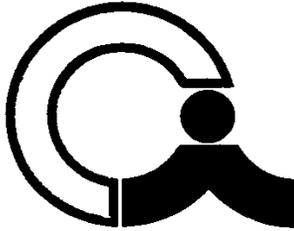


# CITY OF INDUSTRY

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CITY COUNCIL  
REGULAR MEETING AGENDA

MARCH 10, 2016  
9:00 AM



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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

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## **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.

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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 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

*RECOMMENDED ACTION: Staff recommends to extend the consideration of Resolution No. CC 2015-38 to the next regular scheduled meeting.*

### 5.3 Consideration of Resolution No. CC 2016-15 – 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 COMETITIVE BIDDING PURSUANT TO CALFORNIA PUBLIC CONTRACT CODE SECTION 22050 AND SECTION 3.52.110 OF THE CITY’S MUNICIPAL CODE

*RECOMMENDED ACTION: Adopt Resolution No. CC 2016-15.*

### 5.4 Consideration of Resolution No. CC 2016-18 - A RESOLUTION OF THE CITY OF INDUSTRY, CALIFORNIA, ADOPTING A SALARY RANGE SCHEDULE FOR CITY EMPLOYEES AND OFFICERS, AND REPEALING RESOLUTION NO. CC 2015-39

*RECOMMENDED ACTION: Adopt Resolution No. CC 2016-18.*

### 5.5 Consideration of Amendment No. 1 extending the Professional Services Agreement with Cordoba Corporation for real estate and related advisory services from April 1, 2016 to March 31, 2017

*RECOMMENDED ACTION: Approve Amendment No. 1.*

- 5.6 Consideration of a License Agreement between the City of Industry and the United States Department of Agriculture - Natural Resources Conservation Service for access to Tonner Canyon to complete a regional Soil Survey

*RECOMMENDED ACTION: Approve the Agreement.*

6. **PUBLIC HEARING ITEM**

- 6.1 Public Hearing to consider Conditional Use Permit (CUP) No. 15-14 submitted by Carl's Jr. for the establishment of a fast-food restaurant with more than 50 seats at 19782 Walnut Drive North in the City of Industry and Notice of Exemption regarding same

Consideration of Resolution No. CC 2016-16 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT NO. 15-14, TO ALLOW A FAST-FOOD RESTAURANT WITH MORE THAN 50 SEATS AT 19782 WALNUT DRIVE NORTH, CITY OF INDUSTRY, CALIFORNIA, AND THE NOTICE OF EXEMPTION REGARDING SAME, AND MAKING FINDINGS IN SUPPORT THEREOF

*RECOMMENDED ACTION: Adopt Resolution No. CC 2016-16.*

7. **ACTION ITEMS**

- 7.1 Consideration of Resolution No. CC 2016-17 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA APPROVING DEVELOPMENT PLAN NO. 15-17 FOR THE CONSTRUCTION OF A 2,644 SQUARE FOOT FAST-FOOD RESTAURANT LOCATED AT 19782 WALNUT DRIVE SOUTH IN THE CITY OF INDUSTRY, CALIFORNIA, AND NOTICE OF EXEMPTION REGARDING SAME

*RECOMMENDED ACTION: Adopt Resolution No. CC 2016-17.*

- 7.2 Consideration of award of Contract No. CITY-1427, between the City of Industry and All Pro Painting, Inc., for Maintenance Repairs to Los Angeles County Sheriff's Department Youth Activities League Building at 205 N. Hudson Avenue, in the amount of \$79,526.00

*RECOMMENDED ACTION: Award the contract to All Pro Painting Inc., in the amount of \$79,526.00.*

- 7.3 Consideration of a Professional Services Agreement between the City of Industry and PlanetBids, Inc., for bid management and contract management system software, in the amount of \$217,784.31

*RECOMMENDED ACTION: Approve the Agreement.*

- 7.4 Discussion and appointment of two (2) City representatives to serve on the Civic-Recreational-Industrial Authority

*RECOMMENDED ACTION: Discuss and appoint two (2) representatives to serve on the Civic-Recreational-Industrial Authority.*

- 7.5 Discussion and appointment of a Member and an Alternate to serve on the Alameda Corridor-East Construction Authority Board

*RECOMMENDED ACTION: Discuss and appoint a Member and an Alternate to serve on the Alameda Corridor-East Construction Authority Board.*

- 7.6 Discussion and direction regarding the proposed 2016 Industry Hills City Championship Golf Tournament to be held on July 22, 2016 through July 24, 2016 at Pacific Palms

*RECOMMENDED ACTION: Discuss and provide direction to Staff.*

8. **CITY COUNCIL COMMITTEE REPORTS**

9. **AB 1234 REPORTS**

10. **CITY COUNCIL COMMUNICATIONS**

11. **CLOSED SESSION**

- 11.1 CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): One Potential Case.

12. Adjournment. Next regular meeting: Thursday, March 24, 2016 at 9:00 a.m.

*CITY COUNCIL*

ITEM NO. 5.1

**CITY OF INDUSTRY  
AUTHORIZATION FOR PAYMENT OF BILLS  
CITY COUNCIL MEETING OF MARCH 10, 2016**

**FUND RECAP:**

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
100	GENERAL FUND	2,860,829.24
103	PROP A FUND	7,713.34
120	CAPITAL IMPROVEMENT FUND	401,397.98
140	CITY DEBT SERVICE	1,000.00
145	1998 REASSESSMENT IMPROVEMENT FUND	72,140.63
161	IPUC - ELECTRIC	171,414.71
TOTAL ALL FUNDS		3,514,495.90

**BANK RECAP:**

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	BANK OF AMERICA - CKING ACCOUNTS	527,495.89
PROP/A	PROP A -CKING ACCOUNT	7,713.34
REF	REFUSE - CKING ACCOUNT	1,238,711.95
WFBK	WELLS FARGO - CKING ACCOUNT	1,740,574.72
TOTAL ALL BANKS		3,514,495.90

**CITY OF INDUSTRY  
BANK OF AMERICA  
March 10, 2016**

Check	Date		Payee Name	Check	Amount
<b>91-1REDMPT.CHK - 98 Reassessment Improv Chking</b>					
172	02/19/2016		U.S. BANK		\$72,140.63
	Invoice	Date	Description	Amount	
	02/19/16	02/19/2016	1998 REVENUE BOND-CATELLUS PAYMENT	\$72,140.63	
<b>CITYELEC.CHK - City Electric</b>					
1374	02/29/2016		VOIDED- PAPER JAM		\$0.00
1375	02/23/2016		CITY OF INDUSTRY		\$137,148.34
	Invoice	Date	Description	Amount	
	02/23/16	02/23/2016	TRANSFER FUNDS-ELECTRIC	\$137,148.34	
<b>CITYGEN.CHK - City General</b>					
24300	02/19/2016		CITY OF INDUSTRY		\$296,546.39
	Invoice	Date	Description	Amount	
	02/19/16-A	02/19/2016	TRANSFER FUNDS-SAVINGS	\$296,546.39	
24301	02/19/2016		CITY OF INDUSTRY		\$159.57
	Invoice	Date	Description	Amount	
	02/19/16-B	02/19/2016	TRANSFER FUNDS 91-1 ADMIN	\$159.57	
24302	02/19/2016		CITY OF INDUSTRY		\$15,956.59

**CITY OF INDUSTRY  
BANK OF AMERICA  
March 10, 2016**

Check	Date	Payee Name	Check Amount
Invoice	Date	Description	Amount
02/19/16-C	02/19/2016	TRANSFER FUNDS 91-1 REDEMPTION	\$15,956.59

**PARKCIT.CHK - Parking Citation Checking**

555	02/23/2016		GARZA, RETA RAFAELA	\$300.00
Invoice	Date	Description	Amount	
02/23/16	02/17/2016	REFUND-CITATION #129556	\$300.00	
556	02/23/2016		SUPERIOR COURT OF CALIFORNIA,	\$4,770.50
Invoice	Date	Description	Amount	
02/24/16	02/24/2016	PARKING CITATION REPORT-JAN 2016	\$4,770.50	
557	02/23/2016		TURBO DATA SYSTEMS, INC	\$473.87
Invoice	Date	Description	Amount	
23950	02/24/2016	CITATION PROCESSING-DEC 2015/JAN 2016	\$473.87	

Checks	Status	Count	Transaction Amount
	Total	9	\$527,495.89

**CITY OF INDUSTRY  
PROP A  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>PROPA.CHK - Prop A Checking</b>				
<b>11622</b>	02/24/2016		<b>CITY OF INDUSTRY-REFUSE</b>	<b>\$78.80</b>
	Invoice	Date	Description	Amount
	2412050	02/01/2016	MO SVC-METROLINK	\$78.80
<b>11623</b>	02/24/2016		<b>INDUSTRY SECURITY SERVICES</b>	<b>\$7,060.95</b>
	Invoice	Date	Description	Amount
	14-16593	01/29/2016	SECURITY SVC-METROLINK	\$1,703.44
	14-16619	02/05/2016	SECURITY SVC-METROLINK	\$1,729.73
	14-16704	02/12/2016	SECURITY SVC-METROLINK	\$1,729.73
	14-16781	02/19/2016	SECURITY SVC-METROLINK	\$1,898.05
<b>11624</b>	02/24/2016		<b>SO CAL INDUSTRIES</b>	<b>\$93.87</b>
	Invoice	Date	Description	Amount
	213793	02/05/2016	RR RENTAL-METROLINK	\$93.87
<b>11625</b>	02/24/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$332.09</b>
	Invoice	Date	Description	Amount
	2016-00001018	02/19/2016	12/22/15-1/23/16 SVC-600 S BREAN CYN B	\$332.09
<b>11626</b>	02/24/2016		<b>WALNUT VALLEY WATER DISTRICT</b>	<b>\$147.63</b>
	Invoice	Date	Description	Amount
	2213856	02/10/2016	12/31/15-2/1/16 SVC-PLATFORM METROLINK	\$18.87
	2212963	02/09/2016	1/1-2/1/16 SVC-METROLINK STN-SPANISH LN	\$128.76

Check	Status	Count	Transaction Amount
	Total	5	\$7,713.34

**CITY OF INDUSTRY  
WELLS FARGO REFUSE  
March 10, 2016**

Check	Date			Payee Name	Check Amount
<b>REFUSE - Refuse Account</b>					
WT196	03/01/2016			CITY OF INDUSTRY DISPOSAL CO.	\$1,238,711.95
	Invoice	Date	Description		Amount
	2428603	02/29/2016	REFUSE SVC 2/1-2/29/16		\$1,238,711.95

Check	Status	Count	Transaction Amount
	Total	1	\$1,238,711.95

**CITY OF INDUSTRY  
WELLS FARGO VOIDED CHECK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
63482	02/11/2016		STANTEC ARCHITECTURE, INC.	(\$2,900.00)
	Invoice	Date	Description	Amount
	01/28/16	01/28/2016	VOIDED-REFUND CHECK	(\$2,900.00)

Check	Status	Count	Transaction Amount
	Total	1	(\$2,900.00)

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
63567	02/22/2016		BOTACH TACTICAL	\$3,439.58
	Invoice	Date	Description	Amount
	135805	02/17/2016	LAW ENFORCEMENT EQUIPMENT	\$3,439.58
63568	02/22/2016		LASER TECHNOLOGY INC	\$6,880.65
	Invoice	Date	Description	Amount
	02/17/16	02/17/2016	SPEED MEASURING DEVICES FOR LAW	\$6,880.65
63569	02/23/2016		INDUSTRY PUBLIC UTILITY	\$2,429.75
	Invoice	Date	Description	Amount
	2016-00000996	02/17/2016	01/10-02/10/16 SVC - 600 BREA CYN RD	\$2,429.75
63570	02/23/2016		SAN GABRIEL VALLEY WATER CO.	\$383.96
	Invoice	Date	Description	Amount
	841 7TH-FEB16	02/18/2016	01/15-02/17/16 SVC - 841 S SEVENTH	\$142.50
	2016-00000997	02/16/2016	01/13-02/12/16 SVC - 14329 VALLEY	\$176.65
	2016-00000999	02/17/2016	01/14-02/16/16 SVC - 336 EL ENCANTO	\$64.81
63571	02/23/2016		SO CALIFORNIA EDISON COMPANY	\$56,405.60
	Invoice	Date	Description	Amount
	2016-00000994	02/18/2016	1/19-2/17/16 SVC-17635 GALE AVE	\$1,374.14
	2016-00000995	02/18/2016	1/19-2/17/16 SVC-1341 FULLERTON RD	\$36.89
	2016-00000998	02/19/2016	1/19-2/17/16 SVC-PECK RD S/O PELISSIER	\$34.14
	841 7TH-FEB16	02/19/2016	1/19-2/17/16 SVC-841 7TH AVE	\$633.34
	2016-00001001	02/19/2016	1/19-2/17/16 SVC-VARIOUS SITES	\$94.49
	2016-00001010	02/19/2016	1/19-2/17/16 SVC-VARIOUS SITES	\$1,513.07
	2016-00001011	02/19/2016	1/1-2/1/16 SVC-VARIOUS SITES	\$3,814.51
	2016-00001012	02/19/2016	8/1/14-2/1/16 SVC-VARIOUS SITES	\$37,984.24
	2016-00001013	02/19/2016	1/19-2/17/16 SVC-VARIOUS SITES	\$3,056.19
	2016-00001014	02/19/2016	12/29/15-2/17/16 SVC-VARIOUS SITES	\$2,847.85
	2016-00001015	02/19/2016	1/19-2/17/16 SVC-VARIOUS SITES	\$5,016.74

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63572</b>	02/23/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$281.11</b>
	Invoice	Date	Description	Amount
	2016-00001003	02/19/2016	11/17/15-1/19/16 SVC-19001 TONNER CYN RD	\$281.11
<b>63573</b>	02/23/2016		<b>VERIZON</b>	<b>\$2,352.03</b>
	Invoice	Date	Description	Amount
	2016-00001000	02/01/2016	02/01-02/29/16 SVC - CITY HALL FAXES	\$522.25
	2016-00001002	02/01/2016	02/01-02/29/16 SVC - VARIOUS SITES	\$297.41
	HATCHER-FEB16	02/01/2016	02/01-02/29/16 SVC - HATCHER WAREHOUSE	\$52.24
	2016-00001004	02/01/2016	02/01-02/29/16 SVC - TRES HERMANOS	\$50.92
	2016-00001005	02/01/2016	02/01-02/29/16 SVC - VARIOUS SITES	\$1,132.92
	2016-00001006	02/10/2016	02/10-03/09/16 SVC - GENERATOR SITE-TELEMETRY	\$98.99
	2016-00001007	02/16/2016	02/16-03/15/16 SVC - GENERATOR SITE-TELEMETRY	\$48.11
	2016-00001009	02/16/2016	02/16-03/15/16 SVC - PH AUTO PLAZA	\$149.19
<b>63574</b>	02/23/2016		<b>WALNUT VALLEY WATER DISTRICT</b>	<b>\$46.81</b>
	Invoice	Date	Description	Amount
	2213837	02/10/2016	12/02-02/01/16 SVC - PUMP STN N/W CHERYL	\$46.81
<b>63575</b>	02/25/2016		<b>BANK OF AMERICA - VISA</b>	<b>\$4,567.59</b>
	Invoice	Date	Description	Amount
	2016-00001017	02/06/2016	1/7-2/6/16 AUTHORIZED REP	\$4,567.59
<b>63576</b>	02/25/2016		<b>STATE WATER RESOURCES</b>	<b>\$403.00</b>
	Invoice	Date	Description	Amount
	ID#468205	02/10/2016	NOI FEE-APP ID#468205	\$403.00
<b>63577</b>	02/29/2016		<b>ASSOC. OF PUBLIC TREASURERS</b>	<b>\$145.00</b>
	Invoice	Date	Description	Amount
	ID#3519	01/27/2016	MEMBERSHIP RENEWAL-P. TUCKER	\$145.00

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63578</b>	02/29/2016		<b>AT &amp; T</b>	<b>\$285.76</b>
	Invoice	Date	Description	Amount
	2016-00001032	02/17/2016	02/17-03/16/16 SVC - TONNER-GUARD SHACK	\$142.30
	2016-00001033	02/17/2016	02/17-03/16/16 SVC - TONNER-RADIO	\$143.46
<b>63579</b>	02/29/2016		<b>CITY OF CHINO HILL UTILITY</b>	<b>\$379.46</b>
	Invoice	Date	Description	Amount
	2016-00001034	02/18/2016	01/14-02/16/16 SVC - 1550 RANCHO HILLS DR	\$379.46
<b>63580</b>	02/29/2016		<b>GAS COMPANY, THE</b>	<b>\$37.62</b>
	Invoice	Date	Description	Amount
	2016-00001035	02/22/2016	01/19-02/18/16 SVC - 610 S BREA CYN RD	\$37.62
<b>63581</b>	02/29/2016		<b>SAN GABRIEL VALLEY WATER CO.</b>	<b>\$4,958.21</b>
	Invoice	Date	Description	Amount
	2016-00001020	02/26/2016	01/26-02/25/16 SVC - IRRIG SALT LAKE/SEVENTH	\$183.23
	2016-00001021	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY NORTH	\$185.30
	2016-00001022	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY NORTH	\$336.75
	2016-00001023	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY NORTH	\$1,111.66
	2016-00001024	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY SOUTH	\$986.56
	2016-00001025	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY SOUTH	\$116.16
	2016-00001026	02/26/2016	01/26-02/25/16 SVC - CROSSROADS PKWY SOUTH	\$308.34
	2016-00001027	02/26/2016	01/26-02/25/16 SVC - PELLISSIER	\$252.37
	2016-00001028	02/26/2016	01/26-02/25/16 SVC - PELLISSIER	\$349.92
	2016-00001029	02/26/2016	01/26-02/25/16 SVC - PECK/UNION PACIFIC BRIDGE	\$380.77
	2016-00001030	02/26/2016	01/26-02/25/16 SVC - S/E COR OF PELLISSIER	\$542.09
	2016-00001031	02/26/2016	01/26-02/25/16 SVC - PELLISSIER	\$205.06
<b>63582</b>	02/29/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$141.24</b>
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2016-00001036	02/24/2016	01/23-02/23/16 SVC - 21380 VALLEY PED	\$88.24
	2016-00001037	02/24/2016	01/23-02/23/16 SVC - 575 S BREA CYN	\$26.57
	2016-00001038	02/24/2016	01/23-02/23/16 SVC - 580 S BREA CYN	\$26.43
<b>63583</b>	02/29/2016		<b>SUBURBAN WATER SYSTEMS</b>	<b>\$1,947.57</b>
	Invoice	Date	Description	Amount
	180040793399	02/23/2016	01/24-02/23/16 SVC - AZUSA & GEMINI	\$1,947.57
<b>63584</b>	02/29/2016		<b>VERIZON</b>	<b>\$52.20</b>
	Invoice	Date	Description	Amount
	2016-00001039	02/16/2016	02/16-03/15/16 SVC - BREA CYN PUMP STN	\$52.20
<b>63585</b>	03/02/2016		<b>BANK OF AMERICA-ACCOUNT</b>	<b>\$4,490.60</b>
	Invoice	Date	Description	Amount
	0012129391	01/15/2016	ACCOUNT ANALYSIS	\$4,490.60
<b>63586</b>	03/10/2016		<b>ADMIN SURE</b>	<b>\$1,900.00</b>
	Invoice	Date	Description	Amount
	9161	02/15/2016	CLAIM ADMIN-FEB 2016	\$1,900.00
<b>63587</b>	03/10/2016		<b>AIR-BREE, INC</b>	<b>\$458.84</b>
	Invoice	Date	Description	Amount
	1160223111	02/23/2016	REPAIR FRESH AIR SYSTEM-CITY HALL	\$458.84
<b>63588</b>	03/10/2016		<b>AT &amp; T</b>	<b>\$176.00</b>
	Invoice	Date	Description	Amount
	8894701305	02/23/2016	01/19-02/18/16 SVC - METROLINK	\$176.00
<b>63589</b>	03/10/2016		<b>BIGGS CARDOSA ASSOCIATES, INC.</b>	<b>\$677.81</b>
	Invoice	Date	Description	Amount
	68747	01/05/2016	REPAINTING AZUSA AVE BRIDGE	\$677.81

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63590</b>	03/10/2016		<b>BILL'S HYDROSEED</b>	<b>\$6,144.00</b>
	Invoice	Date	Description	Amount
	472	02/01/2016	SPRAY HYDRO SEED-GALE AVE	\$6,144.00
<b>63591</b>	03/10/2016		<b>BRYAN PRESS</b>	<b>\$1,759.13</b>
	Invoice	Date	Description	Amount
	0074440	02/12/2016	LEAVE REQUEST FORMS	\$217.46
	0074429	02/17/2016	PARKING VIOLATION FORMS	\$1,541.67
<b>63592</b>	03/10/2016		<b>CHEM PRO LABORATORY, INC</b>	<b>\$269.00</b>
	Invoice	Date	Description	Amount
	600028	01/23/2016	WATER TREATMENT-JAN 2016	\$269.00
<b>63593</b>	03/10/2016		<b>CITY OF INDUSTRY - DEBT SERVICE</b>	<b>\$46,500.00</b>
	Invoice	Date	Description	Amount
	AJE#2	03/01/2016	TO CORRECT 2014 GO BOND ISSUANCE COSTS	\$46,500.00
<b>63594</b>	03/10/2016		<b>CITY OF INDUSTRY-MEDICAL</b>	<b>\$219,000.00</b>
	Invoice	Date	Description	Amount
	REG 3/10/16	03/02/2016	TRANSFER FUNDS-MEDICAL	\$219,000.00
<b>63595</b>	03/10/2016		<b>CITY OF INDUSTRY-PAYROLL ACCT</b>	<b>\$200,000.00</b>
	Invoice	Date	Description	Amount
	P/R 2/29/16	02/26/2016	PAYROLL REIMBURSEMENT FOR 2/29/16	\$200,000.00
<b>63596</b>	03/10/2016		<b>CITY OF SOUTH EL MONTE</b>	<b>\$2,000.00</b>
	Invoice	Date	Description	Amount
	1074	01/31/2016	COALITION SR60 PROJ-FEB 2016	\$2,000.00
<b>63597</b>	03/10/2016		<b>CNC ENGINEERING</b>	<b>\$142,711.53</b>

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Check	Date	Payee Name	Check Amount
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**CITY.WF.CHK - City General Wells Fargo**

Invoice	Date	Description	Amount
44451	02/25/2016	INDUSTRY 66KV ELEC SUBSTATION FACILITY	\$650.84
44452	02/25/2016	ON-CALL STREET MAINT PROGRAM	\$398.03
44453	02/25/2016	VALLEY BLVD PCC PAVEMENT RECONSTRUCTION	\$14,272.64
44454	02/25/2016	CLARK AVE WIDENING	\$4,355.01
44455	02/25/2016	EMERGENCY CREEK AND ROADWAY REPAIRS	\$1,293.48
44456	02/25/2016	MAINT REPAIRS AT 205 N. HUDSON AVE	\$1,534.09
44457	02/25/2016	GENENERAL ENGINEERING-CIP	\$44,192.88
44458	02/25/2016	GENENERAL ENGINEERING 2/8-2/21/16	\$44,248.93
44459	02/25/2016	TONNER CYN PROPERTY	\$2,141.20
44460	02/25/2016	PUENTE VALLEY OPERABLE UNIT	\$1,116.18
44461	02/25/2016	MAINT OF CITY HALL	\$1,484.00
44462	02/25/2016	MAINT OF IMC BLDG	\$410.22
44463	02/25/2016	HOMESTEAD MUSEUM MAINT	\$440.43
44464	02/25/2016	OPERATION AND MAINT OF METRO SOLAR PARKNG	\$2,973.05
44465	02/25/2016	TRAFFIC SIGNAL AT DON JULIAN/SIXTH AVE	\$2,219.64
44466	02/25/2016	INDUSTRY HILLS FUEL STN MAINT	\$313.76
44467	02/25/2016	PROPERTY MGMT FOR CITY OWNED PROPERTIES	\$2,538.48
44468	02/25/2016	605FWY AND VALLEY BLVD INTERCHANGE	\$162.71
44469	02/25/2016	HIGHWAY BRIDGE PROGRAM FUNDING	\$1,266.70
44470	02/25/2016	AZUSA AVE OVER VALLEY BLVD BRIDGE	\$967.52
44471	02/25/2016	CROSSROADS PKY SOUTH PCC PAVEMENT	\$1,013.36
44472	02/25/2016	VARIOUS ASSIGNMENTS - SA TO IUDA	\$3,047.24
44473	02/25/2016	MAINT OF YARD AT 1123 HATCHER AVE	\$536.89
44474	02/25/2016	ARENTH AVE RECONSTRUCTION	\$6,184.04
44475	02/25/2016	2015-2016 TARGET SPEED SURVEY	\$1,025.55
44476	02/25/2016	UPPER SAN GRABRIEL RIVER STORMWATER	\$801.89
44477	02/25/2016	SURVEY OF MUNICIPALITIES	\$2,091.91
44478	02/25/2016	FULLERTON RD GRADE SEPARATION	\$325.42
44479	02/25/2016	ALAMEDA CORRIDOR EAST RELATED PROJECTS	\$126.67
44480	02/25/2016	FAIRWAY DR GRADE SEPARATION	\$253.34

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Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	44481	02/25/2016	NOGALES GRADE SEPARATION	\$325.43
<b>63598</b>	03/10/2016		<b>CONSOLIDATED ELECTRICAL DIST.</b>	<b>\$26.41</b>
	Invoice	Date	Description	Amount
	3301-500315	02/19/2016	ELECTRICAL SUPPLIES-IMC	\$26.41
<b>63599</b>	03/10/2016		<b>CORDOBA CORPORATION</b>	<b>\$90,000.00</b>
	Invoice	Date	Description	Amount
	216-132	01/16/2016	REAL ESTATE ADVISORY SVC-JAN 2016	\$45,000.00
	215-511	01/14/2016	REAL ESTATE ADVISORY SVC-DEC 2015	\$45,000.00
<b>63600</b>	03/10/2016		<b>COUNTY OF LA DEPT OF PUBLIC</b>	<b>\$42,068.67</b>
	Invoice	Date	Description	Amount
	PW-16021108856	02/11/2016	TRAFFIC SIGNING	\$131.50
	PW-16021108869	02/11/2016	MAINT OF PUMP PLANTS	\$6,811.60
	PW-16021108870	02/11/2016	PUMP HOUSE MAINT	\$4,884.47
	PW-16021108865	02/11/2016	TRAFFIC ENGINEERING ADVISORY SVC	\$4,198.38
	PW-16021108850	02/11/2016	STORM DAMAGE RESPONSE	\$5,508.32
	PW-16021108853	02/11/2016	STREET MAINT/INSPECTION	\$3,111.86
	PW-16021108851	02/11/2016	CONCRETE REPAIR	\$375.16
	PW-16021108854	02/11/2016	LITTLER/DEBRIS REMOVAL	\$1,437.77
	PW-16021108855	02/11/2016	PAVEMENT PATCHING	\$2,876.96
	PW-16021108852	02/11/2016	STORM DRAIN MAINT	\$211.86
	PW-16021109097	02/11/2016	TRAFFIC SIGNAL MAINT	\$12,520.79
<b>63601</b>	03/10/2016		<b>DEPT OF ANIMAL CARE &amp; CONTROL</b>	<b>\$3,670.12</b>
	Invoice	Date	Description	Amount
	02/15/16	02/15/2016	SHELTER COSTS-JAN 2016	\$3,670.12
<b>63602</b>	03/10/2016		<b>EGOSCUE LAW GROUP</b>	<b>\$22,800.00</b>
	Invoice	Date	Description	Amount

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<b>CITY.WF.CHK - City General Wells Fargo</b>				
	11144	02/03/2016	LEGAL SVC-FOLLOW'S CAMP-JAN 2016	\$22,800.00
<b>63603</b>	03/10/2016		<b>ELECTRA-MEDIA, INC</b>	<b>\$1,763.00</b>
	Invoice	Date	Description	Amount
	4327	02/15/2016	PH AUTO DISPLAY-MAR 2016	\$1,763.00
<b>63604</b>	03/10/2016		<b>ENCO UTILITY SERVICES</b>	<b>\$5,109.50</b>
	Invoice	Date	Description	Amount
	0113-0037MR	02/08/2016	METER READING-JAN 2016	\$2,263.50
	0612-000394S	02/08/2016	METER SYSTEM MONITORING-JAN 2016	\$2,846.00
<b>63605</b>	03/10/2016		<b>FRAZER, LLP</b>	<b>\$29,685.00</b>
	Invoice	Date	Description	Amount
	141656	02/29/2016	COI-ACCTG SVC 2/16-2/29/16	\$29,685.00
<b>63606</b>	03/10/2016		<b>GAS COMPANY, THE</b>	<b>\$147.89</b>
	Invoice	Date	Description	Amount
	2016-00001092	02/29/2016	01/26-02/25/16 SVC - 15415 DON JULIAN RD	\$147.89
<b>63607</b>	03/10/2016		<b>GONSALVES &amp; SON, JOE A.</b>	<b>\$5,045.00</b>
	Invoice	Date	Description	Amount
	25933	02/18/2016	LEGISLATIVE SVC-MAR 2016	\$5,045.00
<b>63608</b>	03/10/2016		<b>HADDICK'S AUTO BODY</b>	<b>\$1,452.51</b>
	Invoice	Date	Description	Amount
	047638	02/08/2016	AUTO MAINT-LIC 1210025	\$360.88
	047635	02/08/2016	AUTO MAINT-LIC 1279616	\$918.23
	147639	02/08/2016	AUTO MAINT-LIC 1279616	\$173.40
<b>63609</b>	03/10/2016		<b>HDL COREN &amp; CONE</b>	<b>\$2,400.00</b>
	Invoice	Date	Description	Amount

