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

TUESDAY, DECEMBER 2, 2025
AT 5:00 P.M.

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

CITY COUNCIL

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

CITY MANAGER
René Bobadilla, P.E.

CITY ATTORNEY
Rick Olivarez

CITY STAFF

Assistant City Manager	**Nicholas Razo**
Fire Chief	**Chad Van Meeteren**
Police Chief	**Aviv Bar**
Director of Community Development	**Cuong Nguyen**
Director of Community Services	**Maricela Balderas**
Director of Finance	**Julio Morales**
Director of Parks & Recreation	**Gus Hernandez**
Director of Police Services	**Arlene Salazar**
Director of Public Works	**James Enriquez**
City Clerk	**Fernando N. Muñoz**

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.gov/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, 2025, City Council Members are subject to SB 1439 and cannot participate in certain decisions for a year after accepting campaign contributions of more than $500 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.gov. 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 online and 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 NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: 11900 Telegraph Road (Assessor Parcel No. 8009-026-012 & 018)
Agency negotiator: René Bobadilla, City Manager and Cuong Nguyen, Director of Community Development
Negotiating parties: Telegraph Ventures, LLC dba Maggie's Pub
Under negotiation: Price and Terms

2. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: 12131 Telegraph Road (Assessor Parcel No. 8005-012-031)
Agency negotiator: René Bobadilla, City Manager and Cuong Nguyen, Director of Community Development
Negotiating parties: Kamla Hotels
Under negotiation: Price and Terms

3. CLOSED SESSION
CONFERENCE WITH REAL PROPERTY NEGOTIATIORS
(Pursuant to Government Code Section 54956.8)
Property: Assessor Parcel No. 8177-029-908 & 8082-002-918
Agency negotiator: René Bobadilla, City Manager and Cuong Nguyen, Director of Community Development
Negotiating parties: Kenneth G. Spiker, Spiker Rendon Consulting, Inc.
Under negotiation: Price and Terms

4. CLOSED SESSION
CONFERENCE WITH LABOR NEGOTIATORS: One Matter
(Pursuant to California Government Code Section 54957.6)
Agency Designated Representatives: City Manager
Employee organization: Santa Fe Springs City Employees' Association

CLOSED SESSION REPORT

REGULAR SESSION – BEGINNING AT 6:00 P.M.

INVOCATION

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

PRESENTATIONS

5. RECOGNITION OF ST. PAUL HIGH SCHOOL GIRLS VOLLEYBALL TEAM (CITY MANAGER)

6. PRESENTATION OF NEW POLICE SERVICES STAFF (POLICE SERVICES)

7. RECOGNITION OF THE RETIREMENT OF LEAD PUBLIC SAFETY OFFICER JOHN WESSELMAN, POLICE CAPTAIN AARON RUIZ, AND DIRECTOR OF COMMUNITY SERVICES MARICELA BALDERAS (CITY MANAGER)

8. CITY BRANDING PRESENTATION (COMMUNITY SERVICES)

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

9. PUBLIC HEARING FOR SECOND READING AND ADOPTION OF ORDINANCE NO. 1165 AMENDING CHAPTER 150 AND CHAPTER 153 OF THE MUNICIPAL CODE OF SANTA FE SPRINGS RELATING TO BUILDING STANDARDS CODE ADOPTION WITH CERTAIN AMENDMENTS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Open the Public Hearing and receive the written and oral staff report and 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), 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; and

3) Waive further reading and adopt Ordinance No 1165: AN ORDINANCE OF CITY OF SANTA FE SPRINGS AMENDING THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE ('SFSMC") CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO; and

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

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.

PUBLIC FINANCING AUTHORITY

10. MINUTES OF THE NOVEMBER 5, 2025 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Approve the minutes as submitted.

11. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Receive and file the report.

WATER UTILITY AUTHORITY

12. MINUTES OF THE NOVEMBER 5, 2025 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Approve the minutes as submitted.

13. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Receive and file the report.

HOUSING SUCCESSOR

14. MINUTES OF THE NOVEMBER 5, 2025 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Housing Successor:

1) Approve the minutes as submitted.

SUCCESSOR AGENCY

15. MINUTES OF THE NOVEMBER 5, 2025 SUCCESSOR AGENCY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Successor Agency:

1) Approve the minutes as submitted.

16. APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH EKI ENVIRONMENT & WATER, INC. FOR MC&C IV ENVIRONMENTAL INVESTIGATION (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the Successor Agency:

1) Find that approval of the Professional Services Agreement ("PSA") between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs ("Successor Agency") and EKI Environment & Water, Inc. ("EKI") for environmental investigation work is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*);

2) Approve the PSA and authorize the City Manager to execute the PSA in substantially the form presented, with such minor modifications as approved by the City Attorney; and

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

CITY COUNCIL

17. MINUTES OF THE NOVEMBER 5, 2025 SPECIAL AND REGULAR CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

18. RESOLUTION NO. 9989 – AMENDING AND ESTABLISHING A CITY COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2026 (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9989:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ESTABLISHING A CITY COUNCIL MEETING SCHEDULE THROUGH CALENDAR YEAR 2026.

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

19. VALLEY VIEW AVENUE AND ALONDRA BOULEVARD INTERSECTION IMPROVEMENT – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Plans and Specifications for the Valley View Avenue and Alondra Boulevard Intersection Improvement Project; and

2) Authorize the City Engineer to advertise for construction bids; and

3) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

20. RESIDENTIAL STREET LIGHTING SYSTEM UPGRADE – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Plans and Specifications for the Residential Street Lighting System Upgrade Project; and

2) Appropriate $3,451,850 from Utility Users Tax Capital Improvement Fund to the Residential Street Lighting Upgrade project (Account No. PW220010); and

3) Appropriate $923,150, from Measure SFS Fund to the Project (Account No. PW220010) for street lighting system upgrades in commercial areas on Alondra Boulevard and Telegraph Road; and

4) Authorize the City Engineer to advertise for construction bids, and

5) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

21. RESOLUTION NO. 9986 – IMPLEMENTING ON-STREET PARKING RESTRICTIONS IN THE VICINITY OF 9834 JORDAN CIRCLE (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9986 to prohibit the parking of vehicles on the street at all times on the north side of Jordan Circle from 718 feet north/east of its intersection with McCann Drive and to a point 140 feet easterly thereof; and

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

22. AUTHORIZE FINANCE DIRECTOR TO ENTER INTO IN TO A TAX-EXEMPT LEASE AGREEMENT WITH BANK OF AMERICA TO FINANCE THE PURCHASE OF FIRE RESCUE AND VARIOUS OTHER VEHICLES AND EQUIPMENT (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the purchase of three Type 1 ambulances from Redsky Emergency Vehicles not to exceed $1,533,334.

2) Authorize the purchase of Hazardous Materials Vehicle and Apparatus not to exceed $1,816,000.

3) Authorize the purchase of various public works vehicles and equipment not to exceed $700,000 from various vendors.

4) Finance Command Vehicle previously authorized in an amount not-to-exceed $300,000

5) Authorize the Director of Finance to enter into a tax-exempt lease agreement with Bank of America, N.A. to finance various vehicles and equipment, over a 10 to 15-

year term at an interest rate of not-to-exceed 4.0%, in an amount not-to-exceed $4.5 million including cost of issuance and fees.

6) Approve Reimbursement Resolution No. 9990 declaring the intent to finance various vehicle and equipment purchases authorized herein with a tax-exempt loan.

23. AUTHORIZE THE CITY MANAGER TO ENTER INTO PROFESSIONAL SERVICES AGREEMENTS WITH DEODATE AND NORTH STAR ALLIANCES FOR THE REGIONAL MULTI-JURISDICTIONAL COALITION (BIG 4) TO PROMOTE LEGISLATIVE INTIATIVES TO FURTHER ECONOMIC DEVELOPMENT AND KEY POLICY OBJECTIVES (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Direct the City Manager to a Professional Services Agreement with North Star Alliances Not-To-Exceed $385,000 to provide Phase 1 Internal/External Strategic Communication Services to the Regional Multi-Jurisdictional Coalition (Big 4).

2) Direct the City Manager to a Professional Services Agreement with North Star Alliances Not-To-Exceed $280,000 to provide Phase 1 Real Estate Strategic Services to the Regional Multi-jurisdictional Coalition (Big 4).

24. FISCAL YEAR 2025-2026 FIRST QUARTER BUDGET REVIEW AND POSITION ADJUSTMENTS (FINANCE)

RECOMMENDATION: It is recommended that the City Council:

1) Approve staff recommendation of an additional $812,415 to General Fund expenditures detailed in Attachment A;

2) Approve new positions (Attachment A):
   - Four (4) new full-time positions to support Emergency Medical Services
   - Two (2) new full-time positions to support Code Enforcement Services
   - One (1) new full-time position to support Parks and Recreation special events

3) Approve position reclassifications and salary modifications (Attachment A):
   - Three (3) reclassifications of existing full-time positions
   - One (1) full-time hire to support Information Technology Services

4) Approve one (1) hourly contracted position for temporary Accounting Services.

5) Approve and adopt the attached revised salary schedule.

25. ON-CALL PETROLEUM ENGINEERING SERVICES – AUTHORIZATION TO ADVERTISE A REQUEST FOR QUALIFICATIONS (RFQ) (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Find that the advertisement of a Request for Qualifications (RFQ) for On-Call Petroleum Engineering Services is exempt from the requirements of the California Environmental Quality Act (CEQA);

2) Authorize the Director of Community Development to advertise an RFQ for On-Call Petroleum Engineering Services; and

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

26. FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR PETROLEUM ENGINEERING AND WELL ABANDONMENT CONSULTING SERVICES WITH PR FIELD SERVICES, INC. (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Determine that the approval and execution of the First Amendment to Professional Services Agreement for Petroleum Engineering and Well Abandonment Consulting Services with PR Field Services, Inc. (First Amendment) is exempt from the requirements of the California Environmental Quality Act (CEQA);

2) Authorize the City Manager/Executive Director to execute the First Amendment in substantially the form presented, with such minor modifications as approved by the City Attorney, to increase the not-to-exceed amount from $50,000 to $100,000; and

3) Authorize the City Manager to take any additional, related action(s) that may be desirable.

27. APPROVAL OF AN EXCLUSIVE NEGOTIATION AGREEMENT WITH JHC-ACQUISITIONS LLC (JAMBOREE HOUSING CORPORATION) FOR THE POTENTIAL DEVELOPMENT OF THE GUS VELASCO NEIGHBORHOOD CENTER PROPERTY, INCLUDING AN AFFORDABLE HOUSING DEVELOPMENT AND A REPLACEMENT COMMUNITY CENTER (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Exclusive Negotiation Agreement (ENA) between the City of Santa Fe Springs and JHC-Acquisitions LLC (an affiliate of Jamboree Housing Corporation) (Developer) for the potential ground lease, subdivision, and redevelopment of the city-owned Gus Velasco Neighborhood Center property located at 9255 Pioneer Boulevard (Site);

2) Authorize the City Manager to execute the ENA in substantially the form presented, with such minor modifications and clarifying revisions as approved by the City Attorney; and

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

28. DECLARING A PORTION OF THE PROPERTY LOCATED AT 9255 PIONEER BOULEVARD (APN: 8001-003-934) AS EXEMPT SURPLUS LAND PURSUANT TO THE SURPLUS LAND ACT (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Find that this action is exempt from environmental review under the California Environmental Quality Act (CEQA); and

2) Adopt Resolution No. 9987, declaring that a portion of the city-owned property located at 9255 Pioneer Boulevard (APN 8001-003-934) is "exempt surplus land" pursuant to the Surplus Land Act (Government Code Sections 54221(f)(1)(A) and 37364).

29. AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH MAJOR LEAGUE SOFTBALL, INC., FOR ADULT SOFTBALL LEAGUE SERVICES (PARKS AND RECREATION)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the award of RFP 26-3 to Major League Softball, Inc. to operate the City's adult softball league programming; and

2) Authorize the City Manager to enter into a Professional Services Agreement with Major League Softball, Inc., subject to City Attorney approval as to form; and

3) Authorize the City Manager to approve minor amendments and extensions to the agreement as needed to ensure continuity of services; and

4) Direct the City Attorney to make clarifying changes necessary to effectuate the intent of the Agreement; and

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

30. AUTHORIZATION TO NEGOTIATE AND EXECUTE A FACILITY USE AGREEMENT WITH ASOCIACIÓN DE JALISCIENSES UNIDOS EN ACCIÓN FOR SHORT-TERM USE OF THE CITY-OWNED NTMA FACILITY (PARKS AND RECREATION)

RECOMMENDATION: It is recommended that the City Council:

1) Determine that the proposed negotiation and execution of a Facility Use Agreement with Asociación de Jaliscienses Unidos en Acción (AJUA) for the short-term use of designated spaces within the former National Tooling & Machining Association (NTMA) facility located at 12131 Telegraph Road (Agreement) is exempt from the requirements of the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15304 (Class 4 - Minor Alterations to Land) and Section 15061(b)(3) (Common Sense Exemption); and

2) Authorize the City Manager to negotiate and execute the Agreement, for a monthly amount of three hundred dollars ($300) and a term set to expire on March 31, 2026, subject to City Attorney approval as to form; and

3) Authorize the City Manager, in consultation with the City Attorney, to approve minor amendments and extensions to the Agreement as needed to ensure continuity of use; and

4) Direct the City Attorney to make clarifying changes to the Agreement as necessary to effectuate the intent of the Agreement; and

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

31. ADOPTION OF REVISED FACILITY RESERVATION AND USE POLICY (FRUP) (PARKS AND RECREATION)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt the revised Facility Reservation and Use Policy (FRUP); and

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

32. STATE HOMELAND SECURITY PROGRAM FUNDS – AWARD OF PURCHASE TO AUTO PULSE NXT EQUIPMENT (FIRE)

RECOMMENDATION: It is recommended that the City Council:

1) Award of purchase to Zoll Medical Corporation, in the amount of $87,670.86 for Auto Pulse NXT system(s) and equipment.

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

33. AGREEMENT WITH 789, INC. FOR BRAND ROLL-OUT AND APPLICATION SERVICES (COMMUNITY SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Approve a sole-source agreement with 789, Inc for a Tier 3 brand roll-out and design application services to support implementation for the City's new brand identity, logo, and visual system; and

2) Authorize the City Manager to execute the agreement and any subsequent amendments, subject to approval by the City Attorney as to form; and

3) 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, 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.gov; 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.

ITEM # 9

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: **PUBLIC HEARING FOR SECOND READING AND ADOPTION OF ORDINANCE NO. 1165 AMENDING CHAPTER 150 AND CHAPTER 153 OF THE MUNICIPAL CODE OF SANTA FE SPRINGS RELATING TO BUILDING STANDARDS CODE ADOPTION WITH CERTAIN AMENDMENTS**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Open the Public Hearing and receive the written and oral staff report and 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), 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; and

3) Waive further reading and adopt Ordinance No 1165: AN ORDINANCE OF CITY OF SANTA FE SPRINGS AMENDING THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE ('SFSMC") CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO; and

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

FISCAL IMPACT

Approval of this item will not have an impact on the Fiscal Year 2025-2026 City budget.

BACKGROUND

The State of California Building Standards Commission ("BSC") updates the California Building Standards Code on a tri-annual basis. The 2025 edition of the California Code of Regulations, Title 24 (Parts 1 through 12), becomes effective statewide on January 1, 2026.

The subject ordinance was introduced and read by title only during the City Council meeting held on November 5, 2025, and is scheduled for second reading and public hearing today, December 2, 2025.

ANALYSIS AND DISCUSSION

An analysis of the Ordinance can be found in the staff report from the November 5, 2025 City Council Meeting (Attachment B).

ENVIRONMENTAL

Adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15378, because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such, there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis adoption of the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption"), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

SUMMARY/NEXT STEPS

Upon City Council approval and adoption of Ordinance No. 1165, the ordinance will go into effect 30 days after adoption.

ATTACHMENTS:

A. Ordinance No. 1165
B. Staff Report from November 5, 2025 City Council Meeting
C. Public Hearing Proof

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

APPROVED:
ITEM NO.:

ORDINANCE NO. 1165

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING CITY OF SANTA FE SPRINGS MUNICIPAL CODE CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO

WHEREAS, California law requires that all portions of the 2025 California Building Standards Code (Cal. Code of Regs., Title 24) to be effective within the City by January 1, 2026; and

WHEREAS, California Health and Safety Code Sections 17958 *et seq.* and 18941.5 authorize cities and counties to modify the California Building Standards Code by adopting more restrictive standards and modifications if such standards and modifications are accompanied by expressed findings that such modifications or changes are reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, the City Council of the City of Santa Fe Springs ("City Council") desires to amend the City of Santa Fe Springs Municipal Code ("SFSMC") to adopt by reference the 2025 editions of the California Building Code, the California Residential Code, the California Electrical Code, the California Plumbing Code, and the California Mechanical Code (collective, the "California Building Standards Code"), with certain amendments based on findings that the amendments are reasonably necessary, as set forth in **Exhibit "A"** attached hereto and incorporated herein by this reference; and

WHEREAS, the City Council finds that proposed changes and modifications to the building standards contained in the 2025 California Building, Residential, Electrical, Plumbing, and Mechanical Codes are reasonably necessary due to local climatic, geological, and/or topographical conditions, as set forth in **Exhibit "B"** attached hereto and incorporated herein by this reference; and

WHEREAS, adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15378, because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such, there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis adoption of the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption") because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment, and therefore no further action is required pursuant to CEQA; and

WHEREAS, the City shall file the amendments, additions, or deletions with California Building Standards Commission.

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

SECTION 1. The above Recitals are true and correct and are incorporated herein by this reference as substantive findings of the City Council.

SECTION 2. The City Council hereby makes the following findings:

A. The City Council has duly considered climatic conditions, topographic conditions, and geological conditions and all information presented to it, including written staff reports, written comments and any testimony provided at the public hearing, with all comments and testimony received being made a part of the public record, and makes the findings set forth in **Exhibit "B"**.

B. This Ordinance is exempt from the requirements of CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines Section 15378 because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis, this action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be shown with certainty that there is no possibility that adoption of this Ordinance will not have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

SECTION 3. Sections 150.001 through 150.011 and Sections 150.055 through 150.061 of Chapter 150 ("Building Regulations") of the SFSMC are hereby repealed and replaced with the revised versions of Sections 150.001 through 150.011 and Sections 150.055 through 150.061 set forth in **Exhibit "A"**.

SECTION 4. Chapter 153 ("Swimming Pools") of the SFSMC is hereby repealed in its entirety as set forth in **Exhibit "A"**.

SECTION 5. Any provision of the SFSMC that is inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effect the provisions of this Ordinance.

SECTION 6. If any section, subsection, phrase, or clause of this Ordinance is for any reason held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining portions of this Ordinance shall continue in full force and effect. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses may be declared unconstitutional or otherwise invalid.

SECTION 7. This Ordinance shall take effect on January 1, 2026, after its final passage, and the City Clerk of the City of Santa Fe Springs shall certify the passage and adoption of this Ordinance by the City Council and shall cause the same to be filed with the California Building Standards Commission located at 2525 Natomas Park Drive, Suite 130, Sacramento, CA 95833.

PASSED and ADOPTED this 2nd day of December 2025, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
William K. Rounds, Mayor

_____
Fernando Muñoz, City Clerk

EXHIBIT "A"

CHAPTER 150: BUILDING REGULATIONS

GENERAL PROVISIONS
150.001 BUILDING CODES ADMINISTRATION

150.001.001 PURPOSE.

The purpose of this section is to establish certain administrative procedures for the enforcement of building standards specific to the City. All other administrative provisions not addressed herein shall be governed by Chapter 1, Division II of the California Building Code, as incorporated by reference.

150.001.002 PERMIT REQUIRED.

No person shall erect, construct, enlarge, alter, repair, move, improve, remove, connect, convert, demolish, or equip any building, structure, or portion thereof, perform any grading, or cause the same to be done, without first obtaining a separate permit for each such building, structure or grading from the Building Official.

The issuance of a permit without first requiring a plan review shall not prevent the Building Official from requesting plans deemed necessary to verify that the work performed under said permit complies with this Code and all relevant laws, ordinances, rules and regulations.

No person shall install, alter, repair, move, improve, remove, connect any automatic fire-protection system regulated by this Code, or cause the same to be done, without first obtaining a separate permit for each such building or structure from the Building Official. All structures and devices installed for the protection of pedestrians, regardless of location, are subject to the permit requirements of this section.

(A) **Work exempt from permit**. Exemption from the permit requirements of this Code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this Code, other laws, ordinances, or regulations, or required approvals from other City Departments and State and federal agencies.

(B) **A building permit shall not be required for the following:**

(1) Work not regulated by the Building Code, except where deemed necessary by the Building Official to enforce other Federal and/or State Laws, State disabled access requirements, or to enforce City ordinances or policies.

(2) Painting; wallpapering; installing carpet, vinyl, tile, and similar floor coverings, cabinets, counter tops and similar finish work where disabled access requirements do not apply.

(3) Repairing broken window glass not required by the Building Code to be safety or security glazing.

(4) One-story detached accessory buildings used as tool and storage sheds, shade structures, pump houses, and similar uses, provided the gross floor area does not exceed 120 square feet (11.15 m^2), the height does not exceed 12 feet (3.69 m), and the maximum roof projection does not exceed 24 inches (610 mm).

(5) Chain-link, wrought-iron and similar fences not more than 12 feet in height.

(6) Masonry, concrete, wood and similar fences not more than 6 feet in height.

a. Exception: Wood fences not more than 8 feet in height with 60 percent or more of the fence open and incapable of being loaded by wind.

(7) Retaining walls that retain not over 4 feet (1219 mm) in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding a Class I, II, or III-A liquids.

(8) Ground-mounted radio and television antenna towers that do not exceed 45 feet in height and ground-supported dish antennas not exceeding 15 feet in height above finished grade in any position.

(9) Light standards which do not exceed 30 feet (9,144 mm) in height.

(10) Flagpoles not erected upon a building and not more than 15 feet (4,572 mm) high.

(11) Tanks not storing hazardous material as defined in the Fire Code provided that:

a. Steel tanks are supported on a foundation not more than 2 feet (610 mm) above grade and the overall height to diameter or width does not exceed 1½ times the diameter.

b. Water tanks constructed of materials other than steel, including cisterns and rain barrels, are supported directly on grade, the overall height to diameter or width does not exceed 1½ times the diameter, and the capacity does not exceed 5000 gallons (18925 L).

(12) Gantry cranes and similar equipment.

(13) Motion picture, television and theater stage sets and scenery. Buildings or structures constructed as part of a set or as scenery shall not be occupied or used for any other purpose.

(14) A playhouse or tree house provided that:

a. It does not exceed 64 square feet (5.94 m 2) in area nor 8 feet (2438 mm) in height from floor to roof.

b. The ceiling height as established by door height or plate line does not exceed 6 feet (1829 mm).

(15) Canopies or awnings, completely supported by the exterior wall, attached to a Group R-3 or U Occupancy, and extending not more than 54 inches (1372 mm) from the exterior wall of the building, and not encroaching into the public right-of-way or any required fire separation distance specified by this Code.

(16) Sheds, office or storage buildings, and other structures that are less than 1,500 square feet (139 m²) and incidental to work authorized by a valid grading or building permit. Such structures must be removed upon expiration of the permit or completion of the work covered by the permit.

(17) Oil derricks.

(18) Decks, walks and driveways not more than 30 inches (762 mm) above grade and not over any basement or story below, and which are not part of an accessible route.

(19) Prefabricated swimming pools and other bodies of water accessory to a Group R-3 Occupancy that are less than 18 inches (0.46 m) deep, or do not exceed 5,000 gallons (18,927 L) and are installed entirely above adjacent grade.

(20) Playground equipment.

(21) One-story detached animal cages and kennels, chicken coops, and animal pens provided the gross floor area does not exceed 300 square feet (37.2 m^2) and the height does not exceed 6 feet (1.8 m) and at least one horizontal dimension does not exceed 12 feet (3.69 m).

(22) Non-combustible livestock shelters provided that the gross floor area does not exceed 300 square feet (27.9 m^2), the height does not exceed 12 feet (3.69 m), and at least 3 sides are each a minimum of 65 percent open.

(23) Nonfixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1753 mm) in height.

(C) **Electrical. An electrical permit shall not be required for the following:**

(1) Minor repair work, such as the replacement of lamps, switches, receptacle devices, sockets, and the like, or the connection of portable motor and appliances to suitable receptacles which have been permanently installed.

(2) The wiring for temporary theater, motion picture or television stage sets.

(3) Electrical wiring, devices, appliances, apparatus, or equipment operating at less than 25 volts and not capable of supplying more than 50 watts of energy.

(4) Low-energy power, control, and signal circuits are not an integral part of an appliance and in which the power is limited from a source having a rated output of not more than 30 volts and 1,000 volt-amperes.

(5) Temporary decorative lighting.

(6) The installation of temporary wiring for testing or experimental purposes within suitable facilities.

(7) Replacement of over-current devices of the same type and the same rating.

(8) Portable generators, portable motors, appliances, tools, power outlets, and other portable equipment connected by means of a cord or cable having an attachment plug.

(9) Private telephone, intercom, sound and communication systems; provided, however, that the above system(s) do not exceed the value as indicated in (c) and (d) of this section. A permit shall be obtained for the power supplies required by the above systems.

(D) **Mechanical: A mechanical permit shall not be required for the following:**

(1) Any portable heating appliance.

(2) Any portable ventilating equipment.

(3) Any portable cooling unit.

(4) Any steam, hot, or chilled water piping within any heating or cooling equipment regulated by this Code.

(5) Replacement of any component part or assembly of an appliance which does not alter its original approval and complies with other applicable requirements of this Code.

(6) Any portable evaporative cooler.

(7) Any refrigerating equipment which is a part of the equipment for which a permit has been issued pursuant to the requirements of this Code.

(8) Any unit refrigerating system.

(E) **Plumbing. A Plumbing permit shall not be required for the following:**

(1) Clearing of stoppages and stopping of leaks which do not involve the replacement of any plumbing (including fixtures, traps, tailpieces and valves), drainage piping, vent piping, waste piping, soil piping, water piping or gas piping.

(2) Change of residential plumbing fixtures which do not involve the replacement of the existing waste and vent piping excluding the trap, to include, residential toilets, residential bathroom hand sinks, bathtub and residential kitchen sinks.

(3) Connection of any appliance approved for and intended to be connected by flexible gas piping to a gas shutoff valve which was previously permitted and inspected under a valid Plumbing permit.

150.001.003 EXPIRATION AND EXTENSION OF APPLICATIONS

(A) **Expiration of Applications**. A plan check application shall expire and become null and void if a permit is not issued within one (1) year from the date of application. Upon expiration, the Building Official may dispose of the submitted plans, calculations, and related documents. The Building Official may, at their discretion, grant one or more extensions of time, each not to exceed one hundred eighty (180) days, provided that:

(1) The applicant submits a written request demonstrating that the delay was due to circumstances beyond the applicant's control.

(2) For extensions requested prior to expiration, the request is submitted before the expiration date.

(3) For extensions requested after expiration, the request is submitted within twelve (12) months following the date of expiration.

(4) An extension fee, in an amount determined by the Building Official, not to exceed twenty-five percent (25%) of the original plan check fee, is paid for each extension.

(5) The total cumulative extension period shall not exceed two (2) years from the original expiration date, with extensions issued only in increments not exceeding one hundred eighty (180) days, and a separate extension fee required for each extension granted.

(6) Any extension granted after expiration shall be deemed a continuation of the original application and shall not constitute a reissuance or a new application.

(7) Once an application, including any extension thereof, has expired without further extension, the applicant shall file a new application, submit new plans and calculations, and pay all applicable fees in accordance with the codes and regulations then in effect.

(B) **Expiration of Permits**. Every permit issued under the provisions of this Code shall expire by limitation and become null and void if any of the following conditions occur:

(1) The work authorized by such permit is not commenced within one (1) year from the date of permit issuance; or

(2) No required building inspection, as defined in this Code and as identified on the Job Record issued with the permit, is approved by the Building Official within one (1) year from the date of the last approved inspection.

(3) Partial inspections, or inspections related solely to electrical, mechanical, plumbing, grading, or reroofing, shall not constitute a required building inspection unless such work is integral to the primary building permit.

(4) Supplemental permits for electrical, grading, mechanical, plumbing, or reroofing shall remain valid so long as the associated primary building permit remains active.

(5) The Building Official may, at their discretion, grant one or more extensions of time, each not to exceed one hundred eighty (180) days, to prevent or cure the expiration of a permit, provided that:

a. The permittee submits a written request demonstrating that the delay in progress was due to circumstances beyond the permittee's control;

b. For extensions requested prior to expiration, the request is submitted before the expiration date;

c. For extensions requested after expiration, the request is submitted within twelve (12) months following the date of expiration; and

d. An extension fee, in an amount determined by the Building Official, not to exceed twenty-five percent (25%) of the original permit fee, is paid for each extension.

(6) Multiple extensions may be granted to cover the requested period of time; however, each extension shall be issued in increments not exceeding one hundred eighty (180) days, and a separate extension fee shall apply to each extension granted.

(7) Any extension granted after expiration shall be deemed a continuation of the original permit and shall not constitute a reissuance or issuance of a new permit.

(8) If no extension is granted, the permit shall remain expired and no further work shall be performed under that permit. The permittee shall be required to submit a new permit application, including all required plans and calculations, and pay all applicable fees in accordance with the codes and regulations then in effect.

150.001.004 FEES AND REFUNDS.

(A) **Permit and Inspection Fees**. Permit fees shall be as specified per section 15.003 of this code. Permit fees shall be paid at the time of permit issuance. An inspection fee may be assessed for reinspection, as determined by the Building Official, for any of the following reasons:

(1) The portion of work for which inspection is requested is not complete;

(2) Corrections given are not completed;

(3) There is inadequate work site access preventing inspection;

(4) The inspection record card is not posted or otherwise available on the work site:

(5) The approved plans are not available for the inspector;

(6) Work has deviated from the approved plans and has not been approved by the Building Official.

This Section is not to be interpreted as requiring additional inspection fees the first time a job is rejected for failure to comply with the requirements of this Code.

To obtain re-inspection, the applicant shall pay the re-inspection fee in advance, as determined per the fee resolution.

(B) **Plan Checking or Plan Review fees for Buildings or Structures.**

When an application for a building permit is submitted for review, a fee shall be paid to the Building Official. Said fee shall be equal to 85 percent of the building permit fee as specified per Section 15.003 of this code.

In addition to the aforementioned fees, the Building Official may require additional charges for review required by changes, additions or revisions of approved plans or reports, and for services beyond the first and second check due to changes, omissions or errors on the part of the applicant. The payment of said fees shall not exempt any person from compliance with other provisions of this Code.

The fees specified in this Section are separate fees from the permit fees specified in Section 150.001.004 (A)

(C) **Plan Check Fee Refunds**. Plan check fees may be refunded up to a maximum of eighty percent (80%) of the original plan check fee, provided that:

(1) No plan review has been performed;

(2) A written request for a refund is submitted to the Building Official within one (1) year from the date of payment;

(3) The refundable amount exceeds the equivalent of the minimum fee for the review of drawings and data which are sufficient to determine nature and scope of work in lieu of submittal of plans and specifications, as determined by the current adopted fee schedule.

(4) The Building Official shall determine eligibility and the amount of any refund in accordance with these provisions.

(D) **Permit Fee Refunds**. Permit fees may be refunded to a maximum of eighty percent (80%) of the original permit fee, provided that:

(1) No portion of the work authorized by the permit has commenced; and

(2) The permit has been cancelled;

(3) A written request for refund is submitted to the Building Official within one (1) year from the date of permit cancellation or expiration; and

(4) The refundable amount exceeds the equivalent of the minimum fee for the review of drawings and data which are sufficient to determine nature and scope of work in lieu of submittal of plans and specifications, as determined by the current adopted fee schedule.

(5) Permit issuance fees are non-refundable. The Building Official shall determine eligibility and the amount of any refund in accordance with these provisions.

150.001.005 VALUATION.

The determination of value or valuation under any of the provisions of this code shall be made by the Building Official. Valuation shall be based on the type of construction, occupancy classification, and size of the project, and shall include all components of the

permitted work, including structural elements, finishes, roofing, mechanical, electrical, plumbing, fire protection systems, and other permanently installed features or equipment.

In establishing valuation, the Building Official may reference the most current Building Valuation Data (BVD) published by the International Code Council or other similar industry data sources. These references are intended to provide a consistent and uniform basis for determining construction valuation for fee assessment purposes. The calculated valuation is not required to reflect actual or reported construction costs.

150.001.006 CERTIFICATES.

(A) Certificate of Occupancy. Upon passing final inspection and demonstrating compliance with this Code, applicable laws, ordinances, rules, and regulations, and upon full payment of all required fees, the Building Official may issue a Certificate of Occupancy upon written request by the permit holder.

(1) The Certificate of Occupancy shall include the following information:

a. The building permit number;

b. The address of the building or structure;

c. A description of the portion of the building covered by the certificate;

d. A statement that the described portion was inspected and found to comply with applicable codes and regulations for the intended occupancy and use classification;

e. The date of final approval; and

f. Any additional information deemed necessary by the Building Official.

(B) Temporary Certificate of Occupancy. The Building Official may issue a Temporary Certificate of Occupancy for the use or occupancy of any portion of a building or structure prior to the completion of all permitted work, provided it is determined that no substantial hazard will result from such use or occupancy.

(1) A Temporary Certificate of Occupancy shall:

a. Specify the portion of the building or premises to be occupied;

b. Be valid for an initial period of thirty (30) calendar days; and

c. Be subject to a fee per 30-day period, as established by the adopted fee schedule.

(2) If additional time is needed, the Building Official may, upon written request and justification, approve a longer duration by allowing multiple 30-day periods to be purchased in advance. The total authorized time shall be based on project-specific conditions and shall remain at the discretion of the Building Official.

(3) Upon expiration of a Temporary Certificate of Occupancy and any approved extensions, no portion of the building or premises shall be occupied until final approval, or a Certificate of Occupancy is issued.

150.001.007 RECORDATION OF VIOLATION.

(A) **General.** The Building Official may record a notice with the County Recorder's Office that a property, building, or structure, or any part thereof, is in violation of any provision of this Code provided that the provisions of this Section are complied with. The remedy provided by this Section is cumulative to any other enforcement actions permitted by this Code.

(B) **Recordation.** If (1) the Building Official determines that any property, building, or structure, or any part thereof is in violation of any provision of this Code; and if (2) the Building Official gives written notice as specified below of said violation; then the Building Official may have sole discretion to, at any time thereafter, record with the County Recorder's Office a notice that the property and/or any building or structure located thereon is in violation of this Code.

Following the recordation of the notice of violation the Building Official is not required to conduct an inspection or review of the premises to determine the continued existence of the cited violation. It is the responsibility of the property owner, occupant or other similarly interested private party to comply with the above provisions.

(C) **Notice.** The written notice given pursuant to this Section shall indicate:

(1) The nature of the violation(s); and

(2) That if the violation is not remedied to the satisfaction of the Building Official, the Building Official may, at any time thereafter, record with the County Recorder's Office a notice that the property and/or any building or structure located thereon is in violation of this Code. The notice shall be posted on the property and shall be mailed to the owner of the property as indicated on the last equalized County Assessment roll. The mailed notice may be by registered, certified, or first-class mail.

(D) **Rescission.** Any person who desires to have recorded a notice rescinding the notice of violation must first obtain the necessary approvals and permit(s) to correct the violation. Once the Building Official determines that

the work covered by such permit(s) has been satisfactorily completed, the Building Official may record a notice rescinding the prior notice of violation.

(E) **Costs.** Any person that violates any provision of this Code shall be responsible for the costs of any and all Code enforcement actions taken by the Building Official in response to such violations. These costs shall be based on the amounts shall be as specified per section 15.003 of this code.

(F) **Work without Permit.** Whenever any work has been commenced without a permit as required by the provisions of this Code, a special investigation shall be made prior to the issuance of the permit. An investigation fee specified as per Section 15.003 of this code, shall be collected for each permit so investigated.

(G) **Exception.** When the building official has determined that the owner-builder of a one- or two-family dwelling, accessory building or accessory structure had no knowledge that a permit was necessary and had not previously applied for a permit from the Building Division of the City, the investigation fee shall be as specified per Section 15.003 of this code. The payment of the investigation fee shall not exempt any person from compliance with all other provisions of this Code or from any penalty prescribed by law.

(H) **Noncompliance Fee.** If the building official, in the course of enforcing the provisions of this Code or any State law, issues an order to a person and that person fails to comply with the order within 15 days following the due date for compliance stated in the order, including any extensions thereof, then the building official shall have the authority to collect a noncompliance fee.

The noncompliance fee shall not be imposed unless the order states that a failure to comply within 15 days after the compliance date specified in the order will result in the fee being imposed. No more than one such fee shall be collected for failure to comply with an order.

150.002 CALIFORNIA BUILDING CODE ADOPTED BY REFERENCE.

(A) Chapter 1, Division II through Chapter 35 and Appendices C, F, H, I, J, O, P and Q of 2025 California Building Code, Title 24 Part 2 of California Code of Regulations, are hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein, except as revised by Section 150.002.001.

(B) 2025 California Building Code together with any and all amendments thereto proposed by the City, shall collectively be known as the City of Santa Fe Springs Building Code and may be cited as Section 150.002 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Building Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.002.001 BUILDING CODE AMENDED

(A) Section 101.1 Title amended in its entirety to read:

101.1 Title. These regulations shall be known as the Building Code of the City of Santa Fe Springs, hereinafter referred as "this code".

(B) The administration of the Building Code shall be as set forth in Chapter 15.01 of this Code.

(C) The following Sections of Chapter 1 Division II are deleted.
104.7, 105.2, 105.3.2, 105.5, 107.5, 109.3, 111.1, 111.2, 111.3.

(D) Chapter 9 of the Building Code is deleted in its entirety and replaced with Chapter 9 of the California Fire Code as adopted and amended by City of Santa Fe Springs Municipal Code CHAPTER 93: - FIRE PREVENTION AND PROTECTION.

150.003 BUILDING CODE FEES

Notwithstanding the provisions of Section 150.002, fees for plan check, inspection and other building code fees shall be as set by resolution of the City Council.

150.004 RESIDENTIAL CODE ADOPTED

(A) Chapter 1, Division II through Chapter 10, Chapter 44 and Appendices AH, AJ, AQ, and AS of the 2025 California Residential Code, Title 24 Part 2.5 of the California Code of Regulations, are hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein, except as revised by Section 150.004.001.

(B) This Section shall be known as the *City of Santa Fe Springs Residential Code* and may be cited as Section 150.004 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Residential Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.004.001 RESIDENTIAL CODE AMENDED

Section R301.1.3.2 is amended in its entirety to read:

R301.1.3.2 Wood Frame Structures. The Building Official shall require construction documents to be approved and stamped by a California licensed architect or engineer for all dwellings of wood frame construction more than two stories and basement in height located in Seismic Design Category A, B, or C. Notwithstanding other sections of law, the law establishing these provisions is found in Business and Professions Code Sections 5537 and 6737.1.

The Building Official shall require construction documents to be approved and stamped by a licensed California architect or engineer for all dwellings of wood frame construction more than one story in height or with a basement located in Seismic Design Category D0, D1, or D2 or E.

150.005 ELECTRICAL CODE ADOPTED

(A) Article 89, Article 90, Chapters 1 through 9, and Annexes A, B, C, D, E, F, G, I, and J of the 2025 California Electrical Code, Title 24 Part 3 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein.

(B) This section shall be known as the *City of Santa Fe Springs Electrical Code* and may be cited as Section 150.005 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Electrical Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.005 ELECTRICAL CODE FEES

Notwithstanding the provisions of Section 150.004, fees for plan check, inspection and other electrical code fees shall be as set by resolution of the City Council.

150.006 MECHANICAL CODE ADOPTION

(A) Chapter 1, Division II through Chapter 17 and Appendices B, C, and D of the 2025 California Mechanical Code, Title 24 Part 4 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions

of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein.

(B) This section shall be known as the *City of Santa Fe Springs Mechanical Code* and may be cited as Section 150.006 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Mechanical Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.007 MECHANICAL CODE FEES

Notwithstanding the provisions of Section 150.006, fees for plan check, inspection and other mechanical code fees shall be as set by resolution of the City Council.

150.008 PLUMBING CODE ADOPTED

(A) Chapter 1, Division II through Chapter 17 and Appendices A, B, D, H, I, and J of the 2025 California Plumbing Code, Title 24 Part 5 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained.

(B) This section shall be known as the *City of Santa Fe Springs Plumbing Code* and may be cited as Section 150.008 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Plumbing Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.009 PLUMBING CODE FEES

Notwithstanding the provisions of Section 150.008, fees for plan check, inspection and other Plumbing Code fees shall be as set by resolution of the City Council.

150.010 and 150.011 RESERVED

BUILDING NUMBERING

150.055 OFFICE OF OFFICIAL NUMBERER; DUTIES AND FEES.

(A) The Building Official, or their designee, is hereby designated as the official numberer of buildings within the City and shall be responsible for assigning official numbers and street addresses to all houses, buildings, and structures in accordance with the City's established street numbering system, coordinated with the official street numbering system of the county.

(B) Official numbers and street addresses shall be assigned upon request of the property owner or the owner's authorized agent. Fees for such services, if any, shall be as established by resolution of the City Council per Section150.003 of this code.

(C) Whenever a change or extension of any street requires a renumbering of buildings, the Building Official, or designee, shall determine and assign the appropriate numbers.

(D) All street addresses shall reference public streets unless, in the opinion of the Planning Director, no public street is reasonably available for addressing purposes.

150.056 ASSIGNMENT, DISPLAY, AND MAINTENANCE OF OFFICIAL NUMBERS.

(A) The proper display of building numbers is essential for public safety, emergency response, postal delivery, and general identification purposes. All houses, buildings, and structures within the City, other than accessory buildings, shall be numbered with the official number or numbers assigned by the Building Official, or designee.

(B) The assigned number shall be placed in the immediate area of the main entrance to the building. If the number is not visible from the street frontage, a separate posting visible from the street shall be required.

(C) Each figure of such number shall be at least three (3) inches in height, with fractional figures not less than one-third of that size. Numbers shall contrast with the background on which they are mounted, remain visible and unobstructed by vegetation or other materials, and shall comply with the visibility and location requirements of the California Fire Code or local Fire Department standards, as applicable.

(D) Property owners or persons in possession of property shall maintain assigned numbers in legible condition and shall remove any numbers not officially assigned under this subchapter.

(E) It is unlawful for any person other than the Building Official, or designee, to assign or designate any number or address purporting to be an official street number within the City.

150.057 NOTIFICATION AND ENFORCEMENT.

(A) The Building Official, or designee, shall notify property owners or persons in possession of property when official numbers have been assigned. Upon receipt of such notice, the owner or occupant shall, within ten (10) days, place the assigned number or numbers upon the premises as required by Section 150.056 and remove any unassigned numbers.

(B) Any person who fails to comply with subsection (A) shall be provided an additional written notice allowing ten (10) days to achieve compliance. Such notice may be issued and delivered by any authorized representative of the City by mail, personal delivery, or other reasonable means.

(C) Failure to comply within the time specified shall constitute a violation of this code and shall be subject to enforcement and penalties as provided in Section 10.97 of this code.

150.058 [RESERVED]
150.059 [RESERVED]
150.060 [RESERVED]
150.061 [RESERVED]

Chapter 153 [RESERVED]

EXHIBIT "B"

2025
LOCAL AMENDMENTS FINDINGS

I. GEOLOGICAL CONDITIONS

The City of Santa Fe Springs is prone to seismic activity due to the existence of active faults in the Southern California area. After the 1994 Northridge Earthquake, the Wood Frame Construction Joint Task Force recommended that the quality of wood frame construction needed to be greatly improved. The Task Force recommended that structural plans be prepared by the engineer or architect so that plan examiners, building inspectors, contractors, and special inspectors may logically follow and construct the seismic force-resisting systems as presented in the construction documents. For buildings or structures located in Seismic Design Category D0, D1, D2, or E that are subject to a greater level of seismic forces, the requirement to have a California licensed architect or engineer prepare the construction documents is intended to minimize or reduce structural deficiencies that may cause excessive damage or injuries in wood frame buildings. Involvement of a registered professional will minimize the occurrence of structural deficiencies such as plan and vertical irregularities, improper shear transfer of the seismic force-resisting system, missed details or connections important to the structural system, and the improper application of the prescriptive requirements of the California Residential Code.

II. CLIMACTIC CONDITIONS:

Climatic events in Los Angeles County, which includes the City of Santa Fe Springs, continue to have a short and long-term impact on building requirements. For example, damage and injuries related to El Nino type storms, droughts, and fires have driven changes to the building codes. These changes were based on lessons learned from these events and were developed to lessen the impact of the next climatic event.

The topography of Los Angeles County is diverse. It encompasses the islands of Santa Catalina, 35 miles offshore in the Pacific Ocean, the broad expanses of the Los Angeles basin and the San Fernando Valley, the Santa Monica Mountains that reach over 3,000 feet, the San Gabriel Mountains that exceed 10,000 feet, and the dry and sparsely populated Antelope Valley of the Mojave Desert.

Los Angeles County's climate is greatly affected by topography. Like the terrain, the climate of Los Angeles County is one of extremes. The complex coastal topography and mountainous regions, for example, can induce heavy precipitation. The mountain and foothill areas create special weather conditions. Moist air masses move inland from the Pacific and are cooled as they meet and rise over the mountains. This cooling produces heavy rainfalls on the windward slopes, known as the orographic effect.

Some of the heaviest 24-hour precipitation totals ever reported in the entire state of

California were recorded in these local mountains. Over 26 inches of rain fell in just 24 hours in the San Gabriel Mountains in 1943. In fact, in 1998, the U.S. Department of Commerce estimated that the maximum probable 24-hour precipitation is over 48 inches for the mountain ranges of Los Angeles County. This type of precipitation makes floods more likely.

The entire County of Los Angeles, including the City of Santa Fe Springs, has a distinct wet season. Floods are more frequent during this season. When a very wet winter follows several dry ones, severe flooding can occur. This creates severe hazards from mud and debris flows. Documented debris avalanches have occurred in Los Angeles County during at least 9 rainy seasons since 1915.

