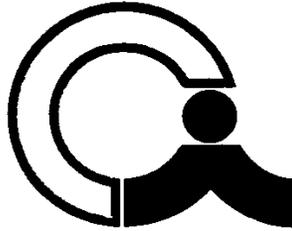


# CITY OF INDUSTRY

---

CITY COUNCIL  
REGULAR MEETING AGENDA

JUNE 23, 2016  
9:00 AM



---

Mayor Mark Radecki  
Mayor Pro Tem Cory Moss  
Council Member Abraham Cruz  
Council Member Roy Haber, III  
Council Member Newell Ruggles

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California 91744

---

## **Addressing the City Council:**

- ▶ **Agenda Items:** *Members of the public may address the City Council on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the City Council is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the City Council.*
- ▶ **Public Comments (Non-Agenda Items):** *Anyone wishing to address the City Council on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the City Council from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the City Council is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed card should be submitted to the City Clerk prior to the Agenda item being called by the City Clerk and prior to the individual being heard by the City Council.*

## **Americans with Disabilities Act:**

- ▶ *In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

## **Agendas and other writings:**

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Friday 9:00 a.m. to 5:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*

- 
1. Call to Order
  2. Flag Salute
  3. Roll Call
  4. Public Comments

5. **CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the City Council, the public, or staff request specific items be removed from the Consent Calendar for separate action.

5.1 Consideration of the Register of Demands

*RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Official to pay the bills.*

5.2 Consideration of the minutes of the January 14, 2016 regular and special meetings

*RECOMMENDED ACTION: Approve as submitted.*

5.3 Report on the reorganization of the City's Finance Department

*RECOMMENDED ACTION: Receive and file the report.*

6. **ACTION ITEMS**

6.1 Consideration of Change Order Nos. 1-4 submitted by Sully-Miller Contracting Company in the amount of \$12,668.38 for additional work in conjunction with the Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction, Contract No. CITY-1422

*RECOMMENDED ACTION: Approve Change Order Nos. 1-4 in the amount of \$12,668.38.*

6.2 Introduction and consideration of Ordinance No. 794 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA AMENDING SECTION 10.40.010 (PORTION OF VINELAND AVENUE) AND REPEALING SECTIONS 10.40.020 (BALDWIN PARK BOULEVARD AND RAILROAD AVENUE), 10.40.030 (VALLEY BOULEVARD), 10.40.040 (HACIENDA BOULEVARD), 10.40.050 (CERTAIN STREETS), 10.40.060 (PROCTOR AVENUE, DON JULIAN ROAD AND TURNBULL CANYON ROAD), 10.40.070 (GALE AVENUE), 10.40.080 (PASS AND COVINA ROAD), 10.40.090 (SAN GABRIEL RIVER PARKWAY), 10.40.100 (AZUSA AVENUE), 10.40.110 (PORTION OF VALLEY BOULEVARD), 10.40.120 (PORTION OF TEMPLE AVENUE), 10.40.130 (PORTION OF AMAR ROAD), 10.40.140 (PORTION OF TEMPLE AVENUE), 10.40.150 (PORTION OF BREA CANYON ROAD), 10.40.160 (PORTION OF GALE AVENUE), 10.40.170 (PORTION OF MOHR

AVENUE), 10.40.180 (PORTION OF WALNUT DRIVE), 10.40.190 (PORTION OF GALE AVENUE), AND 10.40.200 (PORTION OF GRAND AVENUE) OF CHAPTER 10.40 (SPEED LIMITS) OF TITLE 10 (VEHICLES AND TRAFFIC) OF THE CITY OF INDUSTRY MUNICIPAL CODE  
(FIRST READING)

*RECOMMENDED ACTION: Waive further reading, read by title only and introduce Ordinance No. 794.*

- 6.3 Consideration of a License Agreement between the City of Industry and the City of La Puente, for the use of the City of Industry's Park and Ride Lot located at the North Side of Stafford Street/West of Glendora Avenue

*RECOMMENDED ACTION: Approve the License Agreement.*

- 6.4 Consideration of a License Agreement between the City of Industry and Downtown Apex Motors, LLC, for access to Assessor's Parcel No. 8264-012-925, located at 17300 East Gale Avenue as a temporary overflow parking area for vehicle inventory

*RECOMMENDED ACTION: Approve the License Agreement.*

- 6.5 Consideration of Amendment No. 1 to the License Agreement between the City of Industry and Northrop Grumman Corporation (formerly Northrop Grumman Space & Mission Systems Corporation), for the installation of groundwater extraction wells and water lines within various City streets

*RECOMMENDED ACTION: Approve the Amendment No. 1.*

- 6.6 Consideration of Resolution No. CC 2016-42 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, AUTHORIZING CITY ADMINISTRATION TO MAKE EMPLOYEE PLAN BENEFIT CHANGES AND TO ESTABLISH AND PROVIDE ON-GOING ADMINISTRATION OF THE HEALTH REIMBURSEMENT ARRANGEMENT (HRA) TRUST IN THE NAME OF THE CITY OF INDUSTRY

*RECOMMENDED ACTION: Adopt Resolution No. CC 2016-42.*

- 6.7 Discussion and direction regarding the recruitment of the position of Chief Deputy City Clerk

*RECOMMENDED ACTION: Discuss and direct the City Manager to recruit and fill the position of Chief Deputy City Clerk.*

- 6.8 Discussion and appointment of a Member to serve on San Gabriel Valley Mosquito and Vector Control District Board of Trustees

*RECOMMENDED ACTION: Discuss and appoint a Member to serve on the San Gabriel Valley Mosquito and Vector Control District Board of Trustees.*

7. **CITY COUNCIL COMMITTEE REPORTS**

8. **AB 1234 REPORTS**

9. **CITY COUNCIL COMMUNICATIONS**

10. **CLOSED SESSION**

- 10.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
Pursuant to Government Code Section 54956.9(d)(1)  
Case: Skyscraper Brewing Company, Inc. v. Successor Agency to the Industry Urban-Development Agency, City of Industry, et al.  
Los Angeles Superior Court East District  
Case No. KC068505

11. Adjournment. Next regular meeting: Thursday, July 14, 2016 at 9:00 a.m.

*CITY COUNCIL*

ITEM NO. 5.1

**CITY OF INDUSTRY  
AUTHORIZATION FOR PAYMENT OF BILLS  
CITY COUNCIL MEETING OF JUNE 23, 2016**

**FUND RECAP:**

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
100	GENERAL FUND	5,546,215.84
120	CAPITAL IMPROVEMENT FUND	282,868.95
140	CITY DEBT SERVICE	2,500.00
161	IPUC - ELECTRIC	226,004.77
TOTAL ALL FUNDS		6,057,589.56

**BANK RECAP:**

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	BANK OF AMERICA - CKING ACCOUNTS	89,034.74
REF	REFUSE - CKING ACCOUNT	1,219,833.81
WFBK	WELLS FARGO - CKING ACCOUNT	4,748,721.01
TOTAL ALL BANKS		6,057,589.56

**CITY OF INDUSTRY  
BANK OF AMERICA  
June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITYELEC.CHK - City Electric</b>				
1382	06/07/2016		CITY OF INDUSTRY	\$19,034.74
	Invoice	Date	Description	Amount
	06/07/16	06/07/2016	TRANSFER FUNDS-ELECTRIC	\$19,034.74

**CITYGEN.CHK - City General**

24313	06/07/2016		CIVIC RECREATIONAL INDUSTRIAL	\$70,000.00
	Invoice	Date	Description	Amount
	06/07/16	06/07/2016	TRANSFER FUNDS-CRIA A/P	\$70,000.00

Checks	Status	Count	Transaction Amount
	Total	2	\$89,034.74

**CITY OF INDUSTRY  
WELLS FARGO REFUSE**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>REFUSE - Refuse Account</b>				
<b>WT199</b>	05/31/2016		<b>CITY OF INDUSTRY DISPOSAL CO.</b>	<b>\$536,252.04</b>
	Invoice	Date	Description	Amount
	2512597	05/31/2016	REFUSE SVC 5/1-5/31/16 FOR REOCCURRING	\$536,252.04
<b>WT200</b>	06/06/2016		<b>CITY OF INDUSTRY DISPOSAL CO.</b>	<b>\$682,498.81</b>
	Invoice	Date	Description	Amount
	2517911	06/06/2016	REFUSE SVC 5/1-5/31/16 FOR NON-REOCCURING	\$682,498.81
<b>4239</b>	06/10/2016		<b>C &amp; K IMPORT DESIGNS, INC.</b>	<b>\$20.30</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REFUND-ACCT #078154	\$20.30
<b>4240</b>	06/10/2016		<b>YESING INTERNATIONAL</b>	<b>\$126.86</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REFUND-ACCT #078002	\$126.86
<b>4241</b>	06/10/2016		<b>COMMERCE CONSTRUCTION</b>	<b>\$1.99</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REFUND-ACCT #088112	\$1.99
<b>4242</b>	06/10/2016		<b>NEXIUS SOLUTIONS</b>	<b>\$31.09</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REFUND-ACCT #084703	\$31.09
<b>4243</b>	06/10/2016		<b>MATSUNICHI DIGITAL USA, INC.</b>	<b>\$552.72</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REFUND-ACCT #082599	\$552.72
<b>4244</b>	06/10/2016		<b>CITY OF INDUSTRY DISPOSAL CO.</b>	<b>\$350.00</b>
	Invoice	Date	Description	Amount
	06/10/16	06/10/2016	REIMBURSEMENT-VV ACCT #102501	\$350.00

**CITY OF INDUSTRY  
WELLS FARGO REFUSE**

June 23, 2016

<u>Check</u>	<u>Date</u>	<u>Payee Name</u>	<u>Check Amount</u>
REFUSE - Refuse Account			

<u>Checks</u>	<u>Status</u>	<u>Count</u>	<u>Transaction Amount</u>
	Total	8	\$1,219,833.81

**CITY OF INDUSTRY  
WELLS FARGO VOIDED CHECK**

**June 23, 2016**

Check	Date	Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>			
64127	06/09/2016	RICOH USA, INC.	(\$1,825.38)
	Invoice	Description	Amount
	50228322	COPIER LEASE-CODE ENFORCEMENT	(\$288.89)
	5042256585	METER READING	(\$1,474.94)
	5042113760	METER READING-HR COPIER	(\$61.55)

Check	Status	Count	Transaction Amount
	Total	1	(\$1,825.38)

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date	Payee Name		Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
64147	06/03/2016	RICOH USA, INC.		\$1,536.49
	Invoice	Date	Description	Amount
	5042113760-A	05/12/2016	METER READING-HR COPIER	\$61.55
	5042256585-A	05/19/2016	METER READING-VARIOUS COPIERS	\$1,474.94
64148	06/03/2016	RICOH USA, INC.		\$288.89
	Invoice	Date	Description	Amount
	50228322-A	05/21/2016	COPIER LEASE-CODE ENFORCEMENT	\$288.89
64149	06/07/2016	AT & T		\$265.57
	Invoice	Date	Description	Amount
	2016-00001449	05/17/2016	05/17-06/16/16 SVC - 15000 TONNER CYN RD-GUARD	\$129.01
	2016-00001450	05/17/2016	05/17-06/16/16 SVC - 17001 CARBON CYN RD-RADIO	\$136.56
64150	06/07/2016	FRONTIER		\$424.64
	Invoice	Date	Description	Amount
	2016-00001478	05/19/2016	05/19-06/18/16 SVC - FOLLOW'S CAMP GUARD	\$63.62
	2016-00001479	05/19/2016	05/19-06/18/16 SVC - ELECTRIC MODEM	\$50.36
	2016-00001480	05/19/2016	05/19-06/18/16 SVC - EM-21415 BAKER PKWY	\$50.36
	2016-00001481	05/19/2016	05/19-06/18/16 SVC - GENERATOR SITE-TELEMETRY	\$42.51
	2016-00001482	05/22/2016	05/22-06/21/16 SVC - ELECTRIC MODEM	\$50.36
	2016-00001483	05/22/2016	05/22-06/21/16 SVC - GENERATOR SITE-TELEMETRY	\$53.07
	2016-00001484	05/25/2016	05/25-06/24/16 SVC - ELECTRIC MODEM	\$50.36
	2016-00001485	05/25/2016	05/25-06/24/16 SVC - ELECTRIC MODEM	\$64.00
64151	06/07/2016	GAS COMPANY, THE		\$77.56
	Invoice	Date	Description	Amount
	2016-00001451	05/26/2016	04/25-05/24/16 SVC - 15415 DON JULIAN RD	\$77.56
64152	06/07/2016	ROWLAND WATER DISTRICT		\$716.80
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2016-00001474	05/25/2016	04/18-05/17/16 SVC - 1100 AZUSA AVE	\$152.66
	1135HATCH-MAY16	05/25/2016	04/18-05/18/16 SVC - 1135 HATCHER ST	\$56.58
	1123CHTCHR-MAY16	05/25/2016	04/18-05/18/16 SVC - 1123C HATCHER ST	\$136.77
	2016-00001475	05/25/2016	04/18-05/18/16 SVC - 17217 & 17229 CHESTNUT-IRR	\$145.68
	2016-00001476	05/25/2016	04/18-05/18/16 SVC - 755 NOGALES (RC)	\$102.05
	1123DHTCHR-MAY16	05/25/2016	04/18-05/18/16 SVC - 1123D HATCHER ST	\$62.52
	2016-00001477	05/25/2016	04/18-05/19/16 SVC - AZUSA AVE (RC)	\$60.54
<b>64153</b>	06/07/2016		<b>SAN GABRIEL VALLEY WATER CO.</b>	<b>\$6,979.78</b>
	Invoice	Date	Description	Amount
	2016-00001452	05/27/2016	04/27-05/26/16 SVC - S/E COR OF PELLISSIER	\$729.70
	2016-00001453	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY SOUTH	\$1,035.90
	2016-00001454	05/27/2016	04/27-05/26/16 SVC - IRRIG SALT LAKE/SEVENTH	\$172.96
	2016-00001455	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY STA 111-	\$393.87
	2016-00001456	05/27/2016	04/27-05/26/16 SVC - PELLISSIER	\$367.82
	2016-00001457	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY STA 129-	\$828.81
	2016-00001458	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY NORTH	\$962.83
	2016-00001459	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY SOUTH	\$1,293.39
	2016-00001460	05/27/2016	04/27-05/26/16 SVC - CROSSROADS PKWY STA 103-	\$139.86
	2016-00001461	05/27/2016	04/27-05/26/16 SVC - PECK/UNION PACIFIC BRIDGE	\$426.97
	2016-00001462	05/27/2016	04/27-05/26/16 SVC - PELLISSIER	\$247.72
	2016-00001463	05/27/2016	04/27-05/26/16 SVC - PELLISSIER	\$379.95
<b>64154</b>	06/07/2016		<b>SHELL ENERGY NORTH AMERICA-</b>	<b>\$80,400.00</b>
	Invoice	Date	Description	Amount
	1636702	06/03/2016	WHOLESALE USE-MAY 2016	\$80,400.00
<b>64155</b>	06/07/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$1,699.87</b>
	Invoice	Date	Description	Amount
	2016-00001464	05/19/2016	04/18-05/17/16 SVC - PECK RD S/O PELLISSIER	\$34.43
	841 7TH-MAY16	05/19/2016	04/18-05/17/16 SVC - 841 7TH AVE	\$622.15

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2016-00001465	05/24/2016	04/22-05/23/16 SVC - 575 S BREA CYN	\$26.57
	2016-00001466	05/24/2016	04/22-05/23/16 SVC - 580 S BREA CYN	\$26.43
	2016-00001467	05/24/2016	04/22-05/23/16 SVC - 21380 VALLEY PED	\$77.98
	2016-00001469	05/26/2016	04/26-05/25/16 SVC - 17378 E GALE B	\$34.82
	2016-00001470	05/26/2016	04/26-05/25/16 SVC - 745 ANAHEIM PUENTE RD CP	\$63.90
	2016-00001471	05/26/2016	04/01-05/24/16 SVC - 600 S BREA CYN RD	\$102.24
	2016-00001472	05/27/2016	04/26-05/25/16 SVC - BREA CYN VARIOUS SITES	\$432.71
	2016-00001473	05/28/2016	04/28-05/27/16 SVC - 137 N HUDSON AVE	\$278.64
<b>64156</b>	06/07/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$42.08</b>
	Invoice	Date	Description	Amount
	2016-00001468	05/25/2016	04/25-05/24/16 SVC - 5010 ENGLISH RD	\$42.08
<b>64157</b>	06/07/2016		<b>SUBURBAN WATER SYSTEMS</b>	<b>\$57.43</b>
	Invoice	Date	Description	Amount
	180030909189	05/23/2016	04/22-05/20/16 SVC - 205 HUDSON AVE	\$57.43
<b>64158</b>	06/07/2016		<b>L A COUNTY AUDITOR-</b>	<b>\$2,612,381.92</b>
	Invoice	Date	Description	Amount
	06/07/16	06/07/2016	OVERPAYMENT OF RESIDUAL PROPERTY TAX	\$2,612,381.92
<b>64159</b>	06/14/2016		<b>AT &amp; T</b>	<b>\$225.00</b>
	Invoice	Date	Description	Amount
	2016-00001501	06/01/2016	6/1-6/30/16 SVC-600 S BREA CYN -TELECOMM	\$225.00
<b>64160</b>	06/14/2016		<b>FRONTIER</b>	<b>\$2,197.08</b>
	Invoice	Date	Description	Amount
	2016-00001492	06/01/2016	6/1-6/30/16 SVC-GENERATOR SITE-TELEMETRY	\$50.36
	2016-00001493	06/01/2016	6/1-6/30/16 SVC-GENERATOR SITE-TELEMETRY	\$53.07
	2016-00001494	05/28/2016	5/28-6/27/16 SVC-ELECTRIC MODEM	\$50.36
	2016-00001495	05/28/2016	5/28-6/27/16 SVC-EM-21912 GARCIA LN ALARM	\$61.82

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2016-00001496	05/28/2016	5/28-6/27/16 SVC-EM 179 S. GRAND AVE	\$36.69
	2016-00001497	06/01/2016	6/1-6/30/16 SVC-VARIOUS GENERATOR SITES	\$1,022.40
	HATCHER-JU N16	06/01/2016	6/1-6/30/16 SVC-HATCHER WAREHOUSE	\$48.89
	2016-00001498	06/01/2016	6/1-6/30/16 SVC-CH FAXES	\$523.03
	2016-00001499	06/01/2016	6/1-6/30/16 SVC-VARIOUS SITES	\$301.25
	2016-00001500	06/01/2016	6/1-6/30/16 SVC-TRES HERMANOS	\$49.21
<b>64161</b>	06/14/2016		<b>GAS COMPANY, THE</b>	<b>\$98.63</b>
	Invoice	Date	Description	Amount
	1135HATCH-MAY16	06/03/2016	5/2-6/1/16 SVC-1135 HATCHER AVE	\$17.59
	2016-00001508	06/03/2016	5/2-6/1/16 SVC-710 NOGALES AST	\$14.79
	2016-00001509	06/07/2016	5/4-6/3/16 SVC-2700 CHIINO HILLS PKWY	\$49.59
	2016-00001510	06/07/2016	5/4-6/3/16 SVC-1 INDUSTRY HILLS PKWY	\$16.66
<b>64162</b>	06/14/2016		<b>HOME DEPOT CREDIT SERVICE</b>	<b>\$54.34</b>
	Invoice	Date	Description	Amount
	9060009	04/29/2016	LIGHTS FOR CITY HALL	\$43.47
	7020519	05/11/2016	EXTENTION CORD-IMC	\$10.87
<b>64163</b>	06/14/2016		<b>NOBLE AMERICAS ENERGY</b>	<b>\$96,804.53</b>
	Invoice	Date	Description	Amount
	161600005776373	06/08/2016	WHOLESALE USE-MAY 2016	\$96,790.93
	161650005789662	06/13/2016	WHOLESALE USE-MAY 2016	\$13.60
<b>64164</b>	06/14/2016		<b>ROWLAND WATER DISTRICT</b>	<b>\$1,299.51</b>
	Invoice	Date	Description	Amount
	2016-00001502	05/25/2016	4/19-5/19/16 SVC-HURLEY ST & VALLEY	\$311.25
	2016-00001503	05/25/2016	4/18-5/18/16 SVC-18044 ROWLAND-LAWSON	\$121.92
	2016-00001504	05/25/2016	4/18-5/18/16 SVC-17401 VALLEY BLVD	\$343.92
	2016-00001505	05/25/2016	4/18-5/18/16 SVC-930 AZUSA AVE	\$320.16
	2016-00001506	05/25/2016	4/18-5/18/16 SVC-AZUSA AVE 205597	\$142.71

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2016-00001507	05/25/2016	4/18-5/18/16 SVC-AZUSA AVE-CENTER	\$59.55
<b>64165</b>	06/14/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$4,794.39</b>
	Invoice	Date	Description	Amount
	2016-00001487	06/01/2016	4/28-5/27/16 SVC-VARIOUS	\$497.35
	2016-00001488	06/02/2016	5/1-6/1/16 SVC-600 BREA CYN RD	\$475.78
	2016-00001489	06/02/2016	5/1-6/1/16 SVC-1 VALLEY/AZUSA	\$15.89
	2016-00001490	06/04/2016	5/4-6/3/16 SVC-208 S WADDINGHAM WAY CP	\$118.90
	2016-00001491	06/04/2016	5/1-6/1/16 SVC-VARIOUS SITES-INTERCONNECT	\$1,855.44
	1123HATCH-MAY16	06/08/2016	5/6-6/7/16 SVC-1123 HATCHER AVE STE A	\$194.81
	15660STAFF-MAY27	06/07/2016	4/28-5/27/16 SVC-15660 STAFFORD	\$1,636.22
<b>64166</b>	06/14/2016		<b>SUBURBAN WATER SYSTEMS</b>	<b>\$1,335.93</b>
	Invoice	Date	Description	Amount
	181001524409	05/27/2016	4/23-5/23/16 SVC-AZUSA & GEMINI	\$1,175.92
	180050776115	06/02/2016	5/4-6/2/16 SVC-NE CNR VALLEY/STIMS	\$160.01
<b>64167</b>	06/14/2016		<b>VERIZON WIRELESS - LA</b>	<b>\$4,721.87</b>
	Invoice	Date	Description	Amount
	9766114823	05/26/2016	4/27-5/26/16 SVC-MOBILE BROADBAND	\$114.03
	9766114822	05/26/2016	4/27-5/26/16 SVC-WIRELESS SVC	\$4,607.84
<b>64168</b>	06/15/2016		<b>AT &amp; T</b>	<b>\$9.07</b>
	Invoice	Date	Description	Amount
	2016-00001519	06/01/2016	6/1-6/30/16 SVC-CITY WHITE PAGES	\$9.07
<b>64169</b>	06/15/2016		<b>FRONTIER</b>	<b>\$114.89</b>
	Invoice	Date	Description	Amount
	2016-00001520	06/04/2016	6/4-7/3/16 SVC-ELECTRIC MODEM	\$61.82
	2016-00001521	06/04/2016	6/4-7/3/16 SVC-GENERATOR SITE TELEMETRY	\$53.07

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>64170</b>	06/15/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$4,823.95</b>
	Invoice	Date	Description	Amount
	2016-00001522	06/08/2016	5/1-6/1/16 SVC-NOGALES ST/SAN JOSE AVE	\$474.57
	2016-00001523	06/07/2016	5/4-6/3/16 SVC-15625 STAFFORD ST	\$3,992.24
	1135HATCH-JUN	06/08/2016	5/6-6/7/16 SVC-1135 HATCHER AVE	\$357.14
<b>64171</b>	06/23/2016		<b>ADVANCED DISCOVERY, INC.</b>	<b>\$1,272.22</b>
	Invoice	Date	Description	Amount
	B181813	05/31/2016	DOCUMENT MGMT SVC-LITIGATION	\$1,272.22
<b>64172</b>	06/23/2016		<b>ALVAKA NETWORKS</b>	<b>\$13,435.17</b>
	Invoice	Date	Description	Amount
	156792	06/01/2016	NETWORK MAINT-JUL 2016	\$6,620.00
	156818	06/01/2016	NETWORK MAINT-JUL 2016	\$6,540.17
	156912NP	05/31/2016	TRIP CHARGE	\$275.00
<b>64173</b>	06/23/2016		<b>ARAMARK REFRESHMENT SERVICE,</b>	<b>\$149.03</b>
	Invoice	Date	Description	Amount
	8966938	06/07/2016	COFFEE/OFFICE SUPPLIES	\$149.03
<b>64174</b>	06/23/2016		<b>AVANT-GARDE, INC</b>	<b>\$1,760.00</b>
	Invoice	Date	Description	Amount
	4013	05/20/2016	PROJECT MGMT SVC-CITY BRIDGES	\$880.00
	4012	05/20/2016	PROJECT MGMT SVC-CITY BRIDGES	\$880.00
<b>64175</b>	06/23/2016		<b>BIGGS CARDOSA ASSOCIATES, INC.</b>	<b>\$39,233.68</b>
	Invoice	Date	Description	Amount
	69527	05/15/2016	REPAINTING AZUSA AVE BRIDGE	\$39,233.68
<b>64176</b>	06/23/2016		<b>BROWN, CHRISTINA M.</b>	<b>\$6,049.09</b>
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	SPRING 2016	06/08/2016	REIMBURSE TUITION AND BOOKS	\$6,049.09
<b>64177</b>	06/23/2016		<b>BRYAN PRESS</b>	<b>\$1,958.88</b>
	Invoice	Date	Description	Amount
	0074637	06/06/2016	PARKING VIOLATION FORMS	\$1,958.88
<b>64178</b>	06/23/2016		<b>CASC ENGINEERING AND</b>	<b>\$9,244.00</b>
	Invoice	Date	Description	Amount
	35577	04/30/2016	NPDES ENG SVC-FOLLOWS CAMP	\$5,320.00
	35439	03/31/2016	NPDES ENG SVC-FOLLOWS CAMP	\$3,924.00
<b>64179</b>	06/23/2016		<b>CITY OF INDUSTRY-MEDICAL</b>	<b>\$28,000.00</b>
	Invoice	Date	Description	Amount
	REG 6/23/16	06/15/2016	TRANSFER FUNDS-MEDICAL	\$28,000.00
<b>64180</b>	06/23/2016		<b>CITY OF INDUSTRY-PAYROLL ACCT</b>	<b>\$100,000.00</b>
	Invoice	Date	Description	Amount
	P/R 6/15/16	06/14/2016	PAYROLL REIMBURSEMENT FOR 6/15/16	\$100,000.00
<b>64181</b>	06/23/2016		<b>CITY OF INDUSTRY-REFUSE</b>	<b>\$11,955.99</b>
	Invoice	Date	Description	Amount
	2517640	05/31/2016	DISP SVC-HADDICK'S IMPOUND YARD	\$2,264.88
	2516566-A	06/01/2016	DISP SVC-205 HUDSON	\$184.24
	2516566-B	06/01/2016	DISP SVC-841 7TH AVE	\$184.24
	2516900	06/01/2016	DISP SVC-CITY BUS STOPS	\$4,376.33
	2517601	05/31/2016	DISP SVC-1123 HATCHER	\$3,408.68
	2516313	06/01/2016	STORAGE BOX RENTAL-TONNER CYN	\$300.00
	2516314	06/01/2016	DISP SVC-TONNER CYN MAINT YARD	\$1,099.24
	2516312	06/01/2016	DISP SVC-TRES HERMANOS	\$138.38
<b>64182</b>	06/23/2016		<b>CITY OF SOUTH EL MONTE</b>	<b>\$2,000.00</b>

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date	Payee Name		Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	Invoice	Date	Description	Amount
	1078	05/18/2016	COALITION SR60 PROJ-JUN 2016	\$2,000.00
<b>64183</b>	06/23/2016		<b>CNC ENGINEERING</b>	<b>\$159,873.97</b>
	Invoice	Date	Description	Amount
	44879	06/09/2016	ON-CALL STREET MAINT PROGRAM	\$156.88
	44880	06/09/2016	VALLEY BLVD PCC PAVEMENT RECONSTRUCTION	\$2,415.74
	44881	06/09/2016	CLARK AVE WIDENING	\$10,066.29
	44882	06/09/2016	EMERGENCY CREEK/ROADWAY REPAIRS-	\$78.44
	44883	06/09/2016	GENERAL ENGINEERING SVC-CIP	\$39,932.59
	44884	06/09/2016	GENERAL ENGINEERING SVC-MAINT OF CITY	\$45,381.81
	44885	06/09/2016	TONNER CYN PROPERTY	\$784.40
	44886	06/09/2016	COLIMA RD/ALBATROSS RD WIDENING	\$380.01
	44887	06/09/2016	PUENTE VALLEY OPERABLE UNIT GROUNDWATER	\$627.52
	44888	06/09/2016	CITY ELECTRICAL FACILITIES	\$3,929.42
	44889	06/09/2016	EXPANSION OF RECLAIMED WATER SYSTEM	\$253.34
	44890	06/09/2016	MAINT OF IMC BLDG	\$380.01
	44891	06/09/2016	HOMESTEAD MUSEUM MAINT	\$1,387.54
	44892	06/09/2016	PUC RAILROAD SAFETY UPGRADE	\$78.44
	44893	06/09/2016	SAFETY UPGRADE AT VARIOUS RR CROSSING	\$235.32
	44894	06/09/2016	OPERATION/MAINT OF METRO PARKING LOT SOLAR	\$210.94
	44895	06/09/2016	TRAFFIC SIGNAL AT DON JULIAN/SIXTH AVE	\$3,233.00
	44896	06/09/2016	SAN JOSE AVE RECONSTRUCTION	\$650.84
	44897	06/09/2016	TRAFFIC SIGNAL AT NELSON/SUNSET AVE	\$645.01
	44898	06/09/2016	INDUSTRY HILLS IMPROVEMENTS	\$4,277.63
	44899	06/09/2016	INDUSTRY HILLS FUEL STN MAINT	\$941.28
	44900	06/09/2016	AZUSA AVE BRIDGE REPAINTING	\$392.20
	44901	06/09/2016	FISCAL YEAR BUDGET	\$5,567.65
	44902	06/09/2016	VARIOUS ASSIGNMENTS: SA TO THE IUDA	\$5,192.94
	44904	06/09/2016	REPAIRS AND UPGRADE-STORM WATER PUMPS	\$886.69
	44905	06/09/2016	GATEWAY CITIES COUNCIL OF GOVERNMENTS	\$1,268.56

