowie, Md.	\$38,982,537	21%	10%	235/220	95/5/0
58	Chapel Valley Landscape Co.	Woodbine, Md.	\$38,750,000	2%	5%	300/200	90/10/0
59	Environmental Management	Dublin, Ohio	\$38,572,000	8%	2%	260/60	85/2/13
60	D Schumacher Landscape	West Bridgewater, Mass.	\$38,500,000	4%	0%	260/30	40/60/0
61	Russell Landscape Group	Sugar Hill, Ga.	\$37,700,000	17%	8%	375/125	99/1/0
62	Bemus Landscape	San Clemente, Calif.	\$37,200,000	4%	8%	450/0	99/1/0
63	Dennis' Seven Dees Landscaping & Garden Centers	Portland, Ore.	\$37,146,819	12%	0%	240/50	43/33/8
64	Landscape Services	Nashville, Tenn.	\$37,002,149	6%	5%	250/30	95/5/5
65	SiteWorks	Chandler, Ariz.	\$36,280,393	13%	15%	168/65	100/0/0
66	Impact Landscaping & Irrigation	Jupiter, Fla.	\$35,500,000	27%	15%	400/0	98/2/0
67	Earthtones Design	Midlothian, Texas	\$34,700,000	5%	15%	170/70	NR/NR/NR
68	Xquisite Landscaping	Stoughton, Mass.	\$34,544,838	18%	15%	210/55	100/0/0
69	Senske Services*	Kennewick, Wash.	\$33,200,000	11%	8%	400/100	20/80/0
70	Berghoff Design Group	Scottsdale, Ariz.	\$30,680,500	5%	5%	375/0	10/90/0
71	Designscapes Colorado	Centennial, Colo.	\$30,307,000	10%	10%	110/170	NR/NR/NR
72	Landscape Concepts Management**	Grayslake, Ill.	\$30,000,000	NR	NR	NR/NR	NR/NR/NR
	Superscapes	Carrollton, Texas	\$30,000,000	25%	15%	181/70	76/24/0
74	Environmental Designs	Brighton, Colo.	\$29,900,000	27%	10%	159/159	75/15/10
75	M. Neves	Dartmouth, Mass.	\$29,879,575	19%	NR	NR/NR	NR/NR/NR
76	Merchants Landscape Services	Santa Ana, Calif.	\$29,500,000	5%	4%	470/0	0/0/100
77	Scott Byron & Co.	Lake Bluff, Ill.	\$29,040,000	6%	2%	85/165	5/95/0
78	Chalet	Wilmette, Ill.	\$29,000,000	5%	0%	100/200	0/100/0
79	Naturescape	Muskego, Wis.	\$28,998,182	5%	5%	290/15	5/95/0
80	Caretaker Landscape & Tree Management	Gilbert, Ariz.	\$28,845,000	-9%	14%	269/45	90/0/10
81	Perfect Cuts of Austin	Austin, Texas	\$28,800,000	14%	5%	30/60	100/0/0
82	Southern Botanical	Dallas, Texas	\$28,734,594	4%	0%	307/70	NR/NR/NR
83	The Bruce Co. of Wisconsin	Middleton, Wis.	\$28,531,000	4%	3%	85/233	80/20/0
84	Pacific Landscape Management	Hillsboro, Ore.	\$28,408,851	16%	8%	260/70	100/0/0
85	McHale Landscape Design	Upper Marlboro, Md.	\$28,000,000	25%	5%	250/0	0/100/0
86	Harvest Landscape Enterprise*	Anaheim, Calif.	\$27,744,000	5%	15%	400/412	95/0/5
87	Kilne Bros.	Ship Bottom, N.J.	\$27,533,000	11%	10%	51/95	20/70/10
88	Bland Landscaping Co.	Apex, N.C.	\$27,500,000	5%	15%	300/75	80/5/15
89	Landtech Contractors	Aurora, Colo.	\$27,300,000	-9%	5%	60/205	85/0/15
90	DLC Resources	Phoenix, Ariz.	\$26,600,000	10%	5%	370/0	100/0/0
91	Stay Green	Santa Clarita, Calif.	\$26,580,065	5%	10%	365/0	NR/NR/NR
92	David J. Frank Landscape Contracting*	Germantown, Wis.	\$25,888,500	2%	4%	300/100	65/35/0
93	Heaven & Earth Landscaping	Indian Trail, N.C.	\$25,782,103	8%	5%	193/120	100/0/0
94	Southview Design	St. Paul, Minn.	\$25,745,476	16%	0%	75/121	48/52/0
95	Great Oaks Landscape Associates	Novi, Mich.	\$25,600,000	20%	5%	40/160	NR/NR/NR
96	Yard-Nique	Morrisville, N.C.	\$25,500,000	32%	20%	300/150	100/0/0
97	Gibson Landscape Services	Alpharetta, Ga.	\$25,357,100	16%	13%	130/20	99/1/0
98	DJ's Landscape Management	Grand Rapids, Mich.	\$25,111,000	21%	NR	NR/NR	NR/NR/NR
99	Designs By Sundown	Littleton, Colo.	\$25,000,000	10%	10%	170/25	10/90/0
100	Earthworks	Lillian, Texas	\$24,950,000	12%	15%	300/120	95/0/5
101	The Munle Co.	Caseyville, Ill.	\$24,823,090	23%	0%	200/200	95/5/0
102	LMI Landscapes	Carrollton, Texas	\$24,500,000	25%	40%	132/102	100/0/0
103	The Budd Group	Winston-Salem, N.C.	\$24,000,000	5%	5%	350/50	NR/NR/NR
104	Andre Landscape Service	Azusa, Calif.	\$23,866,000	5%	8%	280/0	100/0/0

150 RANKINGS

		Headquarters	2019 Revenue (U.S. Dollars)	% Rev. Change from 2018	% Projected Change for 2020	FTEs/ Seasonal Employees	% Comm./ Res./Gov.
105	John Mini Distinctive Landscapes	Congers, N.Y.	\$23,728,000	23%	15%	170/32	95/5/0
106	WLE	Austin, Texas	\$23,500,000	12%	20%	250/0	NR/NR/NR
107	Unlimited Landscaping & Turf Management*	Suwanee, Ga.	\$23,465,764	19%	12%	226/34	60/39/1
108	Benchmark Landscape	Poway, Calif.	\$23,365,573	0%	0%	252/0	95/0/5
109	Level Green Landscape	Washington, D.C.	\$23,166,000	21%	0%	101/159	90/0/10
110	Cutting Edge Property Maintenance	Plymouth, Minn.	\$22,000,000	15%	10%	22/58	100/0/0
111	American Landscape Systems	Levittown, Texas	\$21,851,952	19%	15%	200/50	60/0/40
112	Mountain View Landscape	Chicopee, Mass.	\$21,400,000	22%	0%	26/80	45/5/50
113	Clarence Davids & Co.	Matteson, Ill.	\$21,000,000	2%	1%	77/158	90/9/1
114	Hittle Landscaping*	Westfield, Ind.	\$20,835,309	11%	-1%	165/85	81/19/0
115	Santa Rita Landscaping	Tucson, Ariz.	\$20,741,000	12%	22%	150/150	72/25/3
116	Complete Landsculpture*	Dallas, Texas	\$20,631,562	8%	8%	125/60	63/35/2
117	Crystal Greens Landscape	Clackamas, Ore.	\$20,510,531	8%	10%	180/10	95/1/4
118	Timberline Landscaping	Colorado Springs, Colo.	\$20,496,949	33%	1%	177/95	70/20/10
119	Art by Nature	Granite Falls, Wash.	\$20,307,121	19%	10%	140/0	100/0/0
120	ArtisTree Landscape Maintenance & Design	Venice, Fla.	\$20,144,272	2%	24%	230/45	70/30/0
121	Perficut Cos.	Des Moines, Iowa	\$19,991,000	5%	6%	110/85	95/5/0
122	Texscape Services	Houston, Texas	\$19,022,766	5%	10%	290/50	95/0/5
123	Service Direct Landscape	Phoenix, Ariz.	\$18,980,000	35%	5%	181/0	60/40/0
124	The Joyce Cos.	Marstons Mills, Mass.	\$18,745,000	10%	-10%	100/65	5/95/0
125	Sposato Landscape Co.	Milton, Del.	\$18,600,000	2%	12%	175/285	60/40/0
126	Schultz Industries	Golden, Colo.	\$18,542,278	20%	10%	132/30	90/0/10
127	Andy's Sprinkler, Drainage & Lighting	Carrollton, Texas	\$18,500,000	1%	1%	163/47	20/80/0
	Crawford Landscaping	Naples, Fla.	\$18,500,000	15%	10%	220/50	90/10/0
129	Brilar	Oak Park, Mich.	\$18,200,000	32%	26%	202/40	80/0/20
130	Focal Pointe Outdoor Solutions	Caseyville, Ill.	\$17,954,000	33%	10%	60/112	90/10/0
131	Richmond & Associates Landscaping	Dallas, Texas	\$17,658,771	9%	4%	110/170	99/1/0
132	Lifescape Colorado	Denver, Colo.	\$17,579,413	20%	15%	78/52	15/85/0
133	Landscape Maintenance Professionals	Selfner, Fla.	\$17,500,000	0%	5%	225/50	100/0/0
134	HighGrove Partners	Austell, Ga.	\$17,200,000	-3%	3%	175/40	100/0/0
135	Hoffman Landscapes	Wilton, Conn.	\$16,445,000	7%	15%	145/0	0/100/0
136	Lambert's*	Dallas, Texas	\$15,913,500	3%	NR	NR/NR	NR/NR/NR
137	ProQual Landscaping	Tempe, Ariz.	\$15,646,000	10%	10%	257/0	100/0/0
138	NJ Best Lawns Sprinklers & Fencing	Lakewood, N.J.	\$15,616,900	8%	-10%	25/138	0/100/0
139	Earthco Commercial Landscape*	Santa Ana, Calif.	\$14,725,000	9%	10%	300/0	100/0/0
140	Cherrylake	Groveland, Fla.	\$14,600,000	-17%	31%	378/98	100/0/0
141	ASI Landscape Management	Thonotosassa, Fla.	\$14,500,000	14%	6%	120/30	100/0/0
142	Summit Landscape Group*	Rock Hill, S.C.	\$14,336,000	12%	NR	NR/NR	NR/NR/NR
143	Nanak's Landscaping	Deerfield Beach, Fla.	\$14,150,000	6%	8%	210/20	98/2/0
144	Heritage Professional Landscaping	Kennewick, Wash.	\$14,000,000	21%	5%	75/75	70/20/10
145	The Growing Co.	Sacramento, Calif.	\$13,669,000	6%	8%	130/0	100/0/0
146	Saluda Hill Landscapes	Lexington, S.C.	\$13,013,000	10%	10%	97/0	18/82/0
147	New Way Landscape & Tree Service	San Diego, Calif.	\$13,000,000	0%	5%	180/0	90/5/5
148	Emerald Isle Landscaping	Centennial, Colo.	\$12,750,000	0%	5%	75/50	80/0/20
149	Greenview Partners	Raleigh, N.C.	\$12,377,643	25%	20%	125/30	100/0/0
150	Borst Landscape & Design	Allendale, N.J.	\$12,034,794	18%	-5%	25/77	30/70/0
			Total: \$12,207,060,076	Avg: 12%	Avg: 8%		