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<b>CITY.WF.CHK - City General Wells Fargo</b>				
	0022092-IN	10/27/2015	CONTRACT SVC-FOURTH QTR 2015	\$2,400.00
<b>63610</b>	03/10/2016		<b>HUNTER ELECTRIC SERVICE, INC.</b>	<b>\$2,327.10</b>
	Invoice	Date	Description	Amount
	2016-028	01/27/2016	REPAIR WALKWAY LIGHTING-HOMESTEAD	\$804.00
	2016-010	01/27/2016	REPAIR PHONE LINE-METRO SOLAR	\$789.60
	2016-035	02/15/2016	INSTALL POWER POLE-CITY HALL	\$201.00
	2016-039	02/15/2016	REPAIR LIGHTING-841 7TH AVE	\$301.50
	2016-043	02/23/2016	ELECTRICAL REPAIRS-IMC	\$231.00
<b>63611</b>	03/10/2016		<b>INDUSTRY SECURITY SERVICES</b>	<b>\$36,652.93</b>
	Invoice	Date	Description	Amount
	14-16779	02/19/2016	SECURITY SVC-TRES HERMANOS	\$2,355.44
	14-16768	02/19/2016	SECURITY SVC 2/12-2/18/16	\$16,481.24
	14-16838	02/26/2016	SECURITY SVC-TRES HERMANOS	\$2,187.12
	14-16828	02/26/2016	SECURITY SVC 2/19-2/25/16	\$15,629.13
<b>63612</b>	03/10/2016		<b>INTERNATIONAL LINE BUILDERS</b>	<b>\$340,800.94</b>
	Invoice	Date	Description	Amount
	776911	01/27/2016	ELECTRICAL SVC-EAST END DEVELOPMENT	\$30,171.20
	776910	01/27/2016	ELECTRICAL SVC-EAST END DEVELOPMENT	\$21,894.00
	776914	01/27/2016	ELECTRICAL SVC-EAST END DEVELOPMENT	\$234,687.18
	776912	01/27/2016	ELECTRICAL SVC-EAST END DEVELOPMENT	\$54,048.56
<b>63613</b>	03/10/2016		<b>INTERTIE</b>	<b>\$8,925.00</b>
	Invoice	Date	Description	Amount
	1685	02/09/2016	ENERGY CONSULTING-METRO SOLAR	\$8,925.00
<b>63614</b>	03/10/2016		<b>JANUS PEST MANAGEMENT</b>	<b>\$580.00</b>
	Invoice	Date	Description	Amount
	174562	02/01/2016	SVC-HOMESTEAD	\$580.00

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Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63615</b>	03/10/2016		<b>KLEINFELDER, INC.</b>	<b>\$2,002.50</b>
	Invoice	Date	Description	Amount
	001091390	01/14/2016	PAVEMENT EVALUATION-ARENTH AVE	\$2,002.50
<b>63616</b>	03/10/2016		<b>L A COUNTY DEPT OF PUBLIC</b>	<b>\$4,420.10</b>
	Invoice	Date	Description	Amount
	IN160000768	02/16/2016	SEWER SERVICE-PARCEL 8264-012-925	\$25.25
	IN160000736	02/04/2016	PILOT ROUTINE MAINT	\$4,394.85
<b>63617</b>	03/10/2016		<b>L A COUNTY DEPT OF PUBLIC</b>	<b>\$134.30</b>
	Invoice	Date	Description	Amount
	SA160000309	02/04/2016	TRAFFIC SIGNAL MAINT	\$134.30
<b>63618</b>	03/10/2016		<b>L A COUNTY REGISTRAR-</b>	<b>\$75.00</b>
	Invoice	Date	Description	Amount
	CUP15-10	02/25/2016	FEE-NOTICE OF EXEMPTION FOR CUP 15-10	\$75.00
<b>63619</b>	03/10/2016		<b>L A COUNTY REGISTRAR-</b>	<b>\$75.00</b>
	Invoice	Date	Description	Amount
	CUP16-2	02/25/2016	FEE-NOTICE OF EXEMPTION FOR CUP 16-2	\$75.00
<b>63620</b>	03/10/2016		<b>L A COUNTY SHERIFF'S</b>	<b>\$18,993.07</b>
	Invoice	Date	Description	Amount
	162943NH	02/18/2016	SPECIAL EVENT-DIRECTED PATROL	\$18,993.07
<b>63621</b>	03/10/2016		<b>LA PUENTE VALLEY COUNTY</b>	<b>\$7,093.76</b>
	Invoice	Date	Description	Amount
	2016-00001061	02/17/2016	12/17-02/17/16 SVC - VALLEY BLVD (IRRI)	\$67.09
	2016-00001062	02/17/2016	12/17-02/17/16 SVC - 15415 DON JULIAN RD (IRRI)	\$465.60
	2016-00001063	02/17/2016	12/17-02/17/16 SVC - DON JULIAN RD	\$892.60

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Check	Date	Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>			
	2016-00001064	02/17/2016 12/17-02/17/16 SVC - PARRIOTT & DON JULIAN RD (I)	\$144.91
	2016-00001065	02/17/2016 12/17-02/17/16 SVC - 220 HACIENDA BLVD (IRRI)	\$162.46
	2016-00001066	02/17/2016 12/17-02/17/16 SVC - 15522 NELSON AVE	\$106.09
	2016-00001067	02/17/2016 12/17-02/17/16 SVC - NELSON AVE (IRRI)	\$326.26
	2016-00001068	02/17/2016 12/17-02/17/16 SVC - SOTRO ST (IRRI)	\$220.96
	2016-00001069	02/17/2016 12/17-02/17/16 SVC - 15651 STAFFORD ST	\$326.26
	2016-00001070	02/17/2016 12/17-02/17/16 SVC - RAUSCH RD (IRRI)	\$70.99
	2016-00001071	02/17/2016 12/17-02/17/16 SVC - RAUSCH RD (IRRI)	\$72.94
	2016-00001072	02/17/2016 12/17-02/17/16 SVC - 15414 DON JULIAN RD (IRRI)	\$236.56
	2016-00001073	02/17/2016 12/17-02/17/16 SVC - 15414 DON JULIAN RD	\$156.34
	2016-00001074	02/17/2016 12/17-02/17/16 SVC - 15625 STAFFORD ST	\$57.34
	2016-00001075	02/17/2016 12/17-02/17/16 SVC - 15625 STAFFORD ST	\$135.34
	2016-00001076	02/17/2016 12/17-02/17/16 SVC - HACIENDA & STAFFORD ST (I)	\$135.16
	2016-00001077	02/17/2016 12/17-02/17/16 SVC - 1 AZUSA WAY (IRRI)	\$269.26
	2016-00001078	02/17/2016 12/17-02/17/16 SVC - HACIENDA & STAFFORD (IRR)	\$144.91
	2016-00001079	02/17/2016 12/17-02/17/16 SVC - 285 HACIENDA BLVD (IRRI)	\$76.84
	2016-00001080	02/17/2016 12/17-02/17/16 SVC - HUDSON AVE (IRRI)	\$195.61
	2016-00001081	02/17/2016 12/17-02/17/16 SVC - 211 HACIENDA BLVD (IRRI)	\$69.04
	2016-00001082	02/17/2016 12/17-02/17/16 SVC - PROCTOR & EL ENCANTO (I)	\$211.21
	2016-00001083	02/17/2016 12/17-02/17/16 SVC - STAFFORD ST (IRRI)	\$168.31
	2016-00001084	02/17/2016 12/17-02/17/16 SVC - STAFFORD & OLD VALLEY (I)	\$191.71
	2016-00001085	02/17/2016 12/17-02/17/16 SVC - ALONG RAILROAD TRACK (I)	\$199.51
	2016-00001086	02/17/2016 12/17-02/17/16 SVC - 201 STAFFORD ST (IRRI)	\$508.24
	2016-00001087	02/17/2016 12/17-02/17/16 SVC - 15414 DON JULIAN RD	\$139.06
	2016-00001088	02/17/2016 12/17-02/17/16 SVC - 15414 DON JULIAN RD (IRRI)	\$316.51
	2016-00001089	02/17/2016 12/17-02/17/16 SVC - 15415 DON JULIAN RD (IRRI)	\$771.75
	2016-00001090	02/17/2016 12/17-02/17/16 SVC - HACIENDA BLVD (IRRI)	\$98.29
	2016-00001091	02/17/2016 12/17-02/17/16 SVC - 15660 STAFFORD ST	\$156.61
<b>63622</b>	03/10/2016	<b>LA PUENTE VALLEY COUNTY</b>	<b>\$285.43</b>
	Invoice	Date Description	Amount

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<b>CITY.WF.CHK - City General Wells Fargo</b>				
	BS;02/16	02/17/2016	WATER MONITORING-BOY SCOUTS RESERVOIR	\$285.43
<b>63623</b>	03/10/2016		<b>LEIGHTON CONSULTING INC</b>	<b>\$1,390.00</b>
	Invoice	Date	Description	Amount
	21968	02/09/2016	GEO TESTING-66KV SUBSTATION FACILITY	\$1,390.00
<b>63624</b>	03/10/2016		<b>LOCKS PLUS</b>	<b>\$20.00</b>
	Invoice	Date	Description	Amount
	23021	02/17/2016	LOCKS/KEY CONTROL	\$20.00
<b>63625</b>	03/10/2016		<b>MR PLANT &amp; INTERIOR BOTANICAL</b>	<b>\$710.00</b>
	Invoice	Date	Description	Amount
	MAR3395	03/01/2016	PLANT MAINT-MAR 2016	\$588.00
	MAR3394	03/01/2016	PLANT MAINT-MAR 2016	\$122.00
<b>63626</b>	03/10/2016		<b>OLMOS PROFESSIONAL SERVICES</b>	<b>\$8,782.00</b>
	Invoice	Date	Description	Amount
	202	02/29/2016	JANITORIAL SVC-IMC	\$1,467.00
	204	02/29/2016	JANITORIAL SVC-FIRE PREVENTION STN	\$1,815.00
	203	02/29/2016	JANITORIAL SVC-CITY HALL	\$5,500.00
<b>63627</b>	03/10/2016		<b>PLACEWORKS</b>	<b>\$4,352.85</b>
	Invoice	Date	Description	Amount
	58415	01/31/2016	INDUSTRY CLIMATE ACTION PLAN	\$4,352.85
<b>63628</b>	03/10/2016		<b>RICOH USA, INC.</b>	<b>\$50.05</b>
	Invoice	Date	Description	Amount
	5040507493	02/14/2016	METER READING	\$50.05
<b>63629</b>	03/10/2016		<b>RLH INDUSTRIES, INC.</b>	<b>\$900.56</b>
	Invoice	Date	Description	Amount

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Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	30191/30242/CR	01/28/2016	INSTALLATION SVC-GRAND CROSSING SUBSTATION	\$900.56
<b>63630</b>	03/10/2016		<b>ROWLAND WATER DISTRICT</b>	<b>\$1,424.83</b>
	Invoice	Date	Description	Amount
	2016-00001057	02/24/2016	01/15-02/12/16 SVC - 1100 AZUSA AVE	\$152.66
	2016-00001058	02/24/2016	01/19-02/16/16 SVC - 17217 & 17229 CHESTNUT ST	\$41.73
	1135HATCH-FEB16	02/24/2016	01/19-02/16/16 SVC - 1135 HATCHER ST	\$53.61
	1123CHATCH-FEB16	02/24/2016	01/19-02/16/16 SVC - 1123C HATCHER ST	\$68.46
	1123DHATCH-FEB16	02/24/2016	01/19-02/16/16 SVC - 1123D HATCHER ST	\$65.49
	2016-00001059	02/24/2016	01/19-02/16/16 SVC - 755 NOGALES (RC)	\$102.05
	2016-00001060	02/24/2016	01/19-02/16/16 SVC - AZUSA AVE (RC)	\$57.12
	2016-00001093	02/24/2016	01/19-02/12/16 SVC - AZUSA AVE - CENTER	\$59.55
	2016-00001094	02/24/2016	01/19-02/16/16 SVC - AZUSA AVE 205597	\$92.22
	2016-00001095	02/24/2016	01/19-02/16/16 SVC - 930 AZUSA AVE	\$195.42
	2016-00001096	02/24/2016	01/19-02/16/16 SVC - 17401 VALLEY BLVD	\$198.39
	2016-00001097	02/24/2016	01/19-02/16/16 SVC - 18044 ROWLAND-LAWSON	\$107.07
	2016-00001098	02/24/2016	01/19-02/16/16 SVC - HURLEY ST & VALLEY	\$231.06
<b>63631</b>	03/10/2016		<b>SATSUMA LANDSCAPE &amp; MAINT.</b>	<b>\$147,627.01</b>
	Invoice	Date	Description	Amount
	0216TACH	02/26/2016	LANDSCAPE SVC-VARIOUS SITES	\$34,925.00
	0216CHTA	02/26/2016	LANDSCAPE SVC-FEB 2016	\$112,702.01
<b>63632</b>	03/10/2016		<b>SEQUEL CONTRACTORS, INC</b>	<b>\$7,315.00</b>
	Invoice	Date	Description	Amount
	#8CITY-1417R-A	03/10/2016	ON-CALL HWY AND STREET IMPROVEMENTS	\$7,315.00
<b>63633</b>	03/10/2016		<b>SHERWIN-WILLIAMS</b>	<b>\$549.83</b>
	Invoice	Date	Description	Amount
	3888-4	02/12/2016	PAINT SPRAYER REPAIR	\$549.83

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<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63634</b>	03/10/2016		<b>SO CAL INDUSTRIES</b>	<b>\$178.77</b>
	Invoice	Date	Description	Amount
	213794	02/05/2016	RR RENTAL-TONNER CYN/GRAND AVE	\$93.87
	214447	02/10/2016	RR RENTAL-TONNER CYN/57 FWY	\$84.90
<b>63635</b>	03/10/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$760.99</b>
	Invoice	Date	Description	Amount
	2016-00001046	02/26/2016	01/26-02/25/16 SVC - 17378 E GALE B	\$41.43
	2016-00001047	02/26/2016	01/26-02/25/16 SVC - 745 ANAHEIM PUENTE RD CP	\$72.57
	2016-00001048	02/26/2016	01/01-02/24/16 SVC - 600 S BREA CYN RD	\$99.02
	2016-00001049	02/27/2016	01/26-02/25/16 SVC - BREA CYN RD-VARIOUS SITES	\$547.97
<b>63636</b>	03/10/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$63.22</b>
	Invoice	Date	Description	Amount
	2016-00001045	02/25/2016	01/25-02/24/16 SVC - 5010 ENGLISH RD	\$63.22
<b>63637</b>	03/10/2016		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$12,219.60</b>
	Invoice	Date	Description	Amount
	7500644174	02/19/2016	01/01-01/31/16 SVC - 133 N. AZUSA AVE	\$1,901.61
	7500644164	02/19/2016	01/01-01/31/16 SVC - 745 ANAHEIM-PUENTE RD	\$1,027.46
	7500644163	02/19/2016	01/01-01/31/16 SVC - 208 S. WADDINGHAM WAY	\$3,667.31
	7500644162	02/19/2016	01/01-01/31/16 SVC - OLD RANCH RD/MAYO AVE	\$5,623.22
<b>63638</b>	03/10/2016		<b>SQUARE ROOT GOLF &amp;</b>	<b>\$187,482.79</b>
	Invoice	Date	Description	Amount
	1212ELHM	02/29/2016	LANDSCAPE SVC-FEB 2016	\$17,967.00
	1213ELHM	02/29/2016	LANDSCAPE SVC-FEB 2016	\$42,574.16
	1214H	02/29/2016	LANDSCAPE SVC-FEB 2016	\$126,941.63
<b>63639</b>	03/10/2016		<b>STAPLES BUSINESS ADVANTAGE</b>	<b>\$2,550.73</b>
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	8037946575	02/06/2016	OFFICE SUPPLIES	\$914.85
	8038039473	02/13/2016	OFFICE SUPPLIES	\$1,208.50
	8038123474	02/20/2016	OFFICE SUPPLIES	\$427.38
<b>63640</b>	03/10/2016		<b>STATE COMPENSATION INS. FUND</b>	<b>\$3,946.70</b>
	Invoice	Date	Description	Amount
	MARCH 2016	03/01/2016	PREMIUM FOR 3/1-4/1/16	\$2,937.08
	7/1/14-7/1/15	03/02/2016	ADJUSTED PREMIUM FOR 7/1/14-7/1/15	\$1,009.62
<b>63641</b>	03/10/2016		<b>STOTZ EQUIPMENT</b>	<b>\$455.06</b>
	Invoice	Date	Description	Amount
	P56002	02/15/2016	PARTS FOR REPAIR OF CI TY EQUIPMENT	\$455.06
<b>63642</b>	03/10/2016		<b>SUBURBAN WATER SYSTEMS</b>	<b>\$48.04</b>
	Invoice	Date	Description	Amount
	180080469493	02/22/2016	01/23-02/22/16 SVC - 205 HUDSON AVE	\$48.04
<b>63643</b>	03/10/2016		<b>THEE BEST ROOTER &amp; PLUMBING</b>	<b>\$807.32</b>
	Invoice	Date	Description	Amount
	4850	02/14/2016	PLUMBING REPAIR-EL ENCANTO	\$250.00
	4853	02/14/2016	PLUMBING REPAIR-841 7TH AVE	\$180.00
	4860	02/14/2016	PLUMBING REPAIR-CITY HALL	\$377.32
<b>63644</b>	03/10/2016		<b>THIENES ENGINEERING INC.</b>	<b>\$86.31</b>
	Invoice	Date	Description	Amount
	42429	02/03/2016	BREA CYN GRADING REPAIR	\$86.31
<b>63645</b>	03/10/2016		<b>U.S. BANK</b>	<b>\$1,000.00</b>
	Invoice	Date	Description	Amount
	4216432	02/12/2016	COI-ADMIN FEES FOR GORBS 2014 TAXABLE	\$1,000.00

**CITY OF INDUSTRY  
WELLS FARGO BANK  
March 10, 2016**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
<b>63646</b>	03/10/2016		<b>VANGUARD CLEANING SYSTEMS,</b>	<b>\$925.00</b>
	Invoice	Date	Description	Amount
	18926	03/01/2016	JANITORIAL SVC-MAR 2016	\$925.00
<b>63647</b>	03/10/2016		<b>VERIZON</b>	<b>\$330.47</b>
	Invoice	Date	Description	Amount
	2016-00001051	02/19/2016	02/19-03/18/16 SVC - FOLLOW'S CAMP	\$65.64
	2016-00001052	02/19/2016	02/19-03/18/16 SVC - ELECTRIC MODEM	\$56.01
	2016-00001053	02/19/2016	02/19-03/18/16 SVC - EM-21415 BAKER PKWY	\$53.67
	2016-00001054	02/19/2016	02/19-03/18/16 SVC - GENERATOR SITE-TELEMETRY	\$42.54
	2016-00001055	02/22/2016	02/22-03/21/16 SVC - ELECTRIC MODEM	\$53.67
	2016-00001056	02/22/2016	02/22-03/21/16 SVC - GENERATOR SITE-TELEMETRY	\$58.94
<b>63648</b>	03/10/2016		<b>WASTE SYSTEMS TECHNOLOGY,</b>	<b>\$21,030.31</b>
	Invoice	Date	Description	Amount
	COI-2-2016	02/02/2016	COMMERCIAL WASTE PROGRAM	\$21,030.31
<b>63649</b>	03/10/2016		<b>WEATHERITE SERVICE</b>	<b>\$710.00</b>
	Invoice	Date	Description	Amount
	L165971	02/10/2016	A/C MAINT-IMC	\$152.00
	L165950	02/08/2016	A/C MAINT-HOMESTEAD	\$558.00

Checks	Status	Count	Transaction Amount
	Total	83	\$1,743,474.72

*CITY COUNCIL*

ITEM NO. 5.2

## RESOLUTION NO. CC 2015-38

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, APPROVING A PURCHASE AGREEMENT BETWEEN THE CITY 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

#### RECITALS

**WHEREAS**, the City of Industry is the owner of certain real property located at 948 S. Azusa, City of Industry, California (APN: 8264-025-911) ("Property"); and

**WHEREAS**, the Property consists of approximately 22,330 square feet, with a zoning designation of Commercial and a general plan designation of Employment; and

**WHEREAS**, in or around 2007, as part of a public works project, the City widened Railroad Avenue at its intersection with Azusa Avenue, which resulted in a loss of approximately 2,728 square feet of usable land area at the Property; and

**WHEREAS**, on or about March 10, 2015, the Successor Agency to the Industry Urban-Development Agency ("Agency") and CT Chestnut LLC ("Developer"), entered into a Purchase Agreement for the real property located adjacent to the Property on the East Side of Azusa, North of Railroad Street and 17300 Chestnut Street in the City of Industry, California ("Agency Property"); and

**WHEREAS**, pursuant to the terms of the Purchase Agreement for the Agency Property, the Developer is required to construct a Class-A industrial project of approximately 550,000-650,000 square feet, with a maximum of eight buildings; and

**WHEREAS**, Developer wishes to purchase the Property from the City, for the purpose of constructing certain improvements set forth in the Purchase Agreement for the Agency Property; and

**WHEREAS**, pursuant to Government Code Section 37350, the City may dispose of real property for the common benefit; and

**WHEREAS**, California law does not establish any rules, regulations or procedures for the City's sale of real property; and

**WHEREAS**, by selling the Property to Developer, the City is making use of a remnant parcel that is predominately vacant, and will no longer be responsible for the maintenance and upkeep and the associated costs of the Property; and

**WHEREAS**, the sale of the Property allows for the development of the Property, which will improve the aesthetics of the City, assist in the elimination of blight, and will allow for a cohesive, well-planned, new development; and

**WHEREAS**, the future development of the Property will bring additional employment opportunities to the City, and will improve the economic and physical conditions of the City which is a benefit to the City's residents, business owners and members of the community; and

**WHEREAS**, the sale of the Property is categorically exempt from the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15061(b)(3) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations), because the sale of the property does not have a potential for causing a significant effect on the environment. Any future development will require further analysis pursuant to the requirements of CEQA; and

**WHEREAS**, based on the foregoing, the City desires to sell the Property to Developer for the fair market value price of Eight Hundred Eighty Thousand Dollars (\$880,000.00).

**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:** All necessary public meetings and opportunities for public testimony and comment have been conducted in compliance with State law and the City's Code.

**SECTION 3:** Based upon independent review and consideration of the information contained in the Staff Report and the Notice of Exemption for the sale of the Property, City Council hereby finds and determines that the sale of the Property will not result in or have a significant impact on the environment, because the sale would not create any public health or safety hazards and would not have a significant impact on the resources or services within the surrounding area, such as water, sanitary services, surrounding roadways and intersections. Further, any future development at the Property will be subject to additional environmental review and independent analysis as required by CEQA. Therefore, the proposed project is exempt from the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15061(b)(3). Based on these findings, the City Council adopts the Notice of Exemption and directs staff to file same as required by law.

**SECTION 4:** The City Council hereby approves the sale of the Property to Developer, pursuant to the terms and conditions set forth in the Purchase Agreement, attached hereto as Exhibit A, and incorporated herein by reference, and subject to the following conditions:

- a. Said approval of the sale shall be contingent upon the Planning Commission's finding that the sale of the Property conforms to the City's General Plan; and
- b. Said approval of the sale shall be contingent upon Developer's dedication of an irrevocable right of way and easement, to account for the widening of Railroad Avenue at the Property. The dedication shall be made at close of escrow.

**SECTION 5:** The officers and staff of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

**SECTION 6:** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, 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 7:** That 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** by the City Council of the City of Industry at a regular meeting held on October 22, 2015 by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

---

Mark D. Radecki, Mayor

**ATTEST:**

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Cecelia Dunlap, Deputy City Clerk

EXHIBIT A

**PURCHASE AGREEMENT**

**948 S. AZUSA AVE., CITY OF INDUSTRY, CA**

CITY OF INDUSTRY, a municipal corporation  
"City"

CT CHESTNUT LLC,  
a Delaware limited liability company  
"Developer"

\_\_\_\_\_, 2015

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**PURCHASE AGREEMENT**  
**948 S. AZUSA AVENUE, CITY OF INDUSTRY, CA**

**THIS PURCHASE AGREEMENT for the property located at 948 S. AZUSA AVENUE, CITY OF INDUSTRY, CA** (this “**Agreement**”), dated as of October \_\_\_\_\_, 2015 (the “**Effective Date**”) is entered into by and between the **CITY OF INDUSTRY, a municipal corporation** (the “**City**”), and **CT CHESTNUT LLC**, a Delaware limited liability company (the “**Developer**”). The City and the Developer are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

**RECITALS**

This Agreement is entered into with reference to the following facts:

A. The City owns the fee interest in that certain real property located in the City of Industry, County of Los Angeles, State of California, consisting of approximately 22,330 square feet of land and as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property is referred to herein as the “**Property**”).

B. In addition, the Successor Agency to the Industry Urban-Development Agency (“**Agency**”) and Developer previously entered into that certain Purchase Agreement [East Side of Azusa North of Railroad Street and 17300 Chestnut Road] dated March 10, 2015, as amended by that certain (i) Consent to Extension of Due Diligence Period dated May 11, 2015, (ii) Second Consent to Extension of Due Diligence Period dated June 1, 2015, (iii) Third Consent to Extension of Due Diligence Period dated July 29, 2015, and (iv) Fourth Amendment to Purchase Agreement dated as of October 8, 2015 (collectively the “**Agency Agreement**”), with respect to the real property located adjacent to the Property on the East Side of Azusa, North of Railroad Street and 17300 Chestnut Street in the City of Industry, California, which is more particularly described in the Agreement (the “**Agency Property**”).

C. The Developer wishes to acquire fee title to the Property from the City to enable the Developer to utilize the Property to construct certain improvements, as set forth in the Agency Agreement (the “**Project**”).

D. Development of the Project will assist in the elimination of blight, provide jobs, and substantially improve the economic and physical conditions in the City, and is in the best interests of the City, and the health, safety and welfare of the residents and taxpayers of the City.

E. A material inducement to the City to enter into this Agreement is the agreement by the Developer to develop the Project within a limited period of time, and the City would be unwilling to enter into this Agreement in the absence of an enforceable commitment by the Developer to develop the Project within such period of time.

NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1**  
**DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agreement means this Purchase Agreement.

1.1.2 City means the City of Industry, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

1.1.3 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.4 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.5 Default is defined in Section 5.2.

1.1.6 Deposit is defined in Section 2.2.1.

1.1.7 Developer means CT Chestnut LLC, a Delaware limited liability company. The principal office of the Developer for purposes of this Agreement is c/o CT Realty Corporation, 65 Enterprise, Aliso Viejo, California 92656.

1.1.8 Disapproved Exceptions is defined in Section 2.5.2.

1.1.9 Disapproval Notice is defined in Section 2.5.2.

1.1.10 Due Diligence Period is defined in Section 2.7.

1.1.11 Escrow is defined in Section 2.3.1.

1.1.12 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.13 Grant Deed is defined in Section 2.5.3.

1.1.14 Hazardous Materials means any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "pollutant or contaminant," "imminently hazardous chemical substance or mixture," "hazardous air pollutant," "toxic pollutant," or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act

of 1980, 42 U.S.C. § 9601, et seq. (“**CERCLA**”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.15 Holder is defined in Section 3.2.2.

1.1.16 Outside Date is defined in Section 2.3.2.

1.1.17 Project is defined in Recital C.

1.1.18 Property is defined in Recital A.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Released Parties is defined in Section 2.8.

1.1.21 Review Period is defined in Section 2.5.2.

1.1.22 Right of Entry Agreement is defined in Section 2.7.

1.1.23 [Intentionally Left Blank]

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney's fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

## ARTICLE 2 PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The City agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property from the City, for the sum of Eight Hundred Eighty Thousand Dollars (\$880,000.00) (the "**Purchase Price**"). The parties acknowledge and agree that the Purchase Price equals approximately Forty Five Dollars (\$45.00) per square foot based on a net usable land area comprising the Property of approximately 19,602 square feet (19,602 square feet represents the net usable area after the widening of Railroad Street, the total Property area is 22,330 square feet). In addition to the Purchase Price, Developer shall reimburse the City for the City's costs of obtaining an appraisal of the Property and the City's legal costs in connection with this Agreement and the disposition of the Property under this Agreement. Such costs shall not exceed Twenty Five Thousand Dollars (\$25,000.00) (the "**Disposition Costs**") and will be paid by Developer to the City at the closing through Escrow.

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Developer as follows:

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Developer shall deposit with Escrow Holder the sum of FIFTY THOUSAND DOLLARS (\$50,000.00), in the form of certified or bank cashier's checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the "**Deposit**"). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Developer and City with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing, and except as otherwise provided herein, shall be nonrefundable at the expiration of the Due Diligence Period.

2.2.2 Closing Funds. Prior to the Close of Escrow, Developer shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier's check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus an amount equal to all other costs, expenses and prorations payable by Developer hereunder, less any credit due Developer under Section 2.1.

2.3 Escrow.

2.3.1 Opening of Escrow. Within five (5) business days after the parties' full execution of this Agreement, the Developer and the City shall open an escrow (the "**Escrow**") with the Escrow Holder for the transfer of the Property to the Developer. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in

writing by mutual agreement of the parties) for the Escrow. If the parties supplement this Agreement by executing the Escrow Holder's standard form of escrow instructions, then in the event of any conflict between the terms and provisions of this Agreement and the terms and provisions of such standard form escrow instructions, the terms and provisions of this Agreement shall control. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. "**Close of Escrow**" or "**Closing**" means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price (less any costs, expenses and prorations payable by the City) to the City. Possession of the Property shall be delivered to the Developer on the Close of Escrow. Close of Escrow shall occur simultaneously with the close of escrow of for the purchase by Developer of land owned by the Successor Agency to the Industry Urban Development Agency at 17300 Chestnut Street, City of Industry, California. If the Closing does not occur for any reason, then, except as otherwise provided in this Agreement, this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Developer, Developer shall pay any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

(a) The City and Developer agree to deliver to Escrow Holder, at least two (2) business days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the City, conveying a fee simple interest in the Property to Developer, subject only to such exceptions to title as Developer may have approved or have been deemed to have been approved pursuant to Section 2.5.2;

(ii) The City's affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iii) A Certification of Non-Foreign Status signed by City in accordance with Internal Revenue Code Section 1445; and

(iv) Such proof of the City's and Developer's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The City and the Developer further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the City and Developer to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the City, the Developer shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Developer hereunder (including the Disposition Costs).

2.4.2 For the benefit of the City, all actions and deliveries to be undertaken or made by Developer on or prior to the Close of Escrow as set forth in this Agreement shall have occurred, as reasonably determined by the City.

2.4.3 For the benefit of the Developer, all actions and deliveries to be undertaken or made by the City on or prior to the Close of Escrow as set forth in this Agreement shall have occurred.