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date	Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>			
	44906	06/09/2016	MAINT OF YARD-1123 HATCHER \$126.67
	44907	06/09/2016	ARENTH AVE RECONSTRUCTION \$3,132.83
	44908	06/09/2016	2015-2016 TARGET SPEED SURVEY \$1,333.48
	44910	06/09/2016	CARTEGRAPH IMPLEMENTATION & MGMT \$3,167.29
	44911	06/09/2016	ANNEXATION TO THE CENTERLINE OF VALLEY BLVD \$373.65
	44912	06/09/2016	FULLERTON RD GRADE SEPARATION \$4,681.76
	44913	06/09/2016	ALAMEDA CORRIDOR EAST RELATED PROJECTS \$1,176.60
	44914	06/09/2016	FAIRWAY DR GRADE SEPARATION \$7,030.19
	44915	06/09/2016	NOGALES GRADE SEPARATION \$1,098.16
	44916	06/09/2016	MISC GRADE SEPARATION STUDIES \$1,549.19
	44917	06/09/2016	PROPERTY MGMT FOR CITY OWNED PROPERTIES \$3,807.72
	44903	06/09/2016	NELSON AVE/PUENTE AVE WIDENING \$1,923.37
	44778	05/12/2016	PLANETBIDS IMPLEMENTATION & MGMT \$156.88
	44712	04/26/2016	PLANETBIDS IMPLEMENTATION & MGMT \$961.69
<b>64184</b>	06/23/2016		<b>COMFORT SYSTEMS USA \$236.60</b>
	Invoice	Date	Description
	247723	06/08/2016	A/C MAINT-EL ENCANTO \$236.60
<b>64185</b>	06/23/2016		<b>CONSOLIDATED ELECTRICAL DIST. \$99.52</b>
	Invoice	Date	Description
	3301-502384	06/01/2016	ELECTRICAL BALLASTS-CITY HALL \$60.39
	3301-502405	06/02/2016	ELECTRICAL BALLASTS-CITY HALL \$39.13
<b>64186</b>	06/23/2016		<b>CORELOGIC INFORMATION \$192.50</b>
	Invoice	Date	Description
	81695817	05/31/2016	GEOGRAPHIC PKG-MAY 2016 \$192.50
<b>64187</b>	06/23/2016		<b>COUNTRY ESTATE FENCE, INC. \$1,972.84</b>
	Invoice	Date	Description
	22406	06/07/2016	RAILS-REPAIR OF HORSE TRAIL \$1,972.84

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>64188</b>	06/23/2016		<b>DAKOTA BACKFLOW CO.</b>	<b>\$600.00</b>
	Invoice	Date	Description	Amount
	38680	05/20/2016	ANNUAL TESTING B/F-COI	\$600.00
<b>64189</b>	06/23/2016		<b>EASYLINK SERVICES</b>	<b>\$56.34</b>
	Invoice	Date	Description	Amount
	07634191606	06/02/2016	FAX SVC-MAY 2016	\$56.34
<b>64190</b>	06/23/2016		<b>EGOSCUE LAW GROUP</b>	<b>\$137.50</b>
	Invoice	Date	Description	Amount
	11285	06/02/2016	LEGAL SVC-FOLLOW'S CAMP FOR MAY 2016	\$137.50
<b>64191</b>	06/23/2016		<b>ELECTRA-MEDIA, INC</b>	<b>\$1,763.00</b>
	Invoice	Date	Description	Amount
	4648	05/15/2016	PUENTE HILLS AUTO DISPLAY	\$1,763.00
<b>64192</b>	06/23/2016		<b>ENCO UTILITY SERVICES</b>	<b>\$12,719.00</b>
	Invoice	Date	Description	Amount
	0113-0040MR	05/10/2016	METER READING-VARIOUS SITES	\$2,263.50
	20-3-03-18	06/07/2016	CUSTOMER ACCOUNT SERVICES	\$2,500.00
	0612-000397S	05/10/2016	METER SYSTEM MONITORING-METRO SOLAR	\$2,846.00
	0612-000398S	06/07/2016	METER SYSTEM MONITORING-METRO SOLAR	\$2,846.00
	0113-0041MR	06/07/2016	METER READING-VARIOUS SITES	\$2,263.50
<b>64193</b>	06/23/2016		<b>EXXON MOBIL</b>	<b>\$557.08</b>
	Invoice	Date	Description	Amount
	72006767605	05/27/2016	FUEL-SECURITY VEHICLES	\$557.08
<b>64194</b>	06/23/2016		<b>FRAZER, LLP</b>	<b>\$39,500.00</b>
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELLS FARGO BANK  
June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	143797	05/31/2016	COI-ACCTG SVC 5/16-5/31/16	\$28,660.00
	143849	05/31/2016	COI-PROF SVC FOR MAY 2016	\$10,840.00
<b>64195</b>	06/23/2016		<b>FUEL PROS, INC.</b>	<b>\$150.00</b>
	Invoice	Date	Description	Amount
	0000025071	04/28/2016	INDUSTRY HILLS FUEL STN MAINT	\$150.00
<b>64196</b>	06/23/2016		<b>GAS COMPANY, THE</b>	<b>\$500.43</b>
	Invoice	Date	Description	Amount
	2016-00001525	06/09/2016	5/6-6/7/16 SVC-15625 STAFFORD APT A	\$164.68
	2016-00001526	06/09/2016	5/6-6/7/16 SVC-15625 STAFFORD APT B	\$15.78
	2016-00001527	06/09/2016	5/6-6/7/16 SVC-15633 RAUSCH RD	\$243.34
	2016-00001528	06/09/2016	5/5-6/16/16 SVC-15651 STAFFORD ST	\$76.63
<b>64197</b>	06/23/2016		<b>GMS ELEVATOR SERVICES, INC</b>	<b>\$138.00</b>
	Invoice	Date	Description	Amount
	00083208	06/01/2016	MO ELEVATOR SVC-JUN 2016	\$138.00
<b>64198</b>	06/23/2016		<b>H &amp; H GENERAL ENGINEERING, INC.</b>	<b>\$27,605.00</b>
	Invoice	Date	Description	Amount
	#4RCITY-1426	06/23/2016	RETENTION-EMERGENCY CREEK & ROADWAY	\$27,605.00
<b>64199</b>	06/23/2016		<b>HADDICK'S AUTO BODY</b>	<b>\$961.92</b>
	Invoice	Date	Description	Amount
	047675	06/03/2016	AUTO MAINT-LIC 1356177	\$373.84
	047679	06/03/2016	AUTO MAINT-LIC 1279616	\$49.56
	047678	06/03/2016	AUTO MAINT-LIC 6UQX922	\$18.70
	H-74163	05/29/2016	TOWING SVC-LIC 1279616	\$70.00
	047674	06/03/2016	AUTO MAINT-LIC 1279616	\$449.82
<b>64200</b>	06/23/2016		<b>INDUSTRY HILLS CHARITY PRO</b>	<b>\$403.94</b>

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	Invoice	Date	Description	Amount
	05/23/16	05/23/2016	REIMBURSE FOR RODEO EXPENSE	\$403.94
<b>64201</b>	06/23/2016		<b>INDUSTRY SECURITY SERVICES</b>	<b>\$39,209.00</b>
	Invoice	Date	Description	Amount
	14-17735	06/03/2016	SECURITY SVC-TRES HERMANOS	\$2,355.44
	14-17724	06/03/2016	SECURITY SVC 5/27-6/02/16	\$17,432.08
	14-17740	06/03/2016	VEHICLE FUEL-TRES HERMANOS	\$728.00
	14-17837	06/10/2016	SECURITY SVC-TRES HERMANOS	\$2,103.00
	14-17826	06/10/2016	SECURITY SVC 6/3-6/9/16	\$16,590.48
<b>64202</b>	06/23/2016		<b>INDUSTRY TIRE SERVICE</b>	<b>\$2,876.60</b>
	Invoice	Date	Description	Amount
	0267862	03/09/2016	REPLACED TIRES ON BACKHOE	\$2,876.60
<b>64203</b>	06/23/2016		<b>INTERNATIONAL LINE BUILDERS</b>	<b>\$8,731.19</b>
	Invoice	Date	Description	Amount
	777203	04/07/2016	TRENCH AND CONDUIT INSTALL-66KV SUBSTATION	\$8,731.19
<b>64204</b>	06/23/2016		<b>INTERTIE</b>	<b>\$8,100.00</b>
	Invoice	Date	Description	Amount
	1694	05/12/2016	ENERGY CONSULTING	\$8,100.00
<b>64205</b>	06/23/2016		<b>KLEINFELDER, INC.</b>	<b>\$10,524.12</b>
	Invoice	Date	Description	Amount
	001108448	05/24/2016	GEO SVC-CLARK AVE WIDENING	\$10,524.12
<b>64206</b>	06/23/2016		<b>L A COUNTY DEPT OF PUBLIC</b>	<b>\$23,983.24</b>
	Invoice	Date	Description	Amount
	IN160001321	06/06/2016	PILOT ROUTINE MAINT	\$5,743.08
	IN160001203	06/02/2016	ACCIDENT-FAIRWAY @ WALNUT	\$18,240.16

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
64207	06/23/2016		<b>L A COUNTY SHERIFF'S</b>	\$690,377.95
	Invoice	Date	Description	Amount
	164356NH	06/06/2016	SHERIFF CONTRACT-MAY 2016	\$690,377.95
64208	06/23/2016		<b>LA PUENTE VALLEY COUNTY</b>	\$285.43
	Invoice	Date	Description	Amount
	BS;05/16	05/18/2016	WATER MONITORING-BOY SCOUTS RESERVOIR	\$285.43
64209	06/23/2016		<b>LANG, HANSEN, O'MALLEY &amp;</b>	\$25,000.00
	Invoice	Date	Description	Amount
	5507	06/06/2016	LEGISLATIVE SVC-JUN 2016	\$25,000.00
64210	06/23/2016		<b>METHOD TECHNOLOGIES</b>	\$172.50
	Invoice	Date	Description	Amount
	32207	05/27/2016	UPDATE CITY WEBSITE	\$172.50
64211	06/23/2016		<b>MICHAEL BAKER INTERNATIONAL,</b>	\$51,602.50
	Invoice	Date	Description	Amount
	943597	05/25/2016	PLANNING SUPPORT SVC-APR 2016	\$16,672.50
	944531	06/06/2016	PLANNING SUPPORT SVC-MAY 2016	\$34,930.00
64212	06/23/2016		<b>ONLINE SOLUTIONS, LLC</b>	\$7,200.00
	Invoice	Date	Description	Amount
	2394	05/26/2016	ANNUAL SUBSCRIPTIONS 9/1/16-8/31/17	\$7,200.00
64213	06/23/2016		<b>PLANETBIDS, INC.</b>	\$50,525.00
	Invoice	Date	Description	Amount
	0601575	06/01/2016	BID/CONTRACT MGMT SYSTEM SOFTWARE	\$50,525.00
64214	06/23/2016		<b>ProcureIT USA, LLC</b>	\$922.64

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

<u>Check</u>	<u>Date</u>		<u>Payee Name</u>	<u>Check Amount</u>
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	Invoice	Date	Description	Amount
	PITQ8538	06/02/2016	WIRELESS DESKTOP-CITY HALL	\$922.64
<b>64215</b>	06/23/2016		<b>R.F. DICKSON CO., INC.</b>	<b>\$16,795.60</b>
	Invoice	Date	Description	Amount
	2507990	05/31/2016	STREET & PARKING LOT SWEEPING	\$16,795.60
<b>64216</b>	06/23/2016		<b>ROBINSON'S FLOWERS</b>	<b>\$179.80</b>
	Invoice	Date	Description	Amount
	2612	06/02/2016	FLOWERS AND DELIVERY (FUNERAL WREATH)	\$179.80
<b>64217</b>	06/23/2016		<b>ROLLING GREEN, INC.</b>	<b>\$2,220.00</b>
	Invoice	Date	Description	Amount
	6797	05/27/2016	TRIMMING OF TREES-LAWSON & ARENTH	\$2,220.00
<b>64218</b>	06/23/2016		<b>SAN GABRIEL VALLEY COUNCIL OF</b>	<b>\$21,311.71</b>
	Invoice	Date	Description	Amount
	2011	06/02/2016	ANNUAL DUES FY 2016-2017	\$21,311.71
<b>64219</b>	06/23/2016		<b>SAN GABRIEL VALLEY NEWSPAPER</b>	<b>\$1,628.72</b>
	Invoice	Date	Description	Amount
	0010806695	05/27/2016	NOTICE OF PUBLIC HEARING-PERMIT 16-5	\$335.68
	0010806789	05/27/2016	NOTICE OF SCOPING MEETING	\$401.92
	0010806691	05/27/2016	NOTICE OF PUBLIC HEARING-PERMIT 16-3	\$335.68
	0010806671	05/27/2016	NOTICE OF PUBLIC HEARING-PERMIT 16-4	\$335.68
	0010800587	05/09/2016	NOTICE FOR BIDS-MP 16 07	\$219.76
<b>64220</b>	06/23/2016		<b>SATSUMA LANDSCAPE &amp; MAINT.</b>	<b>\$131,482.48</b>
	Invoice	Date	Description	Amount
	0516TACH	05/27/2016	LANDSCAPE SVC-CROSSROADS PKY NORTH &	\$26,877.72
	0516TACH-2	05/27/2016	LANDSCAPE SVC-TEMPLE & AZUSA	\$35,085.93

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	0516CHTA	05/27/2016	LANDSCAPE SVC-VARIOUS AGENCY SITES	\$24,015.02
	0516TACH-4	05/27/2016	LANDSCAPE SVC-CIVIC FINANCIAL CENTER	\$28,942.37
	0516TACH-3	05/27/2016	LANDSCAPE SVC-EXPO CENTER	\$16,561.44
<b>64221</b>	06/23/2016		<b>SCS FIELD SERVICES</b>	<b>\$22,702.96</b>
	Invoice	Date	Description	Amount
	0276941	04/30/2016	IH-MAINT LANDFILL GAS SYSTEM	\$16,226.00
	0276818	04/30/2016	IH-MAINT LANDFILL GAS SYSTEM	\$4,261.60
	0278554	05/31/2016	PACIFIC PALMS-THIRD QTR TESTING 2015	\$423.77
	0278551	05/31/2016	PACIFIC PALMS-FOURTH QTR TESTING 2015	\$1,791.59
<b>64222</b>	06/23/2016		<b>SO CAL INDUSTRIES</b>	<b>\$183.80</b>
	Invoice	Date	Description	Amount
	227208	05/25/2016	RR RENTAL-TONNER CYN/GRAND	\$93.87
	226699	05/20/2016	FENCE RENTAL-INDUSTRY HILLS	\$89.93
<b>64223</b>	06/23/2016		<b>SO CALIF ASSOC OF</b>	<b>\$139.00</b>
	Invoice	Date	Description	Amount
	05/16/16	05/16/2016	DUES FOR FY 2016-2017	\$139.00
<b>64224</b>	06/23/2016		<b>SQUARE ROOT GOLF &amp;</b>	<b>\$170,131.43</b>
	Invoice	Date	Description	Amount
	1223H	05/27/2016	LANDSCAPE SVC-VARIOUS CITY SITES	\$138,913.55
	1226ELHM	05/27/2016	LANDSCAPE SVC-EL ENCANTO	\$6,627.29
	1224ELHM	05/27/2016	LANDSCAPE SVC-HOMESTEAD	\$17,179.85
	1225ELHM	05/27/2016	LANDSCAPE SVC-VARIOUS CITY SITES	\$7,410.74
<b>64225</b>	06/23/2016		<b>STAPLES BUSINESS ADVANTAGE</b>	<b>\$1,032.80</b>
	Invoice	Date	Description	Amount
	8039397131	05/21/2016	OFFICE SUPPLIES	\$1,032.80

**CITY OF INDUSTRY  
WELLS FARGO BANK**

**June 23, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
64226	06/23/2016		STEINKE ELECTRIC, KIRK	\$250.00
	Invoice	Date	Description	Amount
	1413	06/01/2016	LIGHTING REPAIR-IMC (NEW RODEO OFFICE)	\$250.00
64227	06/23/2016		SULLY MILLER CONTRACTING	\$124,506.20
	Invoice	Date	Description	Amount
	#3CITY-1422	06/23/2016	CLARK AVE WIDENING	\$131,059.16
64228	06/23/2016		TELEPACIFIC COMMUNICATIONS	\$4,961.83
	Invoice	Date	Description	Amount
	78916940-0	05/31/2016	INTERNET SVC FOR JUN 2016-CITY HALL/METRO	\$4,961.83
64229	06/23/2016		THE DOLPHIN GROUP, INC.	\$15,000.00
	Invoice	Date	Description	Amount
	30247	12/31/2015	MEDIA CONSULTING-DEC 2015	\$15,000.00
64230	06/23/2016		TRIMARK ASSOCIATES, INC.	\$1,726.67
	Invoice	Date	Description	Amount
	EB1100H	06/01/2016	MAINT SVC-METRO SOLAR	\$1,726.67
64231	06/23/2016		U.S. BANK	\$2,500.00
	Invoice	Date	Description	Amount
	4302337	05/25/2016	COI ADMIN FEES-2010 SALES TAX REV BONDS	\$2,500.00
64232	06/23/2016		VANGUARD CLEANING SYSTEMS,	\$925.00
	Invoice	Date	Description	Amount
	23248	06/01/2016	JANITORIAL SVC-HOMESTEAD	\$925.00
64233	06/23/2016		WASTE SYSTEMS TECHNOLOGY,	\$19,317.50
	Invoice	Date	Description	Amount
	16-1010	06/06/2016	COMMERCIAL WASTE PROGRAM	\$19,317.50

**CITY OF INDUSTRY  
WELLS FARGO BANK**

June 23, 2016

Check	Date	Payee Name		Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>64234</b>	06/23/2016	<b>WEATHERITE SERVICE</b>		<b>\$164.00</b>
Invoice	Date	Description	Amount	
L166983	05/20/2016	A/C MAINT-IMC BLDG	\$164.00	
<b>64235</b>	06/23/2016	<b>WEST COAST ARBORISTS, INC.</b>		<b>\$8,699.00</b>
Invoice	Date	Description	Amount	
1-2498	05/24/2016	REMOVE FALLEN TREE-EL ENCANTO	\$1,690.00	
1-2497	05/24/2016	PRUNE PALM TREES-GRAND/BAKER PKY	\$7,009.00	
<b>64236</b>	06/23/2016	<b>WILLDAN ENGINEERING</b>		<b>\$1,301.80</b>
Invoice	Date	Description	Amount	
00614157	06/01/2016	ENGINEERING SVC-VARIOUS SITES	\$1,301.80	

Checks	Status	Count	Transaction Amount
	Total	90	\$4,750,546.39

*CITY COUNCIL*

ITEM NO. 5.2

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 1

---

---

**CALL TO ORDER**

The Regular and Special Meetings of the City Council of the City of Industry, California, was called to order by Mayor Mark D. Radecki at 9:05 a.m. in the City of Industry Council Chamber, 15651 East Stafford Street, California.

**FLAG SALUTE**

The flag salute was led by Mayor Mark D. Radecki.

**ROLL CALL**

PRESENT: Mark D. Radecki, Mayor  
Cory C. Moss, Mayor Pro Tem  
Abraham Cruz, Council Member  
Roy Haber, Council Member  
Newell W. Ruggles, Council Member

STAFF PRESENT: Paul J. Philips, City Manager; James M. Casso, City Attorney; Cecelia Dunlap, Deputy City Clerk; John Ballas, City Engineer; and Brian James, Planning Director.

**PUBLIC COMMENTS**

There were no public comments.

**CONSENT CALENDAR**

Mayor Radecki recused himself from check number 63323 for item 2 (Register of Demands) because he had a potential or actual financial conflict of interest in that he is employed by Square Root Golf and Landscape.

Mayor Pro Tem Moss recused herself from check number 63180 for item 2 (Register of Demands) because she had a potential or actual financial conflict of interest in that she is employed by CNC Engineering.

Council Member Cruz recused himself from check number 63323 for item 2 (Register of Demands) because he had a potential or actual financial conflict of interest in that he is employed by Square Root Golf and Landscape.

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 2

---

Council Member Ruggles recused himself from check number 63192 for item 1 (Register of Demands) and check number 63294 for item 2 (Register of Demands) because he had a potential or actual financial conflict of interest in that he is employed by Haddick's Auto Body.

MOTION BY MAYOR PRO TEM MOSS, AND SECOND BY COUNCIL MEMBER RUGGLES THAT THE RECOMMENDATIONS BE ACCEPTED FOR THE REMAINING ITEMS LISTED ON THE CONSENT CALENDAR, WITH MAYOR PRO TEM MOSS RECUSING FROM CHECK NUMBER 63180 ON ITEM 2 (REGISTER OF DEMANDS), WITH MAYOR RADECKI AND COUNCIL MEMBER CRUZ RECUSING FROM CHECK NUMBER 63323 ON ITEM 2 (REGISTER OF DEMANDS), AND COUNCIL MEMBER RUGGLES RECUSING FROM CHECK NUMBER 63192 ON ITEM 1 (REGISTER OF DEMANDS), AND CHECK NUMBER 63294 ON ITEM 2 (REGISTER OF DEMANDS). MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COUNCIL MEMBERS:	CRUZ, HABER, RUGGLES, MOSS, RADECKI
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTAIN:	COUNCIL MEMBERS:	NONE

**1. CONSIDERATION OF REGISTER OF DEMANDS FOR DECEMBER 24, 2015**

APPROVED THE REGISTER OF DEMANDS AND RATIFIED THE ISSUANCE OF THE CHECKS.

**2. CONSIDERATION OF REGISTER OF DEMANDS FOR JANUARY 14, 2016**

APPROVED THE REGISTER OF DEMANDS AND AUTHORIZED THE APPROPRIATE CITY OFFICIALS TO PAY THE BILLS.

**3. CONSIDERATION OF THE STATEMENT OF INVESTMENT POLICY**

APPROVED AS SUBMITTED.

**4. CONSIDERATION OF A WORK AUTHORIZATION, UNDER CONSULTANT CONTRACT NO. 1-KIMLEY 13-01, IN THE AMOUNT OF \$13,000.00, FOR KIMLEY-HORN TO CONDUCT A TRAFFIC ANALYSIS AND PREPARE**

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 3

---

---

**TRAFFIC DESIGN PLANS AT THE INTESECTION OF GALE AVENUE AND  
STONER CREEK ROAD**

APPROVED THE WORK AUTHORIZATION.

5. **CONSIDERATION OF RESOLUTION NO. CC 2015-38 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, APPROVING A PURCHASE AGREEMENT BETWEEN THE CITY OF INDUSTRY AND CT CHESTNUT LLC, FOR THE PROPERTY LOCATED AT 948 S. AZUSA AVENUE, CITY OF INDUSTRY, CALIFORNIA AND ADOPTING THE NOTICE OF EXEMPTION REGARDING SAME**

EXTENDED THE CONSIDERATION OF RESOLUTION NO. CC 2015-38 TO THE NEXT REGULAR SCHEDULED MEETING.

**PUBLIC HEARING REGARDING ZONE AMENDMENT 15-3 TO AMEND CHAPTERS 13.18 AND 17.36 OF THE MUNICIPAL CODE AND THE WATER EFFICIENT LANDSCAPE GUIDELINES TO BE CONSISTENT WITH THE STATE'S NEW WATER EFFICIENT LANDSCAPE REQUIREMENTS**

Mayor Radecki opened the public hearing.

Planning Director James provided a staff report to the City Council.

Mayor Radecki inquired if anyone wanted to be heard on the matter.

There were no public comments.

Mayor Radecki closed the public hearing.

**CONSIDERATION OF ORDINANCE NO. 793 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY REPEALING CHAPTER 13.18 (WATER EFFICIENT LANDSCAPES) OF TITLE 13 (WATER AND SEWERS) OF THE CITY OF INDUSTRY MUNICIPAL CODE AND ADDING A REVISED CHAPTER 13.18; AMENDING SECTION 17.36.080 A.3 (STANDARD CONDITIONS OF APPROVAL) OF CHAPTER 17.36 (DESIGN REVIEW) OF TITLE 17 (ZONING) AND ADOPTING A NOTICE OF EXEMPTION REGARDING SAME (FIRST READING)**

MOTION BY MAYOR PRO TEM MOSS, AND SECOND BY COUNCIL MEMBER HABER TO WAIVE FURTHER READING, AND INTRODUCE ORDINANCE NO. 793.

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 4

---

---

MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: CRUZ, HABER, RUGGLES, MOSS, RADECKI  
NOES: COUNCIL MEMBERS: NONE  
ABSENT: COUNCIL MEMBERS: NONE  
ABSTAIN: COUNCIL MEMBERS: NONE

**CONSIDERATION OF RESOLUTION NO. CC 2016-01 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, RESCINDING RESOLUTION NO. 2299, AND ADOPTING UPDATED WATER EFFICIENT LANDSCAPE GUIDELINES AND NOTICE OF EXEMPTION REGARDING**

MOTION BY COUNCIL MEMBER HABER, AND SECOND BY MAYOR PRO TEM MOSS TO ADOPT RESOLUTION NO. CC 2016-01. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: CRUZ, HABER, RUGGLES, MOSS, RADECKI  
NOES: COUNCIL MEMBERS: NONE  
ABSENT: COUNCIL MEMBERS: NONE  
ABSTAIN: COUNCIL MEMBERS: NONE

**PUBLIC HEARING REGARDING THE INTENT TO VACATE FIVE PUBLIC SERVICE EASEMENTS LOCATED ON ASSESSOR PARCEL NUMBERS 8264-020-050, 8264-020-051, AND 8264-020-052 (ALSO KNOWN AS 18639 RAILROAD STREET) WITHIN THE CITY OF INDUSTRY**

Mayor Radecki opened the public hearing.

City Engineer Ballas provided a staff report to the City Council.

Mayor Radecki inquired if anyone wanted to be heard on the matter.

There were no public comments.

Mayor Radecki closed the public hearing.

**CONSIDERATION OF RESOLUTION NO. CC 2016-02 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY VACATING FIVE PUBLIC SERVICE EASEMENTS LOCATED ON ASSESSOR PARCEL NUMBERS 8264-020-050, 8264-**

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 5

---

---

**020-051, and 8264-020-052 (ALSO KNOWN AS 18639 RAILROAD STREET) WITHIN THE CITY OF INDUSTRY**

MOTION BY COUNCIL MEMBER HABER, AND SECOND BY COUNCIL MEMBER RUGGLES TO ADOPT RESOLUTION NO. CC 2016-02. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COUNCIL MEMBERS:	CRUZ, HABER, RUGGLES, MOSS, RADECKI
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTAIN:	COUNCIL MEMBERS:	NONE

**CONSIDERATION OF AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF INDUSTRY AND WASTE SYSTEMS TECHNOLOGY FOR COMPLIANCE WITH THE INTEGRATED WASTE MANAGEMENT ACT AND REQUIREMENTS FOR CONSTRUCTION WASTE DIVERSION, COMMERCIAL RECYCLING, AND ORGANIC WASTE RECYCLING, AND THE PROVISION OF TECHNICAL ASSISTANCE**

Planning Director James provided a staff report to the City Council.

MOTION BY MAYOR PRO TEM MOSS, AND SECOND BY COUNCIL MEMBER CRUZ TO APPROVE THE AMENDMENT. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES:	COUNCIL MEMBERS:	CRUZ, HABER, RUGGLES, MOSS, RADECKI
NOES:	COUNCIL MEMBERS:	NONE
ABSENT:	COUNCIL MEMBERS:	NONE
ABSTAIN:	COUNCIL MEMBERS:	NONE

**CONSIDERATION OF THE ISSUANCE OF AN ENCROACHMENT PERMIT TO SOUTHERN CALIFORNIA EDISON FOR THE CLOSURE OF THE EASTBOUND CURB LANE ON GALE AVENUE JUST EAST OF AZUSA AVENUE FOR A MAXIMUM OF FOUR WEEKS TO REPLACE AN ELECTRICAL VAULT**

City Engineer Ballas provided a staff report to the City Council.

MOTION BY MAYOR PRO TEM MOSS, AND SECOND BY COUNCIL MEMBER HABER TO RECEIVE AND FILE. MOTION CARRIED 5-0, BY THE FOLLOWING

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 6

---

---

VOTE:

AYES: COUNCIL MEMBERS: CRUZ, HABER, RUGGLES, MOSS, RADECKI  
NOES: COUNCIL MEMBERS: NONE  
ABSENT: COUNCIL MEMBERS: NONE  
ABSTAIN: COUNCIL MEMBERS: NONE

**CONSIDERATION OF RESOLUTION NO. CC 2016-03 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, CONFIRMING THE CONTINUED EXISTENCE OF AN EMERGENCY CONDITION AT THE FOLLOWS CAMP PROPERTY AND DECLARING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE CERTAIN WORK TO BE PERFORMED WITHOUT COMPETITIVE BIDDING PURSUANT TO CALIFORNIA PUBLIC CONTRACT CODE SECTION 22050 AND SECTION 3.52.110 OF THE CITY’S MUNICIPAL CODE**

Director of Administrative Services Gonzalez provided an update to the City Council on the progress of the Follows Camp property.

MOTION BY COUNCIL MEMBER RUGGLES, AND SECOND BY MAYOR PRO TEM MOSS TO ADOPT RESOLUTION NO. CC 2016-03. MOTION CARRIED 5-0, BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS: CRUZ, HABER, RUGGLES, MOSS, RADECKI  
NOES: COUNCIL MEMBERS: NONE  
ABSENT: COUNCIL MEMBERS: NONE  
ABSTAIN: COUNCIL MEMBERS: NONE

**CITY COUNCIL COMMITTEE REPORTS**

There were none.

**AB1234 REPORTS**

There were none.

**CITY COUNCIL COMMUNICATIONS**

Mayor Radecki reported he, Mayor Pro Tem Moss, and Council Member Cruz along with City Manager Philips traveled to Sacramento to meet with state legislators. Mayor Radecki indicated it was a very productive and informative trip.

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 7

---

---

Mayor Pro Tem Moss thanked the California Contract Cities Association for hosting the event.

Mayor Pro Tem Moss read an email received by Lieutenant John Gannon of the Los Angeles County Sheriff's Department regarding the new program of specialized training on mental health and autism awareness.

Lieutenant John Gannon addressed the City Council with regard to the new training program, and responded to questions from Members of the City Council.

**CLOSED SESSION**

Deputy City Clerk Dunlap announced there was a need for Closed Session under the Regular Meeting as follows:

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): Two Potential Cases.

Deputy City Clerk announced there was a need for Closed Session under the Special Meeting as follows:

A. Conference with real property negotiators pursuant to Government Code Section 54956.8

Property: 800 Acres of Upper Tonner Canyon Property, located in the Firestone Scout Reservation

City Negotiators: Paul J. Philips, City Manager and James M. Casso, City Attorney

Negotiating Party: Boy Scouts of America, Los Angeles Area Council

Under Negotiation: Price and Terms of Payment

There were no public comments on the Closed Session items.

Mayor Radecki recessed the Regular and Special Meetings into Closed Session at 9:22 a.m.

**RECONVENE CITY COUNCIL MEETINGS**

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 8

---

---

Mayor Radecki reconvened the Regular and Special Meetings at 11:06 a.m. All members of the City Council were present, except for Council Member Haber who was absent. City Attorney Casso reported out of Closed Session.

With regard to the Special Meeting Closed Session item A, with a 5-0 vote, the City Council provided direction to the City Manager and City Attorney, and took no reportable action.

With regard to the Regular Meeting Closed Session item A, Case One and Two, City Attorney Casso reported that Council Member Haber was not present, nor participated in the discussion, and he departed Closed Session at 10:20 a.m.

With regard to the Regular Meeting Closed Session item A, Case One, with a 4-0 vote, the City Council provided direction to the City Attorney, and took no reportable action.

With regard to the Regular Meeting Closed Session item A, Case Two, with a 3-0 vote, and 1 abstention by Council Member Ruggles, the City Council provided direction to the City Manager and City Attorney, and took no reportable action.

### **ADJOURNMENT**

There being no further business, the City Council adjourned at 11:08 a.m.

