



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

TUESDAY, OCTOBER 1, 2024
AT 5:00 P.M.

CITY HALL COUNCIL CHAMBERS
11710 TELEGRAPH ROAD
SANTA FE SPRINGS, CA 90670

CITY COUNCIL

Jay Sarno, Mayor

William K. Rounds, Mayor Pro Tem

Joe Angel Zamora, Councilmember

Annette Rodriguez, Councilmember

Juanita Martin, Councilmember

CITY MANAGER

René Bobadilla, P.E.

CITY ATTORNEY

Rick Olivarez

CITY STAFF

Assistant City Manager

Fire Chief

Police Chief

Director of Community Services

Director of Finance

Director of Parks & Recreation

Director of Community Development

Director of Police Services

Director of Public Works

Nicholas Razo

Chad Van Meeteren

Aviv Bar

Maricela Balderas

Lana Dich

Gus Hernandez

Cuong Nguyen

Dino Torres

James Enriquez

NOTICES

This City Council Meeting ("Council") will be held in person and will meet at City Hall – City Council Chambers, 11710 E. Telegraph Road, Santa Fe Springs, California. The meeting will be live streamed on the City's YouTube Channel and can be accessed on the City's website via the following link:

https://santafesprings.org/city_council/city_council_meetings/index.php

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

SB 1439: Effective January 1, 2023, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than \$250 from an interested person. The Council Member would need to disclose the donation and abstain from voting.

Public Comments: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on the day of the meeting, please fill out a speaker card provided at the door and submit it to City Clerk staff. You may also submit comments in writing by sending them to the City Clerk's Office at cityclerk@santafesprings.org. All written comments received by 12:00 p.m. the day of the City Council Meeting will be distributed to the City Council and made a part of the official record of the meeting. Written comments will not be read at the meeting, only the name of the person submitting the comment will be announced. Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Council Meeting Start Times: If there is a closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 5:00 p.m. and open session shall start at 6:00 p.m. If there is no closed session or study session scheduled on the agenda, the regular meeting shall be scheduled to start at 6:00 p.m.

Please Note: Staff reports and supplemental attachments are available for inspection at the office of the City Clerk in City Hall, during regular business hours 7:30 a.m. – 5:30 p.m., Monday – Thursday. Telephone: (562) 868-0511.

CALL TO ORDER**ROLL CALL****PUBLIC COMMENTS ON CLOSED SESSION ITEMS**

At this time, the general public may address the City Council on closed session items *only*. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the City Council.

1. CLOSED SESSION**CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

(Pursuant to Government Code Section 54956.8)

Property: APNs: 8177-029-908, 8177-029-903, 8177-029-905, 8177-031-018, 8177-031-019, and 8177-029-005

Agency negotiator: René Bobadilla, City Manager and Cuong Nguyen, Director of Community Development

Negotiation parties: Kenneth G. Spiker, Spiker Rendon Consulting, Inc.

Under negotiation: Price and terms of payment as relates to interests in real property.

CLOSED SESSION REPORT**REGULAR SESSION – BEGINNING AT 6:00 P.M.****INVOCATION****PLEDGE OF ALLEGIANCE****INTRODUCTIONS****PRESENTATIONS**

- 2. “BEST OF SFS” (COMMUNITY SERVICES)**
- 3. PROCLAMATION – BREAST CANCER AWARENESS MONTH, “PAINT THE TOWN PINK” (COMMUNITY SERVICES)**
- 4. PROCLAMATION – NATIONAL WALK TO SCHOOL DAY (COMMUNITY SERVICES)**
- 5. PROCLAMATION – FIRE PREVENTION WEEK (FIRE)**
- 6. OMEGA OPERABLE UNIT (PUBLIC WORKS)**
- 7. RECAP OF 2024 RELAY FOR LIFE (PARKS & RECREATION)**

CHANGES TO AGENDA**PUBLIC COMMENTS ON NON-AGENDA & NON-PUBLIC HEARING AGENDA ITEMS**

At this time, the general public may address the City Council on both non-agenda *and* non-public hearing agenda items. Comments relating to public hearing items will be heard during the public hearing. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the City Council.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST**PUBLIC HEARING – NONE****OLD BUSINESS – NONE****REGULAR BUSINESS – NONE****CONSENT CALENDAR**

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any Ordinance.

HOUSING SUCCESSOR**8. MINUTES OF THE SEPTEMBER 3, 2024 HOUSING SUCCESSOR MEETINGS
(CITY CLERK)**

RECOMMENDATION: It is recommended that the Housing Successor:

- 1) Approve the minutes as submitted.

SUCCESSOR AGENCY**9. MINUTES OF THE SEPTEMBER 3, 2024 SUCCESSOR AGENCY MEETINGS
(CITY CLERK)**

RECOMMENDATION: It is recommended that the Successor Agency:

- 1) Approve the minutes as submitted.

CITY COUNCIL**10. MINUTES OF THE SEPTEMBER 3, 2024 CITY COUNCIL MEETINGS
(CITY CLERK)**

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

11. RESOLUTION NO. 9931 – UPDATING THE LIST OF DESIGNATED EMPLOYEES REQUIRED TO FILE A CONFLICT OF INTEREST FORM (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9931:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS RESCINDING RESOLUTION NO. 9821 AND ADOPTING AN UPDATED CONFLICT OF INTEREST CODE, APPLICABLE TO DESIGNATED POSITIONS FOR THE CITY, SUCCESSOR AGENCY, PUBLIC FINANCING AUTHORITY, HOUSING SUCCESSOR, AND WATER UTILITY AUTHORITY

12. ORDINANCE NO. 1146 – TO AMEND SECTIONS 155.003 (DEFINITIONS), 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM), 155.526 (COMPREHENSIVE SIGN PROGRAM REQUIREMENT FOR UNIFIED DEVELOPMENTS), 155.527 (WINDOW DISPLAYS), 155.536 (SIGN GUIDELINES), AND ADD SECTION 155.537 (STATIC POSTER BILLBOARD CONVERSION PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINATION THAT THE PROJECT IS EXEMPT FROM CEQA (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

- 1) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
- 2) Waive further reading and introduce Ordinance No. 1146 by title, amending Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code; and
- 3) Take such additional, related action that may be desirable.

13. EXCLUSIVE NEGOTIATING AGREEMENT (“ENA”) WITH PRIMESTOR DEVELOPMENT, LLC FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING AND MIXED-USE PROJECT ON CITY-OWNED PROPERTY (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

- 1) Adopt Resolution No. 9930 to authorize the City Manager to execute an Exclusive Negotiating Agreement (“ENA”) with Primestor Development, LLC; and
- 2) Take such additional, related, action that may be desirable.

14. AUTHORIZE THE PURCHASE OF VEHICLE MOBILE RADIOS, MOBILE DATA COMPUTERS (MDCS), VEHICLE READERS AND TRANSPONDERS, AND FITNESS EQUIPMENT FOR THE SANTA FE SPRINGS POLICING TEAM (POLICE SERVICES)

RECOMMENDATION: It is recommended that the City Council:

- 1) Authorize the Director of Police Services to issue purchase orders to facilitate the procurement of Mobile Data Computers (MDCs) from CDCE Incorporated in an amount not to exceed \$31,343, Vehicle Mobile Radios from Motorola Solutions in an amount not to exceed \$56,250, Vehicle Readers and Transponders from JMG Security Systems, INC. in an amount not to exceed \$23,250 and Fitness Equipment from Extreme Training Equipment in an amount not to exceed \$12,698.
- 2) Approve the expenditure of United States Department of the Treasury Asset Forfeiture Program-Equitable Sharing Funds in an amount not to exceed \$123,541.

15. POLICE SERVICES STAGING FACILITY STORM DAMAGE – EMERGENCY REPAIRS UPDATE (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Pursuant to Santa Fe Springs Municipal Code Section 34.23 and California Public Contract Code Section 22050, by a four-fifths vote authorize continuing the repairs without competitive bidding; and
- 2) Take such additional, related, action that may be desirable.

16. RESIDENTIAL ALLEY IMPROVEMENTS – FINAL PAYMENT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the Final Payment to R.J. Noble Company of Orange, California for \$592,079.85 (Less 5% Retention); and
- 2) Approve the final contract amount with R.J. Noble Company in the amount of \$2,029,863.35; and
- 3) Take such additional, related action that may be desirable.

17. HERITAGE PARK NATIVE AMERICAN POND IMPROVEMENT – AWARD OF CONTRACT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Award a construction contract to Zeco, Inc., of Anaheim, California in the amount of \$164,039.25 for the construction of the Heritage Park Native American Pond Improvement Project and authorize the City Manager to execute the agreement; and
- 2) Appropriate \$100,750 from the Utility Users Tax (UUT) Fund to the Heritage Park Native American Pond Improvement Project (Account No. PW200101); and
- 3) Take such additional, related action that may be desirable.

18. RESIDENTIAL STREET IMPROVEMENTS 2024-2025 – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve adding the Residential Street Improvements 2024-2025 project to the Capital Improvement Plan; and
- 2) Appropriate Local Return Funds in the following dollar amounts: Prop C \$1,199,321.68, TDA \$41,035.00, Gas Tax \$712,000.00, Measure R \$1,753,894.00, Measure M \$1,654,009.00; and
- 3) Appropriate \$1,200,000.00 from the Residential Street Lighting Systems Upgrade Project (Account PW220010) to the proposed Residential Street Improvements 2024-2025 Project; and
- 4) Appropriate \$680,000 from the Utility Users Tax (UUT) Capital Improvements Fund to the Residential Street Improvements 2024-2025 project; and
- 5) Approve the Plans and Specifications for the subject project; and
- 6) Authorize the City Engineer to advertise for construction bids; and
- 7) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and
- 8) Take such additional, related action that may be desirable.

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Council member announcements; requests for future agenda items; conference/meetings reports. Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

ADJOURNMENT

I, Fernando N. Muñoz, Deputy City Clerk for the City of Santa Fe Springs hereby certify that a copy of this agenda has been posted no less than 72 hours at the following locations; City's website at www.santafesprings.org; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road.

FOR ITEM NO. 8, PLEASE SEE ITEM NO. 10

FOR ITEM NO. 9, PLEASE SEE ITEM NO. 10



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Fernando N. Muñoz, CMC, Acting City Clerk

SUBJECT: MINUTES OF THE SEPTEMBER 3, 2024 CITY COUNCIL MEETINGS

DATE: October 1, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Approve the minutes as submitted.

FISCAL IMPACT

N/A

BACKGROUND

Staff has prepared minutes for the following meeting:

- Council Meeting of September 3, 2024.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

N/A

ATTACHMENT(S):

A. September 3, 2024 Meeting Minutes

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

September 3, 2024

CALL TO ORDER

Mayor Sarno called the meeting to order at 5:03 p.m.

ROLL CALL

Members present: Councilmembers/Directors: Martin, Rodriguez (arrived at 5:45 p.m.), Zamora, Mayor Pro Tem/Vice Chair Rounds, and Mayor/Chair Sarno.

Members absent: None

PUBLIC COMMENTS ON CLOSED SESSION: None

1. **CLOSED SESSION – CITY COUNCIL**

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code Section 54956.8)

Property: Assessor's Parcel Nos. 8008-023-900 and 8008-023-901

Agency negotiator: City Manager

Negotiating parties: Any interested developers of affordable housing

Under negotiation: Price and Terms

Councilmember Martin recused herself from Closed Session Item No. 1 as her personal residence is within 1000 feet of the subject property.

2. **CLOSED SESSION – SUCCESSOR AGENCY**

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code Section 54956.8)

Property: Assessor's Parcel Nos. 8001-011-918, 8001-011-914, and 8001-011-915

Agency negotiator: City Manager

Negotiating parties: Any interested developers of affordable housing

Under negotiation: Price and Terms

Mayor Sarno recessed the meeting at 5:05 p.m.

Mayor Sarno reconvened the meeting at 5:59 p.m.

CLOSED SESSION REPORT

Deputy City Attorney, Scott E. Porter, provided a closed session report: Direction was given to staff and no reportable action was taken.

INVOCATION

Cindy Jarvis led the invocation.

PLEDGE OF ALLEGIANCE

Gianna Pena from Jersey Elementary led the pledge of allegiance.

INTRODUCTIONS

Mayor Sarno introduced the following members from the Chamber of Commerce:

1. Kathie Fink from Santa Fe Springs Chamber of Commerce
2. Kris Lewis from L & G Goosehead Insurance
3. Nico Shubin from Serv-Wel Disposal & Recycling

PRESENTATIONS

3. **RECOGNITION OF DONORS FOR ANNUAL BACKPACK PROGRAM (COMMUNITY SERVICES)**
4. **UPDATE ON SONIC AND DAVE'S HOT CHICKEN/PACIFIC DENTAL PROJECT (COMMUNITY DEVELOPMENT)**

CHANGES TO AGENDA

There were no changes.

PUBLIC COMMENTS

None

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

City Manager, René Bobadilla announced the Department of Finance received an award for an outstanding budget from the Governing Finance Officers Association (GFOA).

HOUSING SUCCESSOR, SUCCESSOR AGENCY, AND CITY COUNCIL AGENDA

PUBLIC HEARING

5. **ORDINANCE NO. 1150 - AMENDING SECTIONS 155.091 (USES), 155.093 (DEVELOPMENT STANDARDS), 155.175.2 (USES) AND 155.175.4 (DEVELOPMENT STANDARDS) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING) OF THE SANTA FE SPRINGS MUNICIPAL CODE, AND DETERMINE THAT THE ACTION IS EXEMPT UNDER CEQA (COMMUNITY DEVELOPMENT)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Open the Public Hearing and receive the written and oral staff report and any comments from the public regarding the proposed Ordinance; and
- 2) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15061(b)(3); and
- 3) Waive further reading and introduce Ordinance No. 1150 by title, adopting a Zoning Code Amendment to amend Sections 155.091 (Uses), 155.093 (Development Standards), 155.175.2 (Uses) and 155.175.4 (Development Standards) within Title 15 (Land Use), Chapter 155 (Zoning) of the Santa Fe Springs Municipal Code, and determine that the action is exempt under CEQA; and

- 4) Take such additional, related action that may be desirable.

Mayor Sarno opened the public hearing at: 6:28 p.m.

There was no one wishing to speak.

Mayor Sarno closed the public hearing at: 6:28 p.m.

It was moved by Mayor Pro Tem Rounds, seconded by Councilmember Martin, to find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15061(b)(3), waive further reading and introduce Ordinance No. 1150 by title, adopting a Zoning Code Amendment to amend Sections 155.091 (Uses), 155.093 (Development Standards), 155.175.2 (Uses) and 155.175.4 (Development Standards) within Title 15 (Land Use), Chapter 155 (Zoning) of the Santa Fe Springs Municipal Code, and determine that the action is exempt under CEQA, and take such additional, related action that may be desirable, by the following vote:

Ayes:	Martin, Rodriguez, Zamora, Rounds, Sarno
Noes:	None
Absent:	None
Recuse:	None

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any ordinance.

HOUSING SUCCESSOR

6. MINUTES OF THE AUGUST 6, 2024 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Housing Successor:

- 1) Approve the minutes as submitted.

SUCCESSOR AGENCY

7. MINUTES OF THE AUGUST 6, 2024 SUCCESSOR AGENCY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Successor Agency:

- 1) Approve the minutes as submitted.

CITY COUNCIL

8. MINUTES OF THE AUGUST 6, 2024 CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

9. POLICE SERVICES STAGING FACILITY STORM DAMAGE – EMERGENCY REPAIRS UPDATE (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Pursuant to Santa Fe Springs Municipal Code Section 34.23 and California Public Contract Code Section 22050, by a four-fifths vote authorize continuing the repairs without competitive bidding; and

2) Take such additional, related action that may be desirable.

10. NORWALK BOULEVARD – LOS NIETOS ROAD GRADE SEPARATION PROJECT – ADOPTION OF RESOLUTION NO. 9928 (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9928 approving an application for specified grant funds from the U.S. Department of Transportation's Federal Railroad Administration Railroad Crossing Elimination Grant Program for the Norwalk Boulevard – Los Nietos Road Grade Separation Project; and

2) Appropriate \$330,000 from the Utility Users Tax (UUT) Fund to cover the City's portion of the local match; and

3) Take such additional, related action that may be desirable.

11. STAGE ROAD AND ISELI ROAD STREET IMPROVEMENTS – AUTHORIZATION OF CONSTRUCTION (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Construction Plans for the Stage Road and Iseli Road Street Improvement Project; and

2) Appropriate \$1,737,800 in Utility User Tax (UUT) Funds for the project; and

3) Take such additional, related action that may be desirable.

12. SECOND READING OF ORDINANCE NO. 1147 – AMENDING CHAPTER 119 (RESERVED) OF TITLE 11 (BUSINESS REGULATIONS) OF THE SANTA FE SPRINGS MUNICIPAL CODE TO ESTABLISH PROCEDURES RELATED TO SPECIAL EVENT PERMITS (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Ordinance No. 1147:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AMENDING CHAPTER 119 (RESERVED) OF TITLE 11 (BUSINESS REGULATIONS) OF THE SANTA FE SPRINGS MUNICIPAL CODE TO ESTABLISH PROCEDURES RELATED TO SPECIAL EVENT PERMITS

2) Take such additional, related, action that may be desirable.

13. **RESOLUTION NO. 9927 – AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR FUNDING OF THE TOWN CENTER TELEGRAPH CORRIDOR SPECIFIC PLAN AND COMMITTING NECESSARY LOCAL MATCHING FUNDS TO COMPLETE THE STUDY (COMMUNITY DEVELOPMENT)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Adopt Resolution 9927; and
- 2) Authorize the City Manager to execute agreements with the California Department of Transportation for funding of the Town Center Telegraph Corridor Specific Plan and committing necessary local matching funds to complete the study; and
- 3) Approve the recognition of \$673,000 in grant funds awarded for the Town Center Telegraph Corridor Specific Plan (Project Code: TCTCP) and authorize the deposit of these funds into revenue account 10103199-442000.
- 4) Establish a corresponding expense allocation of \$673,000 in the Community Development – Administration & Current Planning expenditure account (No. 10103199-542050) to support the execution of the project, including consultant procurement, advisory committee participation, community outreach, and other related activities.
- 5) Take such additional, related action that may be desirable.

14. **SECOND READING OF ORDINANCE NO. 1149 RELATING TO CITY COUNCIL REORGANIZATION (CITY ATTORNEY)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Adopt Ordinance No. 1149:

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS ADDING SECTION 30.22 TO CHAPTER 30 (CITY COUNCIL) OF TITLE III (ADMINISTRATION) OF THE SANTA FE SPRINGS MUNICIPAL CODE RELATING TO CITY COUNCIL REORGANIZATION

2) Take such additional, related, action that may be desirable.

15. **THIRD AMENDMENT TO EMPLOYMENT AGREEMENT WITH CITY MANAGER (CITY ATTORNEY)**

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the “Third Amendment to Employment Agreement Between the City of Santa Fe Springs and René Bobadilla.”

16. PURCHASE OF NEW COMMERCIAL-GRADE MOWER FOR LAKE CENTER ATHLETIC PARK SPORTS FIELDS (PARKS & RECREATION)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the purchase of a John Deere 2653B PrecisionCut Mower, an edger, and related accessories for the newly renovated Lake Center Athletic Park sports fields; and
- 2) Approve an appropriation adjustment and authorize a budget transfer from the Equipment Acquisition and Replacement Fund (6090) in the amount of \$79,670.50 to cover the purchase cost of the equipment; and
- 3) Authorize the City Manager to execute the purchase agreement with the selected vendor; and
- 4) Take such additional, related action that may be desirable.

It was moved by Councilmember Rodriguez, seconded by Councilmember Zamora, to approve the consent calendar, by the following vote:

Ayes:	Martin, Rodriguez, Zamora, Rounds, Sarno
Noes:	None
Absent:	None
Recuse:	None

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS

None

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Councilmember Zamora spoke about attending an upcoming seminar which will touch on subjects such as collaborating with surrounding cities in order to address similar issues.

Councilmember Rodriguez also talked about attending the same seminar. She thanked the Chamber of Commerce and thanked those who worked on the Art Walk over the weekend.

Councilmember Martin talked about the backpack donation program and the barbers who provided haircuts. She commented on the Sonic restaurant opening. Lastly, she commented on St. Paul High School finally beating Bishop Amat High School.

Mayor Pro Tem Rounds thanked everyone for attending, and urged everyone to stay cool with the upcoming increased temperatures. He invited everyone to attend Relay for Life.

Mayor Sarno thanked the businesses for getting involved in the community. School is back in session, and urged everyone to stay cool. He announced a blood drive at 11:00 am at Town Center tomorrow.

ADJOURNMENT

Mayor Sarno adjourned the meeting in memory of Blanca Leon and Josefine Legarreta at 6:38 p.m.