Vermeer celebrates the companies on the 2020 LM150 list, and salutes their drive and perseverance as they pursue growth and excellence in their businesses.



**CITY OF SANTA FE SPRINGS
LANDSCAPE MAINTENANCE SERVICES AGREEMENT
WITH
MERCHANTS LANDSCAPE SERVICES, INC.**

This Landscape Maintenance Services Agreement ("Agreement") is made and effective as of the 1st of August, 2020 ("Effective Date"), by and between the City of Santa Fe Springs, a California municipal corporation, ("City") and Merchants Landscape Services, Inc., a California corporation ("Contractor"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on August 1, 2020, and shall remain and continue in effect for a period of three years, unless sooner terminated pursuant to the provisions of this Agreement. The City shall have the option to extend the term for two additional one-year periods upon City Council approval.

2. SERVICES

Contractor shall perform the services described and set forth in the City's Request for Proposals attached hereto as Exhibit A and Contractor's Proposal attached hereto as Exhibit B ("Services"), both incorporated herein as though set forth in full.

3. PERFORMANCE

Contractor shall at all times faithfully, competently and to the best of Contractor's ability, experience, and talent, perform all tasks described herein. Contractor shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Contractor under this Agreement.

4. CITY MANAGEMENT

The City Manager or designee shall represent the City in all matters pertaining to the administration of this Agreement.

5. PAYMENT

- A. The City agrees to pay Contractor for Services satisfactorily performed the monthly amount of \$74,982.68 (\$899,792.16 per year) for the Agreement term, in accordance with the fees set forth in Exhibit B.
- B. Contractor shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or designee. Contractor shall be compensated for any additional

services in the amounts and in the manner as agreed to in writing by the City and Contractor at the time the City's written authorization is given to Contractor for the performance of said services.

- C. Contractor will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Contractor's Services or fees, it shall give written notice to Contractor within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefor.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Contractor at least ninety (90) days' prior written notice. Upon receipt of said notice, Contractor shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Contractor the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Contractor will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONTRACTOR

If the City determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Contractor a written notice of the default. Contractor shall have seven (7) days after service of said notice to cure the default. In the event that Contractor fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. The City shall also have the right to offset against the amount of any fees due to Contractor any costs incurred by the City as a result of Contractor's default.

8. OWNERSHIP OF DOCUMENTS

- A. Contractor shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that relate to the performance of Services under this Agreement. Contractor shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with

generally accepted accounting principles and shall be clearly identified and readily accessible. Contractor shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

- B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Contractor. With respect to computer files, Contractor shall make available to the City, at the Contractor's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Contractor hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Contractor in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

- A. Indemnity.

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless the City and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of Contractor, its officers, agents, employees, or subcontractors (or any agency or individual that Contractor shall bear the legal liability thereof) in the performance of Services under this Agreement.

- B. Duty to Defend.

In the event the City, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not Contractor is named in such Action, and upon demand by the City, Contractor shall defend the City at Contractor's sole cost, or at the City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

- C. Payment by the City for Services is not a condition precedent to enforcement of this section. Contractor's duty to defend, indemnify, and hold harmless the City shall not extend to the City's sole or active negligence. In the event of any dispute between Contractor and the City as to whether liability arises from the sole or active negligence of the City or its officials, officers, employees, agents, and/or volunteers, Contractor will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. Contractor will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

10. INSURANCE

Contractor shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and made a part of this Agreement.

11. INDEPENDENT CONTRACTOR

- A. Contractor is and shall at all times remain as to the City a wholly independent Contractor and/or independent contractor. The personnel performing the services under this Agreement on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Contractor or any of Contractor's officers, employees, or agents, except as set forth in this Agreement. Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's officers, employees, or agents are in any manner officers, employees, or agents of the City. Contractor shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.
- B. No employee benefits shall be available to Contractor in connection with the performance of this Agreement. Except for the fees paid to Contractor as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Contractor for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Contractor for injury or sickness arising out of performing services hereunder. Contractor 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 Contractor and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Contractor shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent contractor relationship created by this Agreement. Contractor further agrees to indemnify and hold the City harmless from any failure of Contractor to comply with the applicable worker's compensation laws. The City shall have the right to offset

against the amount of any fees due to Contractor under this Agreement as a result of Contractor's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

- C. In the event that Contractor or any employee, agent, or subcontractor of Contractor 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, Contractor shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor 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 the City.
- D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor 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 the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES

Contractor shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Contractor shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Contractor to comply with this Section.

13. UNDUE INFLUENCE

Contractor declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Contractor, or from any officer, employee or agent of Contractor, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during

his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

- A. All information gained by Contractor in performance of this Agreement shall be considered confidential and shall not be released by Contractor without the City's prior written authorization, unless the information is clearly public. Contractor, its officers, employees, agents, or subcontractors, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Contractor gives the City notice of such court order or subpoena.
- B. Contractor shall promptly notify the City should Contractor, its officers, employees, agents, and/or subcontractors be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Contractor is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Contractor and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Contractor in such proceeding, Contractor agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Contractor. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City: City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Director of Public Works

To Contractor: Mark Brower, President
Merchant Landscape Services
1510 S. Lyon Street
Santa Ana, CA 92705

17. ASSIGNMENT

Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subcontractor for any services under this Agreement, Contractor shall provide the City with the identity of the proposed subcontractor, a copy of the proposed written contract between Contractor and such subcontractor which shall include and indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Contractor shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Contractor understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. 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.

23. CONSTRUCTION

The parties hereto 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.

24. WAIVER

The delay or failure of any 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.

25. 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.

26. 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.

27. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrants and represents that they have the authority to execute this Agreement on behalf of said parties and has the authority to bind the parties to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

[If Contractor is a corporation, two signatures are required: Signature 1 – the Chairperson of the Board, the President, or any Vice President; Signature 2 – the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer (Corp. Code § 313).]