2.4.4 [Intentionally Left Blank]

2.4.5 For the benefit of the City, the Developer shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Developer shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Developer, the City shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the City shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the City, the representations and warranties of the Developer contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Developer, the representations and warranties of the City contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Developer, Title Company shall be irrevocably committed to issuing in favor of the Developer the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Developer, as provided in Section 2.5.2.

2.4.10 For the benefit of the City and Developer, the simultaneous close of escrow for the purchase and sale of the Agency Land under the Agency Agreement.

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall, at the option of the benefitted party, become null and void and in which event, neither party shall have, except as expressly set forth in this Agreement, any further rights, duties or obligations hereunder, and, unless the condition or conditions not met were for the City's benefit, Developer shall be entitled to the immediate refund of the Deposit.

## 2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within ten (10) days after the Effective Date, the City shall deliver to the Developer for the Developer's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and the most legible copies available of any instruments noted as exceptions thereon, and (ii) any survey of the Property in the City's possession. The Developer at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the City shall cooperate with the same. Any survey provided by the City or obtained by the Developer are each a "**Survey**" hereunder.

2.5.2 The Developer shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide City with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the City's receipt of the Disapproval Notice, the City shall notify the Developer whether or not the City intends to remove or endorse over the Disapproved Exceptions. The City shall be under no obligation to remove or endorse over any Disapproved Exception, but the City agrees to cooperate in good faith with the Developer in the Developer's efforts to eliminate or endorse over any Disapproved Exception, provided the City is not obligated to pay any sum or assume any liability in connection with the elimination or endorsing over of any such Disapproved Exception. If the City notifies the Developer that the City intends to eliminate or endorse over all of the Disapproved Exception, the City shall do so concurrently with or prior to the Close of Escrow. If the City notifies the Developer that the City does not intend to eliminate or endorse over some or all of the Disapproved Exception(s), the Developer, by notifying the City within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s) which the City will not eliminate or endorse over (which Disapproved Exceptions will be deemed approved). Notwithstanding the foregoing, the City covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Developer shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Developer, except that endorsements obtained by the City respecting Disapproved Exceptions as provided above shall be paid for by the City. Notwithstanding the foregoing, the Developer may notify the City of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Developer after the Review Period, by the earlier of (a) within ten (10) days after the same was first raised or disclosed to the Developer in writing, and (b) fifteen (15) days prior to the Close of Escrow. With respect to any exceptions disapproved by the Developer in such notice, the City shall have the same option to eliminate or endorse over such exceptions that applies

to Disapproved Exceptions, and the Developer shall have the same option to accept title subject to such exceptions or to terminate this Agreement and receive a refund of the Deposit.

2.5.3 At the Close of Escrow, the Developer shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit "C" and incorporated herein by this reference (the "**Grant Deed**").

2.5.4 At Closing, the Developer shall receive a CLTA Owner's Coverage Policy of Title Insurance (the "**Title Policy**"), together with all endorsements requested by the Developer or obtained by the City pursuant to Section 2.5.2, issued by First American Title Insurance Company ("**Title Company**") in the amount of the Purchase Price, insuring that title to the Property is vested in Developer and is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Developer approves in writing including those reflected in the Title Report for the Property approved by Developer, or as are deemed approved by Developer as provided in Section 2.5.2. The Developer may obtain an extended coverage policy of title insurance at its own costs.

2.6 Escrow and Title Charges; Prorations.

2.6.1 The City shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy, together with the cost of any endorsements obtained by the City pursuant to Section 2.5.2. Developer shall pay the costs of (i) any Survey obtained by the Developer, (ii) any endorsements to the Title Policy obtained by Developer and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the City. In addition, the Developer shall pay any and all other usual and customary costs, expenses and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs, with the exception of the Disposition Costs, which shall be paid by Developer.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes, if any, and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be pro-rated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the City and Developer shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365 day year. The provisions of this Section 2.6.2 shall

survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is twenty (21) days after the Effective Date, the Developer may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Developer’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “D” (the “**Right of Entry Agreement**”), the Developer and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Developer’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The City shall reasonably cooperate with the Developer in its conduct of the due diligence review during the Due Diligence Period. In the event the Developer does not approve of the condition of the Property by written notice given to the City prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Developer (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the City to the Developer on an “AS IS” condition and basis with all faults and the Developer agrees that the City has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Developer and anyone claiming by, through or under the Developer hereby waives its right to recover from and fully and irrevocably releases the City, and its elected and appointed officials, officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the City’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Developer may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8 and Section 2.9 below. This release includes claims of which the Developer is presently unaware or which the Developer does not presently suspect to exist which, if known by the Developer, would materially affect the Developer’s release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Developer to take such action as may be necessary to place the Property in a condition suitable for development of the Project thereon. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE CITY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR

PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (viii) WITH RESPECT TO ANY OTHER MATTER, THE DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE DEVELOPER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE CITY.

THE DEVELOPER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

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

BY INITIALING BELOW, DEVELOPER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Developer's Initials

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The waivers and releases by the Developer herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

## 2.9 Environmental.

2.9.1 Condition of the Property. California Health & Safety Code section 25359.7 requires owners of non-residential real property who know, or have reasonable cause to believe, that any release of Hazardous Substances has come to be located on or beneath the real property to provide written notice of same to the buyer of real property. The City hereby discloses the following information for the Property, or portions of the Property:

The City acquired the Property in or about 2005, from ConocoPhillips Company (“Conoco”). During the time Conoco owned the Property, it discovered the release of motor fuel hydrocarbons

and other Hazardous Substances on, at or under the Property originating from its activities or the activities of its predecessors in interest.

Conoco prepared a remedial action plan (“RAP”) for the Property, which was approved by the Los Angeles Regional Water Quality Control Board (“RWQCB”) on or about October 6, 2003. Under the RAP, an ozone groundwater treatment system was installed on the Property to remediate fuel hydrocarbon-impacted groundwater. Operation of the system began on November 24, 2008, and discharges micro-encapsulated ozone below the groundwater table to remediate impacted groundwater.

A Notice of Termination Request was submitted to the California Regional Water Quality Control Board on April 17, 2013, and the Termination of General Waste Discharge Requirements was obtained from the State RWQCB on April 26, 2013.

On April 15, 2014, the Los Angeles RWQCB provided the City with a letter indicating that the underground storage tank release at the Property met the low threat criteria for case closure.

On October 13, 2014, the City received a no further action letter from the RWQCB for the Property.

The Parties acknowledge that the City will not be conducting a public records search of the RWQCB’s or any other regulatory agency files, although the City urges Developer to do so to satisfy itself regarding the environmental condition of the Property. By execution of this Agreement, Developer (i) acknowledges its receipt of the foregoing notice given pursuant to Cal. Health & Safety Code section 25359.7; (ii) acknowledges that it will have an opportunity to conduct its own independent review and investigation of the Property prior to the Close of Escrow; (iii) agrees to rely solely on its own experts in assessing the environmental condition of the Property and its sufficiency for its intended use; and (iv) waives any and all rights Developer may have to assert that the Agency has not complied with the requirements of Health & Safety Code section 25359.7.

2.9.2 Investigation of Property. The Developer shall have the right, at its sole cost and expense, to engage its own environmental consultant to make such investigations as Developer deems necessary, during the Due Diligence Period. Developer understands that regardless of the delivery by the City to the Developer of any materials, including, without limitation, third party reports, Developer will rely entirely on Developer’s own experts and consultants in proceeding with this transaction.

2.9.3 Remediation of the Property. In the event that the Developer’s investigations show that Hazardous Substances are present on, or under the Property at levels that are inappropriate for the anticipated use, then prior to the expiration of the Due Diligence Period, Developer may terminate this Agreement and thereupon Developer shall have no further obligations or liabilities hereunder and the City shall refund the balance of the Deposit to Developer or, in the alternative, Developer may elect to remediate the Property on its own, at its sole cost and expense, after close of escrow. Effective at the close of escrow and in furtherance of the indemnity obligations of Developer pursuant to Section 7.2 of this Agreement, to the extent permitted by law, the City hereby assigns and transfers to Developer any and all claims,

causes of action and rights of recovery against any person or entity for any release, discharge, migration or deposit of Hazardous Substances on, under or about the Property, including without limitation all claims, causes of action and rights of recovery against Conoco.

Any remedial work must be performed in a timely and safe manner and in accordance with applicable Governmental Requirements for the use of the Property. For purposes of this Agreement, "Governmental Requirements" shall mean all laws, ordinances, statutes, codes, rules, regulations, orders, directives and decrees of the United States, the state, the county, the City, or any other political subdivision in which the Property is located, and of any political subdivision, agency or instrumentality exercising jurisdiction over the City, the Developer or the Property.

2.10 Escrow Holder.

2.10.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Developer for any fees, charges and costs payable by the Developer under this Article. Before such payments are made, the Escrow Holder shall notify the City and the Developer of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the City for any fees, charges and costs payable by the City under this Article. Before such payments are made, the Escrow Holder shall notify the City and the Developer of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the City and the Developer; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

2.10.2 Any amendment of these escrow instructions shall be in writing and signed by both the City and the Developer.

2.10.3 All communications from the Escrow Holder to the City or the Developer shall be directed to the addresses and in the manner established in Section 6.3 of this Agreement for notices, demands and communications between the City and the Developer.

2.10.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

**ARTICLE 3**  
**BILLBOARD LEASE**

3.1 Billboard Lease.

3.1.1 City acknowledges the existence of that certain billboard lease with M&P Outdoor Advertising, LLC (“Lease”). A copy of the Lease is attached hereto as Exhibit D and incorporated herein by reference. City will retain all rights and interests in the Lease, including, without limitation, the right to receive all rent thereunder up to and through the Close of Escrow. After the Close of Escrow, Developer shall forward all rental income payments from the Lease to the City until the termination of the Lease. The City represents, warrants, and covenants the following:

- a. To the best of the City’s knowledge, the Lease will terminate on or before June 30, 2017; provided, however, that the Developer shall be responsible, at its sole cost and expense, for the removal of the billboard sign.
- b. The City will not extend the term of the lease for any reason beyond the termination date.
- c. Rent of \$2,000 a month is collected (\$1,000.00) per side.
- d. A notification to Tenant of the purchase by Developer will be executed by City and will be delivered to Tenant from Escrow upon Close of Escrow.
- e. In its discretion, Developer may request that the City deliver to and request from the Tenant an estoppel certificate certifying as to key terms of the Lease such as the rental rate and term. In the event Developer fails to request an estoppel certificate, the City shall not be liable for any of the representations set forth in this Section 3.1.1.

3.1.2 Developer shall not, partially or wholly obstruct the billboard during the term of the Lease. In the event that the billboard is partially or wholly obstructed Developer shall be responsible for any and all damages, and/or claims for damages brought by M&P Outdoor Advertising, or its successors and assigns, including any reduction in rent paid to the City as a result thereof.

**ARTICLE 4**  
**LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS**

4.1 Limitation As To Transfer of the Property and Assignment of Agreement. Prior to the City’s issuance of the Certificate of Completion (as defined in the Agency Agreement), the Developer may assign its rights and obligations under this Agreement to Forever Chestnut, LLC, a California limited liability company, any entity controlled by, or under common control with Developer or its manager, CT Realty Corporation, or to any entity owned or controlled by any institutional investor for which Developer, or CT Realty Corporation, is then acting as investment or development manager, without the City’s prior consent, but only upon twenty (20) business days prior written notice to the City and pursuant to an assignment agreement by which

the assignee shall expressly assume all of the Developer's rights and obligations under this Agreement and otherwise in form and substance reasonably acceptable to City. Except as provided in the preceding sentence and prior to the City's issuance of the Certificate of Completion, the Developer shall not transfer its rights and obligations, in whole or in part, under this Agreement, or sell, assign, transfer, encumber, pledge or lease the Property, nor cause or suffer a change of more than 49% of the ownership interests in Developer, directly or indirectly, in one or a series of transactions, without the City's prior written consent, which consent may be granted or withheld in the sole and absolute discretion of the City. The Developer acknowledges that the identity of the Developer is of particular concern to the City, and it is because of the Developer's identity that the City has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement in violation of the terms hereof. Notwithstanding any provision contained herein to the contrary, this prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Project, or any mortgage or deed of trust permitted by this Agreement. Upon the City's issuance of the Certificate of Completion, the Developer may transfer the Property to a transferee without restriction so long as the transferee agrees to all of the applicable covenants and conditions set forth in Article 5 of this Agreement. Any assignment or other transfer by Developer prior to issuance of the Certificate of Completion shall not release Developer from any of its obligations under this Agreement.

4.2 Security Financing; Right of Holders.

4.2.1 No Encumbrances Except Mortgages, Deeds of Trust, Conveyances or Other Conveyance for Financing For Development.

(a) Notwithstanding Section 4.1 or any other provision herein to the contrary, only mortgages, deeds of trust, sales and leasebacks, or any other form of encumbrance, conveyance, security interest or assignment required for any reasonable method of construction and permanent financing are permitted prior to the issuance of a Certificate of Completion, but only for the purpose of securing loans of funds to be used for the purchase of the Property or financing the direct and indirect costs of the development of the Project (including reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs), and each such loan secured by the Property shall expressly allow for its prepayment or assumption (upon payment of a market standard prepayment or assumption fee) by and at the option of the City upon the exercise of its option to purchase provided in Section 5.7.

(b) The words "mortgage" and "deed of trust" as used herein include all other appropriate modes of financing commonly used in real estate acquisition, construction and land development. Any reference herein to the "holder" of a mortgage or deed of trust shall be deemed also to refer to a lessor under a sale and leaseback.

4.2.2 Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure. Whenever the City shall deliver a notice or demand to the Developer with respect to any Default by the Developer in completion of development of the Project or otherwise, the City shall at the same time deliver a copy of such notice or demand to each holder of record of any first mortgage, deed of trust or other security

interest authorized by this Agreement who has previously made a written request to the City for special notice hereunder (a “**Holder**”). No notice of Default to the Developer shall be effective against any such Holder unless given to such Holder as aforesaid. Such Holder shall (insofar as the rights of the City are concerned) have the right, at such Holder’s option, within sixty (60) days after receipt of the notice, to cure or remedy any such Default and to add the cost thereof to the security interest debt and the lien of its security interest; provided, however, that if longer than sixty (60) days is required to cure such Default, such longer period shall be granted to Holder, provided that Holder diligently pursues such cure during such longer period. If such Default shall be a default which can only be remedied or cured by such Holder upon obtaining possession of the Property, such Holder shall seek to obtain possession of the Property with diligence and continuity through a receiver or otherwise, and shall remedy or cure such Default within a reasonable period of time as necessary to remedy or cure such Default of the Developer. If such Default shall be a default as to or by Developer which cannot be cured, City shall not seek to enforce the same against Holder and Holder shall not be subject thereto.

4.2.3 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering the Property and the improvements thereon, or the right of Holders to pursue any remedies for the enforcement of any pledge or lien encumbering the Property; provided, however, that in the event of a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, or sale pursuant to any power of sale contained in any such mortgage or deed of trust, the purchaser or purchasers and their successors and assigns, and the Property, shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of this Agreement and all documents and instruments recorded pursuant hereto.

## **ARTICLE 5 USE OF THE PROPERTY**

5.1 Use. The Developer covenants and agrees for itself, and its successors and its assigns, that the Developer, such successors, and such assigns shall use the Property, and every part thereof, only for the construction of the Project thereon, and thereafter for any use permitted by applicable laws. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Project thereon in accordance with this Agreement, the Developer shall be relieved of any further responsibility under this Section 5.1 as to the Property so conveyed.

5.2 Maintenance of the Property. After completion of the Project, Developer shall maintain the Property and the Project (including landscaping) in a commercially reasonable condition and repair to the extent practicable and in accordance with industry health and safety standards. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Project thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 4.2 as to the Property so conveyed.

5.3 Obligation to Refrain from Discrimination. The Developer covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, age, handicap, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, and the Developer (itself or any person claiming under or through the Developer) shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property or any portion thereof. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 4.3 as to the Property so conveyed.

5.4 Form of Nondiscrimination and Nonsegregation Clauses. All deeds, leases or contracts for sale shall contain the following nondiscrimination or nonsegregation clauses:

5.4.1 In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.4.2 In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of

discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.4.3 In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

5.5 Restrictive Covenant. In order to insure the Developer’s compliance with the covenants set forth in Sections 5.1, 5.2, 5.3, and 5.4 hereof, such covenants shall be set forth in the Grant Deed. Such covenants shall run with the Property for the benefit of the City.

5.6 Effect and Duration of Covenants. The following covenants shall be binding upon the Property and Developer and its successors and assigns and shall remain in effect for the following periods, and each of which shall be set forth with particularity in any document of transfer or conveyance by the Developer:

(1) The use and non-discrimination and non-segregation requirements set forth in Sections 5.1, 5.3 and 5.4 shall remain in effect in perpetuity;

(2) The maintenance requirements set forth in Section 5.2 shall remain in effect for the period described therein, and;

(3) Easements to the City, or other public agencies for utilities existing as of the execution of this Agreement, which shall remain in effect according to their terms.

**ARTICLE 6**  
**EVENTS OF DEFAULT, REMEDIES AND TERMINATION**

6.1 Developer Events of Defaults. Occurrence of any or all of the following, if uncured after the expiration of any applicable cure period, shall constitute a default (“**Developer Event of Default**”) under this Agreement:

6.1.1 The Developer’s sale, lease, or other transfer, or the occurrence of any involuntary transfer, of the Property or any part thereof or interest therein in violation of this Agreement; or

6.1.2 Filing of a petition in bankruptcy by or against the Developer or appointment of a receiver or trustee of any property of the Developer, or an assignment by the Developer for the benefit of creditors, or adjudication that the Developer is insolvent by a court, and the failure of the Developer to cause such petition, appointment, or assignment to be removed or discharged within ninety (90) days;

6.1.3 The Developer’s failure to perform any requirement or obligation of Developer set forth herein, on or prior to the date for such performance set forth herein (subject to delays pursuant to Section 7.9), and, so long as such failure is not caused by any wrongful act of the City, the Developer’s failure to cure such breach within thirty (30) days after receipt of written notice from the City of the Developer’s breach; or

6.1.4 The Developer’s failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

6.2 City Events of Default. Occurrence of any or all of the following, if uncured after the expiration of the applicable cure period, shall constitute a default (“**City Event of Default**”, and together with the Developer Event of Default, a “**Default**”) under this Agreement:

6.2.1 The City, in violation of the applicable provision of this Agreement, fails to convey the Property to Developer at the Close of Escrow; or

6.2.2 The City breaches any other material provision of this Agreement.

Upon the occurrence of any of the above-described events, the Developer shall first notify the City in writing of its purported breach or failure, giving the City thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the City to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed one hundred eighty (180) days from the date of receipt of the notice to cure.

6.3 Remedies in the Event of Default.

6.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Developer or City, prior to the Close of Escrow, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party. If such breach or default is not cured within such ten (10) day period (other than a failure by the City to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Developer is the non-defaulting party, Developer shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party's rights and remedies against the defaulting party at law or equity.

In the event of a Default under this Agreement after the Close of Escrow, the non-defaulting party may seek against the defaulting party any available remedies at law or equity, including but not limited to the right to receive reimbursement for its documented out-of-pocket costs relating to this purchase transaction or to pursue an action for specific performance, but in no event shall such non-defaulting party be entitled to receive any consequential or special damages.

IF THE DEVELOPER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE DEVELOPER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE CITY SHALL BE ENTITLED TO SUCH DEPOSIT, AND ANY DISPOSITION COSTS, WHICH AMOUNTS SHALL BE ACCEPTED BY THE CITY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE CITY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNTS CONSTITUTE A REASONABLE ESTIMATE OF THE DAMAGES TO THE CITY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE CITY AND DEVELOPER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE CITY WOULD SUFFER UPON THE DEVELOPER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE DEVELOPER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE DEVELOPER AND CITY DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE CITY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE DEVELOPER AND CITY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

\_\_\_\_\_  
City                      Developer

6.3.2 Liberal Construction. The rights established in this Agreement are to be interpreted in light of the fact that the City will convey the Property to the Developer for development and operation of the Project thereon and not for speculation in undeveloped land or for construction of different improvements. The Developer acknowledges that it is of the

essence of this Agreement that the Developer is obligated to complete all Improvements comprising the Project.

6.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the City shall personally be liable to the Developer, or any successor in interest of the Developer, in the event of any Default or breach by the City, or for any amount which may become due to the Developer, or any successor in interest, on any obligation under the terms of this Agreement.

6.5 Legal Actions.

6.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

6.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

6.5.3 Acceptance of Service of Process. If any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the City Manager or City Clerk of the City, or in such other manner as may be provided by law. If any legal action is commenced by the City against the Developer, service of process on the Developer shall be made by personal service upon the Developer, or in such other manner as may be provided by law, whether made within or without the State of California.

6.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same Default or any other Default by the other party.

6.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

## **ARTICLE 7 GENERAL PROVISIONS**

7.1 Insurance.

7.1.1 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall obtain (or cause the General Contractor to obtain), at the Developer's sole cost and expense, and shall maintain in force until completion of construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the City, broad form commercial general public liability

insurance, insuring the Developer and the City against claims and liability for bodily injury, death, or property damage arising from the use, occupancy, condition, or operation of the Property and the Improvements thereon, which insurance shall provide combined single limit protection of at least Two Million Dollars (\$2,000,000.00), and include contractual liability endorsement. Such insurance shall name the City, as additional insureds.

7.1.2 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall also obtain, or cause to be obtained, at the Developer's sole cost and expense, and shall maintain in force until completion of the construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the City (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a reputable and financially responsible insurance company reasonably acceptable to the City, and (ii) workers' compensation insurance covering all persons employed in connection with work. The builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

7.1.3 Prior to the commencement of any demolition or construction work on the Property by the Developer, the Developer shall also furnish or cause to be furnished to the City evidence satisfactory to the City that any contractor with whom it has contracted for the performance of work on the Property carries workers' compensation insurance as required by law.

7.1.4 With respect to each policy of insurance required above, the Developer shall furnish a certificate of insurance countersigned by an authorized agent of the insurance carrier on the insurance carrier's form setting forth the general provisions of the insurance coverage. The required certificate shall be furnished by the Developer prior to commencement of any demolition or construction work on the Property.

7.1.5 All such policies required by this Section shall be nonassessable and shall contain language to the effect that (i) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to the City, and (ii) the City shall not be liable for any premiums or assessments. All such insurance shall have deductibility limits reasonably satisfactory to the City. The provisions of this Section shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

## 7.2 Indemnity.

From and after the Close of Escrow, Developer hereby agrees to indemnify, defend, protect and hold harmless, with counsel of the City's choosing, the City and any and all officials, officers, agents, employees, attorneys and representatives of the City (collectively "City Representatives"), and each of them, from and against all losses, liabilities, claims, damages, penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and demands of any nature whatsoever, including

attorneys' fees (collectively "Losses and Liabilities"), related directly or indirectly to, or arising out of or in any way connected with the Developer's use, ownership, management, occupancy or possession of the Property; any breach or Default of Developer hereunder; any of the Developer's activities on the Property (or the activities of the Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Property), including without limitation, the construction of the Improvements on the Property; the presence or clean-up of Hazardous Substances on, in or under the Property to the extent the same was caused by Developer or Developer's affiliates, agents or employees; Developer's obligation upon Developer's acquisition of the Property to remediate the existing Hazardous Substances thereon so that the Property is in compliance with all applicable environmental laws relating to the anticipated use of the Property, the construction of any improvements on the Property, or the use or condition of any such improvements; any other fact, circumstance or event related to the Developer's performance hereunder of any covenant to be performed following the closing, or which may otherwise arise from the Developer's ownership, use, possession, improvement, operation or disposition of the Property after the Closing, regardless of whether such damages, losses and liabilities shall accrue or are discovered before or after termination or expiration of this Agreement. This indemnification requires Developer to indemnify the City and any and all City Representatives from and against all Losses and Liabilities, including attorneys' fees, related directly or indirectly to, or arising out of or in any way connected with any existing or future Hazardous Substances on the Property after the acquisition thereof by Developer. Developer's obligation to defend shall arise regardless of any claim or assertion that the Agency and/or City caused or contributed to the Losses and/or Liabilities. The terms of this Section shall survive the expiration or earlier termination of this Agreement.

7.3 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery (including by commercial messenger service) or by facsimile transmission. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, (d) on the day of facsimile transmission, in each instance addressed to the recipient as set forth below. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

City: City of Industry  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Paul Philips, City Manager  
Facsimile: (626) 961-6795

with a copy to: Casso & Sparks, LLP  
Post Office Box 4131  
West Covina, CA 91791  
Attention: James M. Casso

Developer: CT Chestnut LLC  
c/o CT Realty Corporation  
65 Enterprise, Suite 150  
Aliso Viejo, California 92656  
Attention: Michael W. Traynham  
Facsimile: (949) 330-5571

7.4 Construction. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto.

7.5 Developer's Warranties. The Developer warrants and represents to the City as follows:

7.5.1 The Developer has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Developer, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Developer is a party.

7.5.2 As of the Close of Escrow, the Developer will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

7.5.3 The Developer has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

7.6 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words "person" and "party" include corporation, partnership, firm, trust, or association where ever the context so requires.

7.7 Time of the Essence; Definition of Business Day. Time is of the essence of this Agreement. For purposes of this Agreement, "business day" means any day other than Saturday, Sunday or a holiday observed by national or federally chartered banks. Unless the context otherwise requires, all periods terminating on a given day, period of days, or date shall terminate at 5:00 p.m. (California time) on such date or dates, and references to "days" shall refer to calendar days except if such references are to business days. Any event specified to occur on a non-business day shall be extended automatically to the end of the first business day thereafter.

7.8 Attorneys' Fees. If any action at law or suit in equity is brought to enforce or interpret the provisions of this 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.

7.9 Enforced Delay: Extension of Times of Performance. Notwithstanding anything to the contrary in this Agreement, unexcused failure to commence construction of the Improvements on or prior to the Commencement Date, as defined in the Agency Agreement, or to complete construction of the Improvements on or prior to the Completion Date, as defined in the Agency Agreement, shall constitute a Default hereunder as herein set forth; provided, however, nonperformance of such obligations or any other obligations to be performed hereunder shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of the party responsible for such performance: (i) war, insurrection, riot, flood, severe weather, earthquake, fire, casualty, acts of public enemy, governmental restriction, litigation, acts or failures to act of any governmental or quasi-governmental agency or entity, including the City, or public utility, or any declarant under any applicable conditions, covenants, and restrictions affecting the Property, or (ii) inability to secure necessary labor, materials or tools, strikes, lockouts, delays of any contractor, subcontractor or supplier or (iii) other matters generally constituting a force majeure event in circumstances similar to those contemplated by this Agreement (but which shall not in any event include the availability of financing to construct the Improvements). In the event of an occurrence described in clauses (i), (ii) or (iii) above, such nonperformance shall be excused and the time of performance shall be extended by the number of days the matters described in clauses (i), (ii) or (iii) above materially prevent or delay performance.

7.10 Approvals by the City and the Developer. Unless otherwise specifically provided herein, wherever this Agreement requires the City or the Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

7.11 Developer's Private Undertaking. The development covered by this Agreement is a private undertaking, and the Developer shall have full power over and exclusive control of the Property while the Developer holds title to the Property; subject only to the limitations and obligations of the Developer under this Agreement.

7.12 Entire Agreement, Waivers and Amendments. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, together with all attachments and exhibits hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either party hereto, or by or to any employee, officer, agent or representative of either party, shall be of any effect unless it is in writing and executed by the party to be bound thereby. No person is authorized to make, and by execution hereof the Developer and the City acknowledge that no person has made, any representation, warranty, guaranty or promise except as set forth herein; and no agreement, statement, representation or promise made by any such person which is not contained herein shall be valid or binding on the Developer or the City.

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

7.14 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

7.15 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

7.16 Representations of City. The City warrants and represents to the Developer as follows:

(a) The City has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the City, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the City is a party.

(b) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the City's knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(c) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(d) The City has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the City has not dealt with any broker or finder purporting to act on behalf of the City or otherwise.

(e) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property, with the exception of the billboard lease, as set forth in Article 3, which shall affect the Property on or following the Close of Escrow.

(f) As of the Close of Escrow and to the actual knowledge of the City, the City has not received any written notice from any governmental entity regarding the violation of any law or governmental regulation with respect to the Property.

7.17 Developer's Broker(s). Developer shall pay all commissions and fees that may be payable to any broker, finder or salesperson engaged by Developer, and shall defend, indemnify and hold City harmless from and against any and all claims, liabilities, losses, damages, costs and expenses relating thereto.

IN WITNESS WHEREOF, the parties hereto have entered into this agreement as of the day and year first above written.

**DEVELOPER**

CT CHESTNUT LLC,  
a Delaware limited liability company

By: CT Realty Corporation,  
a California corporation, its Manager

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

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

**CITY OF INDUSTRY**

By: \_\_\_\_\_  
Mark D. Radecki, Mayor

ATTEST:

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

APPROVED AS TO FORM:

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

## **LIST OF EXHIBITS**

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Form of Grant Deed
- Exhibit "C" Form of Right of Entry Agreement
- Exhibit "D" Billboard Lease

## EXHIBIT "A"

### LEGAL DESCRIPTION OF THE PROPERTY

The land referred to is situated in the City of Industry, County of Los Angeles, State of California, and is described as follows:

A PORTION OF LOT 2 OF THE BIDART TRACT, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN MAP BOOK 15, PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL 2, DESCRIBED IN QUITCLAIM DEED TO TOSCO OPERATING COMPANY INC., RECORDED DECEMBER 29, 2000, AS INSTRUMENT NO. 00-2027298 OF OFFICIAL RECORDS OF SAID COUNTY, SAID POINT OF BEGINNING ALSO BEING ON THE NORTHERLY LINE OF RAILROAD STREET, 60.00 FEET WIDE, DESCRIBED IN DEED RECORDED APRIL 30, 1964, AS INSTRUMENT NO. 1517, IN BOOK D2453, PAGE 676 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHERLY LINE, NORTH 84° 15' 00" WEST, 120.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90° 00' 00", AN ARC DISTANCE OF 47.12 FEET TO THE EASTERLY LINE OF AZUSA AVENUE, 120.00 FEET WIDE, AS SHOWN ON PARCEL MAP NO. 113, RECORDED IN BOOK 91, PAGE 51, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE TANGENT TO THE LAST CURVE AND ALONG SAID EASTERLY LINE, NORTH 05° 45' 00" EAST, 73.73 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 1440.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 01° 50' 51", AN ARC DISTANCE OF 46.44 FEET TO ITS INTERSECTION WITH THE NORTHERLY LINE OF SAID TOSCO OPERATING COMPANY INC. PARCEL; THENCE ALONG SAID NORTHERLY LINE, SOUTH 84° 15' 00" EAST, 149.25 FEET TO THE EASTERLY LINE OF SAID PARCEL; THENCE ALONG SAID EASTERLY LINE, SOUTH 05° 45' 00" WEST, 150.20 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES THAT MAY BE PRODUCED IN, UNDER OR UPON SAID LAND BUT WITHOUT THE RIGHT TO LOCATE DRILLING RIG, OR RIGS WITHIN 100 FEET OF ANY IMPROVEMENTS THEREON AT THE TIME OF DRILLING, AS RESERVED IN THE DEED FROM BESSIE ISRAEL, A WIDOW, AND EDITH E. SERCOMBE, A MARRIED WOMAN, EACH AS TO AN UNDIVIDED ONE-HALF INTEREST, RECORDED FEBRUARY 09, 1955 IN BOOK 46858, PAGE 390 OF OFFICIAL RECORDS.