Wind is another complex climatic condition affecting Los Angeles County. Wind is a major factor affecting the size of wildfires. Specifically, the Santa Ana Winds occurring in late summer and early fall, compress air through mountain gaps into the Los Angeles Basin, warming the area by five degrees Fahrenheit for every 1,000 feet that it descends. These winds become hot and dry and reach gale force when descending into the basin. These winds in conjunction with topography create areas within Los Angeles County such as Malibu that have the highest levels of fire activity in the entire country.

Finally, lack of precipitation is another climatic condition found in Los Angeles County. Drought conditions from 1975 through 1977 caused agricultural damage and proliferated wildfires and landslides and thereby ushered in the era of low-flow water fixtures and natural landscaping as mandated in the County's building code.

CODE SECTION	TITLE (Clarification)	FINDINGS
Chapter 9 of Building Code	Fire Protection and Life Safety Systems	I. Geological Conditions; and II. Climatic Conditions
R301.1.3.2	Wood Frame Structures	I. Geological Conditions

ATTACHMENT B

ITEM # 19

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: **AMENDMENT TO CHAPTER 150 (BUILDING REGULATIONS) AND REPEAL OF CHAPTER 153 (SWIMMING POOLS) OF THE MUNICIPAL CODE OF SANTA FE SPRINGS TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE WITH CERTAIN AMENDMENTS**

DATE: November 5, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Introduce and conduct a first reading by title only and waive further reading of Ordinance No. 1165:
AN ORDINANCE OF CITY OF SANTA FE SPRINGS AMENDING THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE ('SFSMC") CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO; and

2) Schedule a public hearing on December 2, 2025, to conduct a second reading and adopt Ordinance No. 1165; and

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

FISCAL IMPACT

Approval of this item will not have an impact on the Fiscal Year 2025-2026 City budget.

BACKGROUND

The State of California Building Standards Commission ("BSC") updates the California Building Standards Code on a tri-annual basis. The 2025 edition of the California Code of Regulations, Title 24 (Parts 1 through 12), becomes effective statewide on January 1, 2026.

Local jurisdictions are authorized under California Health and Safety Code Sections 17958 et seq. and 18941.5 to adopt modifications to the California Building Standards Code based on local climatic, geological, and topographical conditions.

Historically, the City of Santa Fe Springs ("City") has adopted the California Building Standards Codes as amended by Los Angeles County. For the 2025 cycle, staff recommends adopting the California Building Standards Codes directly as published by the State, with limited local amendments unique to the City. This approach promotes consistency, transparency, and cost efficiency for residents and the development community.

The 2025 California Building Standards Code can be viewed online at https://www.dgs.ca.gov/BSC/Codes

ANALYSIS AND DISCUSSION

The proposed Ordinance updates Chapter 150 (Building Regulations) and repeals Chapter 153 (Swimming Pools) of the SFSMC to adopt the 2025 California Building Standards Code subject to certain amendments, additions, and deletions, including:

- 2025 California Building Code (Part 2)
- 2025 California Residential Code (Part 2.5)
- 2025 California Electrical Code (Part 3)
- 2025 California Mechanical Code (Part 4)
- 2025 California Plumbing Code (Part 5)

The proposed code amendments establish administrative procedures and local requirements necessary for efficient implementation and community safety. Key highlights include:

1. Building Code Administration

The Ordinance amends SFSMC Sections 150.001 through 150.011 to establish local procedures for permit issuance, plan review, expiration and extensions, fees, refunds, valuation, and enforcement.

2. Addressing and Building Numbering

The Ordinance repeals SFSMC Sections 15.055 through 150.061 and adds new Sections 150.055 through 150.057, consolidating and modernizing local addressing and building numbering requirements.

Additionally, the Ordinance clarifies the Building Official's responsibility for assigning official building numbers, establishes clear requirements for display, maintenance, and visibility of building numbers consistent with the California Fire Code for emergency response and public safety, and replaces outdated language referring to "Building Inspector" with gender-neutral and modern administrative language.

3. Repeal of Chapter 153 (Swimming Pools)

The Ordinance repeals Chapter 153 ("Swimming Pools") in its entirety to align with the 2025 California Building Code and 2025 California Residential Code, which already regulate pool design, safety barriers, and equipment standards. This update eliminates redundancy and ensures consistency with statewide codes.

4. Findings of Local Conditions

Exhibit "B" to the Ordinance provides the City's findings regarding geological and climatic conditions, including regional seismic activity, Santa Ana winds, and wildfire and flooding hazards, which justify certain local amendments to the 2025 California Building Standards Code for safety and resilience.

ENVIRONMENTAL

Adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15378, because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such, there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis adoption of the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption"), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

SUMMARY/NEXT STEPS

Upon City Council approval of the first reading of Ordinance No. 1165, the Ordinance will be placed on the December 2, 2025 City Council meeting agenda for a public hearing. If adopted, the Ordinance will take effect on January 1, 2026.

ATTACHMENTS:

A. Ordinance No. 1165

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

APPROVED:
ITEM NO.:

ORDINANCE NO. 1165

AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING CITY OF SANTA FE SPRINGS MUNICIPAL CODE CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO

WHEREAS, California law requires that all portions of the 2025 California Building Standards Code (Cal. Code of Regs., Title 24) to be effective within the City by January 1, 2026; and

WHEREAS, California Health and Safety Code Sections 17958 *et seq.* and 18941.5 authorize cities and counties to modify the California Building Standards Code by adopting more restrictive standards and modifications if such standards and modifications are accompanied by expressed findings that such modifications or changes are reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, the City Council of the City of Santa Fe Springs ("City Council") desires to amend the City of Santa Fe Springs Municipal Code ("SFSMC") to adopt by reference the 2025 editions of the California Building Code, the California Residential Code, the California Electrical Code, the California Plumbing Code, and the California Mechanical Code (collective, the "California Building Standards Code"), with certain amendments based on findings that the amendments are reasonably necessary, as set forth in **Exhibit "A"** attached hereto and incorporated herein by this reference; and

WHEREAS, the City Council finds that proposed changes and modifications to the building standards contained in the 2025 California Building, Residential, Electrical, Plumbing, and Mechanical Codes are reasonably necessary due to local climatic, geological, and/or topographical conditions, as set forth in **Exhibit "B"** attached hereto and incorporated herein by this reference; and

WHEREAS, adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15378, because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such, there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis adoption of the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption") because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment, and therefore no further action is required pursuant to CEQA; and

WHEREAS, the City shall file the amendments, additions, or deletions with California Building Standards Commission.

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

SECTION 1. The above Recitals are true and correct and are incorporated herein by this reference as substantive findings of the City Council.

SECTION 2. The City Council hereby makes the following findings:

A. The City Council has duly considered climatic conditions, topographic conditions, and geological conditions and all information presented to it, including written staff reports, written comments and any testimony provided at the public hearing, with all comments and testimony received being made a part of the public record, and makes the findings set forth in **Exhibit "B"**.

B. This Ordinance is exempt from the requirements of CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines Section 15378 because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis, this action is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) because it can be shown with certainty that there is no possibility that adoption of this Ordinance will not have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

SECTION 3. Sections 150.001 through 150.011 and Sections 150.055 through 150.061 of Chapter 150 ("Building Regulations") of the SFSMC are hereby repealed and replaced with the revised versions of Sections 150.001 through 150.011 and Sections 150.055 through 150.061 set forth in **Exhibit "A"**.

SECTION 4. Chapter 153 ("Swimming Pools") of the SFSMC is hereby repealed in its entirety as set forth in **Exhibit "A"**.

SECTION 5. Any provision of the SFSMC that is inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to the extent necessary to effect the provisions of this Ordinance.

SECTION 6. If any section, subsection, phrase, or clause of this Ordinance is for any reason held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, or by reason of any preemptive legislation, the remaining portions of this Ordinance shall continue in full force and effect. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, phrase or clause thereof irrespective of the fact that any one or more sections, subsections, phrases, or clauses may be declared unconstitutional or otherwise invalid.

SECTION 7. This Ordinance shall take effect on January 1, 2026, after its final passage, and the City Clerk of the City of Santa Fe Springs shall certify the passage and adoption of this Ordinance by the City Council and shall cause the same to be filed with the California Building Standards Commission located at 2525 Natomas Park Drive, Suite 130, Sacramento, CA 95833.

PASSED and ADOPTED this 2nd day of December 2025, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____
William K. Rounds, Mayor

_____
Fernando Muñoz, City Clerk

EXHIBIT "A"

CHAPTER 150: BUILDING REGULATIONS

GENERAL PROVISIONS
150.001 BUILDING CODES ADMINISTRATION

150.001.001 PURPOSE.

The purpose of this section is to establish certain administrative procedures for the enforcement of building standards specific to the City. All other administrative provisions not addressed herein shall be governed by Chapter 1, Division II of the California Building Code, as incorporated by reference.

150.001.002 PERMIT REQUIRED.

No person shall erect, construct, enlarge, alter, repair, move, improve, remove, connect, convert, demolish, or equip any building, structure, or portion thereof, perform any grading, or cause the same to be done, without first obtaining a separate permit for each such building, structure or grading from the Building Official.

The issuance of a permit without first requiring a plan review shall not prevent the Building Official from requesting plans deemed necessary to verify that the work performed under said permit complies with this Code and all relevant laws, ordinances, rules and regulations.

No person shall install, alter, repair, move, improve, remove, connect any automatic fire-protection system regulated by this Code, or cause the same to be done, without first obtaining a separate permit for each such building or structure from the Building Official. All structures and devices installed for the protection of pedestrians, regardless of location, are subject to the permit requirements of this section.

(A) **Work exempt from permit**. Exemption from the permit requirements of this Code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this Code, other laws, ordinances, or regulations, or required approvals from other City Departments and State and federal agencies.

(B) **A building permit shall not be required for the following:**

(1) Work not regulated by the Building Code, except where deemed necessary by the Building Official to enforce other Federal and/or State Laws, State disabled access requirements, or to enforce City ordinances or policies.

(2) Painting; wallpapering; installing carpet, vinyl, tile, and similar floor coverings, cabinets, counter tops and similar finish work where disabled access requirements do not apply.

(3) Repairing broken window glass not required by the Building Code to be safety or security glazing.

(4) One-story detached accessory buildings used as tool and storage sheds, shade structures, pump houses, and similar uses, provided the gross floor area does not exceed 120 square feet (11.15 m^2), the height does not exceed 12 feet (3.69 m), and the maximum roof projection does not exceed 24 inches (610 mm).

(5) Chain-link, wrought-iron and similar fences not more than 12 feet in height.

(6) Masonry, concrete, wood and similar fences not more than 6 feet in height.

a. Exception: Wood fences not more than 8 feet in height with 60 percent or more of the fence open and incapable of being loaded by wind.

(7) Retaining walls that retain not over 4 feet (1219 mm) in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding a Class I, II, or III-A liquids.

(8) Ground-mounted radio and television antenna towers that do not exceed 45 feet in height and ground-supported dish antennas not exceeding 15 feet in height above finished grade in any position.

(9) Light standards which do not exceed 30 feet (9,144 mm) in height.

(10) Flagpoles not erected upon a building and not more than 15 feet (4,572 mm) high.

(11) Tanks not storing hazardous material as defined in the Fire Code provided that:

a. Steel tanks are supported on a foundation not more than 2 feet (610 mm) above grade and the overall height to diameter or width does not exceed 1½ times the diameter.

b. Water tanks constructed of materials other than steel, including cisterns and rain barrels, are supported directly on grade, the overall height to diameter or width does not exceed 1½ times the diameter, and the capacity does not exceed 5000 gallons (18925 L).

(12) Gantry cranes and similar equipment.

(13) Motion picture, television and theater stage sets and scenery. Buildings or structures constructed as part of a set or as scenery shall not be occupied or used for any other purpose.

(14) A playhouse or tree house provided that:

a. It does not exceed 64 square feet (5.94 m 2) in area nor 8 feet (2438 mm) in height from floor to roof.

b. The ceiling height as established by door height or plate line does not exceed 6 feet (1829 mm).

(15) Canopies or awnings, completely supported by the exterior wall, attached to a Group R-3 or U Occupancy, and extending not more than 54 inches (1372 mm) from the exterior wall of the building, and not encroaching into the public right-of-way or any required fire separation distance specified by this Code.

(16) Sheds, office or storage buildings, and other structures that are less than 1,500 square feet (139 m²) and incidental to work authorized by a valid grading or building permit. Such structures must be removed upon expiration of the permit or completion of the work covered by the permit.

(17) Oil derricks.

(18) Decks, walks and driveways not more than 30 inches (762 mm) above grade and not over any basement or story below, and which are not part of an accessible route.

(19) Prefabricated swimming pools and other bodies of water accessory to a Group R-3 Occupancy that are less than 18 inches (0.46 m) deep, or do not exceed 5,000 gallons (18,927 L) and are installed entirely above adjacent grade.

(20) Playground equipment.

(21) One-story detached animal cages and kennels, chicken coops, and animal pens provided the gross floor area does not exceed 300 square feet (37.2 m^2) and the height does not exceed 6 feet (1.8 m) and at least one horizontal dimension does not exceed 12 feet (3.69 m).

(22) Non-combustible livestock shelters provided that the gross floor area does not exceed 300 square feet (27.9 m^2), the height does not exceed 12 feet (3.69 m), and at least 3 sides are each a minimum of 65 percent open.

(23) Nonfixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1753 mm) in height.

(C) **Electrical. An electrical permit shall not be required for the following:**

(1) Minor repair work, such as the replacement of lamps, switches, receptacle devices, sockets, and the like, or the connection of portable motor and appliances to suitable receptacles which have been permanently installed.

(2) The wiring for temporary theater, motion picture or television stage sets.

(3) Electrical wiring, devices, appliances, apparatus, or equipment operating at less than 25 volts and not capable of supplying more than 50 watts of energy.

(4) Low-energy power, control, and signal circuits are not an integral part of an appliance and in which the power is limited from a source having a rated output of not more than 30 volts and 1,000 volt-amperes.

(5) Temporary decorative lighting.

(6) The installation of temporary wiring for testing or experimental purposes within suitable facilities.

(7) Replacement of over-current devices of the same type and the same rating.

(8) Portable generators, portable motors, appliances, tools, power outlets, and other portable equipment connected by means of a cord or cable having an attachment plug.

(9) Private telephone, intercom, sound and communication systems; provided, however, that the above system(s) do not exceed the value as indicated in (c) and (d) of this section. A permit shall be obtained for the power supplies required by the above systems.

(D) **Mechanical: A mechanical permit shall not be required for the following:**

(1) Any portable heating appliance.

(2) Any portable ventilating equipment.

(3) Any portable cooling unit.

(4) Any steam, hot, or chilled water piping within any heating or cooling equipment regulated by this Code.

(5) Replacement of any component part or assembly of an appliance which does not alter its original approval and complies with other applicable requirements of this Code.

(6) Any portable evaporative cooler.

(7) Any refrigerating equipment which is a part of the equipment for which a permit has been issued pursuant to the requirements of this Code.

(8) Any unit refrigerating system.

(E) **Plumbing. A Plumbing permit shall not be required for the following:**

(1) Clearing of stoppages and stopping of leaks which do not involve the replacement of any plumbing (including fixtures, traps, tailpieces and valves), drainage piping, vent piping, waste piping, soil piping, water piping or gas piping.

(2) Change of residential plumbing fixtures which do not involve the replacement of the existing waste and vent piping excluding the trap, to include, residential toilets, residential bathroom hand sinks, bathtub and residential kitchen sinks.

(3) Connection of any appliance approved for and intended to be connected by flexible gas piping to a gas shutoff valve which was previously permitted and inspected under a valid Plumbing permit.

150.001.003 EXPIRATION AND EXTENSION OF APPLICATIONS

(A) **Expiration of Applications**. A plan check application shall expire and become null and void if a permit is not issued within one (1) year from the date of application. Upon expiration, the Building Official may dispose of the submitted plans, calculations, and related documents. The Building Official may, at their discretion, grant one or more extensions of time, each not to exceed one hundred eighty (180) days, provided that:

(1) The applicant submits a written request demonstrating that the delay was due to circumstances beyond the applicant's control.

(2) For extensions requested prior to expiration, the request is submitted before the expiration date.

(3) For extensions requested after expiration, the request is submitted within twelve (12) months following the date of expiration.

(4) An extension fee, in an amount determined by the Building Official, not to exceed twenty-five percent (25%) of the original plan check fee, is paid for each extension.

(5) The total cumulative extension period shall not exceed two (2) years from the original expiration date, with extensions issued only in increments not exceeding one hundred eighty (180) days, and a separate extension fee required for each extension granted.

(6) Any extension granted after expiration shall be deemed a continuation of the original application and shall not constitute a reissuance or a new application.

(7) Once an application, including any extension thereof, has expired without further extension, the applicant shall file a new application, submit new plans and calculations, and pay all applicable fees in accordance with the codes and regulations then in effect.

(B) **Expiration of Permits**. Every permit issued under the provisions of this Code shall expire by limitation and become null and void if any of the following conditions occur:

(1) The work authorized by such permit is not commenced within one (1) year from the date of permit issuance; or

(2) No required building inspection, as defined in this Code and as identified on the Job Record issued with the permit, is approved by the Building Official within one (1) year from the date of the last approved inspection.

(3) Partial inspections, or inspections related solely to electrical, mechanical, plumbing, grading, or reroofing, shall not constitute a required building inspection unless such work is integral to the primary building permit.

(4) Supplemental permits for electrical, grading, mechanical, plumbing, or reroofing shall remain valid so long as the associated primary building permit remains active.

(5) The Building Official may, at their discretion, grant one or more extensions of time, each not to exceed one hundred eighty (180) days, to prevent or cure the expiration of a permit, provided that:

a. The permittee submits a written request demonstrating that the delay in progress was due to circumstances beyond the permittee's control;

b. For extensions requested prior to expiration, the request is submitted before the expiration date;

c. For extensions requested after expiration, the request is submitted within twelve (12) months following the date of expiration; and

d. An extension fee, in an amount determined by the Building Official, not to exceed twenty-five percent (25%) of the original permit fee, is paid for each extension.

(6) Multiple extensions may be granted to cover the requested period of time; however, each extension shall be issued in increments not exceeding one hundred eighty (180) days, and a separate extension fee shall apply to each extension granted.

(7) Any extension granted after expiration shall be deemed a continuation of the original permit and shall not constitute a reissuance or issuance of a new permit.

(8) If no extension is granted, the permit shall remain expired and no further work shall be performed under that permit. The permittee shall be required to submit a new permit application, including all required plans and calculations, and pay all applicable fees in accordance with the codes and regulations then in effect.

150.001.004 FEES AND REFUNDS.

(A) **Permit and Inspection Fees**. Permit fees shall be as specified per section 15.003 of this code. Permit fees shall be paid at the time of permit issuance. An inspection fee may be assessed for reinspection, as determined by the Building Official, for any of the following reasons:

(1) The portion of work for which inspection is requested is not complete;

(2) Corrections given are not completed;

(3) There is inadequate work site access preventing inspection;

(4) The inspection record card is not posted or otherwise available on the work site:

(5) The approved plans are not available for the inspector;

(6) Work has deviated from the approved plans and has not been approved by the Building Official.

This Section is not to be interpreted as requiring additional inspection fees the first time a job is rejected for failure to comply with the requirements of this Code.

To obtain re-inspection, the applicant shall pay the re-inspection fee in advance, as determined per the fee resolution.

(B) **Plan Checking or Plan Review fees for Buildings or Structures.**

When an application for a building permit is submitted for review, a fee shall be paid to the Building Official. Said fee shall be equal to 85 percent of the building permit fee as specified per Section 15.003 of this code.

In addition to the aforementioned fees, the Building Official may require additional charges for review required by changes, additions or revisions of approved plans or reports, and for services beyond the first and second check due to changes, omissions or errors on the part of the applicant. The payment of said fees shall not exempt any person from compliance with other provisions of this Code.

The fees specified in this Section are separate fees from the permit fees specified in Section 150.001.004 (A)

(C) **Plan Check Fee Refunds**. Plan check fees may be refunded up to a maximum of eighty percent (80%) of the original plan check fee, provided that:

(1) No plan review has been performed;

(2) A written request for a refund is submitted to the Building Official within one (1) year from the date of payment;

(3) The refundable amount exceeds the equivalent of the minimum fee for the review of drawings and data which are sufficient to determine nature and scope of work in lieu of submittal of plans and specifications, as determined by the current adopted fee schedule.

(4) The Building Official shall determine eligibility and the amount of any refund in accordance with these provisions.

(D) **Permit Fee Refunds**. Permit fees may be refunded to a maximum of eighty percent (80%) of the original permit fee, provided that:

(1) No portion of the work authorized by the permit has commenced; and

(2) The permit has been cancelled;

(3) A written request for refund is submitted to the Building Official within one (1) year from the date of permit cancellation or expiration; and

(4) The refundable amount exceeds the equivalent of the minimum fee for the review of drawings and data which are sufficient to determine nature and scope of work in lieu of submittal of plans and specifications, as determined by the current adopted fee schedule.

(5) Permit issuance fees are non-refundable. The Building Official shall determine eligibility and the amount of any refund in accordance with these provisions.

150.001.005 VALUATION.

The determination of value or valuation under any of the provisions of this code shall be made by the Building Official. Valuation shall be based on the type of construction, occupancy classification, and size of the project, and shall include all components of the

permitted work, including structural elements, finishes, roofing, mechanical, electrical, plumbing, fire protection systems, and other permanently installed features or equipment.

In establishing valuation, the Building Official may reference the most current Building Valuation Data (BVD) published by the International Code Council or other similar industry data sources. These references are intended to provide a consistent and uniform basis for determining construction valuation for fee assessment purposes. The calculated valuation is not required to reflect actual or reported construction costs.

150.001.006 CERTIFICATES.

(A) Certificate of Occupancy. Upon passing final inspection and demonstrating compliance with this Code, applicable laws, ordinances, rules, and regulations, and upon full payment of all required fees, the Building Official may issue a Certificate of Occupancy upon written request by the permit holder.

(1) The Certificate of Occupancy shall include the following information:

a. The building permit number;

b. The address of the building or structure;

c. A description of the portion of the building covered by the certificate;

d. A statement that the described portion was inspected and found to comply with applicable codes and regulations for the intended occupancy and use classification;

e. The date of final approval; and

f. Any additional information deemed necessary by the Building Official.

(B) Temporary Certificate of Occupancy. The Building Official may issue a Temporary Certificate of Occupancy for the use or occupancy of any portion of a building or structure prior to the completion of all permitted work, provided it is determined that no substantial hazard will result from such use or occupancy.

(1) A Temporary Certificate of Occupancy shall:

a. Specify the portion of the building or premises to be occupied;

b. Be valid for an initial period of thirty (30) calendar days; and

c. Be subject to a fee per 30-day period, as established by the adopted fee schedule.

(2) If additional time is needed, the Building Official may, upon written request and justification, approve a longer duration by allowing multiple 30-day periods to be purchased in advance. The total authorized time shall be based on project-specific conditions and shall remain at the discretion of the Building Official.

(3) Upon expiration of a Temporary Certificate of Occupancy and any approved extensions, no portion of the building or premises shall be occupied until final approval, or a Certificate of Occupancy is issued.

150.001.007 RECORDATION OF VIOLATION.

(A) **General.** The Building Official may record a notice with the County Recorder's Office that a property, building, or structure, or any part thereof, is in violation of any provision of this Code provided that the provisions of this Section are complied with. The remedy provided by this Section is cumulative to any other enforcement actions permitted by this Code.

(B) **Recordation.** If (1) the Building Official determines that any property, building, or structure, or any part thereof is in violation of any provision of this Code; and if (2) the Building Official gives written notice as specified below of said violation; then the Building Official may have sole discretion to, at any time thereafter, record with the County Recorder's Office a notice that the property and/or any building or structure located thereon is in violation of this Code.

Following the recordation of the notice of violation the Building Official is not required to conduct an inspection or review of the premises to determine the continued existence of the cited violation. It is the responsibility of the property owner, occupant or other similarly interested private party to comply with the above provisions.

(C) **Notice.** The written notice given pursuant to this Section shall indicate:

(1) The nature of the violation(s); and

(2) That if the violation is not remedied to the satisfaction of the Building Official, the Building Official may, at any time thereafter, record with the County Recorder's Office a notice that the property and/or any building or structure located thereon is in violation of this Code. The notice shall be posted on the property and shall be mailed to the owner of the property as indicated on the last equalized County Assessment roll. The mailed notice may be by registered, certified, or first-class mail.

(D) **Rescission.** Any person who desires to have recorded a notice rescinding the notice of violation must first obtain the necessary approvals and permit(s) to correct the violation. Once the Building Official determines that

the work covered by such permit(s) has been satisfactorily completed, the Building Official may record a notice rescinding the prior notice of violation.

(E) **Costs.** Any person that violates any provision of this Code shall be responsible for the costs of any and all Code enforcement actions taken by the Building Official in response to such violations. These costs shall be based on the amounts shall be as specified per section 15.003 of this code.

(F) **Work without Permit.** Whenever any work has been commenced without a permit as required by the provisions of this Code, a special investigation shall be made prior to the issuance of the permit. An investigation fee specified as per Section 15.003 of this code, shall be collected for each permit so investigated.

(G) **Exception.** When the building official has determined that the owner-builder of a one- or two-family dwelling, accessory building or accessory structure had no knowledge that a permit was necessary and had not previously applied for a permit from the Building Division of the City, the investigation fee shall be as specified per Section 15.003 of this code. The payment of the investigation fee shall not exempt any person from compliance with all other provisions of this Code or from any penalty prescribed by law.

(H) **Noncompliance Fee.** If the building official, in the course of enforcing the provisions of this Code or any State law, issues an order to a person and that person fails to comply with the order within 15 days following the due date for compliance stated in the order, including any extensions thereof, then the building official shall have the authority to collect a noncompliance fee.

The noncompliance fee shall not be imposed unless the order states that a failure to comply within 15 days after the compliance date specified in the order will result in the fee being imposed. No more than one such fee shall be collected for failure to comply with an order.

150.002 CALIFORNIA BUILDING CODE ADOPTED BY REFERENCE.

(A) Chapter 1, Division II through Chapter 35 and Appendices C, F, H, I, J, O, P and Q of 2025 California Building Code, Title 24 Part 2 of California Code of Regulations, are hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein, except as revised by Section 150.002.001.

(B) 2025 California Building Code together with any and all amendments thereto proposed by the City, shall collectively be known as the City of Santa Fe Springs Building Code and may be cited as Section 150.002 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Building Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.002.001 BUILDING CODE AMENDED

(A) Section 101.1 Title amended in its entirety to read:

101.1 Title. These regulations shall be known as the Building Code of the City of Santa Fe Springs, hereinafter referred as "this code".

(B) The administration of the Building Code shall be as set forth in Chapter 15.01 of this Code.

(C) The following Sections of Chapter 1 Division II are deleted.
104.7, 105.2, 105.3.2, 105.5, 107.5, 109.3, 111.1, 111.2, 111.3.

(D) Chapter 9 of the Building Code is deleted in its entirety and replaced with Chapter 9 of the California Fire Code as adopted and amended by City of Santa Fe Springs Municipal Code CHAPTER 93: - FIRE PREVENTION AND PROTECTION.

150.003 BUILDING CODE FEES

Notwithstanding the provisions of Section 150.002, fees for plan check, inspection and other building code fees shall be as set by resolution of the City Council.

150.004 RESIDENTIAL CODE ADOPTED

(A) Chapter 1, Division II through Chapter 10, Chapter 44 and Appendices AH, AJ, AQ, and AS of the 2025 California Residential Code, Title 24 Part 2.5 of the California Code of Regulations, are hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein, except as revised by Section 150.004.001.

(B) This Section shall be known as the *City of Santa Fe Springs Residential Code* and may be cited as Section 150.004 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Residential Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.004.001 RESIDENTIAL CODE AMENDED

Section R301.1.3.2 is amended in its entirety to read:

R301.1.3.2 Wood Frame Structures. The Building Official shall require construction documents to be approved and stamped by a California licensed architect or engineer for all dwellings of wood frame construction more than two stories and basement in height located in Seismic Design Category A, B, or C. Notwithstanding other sections of law, the law establishing these provisions is found in Business and Professions Code Sections 5537 and 6737.1.

The Building Official shall require construction documents to be approved and stamped by a licensed California architect or engineer for all dwellings of wood frame construction more than one story in height or with a basement located in Seismic Design Category D0, D1, or D2 or E.

150.005 ELECTRICAL CODE ADOPTED

(A) Article 89, Article 90, Chapters 1 through 9, and Annexes A, B, C, D, E, F, G, I, and J of the 2025 California Electrical Code, Title 24 Part 3 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein.

(B) This section shall be known as the *City of Santa Fe Springs Electrical Code* and may be cited as Section 150.005 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Electrical Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.005 ELECTRICAL CODE FEES

Notwithstanding the provisions of Section 150.004, fees for plan check, inspection and other electrical code fees shall be as set by resolution of the City Council.

150.006 MECHANICAL CODE ADOPTION

(A) Chapter 1, Division II through Chapter 17 and Appendices B, C, and D of the 2025 California Mechanical Code, Title 24 Part 4 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions

of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained therein.

(B) This section shall be known as the *City of Santa Fe Springs Mechanical Code* and may be cited as Section 150.006 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Mechanical Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.007 MECHANICAL CODE FEES

Notwithstanding the provisions of Section 150.006, fees for plan check, inspection and other mechanical code fees shall be as set by resolution of the City Council.

150.008 PLUMBING CODE ADOPTED

(A) Chapter 1, Division II through Chapter 17 and Appendices A, B, D, H, I, and J of the 2025 California Plumbing Code, Title 24 Part 5 of the California Code of Regulations, is hereby adopted by reference pursuant to the provisions of Sections 50022.1 through 50022.10 of the Government Code, and made a part of this code with the same force and effect as though set out herein in full, including all of the regulations, revisions, conditions and terms contained.

(B) This section shall be known as the *City of Santa Fe Springs Plumbing Code* and may be cited as Section 150.008 of the City of Santa Fe Springs Municipal Code.

(C) The administration of the Plumbing Code shall be as set forth in Chapter 150 Section 150.001 of Santa Fe Springs Municipal Code.

150.009 PLUMBING CODE FEES

Notwithstanding the provisions of Section 150.008, fees for plan check, inspection and other Plumbing Code fees shall be as set by resolution of the City Council.

150.010 and 150.011 RESERVED

BUILDING NUMBERING

150.055 OFFICE OF OFFICIAL NUMBERER; DUTIES AND FEES.

(A) The Building Official, or their designee, is hereby designated as the official numberer of buildings within the City and shall be responsible for assigning official numbers and street addresses to all houses, buildings, and structures in accordance with the City's established street numbering system, coordinated with the official street numbering system of the county.

(B) Official numbers and street addresses shall be assigned upon request of the property owner or the owner's authorized agent. Fees for such services, if any, shall be as established by resolution of the City Council per Section150.003 of this code.

(C) Whenever a change or extension of any street requires a renumbering of buildings, the Building Official, or designee, shall determine and assign the appropriate numbers.

(D) All street addresses shall reference public streets unless, in the opinion of the Planning Director, no public street is reasonably available for addressing purposes.

150.056 ASSIGNMENT, DISPLAY, AND MAINTENANCE OF OFFICIAL NUMBERS.

(A) The proper display of building numbers is essential for public safety, emergency response, postal delivery, and general identification purposes. All houses, buildings, and structures within the City, other than accessory buildings, shall be numbered with the official number or numbers assigned by the Building Official, or designee.

(B) The assigned number shall be placed in the immediate area of the main entrance to the building. If the number is not visible from the street frontage, a separate posting visible from the street shall be required.

(C) Each figure of such number shall be at least three (3) inches in height, with fractional figures not less than one-third of that size. Numbers shall contrast with the background on which they are mounted, remain visible and unobstructed by vegetation or other materials, and shall comply with the visibility and location requirements of the California Fire Code or local Fire Department standards, as applicable.

(D) Property owners or persons in possession of property shall maintain assigned numbers in legible condition and shall remove any numbers not officially assigned under this subchapter.

(E) It is unlawful for any person other than the Building Official, or designee, to assign or designate any number or address purporting to be an official street number within the City.

150.057 NOTIFICATION AND ENFORCEMENT.

(A) The Building Official, or designee, shall notify property owners or persons in possession of property when official numbers have been assigned. Upon receipt of such notice, the owner or occupant shall, within ten (10) days, place the assigned number or numbers upon the premises as required by Section 150.056 and remove any unassigned numbers.

(B) Any person who fails to comply with subsection (A) shall be provided an additional written notice allowing ten (10) days to achieve compliance. Such notice may be issued and delivered by any authorized representative of the City by mail, personal delivery, or other reasonable means.

(C) Failure to comply within the time specified shall constitute a violation of this code and shall be subject to enforcement and penalties as provided in Section 10.97 of this code.

150.058 [RESERVED]
150.059 [RESERVED]
150.060 [RESERVED]
150.061 [RESERVED]

Chapter 153 [RESERVED]

EXHIBIT "B"

2025
LOCAL AMENDMENTS FINDINGS

I. GEOLOGICAL CONDITIONS

The City of Santa Fe Springs is prone to seismic activity due to the existence of active faults in the Southern California area. After the 1994 Northridge Earthquake, the Wood Frame Construction Joint Task Force recommended that the quality of wood frame construction needed to be greatly improved. The Task Force recommended that structural plans be prepared by the engineer or architect so that plan examiners, building inspectors, contractors, and special inspectors may logically follow and construct the seismic force-resisting systems as presented in the construction documents. For buildings or structures located in Seismic Design Category D0, D1, D2, or E that are subject to a greater level of seismic forces, the requirement to have a California licensed architect or engineer prepare the construction documents is intended to minimize or reduce structural deficiencies that may cause excessive damage or injuries in wood frame buildings. Involvement of a registered professional will minimize the occurrence of structural deficiencies such as plan and vertical irregularities, improper shear transfer of the seismic force-resisting system, missed details or connections important to the structural system, and the improper application of the prescriptive requirements of the California Residential Code.

II. CLIMACTIC CONDITIONS:

Climatic events in Los Angeles County, which includes the City of Santa Fe Springs, continue to have a short and long-term impact on building requirements. For example, damage and injuries related to El Nino type storms, droughts, and fires have driven changes to the building codes. These changes were based on lessons learned from these events and were developed to lessen the impact of the next climatic event.

The topography of Los Angeles County is diverse. It encompasses the islands of Santa Catalina, 35 miles offshore in the Pacific Ocean, the broad expanses of the Los Angeles basin and the San Fernando Valley, the Santa Monica Mountains that reach over 3,000 feet, the San Gabriel Mountains that exceed 10,000 feet, and the dry and sparsely populated Antelope Valley of the Mojave Desert.

Los Angeles County's climate is greatly affected by topography. Like the terrain, the climate of Los Angeles County is one of extremes. The complex coastal topography and mountainous regions, for example, can induce heavy precipitation. The mountain and foothill areas create special weather conditions. Moist air masses move inland from the Pacific and are cooled as they meet and rise over the mountains. This cooling produces heavy rainfalls on the windward slopes, known as the orographic effect.

Some of the heaviest 24-hour precipitation totals ever reported in the entire state of

California were recorded in these local mountains. Over 26 inches of rain fell in just 24 hours in the San Gabriel Mountains in 1943. In fact, in 1998, the U.S. Department of Commerce estimated that the maximum probable 24-hour precipitation is over 48 inches for the mountain ranges of Los Angeles County. This type of precipitation makes floods more likely.

The entire County of Los Angeles, including the City of Santa Fe Springs, has a distinct wet season. Floods are more frequent during this season. When a very wet winter follows several dry ones, severe flooding can occur. This creates severe hazards from mud and debris flows. Documented debris avalanches have occurred in Los Angeles County during at least 9 rainy seasons since 1915.

Wind is another complex climatic condition affecting Los Angeles County. Wind is a major factor affecting the size of wildfires. Specifically, the Santa Ana Winds occurring in late summer and early fall, compress air through mountain gaps into the Los Angeles Basin, warming the area by five degrees Fahrenheit for every 1,000 feet that it descends. These winds become hot and dry and reach gale force when descending into the basin. These winds in conjunction with topography create areas within Los Angeles County such as Malibu that have the highest levels of fire activity in the entire country.

Finally, lack of precipitation is another climatic condition found in Los Angeles County. Drought conditions from 1975 through 1977 caused agricultural damage and proliferated wildfires and landslides and thereby ushered in the era of low-flow water fixtures and natural landscaping as mandated in the County's building code.

CODE SECTION	TITLE (Clarification)	FINDINGS
Chapter 9 of Building Code	Fire Protection and Life Safety Systems	I. Geological Conditions; and II. Climatic Conditions
R301.1.3.2	Wood Frame Structures	I. Geological Conditions

ATTACHMENT C

PROOF OF PUBLICATION
(2015.5 C.C.P.)
Los Cerritos Community Newspaper Group
13017 Artesia Blvd., Suite C-102
Cerritos CA 90703
(562) 407-3873

STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES

I am the principal clerk of the printe
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of said newspaper and not in any
thereof on the following dates, t

11/7/25

I certify (or declare) under penalty
foregoing is true and correct.
DATED AT CERRITOS, CALIFO

THIS 7th DAY OF NOVEMBE

Signature

Brian Hews

Los Cerritos Communi
13047 Artesia Blvd. Suite C-102,
562-407-3873
LCCN FORM 82180
County of Los An

RECEIVED FINANCE DEPT.
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CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING

SECOND READING AND ADOPTION OF ORDINANCE NO. 1165: AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) OF THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO

NOTICE IS HEREBY GIVEN that the City Council of the City of Santa Fe Springs will hold a Public Hearing to consider the following:

PROJECT: SECOND READING AND ADOPTION OF ORDINANCE NO. 1165: AN ORDINANCE OF THE CITY OF SANTA FE SPRINGS AMENDING THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO.

PROJECT SITE: Citywide, Santa Fe Springs, CA 90670

APPLICANT: City of Santa Fe Springs

HEARING DATE AND TIME: Tuesday, December 2, 2025, at 6:00 p.m., or as soon thereafter possible.

CEQA DETERMINATION: Adoption of this Ordinance is not a project under the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) Section 15378, because the action does not approve a project nor result in a direct physical impact on the environment, contemplate known future projects, and as such, there are no reasonably foreseeable environmental impacts at this time. As a separate and independent basis adoption of the Ordinance is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption") because it can be shown with certainty that there is no possibility that the Ordinance will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

ALL INTERESTED PERSONS are invited to attend the Public Hearing before the City Council at 11710 Telegraph Road, Santa Fe Springs, California and express their opinion on the subject item(s) listed above. It should be noted that if you challenge the afore-mentioned item(s) in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the office of the City Council at, or prior to, the Public Hearing.

WRITTEN PUBLIC COMMENTS may be submitted to the City Clerk at cityclerk@santafesprings.gov. Please submit your written comments by 12:00 p.m. on the day of the Public Hearing. You may also contact the City Clerk's Office at (562) 868-0511.

FURTHER INFORMATION on Ordinance No. 1165 and CEQA documentation may be obtained at the City of Santa Fe Springs City Clerk's Office located at 11710 Telegraph Road, California or by contacting James Enriquez, Director of Public Works, at (562) 868-0511, Extension 7611, or e-mail at jamesenriquez@santafesprings.gov.

Published at Los Cerritos Community News 11/7/25

PROOF OF PUBLICATION
(2015.5 C.C.P.)

Los Cerritos Community News
13017 Artesia Blvd., Suit
Cerritos CA 9070
(562) 407-3873

STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES

I am the principal clerk of the print
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been published in each regular an
of said newspaper and not in any
thereof on the following dates, to

11/7/25

I certify (or declare) under penalty
foregoing is true and correct.
DATED AT CERRITOS, CALIFOR

THIS 7th DAY OF NOVEMBE

Signature

Brian Hews C

Los Cerritos Communit
13047 Artesia Blvd. Suite C-102,
562-407-3873
LCCN FORM 82180
County of Los An

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CITY OF SANTA FE SPRINGS
NOTICE OF PUBLIC HEARING

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Published at Los Cerritos Community News 11/7/25

FOR ITEM NO. 10, PLEASE SEE ITEM NO. 17

ITEM # 11

CITY OF SANTA FE SPRINGS

PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Julio Morales, Director of Finance

SUBJECT: **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA)**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Receive and file the report.

FISCAL IMPACT

N/A

BACKGROUND/DISCUSSION

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

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 11/30/25	None
Outstanding principal at 11/30/25	$7,750,000

Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment.

Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

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

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

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

ANALYSIS

The report is presented for informational purposes only.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

The Successor Agency will continue to request sufficient distributions from the RPTTF to make required bond payments through maturity on September 1, 2028.

ATTACHMENT(S):

None.

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

FOR ITEM NO. 12, PLEASE SEE ITEM NO. 17

ITEM # 13

CITY OF SANTA FE SPRINGS

WATER UTILITY AUTHORITY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Julio Morales, Director of Finance

SUBJECT: **MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA)**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Receive and file the report.

FISCAL IMPACT

None.

BACKGROUND/DISCUSSION

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

Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 11/30/2025	None
Outstanding principal on 11/30/2025	$6,890,000

Water Revenue Bonds, 2018

Financing proceeds available for appropriation at 10/31/2025	None
Outstanding principle on 11/30/2025	$175,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of $6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds

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

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

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

ANALYSIS

The report is presented for informational purposes only.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

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

ATTACHMENT(S):

None.

ITEM STATUS:

APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

FOR ITEM NO. 14, PLEASE SEE ITEM NO. 17

FOR ITEM NO. 15, PLEASE SEE ITEM NO. 17

ITEM # 16

CITY OF SANTA FE SPRINGS

SUCCESSOR AGENCY AGENDA STAFF REPORT

TO: Honorable Chair and Board Members

FROM: René Bobadilla, P.E., Executive Director

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH EKI ENVIRONMENT & WATER, INC. FOR MC&C IV ENVIRONMENTAL INVESTIGATION**

DATE: December 2, 2025

RECOMMENDATIONS:

It is recommended that the Successor Agency:

1) Find that approval of the Professional Services Agreement ("PSA") between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs ("Successor Agency") and EKI Environment & Water, Inc. ("EKI") for environmental investigation work is exempt from the requirements of the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*);;

2) Approve the PSA and authorize the City Manager to execute the PSA in substantially the form presented, with such minor modifications as approved by the City Attorney; and

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

FISCAL IMPACT

EKI proposes to complete the supplemental site investigation work for an estimated not-to-exceed amount of $250,000, in accordance with the PSA, EKI Proposal, and EKI's Schedule of Charges dated November 24, 2025. Costs include all labor, subcontractors (drillers, surveyors, waste disposal, laboratories), equipment, permits, and reporting. This budget will not be exceeded without written authorization from the City.

This this environmental investigation will be funded using available bond proceeds from the 2006 Tax Allocation Bonds.

BACKGROUND

The Successor Agency in the process of preparing for disposition that certain real property commonly identified as "MC&C IV" located along the north side of Telegraph Road with additional frontage on Romandel Avenue in the City of Santa Fe Springs, California (APNs 8011-002-901, -902, -903, 8011-003-955, -956, -957, -958, -959, -960, -961, - 962, -963, -964, -965, -966, -967, -968, -969, -970, -971, -972, -973, -974, -975, -976, -977, -978, and -979) ("Property"). There is a history of oil and gas operations on the Property, and the Property currently contains 16 oil and gas wells, consisting of four previously plugged and abandoned wells and 12 active or idle wells.

A previous environmental consultant conducted a Phase I Environmental Site Assessment of the Property, which identified recognized environmental conditions ("RECs"), including, without limitation, the impacts of the historical oil field activities on the Property, particularly historical evidence of open-pit sumps in which crude oil was stored, and impacts to soil, soil vapor, and groundwater resulting from activities on neighboring properties. A Phase II investigation was conducted to address the identified RECs, which found elevated concentrations of benzene present in soil and soil vapor at the southeast corner of the Property, but the Phase II report did not define the extent of the benzene impacts. To support comprehensive due diligence and to inform future redevelopment considerations, staff recommends executing a PSA with EKI to perform supplemental subsurface investigations.

ANALYSIS

The Successor Agency desires to prepare the Property for disposition. The Phase I and Phase II investigations did not define the scope of the work needed to remediate the environmental conditions on the Property. Consequently, an additional investigation is needed to determine the extent of contamination on the Property, and the estimated cost of the work needed to remediate such contamination.

EKI proposes a comprehensive, multi-phase supplemental environmental investigation, described in the EKI Proposal attached as Exhibit B, to define the extent of soil, soil vapor, and groundwater contamination and to evaluate conditions related to historic oil operations.

Successor Agency staff has determined that EKI has the technical expertise experience, skills, and training necessary to competently provide environmental consulting services and conduct the needed additional investigation at the Property..

ENVIRONMENTAL

Approval of the PSA is exempt from the requirements of CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) Section 15378, because the action does not approve any development nor does

it result in a direct physical impact on the environment, and as such, there are no reasonably foreseeable environmental impacts at this time. Any future proposed development or construction would be subject to environmental review pursuant to CEQA.

As a separate and independent basis, approval of the PSA is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) ("Common Sense Exemption"), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. The approval of this PSA does not approve development or construction. Any further development or construction would be subject to review pursuant to CEQA. Therefore, no further action is required pursuant to CEQA.

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon City Council approval of the PSA with EKI, City staff will:

- Execute the PSA with EKI
- Work with EKI to finalize the field work plan, project schedule, and logistics
- Oversee the field investigation program and review all findings upon completion

EKI anticipates beginning field work this month, contingent upon timely permit issuance and subcontractor availability. Staff will return to the Successor Agency with any recommended follow-up actions based on the results of the investigation.

ATTACHMENT(S):

A. Professional Services Agreement with EKI Environment & Water, Inc.

2025

PROFESSIONAL SERVICES AGREEMENT

(Engagement: MC&C IV Environmental Investigation)

(Parties: EKI Environment & Water, Inc. and Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this _____ day of _____ 2025 (hereinafter, the "Effective Date"), by and between the Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs (hereinafter, "SUCCESSOR AGENCY") and EKI ENVIRONMENT & WATER, INC., a California corporation (hereinafter, "CONSULTANT"). For the purposes of this Agreement, SUCCESSOR AGENCY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to SUCCESSOR AGENCY or CONSULTANT interchangeably, as appropriate.