CITY OF SANTA FE SPRINGS

CONTRACTOR

William K. Rounds, Mayor

Mark Brower, President

Date: _____

Date: _____

ATTEST:

CONTRACTOR

Janet Martinez, City Clerk

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

Ivy M. Tsai, City Attorney

Attachments:	Exhibit A	Request for Proposals
	Exhibit B	Contractor's Proposal
	Exhibit C	Insurance Requirements

EXHIBIT A
REQUEST FOR PROPOSALS

EXHIBIT B
CONTRACTOR'S PROPOSAL

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Contractor's indemnification of the City, and prior to commencement of Services, Contractor shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If the Contractor maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Contractor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$5,000,000 per occurrence, \$10,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$5,000,000 combined single limit for each accident.

Workers' compensation insurance. Contractor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000 per accident for bodily injury or disease).

Contractor shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;

- Policies shall “follow form” to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Contractor shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers’ compensation. Insurance certificates and endorsements must be approved by the City’s Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Contractor shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Contractor, or Contractor’s agents, representatives, employees or subcontractors.

Primary/noncontributing. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City’s own insurance or self-insurance shall be called upon to protect it as a named insured.

The City’s rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Contractor or the City will withhold amounts sufficient to pay premium from Contractor payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders’ Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best’s Key Rating Guide, unless otherwise approved by the City’s Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Contractor or others providing insurance evidence in compliance with these specifications

to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

Enforcement of Agreement provisions (non estoppel). Contractor acknowledges and agrees that any actual or alleged failure on the part of the City to inform Contractor of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Contractor agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Contractor agrees to ensure that its subcontractors, and any other party involved with the Services who is brought onto or involved in the Services by Contractor, provide the same minimum insurance coverage and endorsements required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with contractors, subcontractors, and others engaged in the Services will be submitted to the City review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Contractor, the City and Contractor may renegotiate Contractor's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Contractor shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.



City of Santa Fe Springs

City Council Meeting

ITEM NO. 9

July 9, 2020

NEW BUSINESS

Amendment No. 7 to Interstate 5 Consortium Cities Joint Powers Authority Agreement

RECOMMENDATION

- Approve Amendment No. 7 to the Interstate 5 Consortium Cities Joint Powers Authority (I-5 JPA) Agreement; and
- Authorize the Mayor to execute Amendment No. 7.

BACKGROUND

The City of Santa Fe Springs is one of five member cities of the I-5 JPA, which was established in 1990. The goal of the I-5 JPA is to work in partnership with the California Department of Transportation (Caltrans), the Los Angeles County Metropolitan Transportation Authority (Metro), and the Federal Highway Administration (FHWA) in connection with the I-5 Freeway widening project.

Since its inception, the I-5 JPA has been active in identifying and pursuing alternatives that limit significant widening of the I-5 Freeway and thereby mitigate the adverse social and economic impacts on corridor communities.

The term of the original I-5 JPA Agreement was extended through subsequent amendments (numbers 1-6) and will expire on November 1, 2020. The proposed Amendment No. 7 will extend the term of the Agreement for an additional 5 years. Mayor Bill Rounds represents the City of Santa Fe Springs on the I-5 JPA Policy Board.

LEGAL REVIEW

The City Attorney's office has reviewed Amendment No. 7.

FISCAL IMPACT

The annual I-5 JPA membership dues are \$30,000 and are included in the approved Department of Public Works budget.

INFRASTRUCTURE IMPACT

Membership in the I-5 JPA has resulted in receiving approximately \$4 million over the last 25 years for local road improvement projects that mitigate the traffic impacts of the I-5 Freeway widening project.


Raymond R. Cruz
City Manager

Attachment:

Attachment No. 1: Amendment

**SEVENTH AMENDMENT TO
AMENDED INTERSTATE 5 CONSORTIUM CITIES
JOINT POWERS AGREEMENT**

Section 1. That certain Amended Agreement ("Agreement") entered into by and between the cities of Buena Park, Commerce, Downey, La Mirada, Norwalk, and Santa Fe Springs, on December 4, 1990, and amended in 1997, 2000, 2005, 2008, 2010, and 2015, is further amended by amending Section 2 (Term) and Subsection B of Section 4 (Administrative Entity).

"Section 2. Term.

The term of this Agreement shall be for a period of thirty-five years from and after November 1, 1990 (November 1, 2025). The Agreement may be extended by mutual consent of all parties."

"Section 4B. Administrative Entity

Purpose

The Administrative Entity shall carry out the policies developed by the Board to facilitate improvement of the I-5 Freeway.

Members

The City Manager of each City shall be a member of the Administrative Entity. Each City Manager may appoint one other employee of the City to serve as the alternate member of the Administrative Entity. Each member of the Administrative Entity shall have one vote. If a City Manager cannot attend a meeting, the alternate shall be fully empowered to act as the member for the meeting.

Responsibilities

- a. Work with State and Federal agencies to develop improvement plans that will be acceptable to the Consortium.
- b. Engage and work with consultants as needed and consistent with the budget approved by the Policy Board.
- c. Develop a budget and funding recommendations for the Consortium for approval by the Policy Board.
- d. Develop plans with Caltrans for the earliest possible widening of the Carmenita Road Bridge over I-5.
- e. Provide analysis of economic losses if I-5 widening is proposed outside of existing right-of-way."

Section 2. Except as specifically amended by this Seventh Amendment, all other provisions of the Agreement, as previously amended, shall remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed on this 9th day of July 2020, by the Parties as follows:

CITY OF SANTA FE SPRINGS

WILLIAM K. ROUNDS, MAYOR

ATTEST:

JANET MARTINEZ, CITY CLERK



City of Santa Fe Springs

City Council Meeting

ITEM NO. 10

July 9, 2020

NEW BUSINESS

Lakeland and Meyer Road Street Improvements – Award of Contract

RECOMMENDATION

- Accept the bids; and
- Award a contract to Hardy & Harper Company of Lake Forest, California, in the amount of \$916,000.00.

BACKGROUND

The Lakeland and Meyer Road Improvements project encompasses the following boundaries: on Lakeland Road from Shoemaker Avenue to Carmenita Road and on Meyer Road from Shoemaker Avenue to the easterly City Limits. The project consists of the removal of 4 to 5 inches of existing asphalt concrete pavement and the placement of a new 4 to 5 inches of fiber reinforced asphalt concrete pavement. The new paving section will support heavy repetitive loads and increase pavement service life. Additionally, the project includes the removal and replacement of curb and gutter, sidewalks, curb ramps, driveways as needed, as well as the installation of stormwater screen covers.

Bids were opened on June 23, 2020, and a total of seven bids were received. Upon receiving bids, staff reviewed the proposals submitted to the City and has determined that all bid proposals are in compliance with the project specifications. The low bidder for the project was Hardy & Harper Company of Lake Forest, California, in the amount of \$916,000.00. The following represents the bids received and the amount of each bid:

<u>Company Name</u>	<u>Bid Amount</u>
1. Hardy and Harper	\$ 916,000.00
2. Sequel Contractors Inc.	\$ 959,457.50
3. All American Asphalt	\$ 964,548.03
4. Excel Paving Company	\$ 993,791.50
5. Sully-Miller Contracting, Co.	\$ 1,064,000.00
6. R.J. Noble Company	\$ 1,080,218.70
7. PUB Construction, Inc.	\$ 1,902,406.00

The bid submitted by Hardy & Harper Company in the amount of \$916,000.00 is approximately 9.3% below the Engineer's Estimate of \$1,010,000.00.

The Department of Public Works has reviewed the bids and has determined the low bid submitted by Hardy & Harper Company to be responsive and responsible.

LEGAL REVIEW

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

Report Submitted By: Noe Negrete
Director of Public Works

A handwritten signature in blue ink, appearing to be "N", is placed over the printed name of Noe Negrete.

Date of Report: July 2, 2020

FISCAL IMPACT

The Lakeland and Meyer Road Street Improvements Project is an approved Capital Improvement Plan (CIP) Bond funded project with an original budget of \$1,412,000.

INFRASTRUCTURE IMPACT

The Lakeland and Meyer Road Street Improvements project will improve the condition of the existing roadway, enhance operational safety, and reduce maintenance costs.



Raymond R. Cruz
City Manager

Attachment:

Attachment No. 1: Agreement

CITY OF SANTA FE SPRINGS

CONTRACT AGREEMENT

FOR

**LAKELAND ROAD AND MEYER ROAD
STREET IMPROVEMENTS**

IN THE CITY OF SANTA FE SPRINGS

This Contract Agreement is made and entered into the above-stated project this 9th of July 2020, BY AND BETWEEN the City of Santa Fe Springs or, as AGENCY, and Hardy & Harper Company, as CONTRACTOR in the amount of \$916,000.