APN: 8264-025-911

**EXHIBIT "B"**

**FORM OF GRANT DEED**

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

City of Industry  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: City Clerk

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*[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383]*

**GRANT DEED**

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

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **CITY OF INDUSTRY** (the "**Grantor**"), hereby grants to **CT CHESTNUT LLC**, a Delaware limited liability company (the "**Grantee**"), that certain real property described in Exhibit A attached hereto (the "**Site**") and incorporated herein by this reference, together with all of Grantor's right, title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase Agreement [ \_\_\_\_\_ ] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of \_\_\_\_\_, 2015, the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Site as described in Exhibit A is conveyed subject to the condition that the Grantee covenants and agrees for itself, and its successors and its assigns, that the Grantee, such successors, and such assignees shall use the Site, and every part thereof, only for the construction of certain improvements thereon as described in the Agreement and thereafter for any use allowed under applicable law.

2. The Site is conveyed subject to the condition that:

(a) The Grantee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Site, that after completion of the Project (as defined in the Agreement), the Grantee and the Grantee's transferees, successors and assigns, shall maintain the Site and the Project (including landscaping) in a commercially reasonable condition and repair for a period of fifteen (15) years, and following construction of certain improvements thereon shall use the Site for any such uses as are allowed under applicable law.

(b) The Grantee covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.

3. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation clauses:

(a) In deeds: "The Grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of

the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

4. All covenants and agreements contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and effect as provided in the Agreement, without regard to whether the Grantor is or

remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

5. The covenants contained in Paragraphs 2 and 3 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

6. This Grant Deed may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signatures appear on next page.]

IN WITNESS WHEREOF, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

GRANTOR:

CITY OF INDUSTRY

By: \_\_\_\_\_  
Name: Mark D. Radecki  
Title: Mayor

ATTEST:

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

GRANTEE:

CT CHESTNUT LLC,  
a Delaware limited liability company

By: CT Realty Corporation,  
a California corporation, its Manager

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

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

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

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

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

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**Exhibit A**

**LEGAL DESCRIPTION OF THE PROPERTY**

(Attached.)

## EXHIBIT "A"

### LEGAL DESCRIPTION OF THE PROPERTY

The land referred to is situated in the City of Industry, County of Los Angeles, State of California, and is described as follows:

A PORTION OF LOT 2 OF THE BIDART TRACT, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN MAP BOOK 15, PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL 2, DESCRIBED IN QUITCLAIM DEED TO TOSCO OPERATING COMPANY INC., RECORDED DECEMBER 29, 2000, AS INSTRUMENT NO. 00-2027298 OF OFFICIAL RECORDS OF SAID COUNTY, SAID POINT OF BEGINNING ALSO BEING ON THE NORTHERLY LINE OF RAILROAD STREET, 60.00 FEET WIDE, DESCRIBED IN DEED RECORDED APRIL 30, 1964, AS INSTRUMENT NO. 1517, IN BOOK D2453, PAGE 676 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHERLY LINE, NORTH 84° 15' 00" WEST, 120.00 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 30.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90° 00' 00", AN ARC DISTANCE OF 47.12 FEET TO THE EASTERLY LINE OF AZUSA AVENUE, 120.00 FEET WIDE, AS SHOWN ON PARCEL MAP NO. 113, RECORDED IN BOOK 91, PAGE 51, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE TANGENT TO THE LAST CURVE AND ALONG SAID EASTERLY LINE, NORTH 05° 45' 00" EAST, 73.73 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 1440.00 FEET; THENCE NORTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 01° 50' 51", AN ARC DISTANCE OF 46.44 FEET TO ITS INTERSECTION WITH THE NORTHERLY LINE OF SAID TOSCO OPERATING COMPANY INC. PARCEL; THENCE ALONG SAID NORTHERLY LINE, SOUTH 84° 15' 00" EAST, 149.25 FEET TO THE EASTERLY LINE OF SAID PARCEL; THENCE ALONG SAID EASTERLY LINE, SOUTH 05° 45' 00" WEST, 150.20 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES THAT MAY BE PRODUCED IN, UNDER OR UPON SAID LAND BUT WITHOUT THE RIGHT TO LOCATE DRILLING RIG, OR RIGS WITHIN 100 FEET OF ANY IMPROVEMENTS THEREON AT THE TIME OF DRILLING, AS RESERVED IN THE DEED FROM BESSIE ISRAEL, A WIDOW, AND EDITH E. SERCOMBE, A MARRIED WOMAN, EACH AS TO AN UNDIVIDED ONE-HALF INTEREST, RECORDED FEBRUARY 09, 1955 IN BOOK 46858, PAGE 390 OF OFFICIAL RECORDS.

APN: 8264-025-911

## EXHIBIT "C"

### RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "Agreement") is made and entered into as of \_\_\_\_\_, 2015, by the **SUCCESSOR CITY OF INDUSTRY**, a public body, corporate and politic (herein called "Grantor"), and **CT CHESTNUT LLC**, a Delaware limited liability company (herein called "Grantee").

#### WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, which exhibit is attached hereto and incorporated herein by reference (herein called the "Property");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase Agreement related to the Property (the "Purchase Agreement");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "Due Diligence Activities") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

1. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the

Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

2. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

7. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

8. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

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

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

CT CHESTNUT LLC,  
a Delaware limited liability company

By: CT Realty Corporation,  
a California corporation, its Manager

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

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

Address for notices: CT Chestnut LLC  
c/o CT Realty Corporation  
65 Enterprise, Suite 150  
Aliso Viejo, California 92656  
Attention: Michael W. Traynham  
Facsimile: (949) 330-5571

(Signatures continued)

GRANTOR:

CITY OF INDUSTRY

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

Name: Mark D. Radecki

Title: Mayor

Address for notices: City of Industry  
15625 East Stafford Street, Suite 100  
City of Industry, California 91744  
Attention: Paul Philips, City Manager  
Telephone: (626) 333-1480  
Facsimile: (626) 336-4273

With a copy to: Casso & Sparks, LLP  
Post Office Box 4131  
West Covina, CA 91791  
Attn.: James M. Casso, Esq.  
Telephone: (626) 512-5470

**Exhibit A**

**LEGAL DESCRIPTION OF THE PROPERTY**

(Attached.)

## EXHIBIT "A"

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EXCEPT THEREFROM ONE-HALF OF ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES THAT MAY BE PRODUCED IN, UNDER OR UPON SAID LAND BUT WITHOUT THE RIGHT TO LOCATE DRILLING RIG, OR RIGS WITHIN 100 FEET OF ANY IMPROVEMENTS THEREON AT THE TIME OF DRILLING, AS RESERVED IN THE DEED FROM BESSIE ISRAEL, A WIDOW, AND EDITH E. SERCOMBE, A MARRIED WOMAN, EACH AS TO AN UNDIVIDED ONE-HALF INTEREST, RECORDED FEBRUARY 09, 1955 IN BOOK 46858, PAGE 390 OF OFFICIAL RECORDS.

APN: 8264-025-911

**EXHIBIT "D"**  
**BILLBOARD LEASE**

[Attached]

## M&P OUTDOOR ADVERTISING, LLC

42 Via Paradiso  
Henderson, Nevada 89011

Telephone: (702) 566-7473 -- Fax: (702) 566-7481

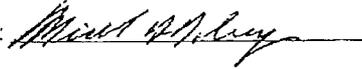
City: Industry State: California Date

1. The undersigned Lessor hereby Leases exclusively to M&P OUTDOOR ADVERTISING (Lessee) subject to cancellation by either party only as herein provided the use of the following described premises and full right of access to the premises for the purpose of maintaining printed or illuminated advertising signs (14x48' sign face) including necessary structures, devices and connections:  
  
APN: 8264-025-002  
LOCATION: Azusa Blvd & Railroad Street N.E.  
  
Situated in the City of Industry, County of Los Angeles, State of California for a period of Ten (10) years from date construction of the sign structure is completed..
2. The consideration shall be One Thousand Dollars ( \$1000.00 ) per month per face, payable by Lessee monthly in advance, commencing the first day of each month after the sign is constructed.
3. Lessee shall save the Lessor harmless from all damage to persons or property by reason of accidents resulting from the negligent acts of its agents, employees or others employed in the construction, maintenance, repair or removal of its signs on the premises.
4. Lease shall continue in full force and effect for its term and thereafter on a month-to-month basis until terminated by either party giving 30 days' written notice thereof. If this Lease is for a portion of land which is unimproved, Lessor shall have the right to terminate the Lease at any time during the period of this Lease if the Lessor is to improve the unimproved property by erecting thereon a permanent private commercial or residential building and Lessee's sign structure would interfere with placing of same, Lessee shall remove its signs within thirty (30) days after receipt of a copy of the applicable building permit, but only if in addition it has been paid in full at the time notice of building is given and the consideration described in the sentence which follows immediately is paid. The Lessor will upon giving such notice of commencement of construction, return to the Lessee all rent paid for the unexpired term plus the total cost of the construction and the removal of Lessee's signs, less 1/60<sup>th</sup> of such cost for each full month of this Lease prior to the notice of termination. If the Lessor fails to commence the erection of the private commercial or residential building within ninety (90) days after Lessee removes its signs, Lessee shall again have the right to occupy the premises and maintain advertising signs subject to the provisions of this Lease. If any portions of the property are not to be utilized for such building, the Lessee has the option to relocate its signs on the remaining portion on the same terms. At the expiration of the full term of this Lease, Lessor shall not have any obligation to pay compensation of any nature to Lessee.
5. If the view of the property or advertising sign or signs is partially or wholly obstructed, or the advertising value impaired or diminished by reduced vehicular circulation, or the use of such sign or signs is prevented or restricted by law or if permits are not obtained or once obtained, canceled or revoked, the Lessee may immediately at its option either reduce rental in direct proportion to the diminution in value as a result of such obstruction, impairment, prevention or restriction of use, or cancel this agreement and receive all rent paid for the unexpired term of this Lease, by giving the Lessor notice in writing of such obstruction, impairment, prevention or restriction of use.
6. Lessor agrees that he, his tenants, agents, employees, or any other persons acting in his behalf, shall not place or maintain any object on the property or on any neighboring property which would in any way wholly or partially obstruct the view of Lessee's sign structures. If such obstruction occurs the Lessee has the option of requiring the Lessor to remove said obstruction, or the Lessee may itself remove the obstruction charging the cost of said removal to the Lessor or the Lessee may reduce the rental herein paid to the sum of Five Dollars (\$5.00) per year so long as such obstruction continues.
7. The Lessee is and shall remain the owner of all signs, building permits, governmental approvals and improvements placed by it upon Lessor's property.
8. The Lessor represents that they are the owner of the above described property and has the authority to make this Lease and grant the rights herein provided.
9. The word "Lessor" as herein used shall include all "Lessors." This Lease is binding upon the heirs, assigns and successors of both the Lessor and Lessee.
10. In the event of any litigation to determine the rights of either party under this Lease or to construe the said Lease, or the obligations of either party in regard hereto, the prevailing party shall be entitled to reasonable attorney's fees and all court costs.
11. Lessee shall not be bound by any terms, conditions or oral representations made to Lessor by its officers, agents, or employees, unless the same are incorporated in this Lease.
12. The parties agree that in the event of any conflict between the printed form of this Lease and any rider or addendum hereto, the language contained in such rider or addendum shall govern and prevail.
13. The lessor will have the right of approval as to all advertising that includes nudity, profanity, or deemed lewd, crude or offensive.
14. Lessee will not display any advertising that is in direct competition with current or future tenants of Lessor.
15. Throughout the term of this Lease, Lessee shall maintain liability insurance with policy limits of not less than a combined single limit of Two Million Dollars (\$2,000,000.00) and naming Lessor as an additional insured.

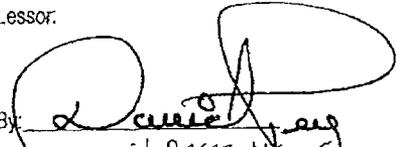
**M&P OUTDOOR ADVERTISING, LLC**

42 Via Paradiso  
Henderson, Nevada 89011  
Telephone: (702) 566-7473 -- Fax: (702) 566-7481

Accepted: M&P Outdoor Advertising, LLC  
a California Limited Liability Company

By: 

Lessor.

By:   
Name: David Perez, Mayor  
Address:

CITY OF INDUSTRY  
P.O. Box 3366  
City of Industry, CA 91744



Addendum to Lease Agreement

Addendum to Lease Agreement by and between M & P Outdoor Advertising, LLC and the City of Industry, California regarding the property located at Azusa Avenue and Railroad Street N/E.

Paragraph 4 line 8 of the Lease Agreement is amended as follows:

removal of Lessee's sign not to exceed \$72,000.00, less 1/60th of such cost for each full month of this lease prior to the notice of termination.

Paragraph 5 line 3 of the following wording is deleted:

at its option either reduce rental in direct proportion to the diminution in value.

The following three paragraphs are added to the Lease Agreement:

1. Lessee shall arrange and pay for providing a supply of electrical power to the sign or signs and shall be responsible for the cost of all electrical power used in the construction, operation and maintenance of the sign or signs.
2. Lessee, at its own cost and expense, shall keep and maintain the sign or signs and all facilities appurtenant to the sign or signs in good order and repair and in as safe, clean and attractive condition as when erected, and shall promptly repair any damage to the sign or signs as a result of graffiti, vandalism, storms and weather, or other causes. If Lessee fails to do so for any period of 30 or more days after receipt from Lessor of a notice to maintain the sign or signs, then Lessor shall have the option to repair the sign or signs and recoup the costs from Lessee or to demolish and remove the sign or signs at Lessee's expense.
3. Lessee, at Lessee's own cost and expense, shall comply with the statutes, ordinances, regulations, and requirements of all governmental entities, whether Federal, State, County, or local relating to Lessee's use of the premises, whether those statutes, ordinances, regulations, or requirements are now in force or are yet to be enacted. The judgement of any court of competent jurisdiction, or the admission by Lessee in a proceeding brought against Lessee by any government entity, that Lessee has violated any such statute, ordinance, regulation, or requirement shall be conclusive as between Lessor and Lessee and shall be grounds for termination of this Agreement by Lessor.

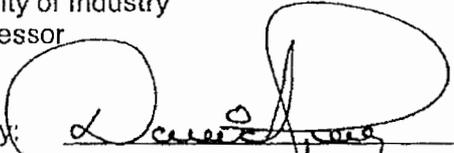
Accepted:

M & P Outdoor Advertising, LLC  
Lessee

By: 

Date: 2/2/07

City of Industry  
Lessor

By: 

Date: JAN 25 2007



*CITY COUNCIL*

ITEM NO. 5.3

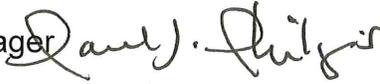


# CITY OF INDUSTRY

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 

Staff: Alex Gonzalez, Director of Development Services and Administration  
Clem Calvillo, City Engineer, CNC Engineering  
Josh Nelson, Deputy City Engineer, CNC Engineering

Date: March 10, 2016

**SUBJECT: Consideration of Resolution CC 2016-15 Confirming the Continued Existence of an Emergency Condition for Follows Camp Facilities Maintenance and Repair Project Pursuant to California Public Contract Code Section 22050 and Section 3.52.110 of the City's Municipal Code**

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The City retains title to 84.37 acres of land commonly known as "Follows Camp" at 23100 and 23400 E. East Fork Road in Azusa ("Property"). The Property is situated in the San Gabriel Mountains, adjacent to the boundaries of the San Gabriel Mountains National Monument above the cities of Azusa and Glendora. The Property currently contains two crossing points over the East Fork of the San Gabriel River, a small bridge commonly known as the "Railroad Car Bridge" and an Arizona Crossing. During storm events, the waterway is a dynamic system which moves large quantities of debris which includes large cobbles, sand, and trees within the riverbed limits. As a result of storm events that have accumulated debris in the riverbed, the Railroad Car Bridge maintains less than one foot of freeboard on its northern end, and the Arizona Crossing is impassable due to downed trees and debris.

Based on the predicted severity of winter El Niño driven storm events, it has been determined that emergency repair activities are necessary to ensure: 1) the structural integrity of the Railroad Car Bridge, 2) the structural integrity of the Arizona Crossing, and 3) the structural integrity of the East Fork Road. It is critical to maintain the integrity of these assets to: maintain access to Southern California Edison powerlines on the Follows Camp property ridgeline that serve Camp Williams and National Forest Service properties, and ensure the structural integrity of the East Fork Road, which is a critical link within the National Monument and the only road that parallels the East Fork of the San Gabriel River.

On November 25, 2015 the City Council adopted Resolution 2015-42 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain

work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

On November 27, 2015, the City received Notice to Proceed from the U.S. Army Corps of Engineers under Region General Permit (RGP) No. 63 for Repair and Protection Activities in Emergency Situations.

On December 10, 2015 the City Council adopted Resolution 2015-45 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

Pre-construction site preparation commenced on December 14, 2015. Work commenced and was completed on the Arizona Crossing December 21, 2015. Work on the Railroad Car Bridge occurred on December 23, 2015 and December 29, 2015; with completion of the Railroad Car Bridge activities on December 29, 2015.

On December 29, 2015 Sage Environmental Group notified the U.S. Army Corps of Engineers and the U.S. Fish and Wildlife Service that work on the Railroad Car Bridge and the Arizona Crossing were completed without any direct contact to open waters and no contact with endangered species.

On January 13, 2016 City staff and CNC Engineering staff met with Forest Service staff at the property to discuss resolution of permitting issues and coordination with Los Angeles County Building and Safety, Los Angeles County Planning, and Los Angeles County Public Works to complete the temporary stabilization work on the East Fork Road and receive guidance from Forest Service staff on the process for long term improvements.

On January 14, 2016 the City Council adopted Resolution 2016-03 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

On January 27, 2016 City staff and CNC Engineering staff met with Los Angeles County Geotechnical and Materials Engineering staff at the property to discuss the possible risk to the East Fork Road based on the guidance received from Forest Service staff. City staff submitted additional materials for review and requested a determination from Los Angeles County Geotechnical staff as to whether: a) an emergency repair is necessary, b) a temporary protective solution is adequate, or c) the area should be monitored before any repairs or protective solutions are considered.

On January 28, 2016 the City Council adopted Resolution 2016-08 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and

necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

On February 8, 2016, the Principal Engineer from the Los Angeles County Department of Public Works, Geotechnical and Materials Engineering Division, notified the City in writing that the current condition of the East Fork Road does not merit an emergency condition. However, the City was directed to maintain and monitor the slope for erosion control on a monthly basis and after every storm event.

On February 11, 2016 the City Council adopted Resolution 2016-12 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

On February 23, 2016 the City Council adopted Resolution 2016-14 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions.

On March 3, 2016, City staff met on site with staff from the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, California Department of Fish and Wildlife, the Regional Water Quality Control Board, and Sage Environmental to review the current state of the area where work was completed in December 2015 and assess whether additional work is recommended at the site to improve habitat based on the river channel's current condition after multiple storm systems in January and February 2016. If improvements are recommended, the City will apply for permits to complete the work.

Based on the direction from LA County Public Works to maintain and monitor the slope below the East Fork Road during storm events, City staff is recommending the continuation of this emergency declaration through the second week of April 2016, at a minimum, to ensure that the City is capable of responding in a timely fashion to any damage that may occur due to El Nino rain events.

It is expected that the process to complete preliminary studies, engineering, environmental review, and permitting for future improvements at the Follows Camp site will last between four to five years. If the emergency declaration is lifted, work will continue to secure the site and perform minor maintenance work as allowed under existing permit processes and regulatory restrictions. However, any major improvements in the future are subject to the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA). The City has contracted with Cordoba Corporation to study the future use of the property, and any future plans are subject to City Council approval.

The City has adopted the Uniform Public Construction Cost Accounting Act (“Act”), and under the provisions of the Act (California Public Contract Code Section 22035(b)), and Section 3.52.110 of the City’s Code, in the event of an emergency, upon a four-fifths vote by the City Council, the City may procure any necessary equipment, services and supplies for the emergency without engaging in the competitive bidding process. In accordance with the provisions of Section 22050(a)(2) of the Public Contract Code, it is necessary for the City Council to make a finding that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.

Under the provisions of Section 22050 of the Public Contract Code, upon adoption of an emergency action, the City Council must review the emergency action at every regularly scheduled meeting until the action is terminated, to determine, whether by a four-fifths vote, there is a need for continued action. The City Council’s adoption of Resolution CC 2016-14 would make the findings needed pursuant to the California Public Contract Code Section 22050 to continue the declared emergency action to allow the City Manager to immediately retain the services necessary to complete the work.

Pursuant to California Public Contracts Code Section 22050, the City Council will be provided project updates at every regularly scheduled Council meeting until the project is completed.

Exhibits

A: Resolution No. CC 2016-15

**EXHIBIT A**

**Resolution No. CC 2016-15**

[Attached]

## RESOLUTION NO. CC 2016-15

**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**

### RECITALS

**WHEREAS**, the City owns 84.37 acres of land commonly known as "Follows Camp" located at 23100 and 23400 E. East Fork Road in Azusa ("Property"); and

**WHEREAS**, the Property currently has two crossing points over the East Fork of the San Gabriel River, a small bridge commonly known as the "Railroad Car Bridge" and an Arizona Crossing. During storm events, the waterway is a dynamic system which moves large quantities of debris which includes large cobbles, sand, and trees within the riverbed limits. Due to storm events that have accumulated debris in the riverbed, the Railroad Car Bridge maintains less than one foot of freeboard on its northern end, and the Arizona Crossing is impassable due to downed trees and debris; and

**WHEREAS**, given the predicted severity of winter El Niño driven storm events, it has been determined that emergency repair activities are necessary to ensure the structural integrity of the Railroad Car Bridge; the structural integrity of the Arizona Crossing; and the structural integrity of the East Fork Road; and

**WHEREAS**, the City has adopted the Uniform Public Construction Cost Accounting Act ("Act"), and under the provisions of the Act (California Public Contract Code Section 22035(b)), and Section 3.52.110 of the City's Municipal Code, in the event of an emergency, upon a four-fifths vote by the City Council, the City may procure any necessary equipment, services and supplies for the emergency without engaging in the competitive bidding process; and

**WHEREAS**, on November 25, 2015 the City Council adopted Resolution 2015-42 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, on December 10, 2015 the City Council adopted Resolution 2015-45 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, on January 14, 2016 the City Council adopted Resolution 2016-03 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, on January 28, 2016 the City Council adopted Resolution 2016-08 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, on February 11, 2016 the City Council adopted Resolution 2016-12 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, on February 23, 2016 the City Council adopted Resolution 2016-14 for the Follows Camp Facilities Maintenance and Repairs Project, declaring that the public interest and necessity demand the immediate expenditure of public money and completion of certain work without competitive bidding to safeguard life, health, or property, and authorizing the City Manager to execute all necessary contracts and documents with qualified contractors to respond to the emergency conditions; and

**WHEREAS**, the City has applied for, and received, a permit from the U.S. Army Corps of Engineers to perform emergency maintenance and repair activities; and

**WHEREAS**, pursuant to Section 22050 of the Public Contract Code, upon adoption of an emergency action, the City Council must review the emergency action at every regularly scheduled meeting until the action is terminated, to determine, whether by a four-fifths vote, there is a need for continued action; and

**WHEREAS**, there is a need for continued emergency action at the Property to ensure the structural integrity of the Railroad Car Bridge; the structural integrity of the Arizona Crossing; and the structural integrity of the East Fork Road.

**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 finds and determines that due to the prediction of increased winter storm activity as a result of El Niño conditions, continued, immediate attention must be taken to ensure the viability of the river crossings over the East Fork of the San Gabriel River at Follows Camp to ensure access to the area's electrical distribution lines. Moreover, continued, immediate attention must be taken to protect the East Fork Road adjacent to Follows Camp, as it provides a critical link in the area to Camp Williams and National Forest Service properties just east of Follows Camp. The U.S. Army Corps of Engineers also determined that emergency conditions are currently present at the Property and approved the City's request to complete the necessary steps to rectify the emergency situation.

**SECTION 3:** Based on the foregoing, pursuant to California Public Contract Code Section and 22050 and Section 3.52.110 of the City's Municipal Code, the City Council hereby finds that an emergency situation continues to exist and declares that the public interest and necessity demand the immediate expenditure of public money for such repair work to safeguard life, health, and property without complying with the competitive bidding requirements of the California Public Contract Code. The emergency will not permit a delay resulting from a competitive solicitation for bids, and the action is necessary to respond to the emergency. The City Council hereby continues to waive competitive bidding under Public Contract Code 22050, and Section 3.52.110 of the City's Municipal Code.

**SECTION 4:** The City Council hereby authorizes the City Manager to execute all necessary contracts and documents with a qualified contractor(s) or vendor(s), for the Follows Camp emergency repair project.

**SECTION 5:** The City Council shall review the emergency action at every regularly scheduled meeting until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action.

**SECTION 7:** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, 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 8:** That 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** by the City Council of the City of Industry at a meeting held on March 10, 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

---

Mark D. Radecki, Mayor

**ATTEST:**

---

Cecelia Dunlap, Deputy City Clerk

*CITY COUNCIL*

ITEM NO. 5.4



# 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 *Paul J. Philips*

Staff: Carlos Cuevas, Director of Human Resources *C. Cuevas*

Date: March 10, 2016

**SUBJECT: Resolution No. CC 2016-18 Adopting a Salary Range Schedule for City Employees and Officers**

---

It is necessary for the City Council to periodically adopt a salary range schedule. The salary range schedule update is necessary as a result of recent actions taken to re-organize City Hall staff. Positions eliminated from the salary range schedule are noted in strikethrough on Exhibit "A".

---

CC:mk

**RESOLUTION NO. CC 2016-18**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, ADOPTING A SALARY RANGE SCHEDULE FOR CITY EMPLOYEES AND OFFICERS, AND REPEALING RESOLUTION NO. CC 2015-39**

THE CITY COUNCIL OF THE CITY OF INDUSTRY RESOLVES AS FOLLOWS:

**Section 1. Findings.** The City Council finds as follows:

- A. The City Council is authorized under Government Code Section 36506 to establish salary ranges for appointed City employees and officers.
- B. The City has followed all legal prerequisites prior to the adoption of this Resolution.

**Section 2. Adoption of Salary Schedule.** The City Council hereby approves the City of Industry Salary Range Schedule attached as Exhibit A. All prior Salary Range Schedules are superseded by this Resolution.

**Section 3. Public Review.** The City of Industry Salary Range Schedule will be promptly made available for public review during normal business hours upon request. A copy of the Salary Range Schedule will be retained for at least five years following the effective date of this Resolution.

**Section 4. Repeal of Prior Version.** The City Council hereby repeals Resolution No. CC 2015-39.

**Section 5. Certification.** The City Clerk is directed to certify to the passage and adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Industry at a regular meeting held on March 10, 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

---

Mark D. Radecki, Mayor

**ATTEST:**

---

Cecelia Dunlap, Deputy City Clerk

**EXHIBIT A**

**CITY OF INDUSTRY SALARY RANGE SCHEDULE**

[Attached]

(Exhibit "A")

**CITY OF INDUSTRY**  
**SALARY RANGE SCHEDULE**  
**(Effective March 10, 2016)**

<b><u>CATEGORY</u></b>	<b><u>POSITION</u></b>	<b><u>ANNUAL SALARY RANGE</u></b>
Administrative Services A	Receptionist	\$42,000 - \$62,000
Administrative Services B	Administrative Analyst	\$63,000 - \$88,000
	Human Resources Assistant	\$53,000 - \$78,000
	Planning Assistant	\$53,000 - \$78,000
Administrative Services C	<del>Assistant Human Resources Director</del>	<del>\$73,000 - \$115,000</del>
	Deputy City Clerk	\$73,000 - \$115,000
	Deputy City Treasurer	\$73,000 - \$115,000
	Executive Assistant to the City Manager	\$73,000 - \$115,000
	Field Operations and Asset Superintendent	\$73,000 - \$125,000
	Senior Planner	\$73,000 - \$125,000
Executive Staff	City Clerk	\$105,000 - \$115,000
	City Controller	\$115,000 - \$225,000
	City Manager *	\$275,000
	City Treasurer	\$115,000 - \$195,000
	Director of Development Services and Administration	\$115,000 - \$195,000
	<del>Director of Business Innovation and Sustainability +</del>	<del>\$105,000 - \$170,000</del>
	<del>Director of Public Works</del>	<del>\$115,000 - \$195,000</del>
	<del>Executive Director of Economic Development +</del>	<del>\$115,000 - \$195,000</del>
	Human Resources Director	\$105,000 - \$170,000
	<del>Planning Director</del>	<del>\$105,000 - \$170,000</del>
Planning Commission	Board Member	\$600 - \$700 (Monthly Stipend)
Civic-Recreational-Industrial-Authority	Board Member	\$600 - \$700 (Monthly Stipend)

\* Employment contract position

+ Future position, recruitment with City Council authorization

*CITY COUNCIL*

ITEM NO. 5.5



# 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: James M. Casso, City Attorney

DATE: March 10, 2016

SUBJECT: Consideration of Amendment to Professional Services Agreement with Cordoba Corporation

---

**BACKGROUND:** Effective August 1, 2015, the City Council entered into a professional services agreement with Cordoba Corporation (“Cordoba”) for real estate and related advisory services for the City’s owned property at Tonner Canyon and Follows Camp. Since August 1, 2015, Cordoba has been reviewing previously drafted and considered City studies on the potential uses of the Tonner Canyon property and Cordoba is currently analyzing potential uses for the Follows Camp property. On many occasions, since last summer, Cordoba has met with staff and the City Attorney’s office to discuss its findings and analysis.