RECITALS

WHEREAS, SUCCESSOR AGENCY is the owner of that certain real property commonly identified as "MC&C IV" located along the north side of Telegraph Road with additional frontage on Romandel Avenue in the City of Santa Fe Springs, California (APNs 8011-002-901, -902, -903, 8011-003-955, -956, -957, -958, -959, -960, -961, -962, -963, -964, -965, -966, -967, -968, -969, -970, -971, -972, -973, -974, -975, -976, -977, -978, and -979) ("Property"); and

WHEREAS, there is a history of oil and gas operations on the Property, and the Property currently contains 16 oil and gas wells, consisting of four previously plugged and abandoned wells and 12 active or idle wells; and

WHEREAS, in February 2025, a third-party consultant prepared a Phase I Environmental Site Assessment ("Phase I") for the Property which identified recognized environmental conditions ("RECs"), including, without limitation, the impacts of the historical oil field activities on the Property, particularly historical evidence of open-pit sumps in which crude oil was stored, and impacts to soil, soil vapor, and groundwater resulting from activities on neighboring properties; and

WHEREAS, in May 2025, to address the identified RECs in the Phase I, a third-party consultant conducted a Phase II investigation of the Property and found elevated concentrations of benzene present in soil and soil vapor at the southeast corner of the Property, but the extent of the benzene impacts were not defined; and

WHEREAS, to prepare the Property for disposition and future development, all remaining active or idle oil and gas wells on the Property must be plugged and abandoned and remediation of the environmental conditions on the Property must be completed; and

WHEREAS, the Phase I and Phase II investigations did not define the extent of the contamination or the scope of the work needed to remediate the environmental conditions on the Property; and

WHEREAS, SUCCESSOR AGENCY requires the expertise of an environmental consultant to conduct an additional investigation at the Property to determine the extent of contamination thereon, and the estimated cost of environmental remediation work needed; and

WHEREAS, SUCCESSOR AGENCY has determined that CONSULTANT possesses the experience, skills and training necessary to competently provide such services to SUCCESSOR AGENCY; and

WHEREAS, the execution of this Agreement was approved by the SUCCESSOR AGENCY at its Regular Meeting of December 2, 2025.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, SUCCESSOR AGENCY and CONSULTANT agree as follows:

I.
ENGAGEMENT TERMS

1.1 TERM: This Agreement shall commence on the Effective Date and expire upon the completion of Services, as defined herein (hereinafter, the "Term"). Nothing in this Section shall operate to prohibit or otherwise restrict the SUCCESSOR AGENCY's ability to terminate this Agreement at any time for convenience or for cause as provided under Article V (Termination), below.

1.2 SCOPE OF SERVICES:

A. Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain proposal of CONSULTANT entitled "Scope of Work and Budget, Supplemental Investigation, MC&C IV Surplus Property, Santa Fe Springs, CA (EKI C50275.00)" dated 26 November 2025 (hereinafter, the "SCOPE OF SERVICES"), which is attached and incorporated hereto as **Exhibit "A"**. CONSULTANT further agrees to furnish to SUCCESSOR AGENCY all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Services." In the event of any conflict or inconsistency between the provisions of the Scope of Services and the provisions of this Agreement to which the Scope of Services is attached, the provisions of this

Agreement shall govern and control.

1.3 PROSECUTION OF SERVICES:

A. CONSULTANT shall commence the Services contemplated under this Agreement within seventy-two (72) hours of the Effective Date, or as soon as practicably possible. CONSULTANT shall perform all assigned Services continuously and with due diligence so as to complete all assigned Services. CONSULTANT shall cooperate with SUCCESSOR AGENCY and in no manner interfere with the work of SUCCESSOR AGENCY, its employees or other consultants, contractors, or agents;

B. CONSULTANT shall not claim or be entitled to receive any compensation or damage because of the failure of CONSULTANT, or its subconsultants, to have related services or tasks completed in a timely manner;

C. CONSULTANT shall at all times enforce strict discipline and good order among CONSULTANT's employees; and

D. CONSULTANT, at its sole expense, shall pay all sales, consumer, use or other similar taxes imposed on CONSULTANT as required by law.

1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the "SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC." which is attached and incorporated hereto as **Exhibit "B"** (hereinafter, the "COMPENSATION RATE"). The foregoing notwithstanding, CONSULTANT's total compensation for the performance of all Services contemplated under this Agreement, may not exceed the aggregate sum of **Two Hundred and Fifty Thousand Dollars ($250,000.00)** (hereinafter, the "Not-to-Exceed Sum") during the Term of this Agreement. In the event CONSULTANT's charges are projected to exceed the Not-to-Exceed Sum, SUCCESSOR AGENCY or CONSULTANT, may suspend CONSULTANT's performance under such Work Order pending SUCCESSOR AGENCY approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other SUCCESSOR AGENCY approved amendment to the compensation terms of this Agreement.

1.5 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT will submit to SUCCESSOR AGENCY an itemized invoice indicating the Services performed and completed during the recently concluded calendar month, including any reimbursable out-of- pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice should indicate the number of hours worked in the recently concluded calendar month, the person(s) responsible for performing the Services, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all Services performed. Within thirty (30) calendar days of receipt of

each invoice, SUCCESSOR AGENCY will notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, SUCCESSOR AGENCY will pay all undisputed amounts included on the invoice. SUCCESSOR AGENCY will not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

1.6 ACCOUNTING RECORDS: CONSULTANT will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. SUCCESSOR AGENCY will have the right to access and examine such records, without charge, during normal business hours. SUCCESSOR AGENCY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Services agreed to under this Agreement or otherwise abandons the undertaking Services contemplated herein under this Agreement, CONSULTANT will deliver to SUCCESSOR AGENCY immediately and without delay, all materials, records, and other work product prepared or obtained by CONSULTANT in the performance of Services under this Agreement. Furthermore, CONSULTANT will only be compensated for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for additional expenses which SUCCESSOR AGENCY may reasonably incur in order to complete such Services as a result of CONSULTANT's cessation or abandonment.

II.
PERFORMANCE OF AGREEMENT

2.1 SUCCESSOR AGENCY'S REPRESENTATIVE: The SUCCESSOR AGENCY hereby designates Cuong Nguyen to act as its representative for the performance of this Agreement (hereinafter, the "SUCCESSOR AGENCY Representative"). The SUCCESSOR AGENCY Representative or the SUCCESSOR AGENCY Representative's designee will act on behalf of the SUCCESSOR AGENCY for all purposes under this Agreement. CONSULTANT will not accept directions or orders from any person other than the SUCCESSOR AGENCY Representative or the SUCCESSOR AGENCY Representative's designee. Notice to the SUCCESSOR AGENCY Representative or the Representative's designee will constitute notice to SUCCESSOR AGENCY.

2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Earl James to act as its representative for the performance of this Agreement (hereinafter, "CONSULTANT Representative"). CONSULTANT Representative will have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. CONSULTANT Representative or the CONSULTANT Representative's designee will supervise and direct the performance of the Services, in accordance with the Standard of Care (defined

below), and will be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all Services under this Agreement. Notice to the CONSULTANT Representative will constitute notice to CONSULTANT.

2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with SUCCESSOR AGENCY staff in the performance of the Services and this Agreement and will be available to SUCCESSOR AGENCY staff and the SUCCESSOR AGENCY Representative at reasonable times. All work prepared by CONSULTANT will be subject to inspection and approval by SUCCESSOR AGENCY Representative or his or her designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges, and agrees to the following:

A. CONSULTANT will perform all Services consistent with and adhering to its professional standard of care, that is, the degree of care and skill ordinarily exercised by members of the same profession currently practicing at the same time and in the same or similar locality ("Standard of Care");

B. Consistent with the Standard of Care, CONSULTANT shall at all times employ such knowledge as will be sufficient in the opinion of the SUCCESSOR AGENCY to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said knowledge, materials and tools shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the SUCCESSOR AGENCY Representative;

C. CONSULTANT will perform all Services in a manner reasonably satisfactory to the SUCCESSOR AGENCY;

D. Consistent with the Standard of Care, CONSULTANT will comply with all applicable federal, state, and local laws and regulations, including the conflict-of-interest provisions of Government Code Section 1090 and the Political Reform Act (Gov. Code § 81000 *et seq.*). CONSULTANT shall be liable for all violations by CONSULTANT of such laws and regulations in connection with CONSULTANT's performance of the Services. If CONSULTANT performs any work knowing it to be contrary to such laws, rules and regulations, CONSULTANT shall be solely responsible for all costs arising therefrom;

E. CONSULTANT understands the nature and scope of the Services to be performed under this Agreement as well as any and all schedules of performance;

F. CONSULTANT's employees and agents possess sufficient skill, knowledge, training, and experience to perform those services and tasks assigned to them by CONSULTANT; and

G. CONSULTANT's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications, and approvals of whatever nature that are legally required to perform the Services contemplated under this Agreement and all such licenses, permits, certificates, qualifications, and approvals will be maintained throughout the term of this Agreement and made available to SUCCESSOR AGENCY for copying and inspection.

H. The Parties acknowledge and agree that CONSULTANT will perform, at CONSULTANT's own cost and expense and without any reimbursement from SUCCESSOR AGENCY, any services necessary to correct any errors or omissions in the Services caused by CONSULTANT's failure to comply with the Standard of Care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions in the Services will be commenced immediately upon their discovery by either Party and, notwithstanding Section 5.2(B), will be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the SUCCESSOR AGENCY Representative in writing and in his sole and absolute discretion. The Parties acknowledge and agree that SUCCESSOR AGENCY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand, and agree that SUCCESSOR AGENCY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge, and experience necessary to perform the Services under the Standard of Care as articulated under Section 2.4(A).

I. Notwithstanding the foregoing or any other term in this Agreement to the contrary, in interpreting information and making recommendations, either written or oral, as to logs or tests or other data, the type or amount of materials or services to be furnished, or manner or performance in predicting results to be obtained therefrom, consistent with the Standard of Care, CONSULTANT shall give SUCCESSOR AGENCY the benefit of its judgment based on its experience. Nevertheless, all such recommendations or predictions are opinions only; and, in view of the impracticability of obtaining firsthand knowledge of the many variable conditions, the reliance on inferences, measurements and assumptions which are not infallible, and/or the necessity of relying on facts and supporting services furnished by others. CONSULTANT may rely on data and information provided by

SUCCESSOR AGENCY, but shall advise SUCCESSOR AGENCY of any error or omission that CONSULTANT identifies in any such data and information.

2.5 ASSIGNMENT: The skills, training, knowledge, and experience of CONSULTANT are material to SUCCESSOR AGENCY's willingness to enter into this Agreement. Accordingly, SUCCESSOR AGENCY has an interest in the qualifications and capabilities of the person(s) who will perform the Services to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement, or the performance of any of CONSULTANT's duties or obligations under this Agreement, without the prior written consent of the SUCCESSOR AGENCY. In the absence of SUCCESSOR AGENCY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

2.6 SUBSTITUTION OF KEY PERSONNEL**:** CONSULTANT has represented to SUCCESSOR AGENCY that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, CONSULTANT may substitute other personnel of at least equal competence upon written approval of SUCCESSOR AGENCY. In the event that SUCCESSOR AGENCY and CONSULTANT cannot agree as to the substitution of key personnel, SUCCESSOR AGENCY shall be entitled to terminate this Agreement for convenience. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the SUCCESSOR AGENCY, or who are reasonably determined by the SUCCESSOR AGENCY to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the CONSULTANT at the request of the SUCCESSOR AGENCY. The key personnel for performance of this Agreement are as follows: David Tietje of CONSULTANT.

2.7 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Services will be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. CONSULTANT acknowledges and agrees it has been retained on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Services contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of SUCCESSOR AGENCY's confidential or proprietary information. Any additional personnel performing the Services under this Agreement on behalf of CONSULTANT are not employees of SUCCESSOR

AGENCY and will at all times be under CONSULTANT's exclusive direction and control. CONSULTANT will pay all wages, salaries and other amounts due such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like. Notwithstanding any other SUCCESSOR AGENCY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors performing the Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by SUCCESSOR AGENCY, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of SUCCESSOR AGENCY and entitlement to any contribution to be paid by SUCCESSOR AGENCY for employer contributions and/or employee contributions for PERS benefits.

2.8 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the SUCCESSOR AGENCY Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Services in a manner acceptable to the SUCCESSOR AGENCY, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by CONSULTANT and will not be reassigned to perform any of the Services.

2.9 COMPLIANCE WITH LAWS: Consistent with the Standard of Care, CONSULTANT will keep itself informed of and in compliance with all applicable federal, state, or local laws to the extent such laws control or otherwise govern the performance of the Services. CONSULTANT's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements and applicable regulations of the U.S. Department of Housing and Urban Development.

2.10 NON-DISCRIMINATION: CONSULTANT represents that it is an equal opportunity employer, and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

2.11 INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand, and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and will at all times remain, wholly independent contractors

and are not officials, officers, employees, departments, or subdivisions of SUCCESSOR AGENCY. CONSULTANT will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT will have no authority, express or implied, to bind SUCCESSOR AGENCY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of, or against, SUCCESSOR AGENCY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by SUCCESSOR AGENCY in writing.

III.
INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Before performing any Services contemplated under this Agreement, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT will procure and maintain the following insurance coverage, at its own expense (the limits of which may be met through a combination of primary and excess insurance):

A. Commercial General Liability Insurance: CONSULTANT will procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per occurrence and Four Million Dollars ($4,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, sudden and accidental pollution, and contractual liability.

B. Automobile Liability Insurance: For any owned, non-owned, or hired vehicles used in connection with the performance of this Agreement, CONSULTANT will procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per accident for bodily injury and property damage.

C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both CONSULTANT and SUCCESSOR AGENCY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Services contemplated in

this Agreement.

D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT will procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage will have minimum limits of no less than One Million Dollars ($1,000,000.00) per claim and Two Million Dollars ($2,000,000.00) annual aggregate.

E. Contractor's Pollution Liability Insurance: If CONSULTANT's Services contemplate activities that involve the handling of hazardous materials out in the field, CONSULTANT shall procure and maintain Pollution Liability Insurance for losses resulting from pollution exposure. Such coverage will have minimum limits of no less than One Million Dollars ($1,000,000) per claim. and Two Million Dollars ($2,000,000.00) annual aggregate.

F. Additional Insurance: CONSULTANT shall also procure and maintain, at its own expense, any additional kinds of insurance, which in its own judgement may be proper for the prosecution of Services.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance will contain an endorsement naming the SUCCESSOR AGENCY and SUCCESSOR AGENCY's elected and appointed officials, officers, employees, agents, and volunteers as additional insureds, but only to the extent of liabilities assumed by CONSULTANT in this Agreement.

3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement will be procured from insurers authorized in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance will be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. SUCCESSOR AGENCY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition of the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the SUCCESSOR AGENCY Representative is authorized to authorize lower ratings than those set forth in this Section.

3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT will be primary to any coverage available to SUCCESSOR AGENCY or SUCCESSOR AGENCY's elected or appointed officials, officers, employees, agents, or volunteers. Any insurance or self-insurance maintained by SUCCESSOR AGENCY or SUCCESSOR AGENCY's elected or appointed officials, officers, employees, agents, or volunteers will be in excess of CONSULTANT's insurance and will not contribute with it, but only to the extent of liabilities assumed by CONSULTANT in this Agreement.

3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement will not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss but only to the extent of liabilities assumed by CONSULTANT in this Agreement. CONSULTANT hereby waives all rights of subrogation against SUCCESSOR AGENCY, its officials, officers, employees, agents, and volunteers.

3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands, and agrees, that SUCCESSOR AGENCY's ability to verify the procurement and maintenance of the insurance required under this Article is a material consideration of this Agreement. Accordingly, CONSULTANT warrants, represents, and agrees that it will furnish SUCCESSOR AGENCY with certificates of insurance and endorsements evidencing the coverage required under this Article on ACORD-25 or forms satisfactory to SUCCESSOR AGENCY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy will be signed by a person authorized by that insurer to bind coverage on its behalf and will be on forms provided by the SUCCESSOR AGENCY if requested**. Before performing any Services, CONSULTANT shall provide SUCCESSOR AGENCY with all certificates of insurance and endorsements referenced herein. Upon SUCCESSOR AGENCY's written request, CONSULTANT will also provide SUCCESSOR AGENCY with copies of all required insurance policies and endorsements.

3.7 FAILURE TO MAINTAIN COVERAGE: In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, SUCCESSOR AGENCY has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by SUCCESSOR AGENCY will be promptly reimbursed by CONTRACTOR or SUCCESSOR AGENCY will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, SUCCESSOR AGENCY may cancel this Agreement effective upon notice.

3.8 SPECIAL RISKS OR CIRCUMSTANCES: SUCCESSOR AGENCY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any amendment to the insurance requirements of this Article shall be memorialized and approved in the form of a written amendment to this Agreement, signed by the Parties. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void or invalid.

IV.
LIMITATION OF LIABILITY; INDEMNIFICATION

4.1 SUCCESSOR AGENCY's officials, officers, employees, agents, and volunteers

(hereinafter, the "Agency Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, reasonable attorneys' fees, litigation costs, or any other cost arising from CONSULTAN'TS negligence, willful misconduct, and negligent errors and omissions arising out of the performance of this Agreement. CONSULTANT acknowledges that SUCCESSOR AGENCY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect SUCCESSOR AGENCY as set forth herein. Notwithstanding the foregoing, to the extent CONSULTANT's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the SUCCESSOR AGENCY, its officials, officers, employees, agents, or volunteers.

4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless, and defend the SUCCESSOR AGENCY indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees, and all other costs, and fees of litigation) of every nature arising out of or in connection with CONSULTANT'S negligence, recklessness, or willful misconduct in its performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the SUCCESSOR AGENCY. Notwithstanding the foregoing, in accordance with California Civil Code Section 2782.8, in no event shall CONSULTANT'S cost to defend exceed CONSULTANT'S proportionate percentage of fault.

4.3 SUCCESSOR AGENCY shall have the right to offset against the amount of any compensation due to CONSULTANT under this Agreement, any amount due to SUCCESSOR AGENCY from CONSULTANT as a result of CONSULTANT's failure to either pay SUCCESSOR AGENCY promptly for any costs associated with CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers.

4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees

to be fully responsible and to indemnify, and hold harmless SUCCESSOR AGENCY and, to the extent permitted under California Civil Code Section 2782.8 and other applicable law, defend SUCCESSOR AGENCY's officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice. Notwithstanding the foregoing, to the extent CONSULTANT's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT.

4.6 SUCCESSOR AGENCY does not and shall not waive any rights that it may possess against CONSULTANT because of the acceptance by SUCCESSOR AGENCY, or the deposit with SUCCESSOR AGENCY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity

V.
TERMINATION

5.1 TERMINATION WITHOUT CAUSE: SUCCESSOR AGENCY may immediately terminate this Agreement at any time for convenience and without cause by giving written notice to CONSULTANT. Such notice shall indicate the intent to terminate this Agreement and specify the effective date of such termination. Upon such termination for convenience, CONSULTANT will be compensated only for those Services which have been performed by CONSULTANT up to the effective date of the termination. CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Services. CONSULTANT will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, will operate to prohibit or otherwise restrict CITY's ability to

terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service, or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service, or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth under Sections 5.2B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONSULTANT will cure the following Events of Defaults within the following time periods:

i. Within ten (10) business days of SUCCESSOR AGENCY's issuance of a Default Notice for any failure of CONSULTANT to timely provide SUCCESSOR AGENCY or SUCCESSOR AGENCY's employees or agents with any information and/or written reports, documentation, or work product which CONSULTANT is obligated to provide to SUCCESSOR AGENCY or SUCCESSOR AGENCY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, SUCCESSOR AGENCY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

ii. Within fourteen (14) calendar days of SUCCESSOR AGENCY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The

foregoing notwithstanding, SUCCESSOR AGENCY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT will include, but will not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary of involuntary; and/or (v) SUCCESSOR AGENCY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

C. SUCCESSOR AGENCY will cure any Event of Default asserted by CONSULTANT within forty- five (45) calendar days of CONSULTANT's issuance of a Default Notice unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, SUCCESSOR AGENCY may submit a written request for additional time to cure the Event of Default upon a showing that SUCCESSOR AGENCY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with SUCCESSOR AGENCY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.5, above, will be cured by SUCCESSOR AGENCY within five (5) calendar days from the date of CONSULTANT's Default Notice to SUCCESSOR AGENCY.

D. SUCCESSOR AGENCY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of SUCCESSOR AGENCY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). SUCCESSOR AGENCY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT will be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of SUCCESSOR AGENCY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of SUCCESSOR

AGENCY will operate to prohibit or otherwise restrict SUCCESSOR AGENCY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law, except as provided in Article IV above. In addition to any other remedies available to SUCCESSOR AGENCY at law or under this Agreement, subject to Article IV above, in the event of any breach of this Agreement, SUCCESSOR AGENCY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONSULTANT, the SUCCESSOR AGENCY may immediately terminate this Agreement in whole or in part;
;

ii. Upon written notice to CONSULTANT, the SUCCESSOR AGENCY may extend the time of performance;

iii. The SUCCESSOR AGENCY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or

iv. The SUCCESSOR AGENCY may exercise any other available and lawful right or remedy.

Upon final adjudication, the Party found to be in breach or at fault will be liable for all legal fees, including reasonable attorney's fees plus other costs and expenses that the non-breaching Party incurs upon a breach of this Agreement or in the non-breaching Party's exercise of its remedies under this Agreement.

G. Omitted.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty, or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom,

estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto will not operate to terminate any Article, Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

VI.
MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data will, be and remain the property of SUCCESSOR AGENCY without restriction or limitation upon their use or dissemination by SUCCESSOR AGENCY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to SUCCESSOR AGENCY, a perpetual license for SUCCESSOR AGENCY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT will require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that SUCCESSOR AGENCY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONSULTANT without prior written consent by SUCCESSOR AGENCY. SUCCESSOR AGENCY will grant such consent of disclosure as legally required. Upon request, all SUCCESSOR AGENCY data will be returned to SUCCESSOR AGENCY upon the termination or expiration of this Agreement. CONSULTANT will not use SUCCESSOR AGENCY's name or insignia, photographs, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of SUCCESSOR AGENCY. Notwithstanding the above, CONSULTANT may keep one copy of SUCCESSOR AGENCY Documents and Data for its business records, which shall be subject to the confidentiality requirements of this Section 6.2 and not disclosed by CONSULTANT without prior written consent by

SUCCESSOR AGENCY.

6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., §§3801 *et seq*. and the California False Claims Act, Government Code §§12650 *et seq*.

6.4 NOTICES: All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:
EKI Environment & Water, Inc.
2001 Junipero Serra Blvd.
Ste 300
Daly City, CA 94014
Phone: (650) 292-9100
Attn: Earl James

SUCCESSOR AGENCY:
Successor Agency to the Community Development Commission/Redevelopment Agency of the City of Santa Fe Springs
11710 Telegraph Rd.
Santa Fe Springs, CA 90670
Phone: (562) 868-0511
Attn: Cuong Nguyen, Director of Community Development

***Courtesy Copy to*:**
Olivarez Madruga Law Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Phone: (213) 744-0099
Attn: Paloma McEvoy, Successor Agency Counsel

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when delivered by a recognized overnight delivery service (such as FedEx) or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

6.5 COOPERATION; FURTHER ACTS: The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate, or convenient to achieve the purposes of this Agreement.

6.6 SUBCONTRACTING: CONSULTANT will not subcontract any of the Services contemplated under this Agreement, except as expressly stated herein, without the prior written approval of SUCCESSOR AGENCY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

6.7 SUCCESSOR AGENCY'S RIGHT TO EMPLOY OTHER CONSULTANTS: SUCCESSOR AGENCY reserves the right to employ other independent contractors in connection with the various projects worked upon by CONSULTANT.

6.8 CONFLICTS OF INTEREST:

A. CONSULTANT warrants, represents, and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, SUCCESSOR AGENCY will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of SUCCESSOR AGENCY, during the term of his or her service with SUCCESSOR AGENCY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

B. CONSULTANT may serve other clients, but none who have activities within the corporate limits of SUCCESSOR AGENCY, including clients who have activities within the corporate limits of SUCCESSOR AGENCY but retain CONSULTANT's services only for projects outside of the corporate limits of SUCCESSOR AGENCY. CONSULTANT also may not serve clients whose business, regardless of location, would place CONSULTANT in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

C. CONSULTANT shall not employ any official or employee of the SUCCESSOR AGENCY during the Term of this Agreement or any extension term. No officer or employee of SUCCESSOR AGENCY shall have any financial interest in this Agreement that would violate Government Code §§1090 *et seq.* CONSULTANT warrants and represents that no owner, principal, partner, officer, or employee of CONSULTANT is or has been an official, officer, employee, agent, or appointee of the SUCCESSOR AGENCY within the

twelve-month period of time immediately preceding the Effective Date. If an owner, principal, partner, officer, employee, agent, or appointee of CONSULTANT was an official, officer, employee, agent, or appointee of the SUCCESSOR AGENCY within the twelve-month period immediately preceding the Effective Date, CONSULTANT warrants that any such individuals did not participate in any manner in the forming of this Agreement. CONTRACTOR understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and CONSULTANT will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONSULTANT will be required to reimburse the SUCCESSOR AGENCY for any sums paid to CONSULTANT. CONSULTANT understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090.

6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.

6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of Los Angeles, California.

6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation will be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

6.12 SUCCESSORS AND ASSIGNS: This Agreement will be binding on the successors and assigns of the Parties.

6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

6.14 CONSTRUCTION OF AGREEMENT: This Agreement will not be construed in favor of, or against, either Party but will be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining

provisions will continue in full force and effect.

6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to SUCCESSOR AGENCY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

6.17 RECITALS: The Recitals set forth above are true and correct and are incorporated by reference as if fully set forth herein.

6.18 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

6.19 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement will control.

6.20 ENTIRE AGREEMENT: This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have been entered into between SUCCESSOR AGENCY and CONSULTANT prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.

6.21 FORCE MAJEURE: The completion deadline for any Services assigned to CONSULTANT may be extended in the event of any delays due to unforeseeable causes beyond the control of CONSULTANT and without the fault or negligence of CONSULTANT, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the SUCCESSOR AGENCY. CONSULTANT shall within three (3) calendar days of the commencement of such delay notify the SUCCESSOR AGENCY in writing of the causes of the delay. The SUCCESSOR AGENCY 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 SUCCESSOR AGENCY Representative such delay is justified. The SUCCESSOR AGENCY Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONSULTANT be entitled to recover damages against the SUCCESSOR AGENCY for any delay in the performance of this Agreement, however caused, CONSULTANT's sole remedy being extension of the

Agreement pursuant to this Section.

6.22 COUNTERPARTS: This Agreement will be executed in three (3) original counterparts each of which will be of equal force and effect. No handwritten or typewritten amendment, modification, or supplement to any one counterpart will be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart will be delivered to CONSULTANT and the remaining two original counterparts will be retained by SUCCESSOR AGENCY.

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

6.24 ELECTRONIC SIGNATURES: The Parties acknowledge and agree that execution of this Agreement by electronic signature or electronic transmittal of signatures shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility.

6.25 SERVICES DURING CONSTRUCTION: Any Services, including testing or construction observation, provided by CONSULTANT, during construction of facilities designed by the CONSULTANT or others, is for the purpose of reviewing the construction contractor's general compliance only with the functional provisions of the construction documents including project specifications and drawings. The CONSULTANT shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with any construction contractors' work, nor shall the CONSULTANT be responsible for a contractor's failure to perform the work in accordance with the requirements of the construction documents. The CONSULTANT shall be only responsible for the CONSULTANT's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of contractors or of any other persons or entities performing portions of the work. SUCCESSOR AGENCY agrees that in accordance with generally accepted construction practices, the independent construction contractor(s) selected by SUCCESSOR AGENCY will be required to assume sole and complete responsibility for jobsite conditions during the course of construction of the project, including safety of all persons and property, and that this responsibility shall be continuous and not be limited to normal working hours. CONSULTANT's Services during construction shall not be construed to waive or otherwise relieve any contractor or subcontractor of their contractual obligations.

6.26 COST ESTIMATES: Any statements of estimated construction costs or future operation and maintenance costs furnished by CONSULTANT represent the CONSULTANT's judgment as a design professional. However, neither SUCCESSOR AGENCY nor CONSULTANT has control over the fluctuations in

construction costs, a contractor's methods of determining bid prices, market and bidding conditions, and other factors. Accordingly, CONSULTANT does not guarantee or warrant that the bids or negotiated prices, or future operation and maintenance costs, will not vary from any estimated costs provided by CONSULTANT or from SUCCESSOR AGENCY's budget for the project.

6.27 HAZARDOUS MATERIALS: SUCCESSOR AGENCY shall furnish, or cause to be furnished to CONSULTANT, all documents and information known to SUCCESSOR AGENCY that relate to the identity, location, quantity, nature, or characteristics of any asbestos, PCBs, or any other hazardous materials, substances or waste at, on, under, or near the site. In addition, SUCCESSOR AGENCY will furnish or cause to be furnished such reports, data, studies, plans, specifications, documents and other information on surface or subsurface site conditions, e.g., underground tanks, pipelines and buried utilities, required for proper performance of CONSULTANT's Services.

6.28 SUCCESSOR AGENCY acknowledges that CONSULTANT and its subconsultants and subcontractors have played no part in the creation of any hazardous waste or materials, pollution sources, nuisance, or chemical or industrial disposal problems that may exist at or near the project site, and that CONSULTANT shall have no liability for such preexisting conditions.

The SUCCESSOR AGENCY recognizes and agrees that CONSULTANT has assumed responsibility only for making the investigations, reports and recommendations to the SUCCESSOR AGENCY included within the Scope of Services. The responsibility for making any disclosures or reports to any third party and for the taking of corrective, remedial, or mitigation action shall be solely that of the SUCCESSOR AGENCY.

6.29 UTILITIES AND SUBSURFACE CONFLICTS: Prior to initiation of subsurface investigations, including but not limited to boreholes, probes, trenches, or subsurface sample collection, SUCCESSOR AGENCY will provide CONSULTANT with available information, drawings, and maps regarding potential underground utilities, other potential subsurface conflicts, and overhead conflicts in the proposed areas of investigation. If SUCCESSOR AGENCY is not the property owner, SUCCESSOR AGENCY will contact the property owner and request such information. CONSULTANT will clear the proposed investigation locations for buried utilities by obtaining the services of a utility locating company. CONSULTANT will make reasonable efforts to identify and to avoid damage to disclosed or visually-identified utilities that may exist within the areas of investigation. CONSULTANT, its subconsultants and subcontractors shall have no liability for damages to persons or property, including the cost to repair, which occur during investigative activities performed by CONSULTANT, its subconsultants and subcontractors, and arise out of, or relate to, undisclosed, unknown, or inaccurately specified utilities or other structures.

6.30 DISPOSAL OF CONTAMINATED MATERIAL: SUCCESSOR AGENCY understands and agrees that CONSULTANT is not, and has no responsibility as, a generator, operator, treater, storer, transporter or disposer of hazardous materials or toxic substances found or identified at or near the project site, including investigation-derived waste..

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

SUCCESSOR AGENCY:

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

By:_____
René Bobadilla
Executive Director

Date:_____

APPROVED AS TO FORM:

By:_____
Paloma McEvoy
Successor Agency Counsel

Date:_____

CONSULTANT:

EKI ENVIRONMENT & WATER, INC.

By:_____

Name: Earl James

Title: Vice President

Date: 26 November 2025

Exhibit "A"
[Scope of Services]

[attached separately]

17880 Fitch
Irvine, CA 92614
(650) 292-9100
ekiconsult.com

26 November 2025

René Bobadilla
Executive Director, Successor Agency to the Former Redevelopment Agency of Santa Fe Springs
11710 East Telegraph Road
Santa Fe Springs, CA 90670

Subject: Scope of Work and Budget
Supplemental Investigations
MC&C IV Surplus Property
Santa Fe Springs, CA
(EKI C50275.00)

Dear Mr. Bobadilla:

EKI Environment & Water, Inc. (EKI or Consultant) is pleased to provide this proposal to the Successor Agency to the Former Redevelopment Agency of Santa Fe Springs (Client) to perform supplemental investigations at the MC&C IV Surplus Property located north of Telegraph Road and southwest of Romandel Avenue in Santa Fe Springs, California (Site or Subject Property). EKI has reviewed a Phase I Environmental Site Assessment (Phase I)[1] and Phase II Environmental Site Assessment (Phase II)[2], both prepared by SCS Engineers (SCS) for the Subject Property. EKI has also been provided preliminary soil and soil vapor sampling results from additional investigation work performed by SCS on 22 October 2025. The Phase II identified data gaps from prior environmental assessments. The October 2025 additional investigation work identified elevated levels of benzene in soil vapor in east/southeast portions of the Site, at depths between 5 and 50 feet below ground surface (bgs). Additional VOCs detected in soil gas include (chloroform in 4 samples at one boring location) and trichloroethene (one sample).

Based on EKI's review of the Phase I, Phase II and additional soil and soil vapor sampling results, data gaps remain regarding the extent of benzene impacts in soil gas in the southern/southeastern portion of the property. EKI recommends initial assessment of potential groundwater quality at the Site, including locations upgradient and downgradient of the areas of highest benzene concentrations in soil gas. Further, the north-central portion of the Site appears to have been the location of former oil operations . EKI has made assumptions regarding depths to groundwater and groundwater gradient directions based on information from the adjacent Productol site. These assumptions will be verified during the field testing to the extent possible. The testing program for sampling various media will be developed working with

[1] SCS Engineers, 2025. Phase I Environmental Site Assessment, MC&C IV Site, Santa Fe Springs, California 90670, Assessor Parcel Numbers (APNs): 8011-002-901 through -903 and 8011-003-955 through -979. 24 February.

[2] SCS Engineers, 2025. Phase II Site Investigation Report, MC&C IV Site, Santa Fe Springs, California 90670, Assessor Parcel Numbers (APNs): 8011-002-901 through -903 and 8011-003-955 through -979. 10 June.

Agency staff and its consultants. A not to exceed budget is provided herein that anticipates a comprehensive scope of investigations.

SITE BACKGROUND

The Site is 8.7 acres and is located on the northern side of Telegraph Road, west of the intersection with Freeman Avenue in Santa Fe Springs, California. The Site has been assigned Los Angeles County tax assessor parcel numbers (APNs) 8011-002-901 through -03 and 8011-003-955 through -979. The Site is located in the Santa Fe Springs oil and gas field and contains approximately sixteen active, idle, and formerly abandoned oil production wells. The property also contains former oil well sumps and aboveground storage tanks (ASTs), according to the SCS Phase I and Phase II.

INITIAL SCOPE OF SERVICES

EKI proposes the following tasks to implement its recommended additional investigations at the Subject Property. The first task is specifically for groundwater sampling. The subsequent general tasks and sampling procedures for potential continuing investigations are described below. The final scope of investigations will be developed working with Client staff and its consultants.

Task 1: Groundwater Sampling

EKI proposes advancing up to five temporary GWMWs. The temporary groundwater wells will be utilized for collection of one-time groundwater samples and used for assessment of groundwater flow directions (following location and elevation surveying). EKI will prepare a work plan to document the field procedures for building the temporary groundwater wells and conducting the sampling. The work plan will describe the sampling locations, procedures, and laboratory analyses. The work plan will be submitted to Client for review and acceptance. EKI assumes it will not be submitted to DTSC or other environmental regulatory agencies outside of the City of Santa Fe Springs for review and approval. Based on the results of the groundwater sampling, additional investigations may be conducted and the scope and workplans for that work will be developed with the Client and its consultants as described below. Activities that will be performed as part of this task include:

- Prepare a site-specific health and safety plan to ensure worker safety during field activities;
- Apply for and obtain a temporary well/exploration hole permit from the County of Los Angeles Public Health Department, Environmental Health Division, for the temporary groundwater monitoring wells;
- Contract with a private geophysical subcontractor to survey for potential subsurface utilities or objects at every proposed boring location;
- Contract with a licensed drilling company to drill borings and install temporary groundwater monitoring wells (GWMWs);
- Contract with a California licensed professional land surveyor to survey the temporary GWMWs;
- Contract with a subcontractor to conduct low flow groundwater sampling of the newly installed temporary GWMWs;

- Contract with a waste disposal company to profile, transport and dispose of investigation derived waste (IDW);
- Contract with a laboratory for supplies and to perform the suggested analyses of samples.
- Coordinate field work with the Client and their consultant.

Temporary GWMW Installation

EKI will provide oversight during the drilling and installation of up to five temporary GWMWs using hollow stem auger drilling techniques. These temporary GWMWs will be screened 5 feet above and 5 feet below the shallowest groundwater bearing zone, which is expected to begin at 85 feet bgs. These GWMWs will be constructed with 10-foot 0.020-inch slotted polyvinyl chloride (PVC) screened intervals. The temporary monitoring wells will be developed prior to sampling, according to procedures described in the Workplan.

Well Survey

After the temporary GWMWs are installed, a California licensed professional land surveyor, contracted by EKI, will survey the wells. The survey will include horizontal position with a precision of at least 0.1 foot and vertical elevations of top of well box, top of casing, and ground surface with a precision of at least 0.01 foot.

Groundwater Sampling

EKI will provide oversight of a subcontractor, contracted by EKI, to purge and sample the temporary GWMWs using sampling techniques described in the Workplan. Groundwater samples, one duplicate, one trip blank, one field blank, and one equipment blank will be collected after the wells are properly developed. Water quality parameters (turbidity, pH, temperature, specific conductivity, oxidation-reduction potential, and dissolved oxygen) will be recorded at regular intervals during sampling to determine if stability (within 10 percent between volumes) has been reached, with the goal turbidity of 10 NTU or less. The samples will be collected in appropriate laboratory supplied bottles, labeled, stored in a cooler with ice, and transported to a State of California-certified analytical laboratory under chain-of-custody procedures for VOC analysis using USEPA Method 8260B, TPH-g/d/mo by EPA Method 8015, and Title 22 metals and mercury by EPA Method 6020/7470 on standard turn-around time. Sampling is expected to take one day to complete.

IDW Sampling and Analysis

After drilling and well development activities, IDW will be sampled and profiled for disposal. To profile the IDW, EKI will collect up to two soil composite samples and up to two water (purge and decontamination water) composite samples from the drums in appropriate laboratory supplied bottles, labeled, stored in a cooler with ice, and transported to a State of California certified analytical laboratory under chain-of-custody procedures for VOC analysis using EPA Method 8260B, TPH-g/d/mo by USEPA Method 8015, and Title 22 metals by USEPA Method 6010/7471B. Samples will be analyzed on standard turn-around time. Estimated costs include offsite disposal of IDW's.

Reporting

EKI will share the results of the laboratory analyses within one day of receipt of results and verifying the data. These results can be discussed as to how they inform next steps. If instructed at that time, EKI will prepare a written report of the findings of this investigation. The report will include:

- Discussion of field procedures and methods;
- Installation and sampling of GWMWs;
- Installation and GGW sampling;
- Field observations;
- Laboratory data analysis, results, and interpretation;
- Conclusions and recommendations;
- Tables and figures to present data and assist with interpretation;
- Boring logs and well construction diagrams;
- GWMW survey data;
- Laboratory data reports.

EKI will submit the draft report to Client within 10 days of receipt of the final laboratory report. The report will not be submitted to DTSC or environmental regulatory agencies for review.

Task 2: Additional Drilling Activities: Soil and Soil Vapor Investigations

Task 2 covers pre-field and field activities for drilling/installation of shallow soil borings and SVP wells. The final locations and numbers of sampling locations will be determined in consultation with the Client and its consultants. Based on the results of the groundwater sampling, if Client opts to proceed with additional investigations of the Site, the additional sampling scope will be finalized and a work plan prepared. The work plan will describe the sampling locations, procedures, and laboratory analyses. The work plan will be submitted to Client for review and acceptance. EKI assumes it will not be submitted to DTSC or other environmental regulatory agencies outside of the City of Santa Fe Springs for review and approval. Pre-field activities will consist of the following:

- Apply for and obtain a well/exploration hole permit from the County of Los Angeles Public Health Department, Environmental Health Division for soil vapor borings;
- Prepare field forms, order, pickup and calibrate field equipment;
- Mark out proposed boring locations with white paint;
- Notify Underground Service Alert of Southern California (DigAlert) for underground utility clearance at least two working days in advance of performing intrusive activities;
- Use a private geophysical subcontractor to survey for subsurface utilities or objects at every proposed boring location. EKI has assumed utility clearance with a licensed company will take one full day to complete.
- Contract with a licensed drilling company to drill borings, and install temporary groundwater monitoring wells (GWMWs);

- Contract with a California licensed professional land surveyor to survey the sampling locations;
- Contract with a waste disposal company to profile, transport and dispose of investigation derived waste (IDW);
- Contract with a laboratory for supplies and to perform the suggested analyses of samples.

Shallow Soil Borings and SVP Borings

EKI proposes advancing shallow soil borings and SVP borings. The shallow soil and SVP borings will be installed in accordance with the work plan referenced above. The licensed driller contracted by EKI under Task 1 will perform the drilling. EKI will provide oversight during drilling and all other field activities for the duration of the task. The top 5 feet of each SVP borehole will be cleared with a hand auger for an added layer of protection against damaging buried utilities. Shallow soil samples will be collected with a hand auger.

At each borehole location for soil and soil vapor sampling, soil will be logged. For the deeper SVP borings, soil will be logged every 5 feet bgs. Soil samples will be logged by EKI field staff using the Unified Soil Classification System. Soil color will be described in accordance with The Munsell Soil Color Charts. EKI field staff that are logging soil samples will be California-registered Professional Geologists or will be working under the supervision of a Professional Geologist or Professional Civil Engineer who is registered in the State of California.

EKI field staff will measure the concentration of volatile organic compounds (VOCs) in soil cuttings using a calibrated photoionization detector (PID). This will be done by placing a portion of the soil cuttings into a plastic (e.g., Ziploc®) bag and inserting the PID inlet probe inside the bag to monitor the head space. A reading will be recorded after the VOC concentration on the PID has stabilized.

EKI will prepare boring logs and well construction diagrams to document soil characteristics and SVP installation. The boring logs will be included in the report described in Task 4 below.

SVP Installation

EKI will provide oversight during the installation of the SVP well clusters. These SVPs will help address data gaps regarding the vertical and horizontal extent of soil vapor impacts in the southeast portion of the Site
Task 3: Sampling Activities: Soil, Soil Vapor, IDW

This task details the soil and soil vapor sampling activities to be conducted as part of the additional site investigation work.

Soil Sampling and Analysis

Shallow soil samples will be collected using a hand auger and transferred into laboratory-provided sampling containers to meet the requirements of each analytical method. These samples will be placed on ice in a laboratory-supplied cooler, transferred to the laboratory under chain of custody, and analyzed for VOCs by EPA Method 8260B, total petroleum hydrocarbons in the gasoline, diesel, and motor oil range (TPH-g/d/mo) by EPA Method 8015, and Title 22 metals and mercury by EPA Method 6020/7470. Samples will be collected by the EKI field professional overseeing the drilling activities described in Task 2.

Soil Vapor Sampling and Analysis

Soil vapor, duplicate and shroud samples will be collected The soil vapor samples will be collected in accordance with the work plan prepared under Task 1. Samples will be collected following a shut-in test to check the Summa canisters for possible leaks, purging a minimum of three times the volume of the tubing and sand pack if feasible, and conducting a sampling leak check . Samples will be analyzed by laboratory for:

- VOCs;
- Leak check compound.

IDW Sampling and Analysis

After drilling and sampling activities, IDW will be sampled and profiled for disposal. To profile the IDW, EKI will collect up to two soil composite samples and up to two water (purge and decontamination water) composite samples from the drums in appropriate laboratory supplied bottles, labeled, stored in a cooler with ice, and transported to a State of California certified analytical laboratory under chain-of-custody procedures for VOC analysis using EPA Method 8260B, TPH-g/d/mo by USEPA Method 8015, and Title 22 metals by USEPA Method 6010/7471B. Samples will be analyzed on standard turn-around time. Estimated costs include offsite disposal of IDW's.

Task 4: Reporting

EKI will share the results of the laboratory analyses within one day of receipt and verification. These results can be used for discussions of the status of investigations and additional steps, if necessary. If directed, EKI will prepare a written report of the findings of the additional investigation activities. The report will include:

- Discussion of field procedures and methods;
- Installation and sampling of SVPs (if installed);
- Field observations;
- Laboratory data analysis, results, and interpretation;
- Conclusions and recommendations;
- Tables and figures to present data and assist with interpretation;
- Boring logs and well construction diagrams;
- Survey data;
- Laboratory data reports.

EKI will submit the draft report to Client within 10 days of receipt of the final laboratory report. The report will not be submitted to DTSC or environmental regulatory agencies for review.

PROJECT SCHEDULE

EKI is ready to proceed with the work upon receipt of written authorization. Drilling activities will be scheduled as soon as feasible in December 2025, following obtaining the County of Los Angeles well/exploration permit and contingent on contractor availability. Permitting timeline for receipt of the well/exploration permit can take up to 10 working days.

COMPENSATION FOR CONSULTING SERVICES

Compensation for consulting services by EKI will be on a time and expense reimbursement basis in accordance with an Agreement between EKI and the Client and the Schedule of Charges dated 24 November 2025.

Based on the scope of services described herein, EKI proposes an estimated budget of $250,000, which will not be exceeded without additional authorization from Client. If this proposal meets with your approval, please sign where noted below, and return a copy to our office to confirm our authorization to proceed. We are pleased to have the opportunity to continue to work with you on this project. Please call if you have any questions or wish to discuss this proposal in greater detail.

We are pleased to have the opportunity to work with you on this project. Please call if you have any questions or wish to discuss this proposal in greater detail.

Very truly yours,

EKI ENVIRONMENT & WATER, INC.