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Proposal, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, CDBG contract provisions and forms, and appendices; together with this Contract Agreement and all required bonds, insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to ensure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and perform all work required for the above-stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents. No work or portion of the work shall be paid for until it is approved for payment by the City Engineer. Payment made for completed portions of the work shall not constitute final acceptance of those portions or of the completed project.

ARTICLE V

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that code and certifies compliance with such provisions. Contractor further acknowledges the provisions of the State Labor Code requiring every employer to pay at least the minimum prevailing rate of per diem wages for each craft classification or type of workman needed to execute this contract as determined by the Director of Labor Relations of the State of California. The Contractor is required to pay the higher of either the State or Federal Wages.

ARTICLE VI

Except as to the sole or active negligence or willful misconduct of the AGENCY and notwithstanding the existence of insurance coverage required of CONTRACTOR pursuant to this contract, CONTRACTOR shall save, keep defend, indemnify, hold free and harmless AGENCY, its officers, officials, employees, agents and volunteers from and against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify, save and hold harmless AGENCY, its officers, officials, employees, agents and volunteers from any and all

claims, demands, suits, actions or proceedings of any kind or nature, including, but not by way of limitation, all civil claims, workers' compensation claims, and all other claims resulting from or arising out of the acts, errors or omissions of CONTRACTOR, its employees and/or authorized subcontractors, whether intentional or negligent, in the performance of this Agreement.

This indemnification provision is independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. AGENCY approval of the Insurance contracts required by this Agreement does not in any way relieve the CONTRACTOR from liability under this section.

AGENCY shall notify CONTRACTOR of the receipt of any third party claim related to this Agreement within seven (7) business days of receipt. The City is entitled to recover its reasonable costs incurred in providing the notification. (Pubic Contracts Code Section 9201)

ARTICLE VII

AGENCY shall comply with Pub Cont. Code §20104.50 as follows:

20104.50.

(a) (1) It is the intent of the Legislature in enacting this section to require all local governments to pay their contractors on time so that these contractors can meet their own obligations. In requiring prompt payment by all local governments, the Legislature hereby finds and declares that the prompt payment of outstanding receipts is not merely a municipal affair, but is, instead, a matter of statewide concern.

(2) It is the intent of the Legislature in enacting this article to fully occupy the field of public policy relating to the prompt payment of local governments' outstanding receipts. The Legislature finds and declares that all government officials, including those in local government, must set a standard of prompt payment that any business in the private sector which may contract for services should look towards for guidance.

(b) Any local agency which fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract shall pay interest to the contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Code of Civil Procedure.

(c) Upon receipt of a payment request, each local agency shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the local agency as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the contractor as soon as practicable, but not later than seven days, after receipt. A

request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

(d) The number of days available to a local agency to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which a local agency exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (c).

(e) For purposes of this article:

(1) A “local agency” includes, but is not limited to, a city, including a charter city, a county, and a city and county, and is any public entity subject to this part.

(2) A “progress payment” includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

(3) A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

(f) Each local agency shall require that this article, or a summary thereof, be set forth in the terms of any contract subject to this article.

ARTICLE VIII

CONTRACTOR affirms that the signatures, titles and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint venturers, and/or corporate officers having principal interest herein.

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

HARDY & HARPER COMPANY

By:

NAME, TITLE

ADDRESS

THE CITY OF SANTA FE SPRINGS

By:

WILLIAM K. ROUNDS, MAYOR

ATTEST:

JANET MARTINEZ, CITY CLERK

APPROVED AS TO FORM:

IVY M. TSAI, CITY ATTORNEY

(Contractor signature must be notarized with proper acknowledgement attached.)



City of Santa Fe Springs

City Council Meeting

ITEM NO. 11

July 9, 2020

NEW BUSINESS

Replacement of Baseball / Basketball Scoreboards and Basketball Backboards and Rims — Award of Contract

RECOMMENDATION

- Appropriate \$90,000 from the Utility Users Tax (UUT) Capital Improvement Plan (CIP) to the Replacement of Baseball / Basketball Scoreboards and Basketball Backboards and Rims Project (PW200102);
- Accept the bids; and
- Award a contract to LJB Construction of Norwalk, California, in the amount of \$211,947.68.

BACKGROUND

Fourth District Supervisor Janice Hahn of the Los Angeles County Board of Supervisors pledged financial assistance in the amount of \$150,000 (FY 2019/20) to the City for supporting existing parks projects.

The City is required to identify the parks projects to be supported by the grant. The City has identified projects to be implemented in two (2) separate phases. The first phase will focus on replacing courts surfaces (\$150,000 – FY 2018/19). The second phase will focus on replacing baseball / basketball scoreboards and basketball backboards / rims (\$150,000 – FY 2019/20).

Staff has prepared Plans and Specifications to:

1. Replace baseball scoreboards at Los Nietos Park, Santa Fe Springs Athletic Fields, and Lake Center Athletic Park;
2. Replace an indoor basketball scoreboard at Los Nietos Park;
3. Replace basketball backboards and rims at Los Nietos Park, Santa Fe Springs Park, and Little Lake Park.

Bids were opened on June 23, 2020, and a total of two bids were received. Upon receiving bids, staff reviewed the proposals submitted to the City and has determined that all bid proposals are in compliance with the project specifications. The low bidder for the project was LJB Construction of Norwalk, California, in the amount of \$211,947.68. The following represents the bids received and the amount of each bid:

<u>Company Name</u>	<u>Bid Amount</u>
1. LJB Construction	\$ 211,947.68
2. NoHo Constructors	\$ 339,480.00

The bid submitted by LJB Construction in the amount of \$211,947.68 is approximately 5.9% above the Engineer's Estimate of \$200,000.00.

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.

Date of Report: July 2, 2020

The Department of Public Works has reviewed the bids and has determined the low bid submitted by LJB Construction to be responsive and responsible.

LEGAL REVIEW

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

FISCAL IMPACT

The initial grant in the amount of \$150,000 (FY 2019/20) from Los Angeles County Supervisor Janice Hahn will partially fund the cost to replace scoreboards located at Los Nietos Park, Santa Fe Springs Athletic Fields, and Lake Center Athletic Park and replace the basketball backboards and rims at Los Nietos Park, Santa Fe Springs Park, and Little Lake Park. A total of \$90,000 from the \$150,000 (FY 2018/19) Los Angeles County Supervisor Janice Hahn grant was used for the Basketball, Tennis, and Handball Courts Resurfacing project. A balance of \$59,500 is available for the Replacement of Baseball Scoreboards and Basketball Backboards and Rims project. Staff is recommending an appropriation in the amount of \$90,000 from Utility Users Tax (UUT) Capital Improvement Plan to cover the shortfall.

FUNDING

	<u>AMOUNT</u>
Supervisor Hanh Grant Fiscal Year (2019/20)	\$ 150,000
Surplus from Hahn Grant Fiscal Year (2018/19)	\$ 59,500
Total:	\$ 209,500


The total project cost breakdown is itemized below:

ITEM

	<u>COST</u>
Construction	\$ 212,000
Engineering	\$ 28,000
Inspection	\$ 25,000
Contingency	\$ 34,500
Total Project Cost:	\$ 299,500

INFRASTRUCTURE IMPACT

The project will increase the functionality of the park scoreboards and refresh the aesthetic appearance of the basketball backboards and rims. The project will enhance the residents experience at the City Parks.


Raymond R. Cruz
City Manager

Attachments:

Attachment No. 1: Agreement

CITY OF SANTA FE SPRINGS

CONTRACT AGREEMENT

FOR

**REPLACEMENT OF BASEBALL/BASKETBALL SCOREBOARDS AND
BASKETBALL BACKBOARDS AND RIMS**

IN THE CITY OF SANTA FE SPRINGS

This Contract Agreement is made and entered into the above-stated project this 9th of July, 2020, BY AND BETWEEN the City of Santa Fe Springs, as AGENCY, and LJB Construction as CONTRACTOR in the amount of \$211,947.68.

WITNESSETH that AGENCY and CONTRACTOR have mutually agreed as follows:

ARTICLE I

The contract documents for the aforesaid project shall consist of the Notice Inviting Sealed Bids, Instructions to Bidders, Proposal, General Specifications, Standard Specifications, Special Provisions, Plans, and all referenced specifications, details, standard drawings, CDBG contract provisions and forms, and appendices; together with this Contract Agreement and all required bonds, insurance certificates, permits, notices, and affidavits; and also including any and all addenda or supplemental agreements clarifying, or extending the work contemplated as may be required to ensure its completion in an acceptable manner. All of the provisions of said contract documents are made a part hereof as though fully set forth herein.