**DISCUSSION:** The current agreement has a termination date of March 31, 2016. In order for Cordoba to continue its services and efforts, staff and the City Attorney’s office believes the Agreement should be extended for an additional 12 months, terminating on March 31, 2017. Cordoba will continue providing the City with an analysis of the potential uses for the Tonner Canyon property and for Follows Camp. Cordoba’s services will include an analysis to assist the Council in determining that definitive direction and in ensuring that the City’s proposed use is sensitive to the interests of the surrounding communities and compliant with any applicable federal, state or local laws and regulations.

**BUDGET IMPACT:** Cordoba will earn a monthly retainer of \$45,000.00 and for other services as set forth in the underlying agreement.

**RECOMMENDATION:** Staff recommends that the City Council approve Amendment No. 1 to the Professional Services Agreement with Cordoba Corporation.

**AMENDMENT NO. 1  
TO PROFESSIONAL SERVICES WITH CORDOBA CORPORATION**

This Amendment No. 1 to the Professional Services for real estate and related advisory services (“Agreement”), is made and entered into this \_\_\_ day of March, 2016, by and between the City of Industry, a California municipal corporation (“City”) and Cordoba Corporation, a California corporation (“Consultant”). The City and Consultant are hereinafter collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, effective on or about August 1, 2015, the Agreement was entered into by and between City and Consultant for real estate and related advisory services; and

**WHEREAS**, the Agreement is scheduled to terminate on March 31, 2016, and the Parties desire to extend the term of the Agreement to expire on March 31, 2017.

**AMENDMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement shall remain in full force and effect except as otherwise hereinafter provided:

**Section 1.     TERM**

The term of this Amendment No. 1 shall commence on April 1, 2016, (the “**Effective Date**”) and shall terminate on March 31, 2017, unless otherwise terminated in accordance with Section 5.

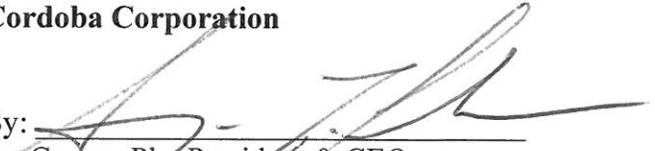
**Section 2.**     Except as expressly modified by this Amendment No. 1, all terms and provisions of the Agreement shall remain in full force and effect.

**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

**“CONSULTANT”**  
**Cordoba Corporation**

By:  \_\_\_\_\_  
George Pla, President & CEO

**Attest:**

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

**APPROVED AS TO FORM**

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

*CITY COUNCIL*

ITEM NO. 5.6



# 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 *Paul J. Philips*

Staff: Alex Gonzalez, Director of Development Services and Administration *AG*

Date: March 10, 2016

**SUBJECT: Approve License Agreement with the United States Department of Agriculture – Natural Resources Conservation Service for Access to Tonner Canyon to Complete Regional Soil Survey**

---

The United States Department of Agriculture (USDA) is developing a regional Soil Survey for southeastern Los Angeles County, and has requested access to parcels in the Tonner Canyon area. This soil survey program is a part of the Nation Cooperative Soil Survey, and the study is intended to identify soil types and create soil property maps for all non-federal, public and private lands.

### Exhibits

- A: Property access request dated February 9, 2016
- B: License Agreement with United States Department of Agriculture, Natural Resources Conservation Service

**EXHIBIT A**

**Property Access Request dated February 9, 2016**

[Attached]



3550 S Harbor Blvd, St # 2-202  
Oxnard, CA 93035  
(805)-984-2358 x103  
FAX (805)-985-7865

February 9, 2016

City of Industry  
Director of Administrative Services  
Alex Gonzalez

Mr. Gonzalez,

The United States Department of Agriculture- Natural Resources Conservation Service is currently working on producing a regional Soil Survey in the southeastern part of Los Angeles County. This survey covers a 681,000 acre area throughout the Los Angeles Basin and eastern San Fernando Valley. NRCS is requesting permission to access properties owned by the City of Industry in the Tonner Canyon area. Collecting adequate soil observations in these areas will improve the accuracy of the technical soils data that we will provide. There is no OFFICIAL soil survey data currently available for this area.

The Soil Survey program is part of the Nation Cooperative Soil Survey which is a federal program. The Natural Resources Conservation Service (NRCS, my agency) is the lead agency in this effort and in charge of producing soil maps for all non-federal, public and private lands. Our data can be accessed via the web at:  
<http://websoilsurvey.nrcs.usda.gov>

Work on this survey will produce a soil map that identifies location of soil type and important soil properties. This serves as natural resource inventory and interpretation of the data. Many people will benefit from data that is provided in our completed survey.

Field work includes digging a small soil pit using hand tools. A common soil pit is 12 inches x 18 inches at the surface. If sod is present, it is removed and set aside so that it can be replaced. The pit is excavated down to a practical depth using a shovel. The subsurface material is then removed using a 3 inch diameter hand turned bucket auger to a depth of 6 feet. Spoil is placed on a blue tarp to maintain a clean worksite. A soil profile description is completed based on our observations. The pit is then back filled and the surface sod is replaced (if present), leaving little to no trace of our activities. See attached site photos.

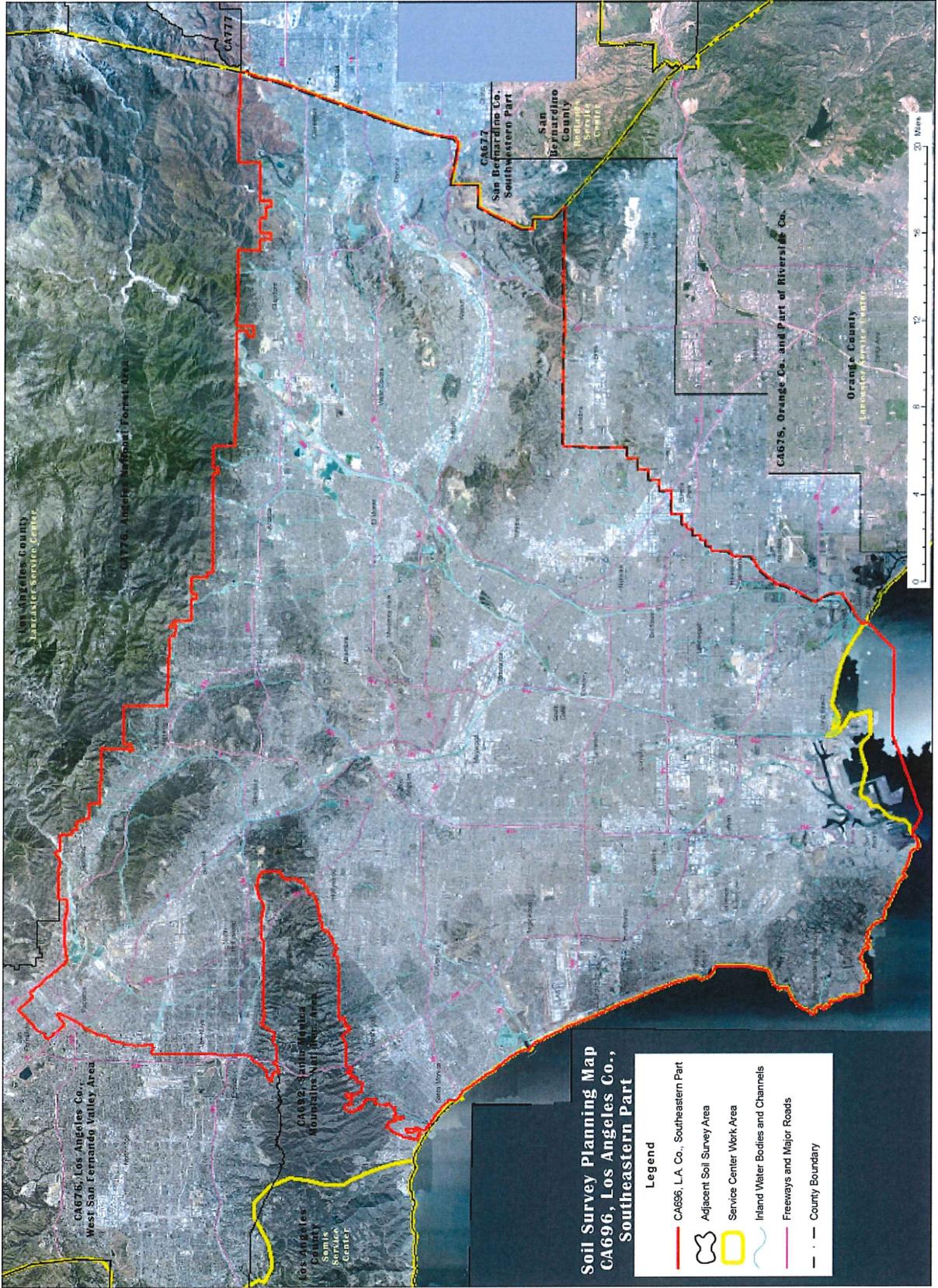
Since beginning the SE Los Angeles survey NRCS has gained cooperation with numerous cities and organizations throughout the Los Angeles area. Other stakeholders are The Los Angeles and San Gabriel River Watershed Council, Los Angeles City Dept of Water and Power, Santa Monica Mtns Conservancy, Santa Monica Mountain Resource Conservation District. The Rivers and Mountains Conservancy, Regents of the University of California, California State University Pomona and Northridge, Palos Verdes Land Conservancy, Puente Hills Preserve, and the Foundation for Pierce College and Pierce College Farm Center. Many others have and will contribute to the collection and benefit from the data we publish.

Please contact me directly if additional information is requested.

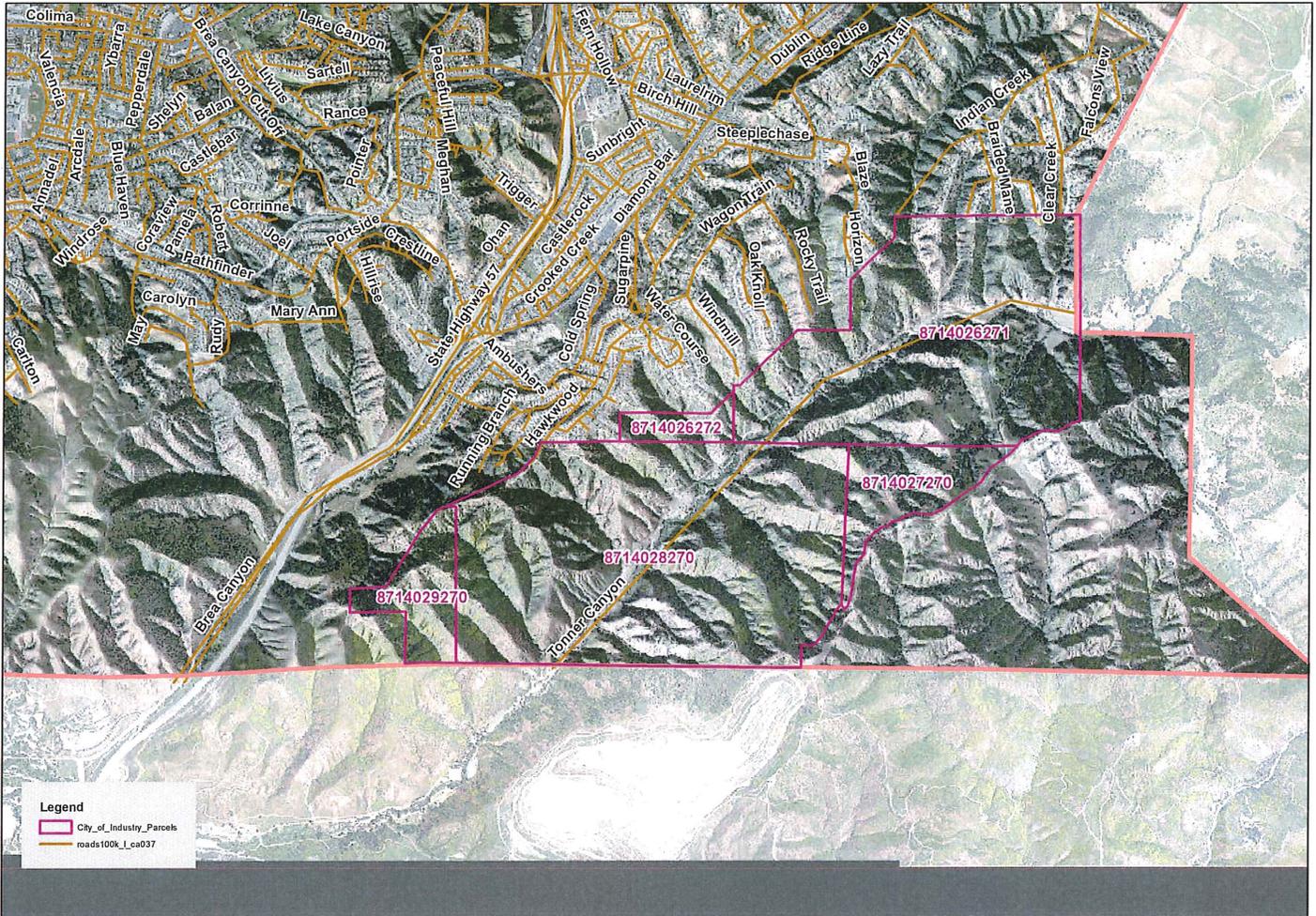
Sincerely,

A handwritten signature in blue ink, appearing to read "Randy L. Riddle", is located below the word "Sincerely,".

RANDY L RIDDLE  
Soil Survey Project Leader



# NRCS Access Request - City of Industry Property - Tonner Canyon Area of Interest





Sample work site at Elysian Park, Los Angeles, CA.  
Spoil is placed on a blue tarp adjacent to the site to maintain a clean work site and minimizes overall impact.



Sample work site at Griffith Park, Los Angeles, CA.

**United States Department of Agriculture**



Natural Resources Conservation Service  
California State Office  
430 G Street, Room 4164  
Davis, CA 95616  
(530) 792-5600  
(530) 792-5790 (Fax)

---

Los Angeles County, Soil Survey Office  
550 E Carson Plaza Drive #202, Carson, CA 90746 • PHONE 310-516-0165 • FAX 310-516-0289

To Whom It May Concern,

The USDA, Natural Resources Conservation Service (NRCS) is an agency of the United States Department of Agriculture.

The following is provided to answer questions you may have regarding liability when allowing NRCS employees to use your facilities or work on your property.

1. NRCS is a Federal agency and is self-insured. If an NRCS employee damages anything on your property or if you incur other damages resulting from the NRCS employee conducting his/her official duties on your property, you have the right to file a Tort Claim for any damage rights.
2. NRCS employees are covered by the Federal Employees Compensation Act (FECA). The Federal Employees Compensation Act provides monetary compensation, medical care assistance, vocational rehabilitation, and reemployment rights to Federal employees who sustain disabling injuries as a result of their employment with the Federal Government.

If you have any questions, please contact the NRCS State Administrative Officer, Colleen Schneider, at 430 G Street, Suite 4164, Davis, CA 95616, (530) 792-5674.

Sincerely,

A handwritten signature in blue ink, appearing to read "Randy L. Riddle", is written over a faint, illegible printed name.

Randy L Riddle  
Soil Survey Party Leader

**Helping People Help the Land**

An Equal Opportunity Provider and Employer



**EXHIBIT B**

**License Agreement with United States Department of Agriculture, Natural  
Resources Conservation Service**

[Attached]

## LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**Agreement**”), dated March 10, 2016, (“**Effective Date**”) is entered into by and between the City of Industry, a public body, corporate and politic (“**Licensor/City**”), and United States Department of Agriculture - Natural Resources Conservation Service (“**Licensee**”) (Licensor and Licensee 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 Tonner Canyon, and Licensee desires to enter the portion of the property generally described as open space in the Tonner Canyon area, as set forth in Exhibit A, attached hereto and incorporated herein by reference (“**Premises**”).

**WHEREAS**, Licensee desires to enter the Premises for the purpose of conducting a soil profile description for the Soil Survey of Los Angeles County, Southeastern Part; 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 license (the “**License**”) granting permission to enter upon the Premises as of the Effective Date of this Agreement to perform certain soil sampling, and similar work as described in this Agreement (collectively, “**Licensee’s Work**”); 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 and provided Licensee provides written notice to the Licensor at least five (5) days prior to Licensee entering upon the Premises (said written notice shall state the purpose for the entry upon the Premises, and said entry shall not exceed the stated purpose). 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 performance of Licensee’s Work. Licensee shall provide Licensor with copies of all due diligence materials produced from the inspection, tests, and studies derived from Licensee’s access, inspection, and studies. Licensee shall not provide copies of any due diligence materials to any other federal, state or local regulatory agency prior to disclosing said materials to Licensor.

2. Licensee Work. The performance of Licensee Work is hereby defined to include performing soil sampling. Licensee shall exercise due care in the performance of Licensee Work and such work shall be performed in a manner which complies with all applicable laws. Any invasive testing, shall be performed pursuant to written work plans (the “**Licensee’s Plans**”) which shall be submitted to Licensor in advance and which shall be subject to Licensor’s prior consent (which shall not be unreasonably withheld, delayed or conditioned) and which shall be given, or deemed given if not withheld in writing within five (5) business days after receipt thereof.

3. Maintenance of Premises. Licensee shall be responsible for performing all of Licensee's Work in a good and workmanlike manner. 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.

4. Government Regulations and Other Obligations of Licensee. As a condition precedent to commencement of Licensee's Work, 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 performance of Licensee's Work. 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.

5. Liens.

5.1 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 Licensee's Work or any claim or action affecting the title to the Premises arising from Licensee's Work, 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.

5.2 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.

6. 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

Licensee is a Federal agency and is self-insured, and maintains workers compensation insurance as required by State law. The self-insurance is acceptable to the City for the Services to be performed.

(b) Other Insurance Provisions

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

6.1 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.

6.2 Waiver of Subrogation. Licensee hereby grants to 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.

6.3 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 work commences. However, failure to obtain the required documents prior to the work beginning 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.

7. 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 of Industry and any and all predecessors, successors, assigns, agents, officials, employees, members, independent contractors, affiliates, principals, officers, directors, attorneys, accountants, representatives, staff, council members, board members, and planning commissioners 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. This indemnification requires Licensee to indemnify the City and any and all City Representatives from and against all Losses and Liabilities, including attorneys' fees, related directly or indirectly to, or arising out of or in any way connected with any existing or future Hazardous Substances 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.

8. Licensee's Employees. Licensee's employees are covered by the Federal Employees Compensation Act (FECA) 5 U.S.C. 8101 et seq. The Federal Employees Compensation Act provides monetary compensation, medical care assistance, vocational rehabilitation, and reemployment rights to Federal employees who sustain disabling injuries as a result of their employment with the Federal Government. The personnel performing the services under this Agreement on behalf of Licensee shall at all times be under Licensee's exclusive direction and control. Neither Licensor nor any of its officers, employees, or agents shall have control over the conduct of Licensee or any of Licensee's officers, employees, or agents. Licensee shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the Licensor.

(b) No employee benefits shall be available to Licensee in connection with the performance of this Agreement. City shall not be liable for compensation or indemnification to Licensee for injury or sickness arising out of performing services hereunder.

9. Term, Termination and Remedies. The License shall commence as of the Effective Date of this Agreement, and shall automatically terminate on **March 31, 2016**. In addition, if Licensee shall be in breach of any of its obligations under this Agreement and shall fail to cure such breach within ten (10) business days of written notice from Licensor specifying the nature of any such breach, Licensor shall have the right to terminate this Agreement upon written notice to Licensee. 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.

10. Inspection. Licensor and any of its duly authorized representatives, employees, agents or independent contractors shall be entitled to enter and inspect the Premises or any portion thereof or Licensee's Work at any time and from time to time provided such entry or inspection does not impair, interfere with or delay Licensee's Work.

11. 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.

12. 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.

13. 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: Cynthia Stiles, Ph.D.  
Soil Survey Region 2 Director  
USDA – Natural Resources Conservation Service  
430 G Street  
Davis, CA 95616-4164  
Tel (530) 792-5640  
cynthia.stiles@ca.usda.gov

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

15. 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 City of Industry 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 City 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.

16. 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.

**(SIGNATURES ON FOLLOWING PAGE)**

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”

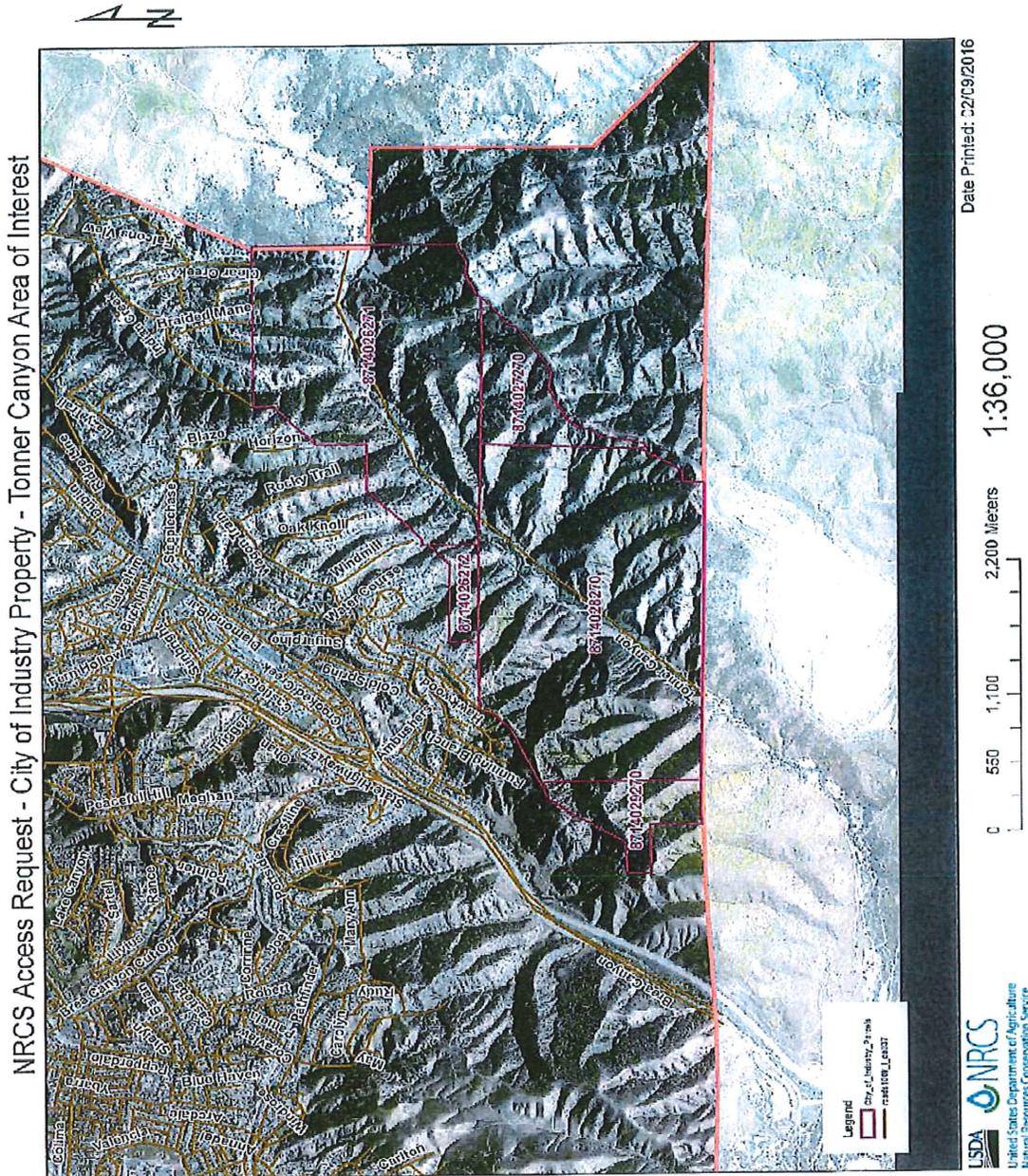
**UNITED STATES DEPARTMENT OF  
AGRICULTURE - NATURAL RESOURCES  
CONSERVATION SERVICE**

By: **CYNTHIA STILES**  
Cynthia Stiles, Ph.D., Soil Survey Region 2 Director

Digitally signed by CYNTHIA STILES  
DN: c=US, o=U.S. Government, ou=Department of  
Agriculture, cn=CYNTHIA STILES  
0.9.2342.19200300.100.1.1=12001000323131  
Date: 2016.03.02 11:57:21 -0800

EXHIBIT A

City of Industry Assessor Parcel Number[s] (APN) located in Tonner Canyon to be accessed by the USDA – Natural Resources Conservation Service personnel to perform soil tests for the Soil Survey of Los Angeles County: APN 8714029270, APN 8714026272, APN 8714026271, APN 8714027270 and APN 8714028270.



*CITY COUNCIL*

ITEMS NO. 6.1 & 7.1



# 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: City Council

March 10, 2016

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

Staff: Troy Helling, Senior Planner

**Subject: Conditional Use Permit 15-14 and Development Plan 15-17 – Carl's Jr. Restaurant at 19782 Walnut Drive North**

### Overview

Section 17.04.120 of the Municipal Code requires that when separate applications for the same project involve final decisions by the Planning Commission and City Council, all applications first be submitted to the Planning Commission for review and recommendation and then to the City Council for a final decision. This project involves the following two applications submitted by Carl's Jr.:

- Section 17.12.025 of the Municipal Code requires approval of a Conditional Use Permit for the establishment and operation of a fast-food restaurant with more than 50 seats. Conditional Use Permit 15-14 is to establish a Carl's Jr. fast-food restaurant with more than 50 seats.
- Section 17.36.020 of the Municipal Code requires approval of a Development Plan for new construction. Development Plan 15-17 is for the construction of a new 2,644 square foot, stand-alone, drive-thru restaurant.

The Alameda Corridor East Construction Authority (ACE) Fairway Drive grade separation project for the railroad tracks just north of Walnut Drive North is altering the intersection and the Carl's Jr. property and building. As part of the project, Carl's Jr. has decided to reconfigure its restaurant and parking lot so that it conforms to the ACE improvements.

### Proposal

The restaurant would accommodate 56 seats. The dining room would operate between the hours of 6:00 A.M. and 12:00 A.M. and the drive-thru would operate 24 hours a day. Carl's Jr. would employ approximately eight people per shift.

As shown in the site plan and floor plan (Attachments 1 and 2 respectively), the proposed Carl's Jr. restaurant consists of a 2,644 square-foot building with a drive-thru on the east side of the building. The restaurant includes approximately 658 square feet of dining area and approximately 1,986 square feet of kitchen, storage, office, and restroom space. The site would accommodate 24 parking spaces and 9,830 square feet of landscaping. Access to the restaurant would be from two driveways on Walnut Drive North. The drive-thru would be entered from the southwest side of the building and can accommodate approximately 11 vehicles. The drive-thru pick-up window would be on the north side and the menu/ordering

board would be on the south side of the building.

As shown on the elevations (Attachment 3), the roof is flat but would include variations in height to add architectural interest. The building would be 23'- 11" tall. The main entry of the restaurant would be oriented to the west, facing the parking lot. The trash enclosure would be on the south side of the parking lot. The building itself is a contemporary design with an appropriate level of detail and finishing materials that would enhance the aesthetics of the building.

## **Location and Surroundings**

As shown on the location map (Attachment 4), the proposed Carl's Jr. restaurant is located at 19782 Walnut Drive North on a 0.7-acre parcel at 19782 Walnut Drive North, which is located north of the Pomona Freeway (SR-60), west of Fairway Drive, and south of Walnut Drive North. The project is surrounded on the east by a commercial development, on the north by industrial developments, and on the south by the 60 freeway.

## **Staff Analysis**

The proposed restaurant is consistent with the Zoning ("C" – Commercial) and General Plan (Commercial) designations of the site and complies with the development and design standards in Sections 17.12, Commercial Zone, and 17.36, Design Review, of the Industry Municipal Code. Specifically, the project:

- Meets design guidelines. Section 17.36.060 A-J of the Municipal Code call for well-designed and coordinated buildings, walls, lighting, and landscaping. The proposed project would replace the existing building, which is plain and outdated, with a modern structure with design, signage, and landscaping that would be coordinated.
- Meets access requirements. Section 17.36.060.K of the Municipal Code requires a minimum driveway and drive-aisle width of 26 feet. Two driveways of 26 feet and 35 feet on Walnut Drive North are proposed. Internal drive-aisle widths that will provide access within the new parking lot would be a minimum of 26 feet.
- Meets landscaping requirements. Section 17.36.060.Q of the Municipal Code requires that a minimum of 12 percent of the site be devoted to landscaping and 32 percent (9,830 square feet) is proposed.
- Exceeds vehicular parking requirements. Section 17.36.060.K of the Municipal Code requires one parking space per 250 square feet of building area. Based on this formula, the project is required to provide 11 parking spaces and 24 parking spaces are proposed.

## **Environmental Analysis**

The proposed project is exempt from the California Environmental Quality Act (CEQA) and staff will file a Notice of Exemption (Attachment 5) upon approval per Section 15302 (a), which exempts replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The proposed project will replace an existing 3,613 square foot Carl's Jr. restaurant with a drive-thru with a smaller 2,644 square foot Carl's Jr. restaurant with a drive-thru.

## **Public Hearing**

The required Public Hearing Notice for CUP 15-14 (Attachment 6) was posted on the site, Fire Station 118, City Hall, Council Chambers, distributed to surrounding property owners

within 300 feet of the site, and published in the San Gabriel Tribune on February 26, 2016.