Earl James, P.G.
Vice President

David Tietje, P.E.
Principal Engineer

AUTHORIZATION
Mr. René Bobadilla

By_____

Title_____

Date_____

Attachments

Schedule of Charges, dated 1 January 2025

Exhibit "B"
[Compensation Rate]
[separately attached]

Client/Address: **Successor Agency to the Community Development Commission/ Redevelopment Agency of the City of Santa Fe Springs**
11710 East Telegraph Road
Santa Fe Springs, CA 90670

Proposal/Agreement Date: 11/24/2025 **EKI Proposal/Project # EKI C50275.00**

SCHEDULE OF CHARGES FOR EKI ENVIRONMENT & WATER, INC. 24 November 2025

Personnel Classification	Hourly Rate
Officer and Chief Engineer-Scientist	366
Principal Engineer-Scientist	353
Supervising I, Engineer-Scientist	343
Supervising II, Engineer-Scientist	329
Senior I, Engineer-Scientist	315
Senior II, Engineer-Scientist	304
Associate I, Engineer-Scientist	291
Associate II, Engineer-Scientist	275
Engineer-Scientist, Grade 1	255
Engineer-Scientist, Grade 2	241
Engineer-Scientist, Grade 3	221
Engineer-Scientist, Grade 4	199
Engineer-Scientist, Grade 5	175
Engineer-Scientist, Grade 6	152
Project Assistant	143
Technician	137
Senior GIS/Database Analyst	180
CADD Operator / GIS Analyst	157
Senior Administrative Assistant	172
Administrative Assistant	136
Secretary	114

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus fifteen percent (15%) for items such as:

a. Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
b. Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
c. Rented vehicles, local public transportation and taxis, travel, and subsistence.
d. Special fees, insurance, permits, and licenses applicable to the work.
e. Outside computer processing, computation, and proprietary programs purchased for the work.

A Communication charge for e-mail access, web conferencing, cellphone calls, messaging and data access, file sharing, local and long distance telephone calls and conferences, facsimile transmittals, standard delivery U.S. postage, and incidental in-house copying will be charged at a rate of 4% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents ($0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents ($0.75) per mile. There will be an additional charge of thirty dollars ($30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus fifteen percent (15%).

CADD and other specialized software computer time will be charged at twenty dollars ($20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of EKI Environment & Water, Inc. and may be updated annually.

ITEM # 17

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, City Clerk

SUBJECT: **MINUTES OF THE NOVEMBER 5, 2025 SPECIAL AND REGULAR CITY COUNCIL MEETINGS**

DATE: December 2, 2025

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:

- Joint Special Meeting of November 5, 2025
- Regular Meeting of November 5, 2025

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

N/A

ATTACHMENT(S):

A. November 5, 2025 Joint Special Meeting Minutes
B. November 5, 2025 Regular Meeting Minutes

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

APPROVED:

MINUTES OF THE JOINT SPECIAL MEETING OF THE CITY COUNCIL AND PLANING COMMISSION

November 5, 2025

CALL TO ORDER
Mayor Rounds called the meeting to order at 5:03 p.m.

ROLL CALL
Members present:

CITY COUNCIL: Councilmembers Mora, Martin, Rodriguez, and Mayor Pro Tem Zamora, and Mayor Rounds.

PLANNING COMMISSION: Commissioners Flores, Cervantes, Ayala (arrived at 5:06 p.m.), Vice Chair Jimenez, and Chair Sarno.

Members absent: None

PUBLIC COMMENTS
There was no one wishing to speak during public comments.

CITY COUNCIL

PRESENTATIONS
1. COMPREHENSIVE ZONING CODE UPDATE

Director of Community Development, Cuong Nguyen, provided a brief introduction to the presentation item. He introduced Stefano Richichi – representative from Lisa Wise Consulting – to provide the main presentation.

Mr. Richichi provided information on the project background and outreach, including the incorporation of industrial objective design standards into the city's municipal code. The project aims to streamline the development review process, engage the community in a robust outreach process, and modernize the code to make it more accessible.

Mr. Richichi also talked about the current project timeline, with the final adoption of the completed update in spring of 2027. He went into detail about the purpose of the assessment and recommendations in the memo provided to city staff, which evaluates the effectives of the existing zoning code, highlights inconsistencies, and discusses best practices. The code will include recommendations that include but are not limited to, increase staff's ability to approve projects with conditions with a more streamlined permitting process, utilizes tables and graphics, and allows for the consideration of reduced parking requirements.

The City Council and Planning Commission provided several key points during their feedback session. They expressed interest in aligning Santa Fe Springs' standards with other major industrial cities (such as Commerce, Industry, Irwindale, and Vernon), particularly in terms of parking ratios and land use regulations. There were suggestions to emulate other cities' approaches to low-density residential areas, open space requirements, and addressing food deserts. Regarding parking, members acknowledged changes in workforce patterns (e.g., remote work and public transit use) and proposed flexibility in parking ratios for industrial and commercial businesses, especially based on specific needs. They also emphasized concerns about residential parking shortages, especially with the rise of multigenerational households and issues with apartment parking. However, reducing parking for residential uses was not favored.

Additional discussions touched on land use in the Freeway Overlay Zone, with some members advocating for larger warehouses instead of office spaces to meet demand. Concerns about home occupations, such as businesses operating out of residential homes, were raised, citing potential negative impacts like increased parking congestion. On public engagement, members suggested that future meetings better clarify the scope of the project and its direct effects on residents, particularly through simple, graphic-driven communications.

ADJOUNRMENT
Mayor Rounds adjourned the meeting at 5:48 p.m.

_____
William K. Rounds
Mayor

ATTEST:

_____ _____
Fernando N. Muñoz Date
City Clerk

APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

November 5, 2025

CALL TO ORDER
Mayor Rounds called the meeting to order at 6:23 p.m.

ROLL CALL
Members present: Councilmembers/Directors: Mora, Martin, Rodriguez, Mayor Pro Tem/Vice Chair Zamora, and Mayor/Chair Rounds.

Members absent: None.

INVOCATION
Cindy Jarvis led the invocation.

PLEDGE OF ALLEGIANCE
Councilmember Mora led the pledge of allegiance.

INTRODUCTIONS
None.

PRESENTATIONS

1. **2025 RELAY FOR LIFE RECAP (PARKS AND RECREATION)**

2. **RECOGNITION OF SPONSORS FOR "STATE OF THE CITY" EVENT (COMMUNITY SERVICES)**

3. **RECOGNITION OF MARK SCOGGINS FOR LANTERN TOURS (COMMUNITY SERVICES)**

4. **COMMUNICATION STRATEGIC PLAN – PRESENTED BY NORTH STAR ALLIANCES (COMMUNITY SERVICES)**

5. **RECOGNITION OF TRAFFIC COMMISSION (PUBLIC WORKS)**

CHANGES TO AGENDA
City Manager, René Bobadilla requested to include a walk-on item for approval on the consent calendar as Item No. 30. Council agreed unanimously. The title of the item is as follows:

LOWER SAN GABRIEL RIVER WATERSHED MANAGEMENT PROGRAM (WMP) AND COORDINATED INTEGRATED MONITORING PROGRAM (CIMP) – THIRD AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING (MOU)

PUBLIC COMMENTS

The following persons submitted public comments via email: 1) Central Basin Employee, 2) John Martinez, and 3) Philip Burns.
The following persons spoke during public comments: 1) Lee Squire, 2) Benjamin Lozada, and 3) Isabel Cervantes.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

Director of Parks and Recreation, Gus Hernandez spoke about the Veterans Day Ceremony on November 11, 2025.

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.

PUBLIC FINANCING AUTHORITY

6. MINUTES OF THE OCTOBER 21, 2025 PUBLIC FINANCING AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Approve the minutes as submitted.

7. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS PUBLIC FINANCING AUTHORITY (PFA) (FINANCE)

RECOMMENDATION: It is recommended that the Public Financing Authority:

1) Receive and file the report.

WATER UTILITY AUTHORITY

8. MINUTES OF THE OCTOBER 21, 2025 WATER UTILITY AUTHORITY MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Approve the minutes as submitted.

9. MONTHLY REPORT ON THE STATUS OF DEBT INSTRUMENTS ISSUED THROUGH THE CITY OF SANTA FE SPRINGS WATER UTILITY AUTHORITY (WUA) (FINANCE)

RECOMMENDATION: It is recommended that the Water Utility Authority:

1) Receive and file the report.

HOUSING SUCCESSOR

10. MINUTES OF THE OCTOBER 7 AND 21, 2025 HOUSING SUCCESSOR MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the Housing Successor:

1) Approve the minutes as submitted.

SUCCESSOR AGENCY

11. MINUTES OF THE OCTOBER 7 AND 21, 2025 SUCCESSOR AGENCY MEETINGS (CITY CLERK)
RECOMMENDATION: It is recommended that the Successor Agency:

1) Approve the minutes as submitted.

CITY COUNCIL

12. MINUTES OF THE OCTOBER 7, 8, AND 21, 2025 SPECIAL AND REGULAR CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

13. RESOLUTION NO. 9983 – ESTABLISHING A CITY COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2026 (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9983:

   A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ESTABLISHING A CITY COUNCIL MEETING SCHEDULE THROUGH CALENDAR YEAR 2026.

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

14. RESOLUTION NO. 9982 – DELEGATING AUTHORITY TO THE CITY MANAGER FOR DETERMINING INDUSTRIAL DISABILITY RETIREMENT FOR LOCAL SAFETY MEMBERS UNDER THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CALPERS) (HUMAN RESOURCES)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9982 – delegating authority to the City Manager for determining Industrial Disability Retirement for Local Safety Members under the California Public Employees' Retirement System (CalPERS).

15. APPROVE THE LIBRARY COLLECTION DEVELOPMENT POLICY (COMMUNITY SERVICES)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Library's new Collection Development Policy; and

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

16. ADOPTION OF RESOLUTION NO. 9984, APPROVING THE 2025 LOCAL HAZARD MITIGATION PLAN FOR THE CITY OF SANTA FE SPRINGS (FIRE)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 9984, approving the 2025 Local Hazard Mitigation Plan ("LHMP") for the City of Santa Fe Springs ("City"); and

2) Direct staff to transmit proof of adoption of Resolution No. 9984 to the Federal Emergency Management Agency ("FEMA") for final approval; and

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

17. RESOLUTION NO. 9985 – SB-1205 ANNUAL INSPECTION OF CERTAIN PROPERTIES (FIRE)

RECOMMENDATION: It is recommended that the City Council:

1) Acknowledge Receipt of Department of Fire-Rescue Report Regarding the Annual Inspection of Certain Properties.

18. MEASURE R FUNDING AGREEMENT NO. MR315.41 WITH LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY – AMENDMENT NO. 4 (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve Amendment No. 4 to Funding Agreement No. MR315.41 with the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the Valley View Avenue and Alondra Avenue Intersection Improvement Project; and

2) Authorize the City Manager to execute Amendment No. 4; and

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

19. AMENDMENT TO CHAPTER 150 (BUILDING REGULATIONS) AND REPEAL OF CHAPTER 153 (SWIMMING POOLS) OF THE MUNICIPAL CODE OF SANTA FE SPRINGS TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE WITH CERTAIN AMENDMENTS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Introduce and conduct a first reading by title only and waive further reading of Ordinance No. 1165:

   AN ORDINANCE OF CITY OF SANTA FE SPRINGS AMENDING THE CITY OF SANTA FE SPRINGS MUNICIPAL CODE ('SFSMC") CHAPTERS 150 (BUILDING REGULATIONS) AND 153 (SWIMMING POOLS) TO ADOPT BY REFERENCE THE 2025 CALIFORNIA BUILDING STANDARDS CODE, INCLUDING THE CALIFORNIA BUILDING CODE, THE CALIFORNIA RESIDENTIAL CODE, THE CALIFORNIA ELECTRICAL CODE, THE CALIFORNIA MECHANICAL CODE, AND THE CALIFORNIA PLUMBING CODE, WITH CERTAIN AMENDMENTS, ADDITIONS, AND DELETIONS THERETO; and

2) Schedule a public hearing on December 2, 2025, to conduct a second reading and adopt Ordinance No. 1165; and

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

20. COMMERCIAL STREET IMPROVEMENT FOR SPRINGDALE AVENUE, WAKEMAN STREET AND JOHN STREET – FINAL PAYMENT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Final Payment to Hardy & Harper, Inc. of Lake Forest, California for $114,356 (Less 5% Retention); and

2) Approve the final contract amount with Hardy & Harper, Inc., in the amount of $1,600,226; and

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

21. MEASURE SFS - COMMERCIAL STREET IMPROVEMENT FOR DINARD AVE, MARYTON AVE, MARQUARDT AVE, PARK ST & PIKE ST – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Plans and Specifications for the Measure SFS Commercial Street Improvement for Dinard Ave, Maryton Ave, Marquardt Ave, Park St and Pike St Project; and

2) Authorize the City Engineer to advertise construction bids; and

3) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

22. RESIDENTIAL CONCRETE IMPROVEMENTS 2025-2026 – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve adding the Residential Concrete Improvements 2025-2026 project to the Capital Improvement Plan; and

2) Appropriate $485,000 from the Utility Users Tax (UUT) Capital Improvement Plan Fund to the Residential Concrete Improvements 2025-2026; and

3) Approve the Plans & Specifications; and

4) Authorize the City Engineer to advertise for construction bids; and

5) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

23. LETTER OF AGREEMENT: RECONNECTING COMMUNITIES AND NEIGHBORHOODS (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Letter of Agreement - Reconnecting Communities and Neighborhoods; and

2) Authorize the City Manager to execute the Letter of Agreement - Reconnecting Communities and Neighborhoods; and

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

24. PUBLIC WORKS MAINTENANCE REORGANIZATION (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the addition of one new full-time Public Works Maintenance Worker that will focus on Graffiti Abatement; and

2) Adopt class specifications for the position of Water Customer Services Supervisor; and

3) Approve title change and specification change for Civil Engineering Assistant to Water Customer Services Supervisor; and

4) Approve title change for Public Works Aide to Part-Time PW Maintenance Worker; and

5) Amend the FY 2025-26 Budget to add an additional $50,000 expenditure in Account No. 10104330 for the new PW Maintenance Worker; and

6) Amend the FY 2025-26 Budget to add an additional $10,000 expenditure in Account No. 50104499 for the differential cost for the reclassified position to Water Customer Services Supervisor; and

7) Amend the FY 2025-26 Budget to add additional expenditures not to exceed $50,000 in various accounts in the General Fund and Water Utility Fund for the differential costs for the reclassified Part-Time PW Maintenance Worker position class; and

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

25. LANDSCAPE MAINTENANCE SERVICES AMENDMENT NO. 4 – EXTEND CURRENT CONTRACT FOR 90 DAYS TO TERMINATE ON JANUARY 31, 2026 (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve Amendment No. 4 to the Agreement with Merchant's Landscape, Inc. extending the contract for 90 days to terminate January 31, 2026, for an additional not-to-exceed fee $306,018.60; and

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

26. AUTHORIZATION TO AWARD DOWNTOWN SPECIFIC PLAN (RFP 25-13) TO PRIMESTOR (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the award of RFP 25-13 to Primestor for the Downtown Specific Plan; and

2) Determine that the action is categorically exempt pursuant to the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 et seq.); and

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

27. ON-CALL PROFESSIONAL ARCHITECTURAL CONSULTING SERVICES – AUTHORIZATION TO ADVERTISE A REQUEST FOR QUALIFICATIONS (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the Director of Community Development to advertise a Request for Qualifications (RFQ) for On-Call Professional Architectural Consulting Services; and

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

28. AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT WITH GILBERT A. LIVAS (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

1) Authorize the City Manager to execute Amendment No. 1 to the professional services agreement (PSA) with Gilbert A. Livas to modify the compensation structure from an hourly rate to a monthly retainer of $7,500; and

2) Extend the term of the existing agreement by three (3) years, through January 1, 2029; and

3) Authorize the City Manager to take any additional, related action(s) that may be desirable.

29. AUTHORIZATION TO PURCHASE FIVE (5) TYPE I AMBULANCES FROM REDSKY EMERGENCY VEHICLES (BRAUN CHIEF XL MODEL) FOR THE SANTA FE SPRINGS DEPARTMENT OF FIRE-RESCUE (FIRE)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the purchase of five (5) Braun Chief XL Type I ambulances on RAM 5500 4x4 diesel chassis from RedSky Emergency Vehicles in the total amount of $2,555,556.25 (including sales tax); and

2) Authorize the City Manager to execute all necessary purchase documents on behalf of the City; and

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

30. LOWER SAN GABRIEL RIVER WATERSHED MANAGEMENT PROGRAM (WMP) AND COORDINATED INTEGRATED MONITORING PROGRAM (CIMP) – THIRD MANEDMENT TO THE MEMORANDUM OF UNDERSTANDING (MOU) (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Third Amendment to the MOU with Gateway Water Management Authority (GWMA) to continue to implement a Watershed Management Program (WMP) and Coordinated Integrated Monitoring Program (CIMP); and

2) Authorize the City Manager to execute the Third Amendment; and

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

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

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

APPOINTMENTS TO BOARDS, COMMITTEES, AND COMMISSIONS
None.

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING
Councilmember Mora talked about the upcoming holiday events. He also highlighted the opening of the Lakeland Apartments and wished everyone in attendance a Happy Thanksgiving.

Councilmember Martin commented on the Halloween Carnival, the Red Ribbon Week Parade, and the groundbreaking of the Aquatic Center Phase 1B Improvements.

Councilmember Rodriguez commented on the Halloween Carnival and the Red Ribbon Week Parade. She wished everyone in attendance a Happy Thanksgiving.

Mayor Pro Tem Zamora commented on the election results and wished everyone in attendance a Happy Thanksgiving.

Mayor Rounds wished everyone in attendance a Happy Thanksgiving.

ADJOURNMENT
Mayor Rounds adjourned the meeting at 7:41 p.m.

_____
William K. Rounds
Mayor

ATTEST:

_____
Fernando N. Muñoz
City Clerk

_____
Date

ITEM # 18

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, City Clerk

SUBJECT: **RESOLUTION NO. 9989 – AMENDING AND ESTABLISHING A CITY COUNCIL MEETING SCHEDULE FOR CALENDAR YEAR 2026**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Adopt Resolution No. 9989:

   A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ESTABLISHING A CITY COUNCIL MEETING SCHEDULE THROUGH CALENDAR YEAR 2026.

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

FISCAL IMPACT

N/A

BACKGROUND

At its November 5, 2025, City Council meeting, the City Council approved Resolution No. 9983, which established a city council meeting schedule for the 2026 calendar year. Resolution No. 9989 modifies council meeting dates in January 2026 to accommodate for councilmember seminars at the beginning of the year.

Government Code section 36805 provides that the City Council shall hold regular meetings at least once a month at times fixed by resolution or ordinance. The attached resolution sets forth a City Council meeting schedule proposed by City staff, including dates and the start times of meetings (5:00 p.m. for any closed sessions; 6:00 p.m. for

open sessions). Adoption of this resolution will help City staff plan for City Council meetings through 2026 and provide transparency to the public.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

Adoption of Resolution No. 9989 will allow City staff to plan for meetings and provide public transparency and will repeal the previously adopted Resolution No. 9983.

ATTACHMENT(S):

A. Resolution No. 9989

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

RESOLUTION NO. 9989

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS ESTABLISHING A CITY COUNCIL MEETING SCHEDULE THROUGH CALENDAR YEAR 2026

WHEREAS, Government Code section 36805 provides that the City Council shall hold regular meetings at least once a month and allows for the fixing of those times by resolution; and

WHEREAS, the City Council adopted Ordinance No. 1139 amending Section 30.15 of the Code of Santa Fe Springs to provide that the times for City Council meetings shall be set by resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS RESOLVES AS FOLLOWS:

Section 1. The dates for regular City Council meetings through calendar year 2026 shall be as follows:

January 13, 2026
January 27, 2026
February 3, 2026
February 17, 2026
March 3, 2026
March 17, 2026
April 7, 2026
April 21, 2026
May 5, 2026
May 19, 2026
June 2, 2026
June 16, 2026
July 7, 2026
August 18, 2026
September 1, 2026
September 15, 2026
October 6, 2026
October 20, 2026
November 4, 2026
December 8, 2026

Section 2. Nothing herein shall preclude the City Council from holding an adjourned regular meeting, special meeting, or emergency meeting pursuant to state law. Nothing herein shall preclude the City Clerk from canceling a regular meeting, adjourned regular meeting, or special meeting should there not be a quorum present at such meeting.

Section 3. The time of regular meetings of the City Council shall be as follows:

A. 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.
B. 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.

Section 4. This Resolution repeals and supersedes Resolution No. 9983 previously adopted by the City Council.

APPROVED AND ADOPTED on this 2nd day of December, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

William K. Rounds, Mayor

ATTEST:

Fernando N. Muñoz, City Clerk

ITEM # 19

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: **VALLEY VIEW AVENUE AND ALONDRA BOULEVARD INTERSECTION IMPROVEMENT – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Approve the Plans and Specifications for the Valley View Avenue and Alondra Boulevard Intersection Improvement Project; and

2) Authorize the City Engineer to advertise for construction bids; and

3) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

FISCAL IMPACT

The Valley View Avenue and Alondra Avenue Intersection Improvement project is a project funded through the Los Angeles County Metropolitan Transportation Authority's (LACMTA's) Interstate 605 Corridor "Hot Spot" Interchanges Program (Program), included in the Measure R Expenditure Plan. The funding is administered through the Gateway Cities Council of Governments. The project is also an approved Capital Improvement Plan project funded by LACTMA with Measure R funds (separate from annual Local Return Funds the City receives from LACMTA. The project is currently approved for a total budget of $4,884,371.

The cost estimates for the projects are derived from the most current costs for similar types of construction projects in the area. The total estimated project costs are as follows:

Valley View Avenue at Alondra Blvd Intersection Project

Item:	Estimated Project Costs	
Construction & Contingency	$	3,564,304
Right-of-Way Support	$	495,000
Right-of-Way Acquisition	$	315,000
Design (PS&E)	$	260,067
Construction Support	$	250,000
Total Estimated Project Cost:	**$**	**4,884,371**

BACKGROUND

On July 16, 2024, the City Council authorized the Director of Public Works to execute a Task Order for On-Call professional engineering services with JMDiaz Inc. for the completion of the design of the Valley View Avenue and Alondra Boulevard Intersection Improvement Project. The Consultant completed the project plans, specifications, and engineering estimates with staff oversight.

The Valley View Avenue and Alondra Boulevard Intersection Improvement Project covers areas within the shared boundaries of the City of La Mirada. The main goal of the project is to improve traffic flow through the intersection. This will involve widening the road, constructing right-turn lanes, creating dual left-turn lanes, and upgrading the traffic signal equipment. Other project improvements include removal and replacement of existing damaged curb & gutter, sidewalks, curb ramps, parkway drains, and driveways, as needed.

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

ANALYSIS

The intersection of Valley View Avenue and Alondra Boulevard is a crucial point of traffic in the community, experiencing high levels of use. The planned improvements aim to optimize traffic flow by reducing congestion, minimizing wait times in turning lanes, increasing the intersection's capacity to accommodate more vehicles, and extending its lifespan to better serve the community for years to come.

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Quality Act (CEQA), the Valley View Avenue and Alondra Boulevard Intersection Improvement 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 Valley View Avenue and Alondra Boulevard Intersection Improvement project aims to enhance roadway safety, upgrade existing infrastructure, and reduce maintenance costs for the City.

SUMMARY/NEXT STEPS

Upon City Council's approval of the recommended actions, City staff will advertise the project for construction bids.

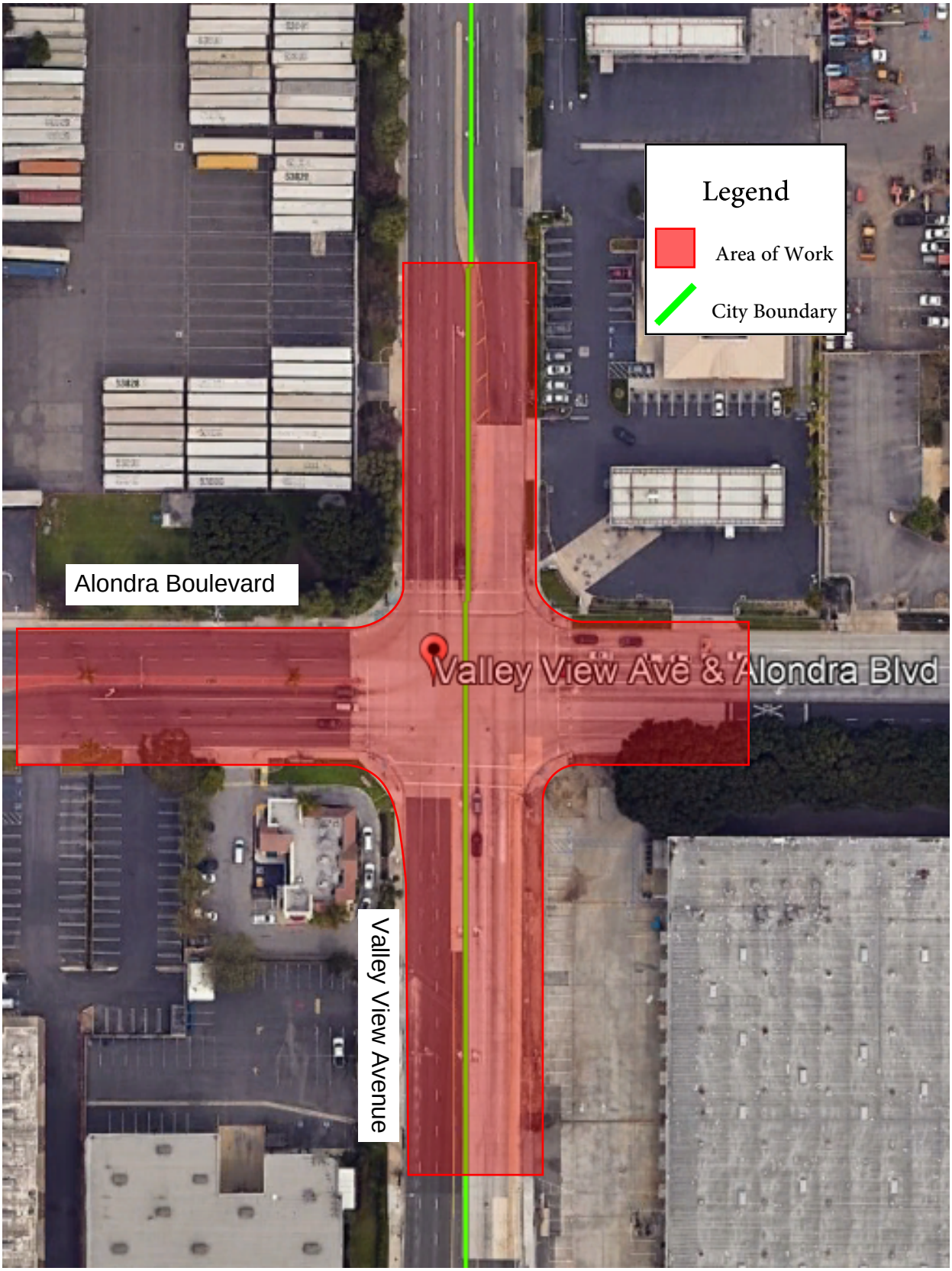
ATTACHMENTS:

A. Valley View Avenue and Alondra Boulevard Limits

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ATTACHMENT A

Valley View Avenue & Alondra Boulevard



ITEM # 20

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 LIGHTING SYSTEM UPGRADE – AUTHORIZATION TO ADVERTISE FOR CONSTRUCTION BIDS**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Approve the Plans and Specifications for the Residential Street Lighting System Upgrade Project; and

2) Appropriate $3,451,850 from Utility Users Tax Capital Improvement Fund to the Residential Street Lighting Upgrade project (Account No. PW220010); and

3) Appropriate $923,150, from Measure SFS Fund to the Project (Account No. PW220010) for street lighting system upgrades in commercial areas on Alondra Boulevard and Telegraph Road; and

4) Authorize the City Engineer to advertise for construction bids, and

5) Authorize the City Clerk to file a Notice of Exemption for the subject project with the Los Angeles Registrar-Recorder; and

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

FISCAL IMPACT

The Residential Street Lighting System Upgrade project is an approved CIP Project and is currently funded by the Utility Users Tax (UUT) Capital Improvement Fund in the amount of $3,600,000. The project scope was expanded to include upgrading and repairing the commercial street lighting systems located on Alondra Boulevard and

Telegraph Road. The project consists of upgrading series street lighting system circuits to multiple circuits and installation of new LED fixtures in 6 areas of the City shown in Attachment A.

A portion of the residential lighting improvements were completed last fiscal year in advance of the residential streets paved in Fiscal Year 2024-25. That expenditure totaled $1,200,000 and included construction of underground conduits and pole foundations prior to pavement resurfacing. The remaining portion of the work in these areas will be completed as part of the recommended project.

The project will be advertised as a single construction contract to maximize economies of scale; however, the final project cost will be determined upon the bid opening. The cost estimate for the project is derived from the most current cost for similar types of construction projects in the area. The total estimated project costs and funding sources are as follows:

PROJECT COST		**ESTIMATED AMOUNT**
Construction		
*(Residential Street Lighting System Upgrade)	$	5,678,300
*(Completed Street Light Conduit work included with Residential Street Improvement Project 2024-2025)	$	1,200,000
Design	$	294,650
Engineering	$	100,000
Inspection	$	150,000
Contingency	$	552,050
TOTAL COST:	**$**	**7,975,000**

PROJECT FUNDING		**AMOUNT**
UUT CIP Fund (Previously appropriated)	$	3,600,000
UUT CIP Fund (Recommended appropriation)	$	3,451,850
Measure SFS Fund (Recommended appropriation)	$	923,150
TOTAL FUNDING:	**$**	**7,975,000**

BACKGROUND

The scope of the project includes converting the City's last remaining street light series circuits to multiple circuits; installation of new electrical conduits, wiring and service enclosures; installation and relocation of street light poles; and installation of new LED luminaires. The project plans and specifications have been completed, and the Public Works Department is ready to advertise for construction bids for the project upon City

Council approval. A copy of the project plans and specifications will be on file with the City Clerk.

ANALYSIS

The completion of the Residential Street Lighting System Upgrade project will provide a more consistent and uniform level of street lighting in the project areas as well as a more reliable system. With the proposed multiple circuits, any malfunction of the lighting system will be contained in a smaller area and repair will be simplified and completed faster by City crews or a contractor. The current system configuration results in outages in a more widespread area and repair is often delayed because the system is owned and maintained by Southern California Edison and parts for the antiquated system are often not readily available.

ENVIRONMENTAL

Pursuant to the guidelines of the California Environmental Act (CEQA) the Residential Street Lighting Upgrade project is categorically exempt from 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 project will also reduce maintenance needs and, therefore, reduce maintenance costs. The new LED luminaires will consume significantly reduced electricity and, therefore, will be environmentally beneficial and more economical to operate.

SUMMARY/NEXT STEPS

Upon City Council's approval of the recommended actions, City staff will advertise the project and return with award recommendations following the bid opening.

ATTACHMENT:

A. Street Lighting Location Map

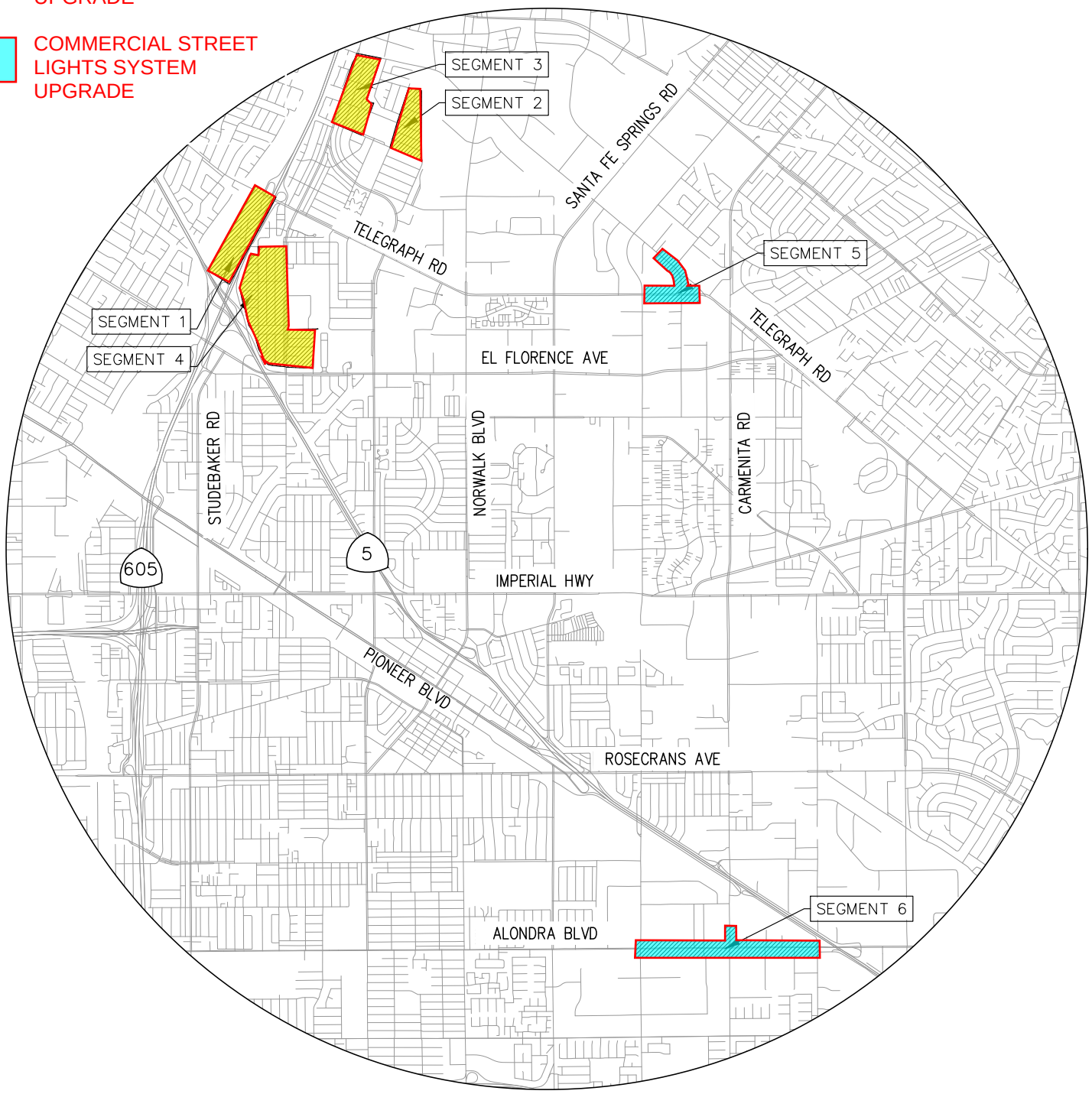
ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ATTACHMENT A

STREET LIGHTING LOCATION MAP

RESIDENTIAL STREET LIGHTS SYSTEM UPGRADE

COMMERCIAL STREET LIGHTS SYSTEM UPGRADE



ITEM # 21

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: **RESOLUTION NO. 9986 - IMPLEMENTING ON-STREET PARKING RESTRICTIONS IN THE VICINITY OF 9834 JORDAN CIRCLE**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Adopt Resolution No. 9986 to prohibit the parking of vehicles on the street at all times on the north side of Jordan Circle from 718 feet north/east of its intersection with McCann Drive and to a point 140 feet easterly thereof; and

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

FISCAL IMPACT

A fee in the amount of $385 was collected from the applicant for the review of parking restriction signage. An additional fee of $735 will be collected for the installation cost of the parking restriction signage and curb painting.

BACKGROUND

A letter was received from Jordan Circle, LLC. (Attachment A) requesting a parking restriction in front of their property located at 9834 Jordan Circle. They are experiencing problems with large trucks and other vehicles continuously parking and sometimes double parking in front of their property for extended periods. As a result, the property is experiencing difficulties with safely accessing the property and conducting their business. Additionally, this building is the only building on the block with a loading bay accessed directly from the street and the access is affected by large vehicles parked on the street adjacent to the driveway.

ANALYSIS

Jordan Circle is a local industrial street that extends northerly from McCann Drive approximately 1000' east of Norwalk Boulevard and circles back to McCann Drive approximately 2,000 feet east of Norwalk Boulevard. The street is 48′ wide and carries one lane of traffic in each direction. The street is posted with 25 miles-per-hour speed limit. "No Stopping Anytime" restrictions currently exist on other portions of Jordan Circle, including a 70' segment of the subject property's frontage. The request is to extend the restriction another 140' to cover the rest of the property's frontage.

Several large trucks have been observed parked in the area. The new tenant of the subject property is a building material supply company that is expected to generate frequent truck traffic. The requested parking restriction will provide for a safer environment for the new tenant to conduct their business and improve overall safety to traffic on that street.

Chapter 72 of the Santa Fe Springs Municipal Code requires an ordinance or resolution of the City Council in order to implement new parking restrictions.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon City Council approval of the recommended action, the appropriate parking restriction signs will be posted, and curb painting completed to give notice of said parking restrictions and allow for enforcement.

ATTACHMENT:

A. Request Letter
B. Resolution No. 9986
C. Location Aerial

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ATTACHMENT A

Jordan Circle, LLC

607 Reposado Drive• La Habra Heights, Ca. 90631• Phone: 562-691-2418 • Fax: 562-691-3418

September 22, 2025

City of Santa Fe Springs
Department of Public Works
11710 Telegraph Rd.
Santa Fe Springs, CA 90670
Attn: Roy Kim

Subject: Request to Reinstall "No Stopping Anytime" Signs at 9834 Jordan Circle

To Whom It May Concern,

I am writing to formally request the reinstallation of "No Stopping Anytime" signs in front of the commercial property we own at **9834 Jordan Circle**, Santa Fe Springs, CA 90670.

We previously petitioned the city for this same request, which was granted in the 1990s, and the signs were installed. However, over time, the signs were removed or relocated. We now have a new tenant, **Ferguson Enterprises**, moving into the building, and the lack of proper signage is creating significant traffic and safety hazards.

We are experiencing continuous issues with large trucks, particularly from the neighboring company, Airgas, frequently parking and double-parking in front of our building. Additionally, large gravel trucks often park in the neighborhood for extended periods. This not only creates an unsightly environment but, more importantly, poses a serious safety risk to vehicles and pedestrians trying to access our property.

Our new tenant, Ferguson Enterprises, will be distributing building supplies from this location, which we believe will generate significant taxable sales revenue for the City of Santa Fe Springs. Ensuring clear and safe access to our property is essential for their business operations and for the safety of our community.

We kindly request your prompt assistance in reviewing this matter and re-installing the "No Stopping Anytime" signs to restore order and safety to the area.

Thank you for your time and consideration.

Sincerely,

Tim Kaniewski
Managing Member

ATTACHMENT B
APPROVED:
ITEM NO.:

RESOLUTION NO. 9986

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, PROHIBITING PARKING OF VEHICLES AT CERTAIN LOCATIONS

WHEREAS, the provision of Section 72.21 of the City Code provides that whenever any ordinance or resolution of the City so designates, and when authorized signs are in place giving notice thereof, no person shall park a vehicle at any time upon any of the streets described therein; and

WHEREAS, the property at 9834 Jordan Circle has requested such parking restriction to address large trucks continuously parking in front of the property; and

WHEREAS, such parking restrictions already exist on the partial frontage of the said property.

NOW, THEREFORE, BE IT RESOLVED

Pursuant to the provision of Section 72.21 of the City Code, the following location is designated as a place where no person shall stop, stand or park a vehicle for any purpose:

North side of Jordan Circle from 718 feet north/east of its intersection with McCann Drive and to a point 140 feet easterly thereof

When signs are posted giving notice thereof, any vehicle which is parked or left standing in violation of the provisions of this Resolution, shall be removed pursuant to the provisions of Vehicle Code Section 22651 (n).

APPROVED and ADOPTED this 2nd day of December 2025**,** by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

_____
William K. Rounds, Mayor

ATTEST:

_____
Fernando Muñoz, City Clerk

ATTACHMENT C

9834 JORDAN CIRCLE - NO STOPPING ANY TIME



ITEM # 22

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: Julio F. Morales, Director of Finance

SUBJECT: **AUTHORIZE FINANCE DIRECTOR TO ENTER INTO IN TO A TAX-EXEMPT LEASE AGREEMENT WITH BANK OF AMERICA TO FINANCE THE PURCHASE OF FIRE RESCUE AND VARIOUS OTHER VEHICLES AND EQUIPMENT**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Authorize the purchase of three Type 1 ambulances from Redsky Emergency Vehicles not to exceed $1,533,334.

2) Authorize the purchase of Hazardous Materials Vehicle and Apparatus not to exceed $1,816,000.

3) Authorize the purchase of various public works vehicles and equipment not to exceed $700,000 from various vendors.

4) Finance Command Vehicle previously authorized in an amount not-to-exceed $300,000.

5) Authorize the Director of Finance to enter into a tax-exempt lease agreement with Bank of America, N.A. to finance various vehicles and equipment, over a 10 to 15-year term at an interest rate of not-to-exceed 4.0%, in an amount not-to-exceed $4.5 million including cost of issuance and fees.

6) Approve Reimbursement Resolution No. 9990 declaring the intent to finance various vehicle and equipment purchases authorized herein with a tax-exempt loan.

FISCAL IMPACT

The City is expected to finance $4.5 million in vehicle and equipment purchases. Each asset will be financed over its expected useful life, which ranges between five and fifteen years, at a not-to-exceed interest rate of 4.0%.

Although the final debt service schedule is not yet finalized, the maximum annual debt service is estimated to be approximately $750,000 (assuming a 7-year average life). The annual debt service will be paid from the vehicle replacement fund, which has a current fund balance equal to approximately **$8.9 million.**

Financing these purchases will enable the City to make more affordable annual payments and hence preserve a significant balance in the Vehicle/Equipment fund for future purchases.

BACKGROUND/DISCUSSION

The City entered into a Master Lease Agreement with Bank of America to finance vehicles and equipment on a tax-exempt basis in 2020. In 2023, the City financed the purchase of two Pierce Arrow XT PUC Fire Engines in the amount of $2,318,000 over a seven-year period at a 3.47% rate of interest. The City is required to make increasing annual lease payments (from $295,000 to $365,000) until February 28, 2030.

The City will establish a separate lease payment schedule for each vehicle, depending on the expected useful life of the vehicle/equipment.

- Three Type 1 Ambulances totaling $1,533,000. To be financed over 15 years at 4.0%, for an annual payment equal to approximately $140,000.

- Hazardous Materials Handling Vehicle totaling $1,816,000. To be financed over 15 years at 4.0%, for an annual payment equal to approximately $165,000.

- Public Works Replacement Vehicles totaling $700,000. To be financed over 10 years at 3.75%, for an annual payment equal to approximately $85,000.

- Command Vehicle previously authorized totaling $300,000. To be financed over 10 years at 3.75%, for an annual payment equal to approximately $35,000.

ANALYSIS

Financing these purchases will enable the City to make more affordable annual payments and hence preserve a significant balance in the Vehicle/Equipment fund for future purchases. The vehicles and equipment will be paid using a tax-exempt loan of 4.0% or less. By financing these costs, the City would be able to retain the balance in the vehicle

equipment replacement fund invest the funds at a taxable rate.

Currently monies invested in LAIF are earning 4.0%, while comparable US Treasury Rates are 3.72% (5-year) / 3.90% (7-year) / 4.13% (10-year). Financing these purchases with a tax-exempt loan (and retaining amounts in the City's reserves), will effectively allow the City to finance these purchases on a reduced interest cost basis.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

The Payment Schedule for each group of equipment has not yet been finalized. Each asset will be financed based on its expected useful life. City Staff will work with Bank of America to finalize final terms but should not exceed the projected amounts provided herein.

ATTACHMENT(S):

A. Master Lease Agreement and Equipment Lease Schedules
B. Ambulance Invoice
C. Hazardous Materials Handling Vehicle Invoice
D. Public Works Vehicle List
E. Command Vehicle Invoice
F. Resolution No. 9990

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT

This Master Equipment Lease/Purchase Agreement (the *"Agreement"*) dated as of November 17, 2020, and entered into by and between Bank of America, National Association, a national banking association (together with its successors, assigns and transferees, and as more particularly defined herein, *"Lessor"*), and City of Santa Fe Springs, a municipal corporation and general law city duly organized and existing under the laws of the State of California (*"Lessee"*).

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment described in each Equipment Schedule (as each such term is defined herein), subject to the terms and conditions of and for the purposes set forth in each Lease; and

WHEREAS, the relationship between the parties shall be a continuing one and items of equipment and other personal property may be financed pursuant to one or more Leases entered into from time to time in accordance with this Agreement by execution and delivery of additional Equipment Schedules by the parties hereto, subject to the terms and conditions provided herein; and

WHEREAS, Lessee is authorized under the constitution and laws of the State (as such term is defined herein) to enter into this Agreement and each Equipment Schedule for the purposes set forth herein and therein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Acquisition Amount" means, with respect to each Lease, the amount specified in the related Equipment Schedule and represented by Lessee to be sufficient for the purpose of acquiring and installing the Equipment listed in such Lease.

"Acquisition Period" means, with respect to each Lease for which an Escrow Account is established, that period identified in the related Equipment Schedule during which the Acquisition Amount attributable to such Lease may be expended on Equipment Costs pursuant to the related Escrow Agreement.

"Agreement" means this Master Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to this Agreement pursuant to Section 13.04.

"Casualty Value" means, with respect to each Lease, the amount that is shown on the Payment Schedule for each Rental Payment Date under the column titled either (i) the Prepayment Price or (ii) the "Casualty Value", if any.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code in this Agreement and a Lease shall be deemed to include the relevant United States Treasury Regulations proposed or in effect thereunder.

"Commencement Date" means, for each Lease, the date when Lessee's obligation to pay rent commences under such Lease, which date shall be the earlier of (a) the date on which the Equipment listed in such Lease is accepted by Lessee in the manner described in Section 5.01, or (b) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in such Lease.

"Contract Rate" means, with respect to each Lease, the rate identified as such in the related Payment Schedule.

"Disbursement Request" means, with respect to each Lease for which an Escrow Account is established, the disbursement request attached to the applicable Escrow Agreement as Schedule 1 and made a part thereof.