### **RECONVENE CITY COUNCIL MEETINGS**

Mayor Radecki reconvened the Regular and Special Meetings at 11:09 a.m. All members of the City Council were present, except for Council Member Haber who was absent.

### **CONSIDERATION OF A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF INDUSTRY AND THE BOYS SCOUT OF AMERICA, LOS ANGELES AREA COUNCIL FOR REAL PROPERTY COMMONLY KNOWN AS THE UPPER TONNER CANYON 800 ACRES**

MOTION BY MAYOR PRO TEM MOSS, AND SECOND BY COUNCIL MEMBER CRUZ TO APPROVE THE PURCHASE AND SALE AGREEMENT. MOTION CARRIED 4-0, BY THE FOLLOWING VOTE:

AYES:	COUNCIL MEMBERS:	CRUZ, RUGGLES, MOSS, RADECKI
NOES:	COUNCIL MEMBERS:	NONE

---

---

CITY COUNCIL REGULAR AND SPECIAL MEETING MINUTES  
CITY OF INDUSTRY, CALIFORNIA  
JANUARY 14, 2016  
PAGE 9

---

---

ABSENT: COUNCIL MEMBERS: HABER  
ABSTAIN: COUNCIL MEMBERS: NONE

**ADJOURNMENT**

There being no further business, the City Council adjourned at 11:11 a.m.

---

MARK D. RADECKI  
MAYOR

---

CECELIA DUNLAP  
DEPUTY CITY CLERK

*CITY COUNCIL*

ITEM NO. 5.3



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**TO:** Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** June 23, 2016  
**SUBJECT:** Reorganization of the Finance Department

Inasmuch as the next Fiscal Year Budget is complete and approved, the next important step towards complying with the concerns raised by the State Controller and the City Auditor is to develop a plan to restructure the Finance Department. That process will be moving forward and any necessary City Council approvals will be brought forward for City Council review and direction.

IT IS RECOMMENDED that the City Council RECEIVE AND FILE this report.

*CITY COUNCIL*

ITEM NO. 6.1



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**To:** Honorable Mayor Radecki and Members of the City Council

**From:** Paul J. Philips, City Manager *Paul J. Philips*

**Staff:** Clem Calvillo, City Engineer, CNC Engineering *CC*  
Josh Nelson, Deputy City Engineer, CNC Engineering *JN*  
Gerardo Perez, CNC Engineering *GP*

**Date:** June 23, 2016

**Subject:** Consideration of Change Orders for Contract No. , CITY-1422, Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction, with Sully-Miller Contracting Co. and Authorize the City Manager to Execute the Approved Change Orders

---

On August 13, 2015, the City Council awarded Contract No. CITY-1422, Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction, in the amount of \$632,064.95.

During the course of construction, the following additional work was necessary due to revisions to the contract plans received after the project was awarded and were not part of the original contract. In addition, extra work was necessary due to unforeseen and changed conditions encountered during construction.

As of June 7, 2016, the City Engineer has reviewed the following change orders for completeness and accuracy as to the materials and labor included:

- **Change Order No. 1:** Contractor encountered an abandoned reinforced concrete pipe interfering with the proposed sidewalk not shown on the plans nor marked in the field on Salt Lake Ave. The Contractor was directed to proceed on a time and material basis and the total cost amounted to \$1,344.60 to remove the interfering portions of the abandoned reinforced concrete pipe.
- **Change Order No. 2:** During construction of the sidewalk on Salt Lake Ave., the back of sidewalk elevation was higher than the adjacent grade. To avoid having a potential safety issue, the Contractor was asked to place asphalt from the back of sidewalk to the property line. The Contractor proceeded on a time and material basis and the costs total \$3,143.70.

- **Change Order No. 3:** During excavation for the installation of the connector pipe that ties in to the existing 42-inch storm drain system, the Contractor found that the top of pipe elevation was lower than shown on the as-built drawings. Furthermore, the Contractor also uncovered a telephone conduit that was deeper than shown on the plans. The Contractor was required to excavate deeper to tie-in to the existing storm drain, level a section of connector pipe and construct a concrete collar to clear the existing telephone conduit. The total cost is \$3,425.00.
- **Change Order No. 4:** The original plans call for removing the existing wrought iron fence and gate at the property on 14935 Clarke Ave. and installing new wrought iron fencing and automatic gate as part of the widening of Clarke Ave. However, after further discussions with the property owner it was determined that in the event of a power outage the new automatic wrought iron gate would be inoperable. Therefore, for safety reasons and to comply with ADA (American with Disabilities Act) requirements the contractor was asked to submit a proposal to install a pedestrian gate. The Contractor was issued a plan revision to add provide a 7-ft. high by 4-ft. wide opening with two gate posts in concrete foundations and a 7-ft. high by 3-ft. wide wrought iron pedestrian gate including a kick plate, mortise lock and perforated metal screen. The cost for this new wrought iron pedestrian gate is \$4,755.08.

Table 1 - Summary of Project Costs

<u>Contract</u>	<u>\$632,064.95</u>
<u>Change Order No. 1 - 4</u>	<u>\$12,668.38</u>
<b><u>Revised Project Cost</u></b>	<b><u>\$644,733.33</u></b>

The revised contract amount with the four change orders total \$644,733.33. An additional cost of \$12,668.38 or a 2% increase from the original project contract amount.

Staff recommends City Council approve Change Order Nos. 1 through 4, authorize the City Manager or his designee to execute the approved change orders,

EXHIBITS:

- A. Change Order Nos. 1 through 4

**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (626)333-2211

Change Order No. 1

Project Clark Ave Widening & Sidewalk Construction and Salt Lake Ave Sidewalk Construction Contract No. CITY-1422

Date 6/23/2016

**Type**

Project Street Widening and Sidewalk Construction Contractor Sully Miller Contracting Company

Location City of Industry

**Explanation:**

Contractor encountered an abandoned reinforced concrete pipe interfering with the proposed sidewalk on Salt Lake Avenue

Extra Work by: \_\_\_\_\_ Contract Items \_\_\_\_\_ Negotiated \_\_\_\_\_ T & M X

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Remove abandoned reinforced concrete pipe interfering with the proposed sidewalk	T & M TOTAL	\$1,344.60	\$1,344.60	
<b>TOTAL COST</b>				<b>\$1,344.60</b>	

**T & M SUMMARY**

*Labor Cost	+ 20%	Total Labor	
*Equipment Cost	+ 15%	Total Equipment	
*Material Cost	+ 15%	Total Materials	
(*Attach breakdown of labor, equipment and materials)		Sub-Total	
<b>CHANGE ORDER SUMMARY</b>		Other Additive	
Original Contract Amount	\$632,064.95	Total T & M	
Total Previous Change Orders	0%		
Total Change Orders	\$ 1,344.60 0.2%	<b>Pay This CHANGE ORDER</b>	<b>\$ 1,344.60 0.21%</b>

Authorized by \_\_\_\_\_

Additional Working Days \_\_\_\_\_

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative \_\_\_\_\_ Date \_\_\_\_\_

Paul J. Phillips, City Manager \_\_\_\_\_ Date \_\_\_\_\_

Gerardo Perez, Project Manager \_\_\_\_\_ Date \_\_\_\_\_

Clement N. Calvillo, City Engineer \_\_\_\_\_ Date \_\_\_\_\_

C.O. # 1



SULLY-MILLER  
CONTRACTING Co.

May 20, 2016

City of Industry  
P.O. Box 3366  
City of Industry, CA 91744  
Attn: City Engineer

Project: Clark Ave. Widening

RE: **Change Order Request No. 1 for Removal of Unknown Abandoned Pipe**

Abandoned RCP pipe was discovered and removed underneath the sidewalk.

Description	Quantity	U/M	Total	Amount
Labor	8	HR	\$ 61.99	\$ 495.88
Equipment	4	HR	\$ 14.05	\$ 56.20
Rental Equipment	4	HR	\$ 146.00	\$ 584.00
Markup	1	LS	\$ 475.08	\$ 208.52
Total Amount				\$ 1,344.60

Respectfully,

Linda Newton  
Project Manager





**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (626)333-2211

Change Order No. 2

Project Clark Ave Widening & Sidewalk Construction and Salt Lake Ave Sidewalk Construction Contract No. CITY-1422 Date 6/23/2016

Type \_\_\_\_\_  
 Project Street Widening and Sidewalk Construction Contractor Sully Miller Contracting Company

Location City of Industry

**Explanation:**

On Salt Lake Avenue the back of the new sidewalk was higher than the existing ground. To mitigate this safety condition, asphalt was placed between the sidewalk and the fence

Extra Work by: \_\_\_\_\_ X  
 Contract Items \_\_\_\_\_ Negotiated \_\_\_\_\_ T & M \_\_\_\_\_

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Sidewalk elevation was higher than the adjacent grade. Contractor was asked to place asphalt from the back of the sidewalk to the property line	LUMP SUM	\$3,143.70	\$3,143.70	
<b>TOTAL COST</b>				<b>\$3,143.70</b>	

**T & M SUMMARY**

*Labor Cost	+ 20%	Total Labor	
*Equipment Cost	+ 15%	Total Equipment	
*Material Cost	+ 15%	Total Materials	
(*Attach breakdown of labor, equipment and materials)		Sub-Total	
<b>CHANGE ORDER SUMMARY</b>	% of Contract Amount	Other Additive	
Original Contract Amount	\$632,064.95	Total T & M	
Total Previous Change Orders	\$1,344.60 0%		
Total Change Orders	\$ 4,488.30 0.7%	<b>Pay This CHANGE ORDER</b>	<b>\$ 3,143.70 0.50%</b>

Authorized by \_\_\_\_\_ Additional Working Days \_\_\_\_\_

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative \_\_\_\_\_ Date \_\_\_\_\_  
 Gerardo Perez, Project Manager \_\_\_\_\_ Date \_\_\_\_\_

Paul J. Philips, City Manager \_\_\_\_\_ Date \_\_\_\_\_  
 Clement N. Calvillo, City Engineer \_\_\_\_\_ Date \_\_\_\_\_

C.O. # 2



SULLY-MILLER  
CONTRACTING Co.

May 20, 2016

City of Industry  
P.O. Box 3366  
City of Industry, CA 91744  
Attn: City Engineer

Project: Clark Ave. Widening

RE: **Change Order Request No. 2 for Removal of Additional AC Behind Sidewalk**

Additional asphalt needed behind sidewalk on Salt Lake Ave

Description	Quantity	U/M	Total	Amount
Labor	24	HR	\$ 54.74	\$ 1,313.68
Equipment	24	HR	\$ 12.24	\$ 293.76
Material	17.28	TN	\$ 60.30	\$ 1,042.03
Markup	1	LS	\$ 494.23	\$ 494.23
Total Amount				\$ 3,143.70

Respectfully,

Linda Newton  
Project Manager







10063427

10174789

Invoice No.: 670924  
 Invoice Date: 3/29/2016  
 Terms: Prox Days - 10th of Next Month  
 Customer Acct/ID #: 171  
 Page No.: 1 of 1

Ship To: CLARK AVENUE WIDENING, INDUSTR

Sold To: Sully-Miller Contracting Company  
 135 S. State College Blvd., Suite 400  
 Brea CA 92821

Remit To: Blue Diamond Materials  
 Div. Sully-Miller Contracting Co  
 135 S. State College Blvd., Suite 400  
 Brea CA 92821  
 Phone: (714) 578-9600

RECEIVED

MAR 31 2016

ACCTS PAYABLE

				JDE Order #: 492964 SJ				JWS Order #: 173171-10174789-SV			
Ticket No.	Date	Cost Code	Shipping Location	QTY	UOM	Materials/Other		Freight		Fee	Total Amt
						Unit Price	Amount	Rate	Amount	Amount	
<b>Item/Description 300064 AC 3/8 FINE</b>											
3008270	03/29/16	16000999	100803	10.010	TN	48.00	480.48	11.29	113.01	0.00	593.49
3008272	03/29/16	16000999	100803	7.270	TN	48.00	348.96	11.29	82.08	0.00	431.04
<b>Subtotal Item 300064 AC 3/8 FINE</b>				17.280			829.44		195.09	0.00	1024.53
<b>Item/Description 300141 EMULSION BUCKETS</b>											
3008271	03/29/16	16000999	100803	1.000	BK	17.50	17.50		0.00	0.00	17.50
<b>Subtotal Item 300141 EMULSION BUCKETS</b>				1.000			17.50		0.00	0.00	17.50
<b>Subtotal Date 03/29/16</b>				18.280			846.94		195.09	0.00	1042.03
<b>Total Quantity:</b>				18.28							

Terms: Payment due by 10<sup>th</sup> day of month following month of delivery.  
 1 ½% monthly service charge on unpaid invoices.

Material/Other	846.94
Taxable Material/Other	0.00
Freight	195.09
Taxable Freight	0.00
Fee	0.00
Taxable Fee	0.00
Sales Tax	0.00
<b>Invoice Total</b>	<b>\$1,042.03</b>

**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (626)333-2211

Change Order No. 3

Project Clark Ave Widening & Sidewalk Construction and Salt Lake Ave Sidewalk Construction Contract No. CITY-1422

Date 6/23/2016

Type Street Widening and Sidewalk Construction Contractor Sully Miller Contracting Company

Location City of Industry

**Explanation:**

The elevation of the existing 42" storm drain was lower than shown on the as-built plans. Additional excavation was required including a concrete collar to clear a deeper telephone conduit

Extra Work by: Contract Items X T & M  
 Negotiated

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Contractor was required to excavate deeper to tie-in to the existing storm drain, level a section of connector pipe and construct collar to clear the existing telephone conduit	LUMP SUM	\$3,425.00	\$3,425.00	
<b>TOTAL COST</b>				<b>\$3,425.00</b>	

**T & M SUMMARY**

*Labor Cost	+ 20%	Total Labor
*Equipment Cost	+ 15%	Total Equipment
*Material Cost	+ 15%	Total Materials
(*Attach breakdown of labor, equipment and materials)		Sub-Total
<b>CHANGE ORDER SUMMARY</b>		Other Additive
Original Contract Amount	\$632,064.95	Total T & M
Total Previous Change Orders	\$5,832.90 1%	
Total Change Orders	\$ 9,257.90 1.5%	<b>Pay This CHANGE ORDER \$ 3,425.00 0.54%</b>

Authorized by \_\_\_\_\_

Additional Working Days \_\_\_\_\_

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

\_\_\_\_\_  
 Contractor Representative Date

\_\_\_\_\_  
 Paul J. Philips, City Manager Date

\_\_\_\_\_  
 Gerardo Perez, Project Manager Date

\_\_\_\_\_  
 Clement N. Calvillo, City Engineer Date

C.O. # 3



SULLY-MILLER  
CONTRACTING CO.

May 20, 2016

City of Industry  
P.O. Box 3366  
City of Industry, CA 91744  
Attn: City Engineer

Project: Clark Ave. Widening

RE: **Change Order Request No. 3 for Storm Drain Redesign**

Storm drain depth was increased and one additional collar was added.

Description	Quantity	U/M	Total	Amount
Additional Removal of Shoring	10	CY	\$ 150.00	\$ 1,500.00
Dump Fees	1	LD	\$ 125.00	\$ 125.00
Slurry Backfill	10	CY	\$ 90.00	\$ 900.00
Collar	1	EA	\$ 900.00	\$ 900.00
Total Amount				\$ 3,425.00

Respectfully,

Linda Newton  
Project Manager

**CITY OF INDUSTRY**

**CHANGE ORDER**

15625 E. Stafford St.  
 City of Industry, CA 91744  
 (626)333-2211

Change Order No. 4

Project Clark Ave Widening & Sidewalk Construction and Salt Lake Ave Sidewalk Construction Contract No. CITY-1422 Date 6/23/2016

Type Street Widening and Sidewalk Construction Contractor Sully Miller Contracting Company

Location City of Industry

**Explanation:**

Contractor was asked to install a wrought iron pedestrian gate for safety reasons and ADA requirements

Extra Work by: Contract Items X Negotiated T & M

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Install the new wrought iron pedestrian gate	LUMP SUM	\$4,755.08	\$4,755.08	
<b>TOTAL COST</b>				<b>\$4,755.08</b>	

**T & M SUMMARY**

*Labor Cost	+ 20%	Total Labor
*Equipment Cost	+ 15%	Total Equipment
*Material Cost	+ 15%	Total Materials
(*Attach breakdown of labor, equipment and materials)		Sub-Total
<b>CHANGE ORDER SUMMARY</b>		Other Additive
Original Contract Amount	\$632,064.95	Total T & M
Total Previous Change Orders	\$7,913.30 1%	
Total Change Orders	\$ 12,668.38 2.0%	<b>Pay This CHANGE ORDER \$ 4,755.08 0.75%</b>

Authorized by \_\_\_\_\_ Additional Working Days \_\_\_\_\_

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative \_\_\_\_\_ Date \_\_\_\_\_

Paul J. Phillips, City Manager \_\_\_\_\_ Date \_\_\_\_\_

Gerardo Perez, Project Manager \_\_\_\_\_ Date \_\_\_\_\_

Clement N. Calvillo, City Engineer \_\_\_\_\_ Date \_\_\_\_\_

C.O. # 4



SULLY-MILLER  
CONTRACTING Co.

May 20, 2016

City of Industry  
P.O. Box 3366  
City of Industry, CA 91744  
Attn: City Engineer

Project: Clark Ave. Widening

**RE: Change Order Request No. 4 for Pedestrian Gate**

Pedestrian gate was requested to be installed on Clark Ave. Concrete footings for gate to be done on T&M and submitted at a later time.

Description	Quantity	U/M	Total	Amount
Subcontractor	1	LS	\$ 4,280.00	\$ 4,280.00
Markup	1	LS	\$ 475.08	\$ 475.08
Total Amount				\$ 4,755.08

Respectfully,

Linda Newton  
Project Manager





# ACE FENCE COMPANY

727 NORTH GLENDORA AVE LA PUENTE , CA 91744

PHONE (626) 333-0727 \* FAX (626) 333-7843

CERTIFIED AS DBE/UDBE/SBE/MBE/WBE FIRM, UNION COMPANY, L.A.C.M.T.A -Pre Qualified to Bid

"Awarded Minority Contractor of the Year by the City of Los Angeles for Excellence in Quality and Services"

"We Are An Equal Employment Opportunity Employer"

## FAX/EMAIL QUOTE

TO : SULLY-MILLER CONTRACTING CO.  
 FAX # : \_\_\_\_\_  
 FROM : SIMON/WAYNE  
 PROJECT : CLARK AVE.  
CITY OF INDUSTRY, CA  
 BID DATE : \_\_\_\_\_  
 SPECS : \_\_\_\_\_

ATTN: SCOTT CONOVER  
 EMAIL: scott.conover@sully-miller.com  
 DATE: 5/5/2016  
 PAGES: 1 OF 1

ITEM	DESCRIPTION	Unit	Qty	Unit Price	Amount
Proposal as follows:					
A	<b><u>4' WIDE SINGLE SWING GATE</u></b>				
1	7' High x 4' wide Single Swing Gate a. 3" sq Gate Posts b. 2" sq Gate Frame c. 3/4" sq Pickets @ 4-1/2" O.C. d. With Panic Hardware & Lever on outside e. With Perforated Sheetmetal infill f. All to match new fence g. Galvanized and Powder Coated	EA	1	\$ 4,280.00	\$ 4,280.00
<b>TOTAL AMOUNT: \$</b>					<b>4,280.00</b>

**NOTE:** PROPOSAL IS AS A PACKAGE UNLESS DISCUSSED PRIOR TO BID . OUR PROPOSAL IS PER LINE ITEM & NOT LUMPSUM UNLESS IT STATES OTHERWISE. AWARD MUST HAPPEN WITHIN 60 DAYS . A COPY OF ACE FENCE COMPANY'S BID TO BE PART OF THE FINAL CONTRACT AGREEMENT, COPY OF GENERAL'S PAYMENT & PERFORMANCE BONDS TO BE ATTACHED TO THE CONTRACT AGREEMENT.

**EXCLUDES (unless noted above) ;** PAINTING ; POWDER COATING GATE OPERATOR ;KNOXBOX ; SIGNAGES ; HANDRAIL /GUARDRAIL ; GATE LOCKS; GATE CLOSER; PANIC HRDWARE; REMOVAL OF (E)FENCE & GATES, TREES , BUSHES & ANY OBSRTUCTION IN THE FENCE LINE; DEMOLITION; CLEARING & GRUBBING ; GRADING; BACKFILLING & COMPACTING ; STACKING ; LAY OUT; TURF DAMAGE REPAIR; OR REPAIR TO UNMARKED UNDERGROUNDUTILITY; OR TO REPAIR DAMAGES BY OTHERS IF THE FENCE HAS BEEN INSTALLED; CONCRETE SAWCUTTING AND BREAKING; CORE DRILLING; ASPHALT REPAIR & PATCH ; FENCE GROUNDING; CONSTRUCTION OF CONCRETE MOW STRIPS, CURB WORK & SLABS; BOLLARDS; REBAR CAGES ENGINEERING & STRUCTURAL CALCULATIONS; INSPECTION FEES; PERMITS; BOND FEES; NIGHT WORK; K - RAIL; TEMP FENCE & TRAFFIC CONTROL HAULING OF SPOILS (spoils fr our excavation are to be scattered in the immediate vicinity of our work; relocation of spoils will be considered a change order)

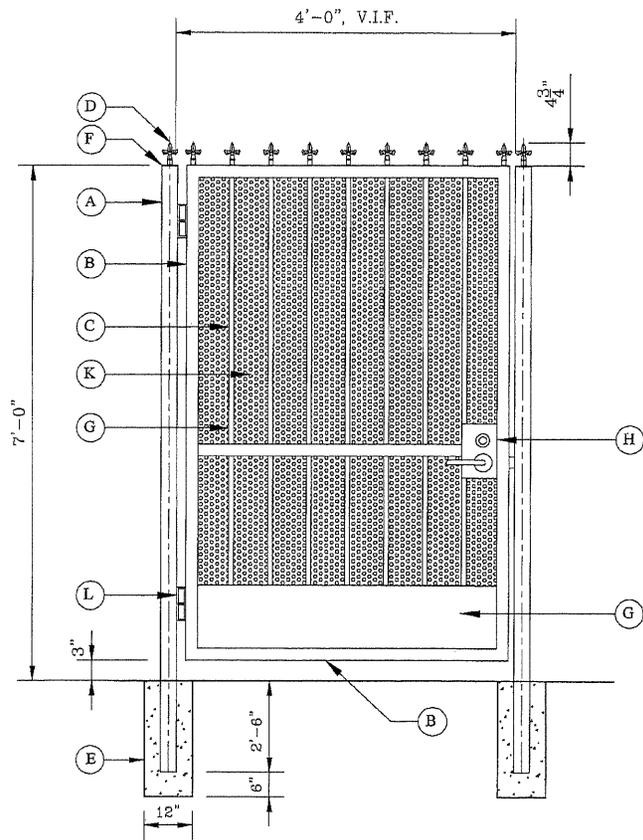
**INSURANCE:** GENERAL LIABILITY - \$1,000,000 -\$2,000,000 AGGREGATE ; AUTOMOBILE- \$1,000,000; WORKMAN COMPENSATION - \$1,000,000.

**OCIP/CCIP PROJECTS:**

WC'S PREMIUM IS ALREADY DEDUCTED. ADDITIONAL INSURANCE REQUIREMNETS ARE SUBJECT TO EXTRA PREMIUMS

**LICENSE # C-13 # 801674, EXP. 12-31-2015 - UNION**

**SUBJECT TO ACCEPTANCE WITHIN 30 DAYS**



**A** 7'H x 3' WROUGHT IRON GATE

**LEGEND**

Item No.	COMPONENTS	Finish paint galv.	DESCRIPTION
A	Gate Post	●	3" x 3" x 11ga. tubular steel
B	Gate Frame	●	2" x 2" x 14ga. tubular steel
C	Pickets	●	3/4" x 3/4" x 16ga. tubular steel at 4.5" O.C.
D	Decorative Spear Point	●	4-3/4"H x 3" wide, cast iron
E	Concrete Footing		12"Ø x 36" deep, 2500 PSI
F	Post Cap	●	1/4" flat cap welded to post
G	Kick Plate	●	10"H x 14ga. steel plate @ both sides
H	Mortise Lock		Schlage L9000 w/ lever both side & K-BXMOR2 lock box
J	Gate Strike	●	Steel channel welded to post
K	Perforated Metal Screen	●	3/16" hole @ 3/16" o.c. staggered, tack weld to frames & pickets
L	Gate Hinge		Ball bearing weldable style, by Hawk. 2 ea per leaf

Note:  
1. Fence will be galvanized and powder coated finish. Color to be determined by architect.

REVISIONS:	DATE:	SHEET NO.	1 of 1
		SCALE:	NONE
		FILE NAME:	
		DATE:	10-04-2015
		CHECKED BY:	
		DRAWN BY:	Sam Tan

PROJECT NAME:  
Chick Avenue Widening & Sidewalk Construction  
and Salt Lake Avenue Sidewalk Construction  
City of Industry

DRAWING TITLE:  
7'H x 3' Wrought Iron Gate

**ACE FENCE CO.**

ACE FENCE COMPANY  
727 N. GLENDORA AVE.  
LA PUENTE, CA 91744

TEL: (626) 333-0727  
FAX: (626) 333-7843

*CITY COUNCIL*

ITEM NO. 6.2



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager *Paul J. Philips*

Staff: Clement N. Calvillo, City Engineer, CNC Engineering *CNC*  
Joshua Nelson, Deputy City Engineer, CNC Engineering *JN*  
Upendra Joshi, Project Manager, CNC Engineering *UJ*

Date: June 23, 2016

**SUBJECT: Consideration of the Final Report for the 2016 Engineering and Traffic Survey, May 2016 (MP 15-08), for the City of Industry and Introduction of Ordinance No. 794 Amending Section 10.40.010 (Portion of Vineland Avenue) and Repealing Sections 10.40.020 (Baldwin Park Boulevard and Railroad Avenue), 10.40.030 (Valley Boulevard), 10.40.040 (Hacienda Boulevard), 10.40.050 (Certain Streets), 10.40.060 (Proctor Avenue, Don Julian Road and Turnbull Canyon Road), 10.40.070 (Gale Avenue), 10.40.080 (Pass and Covina Road), 10.40.090 (San Gabriel River Parkway), 10.40.100 (Azusa Avenue), 10.40.110 (Portion of Valley Boulevard), 10.40.120 (Portion of Temple Avenue), 10.40.130 (Portion of Amar Road), 10.40.140 (Portion of Temple Avenue), 10.40.150 (Portion of Brea Canyon Road), 10.40.160 (Portion of Gale Avenue), 10.40.170 (Portion of Mohr Avenue), 10.40.180 (Portion Of Walnut Drive), 10.40.190 (Portion of Gale Avenue), and 10.40.200 (Portion of Grand Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles And Traffic) of the City of Industry Municipal Code**

---

On April 15, 2013, City Council approved an Agreement for Consultant Services with Kimley-Horn and Associates, Inc. ("Kimley-Horn") to provide on-call traffic engineering services. Per the City's request, a proposal for the work authorization was submitted and approved on November 12, 2015, to perform the Engineering and Traffic Survey for 96 street segments within the City.

The Engineering and Traffic Survey, as defined in Section 627 of the California Vehicle Code, must consider the prevailing speeds, collision records, pedestrian and bicycle activity, and roadway traffic and roadside conditions not readily apparent to the driver. Speed zones are also established to advise of road conditions or hazards, which may not be readily apparent to a reasonable driver. For this reason, a field review of related

road/traffic variables is conducted which is considered in combination with the statistical data and collision history of a particular roadway segment to determine a safe and reasonable speed limit. The specific procedures used in conducting the Engineering and Traffic Study are outlined in the California Manual Uniform Traffic Control Devices (CA MUTCD) 2014 Edition.

Kimley-Horn reviewed the following statistical analysis factors as part of the 2016 Engineering and Traffic Survey:

- 1.) **85<sup>th</sup> Percentile Speed.** The critical speed, or 85th Percentile Speed, is defined as that speed at or below which 85 percent of the traffic is moving. This factor is the primary guide in determining what speeds the majority of safe and reasonable drivers are traveling. Therefore, the practice is to set the speed limit to the nearest 5 mph increment from the Critical Speed unless other factors require a lower limit. Speed limits set on this basis provide law enforcement officials with a means of controlling reckless or unreliable drivers who will not conform to what the majority finds reasonable.
- 2.) **The 10-mph Pace.** The 10-mph Pace is the 10-mph increment range, which contains the largest number of recorded vehicles. The pace is a measure of the dispersion of speeds within the sample surveyed. Speed limits should normally be set to fall within the 10-mph Pace. However, conditions not readily apparent to the driver or adhering to State mandated limits, such as in Residence Districts, may require setting speed limits below the 10-mph Pace.
- 3.) **50<sup>th</sup> Percentile Speed.** The Median Speed, or 50th Percentile Speed, represents the mill-point value within the range of recorded speeds for a particular roadway location. In other words, 50 percent of the vehicles travel faster than and 50 percent travel slower than, the median speed. This value is another measure of the central tendency of the vehicle speed distribution. Typically, speed limits should not be set below the 50th Percentile Speed, since it would result in greater than 50-percent of the drivers exceeding the speed limit.
- 4.) **15<sup>th</sup> Percentile.** The 15th Percentile is that speed at or below which 15 percent of the vehicles are traveling. This value is important in determining the minimum allowable speed limit, given that the vehicles traveling below this speed tend to obstruct the flow of traffic, thereby increasing the collision potential.
- 5.) **Percent of Vehicles in Pace Speed.** The percent of vehicles in the 10-mph Pace speed is an indication of the grouping of vehicular speeds. Ideally, if all vehicles were traveling at or about the same speed, there would be a reduced likelihood of vehicular collisions. In speed limit

favorable the speed distribution. The percent of vehicles within the 10-mph Pace is often between 60 and 90 percent.

According to the Engineering and Traffic Survey, the following are the recommendations:

- No change to the posted speed limit= 52 segments
- Lower the existing posted speed limit by 5 mph= 8 segments
- Increase the existing posted speed limit by 5 mph= 13 segments
- Street segments that still need to be surveyed = 23 segments

Out of 23 segments that still need to be surveyed, 13 segments are recommended to be resurveyed in order to confirm the speed limit. The remaining 10 segments were not surveyed as these segments are closer to existing construction projects that would skew the results. These segments will be included in a later addendum to this Engineering and Traffic Survey.

The City Engineer has reviewed the proposed changes to the City's posted speed limits and determined the changes to be reasonable, safe, and appropriate for the orderly movement of traffic on City streets. Therefore, it is recommended that the City Council approve the 2016 Engineering and Traffic Survey, May 2016. Staff further recommends that the City Council approve the recommended changes to the City's posted speed limits; and introduce for first reading, waive full reading and read by title only, Ordinance No. 794 amending Section 10.40.010 (Portion of Vineland Avenue) and repealing Sections 10.40.020 (Baldwin Park Boulevard and Railroad Avenue), 10.40.030 (Valley Boulevard), 10.40.040 (Hacienda Boulevard), 10.40.050 (Certain Streets), 10.40.060 (Proctor Avenue, Don Julian Road and Turnbull Canyon Road), 10.40.070 (Gale Avenue), 10.40.080 (Pass and Covina Road), 10.40.090 (San Gabriel River Parkway), 10.40.100 (Azusa Avenue), 10.40.110 (Portion of Valley Boulevard), 10.40.120 (Portion of Temple Avenue), 10.40.130 (Portion of Amar Road), 10.40.140 (Portion of Temple Avenue), 10.40.150 (Portion of Brea Canyon Road), 10.40.160 (Portion of Gale Avenue), 10.40.170 (Portion of Mohr Avenue), 10.40.180 (Portion of Walnut Drive), 10.40.190 (Portion Of Gale Avenue), and 10.40.200 (Portion of Grand Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles And Traffic) of the City of Industry Municipal Code; and authorize the City Engineer to schedule the second reading of Ordinance No. 794 at the next City Council meeting on July 14, 2016.