## **Recommendation**

Because the project complies with City use, design, and development standards, and satisfies the findings noted in the Resolutions, staff recommends that the City Council:

- 1) Adopt Resolution No. CC 2016-16 (Attachment 7) approving Development Plan No. 15-17 with the findings and Standard Requirements and Conditions of Approval and findings contained therein; and
- 2) Adopt Resolution No. CC 2016-17 (Attachment 8) approving Conditional Use Permit No. 15-14 with the Standard Requirements and Conditions of Approval and findings contained therein,

## **Attachments**

- Attachment 1: Site Plan
- Attachment 2: Proposed Floor Plan
- Attachment 3: Proposed Elevations
- Attachment 4: Location Map
- Attachment 5: Notice of Exemption
- Attachment 6: Public Hearing Notice
- Attachment 7: Resolution No. CC 2016-16 approving Development Plan No. 15-17 with findings of approval and Standard Requirements and Conditions of Approval
- Attachment 8: Resolution No. CC 2016-17 approving Conditional Use Permit No. 15-14 with findings of approval and Standard Requirements and Conditions of Approval

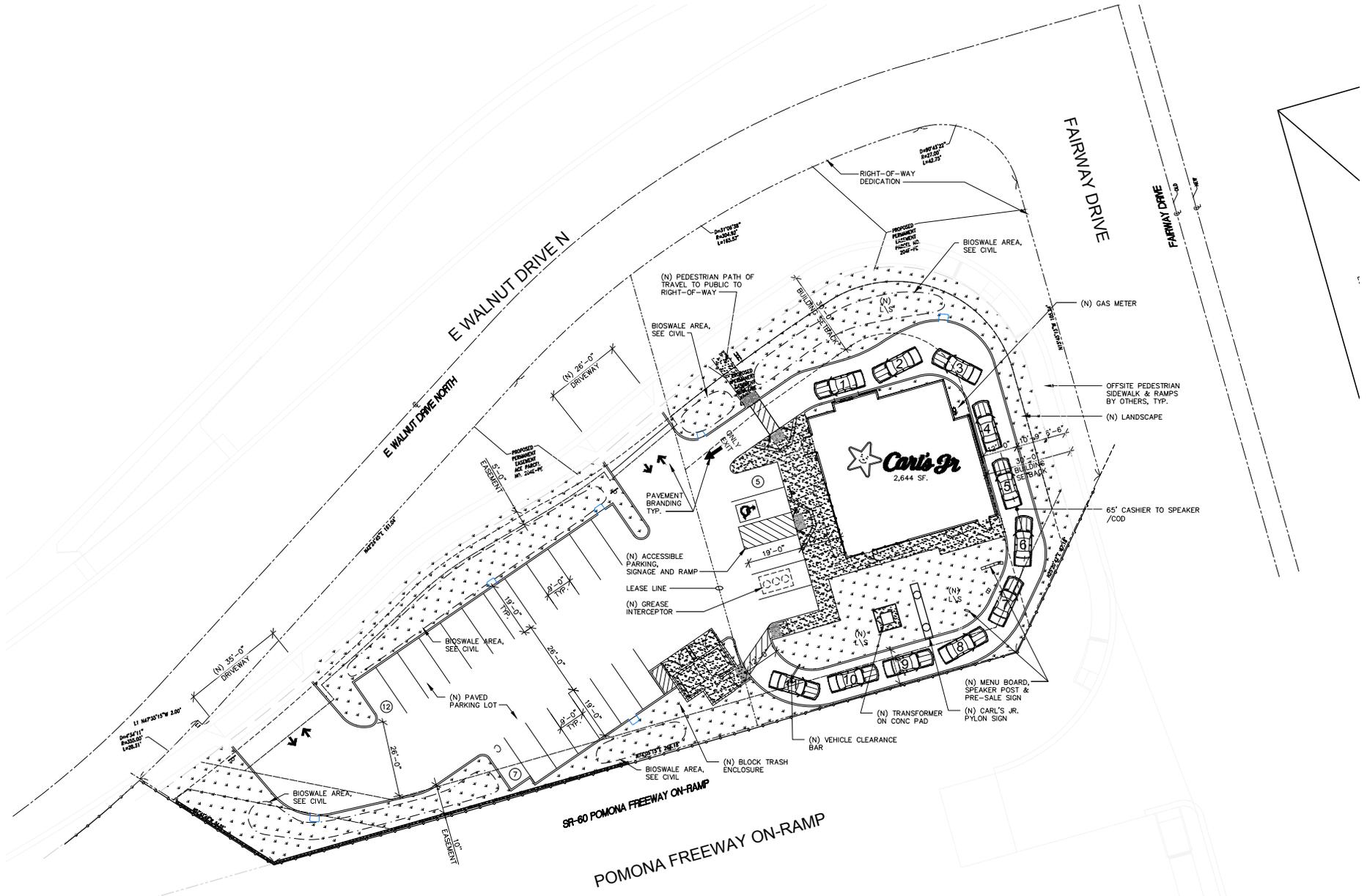
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# **Attachment 1**

## **Site Plan**

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# DP 15-17 and CUP 15-14 Site Plan



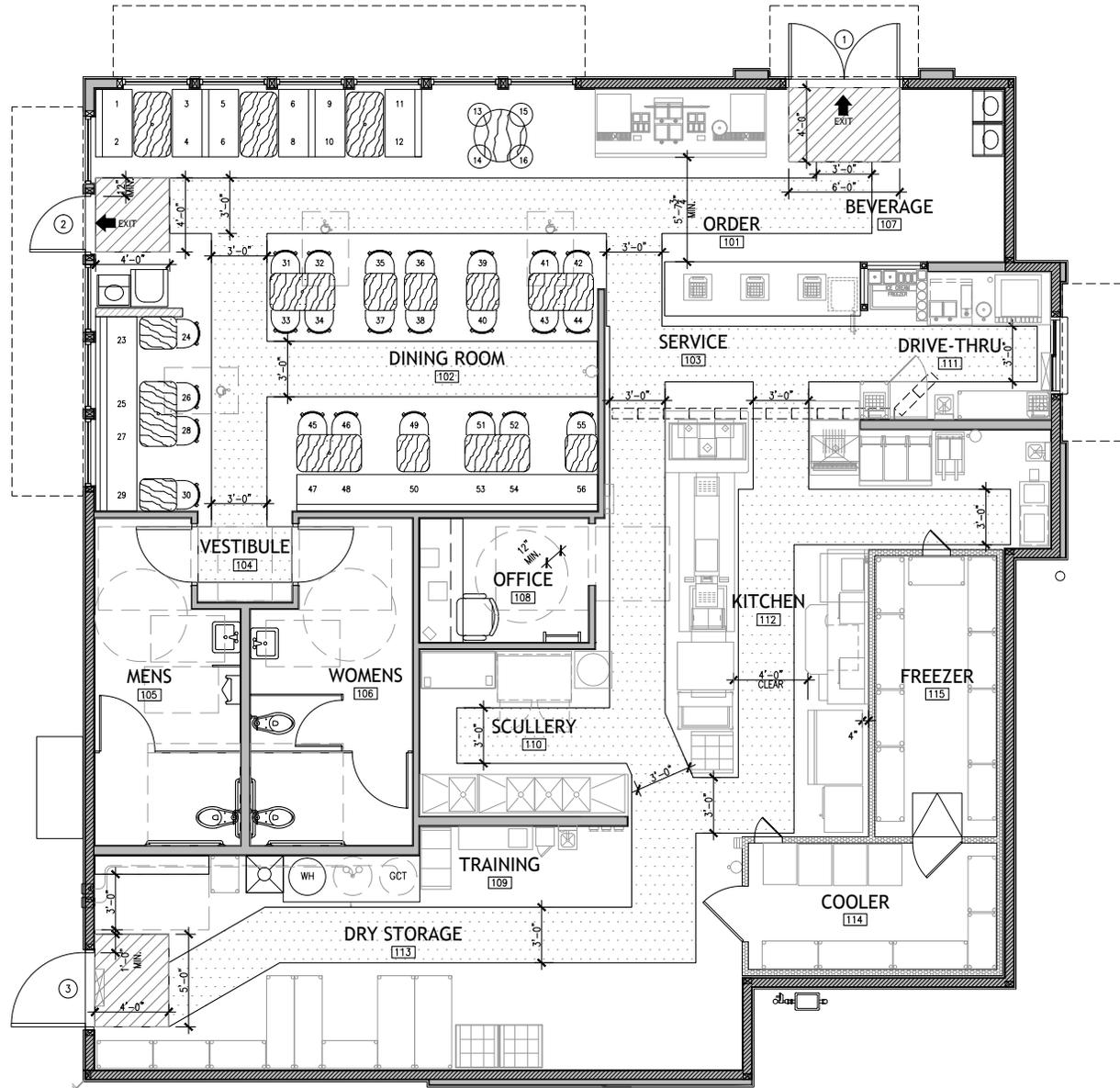
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# **Attachment 2**

## **Floor Plan**

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# DP 15-17 and CUP 15-14 Proposed Floor Plan



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# **Attachment 3**

## **Elevations**

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# DP 15-17 and CUP 15-14 Proposed Elevations



Right Elevation



Rear Elevation

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# DP 15-17 and CUP 15-14 Proposed Elevations



Left Elevation



Front Elevation

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# **Attachment 4 Location Map**

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# CUP 15-14 and DP 15-17

## Location Map



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# **Attachment 5**

## **Notice of Exemption**

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## NOTICE OF EXEMPTION

**To:** County Clerk  
County of Los Angeles  
Environmental Filings  
12400 East Imperial Highway #2001  
Norwalk, CA 90650

**From:** City of Industry  
15625 E. Stafford Street, Suite 100  
City of Industry, CA 91744

**Project Title:** CUP 15-14 and DP 15-17

**Project Location - Specific:** 19782 Walnut Drive North

**Project Location-City:** City of Industry    **Project Location-County:** Los Angeles

**Description of Project:** Conditional Use Permit 15-11 is an application to establish a Carl's Jr. fast-food restaurant with more than 50 seats. Development Plan 15-17 is for the construction of a new 2,644 square foot, stand-alone, drive-thru restaurant in the (C) Commercial zone.

**Name of Public Agency Approving Project:** Planning Commission, City of Industry

**Name of Person or Agency Carrying Out Project:** Carl's Jr.

**Exempt Status:** *(check one)*

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. *State type and section number:* 15302 (a)
- Statutory Exemptions. *State code number:*

**Reasons why project is exempt:** Section 15302 (a) Class 2, which exempts replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. The proposed project will replace an existing 3,613 square foot Carl's Jr. restaurant with a drive-thru with a smaller 2,644 square foot Carl's Jr. restaurant with a drive-thru.

**Lead Agency**

**Contact Person:** Troy Helling

Telephone: (626)333-2211

Signature: \_\_\_\_\_

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

Title: Senior Planner

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# **Attachment 6**

## **Public Hearing Notice**

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## NOTICE OF PUBLIC HEARING

### Conditional Use Permit No. 15-14

On February 26, 2016, notice has been given that the City Council of the City of Industry will hold a public hearing to consider an application from Carl's Jr. for Conditional Use Permit 15-14 located at 19782 Walnut Drive North in the City of Industry. Conditional Use Permit 15-14 is to establish a fast-food restaurant with more than 50 seats.

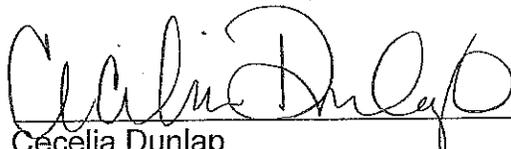
A copy of all relevant material, including the Conditional Use Permit application, Development Plan application, and Notice of Exemption are on file in the City Administrative Offices, 15625 East Stafford Street, Suite 100, City of Industry, California 91744. Please contact Troy Helling, Senior Planner, at the City of Industry at 626-333-2211 or by email at [thelling@cityofindustry.org](mailto:thelling@cityofindustry.org) if you have questions.

The time, date, and place of the hearing will be as follows:

**Time:** 9:00 a.m.  
**Date:** March 10, 2016  
**Place:** City Council Chamber  
15651 East Stafford Street  
City of Industry, CA 91744

Any person wishing to be heard regarding this matter may appear at the above time, date, and place. Written comments may be sent via US Mail or by hand delivery to the City of Industry at the address listed above or via email to the email address listed above. All comments must be received at, or prior to, the date and time of the hearing listed above.

If you challenge the Conditional Use Permit in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council of the City of Industry at, or prior to, the public hearing.

  
Cecelia Dunlap  
Deputy City Clerk of the City of Industry

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**Attachment 7**  
**Resolution No. PC 2016-16**

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## RESOLUTION NO. CC 2016-16

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, APPROVING CONDITIONAL USE PERMIT NO. 15-14, TO ALLOW A FAST-FOOD RESTAURANT WITH MORE THAN 50 SEATS AT 19782 WALNUT DRIVE NORTH, CITY OF INDUSTRY, CALIFORNIA, AND THE NOTICE OF EXEMPTION REGARDING SAME, AND MAKING FINDINGS IN SUPPORT THEREOF

#### RECITALS

**WHEREAS**, on November 18, 2015, Stantec Consulting Services Inc. on behalf of Carl's Jr., ("Applicant") filed a complete application requesting the approval of Conditional Use Permit ("CUP") No. 15-14 described herein ("Application"); and

**WHEREAS**, the Application applies to a new 2,644 square-foot fast-food restaurant located on a 0.7 acre property, at 19782 Walnut Drive North, City of Industry, California, Assessor's Parcel Numbers 8760-008-009 and 8760-008-010 ("Property"); and

**WHEREAS**, the Applicant desires to construct and operate a fast-food restaurant with more than 50 seats in the "C" Commercial zone and, in accordance with Section 17.12.025(7) of the City's Municipal Code ("Code"), a CUP is required for this type of activity; and

**WHEREAS**, the Land Use Element of the General Plan designates the Property as Commercial. The proposed use is consistent with the General Plan as it would provide essential goods and services commonly available at other restaurants, and does not conflict with the established goals and objectives of the Land Use Element. Fast-food restaurants with more that 50 seats are permitted in the "C" Commercial zone, subject to the approval of an CUP pursuant to Section 17.12.025(7) of City's Code; and

**WHEREAS**, pursuant to Section 17.04.120 of the City's Code, when there are multiple applications for land use entitlements that require final decisions by both the Planning Commission and City Council, the application must first be considered by the Planning Commission, and then submitted to the City Council for final approval. Because the Applicant has submitted entitlement applications for both a Development Plan and CUP for the same property, the Planning Commission was required to make a recommendation on the CUP to the City Council; and

**WHEREAS**, an Environmental Assessment form was submitted by the Applicant pursuant to the City's requirements. Based upon the information received and Staff's review and assessment, the project was determined not to have a significant impact on

the environment and is categorically exempt from the California Environmental Quality Act ("CEQA"), pursuant to Section 15302 (Class 2 Replacement or Reconstruction) of the CEQA Guidelines. The project is to replace an "existing restaurant with new or the same size, purpose and capacity" and is not located in an area that is environmentally sensitive. The new 2,644 square-foot restaurant will be replacing the old 3,613 square-foot restaurant; and

**WHEREAS**, at a regular meeting on January 14, 2015, the Planning Commission of the City of Industry conducted a public meeting and adopted Resolution PC 2016-03 recommending that the City Council approve the Application and the Initial Study/Mitigated Negative Declaration; and

**WHEREAS**, notice of the City Council's March 10, 2016 public hearing on CUP No. 15-14 was published in *The San Gabriel Valley Tribune* on February 26, 2016, in compliance with the City's Code and Government Code Section 65091, and was posted at the Property and at three public places on February 26, 2016; and

**WHEREAS**, the notice of the City Council's March 10, 2016, public hearing on CUP No. 15-14 was also mailed to property owners within 300 feet of the Property on February 26, 2016; and

**WHEREAS**, on March 10, 2016, the City Council of the City of Industry conducted a duly noticed public hearing on the Application, and considered all testimony written and oral; and

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

**NOW THEREFORE**, it is hereby found, determined and resolved by the City Council of the City of Industry 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:** All necessary public hearings and opportunities for public testimony and comment have been conducted in compliance with State law and the Municipal Code of the City of Industry.

**SECTION 3:** Upon independent review and consideration of the information contained in the Staff Report and the Notice of Exemption for CUP No. 15-14, the City Council hereby finds and determines that Conditional Use Permit No. 15-14 will not result in or have a significant impact on the environment, because the existing fast-food restaurant is being replaced with a new fast-food restaurant, smaller in size that does not increase capacity or expand the use. Therefore, the proposed project is categorically exempt from the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15302 (Class 2,

Replacement or Reconstruction) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations). Based on these findings, the City Council hereby adopts the Notice of Exemption and directs staff to file same as required by law.

**SECTION 4:** Based upon substantial evidence presented to the City Council during the March 10, 2016 public hearing, including public testimony and written and oral staff reports, the City Council finds as follows:

(a) The proposed use is consistent with the goals and objectives of the General Plan. The General Plan designates the site as Commercial, which allows a fast-food restaurant with more than 50 seats. The Zoning Ordinance, which implements the General Plan, allows for a fast-food restaurant with more than 50 seats with approval of a CUP. In addition, the attached conditions of approval set operational and management standards to ensure that the business will operate in a manner consistent with the General Plan's policies related to noise, safety, property maintenance, and maintaining a professional appearance.

(b) The Property is adequate in size and shape, topography and location, to accommodate the yards, walls, fences, parking and loading facilities, landscaping, and items which may be required by Sections 17.12.050 and 17.36.060 of the Municipal Code, and there will be adequate utilities to accommodate the proposed use. The Property complies with the development standards outlined in Chapter 17.36, Zoning Code of the Industry Municipal Code. The project will replace the existing fast-food restaurant with a smaller fast-food restaurant with same capacity and there will be no increased demands placed upon the existing water, gas, electricity, and sewer utilities that adequately serve the site.

(c) The Property is served by street access adequate in width and improved as necessary to carry the kind and quantity of traffic such use would generate. There is no expansion of the footprint of the building, and the Property is currently served by Walnut Drive North, which is of adequate capacity to serve the commercial use. The new building is smaller in size and will generate fewer trips. The replacement of the fast-food restaurant requires 11 parking spaces, and 24 are provided, therefore the Property has sufficient parking capacity.

(d) The fast-food restaurant use is compatible with surrounding properties and uses because the surrounding area is composed of other similar commercial uses. The uses of the surrounding properties may change, but the character will remain commercial in nature consistent with the General Plan and zoning designations of the site.

(e) The nature, condition and proposed development of adjacent uses, buildings and structures has been considered, and the proposed use, the fast-food restaurant with more than 50 seats, will not adversely affect or be materially detrimental to such adjacent uses, buildings or structures or to the public health, safety or general welfare, in that the surrounding area is composed of other

similar commercial and industrial uses. The replacement of the fast-food restaurant will complement the adjacent uses.

**SECTION 5:** Based upon the foregoing findings, the City Council hereby approves CUP No. 15-14, subject to the conditions contained in Exhibit A.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Industry at a regular meeting held on March 10, 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

---

Mark D. Radecki, Mayor

**ATTEST:**

---

Cecelia Dunlap, Deputy City Clerk



# CITY OF INDUSTRY

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

## EXHIBIT A

### Standard Requirements and Conditions of Approval

<b>Application:</b>	<b>Conditional Use Permit 15-14</b>
<b>Applicant:</b>	<b>Carl's Jr. Restaurant</b>
<b>Location:</b>	<b>19782 Walnut Drive North</b>
<b>Use:</b>	<b>Fast-Food Restaurant with more than 50 Seats</b>

### Conditions of Approval

*Conditions of approval are unique provisions, beyond the requirements of law, the municipal code, or standard practices that are applied to a project by the Planning Commission per Section 17.48.060 of the Zoning Code. Please note that if the design of your project or site conditions change, the conditions of approval may also change. If you have any questions regarding these requirements, please contact the City of Industry.*

1. The Applicant and/or successor in interest, shall comply with all Federal, State, County, and local laws and ordinances.
2. Prior to building final or operation of the use/business approved by the CUP, the Applicant shall contact the Planning Department and schedule a final inspection. The Planning Department will inspect the premises to ensure compliance with all approved conditions of approval and requirements.
3. High definition 24-hour time lapse security cameras, capable of color recording and storing a minimum of 30 days of continuous video, shall be installed and properly maintained on the interior of the business, at locations recommended by the Sheriff's Department. The security cameras shall be in operation at all times when the business is operating. To the extent allowed by law, the establishment operators may be required to provide any tapes or other recording media from the security cameras to the Sheriff's Department. The exact location and quantity of all security cameras shall be subject to approval by the Sheriff's Department prior to final occupancy.

### Code Requirements and Standards

*The following is a list of code requirements and standards deemed applicable to the proposed project. The list is intended to assist the applicant by identifying requirements that must be satisfied during the various stages of project permitting, implementation, and operation. It should be noted that this list is in addition to any "conditions of approval" adopted by the Planning Commission and noted above. Please note that if the design of your project or site conditions change, the list may also change. If you have any questions regarding these requirements, please contact the City of Industry.*

1. The entire premise is subject to inspection by the Los Angeles County Sheriff's Department

and/or City representative at any reasonable time without prior notification.

2. Off-street parking shall be provided at all times in accordance with the originally approved site plan and shall be maintained in a clean and attractive manner (trash, litter, or other materials shall be removed regularly).
3. All landscaped areas shall be maintained in accordance with the originally approved landscaped plan and in a healthy and well-kept condition and kept weed free.
4. All trash containers shall be kept inside a building or in a designated trash enclosure.
5. Emergency fire facilities (hydrants) shall be kept free and unobstructed at all times.
6. All mechanical equipment shall be screened from public view.
7. No outside storage of any personal property, building materials, or other property not permanently affixed to the real property shall be allowed, unless approved by the Planning Director.
8. No outside display of goods, wares, or merchandise shall be permitted, unless approved by the Planning Director.
9. Any graffiti painted or marked upon the premises or any adjacent area under the control of the permittee shall be removed or painted over within 72 hours of being applied.
10. Adequate lighting will be provided in the parking areas at all times in accordance with the originally approved site plan.
11. The permittee shall keep the property adjacent to the permitted premises and under control of the permittee, clear of newspaper racks, benches, pay telephones, and any other objects which may encourage loitering.
12. The hours of operation shall be restricted to those as stated on the Application or as subsequently approved by the Planning Commission.
13. There shall be no adult entertainment, male or female performers or fashion shows permitted on the premises at any time.
14. No X-rated or adult films shall be maintained or shown anywhere on the premises.
15. The permittee shall not permit "Taxi Dancing" to occur on the permitted premises wherein partners are provided for dancing or social purposes.
16. No dancing or live entertainment by employees or customers will be permitted at any time.
17. No employee or agent shall be permitted to accept money or any other thing of value from a customer for the purpose of sitting or otherwise spending time with customers while in the premises, nor shall the permittee provide or permit, or make available either gratuitous or for compensation, male or female persons who act as escorts, companions, or guests of and for the customers.

18. No employee or agent shall solicit or accept any alcoholic or non-alcoholic beverage from any customer while in the premise.
19. No non-prescription drugs or drug paraphernalia shall be on the premises at any time.
20. All signs, banners, pennants, flags or other outside advertising materials or structures must be approved by the City.
21. Permittee will be held responsible for acquainting all employees with these rules and all local, county, state, or federal laws.
22. No changes to the approved floor plan shall be permitted without written permission from both the Los Angeles County Sheriff's Department and the City of Industry.
23. The noise level created by the business shall not exceed the following at the property line of any adjacent or nearby residential land use, hospital, school in session, church or public library as measured by a sound level meter:
  - (a) 55 dBA between 7:00 a.m. - 10:00 p.m.  
50 dBA between 10:00 p.m. - 7:00 a.m.  
for a cumulative period of more than 30 minutes in any hour;
  - (b) 60 dBA between 7:00 a.m. - 10:00 p.m.  
55 dBA between 10:00 p.m. - 7:00 a.m.  
for a cumulative period of more than 15 minutes in any hour;
  - (c) 65 dBA between 7:00 a.m. - 10:00 p.m.  
60 dBA between 10:00 p.m. - 7:00 a.m.  
for a cumulative period of more than 5 minutes in any hour;
  - (d) 70 dBA between 7:00 a.m. - 10:00 p.m.  
65 dBA between 10:00 p.m. - 7:00 a.m.  
at any time.
24. Any violation of these conditions or any local, county, state or federal laws shall constitute grounds for revocation or suspension of the Conditional Use Permit.
25. No outside cooking, food preparation, or sales of product or merchandise, unless approved in advance by the Planning Director.
26. Prior to Planning Final, all outstanding fees and invoices due to the City shall be paid in full. If requested by City Staff, the applicant shall provide proof of payment.

### **Interpretation and Enforcement**

1. The Planning Department, Engineering Department, and contract agencies (Los Angeles County Fire Department, Los Angeles Department of Building and Safety) shall be responsible for ensuring compliance with all applicable code requirements and conditions of approval.

2. The Planning Director may interpret the implementation of each condition of approval and, with advanced notice, grant minor amendments to approved plans and/or conditions of approval based on changed circumstances, new information, and/or relevant factors as long as the spirit and intent of the approved condition of approval is satisfied. Permits shall not be issued until the proposed minor amendment has been reviewed and approved for conformance with the intent of the approved condition of approval. If the proposed changes are substantial in nature, an amendment to the original entitlement may be required pursuant to the provisions of Industry Municipal Code.

### **Indemnification and Hold Harmless Condition**

1. The owner of the property that is the subject of this project and the project applicant if different from the property owner, and each of their heirs, successors and assigns, shall defend, indemnify and hold harmless the City of Industry and its agents, officers, and employees from any claim, action or proceedings, liability cost, including attorney's fees and costs against the City or its agents, officers or employees, to attack, set aside, void or annul any approval of the City, including but not limited to any approval granted by the City Council and Planning concerning this project. The City shall promptly notify the applicant of any claim, action or proceeding and should cooperate fully in the defense thereof.

**Attachment 8**  
**Resolution No. PC 2016-17**

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## RESOLUTION NO. CC 2016-17

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA APPROVING DEVELOPMENT PLAN NO. 15-17 FOR THE CONSTRUCTION OF A 2,644 SQUARE FOOT FAST-FOOD RESTAURANT LOCATED AT 19782 WALNUT DRIVE SOUTH IN THE CITY OF INDUSTRY, CALIFORNIA, AND NOTICE OF EXEMPTION REGARDING SAME

#### RECITALS

**WHEREAS**, on November 18, 2015, Stantec Consulting Services Inc. on behalf of Carl's Jr., ("Applicant") filed a complete application requesting the approval of Development Plan ("DP") No. 15-17 described herein ("Application"); and

**WHEREAS**, the Application applies to a 0.7 acre property at 19782 Walnut Drive North, City of Industry, California, Assessor's Parcel Numbers 8760-008-009 and 8760-008-010 ("Property"); and

**WHEREAS**, the Applicant desires to replace and construct a fast-food restaurant (2,644 square feet) within the "C"-Commercial Zone (the "Project"), at the site of an existing Carl's Jr. restaurant, and in accordance with Section 17.36.020 of the City's Municipal Code ("Code"), a Development Plan is required for this type of activity; and

**WHEREAS**, the Land Use Element of the General Plan designates the Property as Commercial. The Project is consistent with the General Plan as the construction of a fast-food restaurant building is similar to other commercial buildings in the same land use designation, and does not conflict with the established goals and objectives of the Land Use Element; and

**WHEREAS**, the development is consistent with the provisions of the City's General Plan because the Property is designated as Commercial, which allows the development of buildings for commercial uses; and

**WHEREAS**, pursuant to Section 17.04.120 of the City's Code, when there are multiple applications for land use entitlements that require final decisions by both the Planning Commission and City Council, the application must first be considered by the Planning Commission, and then submitted to the City Council for final approval. Because the Applicant has submitted entitlement applications for both a Development Plan and CUP for the same property, the Planning Commission was required to make a recommendation on the Development Plan to the City Council; and

**WHEREAS**, an Environmental Assessment form was submitted by the Applicant pursuant to the City's requirements. Based upon the information received and Staff's review and assessment, the project was determined not to have a significant impact on

the environment and is categorically exempt from the California Environmental Quality Act ("CEQA"), pursuant to Section 15302 (Class 2 Replacement or Reconstruction) of the CEQA Guidelines. The project is to replace an "existing restaurant with new or the same size, purpose and capacity" and is not located in an area that is environmentally sensitive; and

**WHEREAS**, at a regular meeting on January 14, 2016, the Planning Commission of the City of Industry conducted a public meeting and adopted Resolution PC 2016-02 recommending that the City Council approve the Application and the Initial Study/Mitigated Negative Declaration; and,

**WHEREAS**, on March 10, 2016, the City Council of the City of Industry conducted a duly noticed public meeting on the Application, and considered all testimony written and oral; 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:** All necessary public meetings and opportunities for public testimony and comment have been conducted in compliance with State law and the City's Code.

**SECTION 3:** Based Upon independent review and consideration of the information contained in the Staff Report and the Notice of Exemption for DP No. 15-17, the City Council hereby finds and determines that Development Plan No. 15-17 will not result in or have a significant impact on the environment, because the existing fast-food restaurant is being replaced with a new fast-food restaurant smaller in size that does not increase capacity or expand the use. Therefore, the proposed project is categorically exempt from the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 *et seq.*), pursuant to Section 15302 (Class 2, Replacement or Reconstruction) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations). Based on these findings, the City Council hereby adopts the Notice of Exemption and directs staff to file same as required by law.

**SECTION 4:** Based upon substantial evidence presented to the City Council during the March 10, 2016 public meeting, including public testimony and written and oral staff reports, the City Council finds as follows:

A. The Property is suitable for development in accordance with the Development Plan because the Property has already been developed in accordance with requirements of the City's Code, there are no known natural or reported man-made hazards, and the Property is designated as Commercial in the General Plan and zoned "C" Commercial, which are consistent with and allow for the proposed development; and

B. The total development is arranged so as to avoid traffic congestion, ensure the public health, safety and general welfare or prevent adverse effects upon neighboring properties, because the replacement of the existing building would not significantly impact road capacity, and is not an expansion of an existing use and will not increase traffic congestion, and proposed driveways which meet minimum width standards on Walnut Drive South will serve the project; and

C. The development is in general accord with all elements of the Industry Zoning Ordinance because, with the approval of the Development Plan, the project complies with development standards in regards to building setbacks, height, parking, access, screening, and design; and

D. The development is consistent with the provisions of the City's General Plan because is the Property is designated as Commercial, which allows for the construction of commercial buildings; and

E. Based on the foregoing, the City Council approves Development Plan No. 15-17, subject to the Conditions of Approval, attached hereto as Exhibit A, and incorporated herein by reference.