"Equipment" means, with respect to each Lease, the property listed in the related Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Article V or Section 8.01. Whenever reference is made in this Agreement to Equipment listed in a Lease, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means, with respect to each Lease, the total cost of the Equipment listed in the related Equipment Schedule, including related soft costs such as freight, installation and taxes and other capitalizable costs, legal fees, financing costs and other costs necessary to vest full, clear legal title to the Equipment in Lessee, subject to the security interest granted to and retained by Lessor as set forth in each Lease, and other costs incurred in connection with the acquisition, installation and/or financing of the Equipment as provided in the related Lease; *provided* that (a) any such soft costs on a cumulative basis shall not exceed a percentage approved by Lessor of the total cost of the Equipment subject to such Lease and (b) in no event shall capitalizable delivery costs, installation charges, taxes and similar capitalizable soft costs relating to such Equipment be included without Lessor's prior consent.

"Equipment Schedule" means each separately numbered Equipment Schedule, substantially in the form of either *Exhibit A-1* (general Equipment) or *Exhibit A-2* (energy services Equipment) hereto, together with the related Payment Schedule.

"Escrow Account" means, with respect to any Lease, the account established and held by the Escrow Agent pursuant to the related Escrow Agreement.

"Escrow Agent" means, with respect to each Lease for which an Escrow Account is established, the Escrow Agent identified in the related Escrow Agreement, and its successors and assigns.

"Escrow Agreement" means, with respect to each Lease for which an Escrow Account is established, an Escrow and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Escrow Agent, pursuant to which an Escrow Account is established and administered.

"Event of Default" means an Event of Default described in Section 12.01.

"Event of Non-appropriation" means, with respect to a Lease, the failure of Lessee's governing body to appropriate or otherwise make available funds to pay Rental Payments under such Lease following the Original Term or then current Renewal Term sufficient for the continued performance of such Lease by Lessee.

"Lease" means an Equipment Schedule and the terms and provisions of this Agreement which are incorporated by reference into such Equipment Schedule.

"Lease Term" means, with respect to each Lease, the Original Term and all Renewal Terms provided in the related Equipment Schedule.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement and its successors or (b) any assignee or transferee pursuant to Section 11.01 of any right, title or interest of Lessor in and to the Equipment under the applicable Lease (including the Rental Payments and other amounts due thereunder), any related Escrow Agreement and Escrow Account, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder or under such Lease.

"Material Adverse Change" means (a) any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee's ability to perform its obligations under this Agreement or any Lease or (b) a downgrade in Lessee's external debt rating from the date of this Agreement of two or more subgrades by either Moody's Investors Service, Inc. or S&P Global Ratings or any equivalent successor credit rating agency, or any downgrade by either such agency that would cause Lessee's credit rating to be below investment grade, or, if any such rating agency no longer publishes such ratings at the date of determination, any other nationally recognized statistical rating organization that is selected by Lessee for purposes of such long-term general obligation bond ratings and long-term general fund related bond ratings.

"Original Term" means, with respect to each Lease, the period from the Commencement Date identified in the related Equipment Schedule until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Outstanding Balance" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Outstanding Balance" on the Payment Schedule.

"Payment Schedule" means, with respect to each Lease, the Payment Schedule attached to and made a part of the related Equipment Schedule and substantially in the form of *Exhibit B* attached to this Agreement.

"Prepayment Price" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Prepayment Price" on the Payment Schedule.

"Principal Portion" means, with respect to each Lease, the amount that is shown for each Rental Payment Date under the column titled "Principal Portion" on the Payment Schedule.

"Related Documents" means, with respect to each Lease, the Lease, this Agreement and, if applicable, the related Escrow Agreement, each as may be amended and supplemented.

"Renewal Terms" means, with respect to each Lease, the consecutive renewal terms of such Lease as specified in the related Equipment Schedule, the first of which commences immediately after the end of the Original Term and each having a duration and a term coextensive with each successive fiscal year of Lessee; *provided* that the final such Renewal Term shall commence on the first day of the last such fiscal year and end on the first business day after the last scheduled Rental Payment Date.

"Rental Payment Date" means, with respect to each Lease, each date on which Lessee is required to make a Rental Payment under such Lease as specified in the related Payment Schedule.

"Rental Payments" means, with respect to each Lease, the basic rental payments payable by Lessee on the Rental Payment Dates and in the amounts as specified in the related Payment Schedule, consisting of a principal component and an interest component, and in all cases sufficient to repay the principal component under such Lease and interest thereon at the applicable Contract Rate (or Taxable Rate if then in effect).

"SEC" means the U.S. Securities and Exchange Commission.

"State" means the State of California.

"Taxable Rate" means, with respect to each Lease, for each day that the interest component of Rental Payments is taxable for Federal income tax purposes, an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any Rental Payment Date would, after such interest was reduced by the amount of any Federal, state or local income

tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

"*Vendor*" means the manufacturer, installer or supplier of the Equipment listed in an Equipment Schedule or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessee arranged Lessee's acquisition, installation, maintenance and/or servicing of the Equipment pursuant to the applicable Lease.

"*Vendor Agreement*" means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment under a Lease.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof and as of the Commencement Date of each Lease as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code duly organized and existing under the constitution and laws of the State with full power and authority to enter into the Related Documents and the transactions contemplated thereby and to perform all of its obligations thereunder.

(b) Lessee has duly authorized the execution and delivery of the Related Documents by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Related Documents.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to any Lease.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a general law city duly organized and existing under the laws of the State.

(e) Lessee has complied with such procurement and public bidding requirements as may be applicable to the Related Documents and the acquisition and installation by Lessee of the Equipment as provided in each Lease.

(f) During the Lease Term under each Lease, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last

Rental Payment (including all Renewal Terms) scheduled to be paid under the related Lease.

(g) Lessee has kept, and throughout the Lease Term of each Lease shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within two hundred seventy (270) days after the end of its fiscal year, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or for the following fiscal year when approved but not later than thirty (30) days prior to the end of its current fiscal year. The financial statements described in this subsection (g)(i) shall be accompanied by an unqualified opinion of Lessee's independent auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment listed on each Equipment Schedule and expects to make immediate use of the Equipment listed on each Equipment Schedule. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the related Lease Term.

(i) The payment of the Rental Payments or any portion thereof is not (under the terms of any Lease or any underlying arrangement) directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount relating to any Lease will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under the Related Documents. Lessee will, at its expense, maintain its legal existence and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Escrow Account and Lessor's rights and benefits under each Lease and related Escrow Agreement.

(k) Lessee is the fee owner of the real estate where the Equipment under each Lease is and will be located (the "*Real Property*") and has good and marketable title

thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such Real Property.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(m) In connection with the Lessee's compliance with any continuing disclosure undertakings (each, a "*Continuing Disclosure Agreement*") entered into by the Lessee pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the "*Rule*"), the Lessee may be required to file with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, or its successor ("*EMMA*"), notice of its incurrence of its obligations under the Related Documents and notice of any accommodation, waiver, amendment, modification of terms or other similar events reflecting financial difficulties in connection with the Related Documents, in each case including posting a full copy thereof or a description of the material terms thereof (each such posting, an "*EMMA Posting*"). Except to the extent required by applicable law, including the Rule, the Lessee shall not file or submit or permit the filing or submission of any EMMA Posting that includes the following unredacted confidential information about the Lessor or its affiliates and any Escrow Agent in any portion of such EMMA Posting: address and account information of the Lessor or its affiliates and any Escrow Agent; e-mail addresses telephone numbers, fax numbers, names and signatures of officers, employees and signatories of the Lessor or its affiliates and any Escrow Agent; and the form of Disbursement Request that is attached to the Escrow Agreement.

The Lessee acknowledges and agrees that the Lessor and its affiliates are not responsible for the Lessee's or any other entity's (including, but not limited to, any broker-dealer's) compliance or noncompliance (or any claims, losses or liabilities arising therefrom) with the Rule, any Continuing Disclosure Agreement or any applicable securities or other laws, including but not limited to those relating to the Rule.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms and conditions of this Agreement, Lessor agrees to provide the funds specified in each Lease to be provided by it for Lessee to acquire the Equipment described in the related Equipment Schedule. Upon the execution and delivery of each Lease, Lessor thereby demises, leases and transfers to Lessee, and Lessee thereby acquires, rents and leases from Lessor, the Equipment as set forth in such Lease and in accordance with the terms thereof. The Lease Term for each Lease may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term set forth in such Lease. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be

deemed to have exercised its option to continue each Lease for the next Renewal Term unless Lessee shall have terminated such Lease pursuant to Section 3.03 or Section 10.01 of this Agreement. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the applicable Lease. Each Equipment Schedule signed and delivered by Lessor and Lessee pursuant to this Agreement shall constitute a separate and independent lease and installment purchase of the Equipment therein described.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03 hereof, to continue the Lease Term of each Lease through the Original Term and all Renewal Terms and to pay the Rental Payments due thereunder. Lessee affirms that sufficient funds are legally available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term of each Lease can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due under each Lease, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the Lease Term for any Renewal Term for each Lease is within the sole discretion of the governing body of Lessee.

Section 3.03. Non-appropriation. Lessee is obligated only to pay such Rental Payments under each Lease as may lawfully be made during Lessee's then current fiscal year from funds budgeted and appropriated for that purpose. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments under any Lease following the then current Original Term or Renewal Term, such Lease or Leases shall be deemed terminated at the end of the then current Original Term or Renewal Term thereunder. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Lease is terminated in accordance with this Section 3.03, Lessee agrees to cease use of the Equipment thereunder and peaceably remove and deliver to Lessor, at Lessee's sole expense (from legally available funds), such Equipment to Lessor at the location(s) to be specified by Lessor on or before the end of the applicable Original Term or Renewal Term for which Rental Payments have been appropriated for the applicable Lease (each, a "*Non-Appropriation Return Date*"). Lessor may take whatever action at law or in equity as may be necessary or desirable to enforce Lessee's obligations in the immediately preceding sentence. Without limiting or reducing in any way Lessee's obligations in the second preceding sentence or Lessor's rights in the immediately preceding sentence, if the Lessee fails to return the Equipment to Lessor on or before the applicable Non-Appropriation Return Date pursuant to this Section 3.03, Lessee shall pay month-to-month rent at the Contract Rate (or the Taxable Rate if then in effect) set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment thereunder pursuant to this Section 3.03.

Section 3.04. Conditions to Lessor's Performance. (a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to any Lease, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, the following:

(i) A fully completed Equipment Schedule, executed by Lessee;

(ii) If an Escrow Account is to be established with respect to such Lease, an Escrow Agreement substantially in the form attached hereto as *Exhibit I*, satisfactory to Lessor and executed by Lessee and the Escrow Agent;

(iii) A certified copy of a resolution, ordinance or other official action of Lessee's governing body, substantially in the form attached hereto as *Exhibit C-1A* or *Exhibit C-1B*, as applicable, authorizing the execution and delivery of this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto and performance by Lessee of its obligations under this Agreement and the applicable Lease and related Escrow Agreement, if any, entered into pursuant hereto;

(iv) A Certificate completed and executed by the Clerk or Secretary or other comparable officer of Lessee, substantially in the form attached hereto as *Exhibit C-2A* or *Exhibit C-2B*, as applicable, completed to the satisfaction of Lessor;

(v) An opinion of counsel to Lessee, substantially in the form attached hereto as *Exhibit D*, and otherwise satisfactory to Lessor;

(vi) Evidence of insurance as required by Section 7.02 hereof;

(vii) All documents, including financing statements, affidavits, notices and similar instruments, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02 hereof;

(viii) A waiver or waivers of interest in the Equipment from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located;

(ix) If Lessee has designated the Lease then being entered into as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code, a certificate substantially in the form attached hereto as *Exhibit G* executed by an authorized official of Lessee;

(x) A copy of the Form 8038-G with respect to the Lease then being entered into, fully completed and executed by Lessee;

(xi) In the event that Lessee is to be reimbursed for expenditures that it has paid more than sixty (60) days prior to the Commencement Date for the Lease then being entered into, evidence of the adoption of a reimbursement resolution or other official action

covering the reimbursement from tax exempt proceeds of expenditures incurred not more than sixty (60) days prior to the date of such resolution;

(xii) If any items of Equipment are motor vehicles, properly completed certificates of title or certificates of origin (or applications therefor) for such vehicles with Lessor's interest noted thereon in accordance with the instructions of Lessor;

(xiii) Copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to Equipment has passed to Lessee), to the extent required by Section 5.01(b) hereof;

(xiv) Wire instructions for payments to be made to Vendors and Form W-9 from each such Vendor; and

(xv) Such other items as are set forth in the related Equipment Schedule or are reasonably required by Lessor.

(b) In addition to satisfaction of the conditions set forth in subsection (a) of this Section 3.04, the performance by Lessor of any of its obligations under the Related Documents shall be subject to: (i) no Material Adverse Change having occurred since the date of this Agreement, (ii) no Event of Default having occurred and then be continuing under any Lease then in effect, (iii) no Event of Non-appropriation under any Lease then in effect having occurred or being threatened, and (iv) no Lease having been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation.

(c) Subject to satisfaction of the foregoing, (i) Lessor will pay the Acquisition Amount for Equipment described in an Equipment Schedule to the Vendor or reimburse Lessee for its prior expenditures with respect to such Equipment (subject to satisfaction of Section 3.04(a)(xi) hereof), upon receipt of the documents described in Sections 5.01(a) and (b) hereof; or (ii) if an Escrow Account is being established with respect to the related Lease, Lessor will deposit the Acquisition Amount for Equipment described in the applicable Equipment Schedule with the Escrow Agent to be held and disbursed pursuant to the related Escrow Agreement.

(d) This Agreement is not a commitment by Lessor or Lessee to enter into any Lease not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lessor or Lessee to enter into any proposed Lease, it being understood that whether Lessor or Lessee enters into any proposed Lease shall be a decision solely within their respective discretion.

(e) Lessee will cooperate with Lessor in Lessor's review of any proposed Lease. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Lease. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use

and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

(f) In the event of any conflict in terms between an Equipment Schedule and this Agreement, the terms of the Equipment Schedule shall control in the interpretation of the Lease created thereby.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03 of this Agreement, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the Rental Payment Dates and in such amounts as provided in each Lease. If any Rental Payment or other amount payable hereunder is not paid within ten (10) days of its due date, Lessee shall pay an administrative late charge of five percent (5%) of the amount not timely paid or the maximum amount permitted by law, whichever is less. Lessee shall not permit the Federal Government to guarantee any Rental Payments under any Lease. Rental Payments consist of principal and interest components as more fully detailed on the Payment Schedule for each Lease, the interest on which begins to accrue as of the Commencement Date for each such Lease.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal. Each Lease shall set forth the principal and interest components of each Rental Payment payable thereunder during the applicable Lease Term.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments under each Lease shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained in this Agreement or in any Lease constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03 of this Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in each Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, disputes with the Lessor or the Vendor of any Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances or failure of any Vendor to deliver any Equipment or otherwise perform any of its obligations for whatever reason, including bankruptcy, insolvency, reorganization or any similar event with respect to any Vendor.

Section 4.05 Tax Covenants. Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes, nor will it omit to

take or cause to be taken, in a timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for Federal income tax purposes. In connection with the foregoing, Lessee hereby agrees that (a) so long as any Rental Payments under a Lease remain unpaid, moneys on deposit in the Escrow Account under any Escrow Agreement related to such Lease shall not be used in a manner that will cause such Lease to be classified as an "arbitrage bond" within the meaning of Section 148(a) of the Code; and (b) Lessee shall rebate, from funds legally available for the purpose, an amount equal to excess earnings on the Escrow Account under any Escrow Agreement to the Federal Government if required by, and in accordance with, Section 148(f) of the Code, and make the determinations and maintain the records required by the Code.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability with respect to a Lease, the interest component of Rental Payments under such Lease and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate applicable to such Lease retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for Federal income tax purposes (which retroactive date for such Lease shall be the earliest date as of which the interest component of any Rental Payment for such Lease is deemed includible in the gross income of the owner or owners thereof for Federal income tax purposes, which may be earlier than the date of delivery of such determination by the Internal Revenue Service), and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate identified in the related Lease.

For purposes of this Section, *"Event of Taxability"* means the circumstance of the interest component of any Rental Payment paid or payable pursuant to a Lease becoming includible for Federal income tax purposes in an owner's gross income as a consequence of any act, omission or event whatsoever, including but not limited to the matters described in the immediately succeeding sentence, and regardless of whether the same was within or beyond the control of Lessee. An Event of Taxability shall be presumed to have occurred upon (a) the receipt by Lessor or Lessee of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or other written correspondence which legally holds that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; (b) the issuance of any public or private ruling of the Internal Revenue Service that the interest component of any Rental Payment under such Lease is includable in the gross income of the owner thereof; or (c) receipt by Lessor or Lessee of a written opinion of a nationally recognized firm of attorneys experienced in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, selected by Lessor and acceptable to Lessee, to the effect that the interest component of any Rental Payment under a Lease has become includable in the gross income of the owner thereof for Federal income tax purposes. For all purposes of this definition, an Event of Taxability shall be deemed to occur on the date as of which the interest component of any Rental Payment is deemed includable in the gross income of the owner thereof for Federal income tax purposes.

Section 4.07. Mandatory Prepayment. If the Acquisition Amount for a Lease is deposited into an Escrow Account, any funds not applied to Equipment Costs and remaining in such Escrow Account on the earlier of (a) the expiration of the applicable Acquisition Period, (b) the date on which Lessee delivers to the Lessor the executed Disbursement Request to effect the final disbursement to pay (or reimburse) Equipment Costs from such Escrow Account or (c) a termination of the Escrow Account as provided in the Escrow Agreement shall be applied by Lessor on each successive Rental Payment Date thereafter to pay all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the applicable unpaid Principal Portion of Rental Payments owing under the related Lease in the inverse order of the Rental Payment Dates.

ARTICLE V

Section 5.01. Acquisition, Delivery Installation and Acceptance of Equipment. (a) With respect to each Lease, Lessee shall order the Equipment to be acquired and financed thereunder, cause the Equipment to be delivered and installed at the location specified in such Lease and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. When the Equipment listed in a Lease has been delivered and installed, Lessee shall promptly accept such Equipment and evidence said acceptance by executing and delivering to Lessor a Final Acceptance Certificate in the form attached hereto as *Exhibit E*; *provided, however,* that if an Escrow Account has been established with respect to such Lease as provided in Section 3.04 hereof, Lessee shall execute and deliver Disbursement Requests to the Lessor pursuant to the related Escrow Agreement for the purpose of effecting disbursements from the Escrow Account to pay (or reimburse) Equipment Costs for the Equipment so acquired and installed pursuant to such Lease. In connection with the execution and delivery by Lessee to Lessor of the final

Disbursement Request under the applicable Escrow Agreement for a Lease, Lessee shall deliver to Lessor a "Final Acceptance Certificate" in the form attached hereto as *Exhibit E*.

(b) (i) With respect to a Lease entered into without an Escrow Agreement, Lessee shall deliver to Lessor copies of invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee. Lessee shall execute and deliver to Lessor an Equipment Schedule pursuant to Section 3.04(a)(i) within 5 business days of receipt from Lessor, subject to satisfaction of the conditions set forth in Section 3.04.

(ii) With respect to a Lease entered into with an Escrow Agreement, Lessor shall prepare an Equipment Schedule. In connection with the execution and delivery of the related Escrow Agreement, Lessee shall execute and deliver to Lessor such Equipment Schedule pursuant to Section 3.04(a)(i) within 5 business days of receipt, subject to satisfaction of the conditions set forth in Section 3.04. Lessee shall deliver to Lessor together with each Disbursement Request invoices (and proof of payment of such invoices if Lessee seeks reimbursement for prior expenditures) and bills of sale or other evidence of title transfer to Lessee relating to each item of Equipment accepted by Lessee as evidenced by such Disbursement Request. Once approved, Lessor shall deliver such Disbursement Request to the Escrow Agent for disbursement from the Escrow Account in accordance with the Escrow Agreement.

Section 5.02. Quiet Enjoyment of Equipment. So long as no Event of Default exists under the related Lease, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term under such Lease.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be moved or relocated from the location (or the base location with respect to motor vehicles) specified for it in the related Lease without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Lease. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body, including, without limitation, all anti-money laundering laws and regulations; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest of Lessor in and to the Equipment or its interest or rights under the related Lease.

Lessee agrees that it shall maintain, preserve and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall

have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for in Sections 3.03 and 12.02(b) of this Agreement.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During the Lease Term under each Lease, and so long as Lessee is either not in default under Article XII hereof or an Event of Non-appropriation has not occurred, all right, title and interest in and to each item of the Equipment under the related Lease shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof and under the applicable Lease. Lessee shall at all times protect and defend, at its own cost and expense, its title, and Lessor's first priority security interest, in and to the Equipment (and Lessor's other Collateral as defined in Section 6.02 hereof) from and against all claims, liens and legal processes of its creditors, and keep all Equipment (and such other Collateral) free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default under a Lease or upon termination of a Lease pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 3.03 or 12.02 of this Agreement, as applicable. Upon payment of all amounts due and owing under a Lease by Lessee in accordance with Section 10.01 hereof (including upon payment of all Rental Payments and other amounts payable under such Lease), Lessor's security interest or other interest in the Equipment under such Lease shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment subject to the related Lease.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations under each Lease, upon the execution of such Lease, Lessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment subject to such Lease, (b) moneys and investments held from time to time in any related Escrow Account and (c) any and all proceeds of any of the foregoing, including, without limitation, insurance proceeds (collectively, the "*Collateral*"). Upon the execution of each Lease, Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Collateral, including, without limitation, such financing statements with respect to personal

property and fixtures under Article 9 of the Uniform Commercial Code in effect in the State and treating such Article 9 as applicable to entities such as Lessee.

Section 6.03. Personal Property; No Encumbrances. Lessee agrees that the Equipment is deemed to be and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment under a Lease is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; *provided,* that if Lessor or its assigns is furnished with a waiver of interest in the Equipment under such Lease acceptable to Lessor or its assigns in their respective discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment under each Lease free of all levies, liens, and encumbrances except those created by such Lease. The parties to this Agreement contemplate that the Equipment under each Lease will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the lease, sale, purchase, operation, use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the operation, use and maintenance of the Equipment. Lessee shall pay such taxes, assessments or charges as the same may become due; *provided* that, with respect to any such taxes, assessments or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term under the affected Lease. During the Lease Term under each Lease, Lessor will not claim ownership of the Equipment thereunder for the purposes of any tax credits, benefits or deductions with respect to such Equipment.

Section 7.02. Insurance. Lessee shall, during the Lease Term under each Lease, maintain or cause to be maintained (a) casualty insurance naming Lessor and its assigns as loss payee and insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State, and any other risks reasonably required by Lessor, in an amount at least equal to the greater of (i) the then applicable Casualty Value of the Equipment under such Lease or (ii) the replacement cost of such Equipment: (b) liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability for bodily injury and property damage coverage (i) in such coverage amounts as may be required by Lessor for the applicable Equipment or (ii) in such minimum coverage amounts as may be agreed upon between Lessor and Lessee in connection with the execution and delivery of a Lease, and in all events under clauses (a) and (b) issued in form and amount satisfactory to Lessor and by

an insurance company that is authorized to do business in the State and having a financial strength rating by A.M. Best Company of "A-" or better; and (c) worker's compensation coverage as required by the laws of the State. Notwithstanding the foregoing, Lessee may self-insure against the risks described in clauses (a) and/or (b) through a government pooling arrangement, self-funded loss reserves, risk retention program or other self-insurance program, in each case with Lessor's prior consent (which Lessor may grant, withhold or deny in its sole discretion) and *provided* that Lessee has delivered to Lessor such information as Lessor may request with respect to the adequacy of such self-insurance to cover the risks proposed to be self-insured and otherwise in form and substance acceptable to Lessor. In the event Lessee is permitted, at Lessor's sole discretion, to self-insure as provided in this Section 7.02, Lessee shall provide to Lessor a self-insurance letter in substantially the form attached hereto as *Exhibit F*. Lessee shall furnish to Lessor evidence of such insurance or self-insurance coverage throughout the Lease Term under each Lease. Lessee shall not cancel or modify such insurance or self-insurance coverage in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or modification.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment under any Lease from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment under any Lease shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under any Lease. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into this Agreement or any Lease or any of the transactions contemplated hereby or thereby, (b) the ordering, acquisition, ownership, use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment under any Lease, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment under any Lease resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any Lease or any material misrepresentation provided by Lessee under or in connection with this Agreement or any Lease. The provisions of this Section 7.03 shall continue in full force and effect notwithstanding the full payment of all obligations under any or all Leases or the termination of the Lease Term under any or all Leases for any reason.

Section 7.04. Advances. In the event Lessee shall fail to keep the Equipment in good repair and working order or shall fail to maintain any insurance required by Section 7.02 hereof, Lessor may, but shall be under no obligation to, maintain and repair the Equipment or obtain and maintain any such insurance coverages, as the case may be, and pay the cost thereof. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term under the affected Lease, and Lessee covenants and agrees to pay such amounts so advanced

by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate (or the Taxable Rate if then in effect) *plus* five percent (5%) per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term under the related Lease, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment or such part thereof and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations under the affected Lease in accordance with Section 10.01(b) hereof.

If Lessee elects to replace any item of the Equipment (the *"Replaced Equipment"*) pursuant to this Section 8.01, the replacement equipment (the *"Replacement Equipment"*) shall be new or of a quality type, utility and condition at least as good as the Replaced Equipment and shall be of equal or greater value than the Replaced Equipment as determined and approved by Lessor in its sole discretion. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement and the related Lease. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment Date after the occurrence of a casualty event, or be required to prepay the obligations under the related Lease with respect to the damaged Equipment for an amount that shall be determined and approved by Lessor in its sole discretion.

For purposes of this Article VIII, the term *"Net Proceeds"* shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or

cause to be paid to Lessor the amount of the then applicable Casualty Value under the related Lease *plus* all other amounts then owing thereunder, and, upon such payment, the applicable Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds remaining, if any, after completing such repair, restoration, modification or improvement or after paying such Casualty Value for such Lease *plus* all other amounts then owing thereunder shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section 8.02, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of any of the Equipment under each Lease, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment under each Lease shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, any Lease, any Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement or any Lease.

Section 9.02. Vendor Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement for any Lease without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term under each Lease, so long as Lessee shall not be in default under such Lease, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against a Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to any Lease, including the right to receive full and timely Rental Payments and other payments under each Lease. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to any of the Equipment under each Lease.

ARTICLE X

Section 10.01. Prepayment; Payment in Full.

(a) *Prepayment.* Lessee shall have the option to prepay or satisfy all, but not less than all, of its obligations under a Lease, at the following times and upon the following terms:

(i) *Optional Prepayment.* From and after the date specified (if any) in the applicable Payment Schedule (the *"Prepayment Option Commencement Date"*), on the Rental Payment Dates specified in such Payment Schedule, upon not less than thirty

(30) days prior written notice, and upon payment in full of the sum of all Rental Payments then due under the related Lease *plus* the then applicable Prepayment Price, which may include a prepayment premium on the unpaid Outstanding Balance as set forth in such Payment Schedule *plus* all other amounts then owing thereunder; or

(ii) *Casualty or Condemnation Prepayment.* In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Lease, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment option (which shall be the earlier of the next Rental Payment Date or sixty (60) days after the casualty event) upon payment in full to Lessor of (A) in the event such prepayment occurs on a Rental Payment Date, the sum of (i) all Rental Payments then due under such Lease *plus* (ii) the then applicable Casualty Value for such Lease *plus* (iii) all other amounts then owing thereunder OR, (B) in the event such prepayment for such Lease occurs on a date other than a Rental Payment Date, the sum of (i) the applicable Casualty Value shown on the Payment Schedule for such Lease for the Rental Payment Date immediately preceding the applicable date of such prepayment (or if the date of such prepayment occurs prior to the first Rental Payment Date for such Lease, the earliest Casualty Value shown on the related Payment Schedule) *plus* (ii) accrued interest at the Contract Rate (or the Taxable Rate if then in effect) on the Outstanding Balance as of the Rental Payment Date immediately preceding the applicable date of such prepayment from such Rental Payment Date (or if the date of such prepayment occurs prior to the first Rental Payment Date, the Commencement Date for such Lease) to the date of such prepayment *plus* (iii) all other amounts then owing thereunder.

(b) *Payment in Full.* Upon the expiration of the Lease Term under a Lease, the payment in full of all Rental Payments then due and all other amounts then owing under such Lease by Lessee to Lessor.

(c) Lessor's security interests in and to the related Equipment under such Lease will be terminated and Lessee will own such Equipment free and clear of Lessor's security interest in such Equipment after either (i) payment of either (A) the applicable Prepayment Price and all other amounts then owing under a Lease in accordance with Section 10.01(a)(i) of this Agreement or (B) the applicable Casualty Value and all other amounts then owing under a Lease in accordance with Section 10.01(a)(ii) of this Agreement or (ii) upon the expiration of the Lease Term of a Lease and payment in full of all Rental Payments then due and all other amounts then owing thereunder in accordance with Section 10.01(b) of this Agreement.

ARTICLE XI

Section 11.01. Assignment by Lessor. (a) Lessor's right, title and interest in and to the Rental Payments and any other amounts payable by Lessee under any and all of the Leases and the Escrow Agreement relating to any Lease, its security interest in the Equipment subject to the related Lease and in any related Escrow Account, and all proceeds therefrom (collectively, with respect to each Lease and related Escrow Agreement, the *"Related Assigned Rights"*), may be assigned and reassigned by Lessor at any time, in whole or in part, to one or more assignees or sub-assignees

without the necessity of obtaining the consent of Lessee; *provided,* that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom Lessor reasonably believes is a *"qualified institutional buyer"* as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended, or an *"accredited investor"* as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act of 1933, as amended, and in either case is purchasing the Related Assigned Rights (or any interest therein) for its own account with no present intention to resell or distribute such Related Assigned Rights (or interest therein), subject to each investor's right at any time to dispose of the Related Assigned Rights (or any interest therein) as it determines to be in its best interests, (ii) shall not result in more than 35 owners of the Related Assigned Rights with respect to a Lease or the creation of any interest in the Related Assigned Rights with respect to a Lease in an aggregate principal component that is less than $100,000 and (iii) shall not require Lessee to make Rental Payments, to send notices or otherwise to deal with respect to matters arising under the Related Assigned Rights with respect to a Lease with or to more than one Lease Servicer (as such term is defined below), and any trust agreement, participation agreement or custodial agreement under which multiple ownership interests in the Related Assigned Rights with respect to a Lease are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, trustee, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the *"Lease Servicer"*) to act on their behalf with respect to the Related Assigned Rights with respect to a Lease, including with respect to the exercise of rights and remedies of Lessor on behalf of such owners upon the occurrence of an Event of Default or an Event of Non-appropriation under the related Lease. Lessor and Lessee hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 11.01 shall apply to the first and subsequent assignees and sub-assignees of any of the Related Assigned Rights with respect to a Lease (or any interest therein).

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective as against Lessee until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided,* that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, participation interests, trust certificates or partnership interests with respect to the Rental Payments payable under a Lease, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank, trust company or other entity that acts as the Lease Servicer for such Lease. Notices of assignment provided pursuant to this Section 11.01(b) shall contain a confirmation of compliance with the transfer requirements imposed by Section 11.01(a) hereof. During the Lease Term under each Lease, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees or Lease Servicer last designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or any Vendor. Assignments in part may include, without limitation, assignment of all of Lessor's security interest in and to the Equipment listed in a particular Lease and all rights in, to and under the Lease related to such Equipment and all of Lessor's security interest in and to the related Escrow Account, or all rights in, to and under the related Escrow Agreement.

(c) If Lessor notifies Lessee of its intent to assign a Lease, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment with respect to such Lease, substantially in the form of *Exhibit H* attached hereto, within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. **None of Lessee's right, title and interest in, to and under this Agreement, any Lease or any portion of the Equipment, any Escrow Agreement or the Escrow Account related thereto may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.**

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an "*Event of Default*" under a Lease:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under any Lease within ten (10) days of the date when due as specified therein, (ii) maintain insurance as required under such Lease (including Section 7.02 of this Agreement, which is incorporated therein), or (iii) observe and perform any covenant, condition or agreement on its part to be observed or performed under Section 6.01 or 6.02 hereof for any Lease;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement or any Lease on its part to be observed or performed, other than as referred to in subsection (a) above, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or any Lease or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Lessor or any affiliate of Lessor (including, without limitation, the occurrence of any Event of Default under any other Lease), or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of $100,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable Federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists under any Lease, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps with respect to any or all Leases with an Event of Default under this Agreement, including those with an Event of Default pursuant to Section 12.01(d) (each a "*Defaulted Lease*"):

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee pursuant to one or more Defaulted Leases and other amounts payable by Lessee under each such Defaulted Lease to the end of the then current Original Term or Renewal Term to be immediately due and payable;

(b) With or without terminating the Lease Term under any one or more Defaulted Leases, Lessor may enter the premises where the Equipment listed in any one or more of each such Defaulted Leases is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee pursuant to each such Defaulted Lease and other amounts related to each such Defaulted Lease that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies under each such Defaulted Lease, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03 of this Agreement. The exercise of any such remedies respecting any such Event of Default under any such Defaulted Lease shall not relieve Lessee of any other liabilities under each such Defaulted Lease or any other Lease that

Lessor determines not to treat as a Defaulted Lease or with respect to the Equipment listed therein;

(c) Lessor may terminate the Escrow Agreement relating to any one or more of such Defaulted Leases and apply any proceeds in each such applicable Escrow Account thereunder to the Rental Payments scheduled to be paid under any one or more of such Defaulted Leases as Lessor shall determine; and/or

(d) Lessor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under any one or more of such Defaulted Leases or each such Escrow Agreement relating thereto or as a secured party in any or all of the Equipment subject to any one or more of such Defaulted Leases or with respect to the related Escrow Account for one or more of such Defaulted Leases.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder and/or under any Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article XII it shall not be necessary to give any notice other than such notice as may be required in this Article XII.

Section 12.04. Application of Moneys. Any net proceeds from the exercise of any remedy under this Agreement, including the application specified in Section 12.02(b)(ii) (after deducting all expenses of Lessor in exercising such remedies including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing Equipment and all brokerage, auctioneer's or attorney's fees), shall be applied as follows:

(a) If such remedy is exercised solely with respect to a single Defaulted Lease, Equipment listed in such Defaulted Lease or rights thereunder, then to amounts due pursuant to such Defaulted Lease and to other amounts related to such Defaulted Lease or such Equipment.

(b) If such remedy is exercised with respect to more than one Defaulted Lease, Equipment listed in more than one Defaulted Lease or rights under more than one Defaulted Lease, then to amounts due pursuant to one or more of such Defaulted Leases as Lessor shall determine and distribute on a pro rata basis or on such other basis as Lessor shall determine.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement or any Lease shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile

transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement and each Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement or any Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof or thereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement and each Lease may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement and each Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; *provided* that only Counterpart No. 1 of each Lease (including the terms and provisions of this Agreement incorporated therein by reference) shall constitute chattel paper for purposes of the applicable Uniform Commercial Code.

Section 13.06. Applicable Law; Venue; Waiver of Jury Trial. This Agreement and each Lease shall be governed by and construed in accordance with the laws of the State. The parties hereto consent and submit to the jurisdiction of the State and venue in any state or Federal court of such State for the purposes of any suit, action or other proceeding arising in connection with this Agreement or any Lease, and each party expressly waives any objections that it may have to the venue of such courts. The parties hereto expressly waive any right to trial by jury in any action brought on or with respect to this Agreement or any Lease.

Section 13.07. Captions. The captions or headings in this Agreement and in each Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Lease.

Section 13.08. No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated by this Agreement and each Lease thereunder (including in connection with any amendment, waiver or other modification hereof or of any other related document), the Lessee acknowledges and agrees that: (a) (i) the transactions regarding this Agreement and each Lease thereunder provided by the Lessor and any affiliate thereof are arm's-length commercial transactions between the Lessee, on the one hand, and the Lessor and its affiliates, on the other hand, (ii) the Lessee has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Lessee is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated by this Agreement and each Lease thereunder and by the other related documents; (b) (i) the Lessor and its affiliates each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent

or fiduciary, for the Lessee, or any other person and (ii) neither the Lessor nor any of its affiliates has any obligation to the Lessee with respect to the transactions contemplated by this Agreement and each Lease thereunder except those obligations expressly set forth herein and in the other related documents; and (c) the Lessor and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Lessee, and neither the Lessor nor any of its affiliates has any obligation to disclose any of such interests to the Lessee. To the fullest extent permitted by law, the Lessee, hereby waives and releases any claims that it may have against the Lessor or any of its affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated by this Agreement and each Lease thereunder.

Section 13.09. Entire Agreement. The parties agree that this Agreement and each Lease hereunder constitutes the final and entire agreement between the parties superseding all conflicting terms or provisions of any prior proposals, term sheets, solicitation documents, requests for proposals, award notices, approval letters or any other agreements or understandings between the parties.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Equipment Lease/Purchase Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By: _____
Name: Terri J. Preston
Title: Senior Vice President

LESSEE:
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670
Attention: Paul J. Martinez
Fax No.: (562) 868-0511

By: _____
Raymond R. Cruz
City Manager

IN WITNESS WHEREOF, Lessor and Lessee have caused this Master Equipment Lease/Purchase Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

LESSEE:
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670
Attention: Paul J. Martinez
Fax No.: (562) 868-0511

By: _____
Name: _____
Title: _____

By: _____
Raymond R. Cruz
City Manager

LIST OF EXHIBITS

Exhibit A-1	Form of Equipment Schedule – General Equipment
Exhibit A-2	Form of Equipment Schedule – Energy Services Equipment
Exhibit B	Form of Payment Schedule
Exhibit C-1A	Form of Authorizing Resolution (Agreement)
Exhibit C-1B	Form of Authorizing Resolution (Lease)
Exhibit C-2A	Form of Incumbency and Authorization Certificate (Agreement)
Exhibit C-2B	Form of Incumbency and Authorization Certificate (Lease)
Exhibit D	Form of Opinion of Counsel to Lessee
Exhibit E	Form of Final Acceptance Certificate
Exhibit F	Form of Self-Insurance Certificate
Exhibit G	Form of Bank Qualification Certificate
Exhibit H	Form of Notice and Acknowledgement of Assignment
Exhibit I	Form of Escrow and Account Control Agreement

EXHIBIT A-1

FORM OF EQUIPMENT SCHEDULE NO. _____ - GENERAL EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, between Bank of America, National Association, a national banking association, as Lessor, and City of Santa Fe Springs, a municipal corporation and general law city duly organized and existing under the laws of the State of California, as Lessee

Defined Terms. All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the *"Agreement"*).

2. *Equipment*. For purposes of the Lease created hereby, the following items of Equipment are hereby included under this Equipment Schedule together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto as provided in the Agreement.

QUANTITY	DESCRIPTION	SERIAL NO.	MODEL NO.	LOCATION

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date*. The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the *"Commencement Date"*).

(b) *Prepayment Price Schedule.* The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

[OPTION: IF ESCROW AGREEMENT IS USED:

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is $_____. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule No. _____, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule.

OR IF VENDOR PAID DIRECTLY USE:

6. *Acquisition Amount.* The Acquisition Amount for the Equipment listed in this Equipment Schedule to be paid to the Vendor (or reimbursed to Lessee) is $ _____.]

[OPTION: IF ESCROW AGREEMENT IS USED:

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the ____ month following the date hereof.]

[OPTION: IF ESCROW AGREEMENT IS USED AND A SURETY BOND IS REQUIRED:

[8.] *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties.* Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section ___, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section _____have been delivered to Lessor.

[7][8][9].*Lease Term.* The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____, subject to earlier termination pursuant to the Agreement.

[OPTION: IF MOTOR VEHICLES ARE BEING FINANCED:

[8][9][10]. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

(a)	*Registered Owner:*	City of Santa Fe Springs
(b)	*Lienholder:*	Bank of America, National Association Northeast Center Building 2059 Northlake Parkway Tucker, GA 30084-5321

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the Lease Term of the Lease created hereby.

Dated: _____

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By:_____
Name: _____
Title: _____

LESSEE:
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670
Attention: Paul J. Martinez
Fax No.: (562) 868-0511

By: _____
Raymond R. Cruz
City Manager

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT A-2

FORM OF EQUIPMENT SCHEDULE NO. _____ - ENERGY SERVICES EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, between Bank of America, National Association, a national banking association, as Lessor, and City of Santa Fe Springs, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the *"Agreement"*).

2. *Equipment.*

(a) Location of Equipment: For purposes of the Lease created hereby, the location of Equipment is set forth below:

(b) Equipment Description (Scope of Work): For purposes of the Lease created hereby, the description of the Equipment and the scope of work is set forth below:

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date.* The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the *"Commencement Date"*).

(b) *Prepayment Price Schedule.* The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay to the Escrow Agent for deposit into the Escrow Account in connection with this Equipment Schedule is $_____. It is expected that by [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule No. _____, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before [six (6)] [twelve (12)] [eighteen (18)] months from the date of this Equipment Schedule.

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the ____ month following the date hereof.

8. *Additional Representation Regarding the Use and Maintenance of the Equipment; Additional Representation Regarding Damage, Destruction and Condemnation.*

(a) Lessee agrees that it shall (a) proceed promptly, at its expense, to protect its rights and exercise its remedies under any warranty then in effect with respect to the Equipment under this Equipment Schedule; and (b) replace or rebuild any component of the Equipment under this Equipment Schedule that becomes permanently unfit for normal use or inoperable during the Lease Term of this Equipment Schedule (herein, the "*Inoperable Component*") in order to keep the Equipment as a whole in good repair and working order during the Lease Term of this Equipment Schedule. Lessee shall promptly notify Lessor in writing when any component of the Equipment under this Equipment Schedule is reasonably expected within forty-five (45) days to become an Inoperable Component. Lessee shall promptly replace or rebuild the Inoperable Component under

this Equipment Schedule with a similar component of comparable or improved make and model that has at least the equivalent value and utility of the applicable Inoperable Component, a remaining useful life of no less than the remaining Lease Term under this Equipment Schedule and such replacement or rebuilt component shall be in good operating condition.

(b) If Lessee elects to replace any item of the Equipment with Replacement Equipment pursuant to Section 8.01 of the Agreement, in addition to the other requirements set forth in Section 8.01, the Replacement Equipment shall also provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation.

9. *Liability Insurance*. Lessee shall, during the Lease Term under this Equipment Schedule, maintain or cause to be maintained liability insurance naming Lessor and its assigns as additional insured that protects Lessor from liability with limits of at least $5,000,000 per occurrence for bodily injury and property damage coverage (such liability insurance coverage may be in a combination of primary general liability and/or excess liability umbrella coverage).

10. *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties*. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section ___, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section _____have been delivered to Lessor.

11. *Lease Term.* The Lease Term shall consist of the Original Term and ____ consecutive Renewal Terms, with the final Renewal Term ending on _____, subject to earlier termination pursuant to the Agreement.

Dated: _____

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By:_____
Name: _____
Title: _____

LESSEE:
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670
Attention: Paul J. Martinez
Fax No.: (562) 868-0511

By: _____
Name: _____
Title: _____

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

EXHIBIT B

FORM OF PAYMENT SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE [including prepayment premium; if applicable]	CASUALTY VALUE [including casualty premium; if applicable]

Contract Rate; Taxable Rate. The Contract Rate for this Equipment Schedule is _____% per annum. The Taxable Rate for this Equipment Schedule is _____% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date for this Equipment Schedule is _____.

LESSOR:
Bank of America, National Association

By: _____
Name: _____
Title: _____

LESSEE:
City of Santa Fe Springs

By: _____
Name: _____
Title: _____

EXHIBIT C-1A

FORM OF AUTHORIZING RESOLUTION (AGREEMENT)

A RESOLUTION OF THE GOVERNING BODY OF CITY OF SANTA FE SPRINGS, AUTHORIZING THE EXECUTION AND DELIVERY OF A MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT AND SEPARATE EQUIPMENT SCHEDULES THERETO FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS HEREIN PROVIDED; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, City of Santa Fe Springs (the *"Lessee"*), a municipal corporation and general law city duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of California, is authorized by the laws of the State of California to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the *"Board"*) has determined that a need exists for the acquisition, financing and leasing of certain equipment consisting of _____, which constitutes personal property necessary for the Lessee to perform essential governmental functions (collectively, the *"Equipment"*) on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into that certain Master Equipment Lease/Purchase Agreement (the *"Agreement"*) with Bank of America, National Association (or one of its affiliates), as lessor (the *"Lessor"*), substantially in the proposed form presented to the Board at this meeting, and separate Equipment Schedules thereto substantially in the form attached to the Agreement; and

WHEREAS, the Board deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Agreement and separate Equipment Schedules thereunder and the other documentation relating thereto from time to time as provided in the Agreement for the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto), in the form presented to the Board at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment.

Section 2. Approval of Documents. The form, terms and provisions of the Agreement (including the form of Equipment Schedule and the form of Payment Schedule, both attached thereto) are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by _____ [insert title of officials] of the Lessee or other members of the governing body of the Lessee (the *"Authorized Officials"*) executing the same, the execution of such documents being conclusive evidence of such approval; and the _____ of the Lessee is hereby authorized and directed to execute, and the _____ of the Lessee is hereby authorized and directed to attest, the Agreement and any related Exhibits attached thereto and to deliver the Agreement (including such Exhibits) to the respective parties thereto, and the _____ of the Lessee is hereby authorized to affix the seal of the Lessee to such documents. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Agreement, each Equipment Schedule thereto under which a separate Lease (as defined in the Agreement) is created, each Payment Schedule attached thereto, any related Escrow Agreement and any related exhibits attached thereto if and when required; *provided, however*, that, without further authorization from the governing body of the Lessee, (a) the aggregate principal component of Rental Payments under all Leases entered into pursuant to the Agreement shall not exceed $_____; (b) the maximum term under any Lease entered into pursuant to the Agreement shall not exceed [_____] years; and (c) the maximum interest rate used to determine the interest component of Rental Payments under each Lease shall not exceed the lesser of the maximum rate permitted by law or [_____ percent (___%)] per annum. The Authorized Officials may sign and deliver Leases to the Lessor on behalf of the Lessee pursuant to the Agreement on such terms and conditions as they shall determine are in the best interests of the Lessee up to the maximum aggregate principal component, maximum term and maximum interest rate provided above. The foregoing authorization shall remain in effect for a period of [two] years from the date hereof during which the Authorized Officials are authorized to sign and deliver Leases pursuant to the Agreement on the terms and conditions herein provided and to be provided in each such Lease.