Jay Sarno
Mayor

ATTEST:

Fernando N. Muñoz
Acting City Clerk

Date



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Fernando N. Muñoz, CMC, Acting City Clerk

SUBJECT: RESOLUTION NO. 9931 – UPDATING THE LIST OF DESIGNATED EMPLOYEES REQUIRED TO FILE A CONFLICT OF INTEREST FORM

DATE: October 1, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

1) Adopt Resolution No. 9931:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS RESCINDING RESOLUTION NO. 9821 AND ADOPTING AN UPDATED CONFLICT OF INTEREST CODE, APPLICABLE TO DESIGNATED POSITIONS FOR THE CITY, SUCCESSOR AGENCY, PUBLIC FINANCING AUTHORITY, HOUSING SUCCESSOR, AND WATER UTILITY AUTHORITY

FISCAL IMPACT

N/A

BACKGROUND

The Political Reform Act ("The Act"), Government Code Section 82000 *et. seq.*, requires every state and local government agency to adopt a Conflict of Interest Code ("COI Code") which identifies positions within the agency which are involved in making or participating in the making of decisions which may foreseeably have a material financial effect on any financial interest. The Act also requires that the agency review its COI Code biennially (each even numbered year) to make amendments, if necessary, to reflect the creation of new positions, deletion of positions and changes in titles.

Since the last review in 2022, it is necessary to update the Designated Employees List by adoption of Resolution No. 9931. The City Attorney's office has reviewed the Resolution and its attachment.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

N/A

ATTACHMENT(S):

A. Resolution No. 9931

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

RESOLUTION NO. 9931

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SANTA FE SPRINGS RESCINDING RESOLUTION NO. 9821 AND
ADOPTING AN UPDATED CONFLICT OF INTEREST CODE,
APPLICABLE TO DESIGNATED POSITIONS FOR THE CITY,
SUCCESSOR AGENCY, PUBLIC FINANCING AUTHORITY,
HOUSING SUCCESSOR, AND WATER UTILITY AUTHORITY**

WHEREAS, the Political Reform Act, Government Code Sections 81000 *et seq.*, requires every state or local government agency to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, state law as specified in the Political Reform Act requires the City Council, as the code-reviewing body, to direct the review of its conflict of interest code; and

WHEREAS, the Political Reform Act further requires the submission of a revised conflict of interest code for approval by the code-reviewing body, or the notification of said body, that no changes are necessary; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted California Code of Regulations, Title 2, Section 18730, which contains the terms of a standard model Conflict of Interest Code, which can be incorporated by reference, and which may be amended by the FPPC after public notice and hearings to conform to amendments to the Political Reform Act; and

WHEREAS, the City's Conflict of Interest Code, as set forth in Resolution No. 9821, adopted on September 20, 2022, requires minor amendments to reflect the current organizational structure of departments, their designated positions and level of disclosure; and

WHEREAS, the Council has determined that the attached Conflict of Interest Code accurately sets for the current organizational structure of departments, their designated positions, and the respective categories of financial interests which should be made reportable and those boards and commissions which should be designated and the respective categories of financial interests which should be made reportable by their members; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS HEREBY DETERMINES, FINDS, AND RESOLVES AS FOLLOWS:

Section 1. Resolution No. 9821, and any other previous adopted resolution regarding the Conflict of Interest Code, is hereby rescinded.

Section 2. In compliance with Government Code Section 87300, the City Council hereby adopts the attached Conflict of Interest Code, Exhibit "A" Designated Employees and Exhibit "B" Appendix of Disclosure Categories, and incorporates California Code of Regulations, Title 2, Section 18730, by this reference.

Section 3. The City Clerk will review the City's Conflict of Interest Code on a biennial basis, and if changes are required, will submit a revised code for Council approval, or if no changes are necessary so notify the City Council, by the applicable deadline specified in the Political Reform Act.

Section 4. The City Clerk shall certify to the passage and adoption of this Resolution and it shall be in full force and effect.

APPROVED AND ADOPTED on this 1st day of October, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY OF SANTA FE SPRINGS

By: _____
Jay Sarno, Mayor

ATTEST:

Fernando N. Muñoz, CMC
Deputy City Clerk

EXHIBIT A

Designated Employees

The following is a listing of positions for which the employee is required to submit Statements of Economic Interest (Form 700) pursuant to the Political Reform Act of 1974.¹

To the extent that certain positions are required to perform actions on behalf of the City and also another agency or authority (such as the Successor Agency), the following disclosure requirements shall also apply to duties performed on behalf of any such agency/agencies.

<u>Title</u>	<u>Disclosure Categories</u>
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ADMINISTRATION

City Manager	A-1,A-2,B,C,E,F inclusive
Assistant City Manager	A-1,A-2,B,C,E,F inclusive
City Clerk	A-1,A-2,B,C,E,F inclusive
Administrative Services Officer	A-1,A-2,B,C,E,F inclusive
Human Resources Manager	A-1,A-2,B,C,E,F inclusive

DEPARTMENT OF COMMUNITY SERVICES

Director of Community Services	A-1,A-2,B,C,E,F inclusive
Library Services Manager	A-1,A-2,B,C,E,F inclusive
Community Services Manager	A-1,A-2,B,C,E,F inclusive

DEPARTMENT OF FINANCE & ADMINISTRATIVE SERVICES

Director of Finance	A-1,A-2,B,C,E,F inclusive
Budget & Revenue Manager	A-1,A-2,B,C,E,F inclusive
Finance Manager	A-1,A-2,B,C,E,F inclusive

¹ Government Code § 87200 already requires the following individuals (among others) to disclose their economic interests: mayors, city council members, planning commissioners, city managers, city attorneys, city treasurers, other public officials who manage public investments, and candidates for any of these offices at any election. For ease of reference, this Conflict of Interest Code includes some of these positions, even though they already have statutory disclosure obligations. This code is not intended to increase or decrease their existing statutory obligations to disclose.

Procurement Manager	A-1,A-2,B,C,E,F inclusive
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DEPARTMENT OF PARKS & RECREATION

Director of Parks & Recreation	A-1,A-2,B,C,E,F inclusive
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Parks & Recreation Services Manager	A-1,A-2,B,C,E,F inclusive
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FIRE DEPARTMENT

Fire Chief	A-1,A-2,B,C,E,F inclusive
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Assistant Fire Chief	A-1,A-2,B,C,E,F inclusive
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Battalion Chief	A-1,A-2,B,C,E,F inclusive
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Environmental Programs Manager	A-1,A-2,B,C,E,F inclusive
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DEPARTMENT OF COMMUNITY DEVELOPMENT

Director of Community Development	A-1,A-2,B,C,E,F inclusive
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DEPARTMENT OF POLICE SERVICES

Director of Police Services	A-1,A-2,B,C,E,F inclusive
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Assistant Director of Police Services	A-1,A-2,B,C,E,F inclusive
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DEPARTMANT OF PUBLIC WORKS

Director of Public Works	A-1,A-2,B,C,E,F inclusive
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Assistant Director of Public Works	A-1,A-2,B,C,E,F inclusive
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Public Works Manager	A-1,A-2,B,C,E,F inclusive
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Utility Manager	A-1,A-2,B,C,E,F inclusive
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Capital Improvements Manager	A-1,A-2,B,C,E,F inclusive
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Superintendent	A-1,A-2,B,C,E,F inclusive
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CONSULTANTS

Consultants (and certain people filling new positions – see below) shall be included in the list of designated employees and shall disclose, pursuant to the broadest disclosure category in the Code, subject to the following limitations:

The City Manager or Agency's Executive Director may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager/Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Fair Political Practices Commission (FPPC) Regulation Section 18700.3 defines "consultant" as an individual who, pursuant to a contract with a state or local governmental agency:

- (1) Makes a governmental decision whether to:
 - a. Approve a rate, rule or regulation;
 - b. Adopt or enforce a law;
 - c. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order or similar authorization or entitlement;
 - d. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
 - e. Grant agency approval to a contract which requires agency approval and to which the agency is a party or to the specifications for such a contract;
 - f. Grant agency approval to a plan, design, report, study or similar item;
 - g. Adopt, or grant agency approval of, policies, standards or guidelines for the agency or for any subdivision thereof; or
- (2) Serves in a staff capacity with the agency and that capacity participates in making a governmental decision as defined in Regulation 18704(a) and (b) or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Section 87302.

Newly Created Positions

To the extent required by FPPC Regulation 18219, as it may be amended from time to time, "an employee in a newly created position that makes or participates in the making of decision and whose specific position is not yet listed in the conflict of interest code" is also required to disclose pursuant to the broadest disclosure category, subject to the same limitation, above, via which the City Manager may determine, in writing, that the employee is not required to fully comply with the disclosure requirements, etc.

EXHIBIT B

Appendix of Disclosure Categories

LISTING OF DISCLOSURE CATEGORIES

- A-1 INVESTMENTS (LESS THAN 10% OWNERSHIP)
- A-2 INVESTMENTS (GREATER THAN 10% OWNERSHIP)
- B INTERESTS IN REAL PROPERTY
- C INCOME & BUSINESS POSITIONS (INCOME OTHER THAN LOANS, GIFTS, AND TRAVEL)
- D INCOME - LOANS
- E INCOME - GIFTS
- F INCOME - TRAVEL PAYMENTS



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **ORDINANCE NO. 1146 – TO AMEND SECTIONS 155.003 (DEFINITIONS), 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM), 155.526 (COMPREHENSIVE SIGN PROGRAM REQUIREMENT FOR UNIFIED DEVELOPMENTS), 155.527 (WINDOW DISPLAYS), 155.536 (SIGN GUIDELINES), AND ADD SECTION 155.537 (STATIC POSTER BILLBOARD CONVERSION PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINATION THAT THE PROJECT IS EXEMPT FROM CEQA**

DATE: October 1, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
- 2) Waive further reading and introduce Ordinance No. 1146 by title, amending Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code; and
- 3) Take such additional, related, action that may be desirable.

FISCAL IMPACT

Amending the written language of the Santa Fe Springs Municipal Code will not have a fiscal impact.

BACKGROUND

Amendments to Chapter 155 (Zoning)

The proposed ordinance will not only clean up the City's Zoning Code by updating the references from the Director of Planning to the Director of Community Development but also define a poster billboard and establish procedures for the conversion of an existing static poster billboard to an electronic poster billboard. Staff recommends the proposed ordinance (Attachment B, Exhibit A) to define and identify those procedures:

- To amend Section 155.003 to define a poster billboard.
- To amend Section 155.519 to update the Director of Planning to the Director of Community Development.
- To amend Section 155.526 to update the Director of Planning to the Director of Community Development.
- To amend Section 155.536 to update the Director of Planning to the Director of Community Development.
- To add Section 155.537 to establish procedures for the conversion of an existing static poster billboard to an electronic poster billboard.

ANALYSIS

The conversion of static displays to electronic displays offers a versatile and impactful way to communicate messages to the public. Integrating modern technology will allow billboard operators the flexibility to display multiple messages in a rotation, including emergency alerts. The electronic billboard also reduces the need for paper and vinyl materials used in static billboards and thus, produces less overall waste. While the electronic billboard emits a glare of lighting, modern LED technology is energy-efficient and features pre-set dimming levels to ensure that the display is visually appealing without causing discomfort to drivers or nearby residents.

An operating agreement is required for the conversion of an existing static poster billboard to an electronic poster billboard. The operating agreement will be required to include compensation to the City, the utilization of the billboard for City messages of community interest, and the utilization of the billboard to display Amber Alert messages and emergency-disaster communications.

ENVIRONMENTAL

This Ordinance is exempt from CEQA pursuant to the common sense CEQA exemption (CEQA Guidelines Section 15061(b)(3)) which provides that CEQA applies only to projects which have the potential to have a "significant effect on the environment," as defined in Public Resources Code Section 21068 and in CEQA Guidelines Section 15382. The amendments to the City's Municipal Code will not have a significant effect on the environment.

Ordinance No. 1146

Page 3 of 3

SUMMARY

Staff is recommending that the City Council approve and adopt Ordinance No. 1146 to effectuate the proposed amendments to the text of the City's Municipal Code and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3).

ATTACHMENT(S):

A. Ordinance No. 1146

- a. Exhibit A – Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code.

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ORDINANCE NO. 1146

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS TO AMEND SECTIONS 155.003 (DEFINITIONS), 155.519 (INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM), 155.526 (COMPREHENSIVE SIGN PROGRAM REQUIREMENT FOR UNIFIED DEVELOPMENTS), 155.527 (WINDOW DISPLAYS), 155.536 (SIGN GUIDELINES), AND ADD SECTION 155.537 (STATIC POSTER BILLBOARD CONVERSION PROGRAM) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINATION THAT THE PROJECT IS EXEMPT FROM CEQA

THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings:

1. The Exhibits attached to this Ordinance are each incorporated by reference and made a part of this Ordinance.
2. This Ordinance is to update the City's Zoning Code by changing references from the Director of Planning to the Director of Community Development. Additionally, it aims to define a "poster billboard" and set procedures for converting existing static poster billboards into electronic ones. The specific amendments involve defining a poster billboard, updating multiple sections to reflect the new director title, and adding a section outlining the conversion process for billboards.
3. The conversion of static billboards to electronic displays provides a flexible and effective way to share messages with the public, including emergency alerts. This transition reduces the use of paper and vinyl, minimizing waste. Although electronic billboards emit light, modern LED technology is energy-efficient and has adjustable dimming features to ensure they remain visually appealing without causing discomfort to drivers or nearby residents.
4. An operating agreement is required for converting a static poster billboard into an electronic billboard. The agreement must include compensation to the City, allow the billboard to display City messages of community interest, and be used for Amber Alerts and emergency disaster communications.

SECTION 2. Amendments:

Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code is hereby amended as provided in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 3. Environmental Findings and Determination:

This Ordinance is exempt from CEQA because it falls within the common sense exemption, pursuant to CEQA Guidelines Section 15061(b)(3), which indicates that CEQA only applies to projects that have a “significant effect on the environment” as defined in Public Resources Code Section 21068 and in CEQA Guidelines Section 15382. These changes will not have a significant effect on the environment.

SECTION 4. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Ordinance, or any part thereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Ordinance or of Chapter 155, or any part thereof. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause, or phrase in this Ordinance irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses, or phrases may be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify the passage and adoption of this ordinance and shall cause the same to be published in the same manner required by law. This Ordinance shall become effective thirty (30) days from and after its passage.

PASSED and ADOPTED this 15th day of October 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jay Sarno, Mayor

ATTEST:

Fernando N. Muñoz, CMC, Deputy City Clerk

Exhibit A – Amendments to Chapter 154 (Subdivisions) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code

Exhibit A – Zoning Code Amendment
Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the
Code of Santa Fe Springs

Key:

Normal Text = unmodified Code language

~~Strikethrough Text~~ = Language from previous draft both parties agree to remove

Underline Text = Language from previous draft both parties agree to add

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.003
DEFINITIONS is hereby amended as follows:

BILLBOARD, ELECTRONIC. An off-site sign utilizing digital message technology, capable of changing the static message or copy on the sign electronically. An electronic billboard may be internally or externally illuminated. Electronic billboards shall contain static messages only, and shall not have animation, movement, or the appearance or optical illusion of movement, of any part of the sign structure, design, or pictorial segment of the sign. Each static message shall not include flashing, scintillating lighting or the varying of light intensity. An electronic billboard consists of a digital display area and a sign structure.

BILLBOARD, STATIC. A billboard that does not utilize digital message technology and instead uses "static" print/or pictures, for the advertisement of a business, commodity, service, thing, message, or entertainment conducted, sold, or offered elsewhere than upon the lot on which that sign is located.

BILLBOARD, POSTER. A billboard whose sign face measures no less than two hundred (200) square feet and no more than three hundred (300) square feet (cabinetry and trim excluded).

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.519
INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM is hereby amended as follows:

(E) *Permitted use in the M-2 zone.* Subject to the limitations of this sSection, and notwithstanding the provisions of any other sSection of the zoning ordinance, electronic billboards shall be a permitted use in the M-2 zone along the 605 corridor.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.519
INTERSTATE 605 CORRIDOR ELECTRONIC BILLBOARD SIGN PROGRAM is hereby amended as follows:

(J) *Standards of design.*

(5) *Screening.* All exposed portions of electronic billboards, including backs, sides, under areas, support members and support posts, shall be screened to the satisfaction of the Director of Planning Community Development or designee.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.526 COMPREHENSIVE SIGN PROGRAM REQUIREMENTS FOR UNIFIED DEVELOPMENTS is hereby amended as follows:

A comprehensive sign program shall be prepared for approval by the Director of Planning Community Development for all unified commercial and industrial developments such as shopping centers, business parks, industrial parks and similar developments which are five or more acres in area. The comprehensive sign program shall specify the design criteria including but not limited to sign area allocation per unit or building and shall show the relationship of the individual signs to the buildings and development as a whole. All signs shall be designed in good taste, have balance and symmetry and be fabricated and installed with high quality workmanship and in accordance with the approved comprehensive sign program.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.527 WINDOW DISPLAYS is hereby amended as follows:

Window signs shall not exceed 25% of the window area of the premises served and shall be subject to the sign limitations of the underlying zone except that window signs exceeding said 25% area limitations may be permitted for special sales events provided that approval is granted by the Director of Planning Community Development and that said signs exceeding the area limitations shall be limited to not more than five 14-day periods in any calendar year.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.536 SIGN GUIDELINES is hereby amended as follows:

Sign guidelines established by the Director of Planning Community Development shall be considered part of the sign provisions of this ~~e~~Chapter as contained herein. The sign guidelines may be changed or modified from time to time as determined necessary by the Director of Planning Community Development to promote aesthetically pleasing sign usage in the city.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.537 STATIC POSTER BILLBOARD CONVERSION PROGRAM is hereby added as follows:

§ 155.537 STATIC POSTER BILLBOARD CONVERSION PROGRAM.

(A) *Purpose and Intent.* The purpose of this Section is to provide reasonable controls regarding the conversion of certain existing static poster billboards along surface streets in the City to electronic poster billboards. The intent is to allow for modernization of certain existing static poster billboards to electronic poster billboards in exchange for reducing the overall number of static poster billboards with a minimum one to one (1:1) exchange ratio. In no instance is this Section intended to allow for the development of new poster billboards (static or electronic).

(B) *Location.* The conversion of existing static poster billboards along surface streets to electronic poster billboards shall only be permitted where:

- 1) The sign face is not primarily viewed from a freeway.
- 2) The existing static poster billboard is located on a commercial or industrial zoned property and is not within one hundred (100) feet of residentially zoned property that has a current residential use, unless it is determined by the Director of Community Development that based on a photometric study that there is no significant additional light intrusion than currently exists. The measurement shall be from the closest visible edge of the sign face to the closest edge of the residential use. If the sign face will not be visible to the residential use, no spacing is required.
- 3) The replacement electronic poster billboard is no less than one thousand (1,000) feet from any other electronic poster billboard on the same side of the street or roadway and faces the same direction.
- 4) The existing static poster billboard is not attached to a building rooftop.
- 5) No structural alteration to the existing sign structure is required.

(C) *Removal Required.* For every existing static poster billboard that is converted to an electronic poster billboard, a minimum of one additional static poster billboard shall be removed. The applicant, in conjunction with the Director of Community Development, shall agree on the static poster billboard to be removed.

(D) *Operating Agreement Required.* The conversion of an existing static poster billboard to an electronic poster billboard shall only be permitted when the City has entered into an operating agreement with an electronic poster billboard owner to allow for an electronic poster billboard under certain circumstances; including (i) compensation to the City; (ii) the utilization of the electronic poster billboard by the City to display messages of community interest and information, and public safety; (iii) the utilization by the City (or other appropriate agencies) to display "Amber Alert" messages and emergency-disaster communications; (iv) to establish quality and maintenance standards; and (v) the removal of other existing poster billboards on a one to one (1:1) ratio, at a minimum.

(E) *Standards of design.*

- 1) *Maximum number of faces.* No electronic poster billboard shall have more than two faces. A face shall be considered the display surface upon which an advertising message is displayed.
 - a) The faces of two-sided electronic poster billboards shall be identical in size.
 - b) The top, bottom, and sides of the faces shall be in alignment, and no portion of either face shall project beyond the corresponding portion of the other face. Architectural elements shall also be aligned on both sides of the electronic poster billboard.
- 2) *Maximum face size.* Each face of the sign shall be no larger than 12 feet by 25 feet (total 300 square feet), excluding cabinetry and trim.

- 3) *Screening.* The support structure for each electronic poster billboard shall be painted a complementary color, as approved by the Director of Community Development or designee. Additionally, all mechanical equipment shall be screened to the satisfaction of the Director of Community Development or designee.
- 4) *Branding.* The City of Santa Fe Springs name and/or City seal shall be included on each electronic poster billboard. The Director of Community Development or designee shall approve the location of the name and/or City seal.
- 5) *Removal of superfluous equipment.* Any pre-existing ladders or other ancillary structures that were required for the static poster billboard, but which are not required for an electronic poster billboard, shall be removed in connection with the conversion.
- 6) *Utilities.* When converting an existing static poster billboard to an electronic poster billboard, the applicant shall use the existing billboard utilities and upgrade only if necessary. The utilities shall be screened or otherwise concealed to the extent practical, as determined by the Director of Community Development.