ARTICLE II

For and in consideration of the payments and agreements to be made and performed by AGENCY, CONTRACTOR agrees to furnish all materials and perform all work required for the above-stated project, and to fulfill all other obligations as set forth in the aforesaid contract documents.

ARTICLE III

CONTRACTOR agrees to receive and accept the prices set forth in the Proposal as full compensation for furnishing all materials, performing all work, and fulfilling all obligations hereunder. Said compensation shall cover all expenses, losses, damages, and consequences arising out of the nature of the work during its progress or prior to its acceptance including those for well and faithfully completing the work and the whole thereof in the manner and time specified in the aforesaid contract documents; and also including those arising from actions of the elements, unforeseen difficulties or obstructions encountered in the prosecution of the work, suspension or discontinuance of the work, and all other unknowns or risks of any description connected with the work.

ARTICLE IV

AGENCY hereby promises and agrees to employ, and does hereby employ, CONTRACTOR to provide the materials, do the work and fulfill the obligations according to the terms and conditions herein contained and referred to, for the prices aforesaid, and hereby contracts to pay the same at the time, in the manner, and upon the conditions set forth in the contract documents. No work or portion of the work shall be paid for until it is approved for payment by the City Engineer. Payment made for completed portions of the work shall not constitute final acceptance of those portions or of the completed project.

ARTICLE V

CONTRACTOR acknowledges the provisions of the State Labor Code requiring every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of that code and certifies compliance with such provisions. Contractor further acknowledges the provisions of the State Labor Code requiring every employer to pay at least the minimum prevailing rate of per diem wages for each craft classification or type of workman needed to execute this contract as determined by the Director of Labor Relations of the State of California. The Contractor is required to pay the higher of either the State or Federal Wages.

ARTICLE VI

Except as to the sole or active negligence or willful misconduct of the AGENCY and notwithstanding the existence of insurance coverage required of CONTRACTOR pursuant to this contract, CONTRACTOR shall save, keep defend, indemnify, hold free and harmless AGENCY, its officers, officials, employees, agents and volunteers from and against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify, save and hold harmless AGENCY, its officers, officials, employees, agents and volunteers from any and all claims, demands, suits, actions or proceedings of any kind or nature, including, but not by way of limitation, all civil claims, workers' compensation claims, and all other claims resulting from or

arising out of the acts, errors or omissions of CONTRACTOR, its employees and/or authorized subcontractors, whether intentional or negligent, in the performance of this Agreement.

This indemnification provision is independent of and shall not in any way be limited by the Insurance Requirements of this Agreement. AGENCY approval of the Insurance contracts required by this Agreement does not in any way relieve the CONTRACTOR from liability under this section.

AGENCY shall notify CONTRACTOR of the receipt of any third party claim related to this Agreement within seven (7) business days of receipt. The City is entitled to recover its reasonable costs incurred in providing the notification. (Pubic Contracts Code Section 9201)

ARTICLE VII

AGENCY shall comply with Pub Cont. Code §20104.50 as follows:

20104.50.

(a) (1) It is the intent of the Legislature in enacting this section to require all local governments to pay their contractors on time so that these contractors can meet their own obligations. In requiring prompt payment by all local governments, the Legislature hereby finds and declares that the prompt payment of outstanding receipts is not merely a municipal affair, but is, instead, a matter of statewide concern.

(2) It is the intent of the Legislature in enacting this article to fully occupy the field of public policy relating to the prompt payment of local governments' outstanding receipts. The Legislature finds and declares that all government officials, including those in local government, must set a standard of prompt payment that any business in the private sector which may contract for services should look towards for guidance.

(b) Any local agency which fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract shall pay interest to the contractor equivalent to the legal rate set forth in subdivision (a) of Section 685.010 of the Code of Civil Procedure.

(c) Upon receipt of a payment request, each local agency shall act in accordance with both of the following:

(1) Each payment request shall be reviewed by the local agency as soon as practicable after receipt for the purpose of determining that the payment request is a proper payment request.

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the contractor as soon as practicable, but not later than seven days, after receipt. A request returned pursuant to this paragraph shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

(d) The number of days available to a local agency to make a payment without incurring interest pursuant to this section shall be reduced by the number of days by which a local agency exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (c).

(e) For purposes of this article:

(1) A “local agency” includes, but is not limited to, a city, including a charter city, a county, and a city and county, and is any public entity subject to this part.

(2) A “progress payment” includes all payments due contractors, except that portion of the final payment designated by the contract as retention earnings.

(3) A payment request shall be considered properly executed if funds are available for payment of the payment request, and payment is not delayed due to an audit inquiry by the financial officer of the local agency.

(f) Each local agency shall require that this article, or a summary thereof, be set forth in the terms of any contract subject to this article.

ARTICLE VIII

CONTRACTOR affirms that the signatures, titles and seals set forth hereinafter in execution of this Contract Agreement represent all individuals, firm members, partners, joint venturers, and/or corporate officers having principal interest herein.

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

LJB CONSTRUCTION

By:

NAME, TITLE

ADDRESS

THE CITY OF SANTA FE SPRINGS

By:

WILLIAM K. ROUNDS, MAYOR

ATTEST:

JANET MARTINEZ, CITY CLERK

APPROVED AS TO FORM:

IVY M. TSAI, CITY ATTORNEY

(Contractor signature must be notarized with proper acknowledgement attached.)



City of Santa Fe Springs

City Council Meeting

ITEM NO. 12

July 9, 2020

NEW BUSINESS

Los Nietos Road Improvements - Authorization to Advertise for Construction Bids

RECOMMENDATION

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

BACKGROUND

The Los Nietos Road Street Improvements project encompasses the boundaries from Pioneer Boulevard to Painter Avenue. The project consists of the removal of 2 to 5 inches of existing asphalt concrete pavement and the placement of a new 2 to 5 inches of fiber reinforced asphalt concrete pavement. The new paving section will support heavy repetitive loads and increase pavement service life. Additionally, the project includes the removal and replacement of curb and gutter, sidewalks, curb ramps, driveways as needed, as well as the installation of stormwater screen covers.

The construction cost estimate for the Los Nietos Road Street Improvements project is \$3,403,000. The total estimated project cost including construction, engineering and inspection, and contingency is \$4,313,200. The estimate is from the most current costs of similar street rehabilitation projects in the area. The total project costs are as follows:

<u>ITEM</u>	<u>BUDGET</u>
Construction	\$ 3,403,000
Design	\$ 336,000
Engineering	\$ 100,000
Inspection	\$ 100,000
Contingency	\$ 374,200
Total Construction Cost:	\$ 4,313,200

The project Plans and Specifications are complete, and the Public Works Department is ready to advertise for the construction bids for this project, upon City Council approval. A copy of the project specifications will be on file with the City Clerk.

FISCAL IMPACT

The Los Nietos Road Street Improvements Project is an approved Capital Improvement Plan (CIP) Bond funded project with an original budget of \$4,313,200.

INFRASTRUCTURE IMPACT

The Los Nietos Road Street Improvements project will improve the condition of the existing roadway, enhance operational safety, and reduce maintenance costs

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

Raymond R. Cruz
City Manager

Attachments:
None

Report Submitted By: Noe Negrete
Director of Public Works

Handwritten initials in blue ink, possibly "MN".

Date of Report: July 2, 2020



City of Santa Fe Springs

City Council Meeting

July 9, 2020

NEW BUSINESS

Approve the Authorized Screening Agency Agreement and Scope of Services between the City of Santa Fe Springs and United Way of Greater Los Angeles for the Gas Assistance Fund and the Edison Assistance Fund Programs.

RECOMMENDATION(S):

- Approve the Authorized Screening Agency Agreement and Scope of Services with United Way of Greater Los Angeles for the continued participation in the Gas Assistance Fund (GAF) and the Edison Assistance Fund (EAF) Programs.
- Authorize the Mayor to execute and sign the agreement electronically through iPartner - United Way of Greater Los Angeles.

BACKGROUND

The Family and Human Services Division (FHS) in the Department of Community Services partners with United Way of Greater Los Angeles for the Southern California Edison and Southern California Gas Company Utility Assistance Fund programs to provide utility assistance to low-income families in Santa Fe Springs and surrounding communities. Southern California Edison (SCE) and Southern California Gas Company (SoCal Gas) have been committed to helping local customers by providing them financial relief through the Energy Assistance Fund (EAF) and the Gas Assistance Fund (GAF). The funds provide an opportunity for qualified households to receive up to a \$100 payment toward their energy and gas bills. Annually, the FHS Case Workers assist over 300 SCE and SoCal Gas customers who receive assistance in the amount exceeding \$38,000.00.