**SECTION 5:** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, 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 6:** That 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** by the City Council of the City of Industry at a regular meeting held on March 10, 2016 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT:            COUNCIL MEMBERS:

\_\_\_\_\_  
Mark D. Radecki, Mayor

**ATTEST:**

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



# CITY OF INDUSTRY

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

## EXHIBIT A

### Standard Requirements and Conditions of Approval

**Application:** Development Plan 15-17  
**Applicant:** Carl's Jr. Restaurant  
**Location:** 19782 Walnut Drive North

### Conditions of Approval

*Conditions of approval are unique provisions, beyond the requirements of law, the municipal code, or standard practices that are applied to a project by the City Council per Section 17.36.080 of the Zoning Code. Please note that if the design of your project or site conditions change, the conditions of approval may also change. If you have any questions regarding these requirements, please contact the City of Industry.*

1. Roof-top address numbers that would only be visible from the air shall be installed to assist air borne patrols. The numbering should be a minimum of 3 feet and of a color that contrasts with the roof. If applicable, addresses will include designators for individual tenant addresses, such as Unit A.
2. Because there are two existing parcels (8760-008-009 and 8760-008-010) on the site and the drainage cannot cross parcel lines, prior to final approval of the building permit, the applicant shall record a covenant and agreement to hold the two existing parcels as one in the form approved by the City Engineer. This will bind the two parcels under a single ownership and ensure that the lots cannot be sold separately.

### Code Requirements and Standards

*The following is a list of code requirements and standards deemed applicable to the proposed project. The list is intended to assist the Applicant by identifying requirements that must be satisfied during the various stages of project permitting, implementation, and operation. It should be noted that this list is in addition to any "conditions of approval" adopted by the City Council and noted above. Please note that if the design of your project or site conditions change, the list may also change. If you have any questions regarding these requirements, please contact the City of Industry.*

1. The approval expires twelve (12) months after the date of approval by the City Council if a building permit for each building and structure thereby approved has not been obtained within such period.
2. In conformance with Chapter 13.18 of the Municipal Code, the Applicant shall provide landscaping and automatic irrigation plans to be approved by the Planning Director prior to the issuance of a building permit. Such plans shall be in substantial conformity with the

approved development plan.

3. The Applicant shall construct adequate fire protection facilities to the satisfaction of the Los Angeles County Fire Department.
4. All exterior surfaces of buildings and appurtenant structures shall be painted in accordance with the approved development plan.
5. The owner shall dedicate necessary landscape and utility easements along street frontage as depicted on the approved plans for DP 15-17.
6. Depending upon the nature of the proposed use, the Applicant shall obtain an Industrial Waste Permit or receive Domestic Wastewater Clearance from the City Engineer.
7. The Applicant shall provide off-street parking as shown on the approved development plan.
8. The Applicant shall construct curb, gutter, pave-out, necessary drainage facilities, and sidewalk along street frontage in accordance with City standards and specifications as depicted on the approved plans for DP 15-17. (e.g. approved development plan).
9. The owner shall dedicate necessary easements for street or highway purposes as depicted on the approved plans for DP 15-17. (e.g. approved development plan).
10. The Applicant shall supply sanitary sewer facilities to serve all buildings to the satisfaction of the City Engineer prior to the final approval of the development and hook-up of utilities. One sewer connection per parcel is permitted and, in the case of multiple units or buildings, all sewer lines must join together at the connection point.
11. The Applicant shall provide drainage and grading plans to be approved by the City Engineer prior to the issuance of a building permit. Such plans shall be in substantial conformity with the development plans.
12. In conformance with Chapter 13.16 of the Municipal Code and prior to the start of grading and construction, the Applicant will implement an effective combination of erosion and sediment control BMPs consistent with the NPDES construction general permit to prevent erosion and sediment loss and the discharge of construction wastes, to the satisfaction of the City Engineer, which shall be in the form of a storm water soil loss prevention plan (also called an erosion control plan or a water pollution control plan).
13. In conformance with Chapter 13.16 of the Municipal Code, the Applicant shall provide: 1) a Low Impact Development (LID) plan; and 2) an operations, maintenance, and monitoring plan to the City Engineer for review and approval. Upon approval, the Applicant shall construct storm drains and water quality devices according to the approved plans and the satisfaction of the City Engineer. Prior to building final and/or issuance of the certificate of occupancy, the Applicant shall provide the City Engineer with a signed and recorded covenant and agreement stating that the Property and all structural or treatment control Best Management Practices (BMPs) will be maintained in compliance with the municipal NPDES permit (also sometimes called the MS4 Permit) and other applicable regulatory requirements.

14. In conformance with Chapter 13.16 of the Municipal Code, all future owners or successors of a property subject to a requirement for maintenance of structural and treatment control BMPs must either: 1) assume responsibility for maintenance of any existing structural or treatment control BMPs at least once a year and retain proof of maintenance/inspection for review by the City Engineer upon request; or 2) replace an existing structural or treatment control BMP with new control measures or BMPs meeting the then current standards of the City and the municipal NPDES permit. Prior to building final and/or issuance of the certificate of occupancy, this requirement will be included in a recorded restrictive covenant on Property and included in any sale or lease agreement or deed of the Property.
15. The Applicant shall provide building plans to be approved prior to the issuance of a building permit. Such plans shall be in substantial conformity with the development plans. Building plans shall be submitted to and approved by the Los Angeles County Engineer's Office - Building and Safety Division prior to the issuance of a building permit. All development shall be completed in substantial compliance with the approved development plan.
16. Street lights shall be designed and installed along the street frontage of a development to the satisfaction of the City Engineer and as depicted on the approved plans for DP 15-17 (e.g. approved development plan).
17. Demolition and construction operations shall be limited to the hours prescribed by the Los Angeles County Noise Ordinance (Los Angeles County Municipal Code, Section 12.08.390).
18. No outdoor storage of any personal property, building materials, or other property not permanently affixed to the Property is allowed.
19. Should archeological resources be uncovered during site preparation, grading, or excavation, work shall be stopped for a period not to exceed 14 days. The find shall be immediately evaluated for significance by a county-certified archaeologist. If the archaeological resources are found to be significant, the archaeologist shall perform data recovery, professional identification, radiocarbon dates as applicable, and other special studies; submit resources to the California State University Fullerton; and provide a comprehensive final report including appropriate records for the California Department of Parks and Recreation (Building, Structure, and Object Record; Archaeological Site Record; or District Record, as applicable).
20. Prior to Planning Final, all outstanding fees and invoices due to the City shall be paid in full. If requested by City Staff, the Applicant shall provide proof of payment.

### **Interpretation and Enforcement**

1. The Applicant shall comply with all applicable code requirements, conditions of approval, laws, rules, and regulations applicable to the development of the project.
2. The Planning Director may interpret the implementation of each condition of approval and, with advanced notice, grant minor amendments to approved plans and/or conditions of approval based on changed circumstances, new information, and/or relevant factors as long

as the spirit and intent of the approved condition of approval is satisfied. Permits shall not be issued until the proposed minor amendment has been reviewed and approved for conformance with the intent of the approved condition of approval. If the proposed changes are substantial in nature, an amendment to the original entitlement may be required pursuant to the provisions of Industry Municipal Code.

### **Indemnification and Hold Harmless Condition**

1. The Applicant and each of its heirs, successors and assigns, shall defend, indemnify and hold harmless the City of Industry and its agents, officers, and employees from any claim, action or proceedings, liability cost, including attorney's fees and costs against the City or its agents, officers or employees, to attack, set aside, void or annul any approval of the City, including but not limited to any approval granted by the City Council and Planning Commission concerning this project. The City shall promptly notify the Applicant of any claim, action or proceeding and should cooperate fully in the defense thereof.

*CITY COUNCIL*

ITEM NO. 7.2



## MEMORANDUM

To: Honorable Mayor and Members of the City Council

From: Paul J. Philips, City Manager

Staff: Clement N. Calvillo, City Engineer

Joshua Nelson, Deputy City Engineer

Date: March 2, 2016

**SUBJECT:** Request for Proposals (RFP) Maintenance Repairs to Los Angeles County Sheriff's Department Youth Activities League Building at 205 N. Hudson Avenue (CITY-1427/MP 10-09)

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The above project's request for proposals was issued on January 5, 2016. Five (5) Contractors were invited to submit bids. The project proposal was to:

- 1) Paint the exterior and interior of the building.
- 2) Remove and dispose of all carpeting and replace with new 20" x 20" carpet tiles in the office area and epoxy coat the meeting areas and locker room.
- 3) Replace damaged restroom amenities, ceiling tiles, light fixtures, and miscellaneous electrical outlet repairs.
- 4) Replace front windows.

Two (2) contractors submitted proposals:

Premier Developing Services, Inc.  
All Pro Painting, Inc.

Proposals were received and opened on February 18, 2016 at 11:30 a.m., in the City Administrative Offices. Premier Developing Services, Inc. submitted their bid 11 minutes late and they left one of the bid items blank, so we considered that bid as non-responsive. So the only responsive bid was from All Pro Painting, Inc. While that leaves only one bid, the responsive bid was very close to the non-responsive bid. There is a small window at the end of March/first part of April for this work to occur, therefore we are still recommending to proceed with the award. In addition any potential cost savings from a rebid would be lost in the cost to rebid the project.

CNC Engineering has reviewed the All Pro Painting, Inc. bid proposal which appears to be in order and recommend award to All Pro Painting, Inc., Corona, CA, in the amount of seventy nine thousand five hundred twenty-six dollars and no cents (\$79,526.00).

Upon your approval of All Pro Painting, Inc., we shall meet with them to gather the contract documents.

---

PP/CC/JN:af

# PROPOSAL TABULATION

CITY OF INDUSTRY  
CONTRACT NO. CITY-1427

REQUEST FOR PROPOSALS (RFP) MAINTENANCE REPAIRS TO LOS ANGELES  
COUNTY SHERIFF'S DEPARTMENT YOUTH ACTIVITIES LEAGUE BUILDING AT  
205 N. HUDSON AVENUE

PROPOSAL OPENING: FEBRUARY 18, 2016 AT 11:30 A.M.  
ESTIMATE: \$40,000.00

<b>PROPOSER</b>	<b>PROPOSAL TOTAL</b>
Premier Developing Services, Inc.	\$74,882.35+
All Pro Painting, Inc.	\$79,526.00*

+ Bid was considered non-responsive due to the bidder leaving off a unit price on one of the bid items.  
Also, the bid was submitted 11 minutes late.

\* This indicates a corrected bid to rectify mathematical errors.

**EXHIBIT A:**  
**CONTRACTOR'S PROPOSAL**  
**MAINTENANCE REPAIRS TO LOS ANGELES COUNTY SHERIFF'S DEPARTMENT YOUTH**  
**ACTIVITIES LEAGUE BUILDING AT 205 N. HUDSON AVENUE**  
**PROJECT NO. CITY-1427 (MP 10-09)**

**TOTAL PRICE FOR ALL WORK (FROM BID SCHEDULE IN EXHIBIT B):**

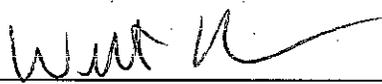
\$ 79,501.00

**Total Price Written Below:**

SEVENTY NINE THOUSAND FIVE HUNDRED ONE DOLLAR & NO CENTS

COMPANY NAME: ALL PRO PAINTING, INC.

By: WILLIE PLAZA

Signature: 

Date: FEBRUARY 15, 2016

Contractor's License #: 677-408 Class: C-33

08/13/2016

Expiration Date

Contractor's Department of Industrial Relations (DIR) #: 1000033655

06/30/2016

Expiration Date

Taxpayer Identification No: 33-0806429

Company Name: ALL PRO PAINTING, INC.

Owner's Name: WILLIE PLAZA

Owner's Title: PRESIDENT

24 Hour

Telephone No.

Area Code ( 909 )

# 322-0825

Address: 101 GRANITE ST. STE. #B  
**Street Name/P.O. Box**

CORONA, CA 92879  
**City State Zip**

Name of the person from your company who inspected the project site.

WILLIE PLAZA

Inspection Date: 01/07/2016

In compliance with the "Subletting and Subcontracting Fair Practices Act" being Sections 4100-4113 of the Public Contract Code of the State of California, and any amendments thereto, each bidder shall set forth below the name and location of the place of business of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the Work or improvement in an amount in excess of one-half (1/2) of one percent (1%) of the prime contractor's total bid, and shall further set forth the portion of the Work which will be done by each subcontractor. Only one subcontractor for each such portion shall be listed.

If the contractor fails to specify a subcontractor for any portion of the Work to be performed under the Contract, he shall be deemed to have agreed to perform such portion himself, and he shall not be permitted to subcontract that portion of the work except under the conditions hereinafter set forth.

Subletting or subcontracting of any portion of the Work to which subcontractor was designated in the original bid shall only be permitted in cases of public emergency or necessity, and then only after a finding reduced to writing as a public record of the legislative body of the City.

List the name, address and license of each subcontractor who will perform work in or about the work or improvement and indicate what part of the work will be done by each subcontractor. (Attach additional pages if needed)

Name	Address	Contractor's CA License#/ CA DIR# Email Address	Work to be performed/ <b>AND</b> Percentage of Total Work Performed
J & J ENVIRONMENTAL	2324 S VINEYARD, ONTARIO		FLOOR ABATEMENT 23%
CONCRETE CREATIONS	14792 BRIARCLIFF PL, TUSTIIN		EPOXY FLOORING 17%
GPA DOORS & WINDOWS	312 N COTA ST, CORONA		WINDOWS & DOOR 7%
CARPET TIME	9300 NARNIA DR, RIVERSIDE		CARPETING 15%
PLUMBING DYNAMICS	5225 CANYON CREST DR, RIVERSIDE		PLUMBING 3%
LESCH ELECTRIC	14586 CAROB AVE, VICTORVILLE		ELECTRIAL 5%

**NOTE:** Except for certain "specialty items," Greenbook, Section 2-3.2 requires not less than fifty percent (50%) of the total work to be performed by the General Contractor. Please consult that section for specifics.

List three public works projects of a nature similar in type, scope and magnitude to this project completed by your firm. Failure to list three projects of the nature described above shall constitute cause for the City to reject the bid as non-responsive. (Attach additional pages if needed)

CITY OF CORONA POLICE SUB STATION- FULL RE-MODEL

CITY OF CORONA DAY CARE- FULL RE-MODEL

CITY OF CORONA COMMUNITY CENTER- FULL RE-MODEL

List five projects of a nature similar in type, scope and magnitude to this project (painting, flooring and door replacement) completed by your firm. Failure to list five projects of the nature described above shall constitute cause for the City to reject the bid as non-responsive. (Attach additional pages if needed)

ALL AMERICAN ASPHALT CORPORATE OFFICE'S

VULCAN MATERIALS CORPORATE OFFICE'S

CITY OF HESPERIA CITY HALL

CITY OF CORONA POLICE SUB STATION

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CITY OF UPLAND METROLINK STATION

---

Also, list Project superintendent for Contractor on this Project and, in lieu of the superintendent, who will be his or her alternate. Please list three projects of a nature similar in type, scope and magnitude to this project completed by the superintendent and the alternate, while employed by the Bidder that is submitting this proposal. Failure to provide the information set forth above shall constitute cause for the City to reject the bid as non-responsive. (Attach additional pages if necessary)

WILLIE PLAZA

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CITY OF CORONA POLICE SUB STATION

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ALL AMERICAN ASPHAT CORPORATE OFFICE'S

---

VULCAN MATERIALS CORPORATE OFFICE'S

---

Please note that all features of the Work on the Project must be supervised by the Project superintendent, or his or her alternate, through Final Completion of the Project and that no substitution of the Project superintendent or the alternate is permitted without the prior written consent of the City. The City shall have the right to reasonably evaluate the qualifications of any individual proposed to substitute for the superintendent or alternate prior to giving its written consent to the substitution.

**Shading Indicates Items  
Added or Revised in  
Addendum No. 6**

**EXHIBIT B:**

**BID SCHEDULE**

**MAINTENANCE REPAIRS TO LOS ANGELES COUNTY SHERIFF'S DEPARTMENT YOUTH**

**ACTIVITIES LEAGUE BUILDING AT 205 N. HUDSON AVENUE**

**PROJECT NO. CITY-1427 (MP 10-09)**

**SCHEDULE OF WORK ITEMS**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
1.	Paint the exterior of the existing brick, stucco, gutters and patio cover roof including power washing of the exterior of the building, scraping, sanding, and caulking. Contractor shall use a prime coat prior to the final coat of paint.	1	LS		\$7,315.00
2.	Paint the interior of the existing building as shown on the included floor plan including the kitchen, rooms 1 and 2, offices 1 and 2, entry, locker room, and print room including ceiling, walls and doors. Patch and prime as needed. No work in the Multi-Purpose Area.	1	LS		\$14,940.00
3.	Remove all the carpet and cove base where shown on the included floor plan. Install new 20" x 20" modular nylon glue down commercial multi loop carpet with a minimum pile weight of 16 oz./sq. yard with a minimum 10 year wear warranty with new 4" rubber cove base boards. Samples to be shown to the owner for approval. Prep, sand and skim coat concrete floor as needed before installing the carpet. No work in the Multi-Purpose Area. Vinyl flooring shall remain under carpeted areas.	1	LS		\$11,974.00
4.	Install chip system epoxy with an anti-skid surface, four coat application where shown on the included floor plan. Prep, sand and skim coat concrete floor. Owner to select epoxy color. New cove base to be installed after epoxy coating. This includes the removal of the existing carpet floor tiles and vinyl flooring and cove base. Be advised that the vinyl flooring is asbestos containing material and shall be removed per the report included as Exhibit E. The removal method shall be via bead blasting. Chemical stripping is not allowed. No work in the Multi-Purpose Area.	1	LS		\$31,582.00

**Shading Indicates Items  
Added or Revised in  
Addendum No. 6**

NO.	DESCRIPTION	APPROX. QTY	UNIT MEAS.	UNIT PRICE	TOTAL
5.	Remove and replace the 69" x 39" (approximately) windows to match existing including tinting, water seal all the areas around the windows and replace rubber seal.	5	EACH	\$564.00	\$2,820.00
6.	Install four flush mounted brass electrical floor cover plug plates to the existing electrical plugs.	4	EACH	\$125.00	\$500.00
7.	Replace the existing handicap toilets in the men's and women's restroom. Repair water damage to the wall in men's bathroom. Plan on an approximately 6' x 6' section to be repaired. Paint entire interior of the men's restroom including replacement of cove base.	1	LS		\$2,325.00
8.	Replace the damage acoustical ceiling tiles throughout the building.	15	EACH	\$36.00	\$540.00
9.	Replace all damaged interior ceiling fixture light bulbs.	10	EACH	\$45.00	\$450.00
10.	Check all 10 exterior electrical light fixtures to determine repair or replacement needs.	10	EACH	\$65.00	\$650.00
11.	Replace exterior electrical light fixtures as needed.	5	EACH	\$378.00	\$1,890.00
12.	Repair hand washing station leak in multipurpose room by replacing the entire leaking fixture.	1	LS		\$520.00
13.	Repair northeasterly exit door by replacing entire metal frame and door.	1	LS		\$2,900.00
14.	Complete clean up and haul all trash away using City's franchise hauler.	1	LS		\$495.00
15.	Replace interior lighting ballasts as needed.	5	EA	\$125.00	\$600.00
<b>GRAND TOTAL</b>					<b>\$79,501.00</b>

*CITY COUNCIL*

ITEM NO. 7.3



# 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 *Paul J. Philips*

Staff: Alex Gonzalez, Director of Development Services and Administration *AG*

Date: March 10, 2016

**SUBJECT: Approve Agreement with PlanetBids Incorporated for Bid Management and Contract Management System Software**

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The Review Report from the California State Controller's Office released on January 28, 2016, noted a lack of administrative and internal controls. In order to address issues related to procurement of labor, materials, supplies and equipment; City staff researched electronic procurement systems which would provide the data resources to properly document procurement processes and improve transparency.

After reviewing electronic procurement systems in use by other municipalities and agencies, City staff is recommending that PlanetBids be implemented to provide City staff the ability to electronically solicit and process procurements. In addition, PlanetBids provides modules to manage vendors, insurance certificates, and enable accelerated procurements during emergency operations. PlanetBids is in use by a number of municipalities and large public agencies, including: the Metropolitan Water District, the California State University System, and the Alameda Corridor East Construction Authority.

### Exhibits

A: Professional Services Agreement with PlanetBids, Incorporated

**EXHIBIT A**

**Professional Services Agreement with PlanetBids, Incorporated**

[Attached]

## CITY OF INDUSTRY

### PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of March 10, 2016 ("Effective Date"), between the City of Industry, a municipal corporation ("City") and PLANETBIDS, INC. a California corporation ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

#### RECITALS

**WHEREAS**, City desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

#### 1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until December 31, 2020, unless sooner terminated pursuant to the provisions of this Agreement.

#### 2. SERVICES

(a) Consultant shall provide the service ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the City. The Services shall be provided by Consultant, unless prior written approval is first obtained from the City. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

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

(c) Consultant shall provide all Services in a manner reasonably satisfactory to the City and in a first-class manner in conformance with the standards of quality normally observed by an entity providing online vendor and bid management services, serving a municipal agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this

Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be provided by Consultant or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

(f) Consultant reserves the right to monitor content that uses the Services and to remove content which Consultant determines to be illegal, offensive, harmful or otherwise in violation of its operating policies and terminate this Agreement.

(i) Consultant shall have the right to impose from time to time reasonable rules and regulations regarding the use of the Services. City agrees to comply with all such rules and regulations and with applicable laws, ordinances and regulations related to the use of Services; and not make any unauthorized commercial use of the Services or of Consultant's name, marks or logos. Further, City agrees to not use the PlanetBids websites to (i) post information anonymously or under a false name; (ii) post any unlawful, threatening, abusive, harassing, libelous, defamatory, obscene, pornographic, profane or otherwise objectionable information of any kind, such as inducements to conduct that would constitute a criminal offense or give rise to civil or other liability, (iii) post the name of or otherwise identify or reference any service or entity that provides a service competitive to the Services.

(ii) If City uses standard identification codes, Consultant shall have the right to request for inspection an original copy of such codes and any necessary authorizations for use. If such identification codes are proprietary codes of third parties, such as NIGP, SIC or CSI, it shall be the responsibility of the City to obtain the necessary licenses and City indemnifies and holds harmless Consultant from the unauthorized use or publication of any such identification codes with respect to the Services.

(iii) City represents and warrants (a) the City's information provided is current, complete and accurate, (b) that the person signing this Agreement is authorized to bind the City, (c) City will update the information (including credit card information, if applicable) as required to keep such information current, complete and accurate. The Consultant may, in its sole discretion, cancel or terminate this Agreement if City has willfully violated its obligations hereunder.

(iv) City agrees to use information obtained through the Services only as necessary to the transaction of City and shall not use the Services for the benefit of any third party.

### **3. SECURITY**

(a) The PlanetBids ordering and posting processes are protected by the Secure Sockets Layer (SSL) protocol, which encrypts the City's information and confirms the identity of the PlanetBids server before allowing a transaction to be completed. Firefox 4.5+ (or better) and Internet Explorer 11.0+ (or better) support to the SSL protocol are acceptable, but the latest browsers should be used to ensure protection by advances in security technology.

(b) Password-protection techniques will be provided to restrict access under City's account to authorized individuals. CITY ACKNOWLEDGES, HOWEVER, THAT ACCESS RESTRICTIONS, BY THEIR NATURE, ARE CAPABLE OF BYPASS AND CONSULTANT DOES NOT GUARANTEE THAT THE SERVICES CANNOT BE ACCESSED BY UNAUTHORIZED PERSONS. City shall at all times maintain as confidential its user names and passwords. City may allow employees to use the user name and password, but the City shall be responsible for all activity and charges incurred by such employees and any fees resulting from the activation of the Reverse Auction feature. Permitting third parties to use the Services is prohibited and a violation of this Agreement.

(c) If a security breach occurs with respect to any account, the City must immediately change its password and notify Consultant at [customerservice@PlanetBids.com](mailto:customerservice@PlanetBids.com). City shall be liable for any unauthorized use of the Services until Consultant is notified of the security breach.

### **4. MANAGEMENT**

The City Manager or his designee, shall represent the City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

### **5. PAYMENT**

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"),

attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed Two Hundred Seventeen Thousand Seven Hundred Eighty Four Dollars (\$217,784.31) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant shall submit invoices for actual services being provided on an annual basis, in advance, with the first invoice payable thirty days after program setup. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

## **6. SUSPENSION OR TERMINATION OF AGREEMENT**

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, Consultant shall have no obligation to refund to City any portion of the Service Fee for the then current calendar year. .

## **7. OWNERSHIP OF DOCUMENTS/COPYRIGHT**

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the services provided under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with reasonable business accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to review such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, prepared specifically for the City in the performance of Services under this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. Consultant hereby grants to City all right, title, and interest, including any copyright, in and to the documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City.

(c) Notwithstanding the foregoing, the PB System™ and all materials appearing on the PlanetBids website are the property of Consultant and protected by worldwide copyright laws and related international treaties. None of the materials may be copied, reproduced, modified, published, uploaded, posted, transmitted, or distributed in any form or by any means other than as described herein. All rights not expressly granted herein are reserved. Any unauthorized use of the materials appearing on PlanetBids website may violate copyright, trademark and other applicable laws and could result in criminal or civil penalties.

- (i) City shall not reproduce, duplicate, copy, sell, resell or exploit for any commercial purpose the Services, website content, the PB System™ or any other PlanetBids tools. City shall not reverse engineer, decompile, or otherwise attempt to derive source code from any software or tools accessible or available through the Services.
- (ii) Special use requests should be sent to [customerservice@PlanetBids.com](mailto:customerservice@PlanetBids.com). Permission to use shall be granted in the sole discretion of Consultant.

## **8. INDEMNIFICATION**

### (a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, or employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

### (b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims,

suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) DUTY TO DEFEND. In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the performance of the Services encompassed by this Agreement, and upon demand by City, Consultant shall have an immediate duty to defend the City at Consultant's cost or at City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the soleneglignence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

## **9. INSURANCE**

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

## **10. INDEPENDENT CONSULTANT**

(a) Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

## **11. LEGAL RESPONSIBILITIES**

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

## **12. UNDUE INFLUENCE**

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

## **13. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

## **14. RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement, unless otherwise required by law or court order.

(b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the the confidential information hereunder, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right

to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

**15. NOTICES**

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

To City:	City of Industry 15625 E. Stafford, Suite 100 City of Industry, CA 91744 Attention: City Manager
With a Copy To:	James M. Casso, City Attorney P.O. Box 4131 West Covina, CA 91791
To Consultant:	PLANETBIDS, INC. 5850 Canoga Avenue, Suite 301 Woodland Hills, CA 91367 Attn: Alan Zavian customerservice@PlanetBids.com

**16. ASSIGNMENT**

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include and indemnity provision similar to the one provided herein and identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconsultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed

to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

#### **17. GOVERNING LAW/ATTORNEYS' FEES**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this 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.

#### **18. ENTIRE AGREEMENT**

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

#### **19. SEVERABILITY**

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

#### **20. COUNTERPARTS**

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

#### **21. CAPTIONS**

The captions appearing at the commencement of the sections hereof, and in any

paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

**22. WAIVER**

The waiver by City or Consultant 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 Agreement shall be deemed to have been waived by City or Consultant unless in writing.

**23. 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 any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

**24. FORCE MAJEURE**

Consultant will not be liable in any amount for failure to perform any obligation under this Agreement if such failure is caused by Internet outages or delays, unauthorized access (hacking), earthquakes, communications outages, fire, flood, war, an act of God, or the occurrence of any other unforeseen contingency beyond the reasonable control of Consultant.

**25. AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

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

**“CITY”**  
**City of Industry**

**“CONSULTANT”**  
**PLANETBIDS, INC.**

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

By: \_\_\_\_\_  
Alan Zavian, Chief Executive Officer

**Attest:**

By: \_\_\_\_\_  
Diane Schlichting, Acting Deputy City Clerk

**Approved as to form:**

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

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Rate Schedule
	Exhibit C	Insurance Requirements

## EXHIBIT A

### SCOPE OF SERVICES

Consultant shall provide the following Support Services to City, subject to the terms and conditions of this Agreement.

a) "Services" shall include the following: 1) use of the PlanetBids PB System™ Vendor and Bid management modules for the purpose of vendor registration, posting and tracking Bid Requests and other information on City's website or private internet network, 2)(a) up to four (4) licensed user access to and use of the PB System™ Vendor and Bid Management, Advanced eBidding add-on and Evaluation Management add-on modules, 2)(b) up to five (5) licensed user access to and use of the Insurance Certificate Management, Contract Management with compliance modules, 2)(c) an Agency Wide user license access to and use of the Emergency Operations module by the Engineering, Administration, Planning, Finance Departments, 3) City has the option, to processing and distributing Bid Requests to additionally available PlanetBids suppliers within their selected categories at no additional cost.

b) Consultant shall have access and the right to market or otherwise promote its services to any vendor or supplier of City that registers with PB System™ via City's website. Consultant will not sell any City data to any third parties without a written consent from City.

c) Internet related equipment by its nature, is not fault tolerant, but Consultant (1) will use reasonable efforts to make the Services available 24 hours per day, 7 days per week, excluding downtime for scheduled and unscheduled maintenance, and (2) will promptly investigate any technical problems that City reports. **Consultant cannot, however, guarantee continuous service, service at any particular time or the integrity of data transmitted via the Internet. Further, Consultant shall not be responsible for the inadvertent disclosure, corruption, or erasure of data transmitted, received or sorted on the PB System™.**

d) Consultant may make improvements and/or amendments to the PB System™ at any time, and may provide other optional services, including enhanced versions of standard features or functions, for an additional fee as agreed in advance by the City. Any and all relevant portions of these terms and conditions will automatically apply to all improvements, amendments and/or optional services as they appear.