(F) *Operational restrictions.*

- 1) No electronic poster billboard shall display flashing, shimmering, glittering, intermittent or moving light or lights. Exceptions to this restriction include time, temperature, and smog index units, provided the frequency of change does not exceed four-second intervals.
- 2) *Minimum display time.* Each message on the sign must be displayed for a minimum of four seconds or the minimum time allowed under the State of California Outdoor Advertising Act and Caltrans implementing regulations, whichever is the shorter period of time.
- 3) *Maximum display time.* Electronic poster billboard messages shall be displayed for no longer than two minutes at a time.
- 4) Each electronic poster billboard shall be made available to the appropriate agencies for the purposes of displaying "Amber Alerts" or other emergency messages, at no cost, and in accordance with local and regional emergency protocols.
- 5) Each operator of an electronic poster billboard shall monitor the poster billboard's condition in accordance with industry standards. All material outages and malfunctions must be repaired within 48 hours of being notified of a malfunction.
- 6) No electronic poster billboard shall utilize technology that would allow interaction with drivers, vehicles or any device located in vehicles, including, but not limited to, a radio frequency identification device, geographic positions system, or other device.
- 7) No electronic poster billboard shall emit audible sound, odor, or particulate matter.
- 8) No electronic poster billboard shall simulate or imitate any directional, warning, danger or information sign, or any display likely to be mistaken for

any permitted sign intended or likely to be construed as giving warning to traffic, by, for example, the use of the words "stop" or "slow down."

- 9) No electronic poster billboard shall involve any red or blinking or intermittent light likely to be mistaken for warning or danger signals, nor shall its illumination impair the vision of travelers on the adjacent freeway and/or roadways. Illuminations shall be considered vision impairing when its brilliance exceeds the values set forth in Cal. Vehicle Code § 21466.5.
- 10) Each electronic poster billboard shall be provided with an ambient light sensor that automatically adjusts the brightness level of the electronic sign based on ambient light conditions.
- 11) Electronic poster billboards shall not operate at brightness levels of more than 0.3-foot candles above ambient light, as measured using a foot candle meter at a distance of 150 feet.
- 12) No electronic poster billboard shall be maintained in the City unless the name of the person or company owning or maintaining it and the identifying number of the electronic poster billboard are plainly displayed thereon.

(G) *Additional requirements.* Prior to issuance of the required City permits for any electronic poster billboard project subject to the requirements of this Chapter, the applicant shall provide the following:

- 1) The telephone number and email address of a maintenance service, to be available 24 hours a day, to be contacted in the event that an electronic poster billboard becomes dilapidated or damaged.
- 2) Proof of lease demonstrating a right to install the electronic poster billboard on the subject property.
- 3) A list of locations of all electronic billboards in the City owned or managed by the entity that will own or manage the subject electronic poster billboard.



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **EXCLUSIVE NEGOTIATING AGREEMENT (“ENA”) WITH PRIMESTOR DEVELOPMENT, LLC FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING AND MIXED-USE PROJECT ON CITY-OWNED PROPERTY**

DATE: October 1, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Adopt Resolution No. 9930 to authorize the City Manager to execute an Exclusive Negotiating Agreement (“ENA”) with Primestor Development, LLC; and
- 2) Take such additional, related, action that may be desirable.

FISCAL IMPACT

There are no direct fiscal impacts associated with approving the ENA. During the course of the negotiations, Primestor Development, LLC ("Primestor") will cover the costs of the due diligence. Any potential fiscal impacts related to the sale or development of the property will be addressed in the subsequent Disposition and Development Agreement (DDA), should the project move forward.

BACKGROUND

California's Surplus Land Act requires state and local agencies to prioritize the sale or lease of surplus government-owned land for affordable housing, parks, schools, or other public uses before selling it on the open market. The goal is to ensure that unused or underutilized public land is used to benefit the community, particularly by addressing housing needs and public space requirements. As such, the City has taken the initial steps to comply with the State's requirements.

Resolution No. 9930 - Exclusive Negotiating Agreement

Page 2 of 3

On October 3, 2024, the City Council adopted Resolution No. 9884 to declare three city-owned parcels as surplus properties (“Project Site”). Subsequently, a Notice of Availability (NOA) was released on December 7, 2023 to evoke the 60-day period for potential interest in purchasing and developing the properties. As a result of the NOA, the City received six (6) letters of interest. On March 7, 2024, the City initiated the 90-day good-faith negotiations with each of the organizations and thereafter, conducted interviews with the five (5) responding organizations. After completing the 90-day negotiation period, the City selected Primestor to design and develop a project that complies with the State’s Surplus Land Act and meet the needs of the community.

ANALYSIS

The purpose of the ENA is to provide the City and Primestor with the opportunity to continue negotiating in good faith and conduct the necessary due diligence for the proposed project. The ENA establishes a framework for collaboration, allowing both parties to explore key factors such as community input on the design, project feasibility, potential community benefits, and a milestone-driven timeline.

Importantly, the ENA does not commit the City to approving the project or selling the property. It serves as an initial step to assess whether the project is both viable and mutually beneficial. If negotiations are successful, the City and Primestor will proceed toward a Disposition and Development Agreement (DDA), which will outline specific terms for property conveyance, project financing, and construction commitments.

ENVIRONMENTAL

The approval of the ENA is not considered a project under the California Environmental Quality Act (“CEQA”) and does not require environmental review at this stage. An environmental analysis and CEQA compliance will be conducted as part of the entitlement process.

DISCUSSION

Entering into an ENA with Primestor represents an important step in the City's effort to transform underutilized city-owned property into a vibrant mixed-use development. This agreement provides both the City and Primestor the opportunity to collaborate and assess the feasibility of a project that has the potential to deliver substantial economic, housing, and community benefits.

City staff recommends approving the ENA to facilitate further negotiations and to evaluate whether the project aligns with both the State’s Surplus Land Act and the City’s long-term goals.

Resolution No. 9930 - Exclusive Negotiating Agreement

Page 3 of 3

SUMMARY/NEXT STEPS

The City agrees to negotiate exclusively with Primestor and will refrain from soliciting or considering proposals from other developers for the Project Site. As outlined in the Draft ENA, Primestor will have the opportunity to conduct site assessments, including environmental testing, infrastructure analysis, and financial modeling. Both parties agree to negotiate in good faith to address key project elements such as land use approvals, community benefits, and development financing. Should either party fail to meet the key milestones, or if the negotiations do not lead to an agreement within the designated timeframe, the ENA may be terminated.

ATTACHMENT(S):

- A. Resolution No. 9930
 - a. Exhibit A – Draft Exclusive Negotiating Agreement
- B. Aerial Maps of Project Site
 - a. Sculpture Garden Location
 - b. Former Chevron Location

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

RESOLUTION NO. 9930

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS APPROVING AN EXCLUSIVE NEGOTIATION AGREEMENT WITH PRIMESTOR DEVELOPMENT, INC. AND DIRECTING THE CITY MANAGER TO EXECUTE THE EXCLUSIVE NEGOTIATION AGREEMENT AND ALL NECESSARY AND RELATED DOCUMENTS, AND FINDING THIS ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

(SCULPTURE GARDEN AND FORMER CHEVRON PROPERTIES)
(APN'S **8005-012-902**, **8009-007-930** and **8009-007-931**)

RECITALS

WHEREAS, the City of Santa Fe Springs ("City") is the owner of certain real property located at the northwest and southwest corners of Telegraph Road and Norwalk Boulevard in the City, comprised of three parcels of land and more specifically described as Assessor Parcel Numbers ("APN") 8005-012-902, 8009-007-930, and 8009-007-931 ("Property"); and

WHEREAS, on October 3, 2023, the City Council adopted Resolution No. 9884 to declare the Property surplus, pursuant to the Surplus Lands Act (Gov. Code § 54220 *et seq.*); and

WHEREAS, Primestor Development, Inc. ("Developer") proposes to redevelop the Property consistent with the requirements of the Surplus Lands Act; and

WHEREAS, the City and Developer desire to enter into an Exclusive Negotiating Agreement for a specified time for the purpose of conducting due diligence and to negotiate a Disposition and Development Agreement ("DDA") for the Property.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DOES HEREBY RESOLVE, DETERMINE AND ORDERS AS FOLLOWS:

Section 1. The Recitals above are true and correct and incorporated by reference herein.

Section 2. The City Council of the City of Santa Fe Springs hereby approves and directs the City Manager to finalize negotiations and execute an Exclusive Negotiation Agreement ("ENA") substantially in the form of Exhibit "A," attached hereto and incorporated by reference, as well as all other related and necessary documents concerning the property commonly known as the Sculpture Garden and Former Chevron properties, which includes APN's **8005-012-902**, **8009-007-930** and **8009-007-931**.

Section 3. The City Council further authorizes the City Attorney to make any clarifying changes necessary to effectuate the intent of the ENA.

Section 4. This action has been reviewed with respect to the applicability of the California Environmental Quality Act ("CEQA") (Public Resources Code § 21000 *et seq.*).

City staff has determined that the approval of the ENA, which involves negotiating the terms and conditions of a DDA , does not allow development to occur and does not have the potential to create a significant effect on the environment. Therefore, it is exempt from further review under CEQA pursuant to State CEQA Guidelines Section 15060(c)(3), as it is not considered a project as defined by the CEQA Guidelines Section 15378. The execution of an ENA does not have the potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Any future proposed development will be analyzed in accordance with CEQA.

PASSED AND ADOPTED this 1 st day of October 2024, by the following roll call vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:
ABSTAIN: Councilmembers:

Jay Sarno, Mayor

ATTEST:

Fernando Munoz, Deputy City Clerk

CITY OF SANTA FE SPRINGS

EXCLUSIVE NEGOTIATION AGREEMENT

(Sculpture Garden & Former Chevron Site Development Project)

THIS EXCLUSIVE NEGOTIATION AGREEMENT (“Agreement”) is dated as of _____, 2024 for reference purposes only, and is entered into by and between the City of Santa Fe Springs (the “City”), and Primestor Development, LLC, a Delaware limited liability company (the “Developer”), to provide a specified period of time to negotiate a Disposition and Development Agreement (“DDA”). The City and Developer are sometimes referred to in this Agreement individually, as a “Party” and, collectively, as the “Parties.” This Agreement is entered into by the Parties with reference to the following recited facts (each, a “Recital”):

RECITALS

A. The City is the current owner of certain real property located at the northwest and southwest corners of Telegraph Road and Norwalk Boulevard in the City, comprised of three parcels of land and more specifically described in the legal descriptions attached to this Agreement as Exhibit “A” (the “Property”), and incorporated into this Agreement by this reference, and also known as Assessor Parcel Numbers 8005-012-902, 8009-007-930, and 8009-007-931; and

B. On October 3, 2023, the City adopted Resolution No. 9884 to declare the Property as surplus land, pursuant to the State’s Surplus Land Act (Gov Code § 54220 *et seq.*); and

C. The Developer has proposed to redevelop the Property based on public outreach, but will include covenanted affordable units as required by the Surplus Land Act as described in Exhibit “B” attached and incorporated into this Agreement by this reference (“Project”); and

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

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

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

2. **Term of Agreement.**

(a) The rights and duties of the City and the Developer established by this Agreement shall commence on the first date on which all of the following have occurred (the “Effective Date”): (1) execution of this Agreement by the authorized representative(s) of the Developer and delivery of such executed Agreement to the City and (2) execution and delivery of

this Agreement by the authorized representative(s) of the City and delivery of such executed Agreement to the Developer. The City shall deliver a fully executed counterpart original of this Agreement to the Developer, within five (5) business days following the execution of this Agreement by the authorized representative(s) of the City. This Agreement shall continue in effect for the period of 180 consecutive calendar days immediately following the Effective Date ("Negotiation Period"). Notwithstanding the foregoing, if the Parties have not executed and delivered the DDA within such 180-day period, the Parties may extend the Negotiation Period for a period not-to-exceed 180 days, by mutual agreement. The Negotiation Period may be extended only by written amendment to this Agreement executed by authorized representative(s) of the Parties.

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

3. Obligations of the Parties.

(a) Obligations of Developer. During the Negotiation Period, the Developer shall proceed diligently and in good faith to develop and present to the City, all of the following:

(i) Initial Deposit. Concurrent with the Developer's execution of this Agreement, the Developer shall pay the City a deposit in the amount of Twenty Five Thousand Dollars (\$25,000) in immediately available funds ("Initial Deposit") to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during the Negotiation Period, as part of the consideration for the City's agreement not to negotiate with other persons during the Negotiation Period, and to defray certain costs of the City in pursuing the contemplated negotiations with the Developer pursuant to this Agreement, including staff time, consultant fees, and attorneys' fees associated with review and implementation of this Agreement or preparing and negotiation of the DDA all of which will be charged against the Initial Deposit. If at any time the Initial Deposit falls below Five Thousand Dollars (\$5,000) Developer shall make an additional deposit of Ten Thousand Dollars (\$10,000) if requested by the City. Any funds remaining in the Initial Deposit at the expiration or termination of this Agreement shall either be returned to the Developer or applied toward the purchase price of the Property, at the Developer's discretion. The Initial Deposit shall not be applied to those fees and expenses required by the City of Developer for any permit, other required entitlement or Project processing.

(ii) Extension Deposit. Upon the extension of the Negotiation Period, if any, the Developer shall deposit an additional Ten Thousand Dollars (\$10,000) in immediately available funds with the City on the first day of the extension of the Negotiation Period ("Extension Deposit"). Each Extension Deposit is intended to ensure that the Developer shall proceed diligently and in good faith to fulfill its obligations under this Agreement during any extension of the Term, as part of the consideration for the City's agreement not to negotiate with other persons during such extension of the Negotiation Period, and to defray certain costs of the City in pursuing the contemplated negotiations with the Developer during any such extension of the Negotiation Period pursuant to this Agreement.

(iii) Schedule of Performance. Within 90 days after the Effective Date, the Developer will provide to the City a certified appraisal and updated Schedule of Performance for pre-development activities including: (a) the estimated dates for obtaining land use entitlements and permits; (b) estimated dates for applying for and obtaining financing commitments; and (c) estimated dates for completion of the preliminary due diligence activities described below (the "Schedule of Performance"). The Developer will conduct all pre-development activities in accordance with the Schedule of Performance and additionally, may update the Schedule of Performance through the Negotiation Period and provide the City with those updates. The Developer shall be responsible for seeking and securing all permits, entitlements and financing for the Property upon the execution of a DDA.

(iv) Public Outreach. During the Negotiation Period, the Developer must conduct public outreach with respect to the Project, at the Developer's sole cost and expense, in accordance with the Schedule of Performance and at locations agreed to by the parties. The Developer's public outreach obligations to be set forth in the Schedule of Performance shall be subject to City's reasonable review and approval.

(v) Conceptual Development. After completing the public outreach, a proposed conceptual development plan for the Project on the Property that describes and depicts: (1) the location and placement of the proposed buildings; (2) the location of all existing oil and gas wells; and (3) the conceptual architecture and reference images for elevations' concepts for the proposed buildings; (4) proposed uses including the number of overall residential units and covenanted affordable and the proposed affordability level.

(vi) Due Diligence. During the Negotiation Period, the Developer will conduct investigations regarding condition of title and the physical condition of the Property. To facilitate such activities, the City intends to enter a Right of Entry Agreement with the Developer in substantially the form attached to this Agreement as Exhibit "D". The City will provide a copy of any applicable reports in its possession, as well as a copy of the soils management plan, if any.

(vii) Progress Reports. Periodically, as requested by the City, the Developer will make reasonable oral and written progress reports and submit reports and analyses advising the City on activities under this Agreement and matters related to the Project and negotiations under this Agreement.

(viii) DDA. If negotiations under this Agreement are successful, the Developer will execute and submit to the City a DDA that is mutually satisfactory to the Developer and the City Manager for the development of the Property for consideration and approval by the City Council.

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

(i) Right of Entry Agreement. Enter into a Right of Entry Agreement with Developer substantially in the form attached as Exhibit "D" hereto within five (5) days of the Effective Date. The Right of Entry Agreement will provide the Developer with access to the Property during the Negotiation Period for the purpose of performing due diligence activities.

(ii) Preliminary Title Report. Provide the Developer with a preliminary title report for the Property in accordance with the Milestone Schedule (Exhibit "C").

(iii) Senior Staff. Reasonably make its Senior Staff available to Developer and diligently respond to Developer's inquiries and meetings in order to facilitate the timely execution of the tasks contained in the Schedule of Performance as well as any ancillary requirements thereof. For purposes of this Agreement, "Senior Staff" means the City Manager or their designee(s).

04. **This section intentionally left blank.**

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

06. **Negotiation of DDA.** During the Negotiation Period, the City and the Developer shall negotiate diligently and in good faith to negotiate a DDA between them. As set forth more fully in Section 11(a) below, the City shall not negotiate with any entity other than the Developer regarding the development of the Property or solicit, entertain or respond to any bids or proposals to do so. The City and the Developer shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both the City and the Developer shall exercise reasonable efforts to complete discussions relating to the terms and conditions of a DDA and such other matters, as may be mutually acceptable to both the City and the Developer, in their respective sole discretion. The exact terms and conditions of a DDA, if any, shall be determined during the course of these negotiations. Nothing in this Agreement shall be interpreted or construed to be a representation or agreement by either the City or the Developer that a mutually acceptable DDA will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive DDA in the future. Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed DDA that may be negotiated by City staff and the Developer will be approved by the City Council. The Developer acknowledges and agrees that the City consideration of any DDA is subject to the sole and absolute discretion of the City Council and all legally required public hearings, public meetings, notices, factual findings, and other determinations required by law.

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

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

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

(c) Except as to an assignment to an entity wholly controlled or wholly owned by Developer or a limited partnership in which Developer or an affiliate is a general partner, the City's consent to the assignment shall not be required. Any such assignment shall be made on the condition that such affiliate or general partner expressly assumes all of the obligations of the Developer under this Agreement in a writing reasonably satisfactory to the City. Any other proposed assignment shall not be attempted without the City's express advance written consent, which consent shall be given or withheld at the sole discretion of the City Manager or their designee. For purposes of this Agreement, an Affiliate of the Limited Partner means any investor or investment fund in which the general partner or managing member of the investor or investment fund, directly, or indirectly controls, is controlled by or is under common control with the Limited Partner.

(d) Upon any permitted assignment by Developer of its rights and obligations hereunder, the Developer and permitted assignee shall execute a written assignment agreement and the succeeding entity shall be deemed the Developer for all purposes under this Agreement. Notwithstanding anything which may be or appear to be herein to the contrary, no assignment hereof by Developer shall relieve Developer of its obligations under this Agreement unless specifically agreed to in writing by the City.

08. Obligations to Review Draft Agreements and Attend Meetings.

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

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

(c) The Developer and the City shall use commercially reasonable best efforts to perform the tasks set forth in the Milestone Schedule within the times set forth therein.

09. Developer to Pay All Costs and Expenses. All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review,

planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a DDA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the City. The Developer shall also pay all fees and out of pocket or third-party costs, make the required deposits and provide the required bonds or other security associated with the submission to and processing by the City of any and all applications and other documents and information to be submitted to the City by the Developer pursuant to this Agreement or otherwise associated with the Project, including, but not limited to, any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the City during the Negotiation Period, but which costs, fees and/or expenses must be approved in writing by Developer, in each instance. The City shall not be obligated to pay or reimburse any expenses, fees, charges or costs incurred by the Developer in pursuit of any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, whether or not this Agreement is, eventually, terminated or extended or a DDA is entered into between the City and the Developer, in the future, inclusive of any draw downs for the Initial Deposit or Extension Deposit for staff time, consultant fees, and attorneys' fees in accordance with this Agreement.

10. Hazardous Materials and Development Assessment.

(a) During the Negotiating Period, the Developer may conduct such inspections, tests, surveys, and other analyses ("Inspections") as the Developer deems reasonably necessary to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project but shall not be obligated to complete such Inspections within the Negotiating Period. However, failure to complete the Inspections shall not be grounds for extension of the Negotiating Period, unless both Parties agree. The City shall make available to the Developer, upon the Developer's written request, existing information and plans in its possession regarding the Property. The Developer at its sole cost and expense shall conduct or cause to be conducted environmental assessments, audits and/or testing and any other activities, audits, tests and assessments to determine the feasibility of the Project ("Tests") of the Property. The Developer shall take all necessary effort to ensure that such Tests shall not unreasonably alter the condition of the Property or other City activities on the Site, if applicable.

(b) Developer shall have the right to terminate this Agreement if the Developer is not reasonably satisfied with the findings and the recommendations made in the Tests, or if the Project is determined not to be feasible in the sole discretion of the Developer. However, both Parties acknowledge and agree that specific representations or warranties, agreements, obligations, liabilities or responsibilities pertaining to the condition or title of the Property and/or the Project may be the subject of negotiations between the Parties in connection with the negotiations of any DDA or other agreement entered into by the Parties.

(c) Developer shall defend, indemnify, and hold harmless the City and its officers, agents, consultants, volunteers, and employees from and against all suits and causes of action, claims, losses and demands and expenses, including but not limited to costs (including all actual litigation costs incurred by the City, including but not limited to costs of experts and consultants) and reasonable attorneys' fees, damage or liability of any nature whatsoever, for death or injury to any person, including Developer's and any contractor's and subcontractor's employees and agents, or damage or destruction of any property or any property of the Parties hereto or of third parties, arising in any manner by reason of negligent acts, errors, omissions or willful misconduct incident to any such entry on the Property by Developer, its employees, agents, or representatives.