By approving the Agreement, the City of Santa Fe Springs will continue its status as an Authorized Screening Agency with the United Way. As an Authorized Screening Agency, the FHS Case Workers help qualified customers apply for a grant to pay for their residential electric/gas service.

LEGAL REVIEW

The City Attorney has reviewed the Authorized Screening Agency Agreement between the City of Santa Fe Springs and United Way of Greater Los Angeles for the Gas Assistance Fund and the Edison Assistance Fund programs.

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.


Raymond R. Cruz
City Manager

Report Submitted By: Maricela Balderas, Director
Department of Community Services

Date of Report: July 2, 2020



City of Santa Fe Springs

City Council Meeting

July 9, 2020

Attachment:

United Way of Greater Los Angeles Authorized Screening Agency Agreement and
Scope of Services for Fiscal Year 2020-2021

Report Submitted By: Maricela Balderas, Director
Department of Community Services

Date of Report: July 2, 2020

United Way of Greater Los Angeles Authorized Screening Agency Agreement and Scope of Services

As an authorized United Way of Greater Los Angeles Screening Agency, your agency will receive:

- All program related materials at no cost.
- Annual training to be held prior to the start of each respective assistance program, EAF Training will be held in June, and GAF training will be held in February, all agencies will receive notification from United Way of dates and times of assigned training's.
- Support, advice, updates, and answers to your questions about the Assistance Program, and its guidelines and policies.
- Updates to other energy assistance programs, such as LIHEAP (Low Income Home Energy Assistance Program), as they become available.

As an authorized United Way of Greater Los Angeles Screening Agency, I agree to:

- Return this Agency Participation Form and all subsequent requests for information completed and on time.
- Have all staff that complete applications for the EAF and GAF assistance programs, participate in the mandatory annual program training's prior to the start of each respective assistance program upon notification of training sessions from United Way of Greater Los Angeles.
- Update United Way of Greater Los Angeles, Inc. of any site, address, telephone, personnel, or other changes within this agency in a timely manner.
- Follow the policies and guidelines of the United Way of Greater Los Angeles.
- Accept phone calls from potential applicants and provide follow-up.
- Treat all applicants with kindness, dignity and respect.
- Restrict the use of personally identifiable information obtained during the application process to attain grants or to provide other social services for which the client may be eligible.
- Return all documentation to the applicant or destroy all client information by shredding or through another secure destruction method.
- Refer applicants to other needed services, such as food banks, childcare, LIHEAP, etc.
- Maintain minimum quality standards of applications as set by the United Way of Greater Los Angeles, Inc. and, if necessary, attend additional training at the request of United Way of Greater Los Angeles to maintain your organization's status as an Authorized Screening Agency.
- Provide a fax machine capable of 1200x1200 dpi accessible to all intake workers.
- Provide computer equipment with the following minimum specifications to be used by the intake workers: 233MHz processor (Pentium recommended) with 32MB of RAM; 800x600 resolution with 256 colors; Internet Explorer 6; access to the Internet via a broadband connection; and capable of printing to a laser printer.

The primary contact at each agency site will be responsible for the following:

- Editing any changes to agency site information.
- Adding new intake workers and removing intake workers who leave the agency by setting their profile to inactive.
- Notifying United Way of Greater Los Angeles of any new intake workers who will be completing applications so that the appropriate training can be provided.
- Communication of all information regarding the grant program to the other intake workers at their site.

- Notifying United Way of Greater Los Angeles if their site will be unable to complete grant applications at any time during the grant season.

As an Intake Worker I agree to do the following:

- Screen potential applicants for eligibility and make them aware of program requirements so that when they come into the agency to complete an application, they bring with them all required documentation.
- Follow the policies and guidelines of the United Way of Greater Los Angeles.
- Treat all applicants with kindness, dignity and respect.
- Refer applicants to other needed services, such as food banks, childcare, LIHEAP, etc...
- If a member of my immediate family is eligible to apply for a grant, I will refer my immediate family members to another Intake Worker at my agency or to United Way of Greater Los Angeles to complete their application.
- If I am eligible to apply for a grant I will have my own application completed by another Intake Worker or by United Way of Greater Los Angeles.
- Verify that the applicant has all of the required documentation before submitting their application.
- Verify the accuracy of the information entered on the application before I submit the application.
- Keep my User Name and Password as confidential; my User Name and Password will not be shared or kept in writing.
- Keep the applicant's information confidential. After faxing documentation to United Way of Greater Los Angeles, return all documents to the applicant or destroy all client information by shredding or through another secure destruction method. When enrolling the applicant into other social services, documentation becomes the responsibility of the agency and that particular program under that program's requirements.

During the Assistance Program Year, United Way of Greater Los Angeles requires the agency to submit applications via iPartner© and submit all supporting documentation via Fax. Because of this, the Agency agrees to:

- Review income documentation for each United Way of Greater Los Angeles application and ensure the verification provided matches the information provided to United Way of Greater Los Angeles.
- Review utility payment documentation for each United Way of Greater Los Angeles application and ensure the verification provided matches the information provided to United Way of Greater Los Angeles.
- Ensure that all applications submitted to United Way of Greater Los Angeles meet United Way of Greater Los Angeles's established guidelines for the season.
- Submit the application for a Hardship Fund Grant by entering the appropriate information into iPartner©.
- Read the application agreement to the customer, and have them sign the application.
- Fax the application and supporting documentation (Income, Payment, etc.) to United Way of Greater Los Angeles with the bar coded fax cover sheet provided by iPartner©.

As an Authorized Screening Agency, we agree to:

- Comply with United Way of Greater Los Angeles's auditing procedure.
- Attend any additional training required by United Way of Greater Los Angeles as a result of a deficient audit score.

If my agency fails to comply with the auditing procedure or fails to provide the required documents for all applications, I understand that:

- We may be subject to additional audits throughout the year to ensure that we are in compliance with United Way of Greater Los Angeles's policies and guidelines.
- We may be subject to an unscheduled, on-site visit by a member of the United Way of Greater Los Angeles staff to conduct an audit.

- We may be removed as an Authorized Screening Agency permanently or for a specific period of time.

United Way of Greater Los Angeles has the right to remove an agency or to deny any agency participation as an Authorized Screening Agency as a result of failure to comply with the responsibilities outlined in the United Way of Greater Los Angeles Authorized Screening Agency Agreement and Scope of Services.



City of Santa Fe Springs

City Council Meeting

July 9, 2020

NEW BUSINESS

Presentation and Consideration of the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2019

RECOMMENDATION

Receive and file the City's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2019 and related communications

BACKGROUND

The purpose of the City's CAFR is to provide, independently audited, relevant financial information to the City Council, citizens, staff, grant entities, creditors, bond investors, rating agencies, and other concerned readers.

The City's financial statements contained within the CAFR are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted governmental auditing standards. The statements are reported on a fiscal year basis beginning July 1st and ending June 30th and have been audited by an independent firm of certified public accountants, Lance, Soll, & Lunghard LLP (LSL), to provide reasonable assurance that they fairly present the City's financial condition in all material respects.

In keeping with best practices, the City Council has formed a Finance Subcommittee. Its members worked with staff and LSL throughout the audit process. The Subcommittee consists of Councilmembers Zamora and Mora. This is LSL's sixth year auditing the City after being selected through a comprehensive procurement process in the spring of 2014.

In accordance with auditing standards, LSL has also issued an Audit Communication Letter summarizing the results of the audit and a Report on Internal Control and Compliance.

Overall, the City's General Fund Unassigned Reserve balance increased approximately \$1.0 million from \$21.7 million at June 30, 2018 to \$22.7 million at June 30, 2019. In addition, the City's General Fund Economic Uncertainty Reserve balance was \$3.2 million at June 30, 2019.

In the Water Fund, the Unrestricted Net Assets increased approximately \$900,000 from a deficit \$1.2 million at June 30, 2018 to a deficit \$324,000 at June 30, 2019.

Attached are the City's CAFR, Audit Communications Letter, and Report on Internal Control and Compliance.



City of Santa Fe Springs

City Council Meeting

July 9, 2020

FISCAL IMPACT

None.

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

Raymond R. Cruz
City Manager

Attachments:

1. Final audited FY 2018-19 CAFR (issued under separate cover)
2. Audit Communication Letter
3. Report on Internal Controls and Compliance

ATTACHMENT 1

WILL BE PROVIDED UNDER SEPARATE COVER/LINK



June 4, 2020

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs, California (the City) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 18, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year 2018-2019.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimates of its net pension liability and net other post-employment benefits liability based on actuarial valuation specialist assumptions. We evaluated the key factors and assumptions used to develop the net pension liability and net other postemployment benefits liability in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.