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Agreement to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of Final Acceptance Certificates, Escrow Agreements, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Agreement and each Lease.

Section 4. No General Liability. Nothing contained in this Resolution, the Agreement, any Lease, any Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Agreement, any Lease, any Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under each Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

Section 5. Appointment of Authorized Lessee Representatives. The _____ _____ and _____ of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of each Lease and related Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Agreement and any Lease or Escrow Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this _____ day of _____.

CITY OF SANTA FE SPRINGS,
as lessee

[SEAL]

By: _____

Printed Name: _____
Title: _____

ATTEST:

By: _____
Printed: Name: _____
Title: _____

The undersigned, a duly elected or appointed and acting _____ [City Clerk] of the Lessee identified in the above Resolution No. ___ (the *"Resolution"*), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on _____, 20__. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this ____ day of _____, 20__.

_____

Name:_____

Title:_____

EXHIBIT C-1B

FORM OF AUTHORIZING RESOLUTION (LEASE)

A RESOLUTION OF THE GOVERNING BODY OF CITY OF SANTA FE SPRINGS, AUTHORIZING THE EXECUTION AND DELIVERY OF AN EQUIPMENT SCHEDULE TO THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT FOR THE ACQUISITION, FINANCING AND LEASING OF CERTAIN EQUIPMENT FOR THE PUBLIC BENEFIT WITHIN THE TERMS PROVIDED HEREIN; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION.

WHEREAS, City of Santa Fe Springs (the *"Lessee"*), a municipal corporation and general law city duly organized and existing as a political subdivision, municipal corporation or similar public entity of the State of California, to acquire, finance and lease personal property (tangible and intangible) for the benefit of the Lessee and its inhabitants and to enter into contracts with respect thereto; and

WHEREAS, the governing body of the Lessee (the *"Board"*) has determined that a need exists for the acquisition, financing and leasing of certain equipment with a cost not to exceed $_____ and consisting of _____, which constitutes personal property necessary for the Lessee to perform essential governmental functions (collectively, the *"Equipment"*) on the terms herein provided; and

WHEREAS, in order to acquire such Equipment, the Lessee proposes to enter into that certain Equipment Schedule (the *"Equipment Schedule"*) with Bank of America, National Association (or one of its affiliates), as lessor (the *"Lessor"*), substantially in the proposed form presented to the Board at this meeting, which Equipment Schedule incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 by and between Lessor and Lessee (the *"Agreement"*); and

WHEREAS, the Board deems it for the benefit of the Lessee and for the efficient and effective administration thereof to enter into the Equipment Schedule and the other documentation relating to the acquisition, financing and leasing of the Equipment to be therein described on the terms and conditions therein and herein provided;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the governing body of the Lessee as follows:

Section 1. Findings and Determinations. It is hereby found and determined that the terms of the Equipment Schedule and the form of Payment Schedule, in the form presented to the Board at this meeting, are in the best interests of the Lessee for the acquisition financing and leasing of the Equipment.

Section 2. Approval of Documents. The form, terms and provisions of the Equipment Schedule and Payment Schedule are hereby approved in substantially the forms presented at this meeting, with such insertions, omissions and changes as shall be approved by _____ [insert title of officials]] of the Lessee or other members of the governing body of the Lessee (the *"Authorized Officials"*) executing the same, the execution of such documents being conclusive evidence of such approval. The Authorized Officials are each hereby authorized and directed to sign and deliver on behalf of the Lessee the Equipment Schedule under which a separate Lease (as defined in the Agreement) is created, the Payment Schedule attached thereto, the Escrow Agreement and any related exhibits attached thereto.

Section 3. Other Actions Authorized. The officers and employees of the Lessee shall take all action necessary or reasonably required by the parties to the Lease to carry out, give effect to and consummate the transactions contemplated thereby (including the execution and delivery of a Final Acceptance Certificate, the Escrow Agreement, Disbursement Requests and any tax certificate and agreement, as contemplated in the Agreement) and to take all action necessary in conformity therewith, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Lease.

Section 4. No General Liability. Nothing contained in this Resolution, the Lease, the Escrow Agreement nor any other instrument shall be construed with respect to the Lessee as incurring a pecuniary liability or charge upon the general credit of the Lessee or against its taxing power, nor shall the breach of any agreement contained in this Resolution, the Lease, the Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the Lessee or any charge upon its general credit or against its taxing power, except to the extent that the Rental Payments payable under the Lease entered into pursuant to the Agreement are limited obligations of the Lessee, subject to annual appropriation, as provided in the Agreement.

Section 5. Appointment of Authorized Lessee Representatives. The _____ _____ and _____ of the Lessee are each hereby designated to act as authorized representatives of the Lessee for purposes of the Lease and the Escrow Agreement until such time as the governing body of the Lessee shall designate any other or different authorized representative for purposes of the Lease or the Escrow Agreement.

Section 6. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 7. Repealer. All bylaws, orders and resolutions or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency with respect to this Resolution. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 8. Effective Date. This Resolution shall be effective immediately upon its approval and adoption.

ADOPTED AND APPROVED by the governing body of the Lessee this _____ day of _____.

CITY OF SANTA FE SPRINGS,
as lessee

[SEAL]

By:_____
Printed Name: _____
Title: _____

ATTEST:

By:_____
Printed: Name: _____
Title: _____

The undersigned, a duly elected or appointed and acting _____ [City Clerk] of the Lessee identified in the above Resolution No. ___ (the *"Resolution"*), hereby certifies that the Resolution is a full, true and correct copy of such Resolution as adopted by the governing body of the Lessee on _____, 20__. The Resolution is in full force and effect on the date hereof and has not been amended, modified or otherwise changed by the governing body of the Lessee since the date of adoption of the Resolution.

DATED this ____ day of _____, 20__.

_____

Name: _____

Title: _____

EXHIBIT C-2A

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE (AGREEMENT)

The undersigned, a duly elected or appointed and acting _____ [City Clerk] of the City of Santa Fe Springs ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF NOVEMBER 17, 2020 (THE "*AGREEMENT*") AND SEPARATE EQUIPMENT SCHEDULES RELATING THERETO FROM TIME TO TIME AS PROVIDED IN THE AGREEMENT (COLLECTIVELY, THE "*EQUIPMENT SCHEDULES*"), EACH BY AND BETWEEN LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION ("LESSOR"), [THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF _____ BY AND AMONG LESSOR, LESSEE AND _____ AS ESCROW AGENT,] ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE "*OPERATIVE AGREEMENTS*"), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

DATED: _____

BY: _____
NAME: _____
TITLE: _____

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

EXHIBIT C-2B

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE (LEASE)

The undersigned, a duly elected or appointed and acting _____ [City Clerk] of the City of Santa Fe Springs ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "*Officials*") in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE EQUIPMENT SCHEDULE NO. ___ DATED AS OF _____ (THE "*EQUIPMENT SCHEDULE*"), WHICH INCORPORATES BY REFERENCE THE TERMS AND PROVISIONS OF THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF _____ (THE "*AGREEMENT*"), EACH BY AND BETWEEN LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION ("LESSOR"), [THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF _____ BY AND AMONG LESSOR, LESSEE _____ AS ESCROW AGENT,] AND ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE "*OPERATIVE AGREEMENTS*"), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
_____	_____	_____
_____	_____	_____
_____	_____	_____

DATED: _____

BY: _____
NAME: _____
TITLE: _____

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

EXHIBIT D

FORM OF OPINION OF COUNSEL TO LESSEE
(to be typed on letterhead of counsel)

Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, by and between Bank of America, National Association, as Lessor, and the City of Santa Fe Springs, as Lessee

Ladies and Gentlemen:

As legal counsel to City of Santa Fe Springs ("*Lessee*"), I have examined (a) an executed counterpart of that certain Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020 (the "*Agreement*") and Exhibits thereto, by and between Bank of America, National Association, as lessor ("*Lessor*"), and Lessee; (b) an executed counterpart of Equipment Schedule No. _____, dated _____, by and between Lessor and Lessee, which incorporates by reference the terms and provisions of the Agreement (such Equipment Schedule No. _____ together with such incorporated terms and provisions are herein referred to collectively as the "*Equipment Schedule*"), has attached the Payment Schedule with respect thereto (the "*Payment Schedule*") executed by Lessee, and provides for the lease of certain property listed in the Equipment Schedule (the "*Equipment*"); (c) an executed counterpart of that certain Escrow and Account Control Agreement dated as of _____ (the "*Escrow Agreement*"), by and among Lessor, Lessee and _____, as Escrow Agent; (d) an executed counterpart of the ordinances or resolutions of Lessee with respect to authorization of the transaction contemplated by the Agreement, the Equipment Schedule, the Escrow Agreement and documents related thereto; and (e) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. The Agreement, the Equipment Schedule, including the terms and provisions of the Agreement incorporated therein by reference, the related Payment Schedule, the Escrow Agreement and the documents relating thereto are herein collectively referred to as the "*Transaction Documents*".

Based on the foregoing, I am of the following opinions:

1. Lessee is a municipal corporation and general law city, duly organized and existing under the laws of the State, and is a political subdivision of the State within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "*Code*")

and the obligations of Lessee under the Lease will constitute an obligation of Lessee within the meaning of Section 103(a) of the Code, notwithstanding Section 103(b) of the Code.

2. Lessee has the requisite power and authority to lease and acquire the Equipment and to execute and deliver the Transaction Documents and to perform its obligations under the Transaction Documents.

3. The Transaction Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee and the Transaction Documents are legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms, except to the extent limited by State and Federal law affecting creditor's remedies and by bankruptcy, reorganization, moratorium or other laws of general application relating to or affecting the enforcement of creditors' rights.

4. The authorization, approval, execution and delivery of the Transaction Documents and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, procurement and public bidding laws and all other applicable State or Federal laws.

5. There is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Transaction Documents or the security interest of Lessor or its assigns, as the case may be, in the Equipment under the Lease, the Escrow Account or other Collateral thereunder.

[6. The portion of Rental Payments designated as interest is excluded from Lessor's gross income for Federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes; and such interest is not a specific item of tax preference for purposes of the Federal alternative minimum tax.[1]]

[6. The portion of Rental Payments designated as interest or constituting or accruing as original issue discount is excluded from Lessor's gross income for Federal income tax purposes under Section 103 of the Code and is exempt from State of California personal income taxes; and such interest and original issue discount are not a specific item of tax preference for purposes of the Federal alternative minimum tax.[2]]

[1] Please use this provision if the opinion of counsel will include a tax opinion.
[2] Please use this provision if the opinion of counsel will include a tax opinion and there is OID.

All capitalized terms herein shall have the same meanings as in the Transaction Documents, unless otherwise provided herein. Lessor and its successors and assigns [, and any counsel rendering an opinion on the tax-exempt status of the Rental Payments,[3]] are entitled to rely on this opinion.

Printed Name: _____ Signature: _____
Firm: _____ Dated: _____
Address: _____
Telephone No.: _____

[3] Please use this provision if bond counsel will be providing a separate tax opinion.

EXHIBIT E

FORM OF FINAL ACCEPTANCE CERTIFICATE

Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, by and between Bank of America, National Association, as Lessor, and City of Santa Fe Springs, as Lessee

Ladies and Gentlemen:

In accordance with the above-referenced Master Equipment Lease/Purchase Agreement (the *"Agreement"*), the undersigned Lessee hereby certifies and represents to, and agrees with, Lessor as follows:

1. All of the Equipment listed in the above-referenced Equipment Schedule (the *"Equipment Schedule"*) has been delivered, installed and accepted on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Equipment Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement and incorporated into the Equipment Schedule by reference are true and correct as of the date hereof.

5. (a) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default exists at the date hereof under any Lease currently in effect; (b) no Material Adverse Change has occurred since the date of the execution and delivery of the Agreement; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or been threatened; and (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation.

Capitalized terms used, but not defined, in this Final Acceptance Certificate shall have the same meanings as when such terms are used in the Agreement.

Date: _____

LESSEE:

CITY OF SANTA FE SPRINGS

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF SELF-INSURANCE CERTIFICATE

Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration

Re: Equipment Schedule No. _____, dated _____, to Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, by and between Bank of America, National Association, as Lessor, and City of Santa Fe Springs, as Lessee

In connection with the above-referenced Equipment Schedule (the *"Equipment Schedule"*), City of Santa Fe Springs (the *"Lessee"*) hereby warrants and represents to Bank of America, National Association the following information. The terms capitalized herein but not defined herein shall have the meanings assigned to them in the above-referenced Master Equipment Lease/Purchase Agreement (the "*Agreement*") incorporated into the Equipment Schedule by reference.

1. The Lessee is self-insured for damage or destruction to the Equipment listed in the Equipment Schedule (herein, the *"Equipment"*). The dollar amount limit for property damage to the Equipment under such self-insurance program is $_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for property damage to the Equipment which policy has a dollar limit for property damage to the Equipment under such policy of $_____.]

2. The Lessee is self-insured for liability for injury or death of any person or damage or loss of property arising out of or relating to the condition or operation of the Equipment. The dollar limit for such liability claims under the Lessee's self-insurance program is $_____. [The Lessee maintains an umbrella insurance policy for claims in excess of Lessee's self-insurance limits for liability which policy has a dollar limit for liabilities for injury and death to persons as well as damage or loss of property arising out of or relating to the condition or operation of the Equipment in the amount of $_____.

[3]. The Lessee maintains a self-insurance fund. Monies in the self-insurance fund [are/are not] subject to annual appropriation. The total amount maintained in the self-insurance fund to cover Lessee's self-insurance liabilities is $_____. [Amounts paid from the Lessee's self-insurance fund are subject to a dollar per claim of $_____.]

[3]. The Lessee does not maintain a self-insurance fund. The Lessee obtains funds to pay claims for which it has self-insured from the following sources: _____. Amounts payable for claims from such sources are limited as follows: _____ _____.

4. Attached hereto are copies of certificates of insurance with respect to policies maintained by Lessee.

LESSEE:

CITY OF SANTA FE SPRINGS

By:_____
Name: _____
Title: _____

EXHIBIT G

FORM OF BANK QUALIFICATION CERTIFICATE

The undersigned, a duly authorized official of City of Santa Fe Springs (the *"Lessee"*) certifies in connection with Schedule of Property No. _____, dated as of _____, which incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 (such Schedule of Property and incorporated terms and provisions are herein referred to as the *"Lease"*), each by and between Bank of America, National Association and Lessee, as follows:

1. The obligations evidenced by the Lease are not "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the *"Code"*);

2. The Lessee hereby designates the principal components of the Rental Payments payable under the Lease as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

3. The reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Lessee (and all entities treated as one issuer with the Lessee, and all subordinate entities whose obligations are treated as issued by the Lessee) during the current calendar year will not exceed $10,000,000; and

4. Not more than $10,000,000 of obligations issued by the Lessee during the current calendar year has been designated for purposes of Section 265(b)(3) of the Code.

DATE: _____

LESSEE:

CITY OF SANTA FE SPRINGS

By: _____
Name: _____
Title: _____

EXHIBIT H

FORM OF NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

Dated _____

BANK OF AMERICA, NATIONAL ASSOCIATION (*"Assignor"*) hereby gives notice that, as of _____, 20__, it has assigned and sold to _____ (*"Assignee"*) all of Assignor's right, title and interest in, to and under Equipment Schedule No. _____, dated _____ (including the Payment Schedule attached thereto, the *"Equipment Schedule"*), which incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 (the *"Agreement"*), each by and between Assignor and City of Santa Fe Springs (*"Lessee"*), together with all exhibits, schedules, riders, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Lease (as such term is hereinafter defined), all of Assignor's right, title and interest in the Equipment listed in the Equipment Schedule and all of Assignor's right, title and interest in, to and under the Escrow and Account Control Agreement dated as of _____, 20__ (the *"Escrow Agreement"*) by and among Lessee, Assignor and _____, as Escrow Agent, together with the Escrow Account related thereto (collectively, the *"Assigned Property"*).

For purposes of this Notice and Acknowledgment of Assignment (the *"Acknowledgment"*), *"Lease"* means collectively the Equipment Schedule and the terms and provisions of the Agreement incorporated therein by reference, together with all exhibits, schedules, riders, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith. The term *"Lease"* specifically excludes all other Equipment Schedules entered into under the Agreement and Rental Payments other than with respect to the Equipment Schedule. Each capitalized term used but not defined herein has the meaning set forth in the Agreement.

1. Lessee hereby acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Lease in accordance with the terms thereof on and after the date of this Acknowledgment.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Lease and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the Equipment in accordance with the terms of the Lease, to declare a default and to exercise all rights and remedies thereunder in connection with the occurrence of an Event of Non-appropriation or an Event of Default; and (ii) [except as provided in Section 3.03 of the Agreement,] the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in the Lease shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Notice and Acknowledgment of Assignment (this *"Acknowledgement"*), the following information about the Lease is true, accurate and complete:

Number of Rental Payments Remaining	_____
Amount of Each Rental Payment	$_____
Total Amount of Rental Payments Remaining	$_____
Frequency of Rental Payments	_____
Next Rental Payment Due	_____
Funds Remaining in Escrow Account	$_____

4. The Lease remains in full force and effect, has not been amended, no Event of Default (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred thereunder and no Event of Non-appropriation has occurred or is threatened with respect thereto.

5. Assignor hereby acknowledges the transfer restrictions imposed by Section 11.01 of the Agreement and confirms that the assignment to Assignee has been made in accordance with the provisions of that Section.

6. Any inquiries of Lessee related to the Lease and any requests for disbursements from the Escrow Account, if applicable, and all Rental Payments and other amounts coming due pursuant to the Lease on and after the date of this Acknowledgment should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

_____
_____
_____

ACKNOWLEDGED AND AGREED:

LESSEE: _____
[FOR EXHIBIT PURPOSES ONLY]

By: _____
Name: _____
Title: _____

ASSIGNOR: BANK OF AMERICA, NATIONAL ASSOCIATION

[FOR EXHIBIT PURPOSES ONLY]

By: _____
Name: _____
Title: _____

EXHIBIT I

ESCROW AND ACCOUNT CONTROL AGREEMENT

INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Santa Fe Springs (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF NOVEMBER 17, 2020 (THE "AGREEMENT") AND SEPARATE EQUIPMENT SCHEDULES RELATING THERETO FROM TIME TO TIME AS PROVIDED IN THE AGREEMENT (COLLECTIVELY, THE "EQUIPMENT SCHEDULES"), EACH BY AND BETWEEN LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION ("LESSOR"), THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF NOVEMBER 17, 2020 BY AND AMONG LESSOR, LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION AS ESCROW AGENT, ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE "OPERATIVE AGREEMENTS"), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
Raymond R. Cruz	City Manager	
Paul J. Martinez	Director of Purchasing Services	

DATED: November 17, 2020

BY: _____
Janet Martinez
City Clerk

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

EQUIPMENT SCHEDULE NO. 1 - GENERAL EQUIPMENT

Re: Master Equipment Lease/Purchase Agreement, dated as of November 17, 2020, between Bank of America, National Association, a national banking association, as Lessor, and City of Santa Fe Springs, a municipal corporation and general law city duly organized and existing under the laws of the State of California, as Lessee

1. *Defined Terms.* All terms used herein have the meanings ascribed to them in the above-referenced Master Equipment Lease/Purchase Agreement (the *"Agreement"*).

2. *Equipment.* For purposes of the Lease created hereby, the following items of Equipment are hereby included under this Equipment Schedule together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto as provided in the Agreement.

Equipment Description:

First Engine and Equipment (the "First Engine and Equipment")

One (1) Pierce Arrow XT 100' Legacy Platform Aerial apparatus, and options thereto, as more fully described in that certain Proposal Attachment No. 1 and Attachment No. 2 for Santa Fe Springs F D, prepared 9/30/2020, by South Coast Fire Equipment, Inc, pursuant to that certain contract, between said vendor and Santa Fe Springs Fire Department (the "First Engine Contract").

Motorola Communication Equipment for the Pierce Arrow XT 100' Legacy Platform Aerial apparatus, and options thereto, as more fully described in that certain Proposal Attachment No. 3 for Santa Fe Springs Fire, prepared 9/14/2020, by Motorola Solutions, pursuant to that certain contract, between said vendor and Santa Fe Springs Fire.

Mobile Data Computer (MDC), and options thereto, as more fully described in that certain Proposal Attachment No. 4 for Santa Fe Springs Fire Dept., prepared 9/15/2020, by DuraTech USA, Inc., pursuant to that certain contract, between said vendor and Santa Fe Springs Fire Dept.

Equipment Location: Fire Headquarters – 11300 Greenstone Ave., Santa Fe Springs, CA 90670

Second Engine and Equipment (the "Second Engine and Equipment")

One Replacement Fire Engine, including communications equipment and mobile data computer, for a total cost to be financed hereunder in the amount of $1,765,378.89.

Equipment Location: To be determined.

3. *Payment Schedule.*

(a) *Rental Payments; Commencement Date.* The Rental Payments shall be in such amounts and payable on such Rental Payment Dates as set forth in the Payment Schedule attached to this Equipment Schedule and incorporated herein by this reference, subject to adjustment upon the occurrence of an Event of Taxability as provided in Section 4.06 of the Agreement. Lessee's obligation to pay Rental Payments under the Lease created hereby shall commence on the earlier of (i) the date on which the Equipment listed in this Equipment Schedule is accepted by Lessee in the manner described in Section 5.01 of the Agreement, as evidenced by the Final Acceptance Certificate executed by Lessee and substantially in the form of *Exhibit E* attached to the Agreement, or (ii) the date on which the Acquisition Amount is deposited in an Escrow Account for the purpose of acquiring and installing the Equipment listed in this Equipment Schedule pursuant to Section 3.04(c) of the Agreement (the earlier of such two dates being herein referred to as the *"Commencement Date"*).

(b) *Prepayment Price Schedule.* The Prepayment Price on each Rental Payment Date shall be the amount set forth for such Rental Payment Date in the "Prepayment Price" column of the Payment Schedule attached to this Equipment Schedule *plus* all Rental Payments then due (including the Rental Payment due on such Rental Payment Date) *plus* all other amounts then owing under this Equipment Schedule.

4. *Representations, Warranties and Covenants.* Lessee hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement (particularly Section 2.01 thereof) are true and correct as though made on the Commencement Date. Lessee further represents and warrants that (a) no Material Adverse Change has occurred since the dated date of the Agreement; (b) no Event of Default has occurred and is continuing under any Lease currently in effect; (c) no Event of Non-appropriation under any Lease currently in effect has occurred or is threatened; (d) no Lease has been terminated as the result of the occurrence of an Event of Default or an Event of Non-appropriation; (e) the governing body of Lessee has authorized the execution and delivery of the Agreement and this Equipment Schedule; (f) the Equipment listed in this Equipment Schedule is essential to the functions of Lessee or to the services Lessee provides its citizens; (g) Lessee has an immediate need for, and expects to make immediate use of, substantially all such Equipment, which will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of its authority; and (h) Lessee expects and anticipates adequate funds to be available for all future payments or rent due after the current budgetary period.

5. *The Lease.* The terms and provisions of the Agreement (other than to the extent that they relate solely to other Equipment Schedules or Equipment listed on other Equipment Schedules) are hereby incorporated into this Equipment Schedule by reference and made a part hereof.

6. *Acquisition Amount.* The Acquisition Amount that Lessor shall pay in connection with this Equipment Schedule on the Commencement Date is $3,306,000.00. The amount of $3,296,000.00 shall be paid to the Escrow Agent for deposit into the Escrow Account and the amount of $10,000.00 will paid as issuance costs by Lessor outside of the Escrow Account. It is expected that by eighteen (18) months from the date of this Equipment Schedule No. 1, Lessee will have taken possession of all items of Equipment shown above and that the Lessee's final Disbursement Request pursuant to the Escrow Agreement will be signed by Lessee, approved by Lessor and delivered to the Escrow Agent on or before eighteen (18) months from the date of this Equipment Schedule. Application of the Acquisition Amount shall be further conditioned on the following:

First Engine and Equipment

The amount of $1,530,621.11 in the Acquisition Account is for the cost of acquisition from the Vendors of the First Engine and Equipment. To the extent that the amount needed for payment of the Vendors exceed said amount, the Lessee shall be responsible for such cost. The amount of $1,509,809.70 may be disbursed for payment of South Coast Fire Equipment, Inc., pursuant to the First Engine Contract, prior to acceptance of such Equipment under said contract upon satisfaction of the following conditions:

a. A Purchase Agreement Assignment as Security, in the form acceptable to Lessor, executed by Lessee and Lessor and acknowledged by Vendor under the First Engine Contract, assigning Lessee's interest in the First Engine Contract to Lessor as security; and

b. Surety Bonds and co-obligee riders as provided in paragraph 8, below, with respect to the First Engine Contract.

The insurance required in Section 7.02 of the Agreement shall not be applicable until delivery of the Equipment under the First Engine Contract. Upon delivery of the Equipment under the First Engine Contract, Lessee shall execute and deliver written evidence of such delivery, acceptance and insurance, as well as evidence of *Lienholder* status on the vehicle title.

For the balance of the First Engine and Equipment, disbursements for such Equipment will only be permitted with acceptance of said equipment and valid invoice from the applicable Vendor, or, if payment is to be made to Lessee, a copy of such invoice and evidence of payment of such invoice Lessee, as well as insurance in compliance with Section 7.02.

Second Engine and Equipment

The amount of $1,765,378.89 in the Acquisition Account is for the cost of acquisition of the Second Engine and Equipment from the Vendors for said Equipment. To the extent that the amount

needed for payment of the Vendors for the Second Engine and Equipment exceed said amount, the Lessee shall be responsible for such cost. Prior to any disbursement for the Second Engine and Equipment, Lessee shall provide Lessor copies of all contracts with the Vendors for the Second Engine and Equipment and evidence of approval of said purchase contracts for the Second Engine and Equipment by the City Council of Lessee.

The amount of representing the purchase price for the Replacement Fire Engine, but not the communications equipment and mobile data computer costs (the "Second Fire Engine Costs"), may be disbursed for payment of the Vendor under the contract for the Replacement Fire Engine, pursuant to the contract for said Replacement Fire Engine (the "Second Engine Contract"), prior to acceptance of such Equipment under said contract upon satisfaction of the following conditions:

a. A Purchase Agreement Assignment as Security, in the form acceptable to Lessor, executed by Lessee and Lessor and acknowledged by Vendor under the Second Engine Contract, assigning Lessee's interest in the Second Engine Contract to Lessor as security; and

b. Surety Bonds and co-obligee riders as provided in paragraph 8, below, with respect to the Second Engine Contract.

The insurance required in Section 7.02 of the Agreement shall not be applicable until delivery of the Equipment under the Second Engine Contract. Upon delivery of the Equipment under the Second Engine Contract, Lessee shall execute and deliver written evidence of such delivery, acceptance and insurance, as well as evidence of *Lienholder* status on the vehicle title.

For the balance of the Second Engine and Equipment, disbursements for such Equipment will only be permitted with acceptance of said equipment and valid invoice from the applicable Vendor, or, if payment is to be made to Lessee, a copy of such invoice and evidence of payment of such invoice Lessee, as well as insurance in compliance with Section 7.02.

7. *Acquisition Period.* The Acquisition Period applicable to this Equipment Schedule shall end at the conclusion of the eighteenth (18^{th}) month following the date hereof.

8. *Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties.* Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment listed in this Equipment Schedule, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment listed in this Equipment Schedule and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied in accordance with such Surety Bond to the payment and performance of the Vendor's obligations in accordance with the related Vendor Agreement and, if for whatever reason such

proceeds are not so applied, first to amounts due Lessor under this Equipment Schedule, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment listed in this Equipment Schedule or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to such Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds, adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations under this Equipment Schedule.

As a prerequisite to the performance by Lessor of any of its obligations under this Equipment Schedule, Lessee shall deliver to Lessor, in form and substance satisfactory to Lessor, a certified copy of each Surety Bond satisfying the conditions set forth in this Section 8, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date of this Equipment Schedule, provided however, that no "Disbursement Request" pursuant to the Escrow Agreement for this Equipment Schedule shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in this Section 8 have been delivered to Lessor.

9. *Lease Term.* The Lease Term shall consist of the Original Term and seven (7) consecutive Renewal Terms, with the final Renewal Term ending on November 17, 2027, subject to earlier termination pursuant to the Agreement.

10. *Registration.* Any Equipment that is a motor vehicle is to be registered and titled as follows:

(a) *Registered Owner:* **City of Santa Fe Springs**

(b) *Lienholder:* Bank of America, National Association
Northeast Center Building
2059 Northlake Parkway
Tucker, GA 30084-5321

Lessee shall be responsible for the correct titling of all Equipment leased hereunder. Lessee will cause the original Certificates of Title to be delivered to Lessor for retention in Lessor's files throughout the Lease Term of the Lease created hereby.

[SIGNATURE PAGE FOLLOWS]

Dated: November 17, 2020

LESSOR:
Bank of America, National Association
11333 McCormick Road
Hunt Valley II
M/C MD5-032-07-05
Hunt Valley, MD 21031
Attention: Contract Administration
Fax No.: (443) 541-3057

By: _____
Name: Terri J. Preston
Title: Senior Vice President

LESSEE:
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670
Attention: Paul J. Martinez
Fax No.: (562) 868-0511

By: _____
Raymond R. Cruz
City Manager

Counterpart No. _____ of _____ manually executed and serially numbered counterparts. To the extent that the Lease created hereby constitutes chattel paper (as defined in the applicable Uniform Commercial Code), no security or ownership interest herein may be created through the transfer or possession of any Counterpart other than Counterpart No. 1.

FORM OF PAYMENT SCHEDULE

RENTAL PAYMENT DATE	RENTAL PAYMENT AMOUNT	INTEREST PORTION	PRINCIPAL PORTION	OUTSTANDING BALANCE	PREPAYMENT PRICE [including prepayment premium; if applicable]	CASUALTY VALUE [including casualty premium; if applicable]
11/17/2020				$ 3,306,000.00	N/A	$ 3,339,060.00
11/17/2021	$ 505,723.70	$ 57,524.40	$ 448,199.30	$ 2,857,800.70	N/A	$ 2,886,378.71
11/17/2022	$ 505,723.70	$ 49,725.74	$ 455,997.96	$ 2,401,802.74	N/A	$ 2,425,820.77
11/17/2023	$ 505,723.70	$ 41,791.37	$ 463,932.33	$ 1,937,870.41	$ 1,937,870.41	$ 1,937,870.41
11/17/2024	$ 505,723.70	$ 33,718.95	$ 472,004.75	$ 1,465,865.66	$ 1,465,865.66	$ 1,465,865.66
11/17/2025	$ 505,723.70	$ 25,506.06	$ 480,217.64	$ 985,648.02	$ 985,648.02	$ 985,648.02
11/17/2026	$ 505,723.70	$ 17,150.28	$ 488,573.42	$ 497,074.60	$ 497,074.60	$ 497,074.60
11/17/2027	$ 505,723.70	$ 8,649.10	$ 497,074.60	$ (0.00)		
Total	**$ 3,540,065.90**	**$ 234,065.90**	**$ 3,306,000.00**			

Contract Rate; Taxable Rate. The Contract Rate for this Equipment Schedule is 1.7400% per annum. The Taxable Rate for this Equipment Schedule is 2.2068% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date for this Equipment Schedule is November 17, 2023.

LESSOR:
Bank of America, National Association

By: _____

Name: Terri J. Preston
Title: Senior Vice President

LESSEE:
City of Santa Fe Springs

By: _____

Name: Raymond R. Cruz
Title: City Manager

BANK QUALIFICATION CERTIFICATE

The undersigned, a duly authorized official of City of Santa Fe Springs (the *"Lessee"*) certifies in connection with Equipment Schedule No. 1, dated as of November 17, 2020, which incorporates by reference the terms and provisions of that certain Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 (such Equipment Schedule and incorporated terms and provisions are herein referred to as the *"Lease"*), each by and between Bank of America, National Association and Lessee, as follows:

1. The obligations evidenced by the Lease are not "private activity bonds" as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the *"Code"*);

2. The Lessee hereby designates the principal components of the Rental Payments payable under the Lease as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code;

3. The reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, treating qualified 501(c)(3) bonds as not being private activity bonds) which will be issued by the Lessee (and all entities treated as one issuer with the Lessee, and all subordinate entities whose obligations are treated as issued by the Lessee) during the current calendar year will not exceed $10,000,000; and

4. Not more than $10,000,000 of obligations issued by the Lessee during the current calendar year has been designated for purposes of Section 265(b)(3) of the Code.

DATE: November 17, 2020

LESSEE:

CITY OF SANTA FE SPRINGS

By: _____
Raymond R. Cruz
City Manager

EXHIBIT I

Escrow and Account Control Agreement

This Escrow and Account Control Agreement (this "Agreement"), dated as of November 17, 2020, by and among Bank of America, National Association, a national banking association (together with its successors and assigns, hereinafter referred to as "Lessor"), City of Santa Fe Springs, a municipal corporation and general law city, existing under the laws of the State of California (hereinafter referred to as "Lessee") and Bank of America, National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as "Escrow Agent").

Reference is made to that certain Schedule of Property No. 1 dated as of November 17, 2020 to Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 between Lessor and Lessee (hereinafter referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Acquisition Amount ($3,296,000.00) be deposited into a segregated escrow account under terms satisfactory to Lessor, for the purpose of fully funding the Lease, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Creation of Escrow Account.

(a) There is hereby created an escrow fund to be known as the "Santa Fe Springs 2020 Escrow Account" (the "Escrow Account") to be held by the Escrow Agent for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof.

(b) Lessee may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of Lessee in such short-term investments (as more particularly described in Escrow Agent's Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. In the absence of written instructions from Lessee (on Escrow Agent's Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply

with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and Lessee agrees to and does hereby release the Escrow Agent and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be borne by the Lessee. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Lessor and Lessee of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of California Government Code Section 53601.

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which Lessee executes a Final Acceptance Certificate or (iii) written notice given by Lessor of the occurrence of an Event of Default under the Lease or termination of the Lease due to an Event of Non-appropriation. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, Lessee and Lessor, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of Exhibit A-1 (Lessee) and Exhibit A-2 (Lessor) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by written or electronic transmission from an authorized representative with the following caveat, Lessee and Lessor agree to indemnify and hold harmless

the Escrow Agent against any and all claims, losses, damages, liabilities, judgments, costs and expenses (including reasonable attorneys' fees) (collectively, "Losses") incurred or sustained by the Escrow Agent as a result of or in connection with the Escrow Agent's reliance upon and compliance with instructions or directions given by written or electronic transmission given by each, respectively, provided, however, that such Losses have not arisen from the gross negligence or willful misconduct of the Escrow Agent, it being understood that forbearance on the part of the Escrow Agent to verify or confirm that the person giving the instructions or directions, is, in fact, an authorized person shall not be deemed to constitute gross negligence or willful misconduct.

In the event conflicting instructions as to the disposition of all or any portion of the Escrow Account are at any time given by Lessor and Lessee, the Escrow Agent shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(f) Unless the Escrow Agent is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement; and in connection therewith, does to the extent permitted by law indemnify the Escrow Agent against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(g) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Escrow Agent hereunder, the Escrow Agent may, but shall not be required to, file an appropriate civil action including an interpleader action to resolve the disagreement. The Escrow Agent shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(h) The Escrow Agent may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Escrow Agent shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(i) Lessee shall reimburse the Escrow Agent for all reasonable costs and expenses, including those of the Escrow Agent's attorneys, agents and employees incurred for non-routine administration of the Escrow Account and the performance of the Escrow Agent's powers and duties hereunder in connection with any Event of Default under the Lease, any termination of the Lease due to an Event of Non-appropriation or in connection with any dispute between Lessor and Lessee concerning the Escrow Account.

(j) The Escrow Agent or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 60 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Escrow

Agent shall be under no further obligation except to hold the Escrow Account in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Escrow Account.

(k) The Escrow Agent shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no implied duties responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Escrow Account. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof. Escrow Agent shall have no duty to monitor or enforce Lessee's compliance with the foregoing covenant.

(b) Authorized Escrow Account Disbursements. It is agreed as between Lessee and Lessor that disbursements from the Escrow Account shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

(c) Requisition Procedure. No disbursement from the Escrow Account shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Escrow Account there shall be filed with the Escrow Agent a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. All disbursements shall be made by wire transfer. The Escrow Agent is authorized to obtain and rely on confirmation of such Disbursement Request and payment instructions by telephone call-back to the person or persons designated for verifying such requests on Exhibit A-2 (such person verifying the request shall be different than the person initiating the request). The Lessor and Lessee hereby confirm that any call-back performed by Escrow Agent to verify a disbursement instruction pursuant to a Disbursement Request submitted pursuant to this Section 2(c) before release, shall be made to Lessor only and Escrow Agent shall have no obligation to call-back Lessee.

Each such Disbursement Request shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following conditions, which Escrow Agent shall conclusively presume have been satisfied at such time as a requisition executed by Lessee and Lessor is delivered to it:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1; and

2. Delivery to Lessor of copies of invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such

Equipment has passed to Lessee) therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor.

Lessee and Lessor agree that their execution of the form attached hereto as Schedule 1 and delivery of the executed form to Escrow Agent confirms that all of the requirements and conditions with respect to disbursements set forth in this Section 2 have been satisfied.

3. Deposit to Escrow Account. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount to be deposited in the Escrow Account. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Escrow Account.

4. Excessive Escrow Account. Upon receipt of written instructions from Lessor including a representation that one of the following conditions has been satisfied (upon which representation Escrow Agent shall conclusively rely), any funds remaining in the Escrow Account on or after the earlier of (a) the expiration of the Acquisition Period or (b) the date on which Lessee executes an Acceptance Certificate, or upon a termination of the Escrow Account as otherwise provided herein, shall be distributed by the Escrow Agent to the Lessor in order for the Lessor to apply such funds to amounts owed by Lessee under the Lease in accordance with Section 4.07 of the Lease.

5. Security Interest. The Escrow Agent and Lessee acknowledge and agree that the Escrow Account and all proceeds thereof are being held by Escrow Agent for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Escrow Account, and all proceeds thereof, and all investments made with any amounts in the Escrow Account. If the Escrow Account, or any part thereof, is converted to investments as set forth in this Agreement, such investments shall be made in the name of Escrow Agent and the Escrow Agent hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. Control of Escrow Account. In order to perfect Lessor's security interest by means of control in (i) the Escrow Account established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Escrow Account, (iii) all of Lessee's rights in respect of the Escrow Account, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Escrow Agent further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the state of California ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Escrow Agent will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Provided that account investments shall be held in the name of the Escrow Agent, Escrow Agent hereby represents and warrants (a) that the records of Escrow Agent show

that Lessee is the sole owner of the Collateral, (b) that Escrow Agent has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Escrow Agent is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Escrow Agent is obligated to accept from Lessor under this Agreement and entitlement orders that Escrow Agent, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Escrow Agent will not enter into any agreement by which Escrow Agent agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Escrow Agent shall promptly notify Lessor if any person requests Escrow Agent to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Lessee may effect sales, trades, transfers and exchanges of Collateral within the Escrow Account, but will not, without the prior written consent of Lessor, withdraw any Collateral from the Escrow Account. Escrow Agent acknowledges that Lessor reserves the right, by delivery of written notice to Escrow Agent, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Escrow Account. Further, Escrow Agent hereby agrees to comply with any and all written instructions delivered by Lessor to Escrow Agent (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Escrow Agent to comply with all instructions and entitlement orders delivered by Lessor to Escrow Agent.

(g) Escrow Agent will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Escrow Agent will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Escrow Agent and Lessee hereby agree that any property held in the Escrow Account shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Escrow Agent may be a party.

(i) Escrow Agent is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 8 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Escrow Account statements or reports issued or sent to Lessee with respect to the Escrow Account.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Escrow Agent such information as it may request, from time to time, in order for the Escrow Agent to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This Agreement may not be amended except in writing signed by all parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below.

Notices and other communications hereunder may be delivered or furnished by electronic mail provided that any formal notice be attached to an email message in PDF format and provided further that any notice or other communication sent to an e-mail address shall be deemed received upon and only upon the sender's receipt of affirmative acknowledgement or receipt from the intended recipient. For purposes hereof no acknowledgement of receipt generated on an automated basis shall be deemed sufficient for any purpose hereunder or admissible as evidence of receipt. **It is understood that Bank of America, National Association is party to this Agreement in two separate and distinct capacities, Lessor and Escrow Agent, with its responsibilities in each respective capacity being administered in separate and distinct locations. It is understood and agreed that for no purpose shall notice to Bank of America, National Association in one such capacity hereunder constitute notice to Bank of America, National Association in its other capacity hereunder.**

If to Lessor: Bank of America, National Association
11333 McCormick Road
Mail Code: MD5-032-07-05
Hunt Valley, MD 21031
Attn: Contract Administration
Fax: (443) 541-3057

If to Lessee: City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670-3679
Attn: Paul J. Martinez
Fax: (562) 868.7112

If to Escrow Agent

Bank of America, National Association
Global Custody and Agency Service
540 W. Madison Street
Mail Code: IL4-540-21-03
Chicago, Illinois 60661
Attention: GCAS AMRS Escrow Client Service
Telephone: (312) 992-3272
Fax: (312) 453-4443
Email: gcas_amrs_escrow_client_service@bofa.com

9. Lessee and Lessor understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and City of Santa Fe Springs as payee. Escrow Agent shall recognize City of Santa Fe Springs as the designated party for regulatory reporting purposes.

Lessee and Lessor agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of California and the parties hereto consent to jurisdiction in the State of California and venue in any state or Federal court located in the City of Santa Ana.

11. Any bank or corporation into which the Escrow Agent may be merged or with which it may be consolidated, or any bank or corporation to whom the Escrow Agent may transfer a substantial amount of its escrow business, shall be the successor to the Escrow Agent without the execution or filing of any paper or any further act on the part of any of the parties, anything

herein to the contrary notwithstanding. Any bank or corporation into which the Lessor may be merged or with which it may be consolidated, or any bank or corporation to whom the Lessor may transfer a substantial amount of its business, shall be the successor to the Lessor without the execution or filing of any paper or any further act on the part of any of the parties, anything herein to the contrary notwithstanding.

12. This Agreement may be amended, modified, and/or supplemented only by an instrument in writing executed by all parties hereto.

13. No party hereto shall assign its rights hereunder until its assignee has submitted to the Escrow Agent (i) Patriot Act disclosure materials and the Escrow Agent has determined that on the basis of such materials it may accept such assignee as a customer and (ii) assignee has delivered an IRS Form W-8 or W-9, as appropriate, to the Escrow Agent which the Escrow Agent has determined to have been properly signed and completed.

14. Escrow Agent will treat information related to this Agreement as confidential but, unless prohibited by law, Lessee and Lessor authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates and other representatives and advisors of Escrow Agent and third parties selected by any of them, wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Escrow Agent and any such subsidiary, officer, affiliate or third party may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessor will treat information related to this Agreement as confidential but, unless prohibited by law, Escrow Agent and Lessee authorize the transfer or disclosure of any information relating to the Agreement to and between the subsidiaries, officers, affiliates, other representatives and advisors of Lessor and debt and equity sources and third parties selected by any of them, and to their prospective assignees wherever situated, for confidential use in the ordinary course of business, and further acknowledge that Lessor and any such subsidiary, officer, affiliate, debt and equity source or third party or prospective assignee may transfer or disclose any such information as required by any law, court, regulator or legal process.

Lessee will treat the terms of this Agreement as confidential except on a "need to know" basis to persons within or outside Lessee's organization (including affiliates of such party), such as attorneys, accountants, bankers, financial advisors, auditors and other consultants of such party and its affiliates, except as required by any law, court, regulator or legal process and except pursuant to the express prior written consent of the other parties, which consent shall not be unreasonably withheld;

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE FOLLOWS]

In Witness Whereof, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Bank of America, National Association
as Lessor

By: _____
Name: _____
Title: Terri J. Preston
Senior Vice President

City of Santa Fe Springs
as Lessee

By: _____
Raymond R. Cruz
City Manager

Bank of America, National Association
As Escrow Agent

By: _____
Name: _____
Title: _____

In Witness Whereof, the parties have executed this Escrow and Account Control Agreement as of the date first above written.

Bank of America, National Association
as Lessor

By: _____
Name: _____
Title: _____

City of Santa Fe Springs
as Lessee

By: _____
Raymond R. Cruz
City Manager

Bank of America, National Association
As Escrow Agent

By: Brian F. Chiappetta
Name: Brian F. Chiappetta
Title: Vice President

SCHEDULE 1
to the Escrow and Account Control Agreement

FORM OF DISBURSEMENT REQUEST

Re: Schedule of Property No. 1 dated as of November 17, 2020, to Master Equipment Lease/Purchase Agreement dated as of November 17, 2020, by and between Bank of America, National Association, as Lessor, and City of Santa Fe Springs, as Lessee (the "Lease") (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Escrow and Account Control Agreement, dated as of November 17, 2020 (the "Escrow and Account Control Agreement") by and among Bank of America, National Association ("Lessor"), City of Santa Fe Springs ("Lessee") and Bank of America, National Association, (the "Escrow Agent"), the undersigned hereby requests the Escrow Agent pay the following persons the following amounts from the Escrow Account created under the Escrow and Account Control Agreement for the following purposes:

Disbursement Amounts:

Payee's Name and Address	Invoice Number	Dollar Amount	Purpose
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required.>	<invoice list OR "see attached" with a spreadsheet>	< invoice amount>	<general description of equipment; ex "police cruiser">
<Payee's Name> <Payee Address 1> <Payee Address 2> <Payee Address 3> <Payee Bank Name*> <Payee Bank ABA/Routing*> <Payee Bank Account No*> <Payee Account Name*> <*Payee Address and Payee Bank information is required.>	<invoice list OR "see attached" with a spreadsheet>	<invoice amount>	<general description of equipment; ex "police cruiser">

Lessee hereby represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(i) (a) Each obligation specified in the table herein titled as "Disbursement Amounts" has been incurred by Lessee in the stated amount, (b) the same is a proper charge against the Escrow Account for costs relating to the Equipment identified in the Lease, and (c) has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof).