(d) Upon execution of the Right of Entry Agreement, the Developer shall present to the City with evidence of a general liability insurance policy in an amount of at least One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate and Worker's Compensation Insurance consistent with state law requirements, naming the City of Santa Fe Springs as an additional insured. The insurance policy shall cover all liability and property damage arising from the Developer's employees, agents and representatives presence on the Property while conducting Inspections. Any destruction or alteration of site features or surfaces resulting from the tests shall be fully replaces at the full expense of the Developer within ten (10) business days of the disturbance.

11. City Not To Negotiate With Others.

(a) During the Negotiation Period, the City shall not negotiate with any other person regarding the sale or redevelopment of the Property. The term "negotiate," as used in this Agreement, means and refers to engaging in any discussions with a person other than the Developer, regardless of how initiated, with respect to that person's redevelopment of the Property to the total or partial exclusion of the Developer from redeveloping the Property, without the Developer's written consent, subject to the provisions of Section 11(b) and further provided that the City may receive and retain unsolicited offers regarding redevelopment of the Property, but shall not negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the City may discuss the fact that the City is a party to this Agreement.

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

12. Acknowledgments and Reservations.

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

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

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

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

(e) The City reserves the right to reasonably obtain further information, data, and commitments to ascertain the ability and capacity of the Developer to develop the Property and/or the Project. The Developer acknowledges that it may be requested to make certain financial disclosures to the City, its staff, legal counsel or other consultants, as part of the financial due diligence investigations of the City relating to the potential sale of the Property and redevelopment of the Project on the Property by the Developer and that any such disclosures may become public records. The City shall maintain the confidentiality of financial information of the Developer to the extent allowed by law, as reasonably determined by the City's Legal Counsel.

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

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

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

14. **Default.**

(a) Event of Default. The occurrence of any of the following shall constitute an event of default ("Event of Default") under this Agreement:

(i) Performance Milestones. Failure or unreasonable delay by either Party to perform or meet any performance milestone in the Milestone Schedule by the applicable date.

(ii) Misrepresentation. Any material breach of any representation or warranty made by the Developer in term or provision of this Agreement.

(iii) Unauthorized Assignment. Any assignment or attempted assignment by the Developer in violation of Section 7 of this Agreement.

(iv) Insurance. Failure by the Developer to procure or maintain any of the insurance coverage required by this Agreement resulting in a lapse in required insurance coverage.

(v) Negotiation of Disposition of the Property with Other Parties. If the City begins to engage in land disposition negotiations concerning the Property with any party other than Developer prior to the termination or expiration of the Agreement.

(vi) Other Defaults. Failure by either Party to comply with any provision of this Agreement.

(b) Opportunity to Cure. If there is an Event of Default, the Party claiming that a default has occurred shall give written notice of the Event of Default to the Party claimed to be in default, specifying the alleged default. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default. Notwithstanding the foregoing, if the Party who is claimed to be in default by the other Party cures, corrects or remedies the alleged default within fifteen (15) calendar days after receipt of written notice specifying such default, such Party shall not be in default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If there are less than fifteen (15) days remaining in the Negotiation Period, the cure period allowed pursuant to this Section 14(h) shall be automatically reduced to the number of days remaining in the Negotiation Period.

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

(d) Available Remedies. The injured Party shall have no right to exercise any remedy for a default under this Agreement, without first delivering written notice of the default. If a default of either Party remains uncured for more than fifteen (15) calendar days following receipt of written notice of such default, a "breach" of this Agreement by the defaulting Party shall be deemed to have occurred. In the event of a breach of this Agreement, the sole and exclusive remedy

of the Party who is not in default shall be to terminate this Agreement by serving written notice of termination on the Party in breach and, in the case of a breach by the City, the Developer shall also be entitled to receive the Liquidated Damages Amount.

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

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

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

TO DEVELOPER: Primestor Development, LLC
9950 Jefferson Boulevard
Culver City, CA 90232
Attention: Arturo Sneider

TO CITY: City of Santa Fe Springs
11710 East Telegraph Road
Santa Fe Springs, CA 90670
Attention: City Manager

With Courtesy Copy to: Olivarez Madruga Law Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Attn: Rick Olivarez

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

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

20. **Severability.** If any provision of this Agreement, or its application to any person or circumstance, is held invalid by any court, the invalidity or inapplicability of such provision shall not affect any other person or circumstances, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as so modified by and in response to such invalidation would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the fundamental purposes of this Agreement. Without limiting the foregoing, in the event that any applicable state or federal law prevents or precludes compliance with any material term of this Agreement, to the extent necessary to comply with such provisions in a manner which preserves to the greatest extent possible the benefits to each of the Parties to this Agreement. However if such amendment, modification or suspension would deprive the Developer or the City of the substantial benefits derived from this Agreement or make performance unreasonably difficult or expensive, then the affected Party may terminate this Agreement upon fifteen (15) days written notice to the other Party. In the event of such termination, neither Party shall have any further right or obligation under this Agreement except as otherwise provided herein.

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

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

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

24. **Non-Liability of City Officials.** No member, official, officer, employee, agent, representative, volunteer, or consultant of the City shall be personally liable to 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 to its successor, or on any obligations under the terms of this Agreement.

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

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

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

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

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

[SIGNATURES ON FOLLOWING PAGE]

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

DEVELOPER:

PRIMESTOR DEVELOPMENT, LLC,
a Delaware limited liability company
By: Primestor Development, Inc.,
a Nevada corporation,
Its Manager

By: _____
Arturo Sneider, Chief Executive Officer

Date: _____

CITY OF SANTA FE SPRINGS:

By: _____
Rene Bobadilla, City Manager

Date: _____

Approved as to Form:

By: _____
Rick Olivarez, City Attorney

Attest:

By: _____
Fernando Munoz, Deputy City Clerk

EXHIBIT "A"
TO
NEGOTIATION AGREEMENT

Property Legal Description

A.P.N. 8005-012-902

PM 108-17-18 LOT 1

A.P.N. 8009-007-930

P M 398-69-72 THAT POR IN TRA 5354 OF LOT 1

A.P.N. 8009-007-931

P M 398-69-72 LOT 2

EXHIBIT “B”
TO
NEGOTIATION AGREEMENT

Project Description

The Developer has proposed to redevelop the Property based on public outreach, but includes affordable housing as required by the Surplus Land Act (“Project”)

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

EXHIBIT “C”
TO
NEGOTIATION AGREEMENT

Milestone Schedule

Within 90 Days of Effective Date of the Agreement, Developer shall provide the City with the following items:

Certified Appraisal. A certified appraisal report conducted within thirty (30) days of submittal to the City.

Schedule of Performance. A Schedule of Performance that indicates when the Developer will complete the following pre-development activities:

1. Estimated dates for conducting public outreach, for the purpose of obtaining public input on the proposed project at the Property.
2. Estimated dates for obtaining land use and zoning entitlements and permits.
3. Submittal of a conceptual development package (“**Conceptual Development Package**”) that consists of:
 - a. A preliminary development proposal generally describing the Project subject to City review and approval;
 - b. An initial estimate of development costs, including construction and non-construction costs, such as the proposed purchase price for land;
 - c. A preliminary description of the proposed method of financing and estimated dates for applying for an obtaining such financing;
 - d. A proposed construction and operating proforma which identifies all sources and uses of funds;
 - e. Submittal of preliminary design(s) (including a scaled site plan indicating the proposed uses and approximate square footage dedicated to each use, number of residential units including the number of covenanted units and level of affordability that meets the minimum requirements of the Surplus Lands Act (Gov. Code § 54220 et seq.), building and parking layout and either elevations or conceptual renderings; and
 - f. Evidence reasonably acceptable to the City that the Developer has the significant financial resources necessary for development.
4. **Scope of due diligence**, including necessary tests and inspections to conduct investigations regarding the condition of title and the physical

condition of the Property and estimated dates to conduct such inspections. Prior to entering the Property, the City and Developer shall execute a Right of Entry Agreement and present proof of insurance consistent with the terms contained in the Right of Entry Agreement.

City staff may solicit proposals and select independent financial or design consulting firms to verify and further evaluate the Conceptual Development Package at the City's sole expense.

- 5. Initial Outreach.** The Developer will conduct outreach to understand the desired community project, while maintaining compliance with the Surplus Lands Act. The Developer shall conduct at least one in-person outreach meeting to gather community input on the project scope, subject to the review and approval of the City. The Preliminary Development Concept Package should be designed around the results of the initial outreach process and shall be completed prior to the submittal of the Conceptual Development Package.

Within 60 days of the Effective Date of the Agreement, the City shall take the following actions:

Preliminary Title Report. The City to provide preliminary title report on property; The Developer to commence physical due diligence on Property.

Within 30 days of the City's receipt of the Developer's Conceptual Development Package the City shall take the following actions:

- 1. Preliminary City Evaluation.** Within thirty (30) days of the date of receipt of the Preliminary Development Concept Package, the City will provide its evaluation ("Preliminary City Evaluation") to the Developer. Such evaluation will include:
 - a. The City's evaluation of items addressed in the Preliminary Development Concept Package. The Preliminary City Evaluation shall indicate City's preliminary determinations as to the appropriate level of review under CEQA and local entitlement approvals (e.g., DPA, CUP, TPM, TTM, VAR, etc).
 - b. The City will identify the amount of local City of Santa Fe Springs funding sources for infrastructure and affordable housing development.

City staff may solicit proposals and select independent financial or design consulting firms to verify and further evaluate the Conceptual Development Package at the City's sole expense.

- 2. Draft Disposition & Development Agreement ("DDA").** Subject to the City's approval of the Developer's Conceptual Development Package, the City , the City will provide the Developer with a first draft of the DDA and exhibits within sixty (60) days of the date of receipt of the Conceptual Development Package.

Within one-hundred twenty (120) days of receipt of a draft DDA, the Parties shall complete the following performance milestones, not to exceed the term of the Negotiation Period unless both Parties agree to extend the Negotiation Period in accordance with the Agreement.

:

Finalize DDA. Within one hundred twenty (120) days of receipt of the first draft of the DDA, the Developer and the City will conclude negotiations on a final form of DDA. It is expected that this negotiation will require multiple rounds of review and comment by the Developer and the City, and will also be dependent on identifying and pursuing other funding sources outside of the City of Santa Fe Springs. However, in no event are the Parties obligated to execute a DDA if the Parties cannot come to mutual agreement to the terms of the DDA, nor shall the failure to executed a DDA constitute a breach of the Agreement.

Procurement of Other Funding Sources. The Developer will work with the City and other affordable housing agencies at the County, State and Federal levels, with industry advocates, to identify, plan for, apply for and secure other funding sources.

Impact of and timing of Disparate Funding Sources. The above timing commitments and subsequent DDA will be impacted by the identification, pursuit and attainment of funding for the agreed upon Project. The remainder of the Agreement period (180 days of effective date of the Agreement plus any mutually agreed upon extensions, if any) allows further time for the City and the Developer to gain these commitments to ensure a feasible execution.

EXHIBIT "D"
TO
NEGOTIATION AGREEMENT

Right of Entry Agreement

[To Be Attached Behind This Cover Page]

RIGHT OF ENTRY AGREEMENT

(Sculpture Garden & Former Chevron Site Development Project)

This Right of Entry Agreement (“Agreement”) is made and entered into this ____ day of ____, 2024, by and between the City of Santa Fe Springs (“City”) and Primestor Development, LLC (“Developer”) and its employees, officers, members, agents, representatives, invitees, affiliates, and its contractors, including their consultants, subcontractors and suppliers (collectively, the “Affiliated Parties”).

RECITALS

WHEREAS, the City owns certain real property (“Property”) located at the northwest and southwest corners of Telegraph Road and Norwalk Boulevard in the City of Santa Fe Springs comprised of three parcels of land and more specifically described in the legal description attached to this Agreement as Exhibit “A” (“Property”) and incorporated into this Agreement by this reference; and

WHEREAS, The Developer has proposed the redevelopment of the Property as a mixed-use development with market rate and affordable housing (the “Project”) consistent with the requirements of the Surplus Lands Act (Gov. Code § 54220 et seq.); and

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

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

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

1. **Grant.** City, the owner of the Property, hereby grants a right of entry (“Right of Entry”) to the Developer and its Affiliated Parties to enter upon the Property. Use of the Property is for the purpose of conducting Inspections.

2. **Permitted Activities.** The Developer and the Affiliated Parties shall use the Right of Entry to perform the aforementioned Inspections.

3. **Term.** This Agreement will be effective on the date first written above. The Developer and its Affiliated Parties shall have the Right of Entry for a maximum period of 26 weeks, and in accordance with the terms of this Agreement, commencing on _____, 2024 to _____, 2025 unless this Agreement is earlier terminated as set forth in this Agreement.

4. **Condition of Property.** During the term of this Agreement, the Developer and its Affiliated Parties shall not cause physical damage, create dangerous conditions on the Property or otherwise cause any other damage to the Property and shall take all reasonable steps to maintain the

Property in its current condition, reasonable wear and tear excepted, in an orderly and appealing manner. In addition, the Developer and its Affiliated Parties shall interfere with the peaceful enjoyment of the Property by the current tenant of the Property.

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

6. **Access to the Property.** The City shall make a reasonable efforts to keep access to the Property available to the Developer and its Affiliated Parties at all times and shall not unreasonably interfere with the Developer and its Affiliated Parties' access to the Property. The Developer and its Affiliated Parties shall not interfere with the City's access to or use of the Property .

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

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

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

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

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

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

10. The Developer and its Affiliated Parties shall carry the insurance or provide for self-insurance required by California law to protect City from claims under the Workers' Compensation Act.

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

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

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

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

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

To City:

Director of Community Development
City of Santa Fe Springs
11710 East Telegraph Road
Santa Fe Springs, CA 90670
(562) 868-0511

To Developer and its Affiliated Parties:

Primestor Development, LLC
9950 Jefferson Boulevard
Building 2
Culver City, CA 90232
Attention: Arturo Sneider

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

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

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

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

DEVELOPER:

PRIMESTOR DEVELOPMENT, LLC,
a Delaware limited liability company
By: Primestor Development, Inc.,
a Nevada corporation,
its Manager

By: _____
Arturo Sneider,
Chief Executive Officer

Date: _____

CITY OF SANTA FE SPRINGS

By: _____
Rene Bobadilla, City Manager

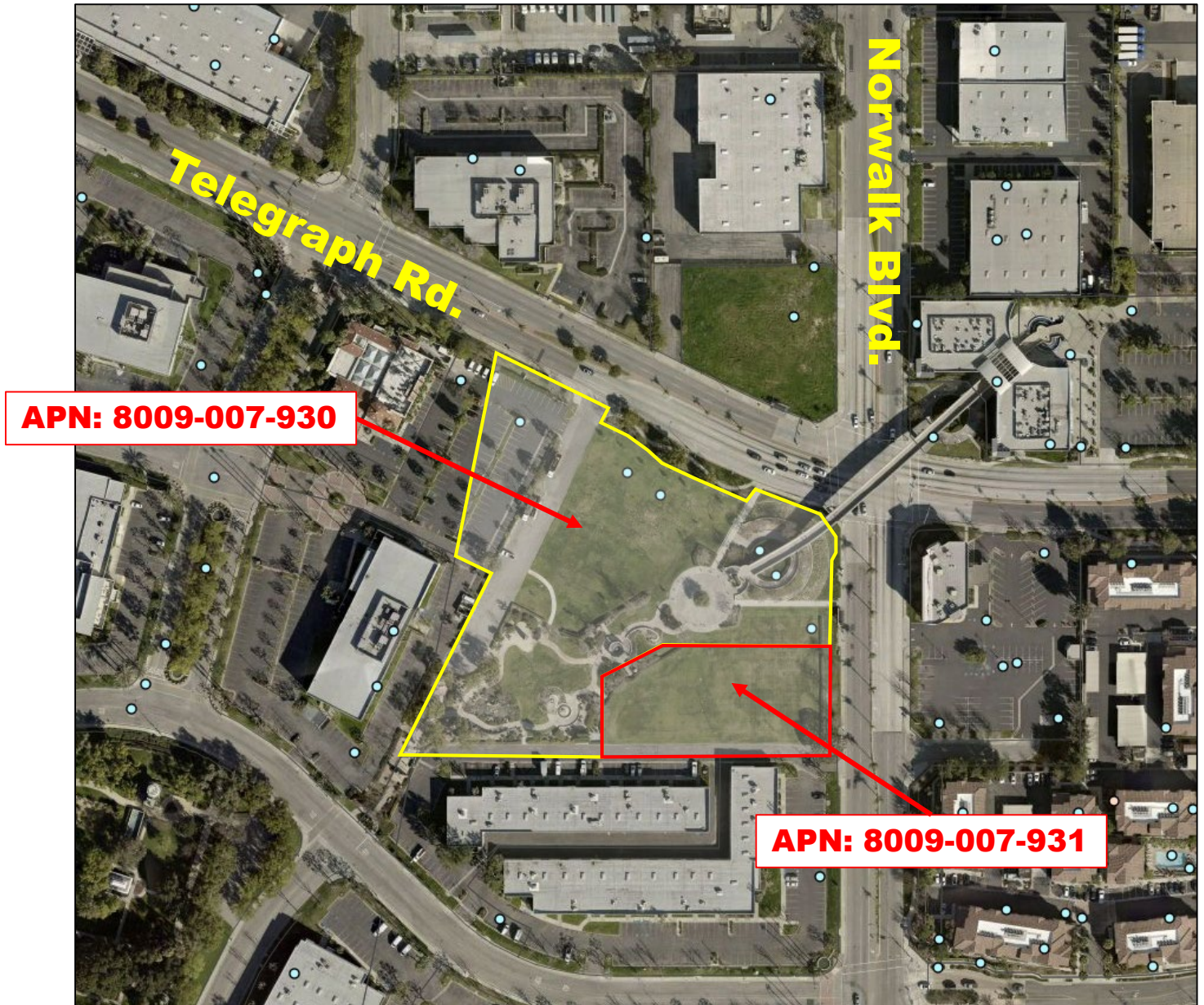
Date: _____

Approved as to Form:

By: _____
Rick Olivarez , City Attorney

Attest:

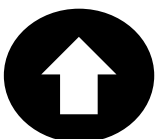
By: _____
Fernando Munoz, Deputy City Clerk



AERIAL PHOTOGRAPH

SURPLUS LAND
SCULPTURE GARDEN SITE

APN'S: 8009-007-930 & 8009-007-931

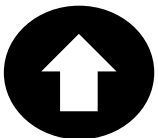


NORTH



AERIAL PHOTOGRAPH

**SURPLUS LAND
FORMER CHEVRON SITE
APN: 8005-012-902**



NORTH



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Dino Torres, Director of Police Services

SUBJECT: **AUTHORIZE THE PURCHASE OF VEHICLE MOBILE RADIOS, MOBILE DATA COMPUTERS (MDCS), VEHICLE READERS AND TRANSPONDERS, AND FITNESS EQUIPMENT FOR THE SANTA FE SPRINGS POLICING TEAM**

DATE: October 1, 2024

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Authorize the Director of Police Services to issue purchase orders to facilitate the procurement of Mobile Data Computers (MDCs) from CDCE Incorporated in an amount not to exceed \$31,343, Vehicle Mobile Radios from Motorola Solutions in an amount not to exceed \$56,250, Vehicle Readers and Transponders from JMG Security Systems, INC. in an amount not to exceed \$23,250 and Fitness Equipment from Extreme Training Equipment in an amount not to exceed \$12,698.
- 2) Approve the expenditure of United States Department of the Treasury Asset Forfeiture Program-Equitable Sharing Funds in an amount not to exceed \$123,541.

FISCAL IMPACT

The Department of Police Services currently has \$127,642 in Asset Forfeiture Funds issued by the Department of the Treasury that can be utilized to supplement and enhance appropriated agency resources for Fiscal Year 2024-2025. Upon approval, the Department will expend \$123,541 of these funds to cover the cost of vehicle mobile radios, mobile data computers (MDCs), vehicle readers and transponders, and fitness equipment. There will be no fiscal impact to the General Fund.

Authorize the Purchase of Vehicle Mobile Radios, Mobile Data Computers (MDCs), Vehicle Readers and Transponders, and Fitness Equipment for the Santa Fe Springs Policing Team

Page 2 of 3

BACKGROUND/DISCUSSION

The Department of Police Services participates in the Department of the Treasury Asset Forfeiture Program and Equitable Sharing. The Department of Justice and Department of the Treasury define asset forfeiture as the taking of property by the government without compensation because of the property's connection to criminal activity. It's a legal tool that enables the federal government to recover property that can be used to compensate victims of the crime underlying the forfeiture, among other law enforcement interests.

Throughout our partnership with U.S. Immigration and Customs Enforcement-Homeland Security Investigations (HSI), Police Services has received proceeds of forfeitures for our cooperative efforts in numerous joint operations. Treasury funds are paid to the department through asset sharing and must be used exclusively for law enforcement purposes that directly supplement and enhance the agency's appropriated resources. Permissible uses of these funds include costs associated with the purchase, lease, maintenance, or operation of law enforcement equipment for use by law enforcement personnel.