#### Exhibit

- A. Final Report for the 2016 Engineering and Traffic Survey, May 2016 prepared by Kimley-Horn and Associates, Inc. (on file in the City of Industry City Clerk's Office)

---

PJP/CC/JN/UJ:af

**EXHIBIT A**

**Final Report for the 2016 Engineering and Traffic Survey, May 2016 prepared by  
Kimley-Horn and Associates, Inc.**

[On file in the City of Industry City Clerk's Office]

**ORDINANCE NO. 794**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA AMENDING SECTION 10.40.010 (PORTION OF VINELAND AVENUE) AND REPEALING SECTIONS 10.40.020 (BALDWIN PARK BOULEVARD AND RAILROAD AVENUE), 10.40.030 (VALLEY BOULEVARD), 10.40.040 (HACIENDA BOULEVARD), 10.40.050 (CERTAIN STREETS), 10.40.060 (PROCTOR AVENUE, DON JULIAN ROAD AND TURNBULL CANYON ROAD), 10.40.070 (GALE AVENUE), 10.40.080 (PASS AND COVINA ROAD), 10.40.090 (SAN GABRIEL RIVER PARKWAY), 10.40.100 (AZUSA AVENUE), 10.40.110 (PORTION OF VALLEY BOULEVARD), 10.40.120 (PORTION OF TEMPLE AVENUE), 10.40.130 (PORTION OF AMAR ROAD), 10.40.140 (PORTION OF TEMPLE AVENUE), 10.40.150 (PORTION OF BREA CANYON ROAD), 10.40.160 (PORTION OF GALE AVENUE), 10.40.170 (PORTION OF MOHR AVENUE), 10.40.180 (PORTION OF WALNUT DRIVE), 10.40.190 (PORTION OF GALE AVENUE), AND 10.40.200 (PORTION OF GRAND AVENUE) OF CHAPTER 10.40 (SPEED LIMITS) OF TITLE 10 (VEHICLES AND TRAFFIC) OF THE CITY OF INDUSTRY MUNICIPAL CODE**

**WHEREAS**, California Vehicle Code Section 22357 provides that whenever a local authority determines on the basis of an engineering and traffic survey that a speed greater than 25 miles per hour would facilitate the orderly movement of vehicular traffic and would be reasonable and safe upon any street other than a state highway otherwise subject to a prima facie limit of 25 miles per hour, the local authority may by ordinance determine and declare a prima facie speed limit of 30, 35, 40, 45, 50, 55, or 60 miles per hour or a maximum speed limit of 65 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe; and

**WHEREAS**, California Vehicle Code section 22358 provides that whenever a local authority determines on the basis of an engineering and traffic survey that the limit of 65 miles per hour is more than is reasonable or safe upon any portion of any street other than a state highway where the limit of 65 miles per hour is applicable, the local authority may by ordinance determine and declare a prima facie speed limit of 60, 55, 50, 45, 40, 35, 30, or 25 miles per hour, whichever is found most appropriate to facilitate the orderly movement of traffic and is reasonable and safe; and

**WHEREAS**, Section 40802 (a)(2) of the California Vehicle Code states that speed limits for streets, other than a local street, road, or school zone, must be justified by an Engineering and Traffic Survey conducted less than five, seven, or ten years with conditions, prior to enforcement of that speed limit, if it is to be enforced by the use of radar; and

**WHEREAS**, the most recent Engineering and Traffic Survey for certain street segments was last completed in May 2016, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference; and

**WHEREAS**, the survey recommended certain changes to or new speed limits for certain City streets, as set forth herein; and

**WHEREAS**, the City Council wishes to ensure that traffic speeds throughout the community are kept at a safe level given the conditions that exist on certain streets; and

**WHEREAS**, the City Council wishes to use electronic speed measurement equipment for speed enforcement on these certain streets; and

**WHEREAS**, the Ordinance establishing speed limits must be adopted to reflect speed limits that are to be established following the completion of the Engineering and Traffic Survey; and

**WHEREAS**, the California Manual of Traffic Control Devices describes the policy to be used in the State of California for setting speed limits, which requires that the posted speed be established at the nearest 5 mph increment of the 85th-percentile speed of free-flowing traffic; and

**WHEREAS**, the City Council recognizes that the California Manual of Traffic Control Devices also allows the posted speed limit to be reduced by 5 mph from the nearest 5 mph increment of the 85th-percentile speed, in compliance with California Vehicle Code Sections 627 and 22358.5, if the Engineering and Traffic Survey documents the special conditions and justification for the lower speed limit and is approved by a registered Civil or Traffic Engineer; and

**WHEREAS**, the enforcement of speed limits by the use of radar is necessary in order to protect the safety of the residents of the City of Industry; and

**WHEREAS**, the City Council has determined that the speed limits set forth herein are most appropriate to facilitate the orderly movement of traffic within the City.

**NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDUSTRY AS FOLLOWS:**

**SECTION 1. Recitals.** The City Council finds that the above Recitals are true and correct, and are incorporated herein by reference.

**SECTION 2. CEQA Finding.** The City Council finds that it can be seen with certainty that there is no possibility that the adoption of this Ordinance and the establishment of the regulations hereby will have a significant effect on the environment. The Ordinance is therefore exempt from review under the California Environmental Quality Act, pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations.

**SECTION 3. Industry Municipal Code Amendment.** The City Council hereby amends Chapter 10.40.010 (Speed Limits on City Streets) of the Industry Municipal Code to read in its entirety as follows:

10.40.010. Speed Limits on City Streets.

The California Vehicle Code provides that cities may by ordinance establish prima facie speed limits. It is determined, upon the basis of an engineering and traffic survey, that the following prima facie

speed limits would facilitate the orderly movement of traffic and would be reasonable and safe. It is declared, that signs be erected, as appropriate, to provide notice of the following prima facie speed limits:

<u>No.</u>	<u>Street</u>	<u>Location</u>	<u>Speed Limit</u>
1.	Valley Blvd.	Turnbull Canyon Rd. to Proctor Ave.	50
2.	Valley Blvd.	Proctor Ave. to Hacienda Blvd.	45
3.	Valley Blvd.	Hacienda Blvd. to Stimson Ave.	50
4.	Valley Blvd.	Stimson Ave. to City Limit	50
5.	Valley Blvd.	Azusa Ave. to Hurley St.	50
6.	Valley Blvd.	Hurley St. to City Limit	50
7.	Azusa Ave.	Gemini St. to Temple Ave.	45
8.	Azusa Ave.	Hurley St. to Gemini St.	45
9.	Azusa Ave.	Railroad St. to Hurley St.	45
10.	Azusa Ave.	Gale Ave. to Railroad St.	45
11.	Azusa Ave.	SR-60 WB to Gale Ave.	40
12.	Gale Ave.	City Boundary/Fieldgate Ave. to Bixby Dr.	45
13.	Gale Ave.	Bixby Dr. to Azusa Ave.	40
14.	Gale Ave.	Azusa Ave. to Auto Mall West	45
15.	Gale Ave.	Auto Mall West to Stoner Creek Rd.	45
16.	Gale Ave.	Jellick Ave. to Coiner Ct.	40
17.	Baldwin Park Blvd.	Railroad Ave. to Temple Ave.	35
18.	Baldwin Park Blvd.	Temple Ave. to Amar Rd.	35
19.	Hacienda Blvd.	Stafford St. to Nelson Ave.	40
20.	Hacienda Blvd.	Valley Blvd. to Stafford St.	40
21.	Hacienda Blvd.	Don Julian Rd. to Valley Blvd.	40
22.	Temple Ave.	City Limits to Baldwin Park Blvd.	40
23.	Temple Ave.	Baldwin Park Blvd. to Valley Blvd.	40
24.	Fairway Dr.	San Jose Ave. to Business Pkwy.	40
25.	Fairway Dr.	Walnut Dr. N. to Walnut Dr. S.	40
26.	Fullerton Rd.	Arenth Ave. to San Jose Ave.	35
27.	Fullerton Rd.	SR-60 WB Ramp to SR-60EB Ramp	35

<u>No.</u>	<u>Street</u>	<u>Location</u>	<u>Speed Limit</u>
28.	Peck Rd.	City Boundary to Rooks Rd.	45
29.	Peck Rd.	Rooks Rd. to Pellissier Pl.	40
30.	Stoner Creek Rd.	Colima Rd. to Castleton St.	30
31.	Stoner Creek Rd.	Castleton St. to Gale Ave.	30
32.	Amar Rd.	Aileron Ave. to Echelon Ave.	40
33.	Colima Rd.	Azusa Ave. to Albatross Rd.	40
34.	Colima Rd.	Albatross Rd. to Hanover Rd.	40
35.	Colima Rd.	Hanover Rd. to Walnut Hall Rd.	40
36.	Colima Rd.	Walnut Hall Rd. to Stoner Creek Rd.	40
37.	Grand Ave.	Valley Blvd. to Ferrero Pkwy.	50
38.	Grand Ave.	Baker Pkwy. to SR-60 Fwy.	50
39.	Hambeldon Ave.	Valley Blvd. to Hurley St.	30
40.	Hurley St.	Azusa Ave. to Valley Blvd.	35
41.	Lemon Ave.	Valley Blvd. to Currier Rd.	40
42.	Lemon Ave.	Currier Rd. to City Limit	40
43.	Pelissier Pl.	Peck Rd. to Workman Mill Rd.	45
44.	Proctor Ave.	Athens Way to City Boundary	35
45.	Proctor Ave.	6 <sup>th</sup> Ave. to 7 <sup>th</sup> Ave.	35
46.	Proctor Ave.	7 <sup>th</sup> Ave. to 9 <sup>th</sup> Ave.	35
47.	Proctor Ave.	9 <sup>th</sup> Ave. to Turnbull Canyon Rd.	35
48.	Proctor Ave.	Turnbull Canyon Rd. to Valley Blvd.	35
49.	Rooks Rd.	Peck Rd. to Kella Ave.	25
50.	Seventh Ave.	Clark Ave. to Salt Lake Ave.	40
51.	Seventh Ave.	Don Julian Rd. to Proctor Ave.	40
52.	Seventh Ave.	Proctor Ave. to City Boundary	40
53.	Stimson Ave.	Gale Ave. to Valley Blvd.	35
54.	Sunset Ave.	Valley Blvd. to Nelson Ave.	40
55.	Arenth Ave.	Anaheim-Puente Rd. to Fullerton Rd.	40
56.	Baker Pkwy.	Cul de Sac to Grand Crossing Pkwy.	30

<u>No.</u>	<u>Street</u>	<u>Location</u>	<u>Speed Limit</u>
57.	Baker Pkwy.	Grand Crossing Pkwy. to Grand Ave.	45
58.	Chestnut St.	Anaheim Puente Rd. to Hatcher St.	35
59.	Don Julian Rd.	6 <sup>th</sup> Ave. to 7 <sup>th</sup> Ave.	35
60.	Echelon Ave.	Loukelton St. to Amar Rd.	25
61.	Giano Rd.	Valley Blvd. to City Boundary	30
62.	Loukelton St.	Echelon Ave. to City Boundary	25
63.	Nelson Ave.	Vineland Ave. to Puente Ave.	35
64.	Nelson Ave.	Orange Ave. to Sunset Ave.	35
65.	Nelson Ave.	California Ave. to Unruh Ave.	35
66.	Nelson Ave.	Unruh Ave. to Hacienda Blvd.	35
67.	Salt Lake Ave.	Turnbull Canyon Rd. to Patriot Pl.	40
68.	San Jose Ave.	Nogales St. to Fullerton Rd.	30
69.	Stephens St.	East of Stimson Ave. to Cul de Sac	30
70.	Walnut Hall Rd.	Colima Rd. to Castleton St.	35
71.	Walnut Dr. N.	Nogales St. to Otterbein Ave.	45
72.	Walnut Dr. N.	Otterbein Ave. to Fairway Dr.	45
73.	Walnut Dr. N.	Fairway Dr. to Tucker Ln.	45

**SECTION 4. Industry Municipal Code Amendment.** Section 10.40.020 (Baldwin Park Boulevard and Railroad Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 5. Industry Municipal Code Amendment.** Section 10.40.030 (Valley Boulevard) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 6. Industry Municipal Code Amendment.** Section 10.40.040 (Hacienda Boulevard) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 7. Industry Municipal Code Amendment.** Section 10.40.050 (Certain Streets) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 8. Industry Municipal Code Amendment.** Section 10.40.060 (Proctor Avenue, Don Julian Road and Turnbull Canyon Road) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 9. Industry Municipal Code Amendment.** Section 10.40.070 (Gale Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 10. Industry Municipal Code Amendment.** Section 10.40.080 (Pass and Covina Road) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 11. Industry Municipal Code Amendment.** Section 10.40.090 (San Gabriel River Parkway) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 12. Industry Municipal Code Amendment.** Section 10.40.100 (Azusa Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 13. Industry Municipal Code Amendment.** Section 10.40.110 (Portion of Valley Boulevard) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 14. Industry Municipal Code Amendment.** Section 10.40.120 (Portion of Temple Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 15. Industry Municipal Code Amendment.** Section 10.40.130 (Portion of Amar Road) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 16. Industry Municipal Code Amendment.** Section 10.40.140 (Portion of Temple Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 17. Industry Municipal Code Amendment.** Section 10.40.150 (Portion of Brea Canyon Road) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 18. Industry Municipal Code Amendment.** Section 10.40.160 (Portion of Gale Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 19. Industry Municipal Code Amendment.** Section 10.40.170 (Portion of Mohr Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 20. Industry Municipal Code Amendment.** Section 10.40.180 (Portion of Walnut Drive) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 21. Industry Municipal Code Amendment.** Section 10.40.190 (Portion of Gale Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 22. Industry Municipal Code Amendment.** Section 10.40.200 (Portion of Grand Avenue) of Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic) of the Industry Municipal Code is hereby repealed in its entirety.

**SECTION 23. Official Survey.** The "2016 Engineering and Traffic Survey, May 2016, for the City of Industry," containing the findings and determinations of the Registered Engineer, incorporated herein and on file in the Office of the City Clerk, shall be the official Engineering and Traffic Survey of the City, a certified copy of which shall be disseminated to the County of Los Angeles Municipal and Superior Courts.

**SECTION 24. Inconsistencies.** Any provisions of the Industry Municipal Code, or appendices thereto, or any other resolution of the City, to the extent that they are inconsistent with this ordinance, and no further, are hereby repealed.

**SECTION 25. Clerical Errors.** The City Council directs the City Clerk to correct any clerical errors found in Chapter 10.40 (Speed Limits) of Title 10 (Vehicles and Traffic), including, but not limited to, typographical errors, irregular numbering, and incorrect section references.

**SECTION 26. Severability.** Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid, unenforceable, or unconstitutional.

**SECTION 27. Effective Date.** In accordance with California Government Code §36937, this Ordinance shall take effect and be in force thirty (30) days from passage and adoption.

**SECTION 28. Publication.** The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause this ordinance to be published and posted as required by law.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Industry this  
\_\_\_\_ day of July, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

BY: \_\_\_\_\_  
MARK D. RADECKI, Mayor  
City of Industry, California

ATTEST:

\_\_\_\_\_  
CECELIA DUNLAP, Deputy City Clerk

*CITY COUNCIL*

ITEM NO. 6.3



# CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

## MEMORANDUM

**To:** Honorable Mayor and Members of the City Council

**From:** Paul J. Philips, City Manager 

**Date:** June 23, 2016

**SUBJECT:** Consideration of a license agreement between the City of Industry and the City of La Puente for the use of the Park & Ride Lot for various events

---

### BACKGROUND

Since 2014, the City of La Puente (“La Puente”) has entered into a License Agreement (“Agreement”) with the City of Industry (“Industry”) for La Puente’s Annual Fortunato Jimenez Independence Day Celebration, and the Annual Main Street Halloween Run, to offer event parking and shuttle services.

This year, the La Puente is requesting a five (5) year agreement with Industry that will include La Puente’s annual Fortunato Jimenez Independence Day Celebration and Fireworks Show, Main Street Halloween Run, Holiday Parade and Tree Lighting Ceremony, and La Puente National Little League Opening Day Parade, and any other event that may be approved by Industry’s City Manager.

All uses of the Property for La Puente’s events will be restricted to providing parking and shuttle services for the events. Under no circumstances will the La Puente be allowed to use the Property for staging purposes. The Agreement will require that La Puente provide Industry with written notice of its intention to use the Property at least sixty (60) days before the event date.

Once the Agreement has been executed, La Puente will provide a Certificate of Insurance naming the City of Industry, the Successor Agency, and the Oversight Board as additional insureds.

### RECOMMENDATION

It is recommended that the City Council approve the License Agreement between the City of Industry and the City of La Puente and authorize the City Manager to execute the Agreement on behalf of Industry.

### ATTACHMENT

Attachment “A”: License Agreement

**EXHIBIT A**

**License Agreement**

[Attached]

## LICENSE AGREEMENT

This License Agreement is made and entered into this \_\_\_ day of June, 2016 (“Effective Date”), by and between the CITY OF INDUSTRY (“INDUSTRY”), a municipal corporation, and the CITY OF LA PUENTE (“LA PUENTE”), a municipal corporation (collectively “PARTIES”).

### RECITALS

**WHEREAS**, INDUSTRY is the owner of real property located at the north side of Stafford Street, west of Glendora Avenue, generally known as the Park and Ride Lot (“Property”); and

**WHEREAS**, LA PUENTE desires to utilize the Property to provide parking and shuttle service for LA PUENTE’s (i) Fortunato Jimenez Independence Day Celebration and Fireworks Show, (ii) Main Street Halloween Run, (iii) Holiday Parade and Tree Lighting Ceremony; (iv) La Puente National Little League Opening Day Parade; and (v) other events that may be approved by Industry (collectively “Events” and individually “Event”); and

**WHEREAS**, the PARTIES wish to enter into this License Agreement whereby INDUSTRY will allow LA PUENTE to enter the Property, on a temporary basis, for the purpose of providing parking and shuttle service for the Events.

NOW, THEREFORE, INDUSTRY and LA PUENTE do hereby agree as follows:

### AGREEMENT

1. **INCORPORATION OF RECITALS.** The Recitals constitute the factual basis upon which the PARTIES have entered into this License Agreement. The PARTIES acknowledge the Recitals’ accuracy and, therefore, incorporate them into this License Agreement.
2. **LICENSE.** INDUSTRY hereby grants to LA PUENTE and its agents, employees and contractors the temporary right to enter onto the Property for the purpose of providing parking and shuttle service for the Fortunato Jimenez Independence Day Celebration and Fireworks Show, Main Street Halloween Run, Holiday Parade and Tree Lighting Ceremony, and the La Puente National Little League Opening Day Parade. Other Events may be approved by the INDUSTRY City Manager on a case by case basis. Under no circumstances shall LA PUENTE use the Property for staging purposes.
3. **NOTICE.** LA PUENTE shall provide INDUSTRY with written notice (“Notice”) of its intention to use the Property at least sixty (60) days before the date of each Event. The Notice shall include the title, date, start time, end time of the Event, traffic circulation plan, whether the Event will create any road closures, and the duration of LA PUENTE’s use of the Property. Under no circumstances shall LA PUENTE’s use of the Property for an Event exceed 24 consecutive hours.

4. TERM. This License Agreement is for a period of five (5) years, beginning on the Effective Date, and terminating on June 28, 2021, unless the License Agreement is terminated sooner according to the terms elsewhere in this document. Notwithstanding the foregoing, LA PUENTE's license to use the Property shall only inure for the period set forth in the Notice.

5. INDEMNIFICATION. LA PUENTE hereby agrees to indemnify, defend, and hold harmless INDUSTRY and its respective officers, employees, agents and representatives from all actions, claims, suits, penalties, obligations, liabilities, damages to property, environmental claims or injuries to persons, which may be caused by LA PUENTE's activities pursuant to this License Agreement or arising out of or in connection with such activities, whether such activities or performance thereof is by LA PUENTE or anyone directly or indirectly employed or under contract or subcontract with LA PUENTE, or their respective invitees or the public attending the Events, and whether such damage or claim shall accrue or be discovered before or after the termination of this License Agreement. LA PUENTE'S obligations set forth in this Section shall survive the expiration or earlier termination of this License Agreement.

6. INSURANCE. Prior to commencing any activities under this License Agreement, LA PUENTE shall procure (or cause to be procured), and require any and all subcontractors to procure, and keep in full force and effect during the life of this License Agreement, at LA PUENTE's sole cost and expense, all of the following types of insurance, in accordance with the other provisions of this Section:

<u>Type of Insurance Policy</u>	<u>Limits</u>
Personal & Advertisement Injury	\$1 million each occurrence
Property Damage	\$2,000,000
Products—Comp/Op Agg.	\$1,000,000 each occurrence
General Aggregate	\$2,000,000
Excess Liability—Umbrella	\$1,000,000 each occurrence
Commercial General Liability	\$1,000,000 each occurrence (see Section G. below)
Workers Compensation	Statutory (see Section F. below)
Automobile Liability	\$1,000,000 each occurrence

For purposes of this License Agreement, the foregoing insurance shall be referred to herein as "Required Insurance."

A. Public Agencies. It is understood that both PARTIES are public entities and that LA PUENTE like many public agencies is self-insured or jointly self-insured with other agencies in pools. INDUSTRY agrees to accept LA PUENTE's self-insured retention coverage.

B. Additional Insured; Form of Endorsement. All such Insurance Policies will be required to name INDUSTRY, and its respective directors, officers, employees, agents and representatives as additional insureds by way of an endorsement, such endorsement shall be a form of endorsement which is at least as broad as Additional Insured-Owners, Lessors, or Contractors Form B (CG20101185) as published by Insurance Services Office, Inc.

C. Cancellation Provisions and Other Matters. All of the Required Insurance shall provide (by way of endorsement or otherwise) that no cancellation, expiration, reduction or modification in such Required Insurance can occur or be implemented without first giving INDUSTRY at least thirty (30) days prior written notice of such cancellation, expiration, reduction or modification. INDUSTRY shall be liable for the payment of any premiums for the Required Insurance.

D. Primary Insurance Endorsement. All Required Insurance shall contain an endorsement providing that such insurance is primary and that any insurance maintained by INDUSTRY is noncontributory with the Required Insurance. All Required Insurance shall contain language to the effect that any loss shall be payable notwithstanding any act or negligence of INDUSTRY that might otherwise result in the forfeiture of the Required Insurance.

E. Waiver of Subrogation. All such Required Insurance shall also contain an endorsement providing for a waiver of subrogation against INDUSTRY and LA PUENTE.

F. Workers' Compensation. As required by the State of California, with statutory limits.

G. Commercial General Liability. Insurance Services Office Form Number CG 00 01, covering Commercial General Liability on an occurrence basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000.00 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this License Agreement or the general aggregate limit shall be twice the regular occurrence limit.

H. Automobile Liability. Insurance Services Office Form No. CA 0001, Code 1 (any auto), or if LA PUENTE does not own its automobiles, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000.00 per accident for bodily injury and property damage.

I. Certificates of Insurance. Prior to the commencement of the Events set forth in this License Agreement, LA PUENTE shall provide to INDUSTRY certificates of insurance evidencing the obtaining of the Required Insurance as provided in this Section.

5. COMPLIANCE WITH LAWS/PERMITS. LA PUENTE shall, in all activities undertaken pursuant to this License Agreement, comply and cause its contractors, agents and employees to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees. Without limiting the generality of the foregoing, LA PUENTE, at its sole cost and expense, shall obtain any and all permits which may be required by any law, regulation or ordinance,

6. COST. LA PUENTE agrees to bear all cost associated with the Events and the terms of this License Agreement.

7. NO REAL PROPERTY INTEREST. It is expressly understood that this License Agreement does not in any way whatsoever grant or convey any permanent easement, lease, fee or other interest in the Property to LA PUENTE.

8. NOTICES. Any notices given or required to be given to INDUSTRY or LA PUENTE pursuant to any provisions of this License Agreement shall be given in writing and shall be personally delivered, transmitted electronically or sent by U.S. registered mail, with necessary postage prepaid, and shall be deemed to have been duly given when delivered by hand; the day after delivery by receipted overnight delivery; or the day after being mailed by certified mail or registered mail with return receipt requested to the following:

CITY OF INDUSTRY  
Attn: Paul Philips, City Manager  
15625 East Stafford Street #100  
City of Industry, CA 91744  
Phone: 626-333-2211

CITY OF LA PUENTE  
Attn: David Carmany, City Manager  
15900 E. Main St.  
La Puente, CA 91744  
Phone: 626-855-1500

CASSO & SPARKS, LLP  
Attn: James M. Casso, City Attorney  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746  
Phone: 626-269-2980

9. AGREEMENT. This License Agreement constitutes the entire agreement between the PARTIES with respect to the subject matter described herein. No modifications or alterations of the terms hereof shall be binding unless such modification or alternation is in writing and executed by both PARTIES. If any provision of this License Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions of this License Agreement shall remain in full force. This License Agreement shall be governed by and in accordance with the law of the State of California. Any action to enforce or interpret its provisions must be brought in courts located in Los Angeles County, California.

10. WAIVER. The waiver by INDUSTRY or LA PUENTE of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this License Agreement shall be deemed to have been waived by INDUSTRY or LA PUENTE, unless in writing.

11. REMEDIES. Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing

at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by either of the PARTIES of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by either of the PARTIES of any or all of such other rights, powers or remedies.

12. ATTORNEYS' FEES. If any action at law or suit in equity is brought to enforce or interpret the provisions of this License Agreement, or arising out of or relating to the use of the Property by LA PUENTE under this LICENSE AGREEMENT, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

13. EXECUTION IN COUNTERPARTS. This License Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and all of such counterparts shall constitute one and the same License Agreement.

14. AUTHORITY. Each person executing this License Agreement hereby represents and warrants their authority to do so and that such authority has been duly and validly conferred.

IN WITNESS WHEREOF, the PARTIES hereto have executed this License Agreement as of the Effective Date.

CITY OF INDUSTRY

CITY OF LA PUENTE

By: \_\_\_\_\_  
Paul Philips, City Manager

By: \_\_\_\_\_  
David Carmany, City Manager

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Cecelia Dunlap, Deputy City Clerk

By: \_\_\_\_\_  
Sheryl Garcia, Chief Deputy City Clerk

Approved as to form:

Approved as to form:

By: \_\_\_\_\_  
James M. Casso, City Attorney

By: \_\_\_\_\_  
James M. Casso, City Attorney

*CITY COUNCIL  
JUNE 23, 2016  
REGULAR MEETING*

ITEM NO. 6.3

HANDOUT ITEM

## **LICENSE AGREEMENT**

This License Agreement is made and entered into this \_\_\_ day of June, 2016 (“Effective Date”), by and between the SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY (“SUCCESSOR AGENCY”), a public body, corporate and politic, the CITY OF INDUSTRY, a municipal corporation, (the AGENCY and CITY OF INDUSTRY are collectively referred to as “INDUSTRY”) and the CITY OF LA PUENTE (“LA PUENTE”), a municipal corporation (collectively “PARTIES”).

### **RECITALS**

**WHEREAS**, the SUCCESSOR AGENCY is the owner of real property located at the north side of Stafford Street, west of Glendora Avenue, generally known as the Park and Ride Lot (“Property”); and

**WHEREAS**, the CITY OF INDUSTRY and the SUCCESSOR AGENCY recently approved a purchase and sale agreement for the Property, whereby the Property would be sold to the CITY OF INDUSTRY, however title has not yet been transferred; and

**WHEREAS**, LA PUENTE desires to utilize the Property to provide parking and shuttle service for LA PUENTE’s (i) Fortunato Jimenez Independence Day Celebration and Fireworks Show, (ii) Main Street Halloween Run, (iii) Holiday Parade and Tree Lighting Ceremony; (iv) La Puente National Little League Opening Day Parade; and (v) other events that may be approved by Industry (collectively “Events” and individually “Event”); and

**WHEREAS**, the PARTIES wish to enter into this License Agreement whereby INDUSTRY will allow LA PUENTE to enter the Property, on a temporary basis, for the purpose of providing parking and shuttle service for the Events.

NOW, THEREFORE, THE SUCCESSOR AGENCY, THE CITY OF INDUSTRY and LA PUENTE do hereby agree as follows:

### **AGREEMENT**

1. **INCORPORATION OF RECITALS.** The Recitals constitute the factual basis upon which the PARTIES have entered into this License Agreement. The PARTIES acknowledge the Recitals’ accuracy and, therefore, incorporate them into this License Agreement.

2. **LICENSE.** INDUSTRY hereby grants to LA PUENTE and its agents, employees and contractors the temporary right to enter onto the Property for the purpose of providing parking and shuttle service for the Fortunato Jimenez Independence Day Celebration and Fireworks Show, Main Street Halloween Run, Holiday Parade and Tree Lighting Ceremony, and the La Puente National Little League Opening Day Parade. Other Events may be approved by the INDUSTRY City Manager on a case by case basis. Under no circumstances shall LA PUENTE use the Property for staging purposes.

3. NOTICE. LA PUENTE shall provide INDUSTRY with written notice (“Notice”) of its intention to use the Property at least sixty (60) days before the date of each Event. The Notice shall include the title, date, start time, end time of the Event, traffic circulation plan, whether the Event will create any road closures, and the duration of LA PUENTE’s use of the Property. Under no circumstances shall LA PUENTE’s use of the Property for an Event exceed 24 consecutive hours.

4. TERM. This License Agreement is for a period of five (5) years, beginning on the Effective Date, and terminating on June 28, 2021, unless the License Agreement is terminated sooner according to the terms elsewhere in this document. Notwithstanding the foregoing, LA PUENTE’s license to use the Property shall only inure for the period set forth in the Notice.

5. INDEMNIFICATION. LA PUENTE hereby agrees to indemnify, defend, and hold harmless INDUSTRY and its respective officers, employees, agents and representatives from all actions, claims, suits, penalties, obligations, liabilities, damages to property, environmental claims or injuries to persons, which may be caused by LA PUENTE’s activities pursuant to this License Agreement or arising out of or in connection with such activities, whether such activities or performance thereof is by LA PUENTE or anyone directly or indirectly employed or under contract or subcontract with LA PUENTE, or their respective invitees or the public attending the Events, and whether such damage or claim shall accrue or be discovered before or after the termination of this License Agreement. LA PUENTE’S obligations set forth in this Section shall survive the expiration or earlier termination of this License Agreement.