(ii) Each item of Equipment relating to an obligation specified in the table herein titled as "Disbursement Amounts" has been delivered, installed and accepted by Lessee. Attached hereto is a copy of the invoice with respect to such obligation.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof. No Event of Non-appropriation has occurred or is threatened with respect to the Lease.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

(ix) No Material Adverse Change has occurred since the date of the execution and delivery of the Lease.

Dated: _____

CITY OF SANTA FE SPRINGS

By: _____
Name: _____
Title: _____

Disbursement of funds from the Escrow Account in accordance with the foregoing Disbursement Request hereby is authorized

BANK OF AMERICA, NATIONAL ASSOCIATION
as Lessor under the Lease

By: _____
Name: _____
Title: _____

[AN "EXHIBIT A-1" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Santa Fe Springs (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Master Equipment Lease/Purchase Agreement dated as of November 17, 2020 (the *"Agreement"*) and separate Equipment Schedules relating thereto from time to time as provided in the Agreement (collectively, the *"Equipment Schedules"*), each by and between Lessee and Bank of America, National Association ("Lessor"), [the Escrow and Account Control Agreement dated as of November 17, 2020 by and among Lessor, Lessee and Bank of America, National Association as Escrow Agent,] all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the *"Operative Agreements"*), and the Operative Agreements each are the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

Name of Official	Title	Signature
Raymond R. Cruz	City Manager	_____
Paul J. Martinez	Director of Purchasing Services	_____

Dated: November 17, 2020

By: _____

Name: Janet Martinez
Title: City Clerk

(The signer of this Certificate cannot be listed above as authorized to execute the Agreements.)

EXHIBIT A-2

Escrow and Account Control Agreement dated as of November 17, 2020 **by and among Lessor, Lessee and Escrow Agent**

Certificate of Authorized Representatives – Bank of America, National Association

Name: Bridgett Arnold

Title: Vice President

Phone: 415-765-1867

Facsimile: 415-765-7373

E-mail: Bridgett.arnold@bofa.com

Signature: Bridgett Arnold

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Yvette Montalvo-Baron

Title: Assistant Vice President

Phone: 415-765-7371

Facsimile: 415-765-7373

E-mail: Yvette.m.montalvo_baron@bofa.com

Signature: Yvette Montalvo Baron

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Augustine Reichenbach

Title: Assistant Vice President

Phone: 443-541-2613

Facsimile: 904-312-6101

E-mail: Augustine.reichenbach@bofa.com

Signature:

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Jennifer Schlosser

Title: Officer

Phone: 443-541-3685

Facsimile: 804-662-1781

E-mail: Jennifer.schlosser@bofa.com

Signature:

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Kristen Turcone-Mariani

Title: Senior Operations Consultant

Phone: 401-854-5525

Facsimile: N/A

E-mail: Kristen.turcone-mariani@bofa.com

Signature:

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Terri Preston

Title: Senior Vice President

Phone: 443-541-3642

Facsimile: 804-553-8124

E-mail: Terri.preston@bofa.com

Signature:

Fund Transfer / Disbursement Authority Level:

☑ Initiate
☑ Verify transactions initiated by others

Name: Alicia Cosby

Title: Operations Analyst

Phone: 443-541-3651

Facsimile: N/A

E-mail: Alicia.cosby@bofa.com

Signature:

Fund Transfer / Disbursement Authority Level:

☐ Initiate
☑ Verify transactions initiated by others

Name:

Title:

Phone:

Facsimile:

E-mail:

Signature:

Fund Transfer / Disbursement Authority Level:

☐ Initiate
☐ Verify transactions initiated by others

The Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications believed by it to have been sent or given by the person or persons identified above including without limitation, to initiate and verify funds transfers as indicated.

Bank of America, National Association

By:

Name: Terri J. Preston

Title: Senior Vice President

Date: 11/17/2020

INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting City Clerk of the City of Santa Fe Springs (*"Lessee"*) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the *"Officials"*) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof; and

B. THE OFFICIALS ARE DULY AUTHORIZED, ON BEHALF OF LESSEE, TO NEGOTIATE, EXECUTE AND DELIVER THE MASTER EQUIPMENT LEASE/PURCHASE AGREEMENT DATED AS OF NOVEMBER 17, 2020 (THE "AGREEMENT") AND SEPARATE EQUIPMENT SCHEDULES RELATING THERETO FROM TIME TO TIME AS PROVIDED IN THE AGREEMENT (COLLECTIVELY, THE "EQUIPMENT SCHEDULES"), EACH BY AND BETWEEN LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION ("LESSOR"), THE ESCROW AND ACCOUNT CONTROL AGREEMENT DATED AS OF NOVEMBER 17, 2020 BY AND AMONG LESSOR, LESSEE AND BANK OF AMERICA, NATIONAL ASSOCIATION AS ESCROW AGENT, ALL DOCUMENTS RELATED THERETO AND DELIVERED IN CONNECTION THEREWITH, AND ANY FUTURE MODIFICATION(S) OR AMENDMENTS THEREOF (COLLECTIVELY, THE "OPERATIVE AGREEMENTS"), AND THE OPERATIVE AGREEMENTS EACH ARE THE BINDING AND AUTHORIZED AGREEMENTS OF LESSEE, ENFORCEABLE IN ALL RESPECTS IN ACCORDANCE WITH THEIR RESPECTIVE TERMS.

Name of Official	Title	Signature
Raymond R. Cruz	City Manager	
Paul J. Martinez	Director of Purchasing Services	

DATED: November 17, 2020

BY: _____
Janet Martinez
City Clerk

(THE SIGNER OF THIS CERTIFICATE CANNOT BE LISTED ABOVE AS AUTHORIZED TO EXECUTE THE OPERATIVE AGREEMENTS.)

1240 E. Locust Street, Suite 203, Ontario, CA 91761

THREE (3) SELECT BY BRAUN CHIEF XL TYPE I AMBULANCES **November 18, 2025**
RAM 5500 DIESEL CHASSIS, 4X4

Michael Kozicki, Acting Chief
Santa Fe Springs Department of Fire-Rescue
11300 Greenstone Avenue
Santa Fe Springs, CA 90670

Dear Chief Kozicki:

Thank you very much for the opportunity to update our proposal for three (3) Select by Braun Chief XL ambulances for the Santa Fe Springs Department of Fire-Rescue. Specifications and drawings of the proposed ambulances are attached.

Braun ambulances are "Built for Life." Braun stands as a premier custom ambulance manufacturer, combining decades of family-led legacy, uncompromising craftsmanship, and cutting-edge innovation to deliver vehicles that first responders can depend on. Founded in 1961, Braun has evolved into a leader in ambulance design by introducing features like SolidBody™ Construction, EZ-Glide doors, and full customization of module, chassis, and interior layouts to meet the needs of fire-based EMS. Safety, durability, and performance are not add-ons — they are foundational, so much so that Braun ambulances are tested to withstand extreme events and protect both patient and crew. Driven by a mission to "make life better, one relationship and one vehicle at a time" and guided by generations of quality-focused leadership, Braun aims to deliver not just a product, but a trusted partner on the frontlines.

Highlights of the Proposed Braun Super Chief Ambulances

- All aluminum SolidBody™ brake-formed construction for exceptional durability and a lifetime structural warranty. Includes all aluminum interior cabinetry.
- Roof and side load testing that exceeds the required load capacity by 300%. **Braun is the only ambulance manufacturer to have submitted the same ambulance to both side impact and rollover testing**, simulating a real-world incident.
- Industry-first rollover and side-impact crash testing for the Braun module design for added assurance of occupant safety. See videos.
- Arched roof design allows for more internal headroom, gives added strength across the top, and eliminates water and snow pooling.
- Sprayed foam insulation on the ceiling, walls, doors, and entire underside of the body provides acoustical and thermal insulation.
- EZ Glide™ sliding door at the Curb side for added safety. Braun was the innovator that developed, perfected, and introduced the sliding door to the ambulance market.
- As-built wiring schematics and wire labeling every 4", reducing service and repair time.
- Gatorhyde protective exterior compartment coating
- All Eberhard handles on module entry and compartment doors. The Braun design disengages the tie rod from the handle when the door is locked, allowing the mechanism to "free float" to reduce the chance of bending or breaking the handle or tie rods, especially when pulling on a locked handle. The deep pocket and beefy handle make it easier to grip when wearing gloves. See video.

Braun Standard Warranties:

- Structural: Lifetime, transferable module structural warranty
- Conversion: 3 years/36,000 miles
- Multiplex Electrical: 7 years/84,000 miles

A few of the customizations include:

- Full-height, full-depth rear streetside compartment to accommodate SCBA, PPE, and tools
- Whelen M-Series LED warning and scene lights
- Federal Signal Rumbler
- Cabinet above the squad bench
- MMC control screens, cab console and action area
- interior
- 1000-watt Inverter and battery charger
- Two-person squad bench with EVS Pro4 one-click safety belts and recessed sharps / trash
- Premium A/C system with a separate engine-mounted compressor to provide air conditioning to the patient compartment
- Cab and module painted to match Pierce 525 red
- Santa Fe Springs custom graphics package
- Stryker PowerLoad Cot Retention System
- Stryker PowerPro x (Model 6507), mid-configuration *(quoted separately)*
- Pre-construction and final inspection trips to Braun factory for two (2) department representatives
- Dealer-supplied Whelen Legacy Series lightbar, mounted on cab roof
- Dealer-supplied Whelen CORE controller with custom programming to match fleet

We are pleased to extend the following prices for your consideration:

Pricing:

Description	Unit Price	Total Price
Three (3) Select by Braun Chief XL Type I Ambulances, Ram 5500 diesel chassis, 4x4. Includes Stryker PowerLoad cot retention system.	$440,450.00*	$1,321,350.00
Multi-Unit Discount 5+ Units		($37,500.00)
Sub Total		***$1,283,850.00***
Stryker PowerPro 2 powered cot, Model 6507, mid-configuration	$33,550.00	$100,650.00
Sales Tax 10.75%, Los Angeles County, Santa Fe Springs		$148,833.75
Estimated DMV registration fees *(assumes customer is exempt)*		$0.00
Total		**$1,533,333.75**

**The chassis price of $77,528.00 is subject to change due to model year changes or OEM price increases. The final invoice to the customer will reflect any changes in chassis price dollar-for-dollar.*

Terms:

Payment Terms: Payment shall be made directly to RedSky Emergency Vehicles or as directed by RedSky Emergency Vehicles.

Delivery: Estimated completion in **late 2026** if ordered within 5 days. The Seller shall not be liable for failure to deliver or for any delay in delivering the motor vehicles covered by this agreement where such failure or delay is due, in whole or in part, to any cause beyond the control or without the fault or negligence of the Seller. Delays from the chassis manufacturer will result in extended delivery time, as will changes to this contract once the order has been placed with Demers Ambulance. Additions or deletions may be made if the vehicle has not passed that point in production at the time of change.

Contingencies: RedSky Emergency Vehicles will not be liable for any delay, failure to make delivery, or other default due to strikes, labor unrest, war, riot, federal, state or local government action, fire, flood, pandemic, or other disaster or acts of God, accidents, breakdown of machinery, lack of or inability to obtain materials, parts or supplies, or any other causes or circumstances beyond the reasonable control of Company which prevent or hinder Company's delivery the vehicle or apparatus.

1240 E. Locust Street, Suite 203, Ontario, CA 91761

Delivery Terms: FOB Santa Fe Springs Department of Fire-Rescue

Sales & Use Taxes: The price for the motor vehicle specified in this agreement does not include Use Taxes (Federal, State, or Local) unless expressly stated. Purchaser assumes and agrees to pay, unless prohibited by law, and such Use, or Occupational Taxes imposed on or applicable to the transaction covered by this agreement, regardless of which party may have primary tax liability.

Validity: **November 25, 2025**

We appreciate your consideration and look forward to future discussions about your ambulance needs. Please do not hesitate to contact me with any questions. I can be reached at 314.393.6800 anytime.

Respectfully,

John M. Scullin

John M. Scullin
Account Manager, Southern California

Fire Chief Chad Van Meeteren
Santa Fe Springs Fire Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670

September 6, 2024

RE: Offer to Provide One (1) 2026 SVI Trucks Hazmat Vehicle(s)

Attention: Fire Chief Chad Van Meeteren

On behalf of Emergency Vehicle Group, Inc., I would like to thank you for the opportunity to provide you with the following offer for Santa Fe Springs Fire Department to purchase One (1) 2026 SVI Trucks Hazmat Vehicle(s) on a Spartan Gladiator, 4 x 2, Diesel Powered ELFD 24" Raised Roof Chassis.

Emergency Vehicle Group, Inc. (EVG) is proud to be in the business of serving those who bravely serve our communities and help ensure the safety of our families and friends. Our pledge is to offer you the same quality of service and expertise that is demanded from you. Over the years we have introduced fire departments, municipalities and private companies to the absolute best in service, sales and support for emergency vehicle products.

We proudly serve California, Arizona and Nevada and offer you premium custom products along with the best value available in the industry. EVG accomplishes this by representing Spartan Emergency Response, SMEAL Fire Apparatus, Ladder Tower, SVI Trucks, Unruh Fire, Wheeled Coach Ambulance and Road Rescue Ambulance as well as offering ambulance remount services and command vehicles built by EVG.

EVG employs EVT and ASE Certified Mechanics with decades of experience in servicing emergency vehicles, fire apparatus and ambulances. EVG recognizes the importance of these vehicles as a life saving device and take great pride in serving those that bravely serve and protect us. Our corporate office and service facility is located in Anaheim, CA.

Our mission is to develop long-term relationships and provide our customers with "honest, intelligent effort" in everything we do for you. We are committed to do whatever it takes to surpass customers' expectations by continually improving upon what we do.

All of us at Emergency Vehicle Group, Inc. believe in long-term relationships and we look forward to the opportunity of working with you and Santa Fe Springs Fire Department. I would again like to thank you for the opportunity. Everyone at EVG offers you our sincere pledge of "Honest, Intelligent Effort" in everything we do for you now, and in the future.

Sincerely,

Travis Grinstead
President & CEO

PROPOSAL

Fire Chief Chad Van Meeteren
Santa Fe Springs Fire Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670

September 6, 2024

The undersigned is prepared to provide for the Santa Fe Springs Fire Department, upon receipt of a valid purchase order or a fully executed contract for final acceptance by Emergency Vehicle Group, the apparatus and equipment herein named and for the following prices:

Description	Price Each	Extended Price
One (1) 2026 SVI Trucks Hazmat Vehicle(s) on a Spartan Gladiator, 4 x 2, Diesel Powered ELFD 24" Raised Roof Chassis	$1,763,298.00	$1,763,298.00
100% Prepayment Discount	-$119,987.00	-$119,987.00
Subtotal	$1,643,311.00	$1,643,311.00
CA Sales Tax (Based on Rate of 10.5%)	$172,547.66	$172,547.66
Tire Fee	$10.50	$10.50
Document Fee	$80.00	$80.00
Total Purchase Price	**$1,815,949.16**	**$1,815,949.16**

Said apparatus and/or equipment to be built and shipped in accordance with the specifications/work order reference number and any associated drawing(s) as provided. The specifications/work order/drawings herein contained will form a part of the final contract and are subject to changes desired by the purchaser, provided such alterations are interlined prior to the acceptance by Emergency Vehicle Group, Inc. of the purchase order or executed contract, and provided such alterations do not materially affect the cost of the construction of the apparatus.

The apparatus and/or equipment will be ready for delivery approximately 700 days after receipt of valid purchase order or executed contract, not including chassis and materials delays, or other causes beyond our control.

The proposal for apparatus conforms with all Federal Department of Transportation (DOT) rules and regulations in effect at the time of the proposal, and with all applicable guidelines for Emergency Apparatus as published at time of the proposal, except as modified by the referenced specifications. Any increased costs incurred by the seller because of future changes in or additions to said standards will be passed along to the customer as an addition to the price set forth above.

Unless accepted within 30 days from date of proposal (listed above), the right is reserved to withdraw this proposition.

Respectfully Submitted,

Travis Grinstead
President & CEO

Purchase Agreement

This Purchase Agreement (together with all attachments referenced herein, the "Agreement"), made and entered into by and between Emergency Vehicle Group, Inc, a Nevada corporation ("EVG"), and Santa Fe Springs Fire Department ("Customer") is effective as of the date specified in Section 3 hereof.

1. Definitions.
   a. "Product" means the apparatus and any associated equipment manufactured or furnished for the Customer by EVG pursuant to the Specifications
   b. "Specifications" means the general specifications, technical specifications, training, and testing requirements for the Product contained in the EVG Proposal for the Product
   c. "EVG Proposal" means the proposal provided by EVG attached as an attachment prepared in response to the Customer's request
   d. "Delivery" means the date EVG is prepared to make physical possession of the Product available to the Customer
   e. "Acceptance" The Customer shall have fifteen (15) calendar days of Delivery to inspect the Product for substantial conformance with the material Specifications; unless EVG receives a Notice of Defect within fifteen (15) calendar days of Delivery, the Product will be deemed to be in conformance with the Specifications and accepted by the Customer

2. Purpose. This Agreement sets forth the terms and conditions of EVG's sale of the Product to the Customer.

3. Term of Agreement. This Agreement will become effective on the date it is signed and approved by EVG's authorized representative pursuant to Section 22 hereof ("Effective Date") and, unless earlier terminated pursuant to the terms of this Agreement, it will terminate upon the Customer's Acceptance and payment in full of the Purchase Price.

4. Purchase and Payment. The Customer agrees to purchase the Product specified for the total purchase price of One Million Eight Hundred Fifteen Thousand Nine Hundred Forty Nine Dollars and Fifteen Cents ($1,815,949.16) ("Purchase Price"). Prices are in U.S. funds.

5. Future Changes. Various state or federal regulatory agencies (e.g. NFPA, KKK, DOT, EPA) may require changes to the Specifications and/or the Product and in any such event any resulting cost increases incurred to comply there with will be added to the Purchase Price to be paid by the Customer. In addition, any future drive train upgrades (engine, transmission, axles, etc.), or any other specification changes have not been calculated into our annual increases and will be provided at additional cost. To the extent practicable, EVG will document and itemize any such price increases for the Customer.

6. Agreement Changes. The Customer may request that EVG incorporate a change to the Products or the Specifications for the Products by delivering a change order to EVG; provided, however, that any such change order must be in writing and include a description of the proposed change sufficient to permit EVG to evaluate the feasibility of such change ("Change Order"). Within [seven (7) business days of receipt of a Change Order, EVG will inform the Customer in writing of the feasibility of the Change Order, the earliest possible implementation date for the Change Order, of any increase or decrease in the Purchase Price resulting from such Change Order, and of any effect on production scheduling or Delivery resulting from such Change Order. EVG shall not be liable to the Customer for any delay in performance or Delivery arising from any such Change Order. A Change Order is only effective when counter-signed by EVG's authorized representative.

7. Cancellation/Termination. In the event this Agreement is cancelled or terminated by a party before completion, EVG may charge a cancellation fee. The following charge schedule based on costs incurred may be applied: (a) 10% of the Purchase Price after order is accepted and entered by EVG; (b) 20% of the Purchase Price after completion of approval drawings, and; (c) 30% of the Purchase Price upon any material requisition. The cancellation fee will increase accordingly as costs are incurred as the order progresses through engineering and into manufacturing. EVG endeavors to mitigate any such costs through the sale of such Product to another purchaser; however Customer shall remain liable for the difference between the Purchase Price and, if applicable, the sale price obtained by EVG upon sale of the Product to another purchaser, plus any costs incurred by EVG to conduct any such sale.

8. Delivery, Inspection and Acceptance. (a) Delivery. Delivery of the Product is scheduled to be within 700 days of the Effective Date of this Agreement, F.O.B. Santa Fe Springs CA. Risk of loss shall pass to Customer upon Delivery. (b) Inspection and Acceptance. Upon Delivery, Customer shall have fifteen (15) days within which to inspect the Product for substantial conformance to the material Specifications, and in the event of substantial non-conformance to the material Specifications to furnish EVG with written notice sufficient to permit EVG to evaluate such non-conformance ("Notice of Defect"). Any Product not in substantial conformance to material Specifications shall be remedied by EVG within thirty (30) days from the Notice of Defect. In the event EVG does not receive a Notice of Defect within fifteen (15) days of Delivery, Product will be deemed to be in conformance with Specifications and Accepted by Customer.

9. Notice. Any required or permitted notices hereunder must be given in writing at the address of each party set forth below, or to such other address as either party may substitute by written notice to the other in the manner contemplated herein, by one of the following methods: hand delivery; registered, express, or certified mail, return receipt requested, postage prepaid; or nationally-recognized private express courier:

Emergency Vehicle Group, Inc.
2883 East Coronado Street
Amaheim, CA 92806

Santa Fe Springs Fire Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670

10. Standard Warranty. Any applicable warranties are attached hereto and made a part hereof. Any additional warranties must be expressly approved in writing by EVG's authorized representative.

a. Disclaimer. OTHER THAN AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER EVG, ITS AUTHORIZED MANUFACTURERS, AFFILIATES, SUBSIDIARIES, LICENSORS OR SUPPLIERS, THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES, MAKE ANY EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE PRODUCTS PROVIDED HEREUNDER OR OTHERWISE REGARDING THIS AGREEMENT, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITING THE FOREGOING, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, THE IMPLIED WARRANTY AGAINST INFRINGEMENT, AND THE IMPLIED WARRANTY OR CONDITION OF FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED AND DISCLAIMED. STATEMENTS MADE BY SALES REPRESENTATIVES OR IN PROMOTIONAL MATERIALS DO NOT CONSTITUTE WARRANTIES.
b. Exclusions of Incidental and Consequential Damages. In no event shall EVG be liable for consequential, incidental or punitive damages incurred by Customer or any third party in connection with any matter arising out of or relating to this Agreement, or the breach thereof, regardless of whether such damages arise out of breach of warranty, tort, contract, strict liability, statutory liability, indemnity, whether resulting from non-delivery or from EVG's own negligence, or otherwise.

11. Insurance. EVG maintains the following limits of insurance with a carrier(s) rated A- or better by AM. Best:

Commercial General Liability Insurance:
Products/Completed Operations Aggregate: $1,000,000
Each Occurrence: $1,000,000

Umbrella/Excess Liability Insurance:
Aggregate: $2,000,000
Each Occurrence: $2,000,000

The Customer may request: (x) EVG to provide the Customer with a copy of a current Certificate of Insurance with the coverages listed above; (y) to be included as an additional insured for Commercial General Liability (subject to the terms and conditions of the applicable EVG insurance policy); and (z) all policies to provide a 30 day notice of cancellation to the named insured

12. Indemnity. The Customer shall indemnify, defend and hold harmless EVG, its officers, employees, manufacturers, agents or subcontractors, from any and all claims, costs, judgments, liability, loss, damage, attorneys' fees or expenses of any kind or nature whatsoever (including, but without limitation, personal injury and death) to all property and persons caused by, resulting from, arising out of or occurring in connection with the Customer's purchase, installation or use of goods sold or supplied by EVG which are not caused by the sole negligence of EVG.

13. Force Majeure. EVG shall not be responsible nor deemed to be in default on account of delays in performance due to causes which are beyond EVG's control which make EVG's performance impracticable, including but not limited to civil wars, insurrections, strikes, riots, fires, storms, floods, other acts of nature, explosions, earthquakes, accidents, any act of government, delays in transportation, inability to obtain necessary labor supplies or manufacturing facilities, allocation regulations or orders affecting materials, equipment, facilities or completed products, failure to obtain any required license or certificates, acts of God or the public enemy or terrorism, failure of transportation, epidemics, quarantine restrictions, failure of vendors (due to causes similar to those within the scope of this clause) to perform their contracts or labor troubles causing cessation, slowdown, or interruption of work.

14. Default. True occurrence of one or more of the following shall constitute a default under this Agreement: (a) the Customer fails to pay when due any amounts under this Agreement or to perform any of its obligations under this Agreement; (b) EVG fails to perform any of its obligations under this Agreement; (c) either party becomes insolvent or become subject to a bankruptcy or insolvency proceedings; (d) any representation made by either party to induce the other to enter into this Agreement is false in any material respect; (e) the Customer dissolves, merges, consolidates or transfers a substantial portion of its property to another entity; or (f) the Customer is in default or has breached any other contract or agreement with EVG.

15. Manufacturer's Statement of Origin. It is agreed that the manufacturer's statement of origin ("MSO") for the Product covered by this Agreement shall remain in the possession of EVG until the entire Purchase Price has been paid. If more than one Product is covered by this Agreement, then the MSO for each individual Product shall remain in the possession of EVG until the Purchase Price for that Product has been paid in full. In case of any default in payment, EVG may take full possession of the Product, and any payments that have been made shall be applied as payment for the use of the Product up to the date of taking possession.

16. Independent Contractors. The relationship of the parties established under this Agreement is that of independent contractors and neither party is a partner, employee, agent, or joint venture of or with the other.

17. Assignment. Neither party may assign its rights and obligations under this Agreement unless it has obtained the prior written

18. Governing Law; Jurisdiction. Without regard to any conflict of laws provisions, this Agreement is to be governed by and under the laws of the state of California.

19. Facsimile Signatures. The delivery of signatures to this Agreement by facsimile transmission shall be binding as original signatures.20. Entire Agreement. This Agreement shall be the exclusive agreement between the parties for the Product. Additional or different terms proposed by the Customer shall not be applicable, unless accepted in writing by EVG's authorized representative. No change in, modification of, or revision of this Agreement shall be valid unless in writing and signed by EVG's authorized representative.

21. Conflict. In the event of a conflict between the Customer Specifications and the EVG Proposal, the EVG Proposal shall control. In the event there is a conflict between the EVG Proposal and this Agreement, the EVG Proposal shall control.

22. Signatures. This Agreement is not effective unless and until it is approved, signed and dated by EVG Manufacturing, Inc.' s authorized representative.

Santa Fe Springs Fire Department:		Emergency Vehicle Group:	
			9/6/2024
Signature	Date	Signature	Date
		Travis Grinstead	
Printed Name		Printed Name	
		President & CEO	
Title		Title	

PUBLIC WORKS VEHICLES

DEPT.	QTY.	VEHICLE DESCRIPTION	PRICE	TOTAL PRICE
STREETS	1	2025 FORD SUPER DUTY F-250 SWR (F2A) XL 2WD REG CAB 8" BOX 142" WB		$ 68,646
	1	2024 FORD F-350 REG CAB DRW 4WD SCELZI CONTRACTOR TRUCK		77,328
	1	FORD F-550 CHASSIS ROADLINE MODEL GRAFFITI TRUCK		186,060
	1	2025 FORD F-350 SUPER CAB DRW RWD SCELZI SERVICE TRUCK		73,625
	1	MULTIHOG CV 350		19,468
	1	MINI TRACK LOADER		48,057
GROUNDS	1	2024 FORD F-250 REGULAR CAB RWD KNAPHEIDE SERVICE TRUCK		60,567
	1	2025 FORD F-550 SUPER CAB 4X4 11' 6" SCELZI STEEL DUMP TRUCK		107,258
	1	CHIPPER		56,579
				$ 697,588

Purchase Order

Fiscal Year 2026 Page: 1 of: 1

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Purchase Order # **2260140**

BILL TO
CITY OF SANTA FE SPRINGS
FINANCE DEPARTMENT
11710 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670-3679
Email: AP@SANTAFESPRINGS.ORG

VENDOR
NATIONAL AUTO FLEET GROUP
490 AUTO CENTER DRIVE
WATSONVILLE, CA 95076

SHIP TO
FIRE HEADQUARTERS
11300 GREENSTONE AVE
SANTA FE SPRINGS, CA 90670
Phone: 562-944-9713

Vendor Phone Number	Email Address	Requisition Number	Delivery Reference
		1261115	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
08/27/2025	1824			FIRE DEPARTMENT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	CHIEF COMMAND VEHICLE				
	[FLEET] 2026 RAM 3500 (D28H91) BIG HORN 4X4 CREW CAB 6'4" BOX (CODE D28H91) FLAME RED CLEARCOAT (CODE PR4)	1.0	EACH	$57,025.00	$57,025.00
	QUICK ORDER PACKAGE 24Z BIG HORN (CODE 24Z)	1.0	EACH	$0.00	$0.00
	BIG HORN LEVEL 1 PLUS EQUIPMENT GROUP (CODE A7F)	1.0	EACH	$2,695.00	$2,695.00
	HEATED SEATS & WHEEL GROUP (CODE AGF)	1.0	EACH	$445.00	$445.00
	BLACK VINYL FLOOR COVERING (CODE CKJ)	1.0	EACH	$0.00	$0.00
	MOPAR FRONT & REAR RUBBER FLOOR MATS (CODE CLF)	1.0	EACH	$235.00	$235.00
	TRANSMISSION: 8-SPEED TORQUEFLITE HD AUTOMATIC (CODE DFM)	1.0	EACH	$0.00	$0.00
	3.42 AXLE RATIO (CODE DMR)	1.0	EACH	$0.00	$0.00
	ENGINE: 6.7L I6 CUMMINS HO TURBO DIESEL (CODE ETM)	1.0	EACH	$12,595.00	$12,595.00
	BLACK, CLOTH 40/20/40 PREMIUM BENCH SEAT (CODE M9X9)	1.0	EACH	$0.00	$0.00
	FRONT LICENSE PLATE BRACKET (CODE MDA)	1.0	EACH	$0.00	$0.00
	FLAME RED CLEARCOAT (CODE PR4)	1.0	EACH	$0.00	$0.00
	TIRES: LT275/70R18E OWL ON/OFF ROAD (CODE TCP)	1.0	EACH	$295.00	$295.00
	RADIO: UCONNECT 5 NAV W/12.0" DISPLAY (CODE UBQ)	1.0	EACH	$0.00	$0.00
	WHEELS: 18" X 8.0" POLISHED ALUMINUM (CODE WBE)	1.0	EACH	$0.00	$0.00
	2 ADDITIONAL KEY FOBS (CODE XCH)	1.0	EACH	$275.00	$275.00
	TRANSFER CASE SKID PLATE SHIELD (CODE XEF)	1.0	EACH	$95.00	$95.00
	DUAL ALTERNATORS RATED AT 480 AMPS (CODE XF1)	1.0	EACH	$495.00	$495.00
	UPLISFTER ELECTRONIC MODULE (VSIM) (CODE XXS)	1.0	EACH	$345.00	$345.00
	GVWR: 11,800 LB (CODE Z8S)	1.0	EACH	$0.00	$0.00
	DESTINATION CHARGE	1.0	EACH	$2,095.00	$2,095.00
	TIRE TAX	1.0	EACH	$8.75	$8.75
	TRANSPORT	1.0	EACH	$175.00	$175.00
	********** GL SUMMARY **********				
	1010 - 163010 $76,421.84				

Total Ext. Price	$76,778.75
Total Sales Tax	$7,197.46
Total Freight	$0.00
Total Discount	$7,554.36
Total Credit	$0.00
PO Total	**$76,421.84**

By: _____
Procurement Manager

Purchase Order

Fiscal Year 2026

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Purchase Order # 2260144

BILL TO
CITY OF SANTA FE SPRINGS
FINANCE DEPARTMENT
11710 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670-3679
Email: AP@SANTAFESPRINGS.ORG

VENDOR
NATIONAL AUTO FLEET GROUP
490 AUTO CENTER DRIVE
WATSONVILLE, CA 95076

SHIP TO
FIRE HEADQUARTERS
11300 GREENSTONE AVE
SANTA FE SPRINGS, CA 90670
Phone: 562-944-9713

Vendor Phone Number	Email Address	Requisition Number	Delivery Reference
		1261170	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
09/02/2025	1824			FIRE DEPARTMENT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	COMMAND VEHICLE UPFIT PKG (SOURCEWELL 091521-NAF)				
	MOTOROLA APX8500 ALL BAND DUAL HEAD RADIOS (CS)	4.0	EACH	$2,490.00	$9,960.00
	MOTOROLA APX 8500 ALL BAND SINGLE HEAD RADIOS AT REAR COMMAND DESK (CS)	2.0	EACH	$1,645.00	$3,290.00
	OVERHEAD RADIO SPEAKERS IN CAB	5.0	EACH	$325.00	$1,625.00
	PAINTED FACE PLATES FOR RADIO HEADS	4.0	EACH	$225.00	$900.00
	HEAVY DUTY SIDE MOUNT FOR X-NAUT AT CONSOLE	1.0	EACH	$965.00	$965.00
	TRUVIEW 21.5" HIGH NIT REMOTE MONITORS AT REAR COMMAND DESK (RIGHTSIDE TOUCH)	2.0	EACH	$3,090.00	$6,180.00
	HDMI 4 X 2 MATRIX FOR REAR MONITORS	1.0	EACH	$895.00	$895.00
	HDMI INPUT TO VIDEO MATRIX FOR REAR TRUVIEW MONITORS	1.0	EACH	$485.00	$485.00
	CUSTOM TV MOUNT FOR TRU-VU MONITORS ABOVE REAR COMMAND DESK	1.0	EACH	$2,775.00	$2,775.00
	APPLE TV TO TRU-VU MONITOR	1.0	EACH	$655.00	$655.00
	OFF AIR HD TV ANTENNA AND CABLING	1.0	EACH	$1,325.00	$1,325.00
	MOBILE KEYBOARD AT REAR COMMAND WITH USB	1.0	EACH	$625.00	$625.00
	MOTOROLA DROP-IN RADIO CHARGERS INSTALLED IN THE REAR COMMAND AREA	2.0	EACH	$1,195.00	$2,390.00
	MOTOROLA DROP-IN RADIO CHARGERS IN CONSOLE	2.0	EACH	$795.00	$1,590.00
	PAC-SET HOLDERS ON CONSOLE	2.0	EACH	$289.00	$578.00
	DEDICATED HEADSET TRANSMIT STATION FOR 1 OF THE REAR RADIO W/ SPEAKER KILL SWITCH	1.0	EACH	$675.00	$675.00
	ROOF MOUNTED ANTENNAS ON CAB	8.0	EACH	$350.00	$2,800.00
	PANORAMA 3-1 WIFI ANTENNA FOR OTA PROGRAMMING	2.0	EACH	$887.00	$1,774.00
	GROUND PLANE INSTALLED ON SHELL FOR RADIO ANTENNAS	1.0	EACH	$1,450.00	$1,450.00
	MOTOROLA HAND MIC MODIFICATION FOR REAR OF HEAD OUTPUT	10.0	EACH	$205.00	$2,050.00
	MAGNETIC MIC MODIFICATIONS ALL RADIOS AND SIRENS	11.0	EACH	$145.91	$1,605.01
	X-NAUT X90 MAG POWER CASEE 13 PRO M4 WITH FAN AND KICK STAND	2.0	EACH	$1,375.00	$2,750.00
	X-NAUT MAGPOWER RECEIVER X30 12VOLT KIT	2.0	EACH	$978.00	$1,956.00
	EMERGENCY LED WITH ACKNOWLEDGMENT BUTTONS (2 IN THE CAB OVER HEAD, 1 REAR ON DESK, LEFT DRAWER)	2.0	EACH	$1,355.00	$2,710.00
	INDICATOR LEDS AT REAR COMMAND DESK SPEAKERS	6.0	EACH	$448.33	$2,690.00

CONTINUED ON NEXT PAGE

CITY OF SANTA FE SPRINGS

Purchase Order

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Purchase Order # 2260144

BILL TO

CITY OF SANTA FE SPRINGS
FINANCE DEPARTMENT
11710 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670-3679
Email: AP@SANTAFESPRINGS.ORG

VENDOR

NATIONAL AUTO FLEET GROUP
490 AUTO CENTER DRIVE
WATSONVILLE, CA 95076

SHIP TO

FIRE HEADQUARTERS
11300 GREENSTONE AVE
SANTA FE SPRINGS, CA 90670
Phone: 562-944-9713

Vendor Phone Number	Email Address	Requisition Number	Delivery Reference
		1261170	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
09/02/2025	1824			FIRE DEPARTMENT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	STARLINK INSTALLATION WITH 12VOLT POWER SUPPLY AND POWER BUTTON ON THE CONSOLE WITH STARLINK GEN 3 ROUTER AND STAR MOUNT	1.0	EACH	$3,975.00	$3,975.00
	MISC. PARTS AND MATERIALS (LOOM, CONNECTORS, ETC)	1.0	EACH	$800.00	$800.00
	VOLTAGE METERS ON THE CENTER CONSOLE TO MONITOR CHASSIS AND ISOLATED BATTERIES	2.0	EACH	$245.00	$490.00
	LED LIGHTS WITH 3 WAY SWITCH MOUNTED UNDER REAR BUMPER	2.0	EACH	$335.00	$670.00
	CERAMIC WINDOW TINT (CLEAR ON WINDSHIELD, MEDIUM ON CAB SIDE WINDOWS)	1.0	EACH	$650.00	$650.00
	REMOTE DOOR UNLOCK SWITCH	1.0	EACH	$735.00	$735.00
	CAR COAT HANGERS	2.0	EACH	$35.00	$70.00
	CORDURA SEAT COVERS	1.0	EACH	$595.00	$595.00
	MOUNT FRONT ID PLATES ON FRONT GRILL	2.0	EACH	$265.00	$530.00
	WHELEN RED/WHITE LED DOME LIGHT INSTALLED OVER THE CENTER CONSOLE	1.0	EACH	$389.00	$389.00
	ZICO UH-6-30-3SF SCBA MOUNTING BRACKETS INSTALLED	2.0	EACH	$550.00	$1,100.00
	MAGLIGHTS	2.0	EACH	$535.00	$1,070.00
	KNOX BOX INTALLATION (CS)	1.0	EACH	$300.00	$300.00
	BULLARD TIC CAMERA (CS)	1.0	EACH	$300.00	$300.00
	KUSSMAUL STANDARD 20 AMP SUPER AUTO-EJECT WITH LED BEHIND REAR WHEEL	1.0	EACH	$1,175.00	$1,175.00
	SHORE POWER RELAY BYPASS SYSTEM	1.0	EACH	$885.00	$885.00
	SAMELX 100AMP BATTERY CHARGER AND 2200WATT PURE SINE INVERTER	1.0	EACH	$2,985.00	$2,985.00
	A/C RECEPTICLE PLUG STRIPS FOR INVERTED POWER USE	2.0	EACH	$255.00	$510.00
	DC POWER PORTS (CIG SOCKETS)	2.0	EACH	$339.00	$678.00
	USB/USB-C SOCKETS WITH RUBBER COVER	6.0	EACH	$245.00	$1,470.00
	VEHICLE GRAPHICS PER GLENDALE FIRE SPEC/DESIGN	1.0	EACH	$6,050.00	$6,050.00
	LEER 100SCC PRO SHELL WITH SIDE SOID ACCESS DOORS AND REAR DOOR WITH KEYLESS ENTRY AND LOCKS KEYED TO FACTORY DOOR KEY	1.0	EACH	$6,155.00	$6,155.00
	BULLET POINT PHONE MOUNT WITH DUAL XL PHONE HOLDERS	1.0	EACH	$605.00	$605.00
	LIVE VIEW REAR VIEW MIRROW CAMERA SYSTEM	1.0	EACH	$1,450.00	$1,450.00
	AMP RESEARCH STEPS	1.0	EACH	$2,800.00	$2,800.00
	DOMETIC CFX335 ELECTRIC COOLER FOR STORAGE	1.0	EACH	$1,398.00	$1,398.00

CONTINUED ON NEXT PAGE

CITY OF SANTA FE SPRINGS

Purchase Order

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Purchase Order # 2260144

BILL TO
CITY OF SANTA FE SPRINGS
FINANCE DEPARTMENT
11710 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670-3679
Email: AP@SANTAFESPRINGS.ORG

VENDOR
NATIONAL AUTO FLEET GROUP
490 AUTO CENTER DRIVE
WATSONVILLE, CA 95076

SHIP TO
FIRE HEADQUARTERS
11300 GREENSTONE AVE
SANTA FE SPRINGS, CA 90670
Phone: 562-944-9713

Vendor Phone Number	Email Address	Requisition Number	Delivery Reference
		1261170	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
09/02/2025	1824			FIRE DEPARTMENT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	PLATFORM				
	5% CONTINGENCY FUND	1.0	EACH	$8,842.50	$8,842.50
	CUSTOM BODY COLOR CHANGE PAINT JOB	1.0	EACH	$14,000.00	$14,000.00
	ENGINEERING AND DESIGN LAYOUT	1.0	EACH	$2,000.00	$2,000.00
	DUAL BATTERY SYSTEM W/ (2) 65-PC1750 BATTERIES	2.0	EACH	$565.00	$1,130.00
	DUAL BATTERY SYSTEM W/ (2) 65-PC1750 BATTERIES IN REAR COMMUNICATIONS AREA	2.0	EACH	$665.00	$1,330.00
	IN FLOOR BATTERY BOXES FOR ODYSSEY 48-720 BATTERIES	2.0	EACH	$755.00	$1,510.00
	DUAL BATTERY ISOLATION SYSTEM	1.0	EACH	$635.00	$635.00
	MAIN DC POWER/GROUND ELECTRICAL BUSS SYSTEM	1.0	EACH	$2,575.00	$2,575.00
	911V-MXU VEHICLE LOAD MANAGER	1.0	EACH	$5,195.00	$5,195.00
	KEY IGNITION CONTROL SYSTEM	1.0	EACH	$245.00	$245.00
	PARK NEUTRAL CONTROL SYSTEM	1.0	EACH	$295.00	$295.00
	COMMAND CENTER CONTROL SYSTEM	1.0	EACH	$445.00	$445.00
	WHELEN CORE SIREN AND LIGHTING CONTROLLER WITH CCTL7 INSTALLED OVERHEAD WITH 2ND AMPLIFIER	1.0	EACH	$3,397.00	$3,397.00
	WHELEN LIBERTY II DUO LIGHTBAR (RED/WHITE) WITH IR OPTICOM	1.0	EACH	$7,597.00	$7,597.00
	GPS OPTICOM	1.0	EACH	$4,925.00	$4,925.00
	HEADLIGHT FLASHER	1.0	EACH	$475.00	$475.00
	LINSV2R L.E.D. LIGHTS MOUNTED UNDER SIDE VIEW MIRRORS	2.0	EACH	$835.00	$1,670.00
	WHELEN M7DD RED/WHITE LEDS WITH CHROME BEZEL ON THE GRILL	2.0	EACH	$725.00	$1,450.00
	WHELEN M7DD RED/WHITE LED LIGHTS ON FRONT FENDER (FORWARD) - CHROME BEZEL	2.0	EACH	$815.00	$1,630.00
	WHELEN M7DD RED/WHITE LIGHTS ON REAR FENDER ABOVE WHEEL - CHROME BEZEL	2.0	EACH	$815.00	$1,630.00
	WHELEN M7DK RED/AMBER LEDS WITH CHROME BEZEL ON TAIL GATE	4.0	EACH	$725.00	$2,900.00
	WHELEN M6V2RC LIGHTS MOUNTED ON SHELL (2) EACH SIDE-CHROME BEZELS	4.0	EACH	$975.00	$3,900.00
	SIREN SPEAKER MOUNTED BEHIND GRILL 5A31SP W/ SAK9	2.0	EACH	$755.00	$1,510.00
	TRAFFIC ADVISOR MOUNTED ON REAR ROOF OF SHELL	1.0	EACH	$2,355.00	$2,355.00
	BACK-UP ALARM WITH OVERRIDE SWITCH (ON/OFF)	1.0	EACH	$478.00	$478.00
	AIR HORN WITH COMPRESSOR AND TANK (2 BUTTONS ON	1.0	EACH	$1,795.00	$1,795.00

CONTINUED ON NEXT PAGE

Purchase Order

THIS NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES AND SHIPPING PAPERS.