The Department of Police Services recently expanded its police fleet by adding three additional police vehicles to the existing compliment. As such, these new vehicles are in need of MDCs and mobile radios. MDCs are an essential part of patrol operations that are used to communicate information between the dispatchers, police and public safety officers, assist officers with completing reports, and responding to calls. MDCs also allow officers to query local, state and federal databases to access criminal history, identify suspects and store confidential information. Vehicle mobile radios are another critical part of the City's public safety infrastructure that are installed in police vehicles to communicate internally and with external public safety agencies.

Additionally, Police Services is seeking to enhance the Police Staging facility by purchasing new fitness equipment and purchasing/installing vehicle readers and transponders at the entrance of Staging. Fitness equipment will include new weight benches, weights, squat rack, bars, seats, and a leg curl machine for officers to utilize. The purchase and installation of vehicle readers and transponders will enhance safety and security by allowing immediate access and exiting as vehicles approach the automatic gate.

ANALYSIS

Based on a review of law enforcement priorities and necessities, staff is recommending that available Treasury Asset Forfeiture funds be expended as follows:

- Purchase of three Panasonic Toughbook CF-33 w/keyboards, vehicle kits, supplies, and professional installation for police units (itemized in attachment A) from CDCE Incorporated in the amount of \$31,342.67.

Authorize the Purchase of Vehicle Mobile Radios, Mobile Data Computers (MDCs), Vehicle Readers and Transponders, and Fitness Equipment for the Santa Fe Springs Policing Team

Page 3 of 3

- Purchase of six APX 8500 Vehicle Mobile Radios (itemized in attachment B) from Motorola Solutions in the amount of \$56,249.99.
- Purchase, installation and programming of three Infinity Sirit Long Range RFID Vehicle Readers and Transponders (itemized in attachment C) from JMG Security Systems, INC. in the amount of \$23,250.00.
- Purchase and installation of fitness equipment (itemized in attachment D) from Extreme Training Equipment in the amount of \$12,697.09.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

Upon City Council approval, staff will expend US Department of the Treasury Equitable Sharing funds to purchase MDCs, vehicle mobile radios, vehicle readers and transponders, and fitness equipment for the Santa Fe Springs Policing Team.

ATTACHMENT(S):

- A. CDCE Incorporated MDC and Installation Quotes
- B. Motorola Solutions Quote
- C. JMG Security Systems, INC. Quote
- D. Extreme Fitness Equipment Quote

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

CDCE, Inc.
22641 Old Canal Road
Yorba Linda, CA 92887



Sales Quote

Telephone: 800-373-5353

Sales Quote No.	122829
Customer No.	CISAFESPRP

Bill To

City of Santa Fe Springs Police Dept.
Attn: Finance Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670-3679
United States

Ship To

City of Santa Fe Springs Police Dept.
13200 Penn Street
Whittier, CA 90602
United States

Contact: Maricela Gomez
Telephone: 562-409-1850
E-mail: AP@santafesprings.org

Contact: Sheryl Gutierrez
Telephone: 562-567-9200
E-mail:

Quote Date	Ship Via	F.O.B.	Customer PO Number		
09/06/24	Installation	Yorba Linda			
Entered By		Salesperson	Ordered By	Payment Method	
Jennifer Williams		Jennifer Williams	Sheryl Gutierrez	Net 30	
Line Item	Order Qty	Part #	Description	Unit Price	Extended Price
1	3	ANT-141147	MULTIMAX 4G 2in1 EZConnect Pigtail Antenna with Cellular/LTE and GNSS, Bolt Mount, White, 1 foot coax to be connected to EZConnect cable assembly, MFG #: AP-MF4G-CG-Q-W1	110.00	330.00
2	3	ANT-141148	EZConnect standard cable harness with single Cellular & GNSS, 19 feet with TNC on Cell & GNSS, MFG #: CH-CG-4-4-19	60.00	180.00
3	3	NA-210103	TG3 Rugged keyboard w/ adjustable red backlighting and a touchpad that comes with detachable straight and coiled cords, " 83 keys " Black " Red backlighting rated for life of the product (200,000 hr LEDs) " Low cost, ultra rugged keyboard " Low profile with ergonomic design and feel " Tactile full travel key switches " Embedded multimedia functionality " IP65 rated " Chemical resistant engineered plastic resin housing and keycaps " Splash-proof touchpad with 2 sealed mouse buttons " 10 million actuations per key " Multiple standard mounting options MFG# KBA-BLTX-U-US	195.00	585.00

Print Date	09/03/24
Print Time	03:51:32 PM
Page No.	Page 1 of 2

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Continued on Next Page

CDCE, Inc.
22641 Old Canal Road
Yorba Linda, CA 92887



Sales Quote

Telephone: 800-373-5353

Sales Quote No.	122829
Customer No.	CISAFESPRP

Bill To

City of Santa Fe Springs Police Dept.
Attn: Finance Department
11710 E. Telegraph Road
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United States

Contact: Maricela Gomez
Telephone: 562-409-1850
E-mail: AP@santafesprings.org

Ship To

City of Santa Fe Springs Police Dept.
13200 Penn Street
Whittier, CA 90602
United States

Contact: Sheryl Gutierrez
Telephone: 562-567-9200
E-mail:

Quote Date	Ship Via	F.O.B.	Customer PO Number		
09/06/24	Installation	Yorba Linda			
Entered By		Salesperson	Ordered By	Payment Method	
Jennifer Williams		Jennifer Williams	Sheryl Gutierrez	Net 30	
Line Item	Order Qty	Part #	Description	Unit Price	Extended Price
4	4	VK-321001	D - Durango 2011+ FLR GJ Whittier PD Vehicle Kit includes: Dodge Durango/Grand Cherokee Vehicle Base 2011+ 9" lower pole assembly 7" Center Upper Pole Adjustable Support Brace - Short Tall Tablet Display Mount, 9" Locking Slide Arm, And Quick release keyboard tray	870.00	3,480.00
5	4	LAB-320002	Installation Customer Site - Whittier PD -Installs for x 4 2024 Durango -Santa Fe Spring will be providing existing MDC, dock and antenna for x 1 of the 2024 Durango installs. ** In connection with hardware on SO122780 **Installs for x 4 2024 Durango **Vehicle kit needed for all x 4 new vehicles. **MDC, dock, and antenna only needed for x 3 vehicles. **Santa Fe Spring will be providing existing MDC, dock and antenna for x 1 of the 2024 Durango installs. Estimated delivery 45-90 Days ARO Panasonic Warranty Entitlements Sheryl Gutierrez 562-567-9151 sgutierrez@cityofwhittier.org	750.00	3,000.00

Print Date	09/03/24
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Page No.	Page 2 of 2

Subtotal	7,575.00
Freight	65.00
10.500 % Sales Tax	480.38
Order Total	8,120.38

Printed by Hubmate User: JWilliams

CDCE, Inc.
22641 Old Canal Road
Yorba Linda, CA 92887



Sales Quote

Telephone: 800-373-5353

Sales Quote No.	122829
Customer No.	CISAFESPRP

Bill To

City of Santa Fe Springs Police Dept.
Attn: Finance Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670-3679
United States

Contact: Maricela Gomez

Telephone: 562-409-1850

E-mail: AP@santafesprings.org

Ship To

City of Santa Fe Springs Police Dept.
13200 Penn Street
Whittier, CA 90602
United States

Contact: Sheryl Gutierrez

Telephone: 562-567-9200

E-mail:

Quote Date		Ship Via		F.O.B.		Customer PO Number		
09/06/24		Installation		Yorba Linda				
Entered By		Salesperson		Ordered By		Payment Method		
Jennifer Williams		Jennifer Williams		Sheryl Gutierrez		Net 30		
Line Item	Order Qty	Part #	Description				Unit Price	Extended Price
			Purchase orders must include the following: CDCE Quote# All part numbers Part Descriptions Quantities and price Sales Tax & Freight Bill to/Ship To Payment Terms ***This quote is valid for 30 days from the stated Quote Date***					

Print Date	09/03/24
Print Time	03:51:32 PM
Page No.	Page 1 of 1

Subtotal	7,575.00
Freight	65.00
10.500 % Sales Tax	480.38
Order Total	8,120.38

Printed by Hubmate User: JWilliams

CDCE, Inc.
22641 Old Canal Road
Yorba Linda, CA 92887



Sales Quote

Telephone: 800-373-5353

Sales Quote No.	122780-A
Customer No.	CISAFESPRP

Bill To

City of Santa Fe Springs Police Dept.
Attn: Finance Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670-3679
United States

Ship To

City of Santa Fe Springs Police Dept.
13200 Penn Street
Whittier, CA 90602
United States

Contact: Maricela Gomez
Telephone: 562-409-1850
E-mail: AP@santafesprings.org

Contact: Sheryl Gutierrez
Telephone: 562-567-9200
E-mail:

Quote Date		Ship Via		F.O.B.		Customer PO Number	
09/06/24		Installation		Destination			
Entered By		Salesperson		Ordered By		Payment Method	
Jennifer Williams		Jennifer Williams		Sheryl Gutierrez		Net 30	
Line Item	Order Qty	Part #	Description	Unit Price	Extended Price		
1	3	CF-33TZ-0RAM	Panasonic Toughbook CF-33 (see details below) BSKU, Win11 Pro, Intel Core i5-1245U vPro (up to 4.4GHz), AMT, 12.0" QHD Gloved Multi Touch+Digitizer, 16GB, Intel Iris Xe, 512GB OPAL SSD, Intel Wi-Fi 6E, Bluetooth, 4G MLP31-W, GPS, Dual Pass (Ch1:WWAN/Ch2:GPS), Mic and Infrared 2MP Webcam, 8MP Rear Camera, Contactless SmartCard, Barcode, Standard Batteries (2), TPM 2.0, Flat, CF-SVCPDEP3Y - 3 Year Premier Deployment, FZ-SVC512SSD3Y - 3 Year No Return of Defective Drive, FZ-SVCTPNF3YR - 3 Year Protection Plus Warranty, CF-SVCBIOS1 - Custom BIOS, FZ-SVCFESGEN10 - Mobility Engineering Field Service	4,749.00	14,247.00		
2	3	FEE-100001	Recycle Fee for Monitors 4"-15"	4.00	12.00		

Print Date	09/03/24
Print Time	04:02:33 PM
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Continued on Next Page

CDCE, Inc.
22641 Old Canal Road
Yorba Linda, CA 92887



Sales Quote

Telephone: 800-373-5353

Sales Quote No.	122780-A
Customer No.	CISAFESPRP

Bill To
City of Santa Fe Springs Police Dept. Attn: Finance Department 11710 E. Telegraph Road Santa Fe Springs, CA 90670-3679 United States

Ship To
City of Santa Fe Springs Police Dept. 13200 Penn Street Whittier, CA 90602 United States

Contact: Maricela Gomez
Telephone: 562-409-1850
E-mail: AP@santafesprings.org

Contact: Sheryl Gutierrez
Telephone: 562-567-9200
E-mail:

Quote Date		Ship Via		F.O.B.		Customer PO Number	
09/06/24		Installation		Destination			
Entered By		Salesperson		Ordered By		Payment Method	
Jennifer Williams		Jennifer Williams		Sheryl Gutierrez		Net 30	
Line Item	Order Qty	Part #	Description	Unit Price	Extended Price		
3	3	WR-105014	PANASONIC: 4th and 5th years Public Safety Service Bundle Add on (Year 4 & 5 only). Must be purchased in conjunction with PS bundle base unit. Includes Premier, Protection Plus, Disk Image Management.	610.00	1,830.00		
4	3	PR-220130	CF-33 Tablet Only Trimline Lite Vehicle Dock (dual RF) USB 2.0 (4), USB 3.0 (2), Serial, Ethernet (2), Docking Connector, Dual RF, Power, Release Lever, Lock (Keyed alike). MFG# GJT-33-TVD2-L	980.00	2,940.00		
5	3	PS-202013	Lind 120 Watt CF-31,33,54 DC Cig Adapter	155.00	465.00		
6	3	NA-210099	Premium Emissive Keyboard for CF-33 Mk3 ONLY (not compatible with mk1/mk2 tablets). Red Backlight (4 levels). USB-A 5 Gbps, USB-A 0.5 Gbps, HDMI, VGA, LAN, SDXC (full-size), Serial (USB), Power, Docking Connector, Kensington Lock. Includes Handle/Kickstand, MFG Part Number: CF-VEK335LMP	555.00	1,665.00		
** In Connection with hardware and Labor on SOI22829.							
**Installs for x 4 2024 Durango							
**Vehicle kit needed for all x 4 new vehicles.							
**MDC, dock, and antenna only needed for x 3 vehicles. **Santa Fe Spring will be providing existing MDC, dock and antenna for x 1 of the 2024 Durango installs.							
Estimated delivery 45-90 Days ARO							
Panasonic Warranty Entitlements Sheryl Gutierrez 562-567-9151							

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Print Time	04:02:33 PM
Page No.	Page 2 of 3

Printed by Hubmate User: JWilliams

Continued on Next Page



Telephone: 800-373-5353

Sales Quote No.	122780-A
Customer No.	CISAFESPRP

Bill To

City of Santa Fe Springs Police Dept.
Attn: Finance Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670-3679
United States

Ship To

City of Santa Fe Springs Police Dept.
13200 Penn Street
Whittier, CA 90602
United States

Contact: Sheryl Gutierrez

Telephone: 562-567-9200

E-mail:

Print Date	09/03/24
Print Time	04:02:33 PM
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Subtotal	21,159.00
Freight	35.00
10.500 % Sales Tax	2,028.29
Order Total	23,222.29

**MOTOROLA SOLUTIONS**QUOTE-2743273
(6) APX8500 - Santa Fe Springs

Billing Address:
WHITTIER, CITY OF
13230 PENN ST
WHITTIER, CA 90602
US

Shipping Address:
WHITTIER, CITY OF
13200 PENN ST POLICE DEPT
WHITTIER, CA 90602
US

Quote Date:08/07/2024
Expiration Date:10/06/2024
Quote Created By:
Dianne Kiehne
Dianne.Kiehne@
motorolasolutions.com

End Customer:
WHITTIER, CITY OF
Sheryl Gutierrez
sgutierrez@cityofwhittier.org
562-567-9151

Contract: 18105 - LA COUNTY , CA MA-
IS-2240228
Freight Terms:FREIGHT PREPAID
Payment Terms:30 NET

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
	APX™ 8500					
1	M37TSS9PW1AN	APX8500 ALL BAND MP MOBILE	6	\$5,893.68	\$4,302.39	\$25,814.34
1a	GA09007AA	ADD: OUT OF THE BOX WIFI PROVISIONING	6	\$0.00	\$0.00	\$0.00
1b	G851AG	ADD: AES/DES-XL/DES-OFB ENCRYPT APX AND ADP	6	\$879.00	\$641.67	\$3,850.02
1c	GA00255AF	ADD: 5Y ESSENTIAL ACCIDENTAL DAMAGE	6	\$670.00	\$670.00	\$4,020.00
1d	GA00580AA	ADD: TDMA OPERATION	6	\$495.00	\$361.35	\$2,168.10
1e	G51AT	ENH:SMARTZONE	6	\$1,650.00	\$1,204.50	\$7,227.00
1f	GA05507AA	DEL: DELETE 7/800MHZ BAND	6	-\$800.00	-\$584.00	-\$3,504.00
1g	GA05508AA	DEL: DELETE VHF BAND	6	-\$800.00	-\$584.00	-\$3,504.00
1h	W12DK	ADD: RF PREAMP APX	6	\$73.00	\$53.29	\$319.74
1i	GA09001AA	ADD: WI-FI CAPABILITY	6	\$330.00	\$240.90	\$1,445.40
1j	G298AS	ENH: ASTRO 25 OTAR W/ MULTIKEY	6	\$814.00	\$594.22	\$3,565.32
1k	B18CR	ADD: AUXILIARY SPKR 7.5 WATT APX	6	\$66.00	\$48.18	\$289.08



Any sales transaction following Motorola's quote is based on and subject to the terms and conditions of the valid and executed written contract between Customer and Motorola (the "Underlying Agreement") that authorizes Customer to purchase equipment and/or services or license software (collectively "Products"). If no Underlying Agreement exists between Motorola and Customer, then Motorola's Standard Terms of Use and Motorola's Standard Terms and Conditions of Sales and Supply shall govern the purchase of the Products.
Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 - #: 36-1115800

Line #	Item Number	Description	Qty	List Price	Sale Price	Ext. Sale Price
1l	G89AC	ADD: NO RF ANTENNA NEEDED	6	\$0.00	\$0.00	\$0.00
1m	G444AH	ADD: APX CONTROL HEAD SOFTWARE	6	\$0.00	\$0.00	\$0.00
1n	G67EH	ADD: REMOTE MOUNT E5 MP	6	\$327.00	\$238.71	\$1,432.26
1o	GA01517AA	DEL: NO J600 ADAPTER CABLE NEEDED	6	\$0.00	\$0.00	\$0.00
1p	G806BL	ENH: ASTRO DIGITAL CAI OP APX	6	\$567.00	\$413.91	\$2,483.46
1q	GA01670AA	ADD: APX E5 CONTROL HEAD	6	\$717.00	\$523.41	\$3,140.46
1r	W22BA	ADD: STD PALM MICROPHONE APX	6	\$79.00	\$57.67	\$346.02
1s	G361AH	ENH: P25 TRUNKING SOFTWARE APX	6	\$330.00	\$240.90	\$1,445.40
1t	GA00250AA	ADD: GNSS/BT-WIFI THRU MNT ANT, 17FT LOW LOSS PFP-100A/240, QMA	6	\$110.00	\$80.30	\$481.80
1u	QA09113AB	ADD: BASELINE RELEASE SW	6	\$0.00	\$0.00	\$0.00
Subtotal						\$51,020.40

Estimated Tax \$5,229.59

Grand Total \$56,249.99(USD)

Notes:



Any sales transaction following Motorola's quote is based on and subject to the terms and conditions of the valid and executed written contract between Customer and Motorola (the "Underlying Agreement") that authorizes Customer to purchase equipment and/or services or license software (collectively "Products"). If no Underlying Agreement exists between Motorola and Customer, then Motorola's Standard Terms of Use and Motorola's Standard Terms and Conditions of Sales and Supply shall govern the purchase of the Products.
Motorola Solutions, Inc.: 500 West Monroe, United States - 60661 ~ #: 36-1115800

JMG SECURITY SYSTEMS, INC.
Addendum

The following equipment shall be made a part of and attached to the Commercial Security/Fire Alarm System Agreement dated 4-11-13 between JMG Security Systems, Inc., a California Corporation (hereinafter "JMG") and CITY OF SFS (CITY YARD WAREHOUSE) (hereinafter "Client") at the following location:

12636 EMMENS WAY, SANTA FE SPRINGS CA 90670

THE CLIENT REQUESTS AND JMG AGREES TO PROVIDE THE FOLLOWING PROTECTION:

- ☒ Which will be owned by the client upon payment of the installation fee in full, or
☐ Which will remain the sole property of JMG and be provided for the client use for a monthly fee

JMG TO INSTALL

3 INFINITY SIRT LONG RANGE RFID VEHICLE READERS
100 STICKER TRANSPONDERS
3 TIE INTO EXISTING ACCESS CONTROL SYSTEMS
1 CABLE AND MATERIALS
1 INSTALLATION AND PROGRAMMING
1 TRAINING AND SET UP

CLIENT TO PROVIDE 110V POWER AS NEEDED AND EXISTING UNDERGROUND CONDUITS

CLIENT AGREES TO PAY \$23,250.00 IN ADDITIONAL SALES/ INSTALLATION FEE (☒ ½ DEPOSIT DUE NOW)
AND AN ADDITIONAL 0 PER MONTH IN ☐ USE/MONITORING/ ☐ SYSTEM SUPPORT AGREEMENT FEES.

TO BE COMPLETED BY JMG

Accepted by _____
Date _____ TITLE _____
Alarm Agent C PONCHAK Agent # 67119

TO BE COMPLETED BY CLIENT

Authorized Signature _____ Date _____
Signer's Name (printed or typed)/Title _____
Business/Residence Phone _____ Fax _____
e-mail: _____

ETE FITNESS EQUIPMENT

7000 SLAUSON AVE.
COMMERCE, CA 90040
P: 562-408-5137

ExtremeTrainingEquipment.com

Estimate

Number E389

Date 9/4/2024

Bill To

CITY OF SANTA FE SPRINGS
DINO TORRES- POLICE SERVICES
(562)409-1850 X 3329

Estimate valid for 30 days from date issued

Ship To

DINOTORRES@SANTAFES
PRINGS.ORG

PO Number	Terms	Customer #	Ship	Via	Project

Item #	Description	Quantity	Price Each	Tax1	Amount
	PL7328G MONSTER 3 IN 1 BENCH	2	\$479.00	✓	\$958.00
	PL7332 Ab Bench	1	\$199.00	✓	\$199.00
	PRO-GHD	1	\$525.00	✓	\$525.00
	MENS BAR	2	\$199.00	✓	\$398.00
	JAW COLLARS	2	\$15.99	✓	\$31.98
	245LB RUBBER GRIP PLATE SET	4	\$219.00	✓	\$876.00
	PL7320E FUNCTIONAL TRAINER / SQUAT RACK FRONT LOAD	2	\$2,199.00	✓	\$4,398.00
	LAT PULLDOWN SEAT ATTACH	2	\$199.00	✓	\$398.00
	LOW ROW FOOT PLATE ATTACH	2	\$149.00	✓	\$298.00
	ATTACHMENT PACKAGE	2	\$199.00	✓	\$398.00
	PL7371 DIP ATTACH	1	\$159.00	✓	\$159.00
	SINGLE LANDMINE ATTACH	1	\$85.00	✓	\$85.00
	PL7923 LEG EXT / LEG CURL	1	\$1,999.00	✓	\$1,999.00

ETE FITNESS EQUIPMENT

7000 SLAUSON AVE.
COMMERCE, CA 90040
P: 562-408-5137

ExtremeTrainingEquipment.com

Estimate

Number E389

Date 9/4/2024

Bill To

CITY OF SANTA FE SPRINGS
DINO TORRES- POLICE SERVICES
(562)409-1850 X 3329

Estimate valid for 30 days from date issued

Ship To

DINOTORRES@SANTAFES
PRINGS.ORG

PO Number	Terms	Customer #	Ship	Via	Project

Item #	Description	Quantity	Price Each	Tax1	Amount
--------	-------------	----------	------------	------	--------

Amount Paid	\$0.00
Amount Due	\$12,697.09

Discount	\$0.00
Shipping Cost	\$875.00
Sub Total	\$11,597.98
Sales Tax 10.25% on \$10,72	\$1,099.11
Total	\$12,697.09



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

**SUBJECT: POLICE SERVICES STAGING FACILITY STORM DAMAGE –
EMERGENCY REPAIRS UPDATE**

DATE: October 1, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Pursuant to Santa Fe Springs Municipal Code Section 34.23 and California Public Contract Code Section 22050, by a four-fifths vote authorize continuing the repairs without competitive bidding; and
- 2) Take such additional, related, action that may be desirable.