To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 4, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, the budgetary comparison schedules for the General Fund and Low and Moderate Income Housing Assets Fund, the schedules of changes in the net pension liability and related ratios for the agent multiple-employer miscellaneous plan, the schedule of plan contributions for the agent multiple-employer miscellaneous plan, the schedule of proportionate share of the net pension liability for the safety cost sharing plan, the schedule of plan contributions for the safety cost sharing plan, the schedule of changes in the net OPEB liability and related ratios, and the schedule of contributions for OPEB which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.



To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory or statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

New Accounting Standards

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2018-2019 audit:

GASB Statement No. 83, *Certain Assets Retirement Obligations*.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2019-2020

GASB Statement No. 84, *Fiduciary Activities*.

GASB Statement No. 90, *Majority Equity Interests - an Amendment of GASB Statement Nos. 14 and 61*.

Fiscal year 2020-2021

GASB Statement No. 87, *Leases*.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

Fiscal year 2021-2022

GASB Statement No. 91, *Conduit Debt Obligations*.



To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Restriction on Use

This information is intended solely for the use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Soll & Luyhard, LLP

Brea, California



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Santa Fe Springs, California, (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 4, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify the following deficiency in internal control, 2019-001; Account Reconciliations, described in the accompanying schedule of findings and questioned costs, that we consider to be a significant deficiency.



To the Honorable Mayor and Members of the City Council
City of Santa Fe Springs, California

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Lance, Soll & Loughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
June 4, 2020

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Account Reconciliations

Reference Number: 2019-001

Condition:

Upon standard inquiries and requests arising from analytical and substantive review and test-work, the auditors noted various balance sheet and income statement accounts were not reconciled properly. The accrued interest receivable and unavailable revenue accounts were misstated and subsequently corrected by the City.

Criteria:

Key balance sheet and income statement accounts should be reviewed and reconciled during the year-end closing process.

Cause of Condition:

The cause of the conditions is due to weakness in internal controls and procedures related to year-end close.

Effect or Potential Effect of Condition:

The effect of the condition was the requirement for post-closing journal entries to various balance sheet and income statement accounts.

Recommendation:

The auditors recommend the City revisit its procedures related to year-end close to ensure all roles and responsibilities of the individuals involved are clearly defined and monitored by management.

Management's Response and Corrective Action:

The City concurs with the deficiency noted. The primary cause of the condition above was the fact that the City implemented the Finance Module of the new Enterprise Resource Planning (ERP) system in March of 2018. Fiscal Year 2018-2019 was the first full-year after the Finance Module was implemented. The City experienced system glitches that complicated the reconciliation process and required substantial time to correct at year-end. Staff followed the established year-end close procedures, however, due to the system glitches that delayed the reconciliation process the accounts above were overlooked. New procedures are being implemented to reconcile accounts throughout the year to ensure general ledger accounts are free of errors.



City of Santa Fe Springs

City Council Meeting

ITEM NO. 15

July 9, 2020

NEW BUSINESS

Resolution No. 9685 – Review and Consideration to Adopt a Resolution of the City Council of the City of Santa Fe Springs Authorizing Participation in the Los Angeles Urban County Community Development Grant (CDBG) Program for the Period of July 1, 2021 through June 30, 2024, Pursuant to Terms of a Cooperation Agreement with the County of Los Angeles

RECOMMENDATION:

- Adopt Resolution No. 9685; and
- Authorize Staff to transmit the Participating City Cooperation Agreement to the Los Angeles County Development Authority.

BACKGROUND

The City of Santa Fe Springs received a notice from the Los Angeles County Department Authority (LACDA) to enter into a Cooperation Agreement for the City's continued participation in the Los Angeles Urban Community Development Block Grant (CDBG) Program for the period of July 1, 2021 through June 30, 2024. The CDBG program is federally funded, by way of the Department of Housing and Urban Development (HUD), and is administered on a local level by LACDA. As such, LACDA receives CDBG funds from HUD on the City's behalf. The City's funds are held and managed by LACDA and are disbursed to the City on an as-needed basis. By participating in LACDA's local CDBG program, the City is eligible to receive its allocation of CDBG funds, which can be used to complete various projects.

In 1999, the City of Santa Fe Springs entered into an original Cooperation Agreement with the Los Angeles County Development Commission (LACDC) to participate in the CDBG Program. Pursuant to the initial term, the Cooperation Agreement would renew automatically every three (3) years, unless a local jurisdiction provided written notice of its intent to no longer participate in the County's CDBG program. During the existing term (July 1, 2018 through June 30, 2021), in May 2019, LACDC was renamed to LACDA in an effort to rebrand itself and expand its services to Los Angeles County residents, businesses, and local jurisdictions.

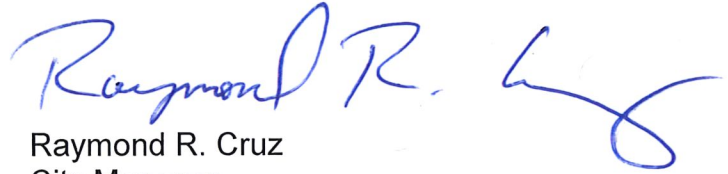
As a result of this rebranding, LACDA has requested that the City of Santa Fe Springs enter into a new Cooperation Agreement for the upcoming term, July 1, 2021 – June 30, 2024, in order for the City to continue participation in LACDA's CDBG program and to receive CDBG funding accordingly. It is important to note that similar previous agreements under the new Cooperation Agreement consecutive three (3) year terms will be automatically renewed unless written notice of the City's intent to withdraw participation is received by LACDA.

Report Submitted By: Maribel Garcia, Sr. Management Analyst

City Manager's Office

Date of Report: July 2, 2020

Staff recommends that the City Council adopt Resolution No. 9685 and transmit the Participating City Cooperation Agreement to the Los Angeles County Development Authority.



Raymond R. Cruz
City Manager

Attachments:
Resolution No.9685
Cooperation Agreement

RESOLUTION NO. 9685

**A RESOLUTION OF THE SANTA FE SPRINGS CITY COUNCIL
APPROVING PARTICIPATION IN THE LOS ANGELES URBAN COUNTY
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM BY AUTHORIZING THE
MAYOR, HIS/HER DESIGNEE, TO SIGN A COOPERATION AGREEMENT WITH THE
COUNTY OF LOS ANGELES**

WHEREAS, the City of Santa Fe Springs desires to participate in the Los Angeles Urban County Community Development Block Grant (CDBG) Program for the qualification period July 1, 2021; and

WHEREAS, the city authorizes the execution of a Cooperation Agreement with the County of Los Angeles in order to receive said CDBG funds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Fe Springs as follows:

Section 1. That the City Council adopts and approve the County of Los Angeles Participating City Cooperation Agreement between the City of Santa Fe Springs and the County of Los Angeles for the time period of July 1, 2021 through June 30, 2024 and self-renewing thereafter.

Section 2. That the City Council authorizes the Mayor, or his/her designee, to execute any and all documents necessary for participation in the Los Angeles Urban County CDBG Program on behalf of the City of Santa Fe Springs.

PASSED, APPROVED and ADOPTED this 9th day of July 2020 by the following

roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

William K. Rounds, Mayor

ATTEST:

Janet Martinez, City Clerk

**COUNTY OF LOS ANGELES
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
HOME INVESTMENT PARTNERSHIPS PROGRAMS**

**PARTICIPATING CITY
COOPERATION AGREEMENT**

This Agreement is being entered into on this ____ day of _____, to be effective on the 1st day of July 2021, by and between the City of Santa Fe Springs, hereinafter referred to as "City," and the County of Los Angeles, by and through the Executive Director of the Los Angeles County Development Authority, hereinafter referred to as "County" and shall remain in effect for the three-year qualification period through the 30th day of June 2024. After this date, this Agreement provides for automatic renewal of participation in successive three-year qualification periods, unless the County, or the City provides written notice it elects not to participate in a new qualification period.