6. INSURANCE. Prior to commencing any activities under this License Agreement, LA PUENTE shall procure (or cause to be procured), and require any and all subcontractors to procure, and keep in full force and effect during the life of this License Agreement, at LA PUENTE’s sole cost and expense, all of the following types of insurance, in accordance with the other provisions of this Section:

<u>Type of Insurance Policy</u>	<u>Limits</u>
Personal & Advertisement Injury	\$1 million each occurrence
Property Damage	\$2,000,000
Products—Comp/Op Agg.	\$1,000,000 each occurrence
General Aggregate	\$2,000,000
Excess Liability—Umbrella	\$1,000,000 each occurrence
Commercial General Liability	\$1,000,000 each occurrence (see Section G. below)
Workers Compensation	Statutory (see Section F. below)
Automobile Liability	\$1,000,000 each occurrence

For purposes of this License Agreement, the foregoing insurance shall be referred to herein as “Required Insurance.”

A. Public Agencies. It is understood that both PARTIES are public entities and that LA PUENTE like many public agencies is self-insured or jointly self-insured with other agencies in pools. INDUSTRY agrees to accept LA PUENTE's self-insured retention coverage.

B. Additional Insured; Form of Endorsement. All such Insurance Policies will be required to name INDUSTRY, and its respective directors, officers, employees, agents and representatives as additional insureds by way of an endorsement, such endorsement shall be a form of endorsement which is at least as broad as Additional Insured-Owners, Lessors, or Contractors Form B (CG20101185) as published by Insurance Services Office, Inc.

C. Cancellation Provisions and Other Matters. All of the Required Insurance shall provide (by way of endorsement or otherwise) that no cancellation, expiration, reduction or modification in such Required Insurance can occur or be implemented without first giving INDUSTRY at least thirty (30) days prior written notice of such cancellation, expiration, reduction or modification. INDUSTRY shall be liable for the payment of any premiums for the Required Insurance.

D. Primary Insurance Endorsement. All Required Insurance shall contain an endorsement providing that such insurance is primary and that any insurance maintained by INDUSTRY is noncontributory with the Required Insurance. All Required Insurance shall contain language to the effect that any loss shall be payable notwithstanding any act or negligence of INDUSTRY that might otherwise result in the forfeiture of the Required Insurance.

E. Waiver of Subrogation. All such Required Insurance shall also contain an endorsement providing for a waiver of subrogation against INDUSTRY and LA PUENTE.

F. Workers' Compensation. As required by the State of California, with statutory limits.

G. Commercial General Liability. Insurance Services Office Form Number CG 00 01, covering Commercial General Liability on an occurrence basis for bodily injury and property damage, including products-completed operations, personal injury and advertising injury, with limits no less than \$1,000,000.00 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this License Agreement or the general aggregate limit shall be twice the regular occurrence limit.

H. Automobile Liability. Insurance Services Office Form No. CA 0001, Code 1 (any auto), or if LA PUENTE does not own its automobiles, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000.00 per accident for bodily injury and property damage.

I. Certificates of Insurance. Prior to the commencement of the Events set forth in this License Agreement, LA PUENTE shall provide to INDUSTRY certificates of insurance evidencing the obtaining of the Required Insurance as provided in this Section.

5. COMPLIANCE WITH LAWS/PERMITS. LA PUENTE shall, in all activities undertaken pursuant to this License Agreement, comply and cause its contractors, agents and

employees to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees. Without limiting the generality of the foregoing, LA PUENTE, at its sole cost and expense, shall obtain any and all permits which may be required by any law, regulation or ordinance,

6. COST. LA PUENTE agrees to bear all cost associated with the Events and the terms of this License Agreement.

7. NO REAL PROPERTY INTEREST. It is expressly understood that this License Agreement does not in any way whatsoever grant or convey any permanent easement, lease, fee or other interest in the Property to LA PUENTE.

8. NOTICES. Any notices given or required to be given to INDUSTRY or LA PUENTE pursuant to any provisions of this License Agreement shall be given in writing and shall be personally delivered, transmitted electronically or sent by U.S. registered mail, with necessary postage prepaid, and shall be deemed to have been duly given when delivered by hand; the day after delivery by receipted overnight delivery; or the day after being mailed by certified mail or registered mail with return receipt requested to the following:

CITY OF INDUSTRY/SUCCESSOR AGENCY  
Attn: Paul Philips, City Manager/Executive Director  
15625 East Stafford Street #100  
City of Industry, CA 91744  
Phone: 626-333-2211

CITY OF LA PUENTE  
Attn: David Carmany, City Manager  
15900 E. Main St.  
La Puente, CA 91744  
Phone: 626-855-1500

CASSO & SPARKS, LLP  
Attn: James M. Casso, City Attorney  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746  
Phone: 626-269-2980

9. AGREEMENT. This License Agreement constitutes the entire agreement between the PARTIES with respect to the subject matter described herein. No modifications or alterations of the terms hereof shall be binding unless such modification or alternation is in writing and executed by both PARTIES. If any provision of this License Agreement is determined to be invalid, illegal or unenforceable, the remaining provisions of this License Agreement shall remain in full force. This License Agreement shall be governed by and in accordance with the law of the State of California. Any action to enforce or interpret its provisions must be brought in courts located in Los Angeles County, California.

10. WAIVER. The waiver by INDUSTRY or LA PUENTE of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this License Agreement shall be deemed to have been waived by INDUSTRY or LA PUENTE, unless in writing.

11. REMEDIES. Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by either of the PARTIES of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by either of the PARTIES of any or all of such other rights, powers or remedies.

12. ATTORNEYS' FEES. If any action at law or suit in equity is brought to enforce or interpret the provisions of this License Agreement, or arising out of or relating to the use of the Property by LA PUENTE under this LICENSE AGREEMENT, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

13. EXECUTION IN COUNTERPARTS. This License Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and all of such counterparts shall constitute one and the same License Agreement.

14. AUTHORITY. Each person executing this License Agreement hereby represents and warrants their authority to do so and that such authority has been duly and validly conferred.

IN WITNESS WHEREOF, the PARTIES hereto have executed this License Agreement as of the Effective Date.

CITY OF INDUSTRY

CITY OF LA PUENTE

By: \_\_\_\_\_  
Paul Philips, City Manager

By: \_\_\_\_\_  
David Carmany, City Manager

ATTEST:

ATTEST:

By: \_\_\_\_\_  
Cecelia Dunlap, Deputy City Clerk

By: \_\_\_\_\_  
Sheryl Garcia, Chief Deputy City Clerk

Approved as to form:

By: \_\_\_\_\_  
James M. Casso, City Attorney

Approved as to form:

By: \_\_\_\_\_  
James M. Casso, City Attorney

SUCCESSOR AGENCY TO THE  
INDUSTRY URBAN-DEVELOPMENT  
AGENCY

By: \_\_\_\_\_  
Paul Philips, Executive Director

ATTEST:

By: \_\_\_\_\_  
Diane Schlichting, Agency Secretary

Approved as to form:

By: \_\_\_\_\_  
James M. Casso, Agency Counsel

*CITY COUNCIL*

ITEM NO. 6.4



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

To: Honorable Mayor Radecki and Members of the City Council

From: Paul J. Philips, City Manager *Paul J. Philips*

Staff: Clement N. Calvillo, City Engineer, CNC Engineering *CNC*  
Joshua Nelson, Deputy City Engineer, CNC Engineering *JN*

Date: June 23, 2016

**SUBJECT: Consideration of a License Agreement with Downtown Apex Motors, LLC, for Access to Assessor's Parcel No. 8264-012-925 located at 17300 East Gale Avenue as a Temporary Overflow Parking Area for Vehicle Inventory (MP 02-28)**

---

Downtown Apex Motors, LLC contacted the City of Industry ("City") regarding the temporary use of the property located at 17300 East Gale Avenue as an overflow parking area for vehicle inventory. The License Agreement shall be for a term of one year, terminating on June 23, 2017 with a lease rate of \$100 per month payable to the City of Industry.

The lot is ideal for overflow vehicle parking due to the close proximity to the Fiat of Puente Hills car dealership currently in development across the street. The City may, by written notice, terminate the License Agreement at any time.

Exhibit

A: License Agreement with Downtown Apex Motors, LLC

---

PJP/CC/JN:kw

**EXHIBIT A**

**License Agreement with Downtown Apex Motors, LLC, dated June 23, 2016**

[Attached]

## LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**Agreement**”), dated June 23, 2016, (“**Effective Date**”) is entered into by and between the City of Industry, a public body, corporate and politic (“**Licensor/City**”), and Downtown Apex Motors, LLC a California limited liability company (“**Licensee**”) (Licensor and Licensees are individually referred to as “**Party**” and collectively referred to as the “**Parties**”).

### RECITALS

**WHEREAS**, the City is the owner of certain property located at the southeast corner of South Hatcher Avenue and 17300 East Gale Avenue, City of Industry, CA 91744 and Licensee desires to enter the portion of the property generally described as a lot, **Assessor’s Parcel No. 8264-012-925**, as set forth in Exhibit A, attached hereto and incorporated herein by reference (“**Premises**”).

**WHEREAS**, Licensee desires to utilize the Premises as an overflow parking area for its vehicle inventory, and to market vehicles to potential customers; and

**WHEREAS**, Licensee acknowledges that Licensee is entering onto the Premises at its sole risk and expense, and Licensor does not have any liability to Licensee under this Agreement.

**NOW, THEREFORE**, for valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

### TERMS

1. License to Enter the Premises. Licensor hereby grants to Licensee a non-exclusive license (the “**License**”) granting permission to enter upon the Premises and to use the Premises for as an overflow parking area for its vehicle inventory, and to market vehicles to potential customers (collectively, “**Permitted Use**”); provided, that Licensee’s use of the Premises shall not interfere with the operation of business activities, if any, then being conducted on the Premises. Prior to any initial entry pursuant to the License, Licensee shall, provide to Licensor proof of insurance as set forth in Section 6 of this Agreement. Licensee shall not permit any other party, except the duly-authorized representatives, agents, employees and contractors (collectively “**Representatives**”) of Licensee to enter or use the Premises during the term of this License, without Licensor’s prior written consent, and in all events the sole reason for entry and use of the Premises shall be for the Permitted Use.
2. Payment. Licensee shall pay to Licensor, and Licensor agrees to accept One Hundred Dollars (\$100.00) (“**License Payment**”) per month, for the use of the Premises. Payment shall be due in advance on the first day of each month during the term of the Agreement. For the month of June 2016, the rent shall be pro-rated, and the pro-rata License Payment shall be due upon execution of the Agreement by Licensee. Payment shall be made to Licensor at 15625 E. Stafford Street, #100, City of Industry, CA 91746.
3. Permitted Use. The Permitted Use is hereby defined to include overflow parking area for vehicle inventory, and the marketing of vehicles to potential customers. Said marketing shall only be conducted during regular business hours of Licensee. Further, Licensee shall ensure that upon close of business each day, all vehicles are locked and secured on the Premises, that all bollards are locked, and that there is sufficient lighting on the premises to deter theft, and other criminal activities. Prior to any initial entry on the Premises, Licensee shall provide a site plan to the Licensor, which shall detail the configuration of the vehicles on the Premises, and which shall provide sufficient ingress and egress for public safety vehicles.

Licensee shall obtain any and all approvals required by the Los Angeles County Fire Department prior to initial entry on the Premises. Licensee shall exercise due care in the performance of the Permitted Use and such use shall be exercised in a manner which complies with all applicable laws.

4. Disclaimer of Condition of Property. Licensor makes no warranty or representation of any kind concerning the Premises, or the fitness of the Premises for the Permitted Use.

5. Maintenance of Premises. Licensee shall be responsible for maintaining all landscaping and weed abatement on the Premises. Upon termination of the License, Licensee shall repair any damage done to the Premises by Licensee or its duly authorized Representatives, and shall restore the Premises to its condition as of the Effective Date of this Agreement.

6. Government Regulations and Other Obligations of Licensee. As a condition precedent to commencement of the Permitted Use, if required, Licensee shall obtain at its sole cost and expense all governmental permits and authorizations of whatever nature required, if any (“Permits”) by any and all governmental authorities having jurisdiction over the Premises for Licensee’s exercise of the Permitted Use. Licensor shall use commercially reasonable efforts to cooperate with Licensee and to support any and all applications or request for said Permits submitted by Licensee or on Licensee’s behalf. Licensee shall, in all activities undertaken pursuant to this Agreement, comply and cause its Representatives to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees. In the event that Licensee receives any complaint that could result in a claim being filed against Licensor, or in the event anyone is injured on the Premises, Licensee shall report this information to Licensor immediately.

7. Liens.

7.1 Licensee shall not cause or permit to be filed, recorded or enforced against the Premises, or any part thereof, any mechanics’, material men’s, contractors’ or subcontractors’ liens arising from the Permitted Use or any claim or action affecting the title to the Premises arising from the Permitted Use, and Licensee shall pay or cause to be paid, or otherwise removed or bonded over, the full amount of all such liens or claim within fifteen (15) days of receiving written notice thereof. In addition to and not in limitation of Licensor’s other rights and remedies under this Agreement or under law, should Licensee fail within fifteen (15) business days of a written notice from Licensor to pay and discharge or bond over any lien arising out of Licensee’s use of the Premises, then a material breach under this Agreement shall be deemed to have occurred which, at Licensor’s election, shall entitle Licensor to terminate this License effective upon notice by Licensor to Licensee so stating.

7.2 If Licensee desires to contest in good faith the validity of any lien or any claim or demand that could result in a lien against the Premises or any portion thereof for which Licensor could become liable if not successfully resolved, as a condition to such contest, Licensee shall notify Licensor of Licensee’s intent to contest the lien or claim and the grounds for such contest. Notwithstanding anything to the contrary set forth herein, Licensee shall pay and satisfy any adverse judgment that may be rendered thereon before the enforcement thereof against Licensor or the Premises.

8. Insurance.

Prior to entering the Premises and until the termination of this Agreement, Licensee shall maintain at its sole expense insurance limits as stipulated in this section.

(a) Minimum Scope and Limit of Insurance

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Licensee has no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(b) Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. Additional Insured Status

The Licensor and City Representatives, (as defined in Section 7, below) are to be additional insureds on the CGL policy with respect to liability arising out of Licensee's use of the Premises. General liability coverage can be provided in the form of an endorsement to the Licensee's insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

2. Primary Coverage

For any claims related to this Agreement, the Licensee's insurance coverage shall be primary insurance as respects the Licensor/City Representatives. Any insurance or self-insurance maintained by the Licensor/City Representatives, shall be excess of the Licensee's insurance and shall not contribute with it.

3. Contractors and Subcontractors

Licensee shall require and verify that all contractors and subcontractors maintain insurance meeting all the requirements stated herein, and Licensee shall ensure that Licensor/City Representatives are additional insureds on insurance required from contractors/subcontractors. For CGL coverage contractors and subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

4. Notice of Cancellation

Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the City.

5. Waiver of Subrogation

Licensee hereby grants to the City a waiver of any right to subrogation which any insurer of said Licensee may acquire against the City by virtue of the payment of any loss under such insurance. Licensee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation provided such

endorsement is available on commercially reasonable terms, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

**6. Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the Licensee to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

**7. Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

**8. Deductibles**

All such insurance shall have deductibility limits of not greater than \$50,000.00 unless otherwise approved by the City.

**9. Verification of Coverage**

Licensee shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language providing the insurance coverage required above. All certificates and endorsements are to be received and approved by the City before exercise of the Permitted use commences. However, failure to obtain the required documents prior to the exercise of the Permitted Use shall not waive the Licensee's obligation to provide them. The City reserves the right to require complete copies of all required insurance policies, including endorsements, required by these specifications, at any time.

**10. Occurrence Basis Coverage**

All policies shall be written on an occurrence basis unless otherwise approved by the City.

9. **Indemnification.** From and after the execution of this Agreement, Licensee hereby agrees to indemnify, defend, protect and hold harmless, with counsel of the Licensor's choosing, the City and any and all predecessors, successors, assigns, agents, officials, employees, members, independent contractors, affiliates, principals, officers, directors, attorneys, accountants, representatives, staff, and board members of the City collectively, the "City Representatives", and each of them, from and against all claims, including any claims from any third party beneficiary to this Agreement, causes of action, liabilities, losses, damages, injuries, expenses, charges, penalties, or costs, of whatsoever character, nature and kind, (including attorney's fees and costs incurred by the indemnified Party with respect to legal counsel of its choice), whether to property or to person(s), and whether by direct or derivative action, known or unknown, suspected or unsuspected, latent or patent, existing or contingent (collectively "Losses and Liabilities"), related directly or indirectly to, or arising out of or in any way connected with any of the activities of Licensee, its agents, employees, licensees, lessees, representatives, invitees, contractors, subcontractors or independent contractors on the Premises. Licensee's obligation to defend shall arise regardless of any claim or assertion that the City caused or contributed to the Losses and/or Liabilities.

10. **Term, Termination and Remedies.** The License shall commence as of June 23, 2016, and shall automatically terminate on **June 23, 2017**. Notwithstanding the foregoing, at any time, for any reason, the Licensor may, at its sole and absolute discretion, terminate this Agreement without cause. Licensee acknowledges that this License is solely a license, and that Licensee has no rights as an owner, purchaser or tenant by virtue thereof. Upon termination of the Agreement, Licensee shall promptly vacate the

Premises and comply with the provisions of Section 3 above. No termination or expiration of this License shall relieve Licensee of its obligations hereunder.

11. Inspection and Access to Premises. Licensor and any of its duly authorized representatives, employees, agents or independent contractors shall be entitled to enter the Premises, to inspect the premises, to inspect Licensee's use of the Premises, and for any other purpose, at any time.

12. Assignability. This License cannot be assigned by Licensee whether voluntarily or by operation of law, and Licensee shall not permit any use of the Premises, or any part thereof during the Term of this License in violation of the provisions of this License, except with the consent of Licensor (which shall not be unreasonably withheld, conditioned or delayed), and any attempt to do so shall be null and void.

13. Cost of Enforcement. In the event it is necessary for either Party to employ an attorney or other person or commence an action to enforce or interpret any of the provisions of this License or for Licensor to remove Licensee from the Premises, the non-prevailing party agrees to pay to the prevailing party, in addition to such other relief as may be awarded by the court, agency or other authority before which such suit or proceeding is commenced, all reasonable costs of enforcement in connection therewith including, but not limited to, reasonable attorneys' fees, expenses and costs of investigation.

14. Notices. All notices, consents, approvals, requests, demands and other communications provided for herein shall be in writing and shall be deemed to have been duly given upon the earlier of when personally delivered or served or twenty-four (24) hours after being deposited with FedEx or any other established overnight courier service to the intended party addressed as follows:

Licensor: Paul Philips  
City Manager  
15625 East Stafford Street, Suite 100  
City of Industry, CA 91744  
Tel: (626) 333-2211  
paul@cityofindustry.org

With a Copy to: James M. Casso, City Attorney  
Casso & Sparks, LLP  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746  
Tel (626) 512-5470  
jcasso@cassosparks.com

Licensee: Dennis Lin, President  
Downtown Apex Motors, LLC  
4245 Lankershim Boulevard  
North Hollywood, CA 91602  
Tel (818) 432-5800  
dlin@centurywestbmw.com

15. No Liability of Licensor. Licensee and Licensor acknowledge and agree that Licensee is entering into the Premises prior to the transfer of the Premises to Licensee and that Licensee does so at their sole

risk and expense. The provisions hereof shall inure to the benefit of Licensor's and Licensee's successors and assigns including any Mortgagee.

16. Miscellaneous. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof, and all prior and contemporaneous agreements, representations and understandings of the Parties hereto, oral or written, are hereby superseded and merged herein. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by the Parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver. The indemnifications under this Agreement, the obligations of Licensee hereunder to remove liens and Licensee's obligations hereunder with respect to vacating and repairing the Premises shall survive the expiration or termination of the License Term. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of California. Any action brought concerning this Agreement shall be brought in the appropriate court for the County of Los Angeles, California. Each Party hereby irrevocably consents to the jurisdiction of said court. Developer hereby expressly waives all provisions of law providing for a change of venue due to the fact that the Agency may be a party to such action, including, without limitation, the provisions of California Code of Civil Procedure Section 394. Licensee further waives and releases any right it may have to have any action concerning this Agreement transferred to Federal District Court due to any diversity of citizenship that may exist between Agency and Licensee. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions hereof. This Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Neither this instrument nor a short form memorandum or assignment hereof shall be filed or recorded in any public office without Licensor's or Licensee's prior written consent.

17. Authority. Each person executing this Agreement hereby represents and warrants (i) their authority to do so, and (ii) that such authority has been duly and validly conferred.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

"LICENSOR"

**CITY OF INDUSTRY**

By: \_\_\_\_\_  
Paul Philips, City Manager

ATTEST:

\_\_\_\_\_  
Cecelia Dunlap, Deputy City Clerk

APPROVED AS TO FORM:

James M. Casso, City Attorney

"LICENSEE"

DOWNTOWN APEX MOTORS, LLC

By:   
Dennis Lin, Manager



*CITY COUNCIL*

ITEM NO. 6.5



## MEMORANDUM

**To:** Honorable Mayor Radecki and Members of the City Council

**From:** Paul J. Philips, City Manager *Paul J. Philips*

**Staff:** Clement N. Calvillo, City Engineer, CNC Engineering *CNC*  
Joshua Nelson, Deputy City Engineer, CNC Engineering *JN*  
Upendra Joshi, Project Manager, CNC Engineering *UJ*

**Date:** June 23, 2016

**Subject:** **Consideration of Amendment No. 1 to the License Agreement between the City of Industry and Northrop Grumman Systems Corporation to Install and Maintain Water Lines and Extraction Wells within Certain Right-of-Ways within the City of Industry (MP 01-08 #2)**

On May 22, 2008, City Council approved a License Agreement between the City and Northrop Grumman Systems Corporation (formerly Northrop Grumman Space & Mission Systems Corporation) ("Northrop") to perform groundwater cleanup work as required by the Environmental Protection Agency ("EPA") in the Puente Valley Operable Unit ("PVOU") of the San Gabriel Valley Superfund Site located in Los Angeles County. Northrop already installed a pipeline system as part of the ground water cleanup. However, now there is an additional area within the City that Northrop was instructed by the EPA to cleanup ground water. Northrop is requesting an amendment to the existing License Agreement to include these additional pipelines and extraction wells to comply with EPA's request.

Staff recommends that the City Council approve Amendment No. 1 to the License Agreement so that the cleanup work can continue to be performed.

### Exhibits

- A. License Agreement with Northrup Grumman Systems Corporation dated May 22, 2008
- B. Amendment No. 1 License Agreement with Northrup Grumman Systems Corporation dated June 23, 2016

---

PJP/CC/JN:uj

**EXHIBIT A**

**License Agreement with Northrop Grumman Systems Corporation (formerly  
Northrop Grumman Space & Mission Systems Corporation)  
dated May 22, 2008**

[Attached]

## LICENSE AGREEMENT

### CITY OF INDUSTRY AND NORTHROP GRUMMAN SPACE & MISSION SYSTEMS CORP., ITS SUCCESSORS AND ASSIGNS, TO INSTALL AND MAINTAIN WATER LINES AND EXTRACTION WELLS WITHIN CERTAIN RIGHTS OF WAY WITHIN THE CITY OF INDUSTRY

**WHEREAS**, Northrop Grumman Space & Mission Systems Corp., an Ohio Corporation (hereinafter, "Licensee") is performing certain work in the Puente Valley Operable Unit of the San Gabriel Valley Superfund Site, Area 4, Los Angeles County, California (hereinafter "the Site") pursuant to Unilateral Administrative Order No. 2002-06 (hereinafter "the Order") issued by the United States Environmental Protection Agency (hereinafter, "EPA") and pursuant to supplemental requirements to Cleanup & Abatement Order 89-034 issued by the Los Angeles Regional Water Quality Control Board (hereinafter, "RWQCB"); and in order to perform said work, Licensee requires certain access and other rights in the City of Industry, California (hereinafter, "City"); and

**WHEREAS**, City desires to grant such access and other rights to facilitate and permit the performance of the work under the Order while protecting the interests of City and its rights of way.

**NOW, THEREFORE THE CITY AND LICENSEE HEREBY AGREE AS FOLLOWS:**

**SECTION 1:** The right and license is granted to Licensee and its successors, and assigns, including, specifically, (a) the United States, including EPA, (b) the Department of Toxic Substances Control (hereinafter DTSC) and the RWQCB, and (c) other persons performing response actions at the Site and other appropriate Licensees, as designated by EPA, who agree to be bound by the terms of this License Agreement to lay, construct or install from time to time and for thirty (30) years or such longer period as EPA may determine is necessary, to maintain, operate, repair, renew, change the size of, remove or abandon in place, ground water wells, pipes and pipelines (including all manholes, valves, service connections and other appurtenances necessary or convenient for the operation of said wells, treatment systems, pipes or pipelines), for the implementation of the Remedial Design and Remedial Action under the Order and/or under any Consent Decree that may replace or supersede the Order (hereinafter, "CD") in, under, along or across any and all highways, streets, rights of way or other property now or hereafter dedicated to public use within the boundaries of City, as depicted on Exhibits "A" and "B", which are attached hereto and made a part hereof by this reference. The rights and obligations of Licensee shall terminate upon issuance of a Certificate of Completion pursuant to the Order or CD. Such termination shall not affect

the rights and obligations of the other persons set forth in subsections (a) through (c) above.

**SECTION 2:** Licensee shall:

- (a) Comply, subject to 42 USC 9621(e) and 40 CFR 300.400(e)(1), with all requirements and provisions of the Industry Municipal Code. This Agreement is made subject to all such requirements and provisions.
- (b) Submit construction plans to City's City Engineer/Public Works Director with respect to the implementation of the Work, for review and approval and to determine compliance with design and construction standards, including, but not limited to, plan check and construction inspections.
- (c) Participate in the Underground Service Alert Program for the protection of the City's facilities.

**SECTION 3: LOCATION OF PIPELINES.** So far as is practicable, any pipelines and other appurtenances laid shall be located along the edge or shoulder of the streets or in the parking areas adjacent thereto so as not to unreasonably disturb the flow of traffic and where possible shall be laid in the unpaved portion of the streets described in this License.

If the pipelines and other appurtenances shall be laid across or along the paved portion of a street, the repair of the street, after the pipelines have been laid, shall, to the extent reasonably possible, be made by the Licensee within five (5) days of the completion of the laying of such pipeline, at the expense of the Licensee in accordance with the street excavation standards of the City.

**SECTION 4: CONSTRUCTION OF PIPELINES.**

- A. Terms of Construction. The pipelines and appurtenances laid, constructed or maintained under the provisions of this License shall be installed, maintained, and inspected by the Licensee in a satisfactory, safe, and workmanlike manner, of good material, and in conformity with all ordinances, rules, or regulations now or hereafter adopted or prescribed by the City Council, State, or Federal authorities.
- B. Restoration of Streets. The work of laying, constructing, maintaining, operating, renewing, repairing, changing and moving any of the pipeline system contemplated by this License and all other work in exercise of this License shall be conducted with the least reasonably possible hindrance or interference to the use of City roads by the public or by the City of Industry, and Licensee shall provide all necessary warning, safety and traffic control devices as are or may be

required by City, State or Federal regulations. All excavations shall be back filled and adequately compacted. The surface of City roads shall be placed-in as good and serviceable condition as existed at the beginning of this work and to the satisfaction of the City Engineer.

**SECTION 5: COMMENCEMENT OF CONSTRUCTION.** The Licensee shall not commence the construction of the pipelines or other appurtenances under the provision of this License or add to such existing system until it first shall have obtained approval from the City Engineer for a plan prepared by Licensee. The Licensee shall show the following facts: the length, approximate depth and proposed location of the pipeline proposed to be laid or constructed, the size and description of the pipe intended to be used, and such other facts as the City Engineer may require.

**SECTION 6: MAPS AND DATA TO BE FURNISHED.** Within ninety (90) days following the date in which Licensee completes the laying of any pipelines or the construction of any other appurtenances under this License, the Licensee shall file a map in such form as may be required by the City Engineer showing the accurate location and size of all its facilities then in place, and shall, upon installation of any additional facilities or upon removal, change or abandonment of all or any portion thereof, file a revised map or maps showing the location and size of all such additional and/or abandoned facilities as of that date. If cathodic protection is to be used for facilities installed or maintained pursuant to this License, a description of all the protective devices shall be furnished to the City Engineer which shall show the location and types of anodes, including a description of methods to be used as protection against corrosion and electrolytic leakage.

**SECTION 7: EMERGENCY PREPAREDNESS.**

- A. Equipment and Crews. At all times during the terms of this License commencing after start-up of the treatment system described in the Order or CD, the Licensee shall maintain on a twenty-four (24) hour-a-day basis, adequate emergency equipment and a properly trained emergency crew or representatives within a radius of twenty-five (25) miles from any facilities installed or maintained pursuant hereto for the purpose of shutting off the pressure and the flow of contents of such facilities in the event of an emergency.
  
- B. Plans. Not less than thirty (30) days prior to start-up of the treatment system described in the Order or CD, Licensee shall submit an emergency preparedness plan. Licensee shall obtain approval from the City Engineer of the plan, and periodically update it to the satisfaction of the City Engineer.

**SECTION 8: REPAIRS.** Licensee shall pay to City on demand the cost of all repairs to City property made necessary by any of the operations of Licensee under the License, provided however that Licensee may make repairs to streets, sidewalks, curbs and gutters itself at its own cost in accordance with City specifications, if the same can be done without undue inconvenience to the public use of the streets.

## SECTION 9: REARRANGEMENT OF FACILITIES.

### A. Expense of Licensee.

- If any of the Licensee's facilities, in the discretion of the City, shall endanger the public in the use of the public streets or interfere with or obstruct the use of any street by the public or for public purpose, the City shall have the right to require the Licensee, and the Licensee shall move, alter or relocate the same (hereinafter called "rearrangement") to avoid such danger interference or obstruction, in conformity with the written notice of the City Engineer, at the Licensee's sole expense. At the time of any request to Licensee of any such relocation or rearrangement, City shall provide written notice to the EPA of such request.
- Whenever, during the existence of this License, the City, its Redevelopment Agency, any water, electric, gas or other utility system now or hereafter owned or operated by the City, or any community facilities or assessment district, or similar agency established by the City, shall change the grade, width, alignment or location of any street, way, alley or place or improve any said street in any manner, including but not limited to the laying of any sewer, storm drain, conduits, gas, water or other pipes, pedestrian tunnels, subway, viaduct or other work of the City (the right to do all of which is specifically reserved to the City without any admission on its part that it would not otherwise have such rights), the Licensee shall, at its own cost and expense, do any and all things to effect such change in position, or location, in conformity with the written approval of the City Engineer, including without limitation the recognition of encroachment permits that may be held by other parties, and the removal or relocation of any facilities installed, if and when made necessary by the determination of the City Engineer.

### B. Expense of Others

- The City shall also have the right to require the Licensee to rearrange any part of the Licensee's facilities for the accommodation of any private person, firm, or corporation. When such rearrangement is done for the accommodation of any private person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party, in advance of such rearrangement, shall deposit with the Licensee funds in an amount as, in the reasonable discretion of the Licensee, shall be required to pay the costs of such rearrangement. At the time of any request to Licensee of any such relocation or rearrangement, City shall provide written notice to the EPA of such request.
- The rearrangement referred to in this subsection shall be accomplished in conformity with the written notice of the City Engineer.

### C. Rearrangement of the Facilities of Others. Nothing in this License contained shall be construed to require the City to move, alter or relocate any of its facilities

upon said streets, at its own expense, for the convenience, accommodation or necessity of any other public utility, person, firm or corporation now or hereafter owning a public utility system of any type or nature, to move, alter or relocated any part of its system upon said streets for the convenience, accommodation or necessity of the Licensee.