FISCAL IMPACT

Because the full scope of work necessary to completely repair the storm damage has not been fully assessed, the total cost of the repair is not known at this time. Staff continues to solicit contractor proposals to complete the repair work as needed and as more information is gathered with respect to the needed repairs. The purchase orders and invoices executed to date are listed below. Staff will report at a future City Council meeting as further information develops and the complete scope of the repairs is determined and priced.

Expenses encumbered to date related to this emergency repair include:

- **Purchase Order #2240222:** \$43,610.60 for testing and construction demolition with Restoration Unlimited (Santa Fe Springs, CA)
- **Purchase Order #2240262:** \$115,680 for waterproofing with Innovative Painting & Waterproofing (Santa Fe Springs, CA)

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Police Services Staging Facility Storm Damage – Emergency Repairs Update
Page 2 of 4

- **Purchase Order #2240337:** \$45,985.38 for replacement of drywall, flooring and other finishes and furniture in order to restore the building interior with Restoration Unlimited (Santa Fe Springs, CA)
- **Plumbing Repairs:** \$6,538 invoice from Olson Superior Plumbing for sewer mainline repairs
- **Gymnasium Floor Mats:** \$3,310 invoice from ETE Fitness Equipment for replacement of the rubber floor mats in the gymnasium
- **Railroad Flagging Services:** \$17,010 invoice from Railpros for flagging services as required by the BNSF Right of Entry permit.

BACKGROUND

The severe storms that hit Southern California the week of February 4, 2024, resulted in historic rainfall totals throughout the region, prompting Governor Newsom to proclaim a state of emergency in various counties, including Los Angeles. The County of Los Angeles followed with the proclamation of a local state of emergency.

The intense and prolonged rainfall caused significant flooding of the City's Police Services Staging Facility located adjacent to the Municipal Services Yard. Flooding was experienced in both the Men's and Women's Locker Rooms and Restroom/Shower as well as the adjacent gym. The flooding rendered these areas uninhabitable and in need of repairs before the space can be reoccupied.

Public Works maintenance staff worked throughout the storms to sweep and vacuum the water to minimize the extent of the flooding, but were ultimately unable to keep up with the volume of water entering the building from the rear wall adjacent to the railroad right-of-way. Eventually, maintenance crews ceased water removal and began removing gym equipment and mats so that the source of the flooding could be more easily identified.

Although one location was identified where the majority of the water was entering the building, the extent of the flooding has saturated the walls in a significant portion of the facility. Under the City Manager's authority pursuant to Santa Fe Springs Municipal Code Section 34.23, staff continues to negotiate with contractors to provide various services to repair the damage.

The first step in the repair process required demolition work to assess the full extent of the damage and expose the source of the flooding in order to develop a scope of work for repairs to prevent future flooding and restore the damaged interior.

Staff contracted with Restoration Unlimited (Santa Fe Springs, CA) for the initial testing and demolition work. Sampling for preconstruction testing was conducted on March 6. Based on testing results, demolition was started on March 18, exposing the likely source of the rainwater intrusion. Staff solicited proposals from two waterproofing contractors. Waterproofing must be completed before restoration work to prevent further water damage. The proposal from Innovative Painting & Waterproofing, LLC (Santa Fe Springs)

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Police Services Staging Facility Storm Damage – Emergency Repairs Update
Page 3 of 4

was selected and a purchase order was executed. The interior waterproofing work was completed on June 12.

A Right-of-Entry permit is required from BNSF Rail Road in order to complete the waterproofing work on the exterior rear wall of the building. The permit application was submitted on April 23 and BNSF provided the Right-of-Entry Agreement on May 21 with final approval of insurance documentation received on June 12. BNSF provided authorization to schedule the work in late August. The exterior waterproofing work began on September 9 and will take three weeks to complete, but will not affect the occupancy of the building.

Staff contracted with Restoration Unlimited (Santa Fe Springs, CA) for the restoration of the interior of the building. This work was started on June 24 and completed at the end of July. The building was made available for police staff to move in on August 1, 2024.

ENVIRONMENTAL

Not applicable.

DISCUSSION

Staff has been in close communication with the City Manager of the City of Whittier and police administration since the flooding began. Given the extent of the flooding, the City of Whittier provided notice on February 7, 2024, that they would temporarily vacate the facility until permanent repairs are completed. Limited staff and equipment was temporarily relocated to the City's Police Services Building on Jersey Avenue and the majority of the patrol operations were moved to the Whittier Police Station. The Police Staging building was vacated on February 26, 2024.

Interior repairs were completed by the end of July, with the exception of the exterior waterproofing which does not affect the occupancy of the building. Whittier PD was notified that the Staging Facility can be re-occupied on August 1, 2024.

It should also be noted that this assumes all repairs are completed as an emergency, without competitive bidding. Competitive bidding would require the solicitation of services by an architect to develop plans and specifications. The solicitation process and the time to develop documents could add an additional 9 to 12 months to the schedule.

SUMMARY/NEXT STEPS

Upon the approval of the City Council of the recommended actions, City staff will continue to coordinate the emergency repairs of the facility. Pursuant to the Public Contract Code Section 22050, staff will provide updated reports at subsequent City Council meetings as the situation develops, more information is gathered, and a plan of action for the repairs is determined and scheduled.

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Police Services Staging Facility Storm Damage – Emergency Repairs Update
Page 4 of 4

ATTACHMENTS:

None.

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: RESIDENTIAL ALLEY IMPROVEMENTS – FINAL PAYMENT

DATE: October 1, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Approve the Final Payment to R.J. Noble Company of Orange, California for \$592,079.85 (Less 5% Retention); and
- 2) Approve the final contract amount with R.J. Noble Company in the amount of \$2,029,863.35; and
- 3) Take such additional, related action that may be desirable.

FISCAL IMPACT

The Residential Alley Improvements project funding totals \$2,555,000, funded entirely with Utility Users Tax (UUT).

The total project cost breakdown is estimated as follows:

ITEM	BUDGET
Construction	\$ 2,030,000.00
Design	\$ 135,500.00
Engineering	\$ 65,000.00
Inspection	\$ 65,000.00
Contingency	\$ 59,500.00
Estimated Total Project Cost:	\$ 2,355,000.00

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024

Residential Alley Improvements – Final Payment

Page 2 of 3

The project is estimated to close with a surplus of approximately \$200,000.00. The surplus funds will be available to reprogram to other capital improvement projects.

The payment detail (Attachment A) represents the Final Payment (less 5% retention) due, per the terms of the contract, for the work that has been completed and found to be satisfactory. The retention will be released following the mandatory waiting period following the filing of the Notice of Completion with the LA County Registrar-Recorder.

BACKGROUND

Residential alleys north of Telegraph Road had exceeded their service life and required rehabilitation. The project's scope of work included the removal of 3 inches of existing asphalt concrete pavement and 4 inches of base, and the placement of fiber-reinforced recycled asphalt concrete pavement over 4 inches of crushed miscellaneous base (CMB). The project also included the replacement of the existing concrete gutter to improve drainage, and removal and replacement of some driveways, sidewalk, and curb/gutter at the alley entry/exit points.

On January 23, 2024, the City Council approved the award of a contract to R.J. Noble Company in the amount of \$2,031,630.75 for the construction of the Residential Alley Improvements project. The final contract amount is \$2,029,863.35, which includes adjustments of final quantities for unit priced items as measured during construction.

ANALYSIS

Not applicable.

ENVIRONMENTAL

Not applicable.

DISCUSSION

The completion of the Residential Alley Improvements project renewed the service life of the alley pavement and the concrete within, and adjacent, to the alleys. The project will also help reduce maintenance costs.

SUMMARY/NEXT STEPS

Upon the City Council approval of the recommended actions, the Public Works Department will coordinate with the Finance Department to issue a final payment to R.J. Noble Company and proceed to close the project. The Public Works Department will then file the Notice of Completion with the LA County Registrar-Recorder as a part of the project closure. Following the mandatory waiting period after the filing of the Notice of Completion, Public Works will work with the Finance Department to release the retention payment.

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024

Residential Alley Improvements – Final Payment

Page 3 of 3

ATTACHMENT:

A. Final Payment Detail

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ATTACHMENT A

Payment Detail:
RESIDENTIAL ALLEY IMPROVEMENTS

Contractor: R.J. Noble Company
15505 E. Lincoln Avenue
Orange, CA 92856

Final Payment \$ 562,475.86

Item No.	Description	Contract				Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Amount	Quantity	Amount	Quantity	Amount
Contract Work									
ALLEY 1									
1.	Mobilization.	1	L.S.	\$ 35,000.00	\$ 35,000.00	0%	\$ -	100%	\$ 35,000.00
2.	Traffic Control & Public Safety.	1	L.S.	\$ 23,000.00	\$ 23,000.00	0%	\$ -	100%	\$ 23,000.00
3.	Preparation, Implementation and Modification of the SWPPP.	1	L.S.	\$ 2,000.00	\$ 2,000.00	0%	\$ -	100%	\$ 2,000.00
4.	Construction Survey and Monument Perpetuation.	1	L.S.	\$ 24,000.00	\$ 24,000.00	0%	\$ -	100%	\$ 24,000.00
5.	Clearing and Grubbing.	1	L.S.	\$ 17,000.00	\$ 17,000.00	0%	\$ -	100%	\$ 17,000.00
6.	Paint Address Numbers.	1	L.S.	\$ 5,000.00	\$ 5,000.00	100%	\$ 5,000.00	100%	\$ 5,000.00
7.	Saw-cut and Remove Existing 7" Thick A.C. Pavement and Base.	41,500	S.F.	\$ 2.10	\$ 87,150.00	0	\$ -	40,819.04	\$ 85,719.98
8.	Construct 4" Thick Crushed Miscellaneous Base Under New Asphalt Pavement.	600	C.Y.	\$ 149.00	\$ 89,400.00	0	\$ -	503.66	\$ 75,045.34
9.	Construct 3" Thick Asphalt Concrete (RAP) with Fiber Reinforced Asphalt Concrete (FRAC) Pavement.	790	TON	\$ 204.00	\$ 161,160.00	0	\$ -	875	\$ 178,500.00
10.	Sawcut and Remove Existing PCC V-Gutter and Base.	6,870	S.F.	\$ 4.15	\$ 28,510.50	0	\$ -	6,846	\$ 28,410.90
11.	Construct 8" Thick PCC V-Gutter Over 6" Thick Crushed Miscellaneous Base Per Plan Detail.	6,870	S.F.	\$ 22.00	\$ 151,140.00	0	\$ -	6,846	\$ 150,612.00
12.	Adjust Existing Manhole Frame and Cover to Grade.	10	EA	\$ 950.00	\$ 9,500.00	0	\$ -	10	\$ 9,500.00
13.	Remove and Replace PCC Driveway and Base Per City Standard R-6.4B.	1,400	S.F.	\$ 17.00	\$ 23,800.00	0	\$ -	1,256	\$ 21,352.00
14.	Remove and Replace PCC Curb & Gutter or Variable Height Curb & Gutter and Base Per City Standard R-7.	75	L.F.	\$ 55.00	\$ 4,125.00	0	\$ -	28	\$ 1,540.00
15.	Remove and Replace PCC Sidewalk and Base per City Standard R-2.	240	S.F.	\$ 10.00	\$ 2,400.00	0	\$ -	446	\$ 4,460.00
ALLEY 2									
16.	Mobilization.	1	L.S.	\$ 38,000.00	\$ 38,000.00	50%	\$ 19,000.00	100%	\$ 38,000.00
17.	Traffic Control & Public Safety.	1	L.S.	\$ 28,000.00	\$ 28,000.00	50%	\$ 14,000.00	100%	\$ 28,000.00
18.	Preparation, Implementation and Modification of the SWPPP.	1	L.S.	\$ 2,000.00	\$ 2,000.00	50%	\$ 1,000.00	100%	\$ 2,000.00
19.	Construction Survey and Monument Perpetuation.	1	L.S.	\$ 35,000.00	\$ 35,000.00	50%	\$ 17,500.00	100%	\$ 35,000.00
20.	Clearing and Grubbing.	1	L.S.	\$ 20,000.00	\$ 20,000.00	50%	\$ 10,000.00	100%	\$ 20,000.00
21.	Paint Address Numbers.	1	L.S.	\$ 5,500.00	\$ 5,500.00	100%	\$ 5,500.00	100%	\$ 5,500.00
22.	Sawcut and Remove Existing 7" Thick A.C. Pavement and Base.	52,000	S.F.	\$ 2.10	\$ 109,200.00	0	\$ -	52,568	\$ 110,392.80
23.	Construct 4" Thick Crushed Miscellaneous Base Under New Asphalt Pavement.	735	C.Y.	\$ 149.00	\$ 109,515.00	0	\$ -	649	\$ 96,701.00
24.	Construct 3" Thick Asphalt Concrete (RAP) with Fiber Reinforced Asphalt Concrete (FRAC) Pavement.	1,020	TON	\$ 204.00	\$ 208,080.00	0	\$ -	1,029.77	\$ 210,073.08
25.	Sawcut and Remove Existing PCC V-Gutter and Base.	8,535	S.F.	\$ 4.15	\$ 35,420.25	0	\$ -	8,696	\$ 36,088.40
26.	Construct 8" Thick PCC V-Gutter Over 6" Thick Crushed Miscellaneous Base Per Plan Detail.	8,535	S.F.	\$ 22.00	\$ 187,770.00	0	\$ -	8,696	\$ 191,312.00
27.	Adjust Existing Manhole Frame and Cover to Grade.	12	EA	\$ 950.00	\$ 11,400.00	12	\$ 11,400.00	12	\$ 11,400.00
28.	Remove and Replace PCC Driveway and Base Per City Standard R-6.4B.	3,000	S.F.	\$ 17.00	\$ 51,000.00	0	\$ -	2,883	\$ 49,011.00

Payment Detail:
RESIDENTIAL ALLEY IMPROVEMENTS
Contractor: R.J. Noble Company
15505 E. Lincoln Avenue
Orange, CA 92856
Final Payment \$ 562,475.86

Item No.	Description	Contract				Completed This Period		Completed To Date	
		Quantity	Units	Unit Price	Amount	Quantity	Amount	Quantity	Amount

Contract Work

29.	Remove and Replace PCC Curb & Gutter or Variable Height Curb & Gutter and Base Per City Standard R-7.	75	L.F.	\$ 55.00	\$ 4,125.00	0	\$ -	233	\$ 12,815.00
30.	Remove and Replace PCC Sidewalk and Base per City Standard R-2.	600	S.F.	\$ 10.00	\$ 6,000.00	0	\$ -	1,375	\$ 13,750.00

ALLEY 3

31.	Mobilization.	1	L.S.	\$ 28,000.00	\$ 28,000.00	100%	\$ 28,000.00	100%	\$ 28,000.00
32.	Traffic Control & Public Safety.	1	L.S.	\$ 19,000.00	\$ 19,000.00	100%	\$ 19,000.00	100%	\$ 19,000.00
33.	Preparation, Implementation and Modification of the SWPPP.	1	L.S.	\$ 2,000.00	\$ 2,000.00	100%	\$ 2,000.00	100%	\$ 2,000.00
34.	Construction Survey and Monument Perpetuation.	1	L.S.	\$ 23,000.00	\$ 23,000.00	100%	\$ 23,000.00	100%	\$ 23,000.00
35.	Clearing and Grubbing.	1	L.S.	\$ 12,000.00	\$ 12,000.00	100%	\$ 12,000.00	100%	\$ 12,000.00
36.	Paint Address Numbers.	1	L.S.	\$ 4,000.00	\$ 4,000.00	100%	\$ 4,000.00	100%	\$ 4,000.00
37.	Sawcut and Remove Existing 7" Thick A.C. Pavement and Base.	30,500	S.F.	\$ 2.10	\$ 64,050.00	30,827	\$ 64,736.70	30,827	\$ 64,736.70
38.	Construct 4" Thick Crushed Miscellaneous Base Under New Asphalt Pavement.	445	C.Y.	\$ 149.00	\$ 66,305.00	381	\$ 56,769.00	381	\$ 56,769.00
39.	Construct 3" Thick Asphalt Concrete (RAP) with Fiber Reinforced Asphalt Concrete (FRAC) Pavement.	610	TON	\$ 204.00	\$ 124,440.00	628.85	\$ 128,285.40	628.85	\$ 128,285.40
40.	Sawcut and Remove Existing PCC V-Gutter and Base.	5,100	S.F.	\$ 4.15	\$ 21,165.00	5,085	\$ 21,102.75	5,085	\$ 21,102.75
41.	Construct 8" Thick PCC V-Gutter Over 6" Thick Crushed Miscellaneous Base Per Plan Detail.	5,100	S.F.	\$ 22.00	\$ 112,200.00	5,085	\$ 111,870.00	5,085	\$ 111,870.00
42.	Adjust Existing Manhole Frame and Cover to Grade.	5	EA	\$ 950.00	\$ 4,750.00	5	\$ 4,750.00	5	\$ 4,750.00
43.	Remove and Replace PCC Driveway and Base Per City Standard R-6.4B.	1,600	S.F.	\$ 18.00	\$ 28,800.00	1,342	\$ 24,156.00	1,342	\$ 24,156.00
44.	Remove and Replace PCC Curb & Gutter or Variable Height Curb & Gutter and Base Per City Standard R-7.	75	L.F.	\$ 55.00	\$ 4,125.00	88	\$ 4,840.00	88	\$ 4,840.00
45.	Remove and Replace PCC Sidewalk and Base per City Standard R-2.	360	S.F.	\$ 10.00	\$ 3,600.00	417	\$ 4,170.00	417	\$ 4,170.00

Contract Total: \$ 2,031,630.75

Total Completed Items to Date: \$ 2,029,863.35

CONTRACT PAYMENTS:

Total Items Completed to Date:	\$ 2,029,863.35
Less 5% Retention:	\$ 101,493.16
Less Progress Payment No. 1	\$ 396,758.21
Less Progress Payment No. 2	\$ 969,136.12
Final Payment	\$ 562,475.86

Invoice Date	Invoice No.	Warrant Billing Period		Amount	Retention Amount
		Invoice Due Date	Invoice Pay Date		
05/31/2024	1	06/12/2024	06/20/2024	\$ 396,758.21	\$ 20,882.01
06/30/2024	2	08/21/2024	08/29/2024	\$ 969,136.12	\$ 51,007.16
08/20/2024	3	09/17/2024	09/26/2024	\$ 562,475.86	\$ 29,603.99

	Amount	Account
Finance Please Pay:	\$ 562,475.86	PW230008
5% Retention Completed this Period:	\$ 29,603.99	Banner Bank Escrow Account No. 2276
Recommended by Project Manager:	Robert Garcia	Robert Garcia #2232 8/26/24
Approved by Public Works Director:	James Enriquez, PE	



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: **HERITAGE PARK NATIVE AMERICAN POND IMPROVEMENT – AWARD OF CONTRACT**

DATE: October 1, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Award a construction contract to Zeco, Inc., of Anaheim, California in the amount of \$164,039.25 for the construction of the Heritage Park Native American Pond Improvement Project and authorize the City Manager to execute the agreement; and
- 2) Appropriate \$100,750 from the Utility Users Tax (UUT) Fund to the Heritage Park Native American Pond Improvement Project (Account No. PW200101); and
- 3) Take such additional, related action that may be desirable.

FISCAL IMPACT

The Heritage Park Native American Pond Improvement Project is an approved Capital Improvement Project partially funded by a grant from the California Natural Resources Agency in the amount of \$276,250 for construction and contingency, with a separate design budget of approximately \$20,000. The total grant amount is \$296,250.