WITNESSETH THAT:

WHEREAS, in 1974, the U.S. Congress enacted and the President signed a law entitled, the Housing and Community Development Act of 1974, as amended, herein called the "Act;" and

WHEREAS, County and City desire to cooperate to undertake, or assist in undertaking, community development, community renewal of lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act, the Cranston-Gonzalez National Affordable Housing Act (NAHA), and the U.S. Housing Act of 1937, as amended;

WHEREAS, the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program are required to have an approved comprehensive housing strategy as authorized under NAHA;

WHEREAS, the County has requested of the U.S. Department of Housing and Urban Development, hereinafter referred to as "HUD," that the County be designated as an "Urban County;"

WHEREAS, the City desires to participate with the County in said program;

WHEREAS, as the Urban County designee, the County will take responsibility and assume all obligations of an applicant under federal statutes, including: the analysis of needs, the setting of objectives, the development of community development and housing assistance plans, the consolidated plan, and the assurances of certifications;

WHEREAS, the terms and provisions of this Agreement are fully authorized under State and local law, and this Agreement provides full legal authority for the County, by and through its agents and instrumentalities including the Los Angeles County Development Authority, herein referred as "County," to undertake, or assist in undertaking, essential community development and housing assistance activities, specifically urban renewal and publicly assisted housing; and

WHEREAS, by executing this Agreement, the parties hereby give notice of the intention to participate in the Urban County CDBG Program.

NOW, THEREFORE, the parties agree as follows:

1. The City hereby authorizes the County to perform, or cause to be performed, those acts necessary or appropriate to implement the community development and housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, improvement or development of housing for persons of low- to moderate-income, and other community or urban renewal activities authorized under the Act specified for the City in the County's Consolidated Plan which will be funded from annual CDBG and applicable HOME Programs from Federal annual appropriations and from any program income generated from the expenditure of such funds. County shall have final authority and responsibility for selecting projects and annually filing its Final Housing and Community Development Plan with HUD.

In the event this Agreement extends into succeeding fiscal years and funds have not been appropriated, this Agreement will automatically terminate as of June 30 of the then current fiscal year. The County will endeavor to notify the City in writing within ten (10) days of receipt of non-appropriation notice.

2. This Agreement covers the following formula funding programs administered by HUD where the County is awarded and accepts funding directly from HUD: The CDBG Entitlement Program, the HOME Program and the ESG Program.
3. In executing this Agreement, the City understands that it shall not be eligible to apply for grants under the Small Cities or State CDBG Programs for appropriations for fiscal years during the period in which the City is participating in the Urban County CDBG entitlement program; and further, the City shall not be eligible to participate in the HOME and ESG programs except through the Urban County.
4. The City may participate in a HOME Program only through the County. Thus, even if the County does not receive a HOME formula allocation, the City cannot form a HOME consortium with other local governments.
5. The term of this Agreement shall commence on **July 1, 2021**, the beginning date of the first year of the new Urban County Qualification Period, which will end on **June 30, 2024**. After this three (3) year Qualification Period ends, this Agreement will automatically renew for another period of three (3) years, unless the City provides written notice at least 60 days prior to the end of the term that it elects not to participate in a new qualification period. A copy of that notice must be sent to the HUD Field Office. Towards the end of the three-year term, the County will notify the City in writing of its right not to participate in the Urban County for a successive three-year term.

The parties agree to adopt amendments to this Agreement incorporating changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification Notice by HUD, prior to the subsequent three-year extension of the term. Any amendment to this Agreement shall be submitted to

HUD as required by the regulations and any failure to adopt required amendments will void the automatic renewal of the Agreement for the subsequent three-year term.

6. This Agreement shall be effective for the period of time required for the expenditure of all CDBG and/or applicable HOME funds allocated to the City under this Agreement and appropriations from any program income therefrom and for the completion of the funded activities. The County and City agree that they cannot terminate or withdraw from this Agreement while it remains in effect.

The City and the County agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing, including, but not limited to, the improvement or development of housing for persons of low- to moderate-incomes, and other community or urban renewal activities authorized by the Act.

The City and the County in the performance of this Agreement shall take all actions necessary or appropriate to assure compliance with the Urban County's certification under Section 104 (b) of Title I of the Act, as amended, regarding Title VI of the Civil Rights Act of 1964; the Fair Housing Act and affirmatively furthering fair housing as cited in 24 CFR 91.225(a); Section 109 of Title I of the Act, which incorporates Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975, and all other applicable laws and regulations.

Urban County funding is prohibited for activities in, or in support of, any City that does not affirmatively further fair housing within its local jurisdiction or that impedes the County's action to comply with the Fair Housing Certification.

7. The City and County agree that CDBG and HOME funding is prohibited for any activities in or in support of any cooperating City that do not affirmatively further fair housing within its own jurisdiction or that impede the County's action to comply with its fair housing certification.
8. Pursuant to 24 CFR 570.501 (b), the City is subject to all requirements applicable to subrecipients, including the requirement of a written agreement as set forth in 24 CFR 570.503.
9. The City shall report to the County of any income generated by the use of CDBG or HOME funds received by the City. Any such program income must be remitted to the County within 30 days of receipt if applicable. Such program income may be used for eligible activities in accordance with all CDBG and HOME requirements as may then apply.
10. The County shall be responsible for monitoring and reporting to HUD on the use of any program income; therefore, the City shall be required to maintain appropriate record keeping and reporting for this purpose.
11. The City may not sell, trade or otherwise transfer all or any portion of CDBG funds at another metropolitan city, urban county, unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in

exchange for any other funds, credits or non-Federal consideration, but must use such funds for activities eligible under title I of the Housing and Community Act of 1974.

12. In the event of grant close-out or termination of this Agreement, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the County within 60 days after grant closeout.
13. All program income generated from the disposition or transfer of real property acquired or improved by the City, using CDBG and/or HOME funds or program income, during the term of this Agreement, shall be subject to all the terms and conditions of this Agreement, particularly Sections 6 through 11.
14. Any real property which is acquired or improved by the City during the term of this Agreement, in whole or in part, using CDBG and/or HOME funds or program income in excess of \$25,000, shall be subject to the following standards:
 - a. The County shall be notified by the City in writing of any modification or change in the use or disposition of such real property from that planned at the time of the acquisition or improvement. Such notification shall be made prior to the modification, change in use or disposition.
 - b. If such real property is sold within five (5) years or transferred for a use which does not qualify as an eligible activity under CDBG and/or HOME regulations, the City shall reimburse to the County an amount equal to the pro-rata share of the current fair market value of the property or proceeds from the sales. The pro-rata share shall be calculated by multiplying the current market value by the percentage of the purchase price paid with CDBG funds or program income.
15. The City shall make available for inspection and audit to County's and HUD's representatives, upon request, at any time during the duration of this Agreement and for a period of five (5) years, thereafter, all of its books and records relating to CDBG and HOME program activities and income.
16. Following the end of the three-year reimbursable contract period and after resolving any financial or programmatic findings, if a City elects to leave the Los Angeles County Grant Program, and is not eligible to become an entitlement City, the City will be unable to request that its allocation or any remaining balance be transferred to the City. Any remaining balance will be transferred to the funding pool of the Supervisorial District in which the City is located.
17. The City has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
 - b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of

such non-violent civil rights demonstrations within its jurisdiction.

18. The City shall provide a drug-free workplace by:
- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the City's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 - i The dangers of drug abuse in the workplace;
 - ii The City's policy of maintaining a drug-free workplace;
 - iii Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph "a" of this Section 18.
 - d. Notifying the employee in the statement required by paragraph "a" of this Section 18 that, as a condition of employment funded by the CDBG and/or HOME grant, the employee will:
 - i Abide by the terms of the statement; and
 - ii Notify the City in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction.
 - e. Notifying the County in writing, within ten (10) calendar days after receiving notice under subparagraph d(ii) of this Section 18 from an employee or otherwise receiving actual notice of any such conviction; and the City must provide written notice, including position or title, of any City employees convicted of any criminal drug statute to every County officer or other designee who processed a CDBG or HOME grant which funded any activity on which the convicted employee was working, unless HUD has designated an identification number(s) of each affected grant.
 - f. Taking one (1) of the following actions, within thirty (30) calendar days of receiving notice under subparagraph d(ii) of this Section 18, with respect to any employee who is so convicted:
 - i Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the

Rehabilitation Act of 1973, as amended; or

- ii Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purpose by a federal, State, local health, law enforcement, or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e, and f, of this Section 18.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by the Executive Director of the Los Angeles County Development Authority, and the City has subscribed the same through its duly authorized officers, on the day, month, and year first above written.

County Counsel Certification

The office of the County Counsel hereby certifies that the terms and provisions of this Agreement are fully authorized under State and local laws, and that the Agreement provides full legal authority for the County to undertake or assist in undertaking essential community development and housing assistance activities, specifically urban renewal and public assisted housing.

By: _____
Deputy County Counsel

Date

COUNTY OF LOS ANGELES

CITY OF SANTA FE SPRINGS

By _____
EMILIO SALAS
Acting Executive Director
Los Angeles County Development Authority

By _____
MAYOR OR DESIGNEE

ATTEST:

City Clerk

By _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By _____
Deputy

By _____
City Attorney