(e) **PlanetBids does not guarantee that use of the Services will produce any quotes, business opportunities or other information helpful to the business of City, nor does it guarantee that any contact provided will be adequate or best suited for any transaction.**

## **1. PB System™ Access Services:**

Consultant's rate for maintaining the PB System™ vendor and bid management is based upon an unlimited number of monthly transactions (Bids) and up to four (4) licensed users. PB System™ Access Services include the following:

- System Administration – Consultant is responsible for system and data back-ups, disaster recovery, system reliability, availability, privacy, and security
- Hosting Infrastructure – Consultant is responsible for hosting PB System™, maintaining the network, hardware and software infrastructure
- Customer Service – “Level 2” customer service is available from 8:00 a.m. to 5:00 p.m. PST, Monday through Friday (see Help Desk definition below)
- Account Management – Consultant will provide a dedicated Account Manager for post-sales support, PB System™ questions.

## **2. PB System™ Set-up, Implementation and Training:**

- Consultant shall initially load up to four (4) full user licenses for the Vendor and Bid Management modules, for City

Consultant shall provide the following online training:

- An up to 2-hours for the PB System™ vendor and bid management modules
- An up to 1-hour for PB System™ - Evaluation Management add-on module
- An up to 1-hour for PB System™ - Contract Management with compliance module
- An up to 30 minutes for PB System™ - Insurance Certificate Management module
- An up to 30 minutes for PB System™ - Advanced e-Bidding for Public Works
- An up to 30 minutes for PB System™ - Emergency Operations module

### **PB System™ set-up, implementation and training consists of the following:**

#### **A. Initial program definition**

Consultant's implementation manager will work with one (1) designated City project manager to develop a roadmap for system implementation. The implementation manager will define and present a project management schedule to the City's project manager. Customer will be required to submit information according with the project management schedule. Upon completion and review of the PB System™ by City, Consultant will train all assigned users on-site at the City's training facility.

#### **B. System implementation and administration**

Consultant will enter and configure City requirements into PB System™ for up to four (4) users for City.

The following implementation services will be provided:

- a. City's procurement portal web page.
- b. Online customized vendor registration form and ability to have vendors maintain their profiles.
- c. Complete management tools access to all users (i.e. buyers, project managers).
- d. City specific database.
- e. Complete bid management from bid submission to awarding.
- f. Electronic bidding for purchasing of goods, services and public works projects - Vendors submit bid quotes/responses online; Buyers analyze bid responses and award.
- g. Daily backups.
- h. PB System™ users and vendor support for the duration of the contract.

### **3. Professional Services**

Consultant will provide consulting services for custom reports or PB System™ customizations, specific to City, not covered by this Scope of Services at an additional charge, upon the prior written approval by City. Additional consulting services requested in writing by City will be billed at a rate of \$125/hour, billed in half hour increments. No work will begin on professional services before a mutually agreed-upon statement of work is completed. All on-site travel expenses will be passed-through to City. No travel will be expensed without the prior approval of City.

### **4. Help Desk**

The Consultant's Help Desk is available for "Level 2" support (as defined below) via our toll-free telephone number from 8:00am to 5:00pm PST, Monday through Friday. Email Support, support@PlanetBids.com as well as on-line help services are also available.

City will be responsible for all "Level 1" support:

- A level 1 support representative will attempt to answer most or all questions, including help to vendors with simple problems (edit profile, etc.) or general "how-to" questions (search functionality, bidding, etc.). More complex, technical questions should be directed to Consultant's level 2 support representative.

Consultant's representative will be responsible for "Level 2" support:

- A Level 2 support is more technical in nature. Level 2 questions may, for example, deal with City's users (i.e. PB System™ administrative users including buyers, project administrators, etc.) or with password issues requiring special

assistance, or with possible product bugs or failures. In this case, some research and investigation may be required.

EXHIBIT B

RATE SCHEDULE

**Fees and Payments**

a) **Support Fees.** City agrees to pay Consultant a total of \$50,525.00 for Year 1. City also agrees to pay the fees for Year 2, Year 3, Year 4 and Year 5 each year and as outlined in Table (A) below:

- 1) **Set-Up Fee.** The onetime setup fee of \$11,500.00. City shall pay a fee for the installation, configuration and testing of the PB System™ portal link to City’s website, plus administrator set-up and a one-time online user training for up to four (4) users for the vendor and bid management modules.
  
- 2) **Service Fee Payment.** City agrees to pay for the use of the PB System™ modules; a service fee of Thirty Nine Thousand Twenty-Five Dollars (\$39,025.00) for Year 1 of this Agreement. City also agrees to pay in increments of one (1) year, for up to four (4) consecutive years, the total amounts as outlined in Table (A). A fee increase of three (3) percent applies upon renewal each year thereafter as outlined in Table (A).

Table (A)

PB System™ MODULES	SETUP	YEAR 1 2015-2016	YEAR 2 2016-2017	YEAR 3 2017-2018	YEAR 4 2018-2019	YEAR 5 2019-2020
Vendor Management & Bid Management (Up to 4 user licenses)	\$ 3,500.00	\$ 9,475.00	\$ 9,759.25	\$10,052.03	\$10,353.59	\$10,664.20
Advanced eBidding Public works add-on (Up to 4 user licenses)	\$ 500.00	\$ 4,500.00	\$ 4,635.00	\$ 4,774.05	\$ 4,917.27	\$ 5,064.79
Evaluation Management add-on (Up to 4 user licenses)	\$ 1,500.00	\$ 3,500.00	\$ 3,605.00	\$ 3,713.15	\$ 3,824.54	\$ 3,939.28
Contract Management w/Compliance (Up to 5 user licenses)	\$ 5,500.00	\$ 9,500.00	\$ 9,785.00	\$10,078.55	\$10,380.91	\$10,692.33
Insurance Certificate Management (Up to 5 user licenses)	\$ 500.00	\$ 4,500.00	\$ 4,635.00	\$ 4,774.05	\$ 4,917.27	\$ 5,064.79
Emergency Operations (Agency Wide)	\$ 0.00	\$ 3,750.00	\$ 3,862.50	\$ 3,978.38	\$ 4,097.73	\$ 4,220.65
Read-Only	\$ 0.00	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00
<b>Sub-Total</b>	\$11,500.00	\$39,025.00	\$40,081.75	\$41,170.21	\$42,291.31	\$43,716.04
<b>TOTAL</b>		<b>\$50,525.00</b>	<b>\$40,081.75</b>	<b>\$41,170.21</b>	<b>\$42,291.31</b>	<b>\$43,716.04</b>

b) **Additional Services; Fees.** If requested by City, in writing, Consultant will provide any or all of the following additional services:

- 1) Special customization work -up shall be provided at Consultant's current standard rates pursuant to an estimate provided by Consultant.
- 2) Training to City's designated users, in addition to that provided pursuant to Section 2(a)(1) of the Scope of Work, for \$500.00, for up to 2 hours online, or a rate of \$1,875.00 for up to 4 hours onsite per class plus reasonable travel, living and parking expenses of the instructor, as applicable.
- 3) For its own internal retrieval and restoration purposes, Consultant will record and maintain for a limited time a back-up copy of all data appearing on City's website on a daily basis. The duration of such data retained will be for a minimum of 7 years and determined by Consultant in its sole discretion thereafter. However City may, during the term of this Agreement, access and retrieve data in text delimited Microsoft Excel format and documents, at no cost. Additional Services related to the retrieval or restoration of any of City's data from such back-up files are available if necessary at Consultant's current standard rates, which will vary depending on the level of services required, but not less than \$125.00 per hour.

c) **Purchase Orders/Billing.** Purchase orders, billing or any related matters must be emailed to [alan@planetbids.com](mailto:alan@planetbids.com) or mailed to the following address:

PlanetBids, Inc.  
5850 Canoga Avenue, Suite 301  
Woodland Hills, CA 91367  
Attn: Alan Zavian

## EXHIBIT C

### INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant 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 Agency.

**General liability insurance.** Consultant 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 \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

**Automobile liability insurance.** Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000.00 combined single limit for each accident.

**Professional liability (errors & omissions) insurance.** Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

**Workers' compensation insurance.** Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

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

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

**Duration of coverage.** Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may

arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

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

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

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

**Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

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

**Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

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

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

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

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

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

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

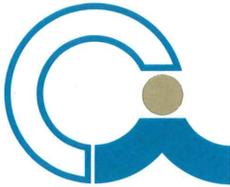
**Self-insured retentions.** Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless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

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

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

*CITY COUNCIL*

ITEM NO. 7.4



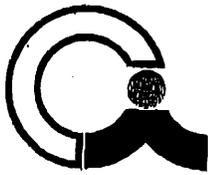
## MEMORANDUM

**TO:** The Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** March 10, 2016  
**SUBJECT:** Two Vacant Positions on the (City of Industry) Civic-Recreational-Industrial Authority

With the resignation of Ronald Cipriani and Dave Youpa, two vacant seats exist on the Civic-Recreational-Industrial Authority. A recent recruitment, with a deadline of February 25, 2016, resulted in the receipt of the attached seven applications. The applicants are listed as follows:

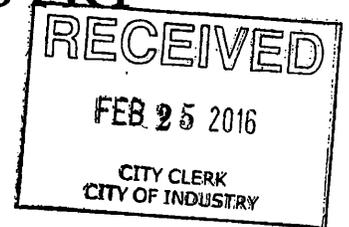
Charles Johnson  
Becky Simon  
Carol Herrera  
Larry R. Hartmann  
Robert R. Dipre Jr.  
Desmond Donnellan  
Dennis L. Sandoval

IT IS RECOMMENDED that the City Council take action to fill the two vacant seats and/or provide additional direction to staff.



# CITY OF INDUSTRY

Incorporated June 18, 1957



## CITY OF INDUSTRY

### APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry Civic - Recreational - Industrial Authority.

I very much appreciate your consideration.

Sincerely,

Charles Johnson  
Print your name

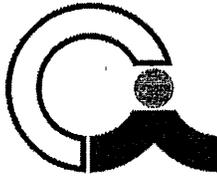
\_\_\_\_\_  
Address

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address

  
Signature

2/24/2016  
Date



# CITY OF INDUSTRY

Incorporated June 18, 1957

16 FEB 18 PM 4:32:03

## CITY OF INDUSTRY

### APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry Civic - Recreational - Industrial Authority

I very much appreciate your consideration.

Sincerely,

Becky Simon  
Print your name

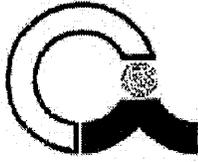
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\_\_\_\_\_  
Phone Number

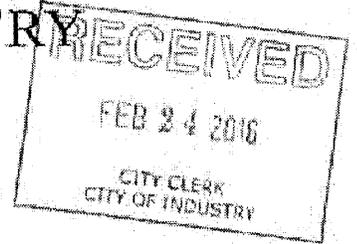
\_\_\_\_\_  
Email Address

Becky Simon  
Signature

2-18-16  
Date



**CITY OF INDUSTRY**  
Incorporated June 18 1867



**CITY OF INDUSTRY**

**APPLICATION FOR CITY COMMISSION OR AUTHORITY**

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry Civic - Recreational - Industrial Authority

I very much appreciate your consideration.

Sincerely,

Carol Herrera  
Print your name

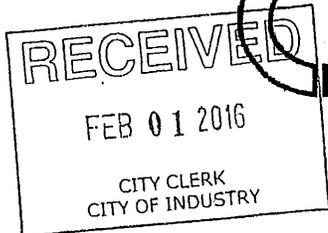
Address \_\_\_\_\_

Phone Number \_\_\_\_\_

Email Address \_\_\_\_\_

Carol Herrera  
Signature

February 24, 2016  
Date



# CITY OF INDUSTRY

Incorporated 1957

## CITY OF INDUSTRY

### APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry Civic-Recreational-Industrial Authority Board

I very much appreciate your consideration.

Sincerely,

Larry R Hartmann

Print your name

Address

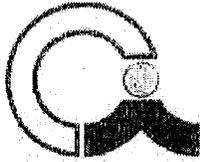
Phone Number

Email Address

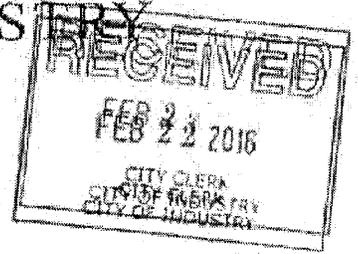
Larry R Hartmann  
Signature

2.1.16

Date



CITY OF INDUSTRY  
Incorporated June 18, 1957



CITY OF INDUSTRY

APPLICATION FOR CITY COMMISSION OR AUTHORITY

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry Civic-Recreational-Industrial Authority Board

I very much appreciate your consideration.

Sincerely,

Robert R. Dipre Jr  
Print your name

Address \_\_\_\_\_

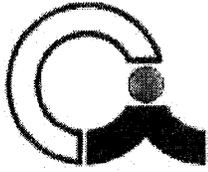
Phone Number \_\_\_\_\_

Email Address \_\_\_\_\_

[Signature]  
Signature

2-22-16  
Date





**CITY OF INDUSTRY**  
Incorporated June 18, 1957

**RECEIVED**  
FEB 23 2016  
CITY CLERK  
CITY OF INDUSTRY

**CITY OF INDUSTRY**

**APPLICATION FOR CITY COMMISSION OR AUTHORITY**

To: The Honorable Mayor and Members of the City Council

Please accept this correspondence as my formal interest in serving on the  
City of Industry RECREATIONAL - INDUSTRIAL AUTHORITY.

I very much appreciate your consideration.

Sincerely,

DENNIS L SANDOVAL  
Print your name

Address

Phone Number

Email Address

Dennis Sandoval  
Signature

2/22/16  
Date

*Dennis L. Sandoval*

February 23, 2016

**The Honorable Mayor and Members of City Council**

City of Industry  
15625 E. Stafford St.  
City of Industry, CA 91744

**Re: Application for Recreational Industrial Authority**

Ladies and Gentlemen,

It is with sincere pleasure and a commitment to serve that I submit my application for consideration for a position on the Board of the Recreational Industrial Authority.

I have been serving the City of Industry and San Gabriel Valley for over 25 years. My career started in the South Bay in 1983.

My current membership in the IMC, San Gabriel Valley Economic Partnership, Childhood Cancer Foundation, City of Hope and support of the local universities demonstrates my commitment to the region.

In the recent past, I have assisted La Puente Valley ROP, Basset Unified School District and Hacienda Heights Unified with lease negotiations, asset valuations and disposition consultation.

I have enclosed letters of reference and overview of my business background for your review. My son Bryan worked at Pacific Palms with Dave Youpa while he was pursuing his dreams of playing professional golf. Ed Roski allowed my son to have full access to practice at Pacific Palms while he was training for this golf career of his.

Majestic Realty has been my landlord for close to 20 years now and I have a solid relationship with Clem Calvillo of CNC Engineering. I mention these contacts so you can see I have a solid reputation within the City business arena. In my enclosed bio you will find I have served numerous City of Industry businesses with their corporate real estate needs.

Aside from the business and community activity, as a former college and professional baseball player, I have had a passion for sport. I have been involved with Major League Baseball 's Rebuild Baseball in Inner City (RBI), sponsored summer baseball camps for low income kids in conjunction with my friends from the Texas Rangers. My support of Angel Baseball Summer Camps with my friends Mike Scioscia and Ron Roenicke (West Covina native) is another program I am happy to contribute to. I also helped the SCGA introduce golf to low income children by purchasing golf clubs, providing golf lessons and enrolling them in the First Tee program.

At this stage of my life and business career I am looking to give back. The City of Industry and San Gabriel Valley have allowed me to make a comfortable living over the years and if this Board position will allow me more opportunities to serve, then count me in. Your consideration is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis L. Sandoval", written in a cursive style.

**Dennis L Sandoval**

*CITY COUNCIL  
MARCH 10, 2016  
REGULAR MEETING*

ITEM NO. 7.4

HANDOUT ITEM(S)



# City of Diamond Bar

21810 Copley Drive • Diamond Bar, CA 91765-4178

(909) 839-7000 • Fax (909) 861-3117  
[www.DiamondBarCA.gov](http://www.DiamondBarCA.gov)

March 9, 2016

City of Industry City Council  
15651 East Stafford Street  
City of Industry, CA 91744

Dear Mayor Mark Radecki and Council Members:

Please accept this letter of interest for the City of Industry Civic-Recreational-Industrial Authority. I am a Regional Leader and have served in many regional roles outside the City of Diamond Bar borders. I am volunteering to serve City of Industry in this new capacity. My qualifications:

- 20 years' experience as a City Council member
- Chair, Foothill Transit Board
- Chair, Four Corners Transportation Committee
- Chair, Four Corners Coalition
- Chair, Tres Hermanos Conservation Authority
- Regional Council, Southern California Association of Governments
- Vice Chair, American Public Transportation Association (APTA) Transit Board Members Committee
- APTA Leadership Committee
- Past President, SGVCOG
- Past President, California League of Cities, L.A. County Division
- Past Member, L.A. County LAFCO
- Past member, ACE board
- Past Board of Trustees, Walnut Valley Unified School District (16 yrs)

**Nancy A. Lyons**  
*Mayor*

**Jimmy Lin**  
*Mayor Pro Tem*

**Carol Herrera**  
*Council Member*

**Ruth M. Low**  
*Council Member*

**Steve Tye**  
*Council Member*

I apologize for not presenting this in person, but I am on a plane flying to Washington, DC, to lobby for money to fix the 57/60 Interchange.

Thank you for your consideration,

Council Member Carol Herrera  
City of Diamond Bar  
Cell: 951.640.6817  
Email: [cherrera@diamondbarca.gov](mailto:cherrera@diamondbarca.gov)



March 8, 2016

To Honorable Mark Radecki, Mayor of City of Industry & Members of the City of Industry City Council  
City Hall  
15625 Stafford Street  
City of Industry, CA 91744

Dear Mayor Radecki and Members of the City Council:

I respectfully request that you consider my application for one of the two vacancies currently on the Civic Recreational Industrial Authority.

As a Real Estate Broker, I have continuously specialized in the City of Industry since 1985. In 1987 I opened the City of Industry Branch of DAUM Commercial Real Estate Services and served as its initial Branch Manager. Today, I hold the position of Executive Vice President as well as a stockholder in DAUM.

My City of Industry affiliations include:

- Volunteer in the Industry Hills Charity Pro Rodeo Committee (12 years)
- Sponsorship Chairman for IHCPRC (12 years)
- Member of the Steering Committee IHCPRC (10 years)
- Board Directors Member of the Gabriel Foundation (9 years)
- Secretary for The Gabriel Foundation (3 years)
- Member of Management Operations Steering Committee for IMC (1 year)

My City of Industry Working Relationship and Personal Involvement in Transactions of IUDA / City of Industry Owned Properties:

<u>Property Address</u>	<u>Property Size</u>	<u>Type of Transactions</u>	<u>Comments</u>
911 Bixby Dr.	250,000 SF Bldg	Year-to-year Lease	Prior to demolition of the property used for Walnut Creek Energy Park, I negotiated an annual lease which produced considerable rental income to the City.
450 Baldwin Park	111,000 SF Bldg	Sale	Former Casa Blanca Fan Property, now home of Los Altos Foods.



440 Baldwin Park Blvd.	220,000 SF Bldg	Sale	Former Performance Sheets facility, now home of Smurfit Kappa. (Saved 90 jobs that were to be lost)
300 Baldwin Park Blvd.	223,000 SF Bldg	Sale	Former Admiral Transportation Facility, now home to Jacmar.
14624 E. Nelson Ave.	4.13 Acres of Land	Sale	Former Lumber Yard, now under development.
14700 E. Nelson Ave.	7.37 Acres of Land	Sale	Former Lumber Yard, now under development.
333 Turnbull Canyon Rd.	128,000 Sf Bldg	Sale	Former Calmar Facility, now available from Successor Agency.
227 Hudson	5.2 Acres of Land	Sale	Former Hoffman Chevrolet Dealership, now home to GL Foods (104,000 SF state-of-the-art facility).
17651 E. Railroad St.	3.63 Acres of Land	Sale	Former Gabrielle Macaroni facility, now new development.
Valley Blvd. East of Grand	Approx. 50 Acres of Land	Sale	Former City owned site in Walnut.
150 S. Hacienda Blvd.	24,000 SF Office Space	Lease	Acted as consultant to City (pro bono) for lease negotiations with Bank of America.
15000 E. Nelson Ave.	6.22 Acres of Vacant Land	Sale	Former Dooley Lumber site, currently being developed as 125,000 SF warehouse and distribution facility.
151 Long Lane	1.87 Acre Site	Sale	Former Lumber site to be developed.
125 Orange Ave.	3.69 Acre Site	Offer Pending	Former Vlassic Pickle site to be developed into 80,000 SF state-of-the-art facility.
19835 E. Walnut Dr.	43,000 SF Bldg	Offer Pending	New Wholesale Flooring Distribution Center.



My goal in dealing with the City has always been to; understand the City's real estate needs, strive to do my best to fulfill those needs, be resilient when needs change mid-course, keep a low profile and to always act in the best interest / never in conflict of the City.

I offer the following personal references for your review:

Clem Calvillo	CNC Engineering	(626) 333-0336
Carl Bennit	Pace Lithographers	(626) 913-2109
Kenneth Bryan	Bryan Press	(626) 961-9257
Ron McPeek	Western Insurance Marketing	(909) 860-0599

Thank you for your consideration,

**Robert R. Dipre Jr.**  
**Executive Vice President / Principal**  
CA. License # 00526068  
D/Aq Corporation License #01129558  
13181 Crossroads Parkway N., Suite 100  
City Of Industry, CA. 91746-3474

**Direct Line:** (562) 576-1422  
**Office Fax:** (562) 692-8067  
**Cellular:** (714) 814-1329  
**Email:** [robert.dipre@daumcommercial.com](mailto:robert.dipre@daumcommercial.com)



### Specialization

Industrial, Investment, Land

### Career Summary

Bob Dipre is an Executive Vice President and stock holder at DAUM Commercial Real Estate. He earned his title by providing 40 years of professional client services that have resulted in the successful completion of hundreds of industrial sales and leases throughout Southern California.

Bob has extensive experience in the construction of concrete tilt-up buildings in the greater Los Angeles area. He has used this knowledge many times to help his clients make informed decisions regarding their strategic growth plans.

In 1975, Bob joined Reavis Realty Corp. where he specialized in industrial sales and leasing of properties in the southeast section of Los Angeles. Consistently a top producer, Bob joined W.H. DAUM & Staff (the predecessor of DAUM) in 1982.

During his first year at DAUM, Bob earned recognition as "Rookie of the Year". In 1985 he was honored as a founding member of DAUM's prestigious "President's Club", a distinction awarded to DAUM's top producers. That same year Bob was also recognized as "Salesman of the Year" in DAUM's Los Angeles office. Bob has earned "President's Club" and TOP 10 honors on numerous occasions during his affiliation with DAUM.

1985 Bob left the familiar surroundings of the South Gate, Huntington Park and Vernon industrial markets to explore a new area for DAUM in the San Gabriel Valley. After a two year "starting over" period, Bob opened DAUM's City of Industry office in 1987. As Branch Manager, he had total P&L responsibility over a dozen agents. He served in this capacity until 1990.

In 1990, Bob opened his own brokerage firm, "DLS Commercial Real Estate, where he served as Chief Executive Officer for three years. In 1993, DAUM acquired "DLS" and Bob was reunited with DAUM, along with several members of his firm. Bob has consistently been a top producer throughout his affiliation with DLS and DAUM.

In 2002 Bob became a Principal stockholder in DAUM. He also became very active with local charity groups including the Industry Hills Charity Pro Rodeo and the Gabriel Foundation. Today he sits on the Board of Directors for both of these organizations and he has recently accepted an invitation to become more active in the Industry Manufacturer's Council. (The City of Industry's Chamber of Commerce)

Bob and his wife Sandie have been married for 44 years. They have five grown children and ten grandchildren. Bob keeps active as a soccer and baseball coach for some of his grandchildren's team's and he enjoys fishing, racquetball and playing poker in his spare time.



### Contact

13181 Crossroads Pkwy N  
Suite 100  
City of Industry CA | 91746

P 562.576.1422

F 562.692.8067

CA LICENSE #: 00526068

[robert.dipre@daumcommercial.com](mailto:robert.dipre@daumcommercial.com)



[www.daumcommercial.com](http://www.daumcommercial.com)

ONCOR INTERNATIONAL

**Client List**

Unocal  
Ford Motor Company  
U.S. Gypsum  
Rheem Manufacturing  
R.H. Peterson Company  
United Parcel Service  
Combustion Engineering  
Owens Corning Fiberglass  
Eagleson's Big & Tall  
Holleytex Carpet Mills  
Rollins Truck Leasing  
Authentic Specialty Foods  
Clean Harbors  
Environmental Services  
Mercury Plastics  
McConnell Cabinets  
Coastal Wood Products  
Spring Air Mattress  
Circuit City Stores  
Orange County Container  
Temple Inland Corp.  
A.S.I. Computers  
TeKnor Apex  
Izumi Cosmo  
Red Ribbon Bake Shop  
ARC / International

**Affiliations**

AIR Member  
ONCOR International

[robert.dipre@daumcommercial.com](mailto:robert.dipre@daumcommercial.com)

*CITY COUNCIL*

ITEM NO. 7.5



## Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

### Board Members

March 1, 2016

#### Jack Hadjinian

Chair  
City of Montebello

Hon. Mayor Mark Radecki & Councilmembers  
City of Industry

#### Juli Costanzo

Vice Chair  
City of San Gabriel

15625 E. Stafford Street #100  
Industry, CA 91744

#### Michael Antonovich

Los Angeles County

RE: Appointment of Member & Alternate to ACE Construction Authority  
Board

#### Don Knabe

Los Angeles County

Dear Honorable Mayor Radecki & Councilmembers:

#### Hilda Solis

Los Angeles County

On behalf of the ACE Board I respectfully request the City of Industry consider an appointment of a member and alternate to our Board. As you know, Industry has not had representation since June, 2015 and has three active construction projects currently underway at: Nogales Street/Gale Avenue, Fairway Drive and Fullerton Road. These projects have a combined value of over \$400M and will be at various stages of construction through 2021. The City of Industry is an important partner in the ACE program.

#### Victoria Martinez

City of El Monte

#### TBD

City of Industry

#### Elliott Rothman

City of Pomona

The ACE Board meets the fourth Monday of each month at 1PM at Montebello City Hall and the meetings typically last an hour.

#### Barbara Messina

SGVCOG

#### Paul Eaton

Ex-Officio  
SANBAG

The member/alternate of the ACE Board will also hold the same designation on the San Gabriel Valley Council of Governments (SGVCOG) Governing Board. The SGVCOG Board meets the third Thursday of the month from 6-8pm at the Upper Municipal Water District office in Monrovia.

#### Mark Christoffels

Chief Executive Officer

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jack Hadjinian', with a long horizontal flourish extending to the right.

Jack Hadjinian  
Chairman

*CITY COUNCIL*

ITEM NO. 7.6



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**TO:** The Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** February 23, 2016  
**SUBJECT:** 2016 Industry Hills City Championship Golf Tournament

Attached please find a flyer from last year's Industry Hills City Championship Golf Tournament. Pacific Palms, Southern California Golf Association, R&A, United States Golf Association, and the IMC were sponsors for this Tournament. Prior to preparing the enrollment forms and making all of the necessary arrangements for this year's tournament, the Committee would like to confirm the sponsors' participation.

This will be the 9<sup>th</sup> Annual Tournament, and will take place from July 22<sup>nd</sup> through July 24<sup>th</sup>. In the past, 300 golfers have participated in the tournament. The golfers will be using both of the courses (the IKE and the Babe). In the past, the IMC has contributed \$40,000.00, and this amount is being requested again.

IT IS RECOMMENDED that the Council discuss and provide direction regarding this proposed annual event and the requested \$40,000.00 sponsorship fee from the City.

Note: This item was continued from the last City Council Meeting.

**INDUSTRY HILLS CITY CHAMPIONSHIP  
EXPENSE REPORT**

**GREEN FEES**

**240 rounds, Friday, Saturday – 90 rounds Sunday**

**SHIRTS**

**270 Straight Down Golf Shirts**

**GOLF BALLS**

**270 Dozen Callaway Golf Balls**

**FOOD AND BEVERAGE**

**270 Breakfast, Lunch for Friday and Saturday**

**90 Breakfast, Lunch for Sunday**

**8 On Course Beverage Stations for Friday, Saturday, and Sunday**

**RADIO RENTAL**

**8 Sets for the Tournament Officials for 3 days**

**TROPHIES**

**19 Total – 6 flights with three in each flight, 1 Championship trophy for the overall winner**

**AWARDS AND CERTIFICATES**

**90 Players who qualify to play Sunday receive Gift Certificates**

**VOLUNTEER AWARDS**

**30 Rounds of weekday free rounds of golf for the volunteers**



## **WELCOME TO THE 8TH ANNUAL Industry Hills city championship**

**July 24th - 26th 2015**

**eisenhower (IKE) and zaharias (BABE) courses**

**pacific palms resort**

**city of industry, CA**

### **THE 2015 TOURNAMENT IS IN THE BOOKS!**

**The Tournament Committee, Pacific Palms Resort and The City of Industry thank you for your participation and support of the 8th Annual Industry Hills City Championship.**

**On behalf of all the players we would like to thank the management and employees of the Pacific Palms Resort for the fantastic food, the quality of the golf courses and their welcoming attitude throughout the entire tournament.**

**In addition, many thanks are due to the Tournament Committee, all volunteers, who run the event, manage the communications and generally present one of the best city tournaments on the schedule.**

**THANKS TO EVERYONE AND SEE YOU NEXT YEAR!**

**The Tournament Committee**

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#### **Contact Information:**

**Tournament Office Telephone #:** 626.810.4653 ☎

**Email:** [info@industryhillscitychampionship.com](mailto:info@industryhillscitychampionship.com)

**Industry Hills Mens Club web site:** [www.ihgolfclub.com](http://www.ihgolfclub.com)

**Hotel Phone #:** 800.524.4557 ☎

**Resort Website:** [www.PacificPalmsResort.com](http://www.PacificPalmsResort.com)

For details about Accommodation offer at Pacific Palms, go to our [Accommodation](#) page.

## City of Industry

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### Enter Now

>> [Go to Entry form](#)

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