The Heritage Park Native American Pond Improvement Project will require an appropriation in the amount of \$100,750 from the Utility Users Tax (UUT) Fund to the Heritage Park Native American Pond Improvement Project (Account No. PW200101) for inspection and engineering for the project.

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Heritage Park Native American Pond Improvement – Award of Contract
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The total project cost breakdown is as follows:

ITEM	ESTIMATED AMOUNT
Construction	\$ 164,040.00
Design	\$ 20,000.00
Engineering	\$ 50,375.00
Inspection	\$ 50,375.00
Contingency	\$ 112,210.00
Estimated Total Project Cost:	\$ 397,000.00

PROJECT FUNDING	AMOUNT
Grant Revenue (Only Construction & Contingency)	\$ 276,250.00
Grant Revenue (Only Design)	\$ 20,000.00
Total Project Funding:	\$ 296,250.00

PROJECT FUNDING SHORTFALL	AMOUNT
Estimated Total Project Cost	\$ (397,000.00)
Grant Revenue Allocation Allowed (Construction & Contingency)	\$ 276,250.00
Grant Revenue Allocation (Design)	\$ 20,000.00
Recommended Appropriation:	\$ (100,750.00)

BACKGROUND

The Heritage Park Native American Pond Improvement project is located at the northwest corner of Heritage Park. The pond has served the community for approximately 26 years. The intent of the project is remove and replace aging pond components to improve water operation efficiencies and fix leaks. The scope of work includes replacement of landscaping, planting, installation of decomposed granite, installation of water piping systems, earthwork, clearing and grubbing, concrete construction, placement of a polyethylene liner and geotextile fabric, and installation of cobblestone.

ANALYSIS

On July 16, 2024, the City Council authorized the advertisement for construction bids for the subject project. The solicitation for construction bids was advertised on August 6, 2024 in accordance with the California Public Contract Code.

Bids were opened on August 22, 2024, and a total of three bids were received. City Staff reviewed the proposals and determined that all bid proposals complied with the project specifications. The apparent low bidder for the project was Zeco, Inc. of Anaheim, CA with a bid totaling \$164,039.25. The tabulated bid results are as follows:

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Heritage Park Native American Pond Improvement – Award of Contract
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Company Name	Publicly Read Bid Amount	Audited Bid	
1. Zeco, Inc.	\$167,043.35	\$164,039.25	*
2. J&L Constructors, Inc.	\$223,350.00	\$313,350.00	*
3. RG General Engineering, Inc.	\$257,354.00	\$257,354.00	

*Mathematical computation summation errors.

The bid proposal submitted by Zeco, Inc. in the amount of \$164,039.25, is approximately 31% below the Engineer's Estimate of \$240,000 and is acceptable.

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

ENVIRONMENTAL

Not applicable.

DISCUSSION

The project improvements will reduce overall pond maintenance costs, and reduce operational water costs.

SUMMARY/NEXT STEPS

Upon City Council's approval of the recommended actions, City staff will coordinate with the Contractor on the delivery of the project.

ATTACHMENTS:

A. Contract Agreement

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

AGREEMENT FOR CONSTRUCTION
HERITAGE PARK NATIVE AMERICAN POND IMPROVEMENTS
CONTRACTOR'S NAME

This Agreement for Construction (“Agreement”) is entered into on this 1st day of October 2024, by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation (“City”) and ZECO, INC., 22845 Savi Ranch Pkwy., Unit C, Yorba Linda, CA 92887, State Contractor’s License No. 1031463, (“Contractor”). Hereinafter, the City and the Contractor may be referred to collectively as the “Parties.” The Parties mutually agree as follows: Contractor shall furnish all labor, equipment and materials for, and perform the work of which is covered in the Contractor’s Bid Proposal (the “Work”), in accordance with the provisions and requirements in the Contract Documents as defined by this Agreement.

ARTICLE 1 – CONTRACT DOCUMENTS

1.1 **Definitions.** The meanings of all capitalized terms used herein and in the Contract Documents and not otherwise defined in this document shall be the same as those definitions set forth in the General and Standard Specifications and Special Provisions.

1.2 **Contract Documents.** The “Contract Documents,” except for Modifications issued after execution of this Agreement, consist of the following documents, all of which are either attached hereto as exhibits or are incorporated herein by this reference, are intended to be correlative and constitute Contractor’s performance obligations:

- a. Permits from the City’s Building, Planning, and Public Works Departments and similar Governmental Approvals for the Work required by applicable law.
- b. Change Orders and other Modifications issued after execution of the Agreement.
- c. This Agreement, as signed by the Parties, including the following exhibit, and Certificates of Insurance and Additional insured endorsements for Contractor:
Exhibit “A” – Workers Compensation Certification
Exhibit “B” – Performance and Payment Bonds
Exhibit “C” – Claims Procedure
- d. Addenda with later Addenda having priority over earlier Addenda issued in connection with the Notice Inviting Bids, as follows:
Addendum No. 1, issued August 8, 2024, 1 pages.
- e. Contractors Bid Proposal, for the above-referenced Bid No. 2024-02 (comprised of Notice Inviting Bids, Instructions to Bidders and attachments, Bid Schedule of Prices, List of Subcontractors, Proposal, Signature Certification/Authorization, Bid Guaranty, and where applicable, Contractor Qualification Statement and/or Subcontractor Qualification Statement.
- f. Special Provisions, General Specifications and Standard Specifications.

- g. City and other agency's Standard Drawings.
- h. All documents, maps, texts and items referred to in the foregoing documents.

1.3 **Interpretation.** In the event of any conflict between any of the Contract Documents, the document highest in the order of precedent shall control. The order of precedent shall be the same as that set forth in the 2018 Edition of the Standard Specifications for Public Works Construction, unless otherwise revised in the Special Provisions.

1.4 **Entire Agreement.** This Agreement together with all other Contract Documents represents the entire and integrated agreement between City and Contractor and supersedes any prior written or oral agreements between them concerning the subject matter contained in the Contract Documents. There are no representations, agreements, arrangements or understandings, oral or written, between the Parties hereto, relating to the subject matter contained in the Contract Documents, which are not fully expressed herein.

ARTICLE 2 - SERVICES OF CONTRACTOR

2.1 **Scope of Services.** In compliance with all terms and conditions of this Agreement, the Contractor shall provide those services specified in the Contract Documents, which services may be referred to herein as the "Services" or "Work" hereunder. As a material inducement to the City entering into this Agreement, Contractor represents and warrants that Contractor is a provider of first class work and services and Contractor is experienced in performing the work and services contemplated herein and, in light of such status and experience, Contractor covenants that it shall follow the highest professional standards in performing the work and services required hereunder and that all materials will be of good quality, fit for the purpose intended. Further, Contractor represents that it is knowledgeable and experienced in constructing improvements that are compliant with all applicable accessibility requirements and warrants that all work performed under this agreement will comply with all applicable accessibility requirements.

2.2 **Compliance with Law.** All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, and regulations of the City and any Federal, State or local governmental having jurisdiction in effect at the time service is rendered, including but not limited to, all applicable accessibility requirements.

2.3 **Licenses, Permits, Fees and Assessments.** Contractor shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement, including registration with the Department of Industrial Relations of the State of California as required by Labor Code Section 1725.5 before commencing performance under this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the services required by this Agreement, and shall indemnify, defend and hold harmless City against any such fees, assessments, taxes penalties or interest levied, assessed or imposed against City hereunder. Contractor shall be responsible for all subcontractors' compliance with this Section 2.3.

2.4 Familiarity with Work. By executing this Contract, Contractor warrants that Contractor (a) has thoroughly investigated and considered the scope of services to be performed, including the requirement that the facilities being constructed must comply with all applicable accessibility requirements, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, Contractor warrants that Contractor has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services hereunder. Should Contractor discover any latent or unknown conditions, which will materially affect the performance of the services hereunder, Contractor shall immediately inform the City of such fact and shall not proceed except at Contractor's risk until written instructions are received from the City.

2.5 Standard of Performance. Contractor, its subcontractors and their employees, in the performance of Contractor's work under this Agreement shall be responsible for exercising the degree of skill and care required by customarily accepted good professional practices and procedures used in the Contractor's field. Any costs for failure to meet the foregoing standard or to correct otherwise defective work that requires re-performance of the work, shall be borne in total by the Contractor and not by the City. The failure of a project to achieve the performance goals and objectives stated in this Agreement is not a basis for requesting re-performance unless the work conducted by Contractor and/or its subcontractors is deemed by the City to have failed the foregoing standard of performance.

In the event Contractor fails to perform in accordance with the above standard:

2.51. Contractor will re-perform, at its own expense, any task which was not performed to the reasonable satisfaction of City. Any work re-performed pursuant to this paragraph shall be completed within the time limitations originally set forth for the specific task involved. Contractor shall work any overtime required to meet the deadline for the task at no additional cost to the City;

2.5.2. The City shall provide a new schedule for the re-performance of any task pursuant to this paragraph in the event that re-performance of a task within the original time limitations is not feasible; and

2.5.3. The City shall have the option to direct Contractor not to re-perform any task which was not performed to the reasonable satisfaction of the City Manager pursuant to application of subsections 1 and 2 above. In the event the City directs Contractor not to re-perform a task, the City shall negotiate a reasonable settlement for satisfactory work performed. No previous payment shall be considered a waiver of the City's right to reimbursement.

Nothing contained in this section is intended to limit any of the rights or remedies which the City may have under law.

2.6 Care of Work. Contractor shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and/or other components thereof to prevent losses or damages, and shall be

responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence.

2.7 Further Responsibilities of Parties. Both parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both parties agree to act in good faith to execute all instruments, prepare all documents and take all actions as may be reasonably necessary to carry out the purposes of this Agreement. Unless hereafter specified, neither party shall be responsible for the service of the other. Contractor shall require all subcontractors to comply with the provisions of this Agreement.

2.8 Trenches or Excavations. Pursuant to California Public Contract Code Section 7104, in the event the work included in this Agreement requires excavations more than four (4) feet in depth, the following shall apply:

- a. Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) Subsurface or latent physical conditions at the site different from those indicated; or (3) Unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the contract.
- b. City shall promptly investigate the conditions, and if it finds that the conditions do materially so differ, or do involve hazardous waste, and cause a decrease or increase in Contractor's cost of, or the time required for, performance of any part of the work shall issue a change order per Section 3.4 of this Agreement.
- c. That, in the event that a dispute arises between City and Contractor whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in Contractor's cost of, or time required for, performance of any part of the work, Contractor shall not be excused from any scheduled completion date provided for by the contract, but shall proceed with all work to be performed under the contract. Contractor shall retain any and all rights provided either by contract or by law, which pertain to the resolution of disputes and protests between the contracting parties.

2.9 Utility Relocation. City is responsible for removal, relocation, or protection of existing main or trunk line utilities to the extent such utilities were not identified in the invitation for bids or specifications. City shall reimburse contractor for any costs incurred in locating, repairing damage not caused by contractor and removing or relocating such unidentified utility facilities, including equipment idled during such work. Contractor shall not be assessed liquidated damages for delay arising from the removal or relocation of such unidentified utility facilities.

ARTICLE 3 – CONTRACT PRICE AND PAYMENT

3.1 **Contract Price.** City shall pay Contractor the Contract Price of one hundred sixty-four thousand thirty-nine dollars and twenty-five cents. (\$164,039.25) which includes all California sales or use tax and County and City taxes, in consideration for the Contractor's full, complete and timely performance of all of the Work required by the Contract Documents. The Contract Price includes any Alternative/Additive Bid Items which were awarded with the Contract.

Contractors agree to allocate the use tax derived from contracts or subcontracts of \$5 million or more directly to the job site location by obtaining a sub-permit of the Contractor's seller's permit for the jobsite and allocating the local tax to the jobsite address on the appropriate schedule of the applicable sales tax returns. Contractor shall provide City with proof of such filing prior to City's issuance of the Notice to Proceed.

3.2 **Substitution of Securities.** In accordance with Section 22300 of the California Public Contract Code, Contractor may substitute securities for any monies withheld by the City to ensure performance of the Contract. Such substitution shall be made at the request and expense of Contractor. Securities equivalent to the amount withheld may be deposited with the City or with a state or federally chartered bank as escrow agent. Securities eligible for substitution shall include those listed in Section 16430 of the Government Code, bank or saving and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed to by Contractor and City.

3.3 **Changes to the Contract Price.** Contractor shall not be compensated for any extra materials used or time expended over and above the Contract Price, unless prior written approval for the same has been granted by the City.

3.4 **Additional Services.** City shall have the right at any time during the performance of the services, without invalidating this Agreement, to order extra work beyond that specified in the Scope of Services or make changes by altering, adding to or deducting from said work. No such extra work may be undertaken unless a written change order is first given by the Contract Officer to the Contractor, incorporating therein any adjustment in (i) the Contract Sum as set forth in Section 3.1, and/or (ii) the time to perform this Agreement, which said adjustments are subject to the written approval of the Contractor. Any increase in compensation of twenty-five percent (25%) or less of the Contract Sum, or in the time to perform of one hundred eighty (180) days or less may be approved by the Contract Officer. Any increases, taken either separately or cumulatively, that result in the Contract Sum exceeding \$50,000 must be approved by the City Council. It is expressly understood by Contractor that the provisions of this Section shall not apply to services specifically set forth in the Scope of Services or reasonably contemplated therein. Contractor hereby acknowledges that it accepts the risk that the services to be provided pursuant to the Scope of Services may be costlier or time consuming than Contractor anticipates and that Contractor shall not be entitled to additional compensation therefore.

3.5 Payment Procedures.

3.5.1 Progress Payments. All progress payments shall be made in accordance with Public Contract Code § 20104.50, as follows:

a. The City shall make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request. If the City fails to make any progress payment within 30 days after receipt of an undisputed and properly submitted payment request from a contractor on a construction contract the City shall pay interest to the Contractor equivalent to the legal rate set forth in subdivision (a) of § 685.010 of the Code of Civil Procedure.

b. Upon receipt of a payment request, the City shall act in accordance with both of the following:

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

(2) Any payment request determined not to be a proper payment request suitable for payment shall be returned to the Contractor as soon as practicable, but not later than seven (7) days, after receipt. A request returned pursuant to this section shall be accompanied by a document setting forth in writing the reasons why the payment request is not proper.

c. The number of days available to the City to make a payment without incurring interest pursuant to §20104.50 of the Public Contract Code shall be reduced by the number of days by which the City exceeds the seven-day return requirement set forth in paragraph (2) of subdivision (b) above.

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

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

3.5.2 Retention. Within sixty (60) calendar days after City accepts final completion of the Work, City shall pay Contractor the amounts City deducted and retained from Contractor’s progress payments, except such sums which are required by applicable law or authorized by the Contract to be further retained. In the event of a dispute between City and Contractor concerning the amount of final payment due, the City may withhold from final payment, including Liquidated Damages provided forth in the Contract Documents, together with an amount not to exceed 150% of the disputed amounts.

ARTICLE 4 – TIME FOR PERFORMANCE

4.1 **Date of Commencement/Notice to Proceed.** The date of commencement of the Work shall be established in a written Notice to Proceed issued by the City. The City will not issue a Notice to Proceed to the Contractor until this Agreement, bonds and insurance documents have been executed by all parties and approved by the City.

4.2 **Contract Time.** Contractor shall perform the Work in a diligent manner and shall complete all of the Work of the Contract, excluding any Plant Establishment, if applicable, within Ninety (90) calendar days after the date specified to Contractor in the Notice to Proceed issued by then City.

ARTICLE 5 – LIQUIDATED DAMAGES AND INCENTIVE BONUS

5.1 **Amounts of Liquidated Damages.** Failure of Contractor to complete the Work within the time allowed will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each consecutive working day in excess of the time specified for the completion of Work, as adjusted in accordance with the Standard Specifications, Contractor shall pay to City, or have withheld from monies due Contractor, the sum of Two Thousand Dollars (\$2,000). Execution of this Agreement shall constitute agreement by City and Contractor that said sum is the minimum value of the costs and actual damage caused by the failure of Contractor to complete the Work within the allotted time. Such sum is liquidated damages and shall not be construed as a penalty, and may be deducted from payments due Contractor if such delay occurs.

ARTICLE 6 – CLAIMS AND DISPUTES

6.1 **Claims Procedures.** Contractor shall comply with the claims procedure set forth in Public Contract Code Section 9204, a summary of which is attached to this agreement as **Exhibit “C.”**

6.2 **Government Code Claims Procedures.** Contractor further acknowledges that notwithstanding Contractor’s compliance with the claims procedures set forth herein, Contractor must also comply with the claims procedures set forth in Government Code sections 900 et seq. prior to filing a lawsuit against the City for any such claim. Failure to submit a Government Code claim or comply with the claims provision contained herein shall bar Contractor from bringing and maintaining a valid lawsuit against the City.

6.3 **Cooperation and Notification.** In the event any claim or action is brought against City relating to Contractor’s performance or services rendered under this Agreement, Contractor shall render any reasonable assistance and cooperation which City might require. The City shall provide notification to Contractor within ten (10) business days upon receipt of any third party claim relating to this Agreement.

ARTICLE 7 – LOCAL BUSINESS LICENSE, TAXES AND FEES

7.1 Business Tax Certificate and Governmental Approvals. As a condition of the Contract, Contractor and all subcontractors shall, during the term of this Agreement, secure and annually renew business tax certificates pursuant to Chapter 35.070, et seq. of the Santa Fe Springs Municipal Code to operate in the City, and shall also secure and maintain at all times during performance of the Work, any other licenses, fees, permits or similar Governmental Approvals required by Applicable law.

7.2 Offsets. Contractor acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which is owed, or which becomes owed, by Contractor to City, City reserves the right to withhold and offset said amounts from any payments, refunds or reimbursements owed by City to Contractor under the Contract. Notice of such withholding and offset shall promptly be given to Contractor by City in writing. In the event of a dispute as to the amount owed or whether such amount is owed to City, City will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

ARTICLE 8 – BONDS

8.1 Performance and Payment Bonds. Prior to City's execution of this Agreement, Contractor shall furnish to the City two (2) duly executed surety bonds using the forms included within the Bidding Requirements, one (1) as security for the faithful performance of the Contract and one (1) as security for the payment of all persons performing labor and furnishing materials in connection with the Contract. Both bonds shall be in the amount of one hundred percent (100%) of the Contract Price and shall be subscribed by an Admitted Surety Insurer which is authorized to transact surety insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger. Should any bond or surety become insufficient, Contractor shall furnish City a new bond within ten (10) days after receiving notice from City. No payments will be due or paid under the Contract until any and all bond deficiencies have been remedied. Contractor, by execution of this Agreement acknowledges that the bonds are not Contract Documents, but are separate obligations.

ARTICLE 9 – WORKERS' COMPENSATION INSURANCE

9.1 Workers' Compensation Insurance Certificate. By executing this Agreement, Contractor certifies that Contractor is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation or to undertake self-insurance before commencing any of the Work. Contractor shall comply with Labor Code Section 1861 by signing and filing the workers' compensation certification attached hereto as Exhibit "A" and incorporated herein by reference.

9.2 Evidence of Coverage. Prior to the City's execution of this agreement, Contractor shall file with the City either 1) a certificate of insurance or self-insurance evidencing that such insurance is in effect, or that Contractor is self-insured for such coverage; or 2) a certified statement that Contractor has no employees, and acknowledging that if Contractor does employ any person,

the necessary certificate of insurance will immediately be filed with City. Any Certificate filed with the City shall provide that City shall be given ten (10) days prior written notice before modification or cancellation thereof.

9.3 **Carrier Rating.** Contractor's workers' compensation insurance carrier shall be authorized to transact insurance business in the State of California with a policy holder's rating of A- or higher and a Financial Class of VII or larger.

9.4 **Subcontractor Worker's Compensation Insurance.** Contractor shall require each of its Subcontractors to obtain and maintain for the duration of this Agreement, complete workers' compensation insurance, meeting or exceeding the coverage's and amounts that California law requires.

ARTICLE 10 – CONTRACTOR'S LIABILITY INSURANCE

10.1 **Minimum Scope.** Prior to City's execution of this Agreement and Contractor's commencement of Work, Contractor shall secure, submit proof of and shall thereafter maintain without interruption, until completion of and acceptance by the City of the Work, such commercial general and automobile liability insurance as shall protect Contractor, its Subcontractors and the Additional Insured's from any and all claims for damages for personal injury, including accidental death, as well as any and all claims for property damage which may arise from or which may concern operations under the Contract, whether such operations be by or on behalf of Contractor, any subcontractor or anyone directly or indirectly employed by, connected with or acting for or on behalf of any of them.

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

10.3 **Minimum Limits.** Contractor shall maintain minimum limits of insurance as follows:

10.3.1 **Commercial General Liability:** Contractor's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence, an aggregate limit for products/completed operations in the amount not less than \$2,000,000.

10.3.2 **Automobile Liability Insurance:** Contractor's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Contractor's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Contractor's performance of this Agreement, which vehicles shall include, but are not limited to, Contractor owned vehicles, Contractor leased vehicles, Contractor's employee vehicles, non-Contractor-owned vehicles and hired vehicles.