- D. Notice. The Licensee shall be given not less than thirty (30) days written notice of any rearrangement of facilities that the Licensee is required to make herein. Such notice shall specify in reasonable detail the work to be done by the Licensee and shall specify the time that such work is to be accomplished. In the event that the City shall change the provisions of any such notice given to the Licensee, the Licensee shall be given an additional period not less than thirty (30) days to accomplish such work.

**SECTION 10: REMOVAL OR ABANDONMENT OF FACILITIES.** At the time of expiration, revocation or termination of this License, or the permanent discontinuance of the use of its facilities, or any portion thereof, the Licensee shall, within thirty (30) days thereafter, make a written application to the City Engineer to either: (1) abandon all, or a portion, of such facilities in place, or (2) remove all, or a portion, of such facilities as the City Engineer, in his discretion, shall considered to be appropriate. Such application shall describe the facilities desired to be abandoned by reference to the map or maps required by this Agreement and shall also describe with reasonable accuracy the relative physical condition of such facilities. Thereupon, the City Engineer shall determine whether any abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safely effected and shall then notify the Licensee, according to such requirements as shall be specified in the City Engineer's order, and within ninety (90) days thereafter, to either:

- a) Remove all or a portion of such facilities, or
- b) Abandon in place all or a portion of such facilities.

If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such conditions, then the City Engineer may make additional appropriate orders, including, if he deems desirable, an order that the Licensee shall remove all such facilities in accordance with applicable requirements.

A request of the Licensee to abandon in place any facilities shall be deemed an offer of transfer of such facilities to the City and by resolution authorizing Licensee to abandon any facility in place, the City shall succeed to all right, title and interest of Licensee in said facilities.

**SECTION 11: COMPLETION OF WORK.** In the event that the Licensee fails to commence any work or act and diligently proceed therewith or to complete any such act or work required of the Licensee by the terms of this License within the time limits required hereby, the City may cause such act or work to be completed by the City or, at

the election of the City, by a private contractor. The Licensee agrees to pay the City, within ten (10) days after delivery of an itemized bill, the cost of performing such act or work plus an amount equal to ten percent (10%) thereof for overhead. If the Licensee is dissatisfied with any decision made by the City Engineer hereunder or the determination of the cost of any work performed by the City pursuant to this Agreement, it may petition the City Council to review the same within ten (10) days after such decision or determination. The decision of the City Council shall be final and conclusive.

**SECTION 12: RECOVERY OF COSTS OF REPAIRS AND UNPAID FEES.** If the Licensee has not paid the City for such fees and expenses incurred by or payable to the City as hereinabove set forth, the City may institute the following collection procedures:

- A. The City Engineer shall keep an itemized account of the expenses incurred by the City pursuant hereto, or the fees unpaid by the Licensee. Sixty (60) days after the presentation of the bill to the Licensee therefor, the City Engineer shall prepare and file with the City Clerk a report specifying the work done by the City, or the unpaid fees, the itemized and total cost of the work, a description of the work performed, and the name and address of the Licensee entitled to notice pursuant to this Section.
- B. Upon receipt of said report, the City Clerk shall present it to the City Council for consideration. The City Council shall fix a time, date and place for hearing said report, and any protest or objections thereto. The City Clerk shall cause notice of said hearing to be posted once in a newspaper of general circulation in the City, and served by certified mail, postage prepaid, addressed to the Licensee as set forth herein. Such notice shall be given at least ten (10) days prior to the date set for hearing and shall specify the day, hour, and place when the Council will hear and pass upon the City Engineer's report, together with any objections or protests which may be filed as hereinafter provided.
- C. The Licensee may file written protests or objections with the City Clerk at any time prior to the time set for the hearing on the report of the City Engineer. Any such protest or objection must contain a description of the work or unpaid fee in which the Licensee is interested and the grounds of such protest or objection and the date it was received-by him. He shall present such protest or objection to the City Council at the time set for the hearing, and no other protest or objection shall be considered.
- D. Upon the day and hour fixed for the hearing, the City Council shall hear and pass upon the report of the City Engineer together with any such objections or protests. The Council may make such revision, correction or modification in the report or charge as it may deem just; and when the Council is satisfied with the correctness of the charge, the report as submitted, or as revised, corrected or modified, together with the charge, shall be confirmed or rejected. The decision of the City Council on the report and the charge, and on all protests or objections, shall be final and conclusive.

- E. The City Council may thereupon order that such charge shall be made a personal obligation of the Licensee or assess such charge against the property of the Licensee.
- If the City Council orders that the charge shall be personal obligation of the Licensee, it shall direct the City Attorney to collect the same on behalf of the City by use of all appropriate legal remedies.
  - If the City Council orders that the charge shall be assessed against the property of the Licensee, it shall confirm the assessment, cause the same to be recorded on the assessment roll, and thereafter, said assessment shall constitute a special assessment against and a lien upon any property held in the State of California by the Licensee.
- F. The validity of any assessment made under the provisions of this License shall not be contested in any action or proceeding unless the same is commenced within sixty (60) days after the assessment is placed upon the assessment roll as provided herein. Any appeal from a final judgment in such action or proceeding must be perfected within sixty (60) days after the entry of such judgment.
- G. The City Council in its discretion, may determine that assessments in amounts of \$500.00 or more shall be payable in not more than five (5) equal annual installments. The Council's determination to allow payment of such assessments in installments, the number of installments, whether they shall bear interest, and the rate thereof shall be adopted by a resolution prior to the confirmation of the assessment.
- H. Immediately upon its being placed on the assessment roll, the assessment shall be deemed to be complete, the several amounts assessed shall be payable, and the assessments shall be liens against the property of the Licensee in the State of California. The lien shall be subordinate to all existing special assessment liens previously imposed upon the same property, and shall be paramount to all other liens except for state, City and municipal taxes with which it shall be upon a parity. The lien shall continue until the assessment and all interest due and payable thereon are paid.
- All such assessments remaining unpaid after thirty (30) days from the date of recording on the assessment roll shall become delinquent and shall bear interest at the then current levied amount in judicial judgments from and after said date.
- I. After confirmation of the report, certified copies of the assessment shall be filed with the City Auditor. The descriptions of the parcels reported shall be those used for the same parcels on the City Assessor's map books for the current year.

- J. The amount of the assessment shall be collected at the same time and in the same manner as ordinary municipal taxes are collected; and shall be subject to the same penalties and procedure and sale in case of delinquency as provided for ordinary municipal taxes. All laws applicable to the levy, collection and enforcement of municipal taxes shall be applicable to such assessment.
- K. If the City Council has determined that the assessment shall be paid in installments, each installment and any interest thereon shall be collected in the same manner as ordinary municipal taxes in successive years. If any installment is delinquent, the amount thereof is subject to the same penalties and procedure for sale as provided for ordinary municipal taxes.
- L. All money recovered by payment of the charge or assessment or from the sale of the property at foreclosure sale shall be paid to the City Treasurer.

**SECTION 13: PERFORMANCE BOND.** Licensee shall, within thirty (30) days of the Effective Date of this License, file with the City Clerk, maintain in full force and effect, a bond in favor of the City in the sum of Fifty Thousand Dollars (\$50,000.00), conditioned that Licensee shall well and truly observe, fulfill, and perform each and every term and condition of this License, and in case of a breach of condition of said License, at the discretion of the City Council, the whole amount of the penal sum therein shall be available to the City in addition to any damages recoverable by the City.

Whenever the bond is used for any breach of a term or condition of this License, the Licensee must maintain the full amount of the bond; and if the Licensee fails to do so within the time set by the City Council, the Council may, by resolution, declare said License automatically forfeited.

Nothing herein shall insulate Licensee from liability in excess of the amount of said bond or shall be construed as a waiver by the City of any remedy at law against the Licensee for any breach of the terms and conditions of this License, or for any damage, loss or injuries suffered by the City in case of any damage, loss or injury suffered by any person, firm, or corporation by reason of any work done or any activity conducted by the Licensee in the exercise of this License.

**SECTION 14: INSURANCE.** Within thirty (30) days of the Effective Date of this License, Licensee shall furnish proof that the Licensee is insured under a broad form policy of liability insurance issued by a company authorized to do business in California. Such proof may be by one or more certificates of insurance evidencing compliance with the provisions of this License. The City shall approve the form and provisions of the insurance. The insurance policy shall include, but not be limited to, coverage for premises operations, explosion and collapse hazard, underground hazards, contractual insurance, natural disasters, broad form property damage, independent contractors and personal injury, and automobile liability. The insurance shall be maintained in an amount not less than \$5,000,000.00 throughout the term of the License.

The City and its officers, agents and employees shall be named as additional insureds on said policy at no cost to the City. Licensee shall also provide workers' compensation

coverage consistent with California statutory requirements. The City shall receive thirty (30) days advance written notice of any proposed reduction in coverage of the insurance policies on which it is carried as a named insured, as well as on coverage required to be maintained by this section. Such advance notice shall also be required as to any proposed or actual cancellation of any such policies of insurance. Insurance endorsements of such coverage shall be filed with the City.

**SECTION 15: ASSIGNMENT.**

- A. Licensee shall not transfer, sell, hypothecate, sublet or assign the License, nor shall any of the rights or privileges therein be hypothecated, leased, assigned, sold or transferred, either in whole or in part, nor shall title thereto, either legal or equitable, or any right, interest or property therein, pass to or vest in any person, except the Licensee, either by act of the Licensee or by operation of law, without the prior consent of the City. The aforesaid provisions of this section shall not prohibit the Licensee from any assignment to any subsidiary or any other entity to fulfill the obligations of Licensee under the terms of the Order or CD.
- B. Any sale, lease, assignment or transfer of this License or the rights or privileges granted hereby, or any of them without the prior written consent of the City Council first having been obtained, whether by operation of law or otherwise, shall be null and void.
- C. The City shall not unreasonably withhold its consent to a License transfer. For the purpose of determining whether it shall consent to such transfer, City may inquire into the qualifications of the prospective transferee or controlling party, and Licensee shall assist City in any such inquiry. In seeking City's consent to any change of ownership or control, Licensee shall have the responsibility of ensuring that transferee completes an application in form and substance reasonably satisfactory to City. An application shall be submitted to City not less than ninety (90) days prior to the date of transfer. The Licensee shall be required to establish that it is in material compliance with its License. The transferee shall be required to establish that it possesses the qualifications and financial and technical capability to operate and maintain the pipeline and comply with all License requirements for the remainder of the term of the License. If the City finds that the legal, financial, character, technical and other public interest qualities of the applicant are satisfactory, and that the proposed transferee has the capability to operate and maintain the system and comply with all License requirements for the then remaining term thereof, the City shall consent to the transfer and assignment of the rights and obligations of such License. The City may condition the transfer to insure the transferee is in material compliance, and remains in material compliance with the License.
- D. Sixty (60) days advance written notification to the City is required for any change in control of Licensee.
- E. Notwithstanding the above, Licensee shall be entitled to pledge, encumber, or grant any security interest in the License, provided that Licensee shall first notify

and obtain City consent in writing of such proposed transaction. City shall consent to such transaction, subject, however, to the following conditions:

- Any consent so granted shall not be deemed a consent to such pledgee, encumbrancer, or secured-party exercising any rights or prerogatives of Licensee under the License, nor to its exercise of any rights or prerogatives of a holder of an ownership interest in License.
- Any consent so granted shall not be deemed a consent to any subsequent transfer or assignment as referred to in this Section. Any such subsequent transfer or assignment shall be deemed an assignment of this License within the meaning of this Section, and shall be subject to the provisions of this Section.
- The pledgee, encumbrancer, or secured party shall have executed and delivered to City an instrument in writing agreeing to be bound by the provisions of the License.

**SECTION 16: WAIVER OF BREACH.** No waiver of the breach of any of the covenants, agreements, restrictions, or conditions of this, License by the City shall be construed to be a waiver of any such succeeding breach of the same or other covenants, agreements, restrictions or conditions of this License. No delay or omission of the City in exercising the right, power or remedy herein provided in the event of default shall be construed as a waiver thereof, or acquiescence therein, nor shall the acceptance of any payments made in a manner or at a time other than is herein provided be construed as a waiver of or variation in any of the terms of this License.

**SECTION 17: DEFAULT**

- A. Default. In any event that the Licensee shall default in the performance of any of the terms, covenants and conditions herein, the City Manager may give written notice to the Licensee of such default. In the event that the Licensee does not commence the work necessary to cure such default within five (5) days after such notice is sent or prosecute such work diligently to completion, the City Council may, subject to EPA approval, declare this License forfeited by giving written notice thereof to the Licensee, whereupon this License shall be void and the rights of the Licensee hereunder shall terminate and the Licensee shall execute an instrument of surrender and deliver the same to the City.

If the City Council declares this License forfeited, it may, subject to EPA approval, thereupon and thereafter exclude the Licensee from further occupancy or use of all City roads authorized under this License. A forfeiture of said License shall not of itself operate to release the bond filed for said License. Upon declaring a License forfeited, the City Council may elect to take and accept the bond as liquidated damages therefore and pursue any other legal remedy for any damage, loss or injury suffered by the City as a result of such breach. After forfeiture, the bond shall remain in full force and effect for a period of one (1) year unless exonerated by the City Council. No bond shall be exonerated unless a

release is obtained from the City Engineer of the City of Industry and is filed with the Clerk of the City of Industry. The release shall state whether all excavations have been back filled, all obstructions removed, and whether the substratum or surface of City roads occupied or used have been placed in good and serviceable condition. Release shall not constitute a waiver of any right or remedy which the City of Industry may have against the Licensee or any person, firm or corporation for any damage, loss or injury suffered by the City as a result of any work or activity performed by the Licensee in the exercise of this License.

- B. Cumulative Remedies. No provision herein made for the purpose of securing the enforcement of the terms and conditions of this License shall be deemed an exclusive remedy or to afford the exclusive procedure, for the enforcement of said terms and conditions, but the remedy and procedure herein provided, in addition to those provided by law, shall be deemed to be cumulative.

**SECTION 18: SCOPE OF RESERVATION.** Nothing herein contained shall ever be construed so as to exempt the Licensee from compliance with all ordinances of the City now in effect or which may be hereafter adopted which are not inconsistent with the terms of this License. The enumeration herein of specific rights reserved shall not be construed as exclusive, or as limiting the general reservation herein made or as limiting such rights as the City may now or hereafter have in law.

**SECTION 19: SUCCESSORS.** The terms herein shall inure to the benefit of and shall bind, as the case may be, the successors and assigns of the parties hereto.

**SECTION 20: INTERPRETATION.** Nothing shall pass by the License granted hereby to Licensee unless it be granted in plain and unambiguous terms. Each of said conditions is a material and essential condition to the granting of the License.

**SECTION 21: FORCE MAJEURE.** The time within which Licensee is obligated hereunder to construct, erect, maintain, operate, repair, renew, change the size of and remove pipelines or other improvements shall be extended for a period of time equal in duration to, and performance in the meantime shall be excused on account of and for and during the period of any delay caused by strikes, threats of strikes, lockouts, war, threats of war, insurrection, invasion, acts of God, calamities, violent action of the elements, fire, impossibility of obtaining materials, or other things beyond the reasonable control of Licensee.

**SECTION 22: ATTORNEYS' FEES.** In the event the City brings legal action against Licensee or Licensee's bonding companies or insurance carriers to compel performance of or to recover for breach of any covenant, agreement or condition contained in this License, or for damages, Licensee shall and will pay to the City, if the City is the prevailing party, in addition to any other relief obtained by the City, such reasonable attorneys' fees as are fixed by the judge of the court in which such action is brought.

**SECTION 23: INDEMNITY AND RELEASE.** Licensee agrees to release, indemnify, defend and hold harmless the City and their elected and appointed officials, agents and

employees (collectively, "Indemnified Parties" or singularly, "Indemnified Party") from and against all claims, damages (including, without limitation, special, punitive and consequential damages), injuries, costs, response costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal and administrative proceedings, fines, charges, penalties and expenses (including without limitation attorney, engineer, consultant and expert witness fees and costs incurred in defending against any of the foregoing or in enforcing this Indemnity and Release, and including any fines or damages resulting to the Indemnified Parties due to the violation of any permit or governmental approval), and including environmental or related claims pursuant to 42 U.S.C. Section 9607(e), Section 107(e) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or under the California Hazardous Substances Account Act, of any kind whatsoever paid, incurred or suffered by any Indemnified Party as a result of any personal injury or property damage caused by the negligence of Licensee or its contractors in the performance of the Work. Notwithstanding any other term, provision, promise, or language to the contrary, this Indemnity and Release does not itself create any new liability or responsibility for any party arising from existing environmental contamination, or contamination not caused by the Work. The express indemnification provided for in this section is not a waiver of, and shall not in any way preclude, limit or otherwise affect, any claim for equitable indemnification of any party. All such equitable indemnification claims are expressly reserved. Licensee's contractor shall maintain liability insurance as required by the Order or CD and will notify the City immediately in writing, via facsimile, e-mail or hand-delivery upon receipt of notification from its insurance company, if, for any reason, its liability insurance or any portion thereof, is cancelled. Without limiting the foregoing, Licensee shall be completely and solely responsible, at Licensee's sole cost and expense, for responding to and complying with any and all notices and/or citations from any governmental entities arising out of the Work. Licensee shall provide the City with copies of all such notices and of any and all communications and/or correspondence with any third parties relating to such notices.

**SECTION 24:** Any notices to be given under this License shall be sent in a sealed envelope with postage prepaid via United State certified or registered mail. Notices to City shall be sent to: City of Industry, 15651 East Stafford Street, City of Industry, California, 91744; Attention City Engineer; with a copy to Dana Barton, EPA Project Manager, USEPA, 75 Hawthorne Street, San Francisco, California 94105. Notices to Licensee shall be sent to Joseph P. Kwan, Northrop Grumman Corporation, 1840 Century Park East, 128/CC, Los Angeles, CA 90067-2199, with a copy to Elizabeth C. Brown, Northrop Grumman Corporation, 1840 Century Park East, M/S 90/110/CC, Los Angeles, CA 90067-2199.

**SECTION 25:** This Agreement shall be deemed to be effective as of the date it is executed on behalf of the City.

LICENSEE:  
NORTHROP GRUMMAN SPACE & MISSION SYSTEMS CORP.

By 

Name Joseph P. Kwan

Corporate Director

Title Environmental Remediation

CITY:  
CITY OF INDUSTRY



David Perez, Mayor

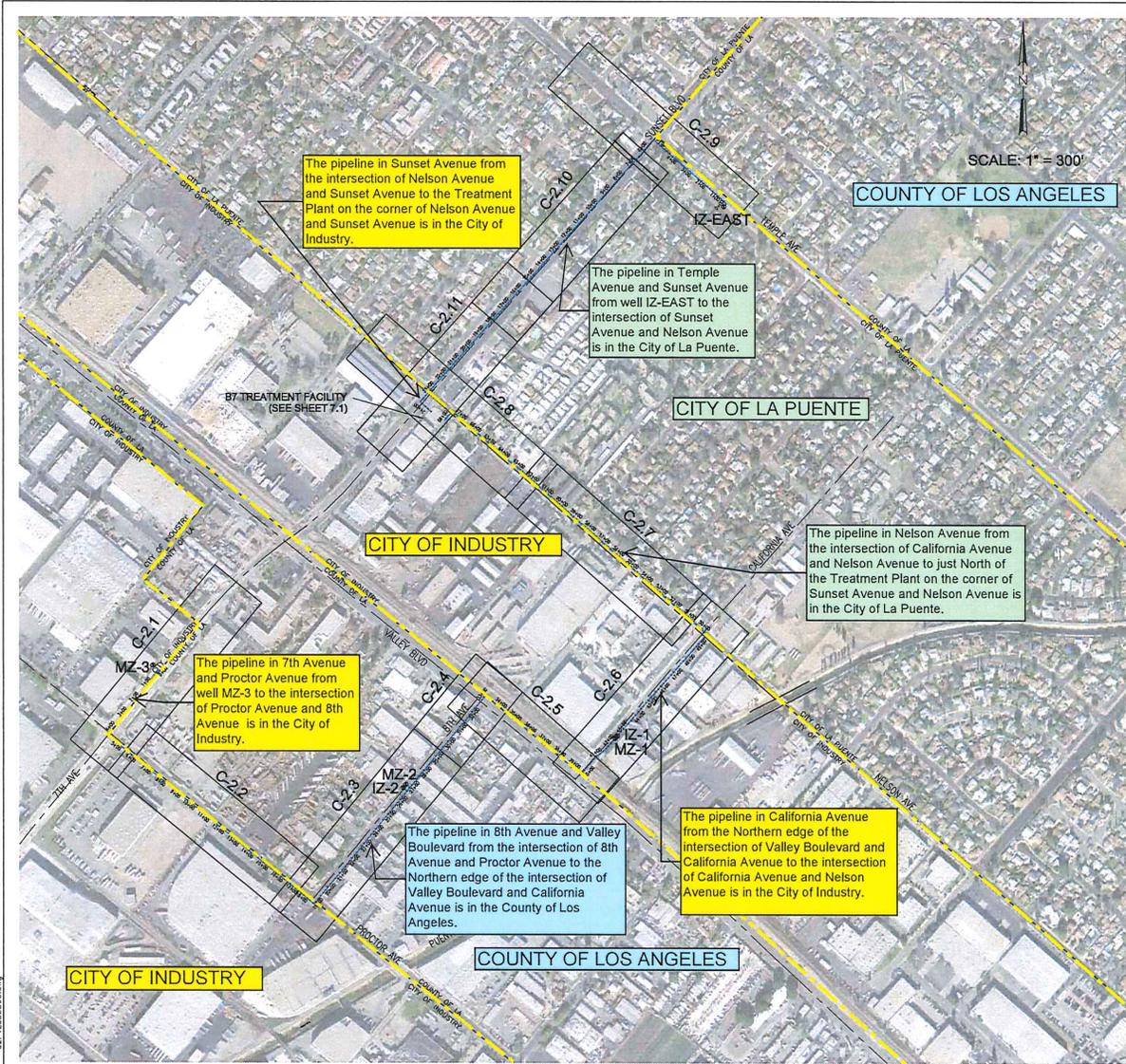
May 22, 2008

ATTEST:



Jodi L. Scrivens, City Clerk

May 22, 2008



The pipeline in Sunset Avenue from the intersection of Nelson Avenue and Sunset Avenue to the Treatment Plant on the corner of Nelson Avenue and Sunset Avenue is in the City of Industry.

The pipeline in Temple Avenue and Sunset Avenue from well IZ-EAST to the intersection of Sunset Avenue and Nelson Avenue is in the City of La Puente.

The pipeline in Nelson Avenue from the intersection of California Avenue and Nelson Avenue to just North of the Treatment Plant on the corner of Sunset Avenue and Nelson Avenue is in the City of La Puente.

The pipeline in 7th Avenue and Proctor Avenue from well MZ-3 to the intersection of Proctor Avenue and 8th Avenue is in the City of Industry.

The pipeline in 8th Avenue and Valley Boulevard from the intersection of 8th Avenue and Proctor Avenue to the Northern edge of the intersection of Valley Boulevard and California Avenue is in the County of Los Angeles.

The pipeline in California Avenue from the Northern edge of the intersection of Valley Boulevard and California Avenue to the intersection of California Avenue and Nelson Avenue is in the City of Industry.

SCALE: 1" = 300'

COUNTY OF LOS ANGELES

CITY OF LA PUENTE

CITY OF INDUSTRY

CITY OF INDUSTRY

COUNTY OF LOS ANGELES

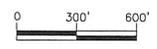
Pipeline Plan and Profile Utility Maps

Agency	Map No.	Utility	Date
<b>C-2.1 - 7th Avenue</b>			
LA County Sanitary Sewer	CI, 2403, Pg 2	8" SS east side of 7th Ave.	May-67
City of Industry Sanitary Sewer	I.P.C.112, Pg 2	8" SS west side of 7th Ave.	3-9-69
LA County Flood Control District	364-1114-05-3, Sht. 3 of 14	102"/ODP 50" south of CL of 7th Ave.	Oct-67
San Gabriel Valley Water Company	JN 7539L, Sht. 2 of 2	12" waterline west side of 7th Ave.	Mar-07
<b>C-2.2 - Proctor Avenue</b>			
County Sanitation District of LA	JO-p-271, Sht. 9 of 16	84" SS center of Proctor Ave.	Mar-92
County Sanitation District of LA	JO-p-273, Sht. 2 of 21	84" SS center of Proctor Ave.	5-9-92
County Sanitation District of LA	JO-p-273, Sht. 3 of 21	84" SS center of Proctor Ave.	5-9-92
County Sanitation District of LA	15-p-11, Sht. 4 of 6	18" SS north of CL of Proctor Ave.	5-9-48
<b>C-2.3 and C-2.4 - 8th Avenue</b>			
LA County Sanitary Sewer	CI, 2172, Pgs. 2 to 6	8" SS east side of 8th Ave.	May-61
<b>C-2.5 - Valley Boulevard</b>			
County Sanitation District of LA	JO-p-42, Sht. 3 of 7	45" SS north of railroad tracks	Nov-53
<b>C-2.6 - California Avenue</b>			
County Sanitation District of LA	15-p-56, Sht. 2 of 9	18" SS east side of California Ave.	Jul-84
County Sanitation District of LA	P.C. 2908, Pg. 2	15" SS west side of California Ave.	--
Suburban Water Systems	WD 73-3563, Sht. 1 of 2	12" waterline east side of California Ave.	Nov-73
Suburban Water Systems	No. 1414-cj-0-51	8" waterline west side of California Ave.	Dec-56
<b>C-2.7 and C-2.8 - Nelson Avenue</b>			
County Sanitation District of LA	P.C. 3299, Pg. 2	8" SS south of CL of Nelson Ave.	--
Suburban Water Systems	WD 73-3563, Sht. 2 of 2	16" waterline south side of Nelson Ave.	Jul-73
San Gabriel Valley Water Company	JN 7616L, Sht. 9 of 14	25" waterline north side of Nelson Ave.	Oct-07
<b>C-2.9 Temple Avenue</b>			
County Sanitation District of LA	P.C. 3553, Pg. 2	8" SS north side of Temple Ave.	--
LA County Flood Control District	364-1114-05-6, Sht. 6 of 14	36" SD north of CL of Temple Ave.	Oct-67
<b>C-2.10 - Sunset Avenue</b>			
LA County Flood Control District	364-1114-05-6, Sht. 6 of 14	90" and 96" SD east side of Sunset Ave.	Oct-67
LA County Flood Control District	364-1114-05-5, Sht. 5 of 14	90" and 96" SD east side of Sunset Ave.	Oct-67
County Sanitation District of LA	P.C. 3020, Pg. 3	12" SS west of CL of Sunset Ave.	--
San Gabriel Valley Water Company	JN 7616L, Sht. 8 of 14	25" waterline north side of Nelson Ave.	Oct-07
<b>C-2.11 - Sunset Avenue</b>			
LA County Flood Control District	364-1114-05-5, Sht. 5 of 14	90" and 96" SD east side of Sunset Ave.	Oct-67
County Sanitation District of LA	P.C. 3020, Pg. 3	15" SS west of CL of Sunset Ave.	--
San Gabriel Valley Water Company	JN 7616L, Sht. 9 of 14	25" waterline north side of Nelson Ave.	Oct-07

LIST OF AGENCIES WITH UTILITIES IN WORK AREA

Agency	Contact	Telephone
CNC Engineering - City of Industry	Art Burgner	626-333-0336
LA County Public Works - Road Department	Paul Wolford	626-458-1700
City of West Covina	Sam Gutierrez	626-814-8425
Level 3 Communications	Aura Bulunan	720-888-6482
MCI	Dean Boyers	972-729-6322
Southern California Edison - Central Transmission	Wallace Zimmerman	714-973-5409
Southern California Gas - Industry	Mark White	818-701-3448
San Gabriel Valley Water Company	Luis Montenegro	626-448-6183
Suburban Water Systems - San Jose Hills	Brian Norden	626-543-2545
UTI for Edison Distribution	Edison Operator	626-302-1212
UTI for Verizon - Irwindale	Nancy Lasalle	626-813-4503
Witel Communications	Tara Glasco	918-547-2976

Preliminary  
Not for Construction



NO.	DATE	BY	CHK	REV	DATE	DESCRIPTION OF REVISION
1	12/14/07	MJF	MN	JPC		90% Design
2	5/7/07	MJF	MPP	JPC		City of Industry Review
3	5/3/07	MJF	MPP	JPC		SWS Review
4	5/3/07	MJF	MPP	JPC		LA County Review
5	2/15/07	MJF	MPP	JPC		DHS Comments
6	1/19/07	MJF	MPP	JPC		ACE Construction
7		BY	CHK	REV	DATE	DESCRIPTION OF REVISION



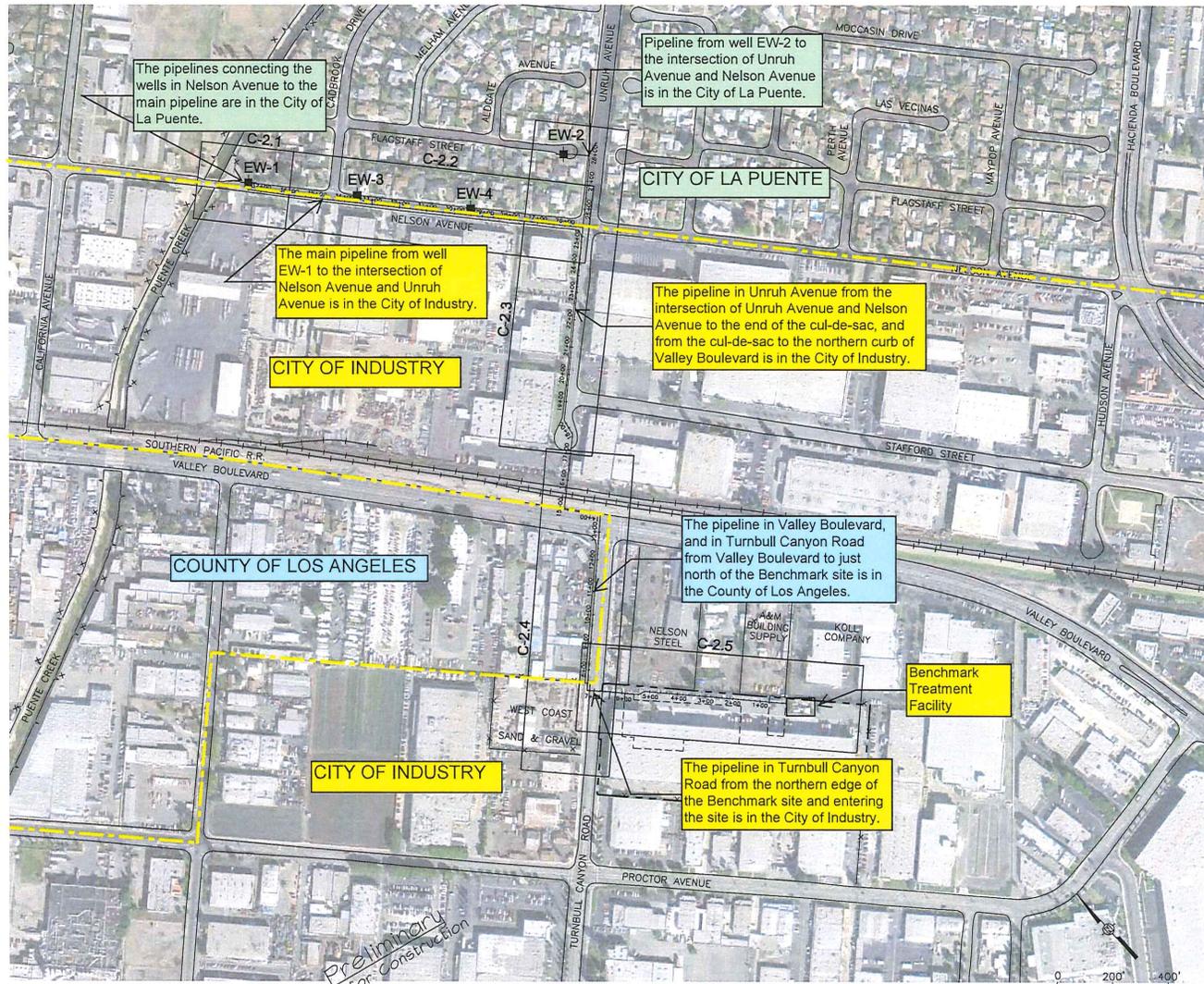
DESIGNED	MN	PROJECT	REVISION
DRAWN	MJF	NORTHROP GRUMMAN	PUENTE VALLEY, CALIFORNIA
CHECKED	JPC	EXHIBIT A PUENTE VALLEY IZ REMEDY	
REVIEWED	JPC		
SCALE	AS SHOWN	PROJECT 02PV	
DATE	11/17/06	DRAWING C-1.1	

NOTE: IF THIS SCALE BAR IS NOT 1 INCH LONG, THIS DRAWING IS NOT TO SCALE.