10.3.3 Builder's Risk Insurance. Unless otherwise set forth in the special provisions, during the term of this contract, Contractor shall maintain in force, at its own expense, Builder's Risk insurance on all risks of direct physical loss basis, excluding damage caused by an act of God, pursuant to California Public Contract Code § 7105, for an amount equal to the full completed value of the covered structure or replacement value of alterations or additions. The policy shall include as loss payee, the City of Santa Fe Springs, the Contractor, and its sub-contractors as their interest may appear. The City shall not be responsible for the theft of any materials, equipment in the possession and control of Contractor.

10.3.4 Umbrella or excess liability insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall provide that the policy will respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason; have the same effective dates as the primary policies; pay on behalf of the insureds and not reimbursement; the policies shall "follow form" to the underlying primary policies; and the insureds, including the additional insureds shall be the same as the primary policies.

10.4 **Notice of Cancellation and Renewals.** The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to City). Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

10.5 **All Coverage's.** The insurance policy or policies shall also comply with the following provisions:

- a. Policies shall include premises/operations, products completed operations, independent contractors, owners and contractors' protection, explosion, collapse, underground hazard, broad form contractual, personal injury with employment exclusion deleted, and broad form property damage.
- b. The policy shall be endorsed to waive any right of subrogation against the City and its subcontractors, employees, officers, agents and directors for work performed under this Agreement.
- c. If policies are written on a claims made basis, the certificate should so specify and the policy must continue in force for **ten (10) years** after completion of the Project. The retroactive date of the coverage must also be listed.
- d. The policy shall specify that the insurance provided by Contractor will be considered primary and not contributory to any other insurance available to the City of Santa Fe Springs. Contractor shall provide Form No. CG 20010413 to City.

- e. All policies of insurance shall name the City as an Additional Insured and shall contain the following language: “Solely with respect to work done by and on behalf of the name insured for the City of Santa Fe Springs, it is agreed that the City of Santa Fe Springs, and its officers, officials, employees and agents are added as additional insureds under this policy.”
- f. Coverage provided by Contractor shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City’s own insurance or self-insurance shall be called upon to protect it as a named insured.

10.6 Certificates of Insurance, Additional Insured Endorsements and Deductibles. Prior to execution of the Agreement, and thereafter upon City’s request, Contractor shall furnish City with original certificates of insurance and additional insured endorsements setting forth evidence of all insurance coverage required by this Article. Each certificate and endorsement is to be signed by a person authorized by that insurer to bind coverage on its behalf.

10.7 Contractor’s Failure to Provide Required Insurance. Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Contract until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its discretion and sole option: (a) procure insurance with collection rights for premiums, attorneys’ fees and costs against Contractor by way of set-off or recoupment from sums due Contractor; (b) immediately terminate or suspend Contractor’s performance of the Contract; (c) pay Contractor’s premiums for renewal of Contractor’s coverage; or (d) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorneys’ fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due Contractor. Upon demand, Contractor shall repay City for all sums that City paid to obtain, renew, reinstate or replace the insurance, or City may offset the cost against any monies that the City may owe Contractor.

10.8 Verification of Coverage. City shall have the right to obtain complete and certified copies of Contractor’s and Subcontractors’ insurance policies (including, but not limited to, the declarations page, form list and riders), endorsements or certificates required under the Contractor Documents, upon request (including, but not limited to, the declarations page, form list and riders).

10.9 Reassessment of Insurance Requirements. At any time during the duration of this Contract, the City may require that Contractor obtain, pay for, and maintain more or less insurance depending on the City’s assessment of any one or more of the following factors: (1) the City’s risk of liability or exposure arising out of, or in any way connected with, Contractor’s services under this Contract; (2) the nature or number of accidents, claims, or lawsuits arising out of, or in any way connected with, Contractor’s services under this Contract; or (3) the availability, or affordability, or both, of increased liability insurance coverage.

10.10 Contractor's Insurance for Other Losses. The Contractor and its Subcontractors of every tier shall assume full responsibility for all loss or damage from any cause whatsoever to any tools, Contractor's (or Subcontractors') employee owned tools, machinery, equipment, or motor vehicles owned or rented by the Contractor, or the Contractor's agents, suppliers or Subcontractors as well as to any temporary structures, scaffolding and protective fences.

10.11 No Limitation. Contractor's maintenance of insurance as required by the Contract Documents shall not be construed to limit the liability of the Contractor or its Subcontractors of any tier to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

10.12 Subcontractors' Insurance. The Contractor shall include in all subcontracts a requirement that the Subcontractors of every tier shall obtain and maintain, at a minimum, all insurance required by Articles 9 and 19 of this Agreement except that the limits of liability and deductibles shall be in amounts determined by the Contractor, based on the degree of hazardous exposure according to the Work performed by each Subcontractor and the size of each subcontract.

Contractor shall ensure that any professional engineer retained on its behalf to provide supplemental plans and engineering calculations required in conjunction with the Work, maintains professional liability insurance during the entire term of this Agreement. Such insurance shall be in the minimum amount of \$1,000,000 to protect City from claims resulting from the engineer(s) activities. This minimum amount of coverage shall not constitute any limitation or cap on Contractor's indemnification obligations set forth herein.

The City reserves the right to request certificates of insurance from the Contractor for each Subcontractor. The Contractor acknowledges that regardless of insurance obtained by its Subcontractors, the Contractor will be responsible to the City for any and all acts of its Subcontractors.

ARTICLE 11 - INDEMNITY/DUTY TO DEFEND

11.1 Indemnity. Except as to the sole negligence, active negligence or willful misconduct of the City, Contractor assumes liability for and agrees, at Contractor's sole cost and expense, to promptly and fully indemnify and hold the City, its City Council, and all of its respective officials, officers, directors, employees, managers, commission members, representatives, agents, council members, ("Indemnitees"), harmless from and against any and all loss, damage, claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceedings, causes of action, demands, costs, judgments, liens, stop notices, penalties, damages, losses, anticipated losses of revenue, expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), costs, including attorneys' fees, or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from or is in any way (either directly or indirectly) related to, or is in any manner connected with, the performance of Work, the Project, activities, operations or duties of Contractor, or anyone employed by or working under Contractor, and from all claims by anyone employed by or working under Contractor for services rendered to Contractor in the performance of this Agreement ("Indemnity Claims"), notwithstanding that the City may have benefited from their services. This indemnification provision shall apply to any acts or omissions, willful

misconduct or negligent conduct, whether active or passive, on the part of Contractor or of anyone employed by or working under Contractor.

The parties expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

11.2 Duty to Defend. Contractor agrees, at its sole cost and expense, to promptly defend the Indemnitees from all Indemnity Claims. The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnatee. The Contractor's obligation to defend the Indemnitees shall be at Contractor's sole expense, and not be excused because of Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively or concurrently negligent, or which otherwise assert that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. Contractor agrees to provide this defense immediately upon written notice from the City, and with well qualified, adequately insured and experienced legal counsel acceptable to the City.

11.3 Subcontractor Requirements. In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Article.

11.4 No Limitation or Waiver of Rights. Contractor's obligations under this Article are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Article are separate and independent from the insurance provisions set forth in the Agreement and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. City approval of the Insurance contracts required by this Agreement does not in any way relieve the Contractor from liability under this section. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance

with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

11.5 Withholding to Secure Obligations. In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

11.6 Limitations. Notwithstanding the above provisions of section 11.1 and 11.2, Contractor shall not be liable for the defense or indemnification of the City for claims, actions, complaints or suits arising out of the sole active negligence or willful misconduct of the City.

11.7 Survival of Indemnity Obligations. Contractor's obligations under this Article are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

ARTICLE 12 – PREVAILING WAGES

12.1 Public Work Project. This Project is a public work as defined in California Labor Code Section 1720. By executing this Agreement, Contractor certifies that neither it, nor any of its subcontractors are ineligible under Labor Code Section 1777.1 or Section 1777.7 from bidding on, entering into a contract for, or performing the Work. Contractor and all Subcontractors of any tier are required to pay all workers employed in the execution of the Work not less than the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations ("DIR") under Section 1720 et seq. of the California Labor Code. The Director's determination of prevailing rates are on file with the City and are available on-line at www.dir.ca.gov/dlsr/DPreWageDetermination.htm and are referred to and made a part hereof; the wage rates therein ascertained, determined and specified are referred to and made a part hereof as though fully set forth herein.

12.2 California Labor Code. Contractor is aware of and stipulates that Contractor will also comply with the following sections of the California Labor Code:

- a. Section, 1771, Contractor and any subcontractors shall pay not less than the general prevailing rate per diem wages.
- b. Section 1775, Contractor and any subcontractor will forfeit to City as a penalty up to \$200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each worker the difference between the applicable wage rate and the amount actually paid.
- c. Contractor and its subcontractors must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and all implementing regulations promulgated by the DIR. For each payroll record, Contractor and its subcontractors must certify under penalty of perjury that the information in the

record is true and correct, and that it has complied with the requirements of Labor Code sections 1771, 1811, and 1815. Contractor must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations.

- d. Section 1777.5 prescribes the terms and conditions for employing registered apprentices.
- e. Section 1810, eight hours of labor constitutes a legal day's work.
- f. Section 1813, Contractor will forfeit to the City as a penalty the sum of \$25 for each day during which a worker employed by Contractor or any subcontractor is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such workers are paid overtime wages under Labor Code section 1815.
- g. Sections 1725.5 and 1771.1 requires all general contractors and subcontractors to be registered with DIR.
- h. Contractor must also post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4.

ARTICLE 13 – MISCELLANEOUS

13.1 Non-Discrimination. Except as provided in Section 12940 of the California Government Code, during Contractor's performance of the Agreement, Contractor shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, gender, gender identity, genetic information, gender expression, sex or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment. Contractor shall also comply with the requirements of the Americans with Disabilities Act in the performance of the Agreement.

13.2 Notice. Whenever any provision of the Contract Documents requires the giving of written notice, including notices, bills, invoices or other documents required or permitted under this Agreement, service shall be sufficient if sent by one party to the other by overnight courier, or by registered, certified or United States first class mail, postage prepaid and addressed as follows:

City

City of Santa Fe Springs
Attn: James Enriquez, PE
11710 Telegraph Road
Santa Fe Springs, CA 90670

Contractor

ZECO, Inc.
Amin Nazarinia:
359 S. Avenida Margarita
Anaheim, CA 92807

13.3 Conflict of Interest. The Contractor warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. Contractor and its officers, employees, associates and subcontractors, if any, will comply with all conflict of interest statutes of the State of California applicable to Contractor's services under this agreement,

including, but not limited to, the Political Reform Act (Government Code Sections 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Contractor and its officers, employees, associates and subcontractor shall not, without the prior written approval of the City Representative, perform work for another person or entity for whom Contractor is not currently performing work that would require Contractor or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute.

13.4 Waiver. No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

13.5 Rights and Remedies. Rights and Remedies are cumulative except with respect to rights and remedies expressly declared to be exclusive 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 or different times, of any other rights or remedies for the same default or any other default by the other party.

13.6 Legal Action. In addition to any other rights or remedies, either party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

13.7 Disputes. In the event either party fails to perform its obligations hereunder, the nondefaulting party shall provide the defaulting party written notice of such default. The defaulting party shall have ten (10) days to cure the default; provided that, if the default is not reasonably susceptible to being cured within said ten (10) day period, the defaulting party shall have a reasonable time to cure the default, not to exceed a maximum of thirty (30) days, so long as the defaulting party commences to cure such default within ten (10) days of service of such notice and diligently prosecutes the cure to completion; provided further that if the default is an immediate danger to the health, safety and general welfare, the defaulting party shall take such immediate action as may be necessary. Notwithstanding the foregoing, the nondefaulting party may, in its sole and absolute discretion, grant a longer cure period. Should the defaulting party fail to cure the default within the time period provided in this Section, the nondefaulting party shall have the right, in addition to any other rights the nondefaulting party may have at law or in equity, to terminate this Agreement. Compliance with the provisions of this Section 13.7 shall be a condition precedent to bringing any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured.

13.8 Termination for Default of Contractor. If termination is due to the failure of the Contractor to fulfill its obligations under this Agreement, Contractor shall vacate any City owned property which Contractor is permitted to occupy hereunder and City may, after compliance with the provisions of Section 13.7, take over the work and prosecute the same to completion by contract

or otherwise, and the Contractor shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that the City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to the Contractor for the purpose of setoff or partial payment of the amounts owed the City as previously stated.

13.9 Force Majeure. The time period(s) specified in the Scope of Services for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the City, if the Contractor shall within ten (10) days of the commencement of such delay notify the City in writing of the causes for the delay. The City shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the enforced delay when and if in the judgment of the City such delay is justified. The City's determination shall be final and conclusive upon the parties to this Agreement.

13.10 City's Right to Access and Audit Contractor's Project Documents.

a. If the Contractor submits a claim to the City for additional compensation, the City shall have the right, as a condition to considering the claim, and as a basis for evaluation of the claim, and until the claim has been settled, to audit the Contractor's books to the extent they are relevant. This right shall include the right to examine books, records, documents, and other evidence and accounting procedures and practices, sufficient to discover and verify all direct and indirect costs of whatever nature claimed to have been incurred or anticipated to be incurred and for which the claim has been submitted. The right to audit shall include the right to inspect the Contractor's plant, or such parts thereof, as may be or have been engaged in the performance of the Work. The Contractor further agrees that the right to audit encompasses all subcontracts and is binding upon Subcontractors. The rights to examine and inspect herein provided for shall be exercisable through such representatives as the City deems desirable during the Contractor's normal business hours at the office of the Contractor. The Contractor shall make available to the City for auditing, all relevant accounting records and documents, and other financial data, and upon request, shall submit true copies of requested records to the City.

b. The City and/or its authorized auditors or representatives, (including the California State Auditor if so requested by the City pursuant to Government Code § 8546.7) shall have access to and the right to examine, audit, excerpt, transcribe, and reproduce any of the Contractor's records for a period of at least three (3) years after termination of the Agreement and/or Final Payment. Such records include without limitation, journals, ledgers, records of accounts payable and receivable, profit and loss statements, bank statements, invoices, receipts, subcontracts, agreements, notes, correspondence, memoranda, and any documents generated and received in Contractor's performance of this Contract. Upon written notice by the City, Contractor shall promptly make all such records available to City and/or its authorized auditors or representatives and cooperate with the City and its authorized auditors or representatives in examining, auditing, excerpting, transcribing and reproducing the records.

13.11 Unfair Business Practices Claims. In entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, the contractor or subcontractor offers and agrees to assign to the awarding body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2, (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or the subcontract. This assignment shall be made and become effective at the time the awarding body renders final payment to the contractor without further acknowledgment by the parties. (Sec. 7103.5, California Public Contract Code).

13.12 Venue. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court in Los Angeles County, State of California.

13.13 Prohibition Against Assignment. The experience, knowledge, capability and reputation of Contractor, its principals and employees were a substantial inducement for the City to enter into this Agreement. Neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written approval of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty-five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release the Contractor or any surety of Contractor of any liability hereunder without the express consent of City.

13.14 Independent Contractor. Neither the City nor any of its employees shall have any control over the manner, mode or means by which Contractor, its subcontractors, agents or employees, performs the services required herein, except as otherwise set forth herein. The City shall have no voice in the selection, discharge, supervision or control of Contractor's employees, subcontractors, servants, representatives or agents, or in fixing their number, compensation or hours of service. Contractor shall perform all services required herein as an independent contractor of the City and shall remain at all times as to the City a wholly independent contractor with only such obligations as are consistent with that role. Contractor shall not at any time or in any manner represent that it or any of its subcontractors, agents or employees are agents or employees of the City. The City shall not in any way or for any purpose become or be deemed to be a partner of Contractor in its business or otherwise or a joint venture or a member of any joint enterprise with Contractor.

13.15 No Estoppel or Waiver by City. No action or failure to act by the City shall constitute a waiver of any right or duty afforded City under this Agreement, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically provided in this Agreement or as may be otherwise agreed in writing. The waiver by the City of any breach or violation of any term, covenant or condition of this Agreement or of any provision, ordinance, or law shall not be deemed to be a waiver of any other term, covenant, condition, ordinance, or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance, or law. The subsequent payment of any monies or fee by

the City which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by Contractor or any term, covenant, condition of this Agreement or of any applicable law or ordinance.

13.16 Signature Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of Contractor each represent and warrant that they have the legal power, right and actual authority to bind Contractor to the terms and conditions hereof and thereof.

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

[Signatures on following page.]

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

CITY OF SANTA FE SPRINGS

ZECO, INC.

By: _____
René Bobadilla, City Manager

Signed by:
By: Amin Nazarinia _____
31A56C06A4ED4DA...
Amin Nazarinia
President

Title

Attest: _____
Fernando Muñoz, Deputy City Clerk

By: _____
Name

Title

APPROVED AS TO FORM

By: _____
Rick Olivarez, City Attorney



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: James Enriquez, P.E., Director of Public Works / City Engineer

SUBJECT: **RESIDENTIAL STREET IMPROVEMENTS 2024-2025 -
AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS**

DATE: October 1, 2024

RECOMMENDATION:

It is recommended that the City Council:

- 1) Approve adding the Residential Street Improvements 2024-2025 project to the Capital Improvement Plan; and
- 2) Appropriate Local Return Funds in the following dollar amounts: Prop C \$1,199,321.68, TDA \$41,035.00, Gas Tax \$712,000.00, Measure R \$1,753,894.00, Measure M \$1,654,009.00; and
- 3) Appropriate \$1,200,000.00 from the Residential Street Lighting Systems Upgrade Project (Account PW220010) to the proposed Residential Street Improvements 2024-2025 Project; and
- 4) Appropriate \$680,000 from the Utility Users Tax (UUT) Capital Improvements Fund to the Residential Street Improvements 2024-2025 project; and
- 5) Approve the Plans and Specifications for the subject project; and
- 6) Authorize the City Engineer to advertise for construction bids; and
- 7) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and
- 8) Take such additional, related action that may be desirable.

FISCAL IMPACT

The proposed Residential Street Improvements 2024-2025 Project is a new CIP Project and staff is recommending adding the project to the Capital Improvement Plan. The City

CITY COUNCIL AGENDA REPORT – MEETING OF OCTOBER 1, 2024
Residential Street Improvements 2024-2025 – Authorization to Advertise
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has accrued a total of \$5,360,259.00 in local return funds from Prop C, TDA, Gas Tax, Measure R, and Measure M sources that can be used to improve roadways and pedestrian travel paths. Staff is also recommending an appropriation of \$1,200,000.00 from the Residential Street Lighting Systems Upgrade project to include a portion of the street lighting scope of work within the subject project. Lastly, City staff is recommending an appropriation of \$680,000.00 from the Utility Users Tax (UUT) Capital Improvements Funds to the Residential Street Improvements 2024-2025 Project. The total funding for the project is \$6,560,259.68. The total cost estimate for the project is \$7,240,000 which includes construction, engineering, design, inspection, and contingency. The project may require an additional appropriation at the time of the Award of Contract.

The total project cost breakdown is as follows:

ITEM	ESTIMATED AMOUNT
Construction	\$ 6,740,000.00
Design	\$ 50,000.00
Engineering	\$ 50,000.00
Inspection	\$ 50,000.00
Contingency	\$ 350,000.00
Total Project Cost	\$ 7,240,000.00

PROJECT FUNDING	AMOUNT
Prop C	\$ 1,199,321.68
TDA	\$ 41,035.00
Gas Tax	\$ 712,000.00
Measure R	\$ 1,753,894.00
Measure M	\$ 1,654,009.00
Residential Street Lighting Systems Upgrade Project	\$ 1,200,000.00
Total Project Cost	\$ 6,560,259.68

PROJECT FUNDING SHORTFALL	AMOUNT
Estimated Total Project Cost	\$ (7,240,000.00)
Local Return Funds Total	\$ 5,360,259.68
Residential Street Light Systems Upgrade Project	\$ 1,200,000.00
	\$ 679,740.32
Recommended Appropriation from UUT:	\$ 680,000.00

BACKGROUND

The proposed Residential Street Improvements 2024-2025 Project locations shown in Attachment A have been evaluated by staff. The scope of work consists of grinding the existing street pavement and placing new asphalt concrete overlays, replacing some driveway ramps, curb and gutter, cross gutters, ADA curb ramps, and sidewalks, adding new traffic striping, and installing conduit and pull boxes for future street lighting use. Due

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to the timing of proposed street improvements and a portion of the future street lighting project overlapping, staff recommends completing the street lighting portion before the streets are paved to avoid damaging the new asphalt pavement when the street lights are replaced in the near future.

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

ANALYSIS

Not applicable.

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Quality Act (CEQA), the Residential Street Improvements 2024-2025 project is categorically exempt under Class 1(c) for existing facilities. Under CEQA, a project is exempt if the scope of work is limited to the repair, maintenance, and minor alterations of an existing facility (existing highways and streets are included examples).

DISCUSSION

The completion of the Residential Street Improvements 2024-2025 project will renew the service life of the existing street pavement and hardscape. The project will also help reduce maintenance repair costs.

SUMMARY/NEXT STEPS

Upon approval of the City Council of the recommended action, City staff will advertise the project and await the construction bid opening.

ATTACHMENTS:

A. Site Plan

<u>ITEM STATUS:</u>	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

SITE PLAN

Proposed Residential
Street Improvements
2024-2025