DWG FILE: 02PVE33200C.DWG

1/26/2008 2:03PM

02PVE33200C.dwg



The pipelines connecting the wells in Nelson Avenue to the main pipeline are in the City of La Puente.

Pipeline from well EW-2 to the intersection of Unruh Avenue and Nelson Avenue is in the City of La Puente.

The main pipeline from well EW-1 to the intersection of Nelson Avenue and Unruh Avenue is in the City of Industry.

The pipeline in Unruh Avenue from the intersection of Unruh Avenue and Nelson Avenue to the end of the cul-de-sac, and from the cul-de-sac to the northern curb of Valley Boulevard is in the City of Industry.

The pipeline in Valley Boulevard, and in Turnbull Canyon Road from Valley Boulevard to just north of the Benchmark site is in the County of Los Angeles.

The pipeline in Turnbull Canyon Road from the northern edge of the Benchmark site and entering the site is in the City of Industry.

**General Notes**

- The contractor is responsible for all project safety including, but not limited to, trench excavation and shoring, traffic control, and security.
- The contractor shall preserve all existing federal, state, county, town, and private land monuments encountered unless otherwise noted on the drawings.
- Appropriate traffic control shall be provided by the contractor at all times in accordance with the Norwalk Area Traffic Control Handbook (MATCH) manual and current supplements.
- The location of all utilities shall be verified by the contractor prior to construction activities. For utilities locations call Underground Service Alert at 800/227-2600.
- The contractor shall be responsible for contacting impacted utility owners to determine the location of all utilities and other infrastructure within the areas of proposed improvements and construction operations.
- The contractor shall be responsible for coordinating its work with the appropriate utility company as required.
- The contractor shall protect and/or restore all surface and subsurface utilities, roadways, vegetation, private property, and other facilities encountered during construction whether or not shown on the drawings.
- The contractor shall limit its activity to the property limits and easement areas and shall restore all damaged areas in accordance with the drawings and specifications. All excess material and spoil shall be disposed of by the contractor at an off site location at no additional expense and in accordance with all local, state, and federal laws, ordinances, and requirements.
- The contractor shall not disturb any property outside the construction limits shown on the drawings.
- The contractor and subcontractors shall verify all dimensions and conditions shown on these drawings (see drawing list). The scale shown on the drawing, if provided, is for guidance only.
- No changes are to be made on these plans without the knowledge and consent of the Engineer whose signature appears on the title block.
- Conventional industry standard details shall apply where no special detail is shown. Such details shall be approved by the Engineer.
- The location of connections to buried lines shall be determined by contractor. The locations shown are for reference only.
- Utility interruptions: The contractor shall immediately repair at its cost all utility services interrupted by the work. These repairs shall include, but not be limited to, gas, water, sewage, and power service interruptions.
- The contractor shall coordinate all work and materials provided by others.
- The contractor shall provide for surveying the system location including the layout and control points for new trenches, structures, and facilities.
- The contractor shall provide for fire protection (including fire extinguishers) during the onsite work in accordance with the uniform fire code (UFC).
- All work shall be performed in accordance with the health and safety procedures described in the project specifications.

Symbol Legend	
	Meter
	Sewer Manhole
	Power Pole
	Firehydrant
	Water Valve
	Gas Valve
	Sign
	Drainage Manhole
	Street Light
	Manhole Telephone
	Pull Box
	Manhole Electrical
	Tree
	Guard Post
	Pine Tree
	Firewater Connection
	Pull Box Irrigated Valve
	Railroad Tracks
	Chainlink Fence

**Legend:**

- Indicates Approximate Location of Former Site Buildings
- - - Indicates Benchmark Technology Site Boundary
- EW-1 Extraction Well
- VBO Valve Box
- E Electrical
- SD Storm Drain
- ABDN Abandoned
- HV High Voltage
- OH Overhead
- UG Underground
- FO Fiber Optic
- G Natural Gas
- W Water

9/22/2007 2:42PM  
 02BME30400.dwg  
 NOTE: IF THIS SCALE BAR IS NOT 1 INCH LONG, THIS DRAWING IS NOT TO SCALE.  
 CAD FILE: 02BME30400.DWG

NO.	DATE	BY	CHK	REV	DESCRIPTION OF REVISION



**ORION**  
 Orion Environmental Inc.  
 3450 E. Spring St., Suite 212  
 Long Beach, California 90806  
 (562) 988-2755

DESIGNED	MIN
DRAWN	MT
CHECKED	MPP
REVIEWED	JPC
SCALE	AS SHOWN
DATE	2/19/07

NORTHROP GRUMMAN FORMER BENCHMARK TECHNOLOGY FACILITY  
**EXHIBIT B**  
**BENCHMARK OFFSITE REMEDY**

REVISION	
PROJECT	02BMRK
DRAWING	C-1.1

**EXHIBIT B**

**Amendment No. 1 License Agreement with Northrop Grumman Systems (formerly  
Northrop Grumman Space & Mission Systems Corporation) Corporation dated  
June 23, 2016**

[Attached]

**AMENDMENT NO. 1 TO LICENSE AGREEMENT  
BETWEEN THE CITY OF INDUSTRY AND NORTHROP GRUMMAN SYSTEMS  
CORPORATION, TO INSTALL AND MAINTAIN WATER LINES AND EXTRACTION  
WELLS WITHIN CERTAIN RIGHTS OF WAY WITHIN THE CITY OF INDUSTRY**

This Amendment No. 1 to the License Agreement (“Agreement”), is made and entered into this 23<sup>rd</sup> day of June, 2016 (“Effective Date”), by and between the City of Industry, a California municipal corporation (“City”) and Northrop Grumman Systems Corporation (“Licensee”). The City and Licensee are hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, on or about May 22, 2008, the Agreement was entered into and executed between the City and Licensee to allow Licensee to perform certain remedial work related to the Puente Valley Operable Unit of the San Gabriel Valley Superfund Site, Area 4, Los Angeles County; and

**WHEREAS**, given the need to change the location of the pipeline, to comply with best practices, and for administrative purposes, it is necessary to amend Sections 1, 14 and 24 of the Agreement; and

**WHEREAS**, for the reasons set forth herein, the City and Consultant desire to enter into this Amendment No. 1, as set forth below.

**AMENDMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided:

Commencing as of the Effective Date, Northrop Grumman Space & Mission Systems Corp. is no longer a party to this Agreement. All obligations and rights under the Agreement which previously designated Northrop Grumman Space & Mission Systems Corp. as the responsible party, shall be assigned to Northrop Grumman Systems Corporation.

**Section 1:** In addition to the grant of license for the locations set forth in Exhibits A and B, the City shall grant the license for the locations set forth in Figures 1 and 2, which are attached hereto and incorporated herein by reference.

**Section 13: PERFORMANCE BOND.** Section 13 is amended to read in its entirety as follows:

Licensee shall, within thirty (30) days of the Effective Date of this License, file with the City Clerk, maintain in full force and effect, a bond in favor of the City in the sum of One Hundred Fifty Thousand Dollars (\$150,000.00), conditioned that Licensee shall well and truly observe,

fulfill, and perform each and every term and condition of this License, and in case of a breach of condition of said License, at the discretion of the City Council, the whole amount of the penal sum therein shall be available to the City in addition to any damages recoverable by the City.

Whenever the bond is used for any breach of a term or condition of this License, the Licensee must maintain the full amount of the bond; and if the Licensee fails to do so within the time set by the City Council, the Council may, by resolution, declare said License automatically forfeited. Nothing herein shall insulate Licensee from liability in excess of the amount of said bond or shall be construed as a waiver by the City of any remedy at law against the Licensee for any breach of the terms and conditions of this License, or for any damage, loss or injuries suffered by the City in case of any damage, loss or injury suffered by any person, firm, or corporation by reason of any work done or any activity conducted by the Licensee in the exercise of this License.

**Section 14: INSURANCE.** Section 14 is amended to read in its entirety as follows:

Prior to the beginning of and throughout the duration of the work, Licensee and its subcontractors shall maintain insurance in conformance with the requirements set forth below. Licensee will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth herein, Licensee agrees to amend, supplement or endorse the existing coverage to do so.

Licensee acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to Licensee or its subcontractors in excess of the limits and coverage identified in this Agreement and which is applicable to a given loss, claim or demand, will be equally available to City.

Without limiting Licensee's indemnification of City, and prior to commencement of work, Licensee 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 City.

General liability insurance. Licensee 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, and a \$5,000,000 completed operations aggregate. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted. There shall be no exclusion for explosion, collapse, underground hazard, or damage caused by natural disaster.

Products/completed operations coverage shall extend a minimum of five (5) years after project completion. Coverage shall be included on behalf of the insured for covered claims arising out of the actions of independent contractors. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the

part of the insurer. The City, its officials, officers, agents, and employees, shall be included as insureds under the policy.

Automobile liability insurance. Licensee 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 Licensee 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 \$1,000,000 combined single limit for each accident.

Umbrella or excess liability insurance. Licensee shall obtain and maintain an umbrella or excess liability insurance 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 and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable 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.

Workers' compensation insurance. Licensee shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000) for Licensee's employees in accordance with the laws of the State of California, Section 3700 of the Labor Code. In addition, Licensee shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California, Section 3700 for all of the subcontractor's employees.

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

Pollution liability insurance. Environmental Impairment Liability Insurance shall provide coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$2,000,000 dollars per claim and in the aggregate. All activities contemplated in this Agreement shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the project site to the final disposal location, including non-owned disposal sites.

**Section 24:** Section 24 is amended to read in its entirety as follows:

Any notices to be given under this License shall be sent in a sealed envelope with postage prepaid via United States certified or registered mail, as follows:

**To City:** City of Industry  
15625 E. Stafford Street, Suite 100  
City of Industry, CA 91744  
Attention: City Engineer

**With copies to:** James M. Casso, City Attorney  
Casso & Sparks, LLP  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746

Ray Chavira, EPA Project Manager  
U.S. Environmental Protection Agency  
75 Hawthorne Street  
San Francisco, CA 94105

**To Licensee:** Joseph P. Kwan, Corporate Director, Environmental Remediation  
Northrop Grumman Corporation  
101 Continental Boulevard, MS D2/XE6D21  
El Segundo, CA 90245

**With a copy to:** Elizabeth C. Brown, Senior Counsel EHS  
Northrop Grumman Corporation  
One Hornet Way, M/S: D4/110  
El Segundo, CA 90245

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1 to the Agreement as of the Effective Date.

**“CITY”**  
**City of Industry**

By: \_\_\_\_\_  
Paul Philips, City Manager

**“LICENSEE”**  
**Northrop Grumman Systems Corporation**

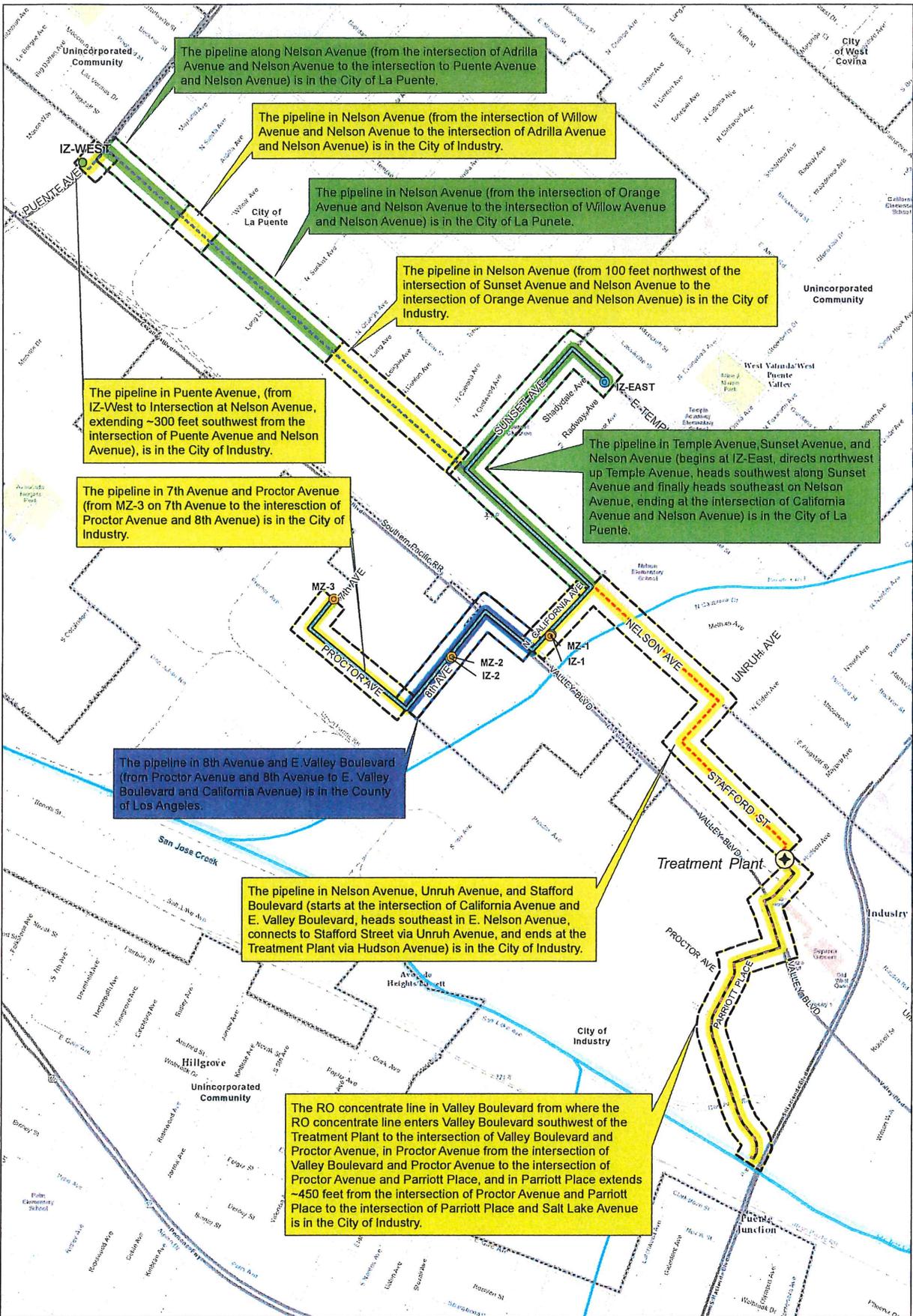
By:  \_\_\_\_\_  
Joseph P. Kwan, Corporate Director

**Attest:**

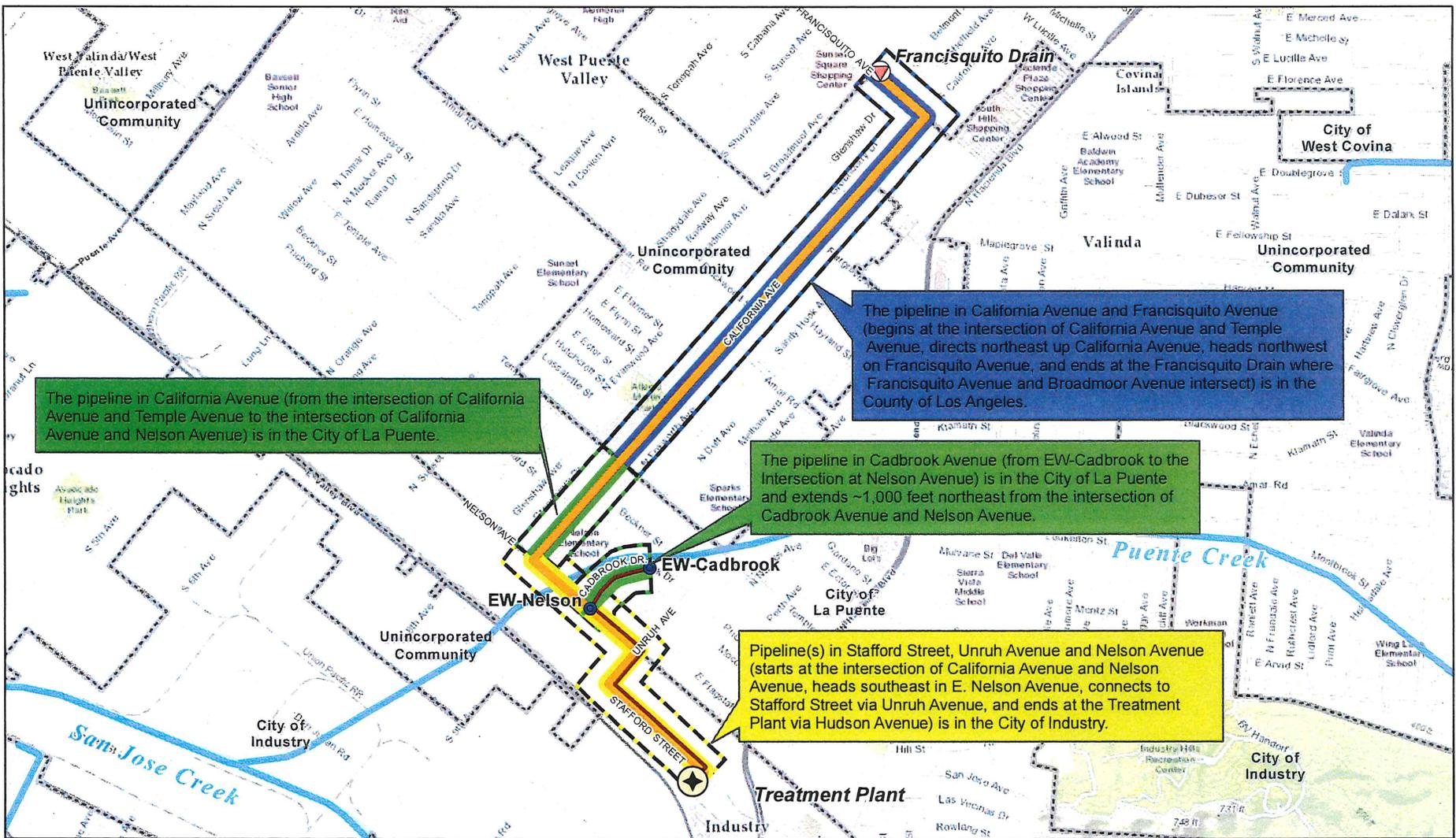
By: \_\_\_\_\_  
Cecelia Dunlap, Deputy City Clerk

**APPROVED AS TO FORM**

By: \_\_\_\_\_  
James M. Casso, City Attorney



<b>Legend</b> <ul style="list-style-type: none"> <li>⊕ Treatment Plant (111 Hudson Ave.)</li> <li>● Anticipated Approximate Toe Well Location</li> <li>⊙ IZ Extraction Well</li> <li>⊙ IZ Extraction Well</li> <li>--- City Boundaries</li> <li>--- Proposed Conveyance Piping to Toe Well</li> <li>--- Proposed Groundwater Pipeline</li> <li>--- Proposed Brine Line</li> <li>--- Existing Pipeline</li> <li>--- River</li> </ul>		<b>Pipeline Location</b> <ul style="list-style-type: none"> <li>City of Industry</li> <li>City of La Puente</li> <li>County of Los Angeles</li> </ul>		<b>IZ Interim Remedy Pipeline Alignment</b> Puente Valley Operable Unit Puente Valley, California	
<b>Geosyntec consultants</b> WR1585      April 2016		<b>Figure</b> <b>1</b>			



The pipeline in California Avenue (from the intersection of California Avenue and Temple Avenue to the intersection of California Avenue and Nelson Avenue) is in the City of La Puente.

The pipeline in California Avenue and Francisquito Avenue (begins at the intersection of California Avenue and Temple Avenue, directs northeast up California Avenue, heads northwest on Francisquito Avenue, and ends at the Francisquito Drain where Francisquito Avenue and Broadmoor Avenue intersect) is in the County of Los Angeles.

The pipeline in Cadbrook Avenue (from EW-Cadbrook to the intersection at Nelson Avenue) is in the City of La Puente and extends ~1,000 feet northeast from the intersection of Cadbrook Avenue and Nelson Avenue.

Pipeline(s) in Stafford Street, Unruh Avenue and Nelson Avenue (starts at the intersection of California Avenue and Nelson Avenue, heads southeast in E. Nelson Avenue, connects to Stafford Street via Unruh Avenue, and ends at the Treatment Plant via Hudson Avenue) is in the City of Industry.

**Legend**

- Potential Drain for Surface Water Discharge
- Proposed Extraction Well
- Treatment Plant (111 Hudson Avenue)
- City Boundaries
- Proposed Treated Water Discharge Pipeline
- Proposed Conveyance Pipeline for Extracted Groundwater (from Extraction Wells to Treatment Plant)
- Rivers & Creeks (NHD)
- Pipeline Location: City of Industry
- Pipeline Location: City of La Puente
- Pipeline Location: County of Los Angeles

Notes:  
- NHD = National Hydrography Dataset



<b>SZ-South Interim Remedy Pipeline Agreement</b>	
SZ-South Interim Remedy Puente Valley Operable Unit	
WR1916	April 2016
<b>Figure 2</b>	

*CITY COUNCIL*

ITEM NO. 6.5

POWERPOINT PRESENTATION  
DURING MEETING



# **Pipeline License Agreement Intermediate Zone Interim Remedy**

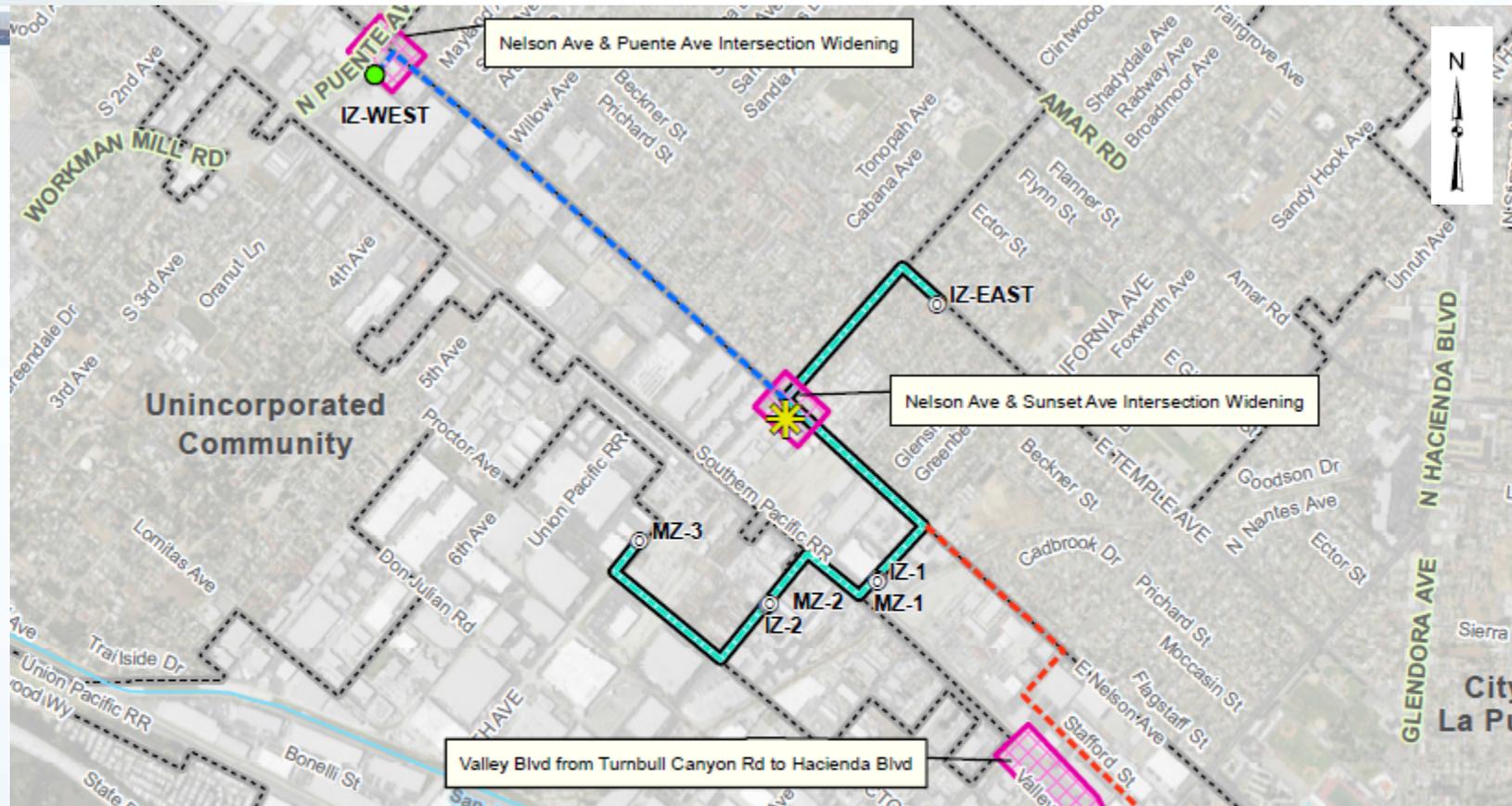
**PUENTE VALLEY OPERABLE UNIT**

Geosyntec.com

engineers | scientists | innovators

- Puente Valley Operable Unit Project Overview
- City of Industry Street and Intersection Improvements
- Proposed Intermediate Zone Interim Remedy Pipeline
- Proposed Shallow Zone-South Interim Remedy Pipeline
  - Future proposed pipeline:
    - Extraction wells to treatment plant
    - Treatment plant to discharge location
  - Proposed pipeline would be within City of Industry, City of La Puente, and Los Angeles County

# City of Industry Improvements and Existing/Proposed IZ Pipeline



## Legend

- |  |                                                |  |                                           |
|--|------------------------------------------------|--|-------------------------------------------|
|  | IZ Extraction Well                             |  | Proposed Conveyance Piping to Toe Well(s) |
|  | Anticipated Approximate Toe Well(s) Location   |  | Proposed Groundwater Pipeline             |
|  | Treatment Plant ( 111 Hudson Ave.)             |  | Proposed Brine Line                       |
|  | San Gabriel Valley Water Company - B7 Property |  | Existing Pipeline                         |
|  | Location of City of Industry Improvements      |  | City Boundaries                           |





# Shallow Zone South Interim Remedy Proposed Pipeline

- Future Proposed Pipeline
- Proposed pipeline route if surface water discharge is selected as the discharge option
- Pipeline within City of Industry, City of La Puente, LA County

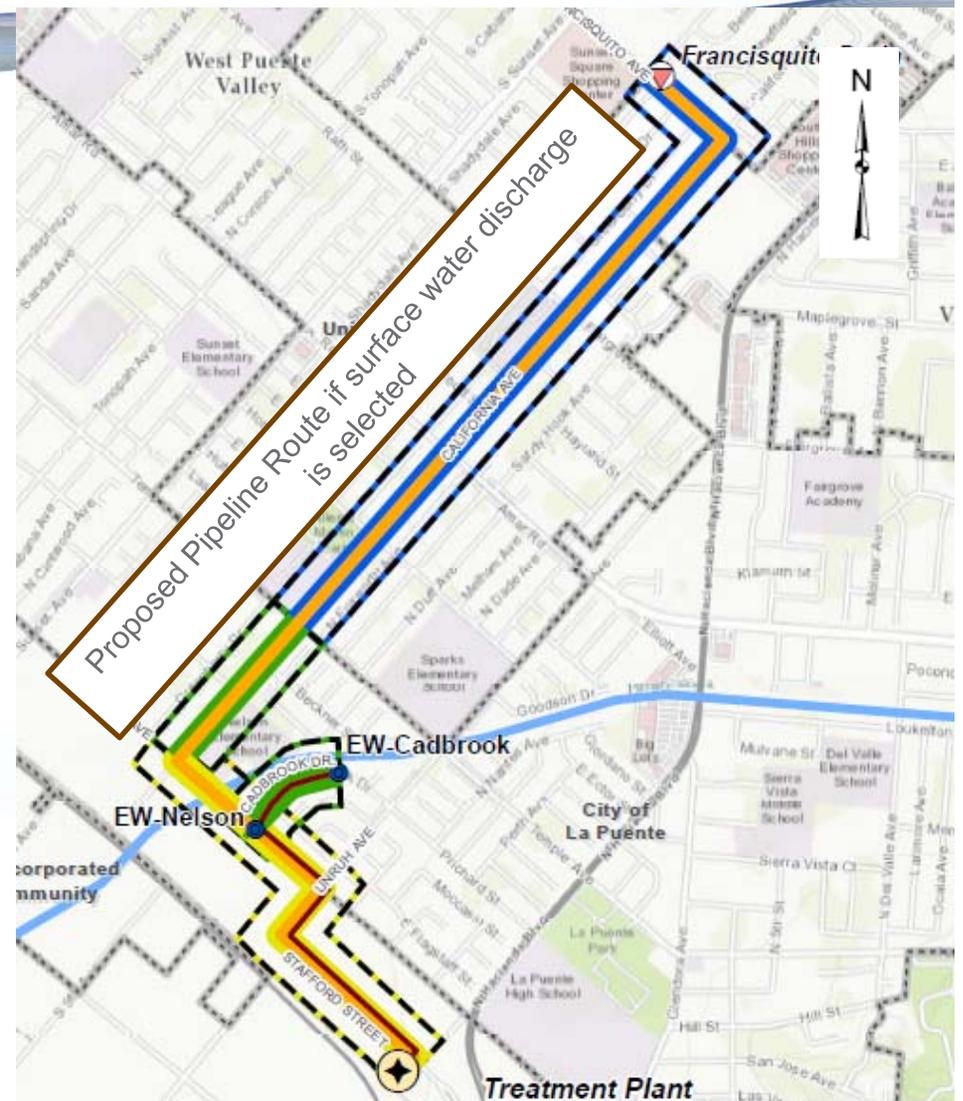
## Legend

- Potential Drain for Surface Water Discharge
- Proposed Extraction Well
- Treatment Plant (111 Hudson Avenue)
- City Boundaries
- Proposed Treated Water Discharge Pipeline
- Proposed Conveyance Pipeline for Extracted Groundwater (from Extraction Wells to Treatment Plant)
- Rivers & Creeks (NHD)

## Pipeline Location

- City of Industry
- City of La Puente
- County of Los Angeles

Notes:  
- NHD = National Hydrography Dataset



*CITY COUNCIL*

ITEM NO. 6.6



# CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

## MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager 

Staff: Alex Gonzalez, Director of Development Services and Administration  
Susan Paragas, City Controller   
Tiffany Bose, RGS, Human Resources Advisor

Date: June 23, 2016

**SUBJECT: Consideration of the approval of changes in employee plan benefits to provide richer benefits and/or savings and the authorization to establish a Health Reimbursement Arrangement Trust**

---

### BACKGROUND:

In March 2016, the City of Industry directed Regional Government Services (RGS) to begin a comprehensive review of all human resources administrative processes. During the review, RGS noted that the City's current benefit plans were: insufficient to meet the needs of the agency's retirees and employees; lacked many provisions related to service offerings; and were also non-compliant to legal standards. It was agreed that RGS would contact benefits broker Keenan & Associates to research the benefits market and advise the City on the best course of action in the provision of benefits to employees. It appeared, that over the period of several years, the city had been paying higher premiums for employee benefits that were somewhat restrictive when compared to the benefits offered in other local public agencies.

### DISCUSSION AND ANALYSIS:

On April 8, 2016, Keenan & Associates presented the City with various benefit plan options. Keenan introduced a Health Reimbursement Arrangement (HRA) to relieve City staff from the task of reimbursing active and retired employees for out-of-pocket expenses to bring the City to compliance with the Health Insurance Privacy and Portability Act (HIPPA). HIPPA legislation requires employers to protect individual's medical records and other personal health information as applied to health plans, health care, and personal health information in healthcare transactions. In addition, Keenan & Associates provided information on a Medicare Exchange program for City retirees that are currently enrolled in Medicare. A healthcare review committee made up of City employees assisted in the review of all benefit options presented by Keenan & Associates.

Keenan & Associate's study found that City of Industry's current medical premiums to be well above the market in terms of cost when compared to surrounding Cities throughout Southern California, particularly Cities participating in the CalPERS health benefit programs and the Public Employee's Medical & Hospital Care Act (PEMHCA) that governs the CalPERS health program. Keenan performed a comparison of CalPERS PEMHCA medical plans and the City of Industry's current health plan through Aetna. **Findings showed that participation in the CALPERS medical plans would extend greater health plan choices to active employees and retirees, increase the benefit choices within those plans, and also result in a reduced cost to the City; resulting in an average savings of 75% or approximately \$1.5 million per year (stated conservatively).** RGS will be assisting the City to contract with CalPERS to join their medical pool, and plans to bring the agreement and resolution forward for adoption in approximately 60 days at a future Council meeting.

In addition, the study also found that City of Industry's current Dental, Vision, Life and Long-term Disability benefit levels were both lacking and costly. The provider comparisons showed that richer benefits and/or savings could be obtained in all categories, and the City could reduce the amount of money currently being spent on reimbursements for copays and deductibles through increased carrier coverages. Therefore, following changes are being recommended for Council's approval:

- Dental
  - Move Dental coverage from Delta Dental to Humana effective 9/1/2016
    - Increasing yearly Dental maximum from \$1000 to UNLIMITED, resulting in a savings to the city on reimbursements
    - Increasing yearly Orthodontic maximum from \$1000 to \$1500
    - Estimated Savings between \$1,800 to \$2,700 per year (3.7% to 5.5%)
- Vision
  - Move Vision coverage from VSP to EyeMed effective 7/1/2016
    - Decreasing Vision Exam Co-pay from \$20 to \$0
    - Increasing Frame and Contact allowance from \$130 to \$175
    - Estimated Savings of \$11,250 per year (47.6%)
- Life
  - Move coverage from Standard to Mutual of Omaha effective 7/1/2016
    - Increasing Life Insurance for Active Employees in Class 1 (Council Members, Board Members, City Controller, City Manager, Director of Development Services and Administration, Executive Director, City Treasurer, and Human Resources Director) from \$50,000 to \$100,000

- Increasing Life Insurance for Active Employees in Class 2 (All Other Active Members) from \$25,000 to \$50,000
- Retiree coverage would remain the same
- Estimated Additional Cost of \$9,800 per year (25.6%)
- Long-Term Disability
  - Move coverage from Standard to Mutual of Omaha effective 7/1/2016
  - Benefits remain the same
  - Estimated Savings of \$7,800 per year (20.9%)

### ***Health Reimbursement Arrangement Trust (HRA)***

The City of Industry currently affords active employees and retirees to be reimbursed through the Finance and Human Resources Departments for out-of-pocket expenses that are incurred as part of their medical, dental and vision coverages. HIPPA legislation requires that medical related information (such as receipts for treatment, prescriptions, etc.) are to be viewed by those who are certified by HIPPA. For this reason and for the convenience of the active and retired employees, the City of Industry would like to contract with Mid-America through Keenan & Associates to administer the reimbursements submitted by active and retired personnel. In doing so, those covered by this benefit would have \$4,000 placed into a reimbursement account at the beginning of each calendar year. A Debit card would also be provided for convenience and may be used at any pharmacy or medical facility that accepted the debit card. Use of the Debit card would draw funds directly from the employee or retirees HRA account thus eliminating the need in many cases to submit receipts for reimbursement. Employees and retirees requiring more than \$4,000 per year due to large expenses would be reimbursed on a dollar for dollar basis for any expense over and above the \$4,000. Employees and retirees who did not utilize the entire \$4,000 may carry any remaining balance over into the following year and combine it with an additional \$4,000 that is deposited into their HRA account on January 1<sup>st</sup> of each year. This gives employees and retirees the ability to accumulate savings that would be available now and in the future.

Keenan and Associates analyzed reimbursement amounts provided to active employees and retirees over the past four (4) years and determined with City Staff that the amount of \$4,000 was sufficient as a base contribution into each HRA account. Funds deposited into the account earn a guaranteed 1.75% interest for the current year when left to accumulate and compound year over year. Interest rates are set on a yearly basis by the National Insurance Commission at a rate between 1% and 3% interest.

It is the intent of the City to begin this program on July 1, 2016 and to deposit 50% of the yearly amount (\$2,000) into designated accounts on behalf of employees and retirees. An additional \$4,000 will be deposit on January 1, 2017 and annually on January 1<sup>st</sup> thereafter.

In closing, the City of Industry is requesting that Keenan & Associates continue to be designated as the Broker of Record for employee and retiree health benefits, in cases where such Agreements exist, effective July 1, 2016; thereby replacing the current benefit broker, Wells Fargo Insurance.

**RECOMMENDATION:**

Staff recommends that the City Council take the following actions:

- 1) Approve and designate Keenan & Associates as the Broker of Record for employee and retiree health benefits, in cases where such Agreements exist, effective July 1, 2016;
- 2) Approve Resolution Number CC 2016-42 authorizing City Administration to make employee plan benefit changes and to establish and provide on-going administration of the HRA Trust; and
- 3) Authorize the City Manager to execute agreements for these changes in the proposed benefits on behalf of the City.

**FISCAL IMPACT:**

The total estimated fiscal impact for these proposed changes, including the change in the medical plan, will result in a savings of approximately \$1.5 million per year to the General Fund.

Attachments:

1. Resolution No. CC 2016-42: Authorizing Administration to Make Employee Plan Benefit Changes and to Establish a Health Reimbursement Arrangement Trust in the Name of the City of Industry
2. Attachment 1 - Broker of Record Designation Agreement
3. Attachment 2 – Business Associate Agreement

**RESOLUTION NO. CC 2016-42**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, AUTHORIZING CITY ADMINISTRATION TO MAKE EMPLOYEE PLAN BENEFIT CHANGES AND TO ESTABLISH AND PROVIDE ON-GOING ADMINISTRATION OF THE HEALTH REIMBURSEMENT ARRANGEMENT (HRA) TRUST IN THE NAME OF THE CITY OF INDUSTRY.**

**WHEREAS**, Effective July 1, 2016, the City Manager adopted an Agreement between Mid-America and the City of Industry and Keenan and Associates and the City of Industry to administer a Health Reimbursement Arrangement (HRA) plan for the City of Industry; and

**WHEREAS**, Effective July 1, 2016, the City Manager adopted an Agreement with Keenan and Associates and the City of Industry to act as the City's HRA Benefit Broker; and

**WHEREAS**, the City Council granted the City Manager the authority to sign said agreements; and

**WHEREAS**, the City staff has reviewed the benefit changes and the City Council grants designated staff the authority to administer the Employee benefits and HRA trust for the City of Industry; and

**WHEREAS**, the purpose of the HRA is to comply with HIPPA requirements; and

**WHEREAS**, the purpose of the HRA is to continue to provide employee reimbursements for qualified out-of-pocket medical expenses; and

**WHEREAS**, all legal prerequisites have occurred prior to the adoption of this Resolution.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:**

**SECTION 1:** The City Council finds that all of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

**SECTION 2:** The City Council hereby accepts establishment of an HRA trust for the City of Industry for active and retired personnel.

**SECTION 3:** The provisions of this Resolution are severable, and if any provision, clause, sentence, word or part thereof is held illegal, invalid, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

**SECTION 4:** The City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

**PASSED, APPROVED AND ADOPTED** this 23<sup>rd</sup> day of June 2016.

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

---

Mark D. Radecki, Mayor

**ATTEST:**

---

Cecelia Dunlap, Deputy City Clerk

ATTACHMENT 1  
BROKER OF RECORD DESIGNATION AGREEMENT

**BAA REQUIRED WITH THIS AGREEMENT**

**Broker of Record Designation**

As of **July 1, 2016**, the organization listed below (“Client”) appoints Keenan & Associates (“Keenan”) as the Broker of Record in connection with the following coverages: **Medical, Dental, Vision, Life/AD&D, Disability** and such additional coverages or insurance as Client may from time-to-time request from Keenan (the “Coverages”). This appointment rescinds any and all previous appointments Client may have made with respect to the Coverages, and shall remain in full force and effect until cancelled in writing with sixty (60) days advance notice. The parties hereby agree to the following additional terms:

With respect to the Coverages, Keenan shall have the exclusive authority and right to negotiate with insurance carriers and other coverage providers on Client’s behalf. Keenan shall provide those services as listed on Exhibit A attached to and made a part of this document. Client shall provide Keenan with timely and accurate information necessary to obtain the Coverages and authorizes Keenan to provide such information to prospective insurers and other coverage providers. Except for Keenan’s responsibilities with respect to funds obtained from or on behalf of Client, Keenan shall not be a fiduciary of Client. As compensation for its services, Keenan shall receive commissions from insurance carriers and/or other vendors for the placement of insurance coverage. Client shall have no responsibility for the payment of any such commission to Keenan. Additional information concerning Keenan’s compensation Disclosure Policy is available online at [www.Keenan.com](http://www.Keenan.com) or from your Keenan account representative.

Disputes arising out of or relating to this designation, other agreements between the parties, or any other relationship involving Client and Keenan (whether occurring prior to, as part of, or after the signing of this Agreement) shall first be resolved by good faith negotiations between representatives of the parties with decision-making authority. If either party determines that the dispute cannot be resolved through informal negotiation then the dispute shall be submitted to non-binding mediation. The site of the mediation and the selection of a mediator shall be determined by mutual agreement of the parties. If the dispute is not resolved through mediation within sixty (60) days following the first notification of a request to mediate, then either party shall have the right to require the matter to be resolved by final and binding arbitration by JAMS dispute resolution service pursuant to its Streamlined Arbitration Rules and Procedures, or such other arbitration procedures as may be agreed to in writing by the parties. Negotiation, mediation, and arbitration shall be the exclusive means of dispute resolution between Client and Keenan and their respective members, agents, employees and officers. The arbitration shall be conducted in the County of Los Angeles, California.

City of Industry		Keenan & Associates	
<b>Signature:</b>		<b>Signature:</b>	
<b>By:</b>	<b>Paul Phillips</b>	<b>By:</b>	<b>Stephen Gedestad</b>
<b>Title:</b>	<b>City Manager</b>	<b>Title:</b>	<b>Municipality Practice Leader</b>
<b>Address:</b>	<b>15625 East Stafford St #100</b>	<b>Address:</b>	<b>2355 Crenshaw Blvd., Ste. 200</b>
	<b>City of Industry, CA 91744</b>		<b>Torrance, CA 90501</b>
<b>Telephone:</b>	<b>626 333-2211</b>	<b>Telephone:</b>	<b>310 212-0363</b>
<b>Attention:</b>		<b>Attention:</b>	
<b>E-mail:</b>		<b>E-mail:</b>	

## **BAA REQUIRED WITH THIS AGREEMENT**

### **EXHIBIT A KEENAN SERVICES**

#### **Keenan shall provide the following Services:**

1. Plan Review – Keenan shall review applicable benefit plan(s) and provide information and recommendations regarding insured and/or self-insured options, as requested by Client.
2. Insurance Needs Assessment – Keenan shall work with Client to determine Client's insurance needs.
3. Insurance Marketing Plan – Review, evaluate and negotiate insurance renewals on Client's behalf. Keenan shall prepare and present to Client its plan for marketing Client to various carriers and/or Coverage providers. In furtherance of its plan, Keenan shall contact those markets that it has determined most likely to meet Client's needs, as made known to Keenan, but shall not necessarily contact every available market for the particular Coverage being sought. In so far as practical, Keenan shall honor Client's timely and reasonable requests to contact specific markets, but Keenan shall not be obligated to present Client to any carrier or Coverage provider which Keenan has determined would not be willing to quote Client's business or would not give a competitive quote.
4. Insurance Marketing Results – Keenan shall present to the client, in summary format, information concerning all markets and carriers approached. The summary shall include, as applicable: name of carrier and Coverage providers approached, limits, premium, and deductible. The summary shall also include the names of any carriers or Coverage providers who declined to provide a quote.
5. Review of Insurance Options – Keenan shall present, along with the Marketing Results, a comparison summary highlighting the significant terms and/or differences among the various Coverages quoted. This summary is provided for Client's convenience only. It is Client's responsibility to ask questions and to request any additional information that it deems necessary for it to make an informed decision regarding its insurance or self-insurance program.
6. Obtain Coverage – Once the Client has made its decision, Keenan shall take all steps necessary to communicate Client's decision to the carrier selected and to have the carrier or other Coverage provider bind Coverage on behalf of the Client.
7. Implementation – Keenan shall assist Client in the preparation and distribution of materials relating to the implementation of its coverage, for which client shall give final approval.
8. Ongoing Service -- Keenan will provide the following Client support services:
  - Continued analysis of benefit plan design and performance noting available alternatives as appropriate;
  - Direction and support with claims resolution and other related issues;
  - Review of claims experience and trends;
  - Support with billing/eligibility concerns;
  - Acting as a liaison between Client and carriers and vendors and serving as a proactive Client advocate;
  - Responding to day-to-day benefit questions from Client;

## **BAA REQUIRED WITH THIS AGREEMENT**

- Assisting Client with governmental reporting and filings (e.g., 5500's and Summary Annual Reports), as applicable;
- Providing information concerning current developments and trends in employee benefits and new legislation that may affect Client's plans;
- Assisting in drafting, review and/or amendment of benefit plan and related documents. Any document drafted or reviewed by Keenan and approved by Client under this Agreement shall apply solely to the plan year for which the Service was provided. They are not intended for use beyond the plan year for which they were created, reviewed or revised. Keenan shall not be held liable for any direct, punitive, special, consequential or incidental damages, loss of profit or revenue, loss of business, loss or inaccuracy of data or scope of insurance resulting from the continued use of such plan documents or SPD beyond the dates for which they were intended;
- Assisting in the coordination and preparation of open enrollment, orientation, health fairs, and/or question and answer meetings for Client's employees. and
- Attendance at **2** meetings of the Client's Insurance Committee.

ATTACHMENT 2  
BUSINESS ASSOCIATE AGREEMENT

## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (the Agreement) is entered into July 1, 2016 (“Effective Date”) by and between City of Industry, the sponsor (“Sponsor”) of one or more health plans (collectively referred hereafter to as the “Plan”) and Keenan & Associates (Business Associate).

**WHEREAS**, the Sponsor has independently contracted with Business Associates to provide services to, for or on behalf of the Plan; and

**WHEREAS**, Plan wishes to allow the Business Associate to have access to PHI including but not limited to, EPHI that is either provided to the Business Associate by the Plan or received and created by the Business Associate on behalf of the Plan in the course of providing its services to, for or on behalf of the Plan;

**WHEREAS**, the Plan is required to comply with HIPAA (including, but not limited to, its Privacy Rule and Security Rule), and other governmental regulations relating to the privacy and security of individuals’ personally identifiable information.

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is hereby acknowledged, Plan and Business Associate agree as follows:

### **DEFINITIONS**

#### **Catch-all definition:**

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 CFR §§ 160.103 and 164.501.

#### **Specific definitions:**

(a) **Business Associate** “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to this Agreement, shall mean Keenan & Associates.

(b) **Breach** shall have the same meaning as the term “breach” in 45 CFR § 164.402

(c) **Covered Entity** shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to this Agreement shall mean the health and welfare benefits plans sponsored by the entity that is signatory to this Agreement.

(d) **Individual** shall have the same meaning as the term “individual” in 45 CFR § 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

(e) **Privacy Rule** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.



(f) **Protected Health Information (“PHI”)** shall have generally the same meaning as the term “protected health information” in 45 CFR § 164.501, and for this Agreement shall be limited to the information created or received by Business Associate from or on behalf of the Covered Entity.

(g) **Secretary** shall mean the Secretary of the Department of Health and Human Services or his designee.

(h) **Security Rule** shall mean the Security Standards for the Protection of Electronic Health Information at 45 CFR Part 160 and Part 164, Subpart A and C.

(i) **Electronic PHI (E-PHI)** shall have the meaning found in the Security Rule 45 CFR, Section 160.103.

(j) **Security Incident** shall have the same meaning as the term “security incident” in 45 CFR Parts 160 and 164, subparts A and C

(k) **HIPAA Rules** shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

(l) **Designated Record Set** shall have the same meaning as the term “designated record set” in 45 CFR 164.501.

(m) **Subcontractor** shall have the same meaning as the term “subcontractor” in 45 CFR §160.103

(n) **Unsecured PHI** shall have the meaning given the term “unsecured protected health information in 45 CFR § 164.402.

## **OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE**

### **Business Associate agrees to:**

(a) Business Associate agrees to not request, use, or further disclose PHI other than as permitted or required by the Agreement or as permitted or required by law.

(b) Business Associate agrees that it shall utilize appropriate physical, administrative and technical safeguards to ensure that the PHI is not used or disclosed in any manner inconsistent with this Agreement. Such safeguards shall include, but not be limited to: (1) establishing policies and procedures to prohibit any employee of Business Associate, who does not have a reasonable need for the PHI in order to accomplish an authorized use or disclosure, from accessing such information and to inform all employees of Business Associate whose services may be used to fulfill obligations under this Agreement of the terms of this Agreement; and (2) disclosing to any agent, Subcontractor or other third party, and requesting from Covered Entity, only the minimum PHI necessary to accomplish the intended purpose of the use, disclosure or request. (“Minimum necessary” shall be interpreted in accordance with the HIPAA Rules.) Business Associate shall provide Covered Entity with such information concerning the safeguards as Covered Entity may reasonably request from time to time.

(c) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI, to prevent use or disclosure of PHI other than as provided for by the agreement.

(d) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Agreement.

(e) Business Associate agrees to report to Covered Entity, in writing, any use or disclosure by Business Associate of PHI not permitted by this Agreement promptly after Business Associate's first awareness thereof, including but not limited to, any discovery of any inconsistent use or disclosure by Subcontractor of Business Associate.

(f) Report to Covered Entity any use or disclosure of PHI not provided for by the Agreement of which it becomes aware, including breaches of Unsecured PHI information as required at 45 CFR 164.410 (without unreasonable delay, and, in no case later than 10 calendar days after discovery of a Breach), and any security incident of which it becomes aware.

(g) Business Associate agrees to require that any Subcontractor, to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity, execute a Business Associate Agreement acknowledging its compliance with the HIPAA Rules.

(h) Business Associate agrees to provide access to PHI, at the request of Covered Entity, and in the time and manner reasonably designated by Covered Entity, to Covered Entity, or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524 (within 30 days after receipt of the request unless there is a 30 day extension.)

(i) Business Associate agrees to make any amendment(s) to PHI that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526, and in the time and manner reasonably designated by Covered Entity, in a Designated Record Set, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526 no later than 60 days after the receipt of the request.

(j) Business Associate agrees to make its internal practices, books and records relating to the use and disclosure of the PHI available to the Secretary or the Secretary's designee for the purposes of determining Covered Entity's compliance with the HIPAA Rules. Business Associate shall immediately notify Covered Entity of its receipt of any such request for access, but in no case later than 60 days after the receipt of the request.

(k) Business Associate agrees to document such disclosures of PHI to the extent necessary for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528 no later than 60 days after the receipt of the request.

(l) Maintain and make available the information required to provide an accounting of disclosures to either the Covered Entity, or the Individual, as necessary to satisfy Covered Entity's obligations under 45 CFR 164-528 within 60 days after receipt of the request.

(m) Business Associate agrees to provide Covered Entity, in the time and manner reasonably designated by Covered Entity, information collected in accordance with Section 2(i) of this Agreement, to



permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528 no later than 60 days after the receipt of the request.

(n) Business Associate agrees to provide information and documentation concerning Business Associate's compliance with this Agreement to the extent reasonably requested by Covered Entity as necessary to permit to respond to third parties' inquiries of and/or claims against Covered Entity relating to use and/or disclosure of PHI and/or for Covered Entity to comply with law(s) relating to its monitoring of compliance with this Agreement. Business Associate shall, upon Covered Entity's request, certify to Covered Entity that it complies with the terms of this Agreement (no later than 60 days after the receipt of the request).

### **PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE**

(a) Except as otherwise limited in this Agreement, Business Associate may obtain and/or use PHI as necessary to perform its obligation to provide services to, for, or on behalf of the Plans, so long as such access and/or use is either permitted or required by law and, provided further, that Business Associate has met all legal requirements for such access and/or use. This specifically includes, but is not limited to, Business Associate's access and/or use of PHI as necessary to perform the services set forth in the Service Agreement.

(b) Business Associate may not use or disclose PHI in a manner that would violate the HIPAA Rules. If the Agreement permits the Business Associate to use or disclose PHI for its own management and administration and legal responsibilities, or for data aggregation services, then disclosure is permitted for the specific uses and disclosures set forth below.

- i) Business Associate may use PHI for proper management and administration of the Business Associate, or to carry out the legal responsibilities of the Business Associate.
- ii) Business associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used, or further disclosed, only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- iii) Business Associate may provide data aggregation services relating to the health care operations of the Covered Entity.

### **OBLIGATIONS OF COVERED ENTITY**

(a) Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR § 164.520, as well as any changes to such notice.



(b) Neither Sponsor nor Covered Entity shall request Business Associate to use or disclose PHI in any manner that would not be permitted or required by law if done by Covered Entity.

(c) Covered Entity shall notify Business Associate in writing of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522.

## **INDEMNIFICATION**

(a) Business Associate agrees to indemnify, defend, and hold harmless the Covered Entity, its trustees, officers, directors, employees, agents, or representatives, from any claim or penalty arising out of any improper use and/or disclosure of PHI in violation of the Privacy Regulation, to the extent that such improper use and/or disclosure resulted from Business Associate's negligence or failure to comply with the terms of this Agreement or the Privacy Regulation.

(b) The Sponsor and Covered Entity agree to indemnify, defend and hold harmless Business Associate and/or all of Business Associate's officers, directors, employees, agents, or representatives, from any claim or penalty from any improper use and/or disclosure of PHI, to the extent that such improper use and/or disclosure resulted from the Sponsor's or Covered Entity's negligence, failure to comply with the terms of this Agreement or the Privacy Regulation, or was based upon the Sponsor's or Covered Entity's written direction to use and/or disclose PHI in the manner challenged.

## **SECURITY**

Business Associate agrees to:

i) Implement safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of the Covered Entity;

ii) Ensure that any Subcontractor, to whom it provides this information agrees to implement reasonable and appropriate safeguards;

iii) Report on a quarterly basis to the Covered Entity, in writing, any Security Incident involving Covered Entity's data. If, however, a Security Incident results in the unauthorized disclosure of Unsecured PHI, Business Associate shall notify Covered Entity in accordance with the Breach notification provisions below.

iv) Notify Covered Entity no later than ten (10) days after discovery of a Breach of Unsecured PHI.<sup>1</sup>

v) Perform the four factor risk assessment of any Breach that is discovered in accordance with the HIPAA Rules to determine if notification is required, and advise Covered Entity of its findings.

---

<sup>1</sup>Covered Entity has 60 days from the discovery date of a reportable Breach to report said Breach to the Individual and HHS (if Breach involves 500 or more Individuals.)



vi) Make its policies and procedures, and documentation required by this subpart relating to such safeguards, available to the Secretary for purposes of determining the Covered Entity's compliance with 45 CFR Parts, 162 and 164 and;

vii) Authorize termination of the contract by the Covered Entity if the Covered Entity determines that the Business Associate has violated a material term of the contract.

### **Term and Termination**

(a) The Term of this Agreement shall be effective as of the effective date herein and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.

(b) Upon Covered Entity's knowledge of a material Breach by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement. If the Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; Covered Entity shall have the right to immediately terminate this Agreement. Such termination shall not abrogate any rights which Covered Entity has against Business Associate for violation of this Agreement.

(c) Upon termination of this Agreement for any reason, Business Associate, with respect to PHI received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, shall:

i) Retain only that PHI which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities;

ii) Return to Covered Entity (or, if agreed to by Covered Entity, destroy) the remaining PHI that the Business Associate still maintains in any form;

iii) Continue to use appropriate safeguards and comply with the HIPAA Rules regarding the use and disclosure of the PHI, for as long as Business Associate retains the PHI;

iv) Not use or disclose the PHI retained by Business Associate other than for the purposes for which such PHI was retained and subject to the same conditions which applied prior to termination; and

v) Return to Covered Entity (or, if agreed to by Covered Entity, destroy) the PHI retained by Business Associate when it is no longer needed by Business Associate for its proper management and administration or to carry out its legal responsibilities.

### **Miscellaneous**

(a) A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.



(b) No modification, amendment, or waiver of any provision of this Agreement will be effective unless in writing and signed by the party to be charged. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Business Associate and Covered Entity to comply with the requirements of the HIPAA Rules.

(c) Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits both parties to comply with the HIPAA Rules and/or other applicable law.

(d) Notices:

(i) All reports or notices to Covered Entity pursuant to this Agreement shall be sent to the names and addresses listed on the signature page, or to such other individuals and/or addresses as a party may later designate in writing. Unless expressly prohibited under the HIPAA Rules, such notices and reports may also be sent via email.

(ii) All such reports or notices shall be sent by First Class Mail or express courier service, and shall be deemed effective when delivered, or if refused, when delivery is attempted.

(e) Nothing expressed or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Sponsor, Covered Entity, Business Associate, and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

(f) This Agreement constitutes the complete agreement of the parties relating to the access, use, disclosure and security of PHI and, except as otherwise provided herein, supersedes all prior representations or agreements, whether oral or written, with respect to the confidentiality and security of PHI.

(g) The parties hereby agree and affirm that the subject matter of this Agreement is unique, and that it may be impossible to measure the damages which would result to Covered Entity from violations by Business Associate of the agreements set forth herein. Accordingly, in addition to any other remedies which Covered Entity may have at law or in equity, the parties hereby agree that either party shall have the right to have all obligations and other provisions of this Agreement specifically performed by the other party, as applicable, and that either party shall have the right to seek preliminary and permanent injunctive relief to secure specific performance, and to prevent a breach or contemplated breach, of this Agreement, without, in any case, proof of actual damages.

(h) Disputes arising out of or relating to this Agreement which cannot be resolved by negotiation between the parties shall be submitted to non-binding mediation. If the dispute is not resolved through mediation, it shall be resolved by final and binding arbitration administered by JAMS dispute resolution service pursuant to its Streamlined Arbitration Rules and Procedures, or such other arbitration procedures as agreed to in writing by the Parties. Negotiation, mediation, and arbitration shall be the exclusive means of dispute resolution between Client and Keenan and their respective agents, employees and officers. The site of the arbitration shall be in Los Angeles, California. A judgment of any court having jurisdiction may be entered upon the award.

**IN WITNESS WHEREOF**, the parties hereto hereby set their hands as of the date first above written.



<b>City of Industry, as Sponsor and Representative of the Plan(s)</b>		<b>Keenan &amp; Associates</b>	
<b>Signature:</b>		<b>Signature:</b>	
<b>By:</b>	<b>Paul Phillops</b>	<b>By:</b>	<b>Stephen Gedestad</b>
<b>Title:</b>	<b>City Manager</b>	<b>Title:</b>	<b>Municipality Practice Leader</b>
<b>Address:</b>	<b>15625 E. Stafford St #100</b>	<b>Address:</b>	<b>2355 Crenshaw Blvd., Ste. 200</b>
	<b>City of Industry, CA 91744</b>		<b>Torrance, CA 90501</b>
<b>Telephone:</b>	<b>626 333-2211</b>	<b>Telephone:</b>	<b>310 212-0363</b>
<b>Attention:</b>		<b>Attention:</b>	<b>Privacy Officer</b>

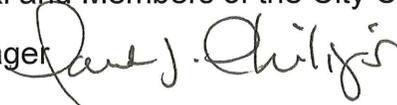


*CITY COUNCIL*

ITEM NO. 6.7



## **MEMORANDUM**

**TO:** Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager   
**DATE:** June 23, 2016  
**SUBJECT:** Office of City Clerk Staffing

At the regularly scheduled City Council meeting of April 14, 2016, the City Council acted to create the position of Chief Deputy City Clerk, pending City Council authorization to recruit and fill the position. The goal of creating the Chief Deputy City Clerk is twofold:

- (1) This position will be assigned additional responsibilities over and about the job duties of the Deputy City Clerk; and
- (2) To competitively recruit the position in an effort to retain the best possible applicants.

IT IS RECOMMENDED that the City Council direct the City Manager to recruit and fill the position of Chief Deputy City Clerk.

*CITY COUNCIL*

ITEM NO. 6.8



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**TO:** Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** June 23, 2016  
**SUBJECT:** Board of Trustees, San Gabriel Valley Mosquito and Vector Control District

The City of Industry is part of the San Gabriel Valley Mosquito and Vector Control District. Accordingly, the City has a seat on the Board of Trustees. It is important that the City participate in the District by filling the seat. Monthly meetings are held on the second Friday of every month at 7:00 a.m., at the West Covina District Office, located at 1145 North Azusa Canyon Road.

I understand from other Board Members that the Industry seat has been vacant for some time. The City Council may appoint a Council Member or someone from the community.

IT IS RECOMMENDED that the City Council direct staff accordingly.