Purchase Order # 2260144

BILL TO
CITY OF SANTA FE SPRINGS
FINANCE DEPARTMENT
11710 TELEGRAPH RD.
SANTA FE SPRINGS, CA 90670-3679
Email: AP@SANTAFESPRINGS.ORG

VENDOR
NATIONAL AUTO FLEET GROUP
490 AUTO CENTER DRIVE
WATSONVILLE, CA 95076

SHIP TO
FIRE HEADQUARTERS
11300 GREENSTONE AVE
SANTA FE SPRINGS, CA 90670
Phone: 562-944-9713

Vendor Phone Number	Email Address	Requisition Number	Delivery Reference
		1261170	

Date Ordered	Vendor Number	Date Required	Freight Method/Terms	Department/Location
09/02/2025	1824			FIRE DEPARTMENT

Item#	Description/PartNo	QTY	UOM	Unit Price	Extended Price
	THE CONSOLE AND 1 ON THE SIREN)				
	20" LED FLOOD LIGHTBAR INSTALLED IN FRONT LIGHTBAR	1.0	EACH	$1,075.00	$1,075.00
	WIDE BODY METAL CENTER CONSOLE FOR RADIOS	1.0	EACH	$1,795.00	$1,795.00
	6" ARM RESTS MOUNTED ON EACH SIDE OF THE CONSOLE	2.0	EACH	$189.00	$378.00
	MAP/STORAGE BOX BEHIND WIDEBODY CONSOLE	1.0	EACH	$1,325.00	$1,325.00
	LED LIGHTING IN SIDE COMPARTMENTS OF THE SHELL WITH MAGNETIC SWITCH	2.0	EACH	$655.00	$1,310.00
	LED STRIP LIGHT INSTALLED ON THE CENTER CEILING OF SHELL WITH SWITCH	1.0	EACH	$755.00	$755.00
	COMMAND CENTER LIGHTING RED/WHITE LED BARS AT COMMAND DESK	1.0	EACH	$1,125.00	$1,125.00
	911 CUSTOM REAR COMMAND MODULE, NO VERTICAL SIDE WALLS DRIVER AND PASS SIDE. DRAWERS WITH SPEAKERS ON EACH SIDE CABINET	1.0	EACH	$12,897.00	$12,897.00
	1000 LB ALUMINUM BED SLIDE WITH 70% & 100% EXTENSION	1.0	EACH	$2,925.00	$2,925.00
	90% ANGLE UP ADDED TO TOP STORAGE AREA TO PREVENT ITEMS FAILING	2.0	EACH	$295.00	$590.00
	COMMUNICATIONS CABINET UNDER REAR SEATS	1.0	EACH	$1,895.00	$1,895.00
	EZ UP STORAGE BOX AND 10 X 10 UP WITH SANTA FE SPRINGS FIRE LOGOS	1.0	EACH	$2,195.00	$2,195.00
	COMMAND DESK LED LIGHT WITH DIMMER SWITCH	1.0	EACH	$325.00	$325.00
	METAL DRY ERASE SURFACE ON TAIL GATES AND SIDES OF COMMAND DESK	1.0	EACH	$850.00	$850.00
	PLEXI-GLASS ON TAIL GATE DRY ERASE SURFACE	1.0	EACH	$955.00	$955.00
	PLEXI-GLASS PANELS ON SIDE DESK DRY ERASE SURFACE	2.0	EACH	$205.00	$410.00
	IN DRAWER RADIO SPEAKER MODIFICATIONS FOR COMMAND DESK DRAWERS	5.0	EACH	$275.00	$1,375.00
	DRAWER ORGANIZERS IN REAR COMMAND DESK	2.0	EACH	$155.00	$310.00
	WEATHERSTRIPING/SEALINGS OF TAIL GATE AND TRUCK BED	1.0	EACH	$755.00	$755.00
	911 61925-1 command + 1%	1.0	EACH	$1,996.92	$1,996.93
	********** GL SUMMARY **********				
	1010 - 163010 $223,371.03				

Total Ext. Price	$201,689.44
Total Sales Tax	$21,681.59
Total Freight	$0.00
Total Discount	$0.00
Total Credit	$0.00
PO Total	**$223,371.03**

By: _____
Procurement Manager

RESOLUTION NO. 9990

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DECLARING ITS INTENT TO ENTER INTO TAX-EXEMPT LOAN(S)TO BE USED TO REIMBURSE THE CITY OF SANTA FE SPRINGS FOR THE PURCHASE OF VARIOUS VEHICLES AND EQUIPMENT TO BE MADE PRIOR TO THE EXECUTION OF SUCH LOAN(S)

WHEREAS, the City of Santa Fe Springs (the "City") desires to finance purchase of certain vehicles and equipment (the "Project"); and

WHEREAS, the City intends to use proceeds from a tax-exempt bank loan issued in one or more series, the interest upon which is to be excluded from gross income for federal income tax purposes (the "Obligations"), to finance all or a portion of the Project; and

WHEREAS, pursuant to Treasury Regulations Section 1.150-2, the City may reimburse amounts advanced by the City for the Project if, not later than sixty (60) days after payment of the original expenditure of an amount advanced by the City, the City Council of the City (the "Council") adopts an official intent to reimburse the original expenditure with proceeds of the Obligation, and such reimbursement occurs not later than eighteen (18) months after the later of the date the original expenditure is paid or the date the Project is placed in service, but in no event more than three (3) years after the original expenditure is paid; and

WHEREAS, the City expects to incur certain expenditures and/or purchases relating to the Project and to pay for such expenditures from certain moneys on hand prior to the issuance of the Obligations; and

WHEREAS, the City reasonably expects and intends to use a portion of the proceeds of the Obligations to reimburse the City for expenditures made prior to the date the Obligations are entered into and issued.

NOW, THEREFORE, the City Council of the City of Santa Fe Springs hereby resolves, declares, and determines as follows:

SECTION 1. *Recitals*. The above recitals are true and correct and the Council so finds and determines.

SECTION 2. *Declaration of Official Intent to Reimburse*. The Council hereby declares its official intent to reimburse the City for amounts advanced by the City from its vehicle and equipment replacement fund for the purchase of fire and public works vehicles and equipment from proceeds of the sale of the Obligations. It is intended that this Resolution shall constitute a declaration of "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under Section 150 of the Internal Revenue Code of 1986, as amended.

SECTION 3. *Expected Maximum Principal Amount*. The Obligations shall be issued in one or more series in the expected maximum principal amount of $4.5 Million. The Obligations are expected to be issued by the City for the purpose of providing tax-exempt financing for the Project.

SECTION 4. *Other Approvals*. The adoption of this Resolution shall not bind the City to proceed with execution and delivery of the Obligations until and unless all other necessary actions and approvals are taken or received in accordance with all applicable laws.

SECTION 5. *Effective Date*. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Santa Fe Springs this ___ day of December 2, 2025, by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

ABSTAIN: _____

_____
Mayor

ATTEST:

I, _____, City Clerk of the City Council of the City of Santa Fe Springs, Los Angeles County, California, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. ___ passed and adopted by said City Council at a meeting held on the second day of December, 2025.

_____
City Clerk

ITEM # 23

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: Julio F. Morales, Director of Finance

SUBJECT: **AUTHORIZE THE CITY MANAGER TO ENTER INTO PROFESSIONAL SERVICES AGREEMENTS WITH DEODATE AND NORTH STAR ALLIANCES FOR THE REGIONAL MULTI-JURISDICTIONAL COALITION (BIG 4) TO PROMOTE LEGISLATIVE INTIATIVES TO FURTHER ECONOMIC DEVELOPMENT AND KEY POLICY OBJECTIVES**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Direct the City Manager to a Professional Services Agreement with North Star Alliances Not-To-Exceed $385,000 to provide Phase 1 Internal/External Strategic Communication Services to the Regional Multi-Jurisdictional Coalition (Big 4).

2) Direct the City Manager to a Professional Services Agreement with North Star Alliances Not-To-Exceed $280,000 to provide Phase 1 Real Estate Strategic Services to the Regional Multi-jurisdictional Coalition (Big 4).

FISCAL IMPACT

The City of Santa Fe Springs is expected to be reimbursed by the other members of the Big 4 partnership, which includes the City of Industry, City of Commerce, and the City of Vernon; and potentially the City of Irwindale. Each City is expected to pay an equal share of these costs.

Although the City will administer and pay for full the costs of the contracts (totaling approximately $665,000), the initial net costs after reimbursement are expected to be between $133,000 to $166,000 (20-25%), depending on the number of cities that participate in the coalition.

BACKGROUND/DISCUSSION

The Cities of Commerce, Industry, Irwindale, Santa Fe Springs, and Vernon are each located in Los Angeles County and collectively represent a significant industrial and commercial corridor. Together, these jurisdictions host approximately 500,000 employees working in industries such as manufacturing, wholesale and distribution, transportation and logistics, and e-commerce. These activities contribute substantially to both local and state tax revenues. However, the cities often do not receive an adequate share of transportation, planning and grant monies because the distribution formulas are based solely on population.

Recognizing the shared economic and policy challenges facing these industrial and commercial sectors, the Cities have agreed to collaborate through a Memorandum of Understanding (MOU).

On September 2, 2025, the City Council approved between the Cities of Commerce, Industry, Irwindale, Santa Fe Springs, and Vernon. The member Cities agreed that this MOU would merely create a partnership – the "Big 4" that serves as a regional coalition to promote legislative initiatives to further promote economic development and support unique key policy mandates of its member cities.

The Big 4 is not a separate legal entity and does not have the powers of a decision-making legislative body.

The MOU establishes a framework for regional cooperation without creating a separate legal entity. Key provisions include:

- Formation of legislative affairs working group to promote unified regional priorities with state and federal legislators.
- Development of a joint legislative agenda on an annual basis.
- Monitoring state and federal legislation and grants targeting industrial and commercial zones.
- Preparation of report highlighting the economic impact and investment needs of the region.
- Alignment with regional partners such as SCAG, Los Angeles County Economic Development Corporation, and local Chambers of Commerce.

ANALYSIS

The cities recognize the need to clearly articulate their economic value where industrial cities often contribute more than they receive. As part of this effort, the Big 4 cities have agreed to commence by hiring a consulting team to assist in drafting an economic and

real estate development strategy.

The consulting team will be jointly led by DEODATE and North Star Alliances (NSA). Together, DEODATE and NSA deliver a coordinated approach that combines technical expertise with strategic storytelling to elevate the Big 4 region's visibility among developers, investors, policymakers, and partners:

> DEODATE will serve as the lead technical and real estate economic development consultant, providing data-driven analysis, portfolio strategy, and economic development recommendations that establish the backbone of this initiative.
>
> NSA will serve as the project's lead project manager and communications partner, translating DEODATE's technical findings into clear, actionable messaging, marketing, branding, and stakeholder engagement. NSA will also support each City's ability to communicate its SB-1 funding needs and infrastructure pressures through concise, compelling advocacy materials.

This engagement is structured as a coordinated partnership between **DEODATE** and **North Star Alliances (NSA)**. Phase 1 of the engagement is expected to take approximately 14 weeks.[1]

	Low	High
DEODATE	$300,000	$385,000
NSA	$200,000	$280,000
TOTAL	**$500,000**	**$665,000**

The City is expected to be reimbursed for 75-80% of the total costs, depending on the number of cities that participate in the coalition.

[1] Each firm maintains its own billing structure and contract agreement with the City. All project components, timelines, and deliverables will be coordinated under a unified work plan led by NSA to ensure seamless implementation and alignment across all tasks and cross-city initiatives.

The delivery schedule may be shifted or altered upon mutual agreement and start date. Delivery of the items in a compressed period may require additional staff support and associated updates to the overall cost proposal. The engagement schedule is structured as a retainer agreement based on the overall cost proposal. The engagement schedule is structured as a retainer agreement with task orders.

ENVIRONMENTAL

None.

SUMMARY/NEXT STEPS

Preliminary meeting with consulting team to develop priorities and policy objectives.

ATTACHMENT(S):

None.

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ITEM # 24

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: Julio Morales, Director of Finance & Administrative Services

SUBJECT: **FISCAL YEAR 2025-2026 FIRST QUARTER BUDGET REVIEW AND POSITION ADJUSTMENTS**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Approve staff recommendation of an additional $812,415 to General Fund expenditures detailed in Attachment A;

2) Approve new positions (Attachment A):
   - Four (4) new full-time positions to support Emergency Medical Services
   - Two (2) new full-time positions to support Code Enforcement Services
   - One (1) new full-time position to support Parks and Recreation special events

3) Approve position reclassifications and salary modifications (Attachment A):
   - Three (3) reclassifications of existing full-time positions
   - One (1) full-time hire to support Information Technology Services

4) Approve one (1) hourly contracted position for temporary Accounting Services.

5) Approved and adopt the attached revised salary schedule.

FISCAL IMPACT

The impact of the proposed personnel adjustments on the FY 2025-2026 budget is an estimated increase in General Fund expenditures not to exceed $812,415. These are prorated amounts for the final six months of the fiscal year.

BACKGROUND

The City is in the process of completing its year-end audit for FY 2024-2025 (FY 24-25). We have prepared a preliminary summary of actual revenues and expenditures based on unaudited information.

Final figures will be available once year-end Annual Comprehensive Financial Report (ACFR) is completed in early 2026.

FY 24-25 Projected Year-End Results (unaudited)

The City Council adopted a FY 24-25 General Fund operating budget of $90.4 million, plus an additional $9 million in one-time funding, supplemental budget requests, and transfers from special revenue funds to the General Fund. By mid-year, the Council had authorized additional appropriations of $4.6 million for various purposes including grant fund recognition, vehicle acquisition, equipment purchases, contractual services, and personnel adjustments, resulting in a total revised budget of $104 million.

The projected FY 24-25 year-end General Fund results appear favorable.

Actual Revenues – excluding one-time revenues and transfers – were $98.4 million, which is $3.5 million or 3.74% greater than budgeted. Actual Operating Expenditures were $90.0 million, which is $14 million or 13.8% below budget. Actual Operating Revenue compared to actual expense creates a projected FY 24-25 surplus of $8.4 million.

FY 24-25 Projected Year-End Actual	
General Fund Revenues	$ 98,444,091
Expenses	$ 90,040,396
Surplus / (Loss)	**$ 8,403,695**

FY 24-25 Revenues

The City conservatively under-budgeted three major revenue categories: Property Tax, Utility User's Tax, and Franchise Fees by $1.2 million collectively (FY 24-25 actual revenues were $400,000 over prior year results). These gains were partially offset by a $800,000 shortfall in Sales Tax Revenues compared to the budgeted figure.

Total program revenues also fell short of budget projections by $1.1 million ($11.1 million budget vs $10.0 million actual). In addition, we did not record the $1.2 million in budgeted lease payments from the Water Department to the City, due to the Water Department's revenue/billing issues.

The City realized $4.4 million interest earnings in FY 23-24 and $4.6 million in interest income in FY 24-25. However, the City significantly under-budgeted interest income for FY 24-25 ($1.0 million) resulting in a $3.6 million surplus over budget.

FY 24-25 net revenue results exceeded budgeted figures by $3.5 million. However, budgeted revenues for FY 25-26 more closely reflect FY 24-25 actual revenues.

FY 24-25 Expenses

FY 24-25 actual expenses were $90 million, or $14 million below the revised budget. Actual expenses were under budget primarily due to full-time staff vacancies, timing of certain vehicle/equipment purchases and delayed spending in contractual services. Many of these unspent amounts that were budgeted in FY 24-25 were carried over into FY 25-26 and expected to be spent in the near future.

Cost savings realized for expenditures are summarized as follows:

- Full-time staff vacancies ($4.9 million)
- Contractual services ($2.4 million)
- Overhead ($2.3 million)
- Intergovernmental charges–other ($0.8 million)
- Intergovernmental charges–Whittier PD ($0.7 million)
- Equipment replacement ($0.7 million)
- Utilities ($0.6 million)
- Part-time salaries ($0.6 million)
- Supplies ($0.5 million)
- Fuel ($0.2 million)

ANALYSIS

The City Council adopted the Fiscal Year 2025-2026 (FY 25-26) budget on June 17, 2025. The First Quarter (Q1) financial report covers revenue and financial operating performance for the three months ended September 30, 2025. The quarterly budget review process is also an opportunity to adjust appropriation amounts based on fiscal year-to-date actual information.

General Fund

FY 25-26 Q1 Revenue

For the three months ended September 30, 2025, the City's actual revenue is $24.4 million, which is 24.9% of the FY 25-26 budget. Last year's Q1 actual revenue was $20.1 million or 19.0% of the budget. The variance is primarily due to increased program revenues compared to last year, and the timing of collections for Franchise Fees as well as Utility User's Tax compared to last year.

Looking ahead to the remainder of FY 25-26, City revenues will be augmented following the voter-approved Measure L quarter-cent sales tax measure that passed in November. It is projected that this will generate an additional $1.0 million in Sales Tax Revenue collection commencing in April.

FY 25-26 Q1 Expense

Actual operating expenses are $32.1 million, which is 28.4% of the FY 25-26 budget. Last year's Q1 actual expenses were $33.5 million or 33.4% of the budget. Operating Expenses are greater than Revenues due to the one-time payment of Unfunded Accrued Liability (UAL) of $14 million in July.

Position Adjustments

The proposed personnel adjustments include new positions and reclassifications of existing positions:

New Positions

1. Three new full-time Firefighter/Paramedic positions to support Emergency Medical Services
2. One new full-time Special Assignment Battalion Chief position to support Emergency Medical Services
3. One new Code Enforcement Manager[1] to support Code Enforcement services
4. One new Program Coordinator I to support Parks and Recreation special events
5. One new Administrative Assistant to support Code Enforcement Services

1 – Cost of position will be partially offset by temporarily freezing a vacant Code Enforcement Supervisor position

Reclassifications and other modifications

1. Reclassify one Procurement Specialist to Senior Account Clerk
2. Reclassify one Finance Analyst to Senior Finance Analyst
3. Reclassify one Principal Engineer to Assistant Director Public Works/City Engineer
4. Fill an existing, vacant IT Specialist[2] position in lieu of contracting for services.
5. One hourly contracted position to perform accounting and finance duties per Professional Services Agreement (PSA)

2– Cost of position will be partially offset by reducing related contractual services

The proposed personnel adjustments total $812,415 on a prorated basis for FY 25-26 and are detailed in Attachment A.

ENVIRONMENTAL

N/A

SUMMARY/NEXT STEPS

The proposed FY 25-26 Q1 review and adjustment is presented to the City Council for further input and direction. Staff will incorporate any direction and input provided by the City Council.

ATTACHMENT(S):

A. Revenue and Expenditure Adjustments
B. Revised Salary Schedule

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

FY 2025-26 Quarterly Update
Position Adjustments

	FY 25-26 (six months)	FY 26-27 (projected)
New Positions:		
Fire-Rescue - Firefighter/Paramedic (3)	$ 278,898	$ 557,796
Fire-Rescue - Special Assignment Battalion Chief	196,469	392,938
Police Services - Code Enforcement Manager*	76,271	152,541
Police Services - Administrative Assistant in Code Enforcement	47,267	94,534
Parks and Recreation - Program Coordinator I	47,150	94,300
Subtotal - New Positions	**$ 646,055**	**$ 1,292,109**
Personnel Adjustments:		
Public Works - Reclassify Principal Engineer to Assistant Director Public Works/City Engineer	$ 46,653	$ 93,307
Finance - Reclassify Procurement Specialist to Senior Account Clerk	5,823	11,646
Finance - Reclassify Finance Analyst to Senior Finance Analyst	11	22
Finance - Fill existing Information Technology Specialist position**	63,873	127,746
Finance - Add part-time hourly position for accounting and finance	50,000	0
Subtotal - Personnel Adjustments	**$ 166,360**	**$ 232,720**
Total Adjustments	**$ 812,415**	**$ 1,524,830**

** Cost of position will be partially offset by temporarily freezing a vacant Code Enforcement Supervisor position*

*** Cost of position will be partially offset by reducing related contractual services*

City of Santa Fe Springs
Fiscal Year 2025-2026 Salary Schedule Effective July 1, 2025

JOB TITLE	BARGAINING UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Account Clerk	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Account Clerk Supervisor	SFSMCA	19	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48
Accountant	SFSMCA	22	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95
Administrative Assistant	SFSEA	9	4,524.09	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91
Administrative Services Officer	SFSMCA	40	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14	14,754.89
Aquatic Maintenance Worker	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Assistant City Manager	SFSEMA	54	17,104.97	17,618.11	18,146.66	18,691.06	19,251.79	19,829.34	20,424.22	21,036.95	21,668.06	22,318.10
Assistant Civil Engineer	SFSEA	20	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01
Assistant Director of Community Development	SFSMCA	39	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14
Assistant Director of Finance	SFSMCA	39	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14
Assistant Director of Police Services	SFSMCA	34	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99
Assistant Director of Public Works/ City Engineer	SFSMCA	45	13,109.53	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97
Assistant Director of Public Works	SFSMCA	40	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14	14,754.89
Assistant Fire Chief	SFSFFA	46	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11
Assistant Planner	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Assistant Superintendent	SFSEA	33	9,196.55	9,472.44	9,756.62	10,049.32	10,350.80	10,661.32	10,981.16	11,310.59	11,649.91	11,999.41
Associate Civil Engineer	SFSEA	29	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62	10,049.32	10,350.80	10,661.32
Associate Planner	SFSEA	25	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44
Battalion Chief	SFSFFA	42	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47
Building Permit Technician	SFSEA	7	4,264.39	4,392.32	4,524.09	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06
Building Services Manager	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Business Liaison	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Capital Improvements Manager	SFSMCA	36	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53
City Clerk	SFSMCA	38	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90
Civil Engineering Assistant	SFSEA	23	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69
Civil Engineering Technician	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Code Enforcement Inspector	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14
Code Enforcement Manager	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Code Enforcement Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Community Services Manager	SFSMCA	34	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99
Community Services Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Deputy City Clerk	SFSMCA	21	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51
Deputy Fire Marshal	SFSFFA	33	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08
Director of Community Development	SFSEMA	47	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11	18,146.66
Director of Community Services	SFSEMA	46	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11
Director of Economic Development	SFSEMA	47	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11	18,146.66
Director of Finance	SFSEMA	51	15,653.47	16,123.07	16,606.76	17,104.97	17,618.12	18,146.66	18,691.06	19,251.79	19,829.34	20,424.22
Director of Parks and Recreation	SFSEMA	46	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11

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JOB TITLE	BARGAINING UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Director of Police Services	SFSEMA	46	13,502.82	13,907.90	14,325.14	14,754.89	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11
Director of Public Works/City Engineer	SFSEMA	50	15,197.54	15,653.47	16,123.07	16,606.76	17,104.97	17,618.11	18,146.66	18,691.06	19,251.79	19,829.34
Economic Development Specialist	SFSMCA	26	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.61	9,754.72
Electrician	SFSEA	17	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63
Electrician Assistant	SFSEA	12	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27
Environmental Program Manager	SFSFFA	36	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53
Executive Assistant	SFSEA	15	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39
Facilities Maintenance Specialist	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Facilities Maintenance Supervisor	SFSEA	26	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62
Finance Analyst	SFSMCA	21	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51
Finance Manager	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Finance Technician	SFSMCA	16	5,562.98	5,729.87	5,901.77	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43
Fire Captain	SFSFFA	35	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70
Fire Chief	SFSEMA	52	16,123.07	16,606.76	17,104.97	17,618.11	18,146.66	18,691.06	19,251.79	19,829.34	20,424.22	21,036.95
Fire Engineer	SFSFFA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Fire Equipment Mechanic	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Fire Marshal	SFSFFA	36	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53
Fire/Environmental Safety Inspector	SFSFFA	24	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76
Fire/Environmental Safety Specialist	SFSFFA	33	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08
Firefighter	SFSFFA	25	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60
Firefighter Paramedic	SFSFFA	29	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25
Firefighter Paramedic Trainee	SFSFFA	27	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36
Fleet Maintenance Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Grants Analyst	SFSEA	25	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44
Grounds Maintenance Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Homelessness Services Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Housing Compliance Inspector	SFSFFA	17	5,729.87	5,901.77	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18
Housing Navigator	SFSEA	14	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10
Human Resource Manager	SFSMCA	39	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14
Human Resources Analyst	SFSMCA	27	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36
Human Resources Specialist	SFSMCA	16	5,562.98	5,729.87	5,901.77	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43
Human Resources Technician	SFSMCA	14	5,243.64	5,400.95	5,562.98	5,729.87	5,901.77	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77
Information Technology Specialist	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14
Lead Account Clerk	SFSEA	14	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10
Lead Bus Driver	SFSEA	14	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10
Lead Facilities Maintenance Specialist	SFSEA	17	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63
Lead Public Safety Officer	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14

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JOB TITLE	BARGAINING UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Lead Water Utility Worker	SFSEA	19	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02
Librarian I	SFSEA	19	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02
Librarian II	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14
Librarian II Technical Services	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14
Librarian III	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Library Services Manager	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Management Analyst	SFSEA	20	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01
Mechanic Assistant	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Mechanic I	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Mechanic II	SFSEA	20	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01
Media and Communication Specialist I	SFSEA	14	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10
Media and Communication Specialist II	SFSEA	17	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63
Parks & Recreation Maintenance Worker	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Parks and Recreation Services Manager	SFSMCA	32	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65
Parks and Recreation Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Payroll Specialist	SFSMCA	15	5,400.95	5,562.98	5,729.87	5,901.77	6,078.82	6,261.19	6,449.02	6,642.49	6,841.77	7,047.02
Principal Accountant	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Principal Civil Engineer	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Principal Planner	SFSMCA	32	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65
Procurement Manager	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Procurement Specialist	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Program Coordinator I	SFSEA	12	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27
Program Coordinator II	SFSEA	21	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14
Public Information Officer	SFSMCA	23	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95
Public Safety Manager	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Public Safety Officer II	SFSEA	15	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39
Public Safety Officer Supervisor	SFSEA	26	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62
Public Safety Program Coordinator	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Public Works Inspector	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Public Works Maintenance Worker	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Public Works Manager	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Public Works Superintendent	SFSMCA	39	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14
Revenue & Budget Manager	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Risk Analyst	SFSMCA	27	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36
Senior Account Clerk	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Senior Accountant	SFSMCA	27	7,700.47	7,931.48	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36
Senior Administrative Analyst (PW)	SFSEA	28	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62	10,049.32	10,350.80

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JOB TITLE	BARGAINING UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Senior Building Permit Technician	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Senior Bus Driver	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Senior Executive Assistant	SFSMCA	21	6,449.02	6,642.49	6,841.77	7,047.02	7,258.43	7,476.18	7,700.47	7,931.48	8,169.43	8,414.51
Senior Facilities Maintenance Specialist	SFSEA	15	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39
Senior Fire/Environmental Safety Inspector	SFSFFA	29	8,169.43	8,414.51	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25
Senior Finance Analyst	SFSMCA	25	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44
Senior Human Resources Analyst	SFSMCA	31	8,666.95	8,926.95	9,194.76	9,470.60	9,754.72	10,047.36	10,348.79	10,659.25	10,979.03	11,308.40
Senior Management Analyst	SFSEA	25	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44
Senior Planner	SFSEA	29	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62	10,049.32	10,350.80	10,661.32
Senior Public Works Maintenance	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Senior Social Services Case Manager	SFSEA	16	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84
Senior Water Utility Worker	SFSEA	15	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39
Social Services Case Manager	SFSEA	14	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10
Streets Maintenance Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Systems Analyst	SFSEA	26	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62
Technology Services Manager	SFSMCA	39	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82	13,907.90	14,325.14
Traffic Engineer	SFSEA	31	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62	10,049.32	10,350.80	10,661.32	10,981.16	11,310.59
Traffic Signal and Lighting Assistant	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Traffic Signal and Lighting Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Traffic Signal and Lighting Technician I	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Traffic Signal and Lighting Technician II	SFSEA	18	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96
Transportation Supervisor	SFSEA	24	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55
Water Meter Reader	SFSEA	10	4,659.81	4,799.61	4,943.60	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00
Water Quality & Backflow Cross Connection Specialist	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Water Systems Operator	SFSEA	22	6,643.78	6,843.10	7,048.39	7,259.84	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63
Water Utility Manager	SFSMCA	37	10,348.79	10,659.25	10,979.03	11,308.40	11,647.65	11,997.08	12,356.99	12,727.70	13,109.53	13,502.82
Water Utility Supervisor	SFSEA	26	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62
Water Utility Worker	SFSEA	13	5,091.91	5,244.66	5,402.00	5,564.06	5,730.98	5,902.91	6,080.00	6,262.40	6,450.27	6,643.78
Water Customer Services Supervisor	SFSEA	26	7,477.63	7,701.96	7,933.02	8,171.01	8,416.14	8,668.63	8,928.69	9,196.55	9,472.44	9,756.62

City of Santa Fe Springs
Fiscal Year 2025-2026 Salary Schedule Effective July 1, 2025

JOB TITLE	UNIT	RANGE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10
Administrative Clerk I	Hourly/Part-Time	9	20.27	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68	26.45
Administrative Intern	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Aquatics Aide	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Bus Driver	Hourly/Part-Time	8	19.68	20.27	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68
Code Enforcement Inspector	Hourly/Part-Time	15	24.20	24.93	25.68	26.45	27.24	28.06	28.90	29.77	30.66	31.58
Community Resources Aide	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Community Services Program Leader I	Hourly/Part-Time	3	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15
Community Services Program Leader II	Hourly/Part-Time	5	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15	22.81	23.50
Community Services Program Leader II (PTB)	Hourly/Part-Time	5	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15	22.81	23.50
Community Services Program Leader III	Hourly/Part-Time	10	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68	26.45	27.24
Computer Technician	Hourly/Part-Time	9	20.27	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68	26.45
Environmental Intern	Hourly/Part-Time	3	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15
Fire Department Aide	Hourly/Part-Time	2	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88	21.50
Heritage Park Ranger	Hourly/Part-Time	3	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15
Instructor Lifeguard I	Hourly/Part-Time	4	17.48	18.01	18.55	19.11	19.68	20.27	20.88	21.50	22.15	22.81
Instructor Lifeguard II	Hourly/Part-Time	7	19.11	19.68	20.27	20.88	21.50	22.15	22.81	23.50	24.20	24.93
Instructor Lifeguard III	Hourly/Part-Time	12	22.15	22.81	23.50	24.20	24.93	25.68	26.45	27.24	28.06	28.90
Lead Recreation Instructor	Hourly/Part-Time	16	24.93	25.68	26.45	27.24	28.06	28.90	29.77	30.66	31.58	32.53
Library Information Desk Assistant	Hourly/Part-Time	10	20.88	21.50	22.15	22.81	23.50	24.20	24.93	25.68	26.45	27.24
Library Services Aide	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Office Aide	Hourly/Part-Time	1	*	*	16.97	17.48	18.01	18.55	19.11	19.68	20.27	20.88
Public Safety Officer	Hourly/Part-Time	16	24.93	25.68	26.45	27.24	28.06	28.90	29.77	30.66	31.58	32.53
Public Works Maintenance Worker	Hourly/Part-Time	18.1	26.88	27.69	28.52	29.38	30.26	31.17	32.10	33.06	34.06	35.08
Recreation Instructor	Hourly/Part-Time	6	18.55	19.11	19.68	20.27	20.88	21.50	22.15	22.81	23.50	24.20

*Effective 1/1/2025 Mininum Wage Increase Salary Adjustment

ITEM # 25

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: **ON-CALL PETROLEUM ENGINEERING SERVICES – AUTHORIZATION TO ADVERTISE A REQUEST FOR QUALIFICATIONS (RFQ)**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Find that the advertisement of a Request for Qualifications (RFQ) for On-Call Petroleum Engineering Services is exempt from the requirements of the California Environmental Quality Act (CEQA);

2) Authorize the Director of Community Development to advertise an RFQ for On-Call Petroleum Engineering Services; and

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

FISCAL IMPACT

There is no fiscal impact associated with issuing this RFQ. Upon vendor selection, City staff will bring this item back for City Council review and approval, including proposed expenditure amounts. Fees for petroleum engineering services provided will vary by project. In some cases, costs for pass-through services may be borne by the project applicants.

BACKGROUND

The City oversees various development projects that include existing or historic oil and gas production activities. As part of these efforts, the City is responsible for ensuring that petroleum-related facilities, including oil and gas wells, are properly abandoned in accordance with state regulations and industry best practices. Given the technical

complexity of well abandonment, specialized petroleum engineering expertise is required to support the City's evaluation, planning, and oversight functions. To secure this expertise, staff recommends issuing an RFQ to establish an on-call petroleum engineering consulting contract.

ANALYSIS

Oil and gas well abandonment projects involve detailed engineering assessments, regulatory compliance, environmental considerations, and coordination with multiple agencies. City staff does not possess the in-house petroleum engineering expertise necessary to independently evaluate well conditions or develop abandonment strategies. The proposed RFQ seeks qualified petroleum engineering consulting firms capable of providing technical support on an as-needed basis. The consultant will assist the City with tasks such as reviewing well records, preparing abandonment plans, coordinating with regulatory agencies, and providing field oversight during abandonment operations. Establishing an on-call agreement will ensure the City has timely access to specialized expertise as projects arise.

ENVIRONMENTAL

Advertisement of the RFQ is exempt from the requirements of CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) Section 15378, because the action does not approve any development nor does it result in a direct physical impact on the environment, and as such, there are no reasonably foreseeable environmental impacts at this time.

As a separate and independent basis, advertisement of the RFQ is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

DISCUSSION

Issuing an RFQ for on-call petroleum engineering services will allow the City to identify and prequalify firms with the experience and capability to support complex oil and gas well abandonment activities. The selected consultant(s) will enable the City to manage current and future development projects involving legacy petroleum infrastructure more efficiently and responsibly. This approach also provides flexibility, as work will be assigned on an as-needed basis while ensuring compliance with procurement requirements. Staff anticipates that securing qualified petroleum engineering support will enhance project safety, reduce risks associated with aging petroleum facilities, and support the City's long-term environmental stewardship goals.

SUMMARY/NEXT STEPS

Following City Council approval of the recommended actions, staff will post the RFQ on the City's website and PlanetBids portal and distribute it by email to petroleum engineering consulting firms.

ATTACHMENT:

A. RFQ for On-Call Petroleum Engineering Services

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

Request For Qualifications (RFQ):

On-Call Petroleum Engineering Services

RFQ No. TBD

CITY OF SANTA FE SPRINGS
Community Development Department
Attn: Cuong Nguyen, Director of Community Development

Issued: December 4, 2025
Responses Due: January 15, 2026

Request for Qualifications (RFQ)

On-Call Petroleum Engineering Services

RFQ No.: TBD
Issue Date: December 4, 2025
Response Due Date: January 15, 2026

INTRODUCTION

The City of Santa Fe Springs (City) is soliciting Statements of Qualifications (SOQs) from qualified firms and individuals to provide professional on-call petroleum engineering services. This Request for Qualifications (RFQ) intends to establish a pool of pre-qualified firms that may be considered for future contracts involving exploration, production, reservoir analysis, well integrity, and related petroleum engineering services.

I. ABOUT THE CITY

The City of Santa Fe Springs, located in southeast Los Angeles County, has a rich history deeply connected to the petroleum industry. Once one of California's most prolific oil fields, the area experienced significant growth and development in the early 20th century as petroleum extraction played a vital role in shaping the community and regional economy. While the City has since evolved into a balanced mix of industrial, commercial, and residential uses, the legacy of oil production remains an important part of its landscape and long-term planning considerations.

As the City continues to manage and oversee land use, infrastructure, and environmental stewardship, petroleum engineering expertise remains essential. Historical oil activity has created unique challenges and responsibilities, from the management of legacy wells and facilities to ensuring the safety, compliance, and sustainability of redevelopment efforts. The City seeks qualified petroleum engineering services to support these efforts, ensuring that its future growth is both responsible and consistent with its history as a community shaped by energy production.

II. SCOPE OF SERVICES

Selected firm(s) will provide petroleum engineering expertise on an as-needed basis, which may include, but is not limited to:

- Reservoir engineering studies, including volumetrics, material balance, decline curve analysis, and simulation modeling.
- Drilling, completion, and production engineering design and optimization.

- Well integrity evaluations, workover planning, and failure analysis.
- Reserves estimation and classification in accordance with industry standards (e.g., SPE-PRMS).
- Technical due diligence for acquisitions, divestitures, or joint ventures.
- Economic evaluations, forecasting, and sensitivity analyses.
- Regulatory compliance support and preparation of technical documentation.
- Health, safety, and environmental considerations in petroleum operations.

Regulatory Compliance & Technical Guidance

- Review applicable federal, state, and local regulations governing oil and gas well abandonment (e.g., California Geologic Energy Management Division (CalGEM) standards, Air Quality Management District (AQMD), City ordinances).
- Provide written technical guidance to ensure the City's abandonment activities meet or exceed regulatory requirements.
- Advise on compliance with environmental regulations, including groundwater protection, soil remediation, and air quality controls.

Well File Review & Data Analysis

- Analyze historical well records, drilling logs, production data, and past remedial actions.
- Evaluate well integrity, casing conditions, cement bond logs, and prior plugging operations (if any).
- Identify wells with elevated environmental or safety risk requiring priority action.

Abandonment Plan Development

- Prepare technical abandonment procedures aligned with CalGEM standards, including:
    - Casing cut and removal requirements;
    - Cement plug placement intervals and volumes;
    - Pressure testing and verification protocols;
    - Provide engineering drawings and schematics for recommended abandonment methods;
    - Develop well-specific abandonment cost estimates.

Bid & Contractor Support

- Assist the City in preparing bid documents and technical specifications for qualified abandonment contractors.

- Review contractor proposals and provide technical recommendations during selection.
- Advise on cost reasonableness and schedule feasibility.

Construction Oversight & Quality Assurance

- Provide on-site or remote engineering oversight during well abandonment operations.
- Conduct field inspections, including but not limited to inspection of exposed wells prior to construction.
- Verify cement placement, casing removal, and final plug integrity.
- Witness mechanical integrity tests, pressure tests, and logging operations as needed.
- Document daily activities and provide engineering sign-off at project milestones.

Health, Safety, and Environmental (HSE) Review

- Advise on best practices for worker and community safety during abandonment activities.
- Review air monitoring, noise, and vibration controls.
- Recommend mitigation measures for potential leaks or accidental releases.

Reporting & Documentation

- Prepare final abandonment reports for submission to CalGEM and other regulatory agencies.
- Provide the City with comprehensive closure packages, including:
    - Plugging records;
    - Cement test results;
    - Final site maps and as-builts;
    - Engineer's certification of compliance.

Community & Stakeholder Support (Optional)

- Attend public meetings to explain technical aspects of well abandonment and related activities.
- Provide plain-language materials summarizing abandonment methods, safety assurances, and environmental protections.

The foregoing is the general scope of services (Scope of Services) that may be expected. It is anticipated that a detailed scope of work will be developed for each individual project/work order (Work Order), in consultation with the selected consultant. The consultant will then provide a proposed Scope of Work Cost Estimate and Schedule, upon which basis the City will issue a Work Order. All services shall be performed on a project-by-project basis pursuant to a request from the City, with no guarantee that any minimum number of services

will be requested. Depending on the project, the City reserves the right to also request that one or more specific subconsultants be included on the project team.

III. MINIMUM QUALIFICATIONS

Firms or individuals must demonstrate:

- Licensed Professional Engineer(s) with specialization in petroleum engineering.
- Minimum of five (5) years of direct experience in petroleum engineering projects, including comparable experience providing technical expertise to other jurisdictions.
- Demonstrated experience with industry-standard software (e.g., Eclipse, CMG, PETREL, Prosper, GAP, OFM).
- Proven ability to provide independent technical evaluations and expert advice.
- Strong record of compliance with applicable federal, state, and local regulations.

IV. SUBMISSION REQUIREMENTS

Interested firms should submit one electronic copy (PDF) of their SOQ, which must include the sections described below:

- **Cover Letter** – A cover letter, not to exceed three (3) pages in length, that includes the following:
    - A brief statement of your understanding of the City and the Scope of Services to be provided;
    - A summary of key elements of the SOQ;
    - The address and telephone number of the firm's office from where the on-call petroleum engineering services will be managed;
    - A stipulation that the firm's fees and hourly rates stated in the SOQ will be valid for a period of at least one year from the date an agreement is signed with the City; and
    - The signature of an individual authorized to bind the firm.
- **Firm Background** – This section will provide the following information:
    - The firm's background, ownership, office locations, business expertise/experiences, specialties, and capabilities to perform the Scope of Services outlined above;
    - Any characteristics of the firm that would be uniquely relevant in evaluating the company's ability to handle petroleum engineering projects;
    - A description of the methods by which the firm manages projects of the type sought by this RFQ, and any other project management procedures,

implementation strategies, or techniques that your company intends to employ in carrying out services; and
    - Efforts the firm will undertake to achieve client satisfaction and to satisfy the requirements of the Scope of Services, including the ability to be timely and responsive.

- **Key Personnel and Staffing** – This section will provide the following:
    - A list of individuals who will be assigned to work on projects for the City and the functions that each will perform, including the designation of the individual that would act as the Firm's representative under the Scope of Services (Consultant Representative);
    - Resumes for each designated individual that will perform the tasks expected under the Scope of Services, noting applicable licenses and certifications;
    - Information regarding your firm's current staffing, current workload, and ability to perform the Scope of Work;
    - If applicable, a brief description of any subconsultants with whom the firm partners and a description of the services those subconsultants provide; and
    - Specific examples of projects completed by the company and the subconsultant as a team.

  If, upon award of a contract, the firm chooses to assign a different Consultant Representative to a project during the contract period, the firm must submit their names and qualifications, including the information listed above, to the City for approval before they begin work.

- **Experience & Qualifications** – This section will describe the qualifications of the firm, including the qualifications of its key personnel, staff, and sub-contractors, and the firm's local and/or state experience performing petroleum engineering projects of similar size and scope. Information shall include:
    - Project descriptions, including client name, scope, and outcome of each project;
    - Names of the firm's key personnel that participated in named projects and their specific responsibilities with respect to this Scope of Services;
    - A summary of your firm's demonstrated capability, including the years of experience that your firm has providing petroleum engineering services of the type requested in this RFQ; and
    - A summary of tools, models, and methods used by the firm in petroleum engineering analysis.

- **References** – Provide at least three local references that received similar services from your firm. The City of Santa Fe Springs reserves the right to contact any of the organizations or individuals listed. Information provided shall include:
    - Client name and contact information, including client project manager name, telephone number, and e-mail address;
    - Project Description; and
    - Project start and end dates.

- **Fee Schedule** – Provide a proposed time and materials fee schedule for the services, including:
    - Hourly rates for staff by classification (Principal Engineer, Senior Engineer, Engineer, Analyst, Technician, etc.);
    - Overtime, fieldwork, and travel rates, if applicable;
    - Any standard reimbursable expenses; and
    - Blended or task-based rates, if applicable.

- **Legal & Compliance** – Disclose any pending litigation, regulatory issues, or conflicts of interest in this section.

- **Proposal Exceptions** – Identify any exceptions or requested changes to the RFQ's Scope of Services, RFQ conditions, requirements and agreement. Proposed exceptions must include the following:

    - Clear identification of each proposed change to the professional services agreement, including any relevant attachments.

    - Clearly stated rationale for the requested exception or requested change, as well as specific recommendation for alternative language.

The City shall determine whether to accept or to reject the requested exception or change(s) in its sole and absolute discretion. Any SOQ that does not note any exceptions or changes shall be presumed to accept all conditions and requirements in the Attachment A. Items not accepted will not be open to later negotiation.

V. SUBMITTAL SCHEDULE AND INSTRUCTIONS

This RFQ will be governed by the following tentative schedule as follows:

Table 1. Tentative RFQ Schedule

Milestone	Date
Release of RFQ	December 4, 2025

Deadline for Submitting Questions	January 6, 2026
Posting City Responses to Questions	January 8, 2026
SOQ Responses Due	January 15, 2026
Interview Dates (if needed)	February 2, 2026
Qualification Evaluation Completed	February 5, 2026
Select Qualified Firms	February 17, 2026

Qualifications are due by 5:00 p.m. on January 15, 2026. This submittal deadline is fixed, and extensions will not be granted. All SOQs received after the deadline shown will be rejected and will not receive further consideration. The City reserves the right to modify, postpone, or cancel the timelines herein as provided in Section XV, below.

One electronic copy (PDF) of the SOQ shall be submitted by email to:

City of Santa Fe Springs
Community Development Department
Attn: Cuong Nguyen, Director of Community Development
Email: cuongnguyen@santafesprings.org

The City reserves the right to request clarifications on any aspect of a submittal. The City shall not be liable for any expenses incurred by any proposer in relation to the preparation or submittal of a SOQ. Expenses include, but are not limited to, expenses by proposer in preparing a SOQ or related information in response to this RFQ, negotiations with the City on any matter related to this RFQ, and costs associated with interviews, meetings, travel, or presentations. Additionally, the City shall not be liable for expenses incurred as a result of the City's rejection of any SOQ made in response to this RFQ.

VI. EVALUATION CRITERIA AND REVIEW PROCESS

The evaluation panel will review and score the provided SOQs based on the following criteria:

(1) Quality and completeness of SOQ;
(2) Quality, experience, and effectiveness of the Scope of Services to be provided;
(3) Respondent's experience, including the experience of staff to be assigned to the project, with engagements of similar scope and complexity;
(4) Cost to the City;
(5) Respondent's financial stability and length of time in business;
(6) Prior record of performance with City and/or other public agencies; and
(7) Proposer's compliance with applicable laws, regulations, policies (including District policies), guidelines and orders governing prior or existing contracts performed by the contractor.

All proposals will be reviewed for compliance with specifications, including documented capability to perform the prescribed work in a satisfactory manner. Proposals, which appear to be compliant, will be evaluated on a point system (0-100 points, with 100 being the best possible score) in accordance with Table 2, below:

Table 2. Evaluation Criteria

Category	Maximum Points
Adherence to Scope of Services	30 points
Meeting SOQ Requirements	30 points
Compensation	20 points
References	20 points

The evaluation committee may select certain respondents to interview so that it may ask further questions, obtain clarification, and if desirable, attempt to negotiate modifications or refinements to the proposal that may be in the best interest of the City. The purpose of conducting such interviews shall be to ensure that the City's full understanding of the respondent's ability to perform the Scope of Services required by this RFQ.

After review of the SOQs and in-person interviews, if any, the evaluation committee shall make its recommendations to the City Council to enter into a professional services agreement, as provided in Attachment A. No SOQ or proposal shall be binding on the City until after a professional services agreement is signed by duly authorized representatives of both the responding firm and City.

VII. LEGAL RESPONSIBILITIES

All proposals must be submitted, filed, made, and executed in accordance with this RFQ. Any individual or entity submitting a proposal will by such action thereby agree to each and all of the terms, conditions, provisions, and requirements set forth, contemplated, and referred to in the RFQ, and to full compliance therewith.

VIII. NO AMENDMENTS

Respondents to this RFQ shall not be permitted to make amendments to their SOQs or to supplement submitted materials after submission, except as otherwise specifically permitted herein, posted on the City's website as an update, or in specific response to a City request for additional information or materials.

IX. ERRORS, OMISSIONS, AND DISCREPANCIES

Respondents to this RFQ must satisfy themselves by personal examination of any and all applicable City ordinances, resolutions, codes and regulations, policies and any applicable

State or federal laws, statutes, and regulations as they may believe necessary to perform the Scope of Services contemplated herein. No firm responding to this RFQ shall at any time after submission of a proposal make any claim or assertion that there was any misunderstanding or lack of information regarding the nature of the RFQ process. Any errors, omissions, or discrepancies called to the attention of the City may be clarified by the City in writing to all proposers prior to the submission of the proposals.

X. RFQ INQUIRIES

Firms and their directors, employees, and agents are strictly prohibited from communicating with the Mayor, City Council, City staff, elected or appointed officials, application reviewers, or consultant(s) hired by the City ("City Officials") regarding this RFQ, except as set forth herein. To ensure fairness and avoid misunderstandings, all communications must be in written format and addressed only to the individual set forth above. For all communications, including inquiries regarding this RFQ, must be submitted in writing to: Cuong Nguyen, Director of Community Development, cuongnguyen@santafesprings.org. Any verbal communications will not be considered or responded to.

All questions and inquiries shall be submitted before 5:00 p.m. on January 6, 2026 and will be answered and posted online by 5:00 p.m. on January 8, 2026 to https://www.santafesprings.gov/our_community/services/bids___proposals.php. Communications received after the specified date and time will not be answered.

Written communications must be submitted via email to the address provided above. All questions received by the due date will be logged and reviewed and, if required, a response will be provided via an addendum to this RFQ. **Any communications, whether written or verbal, with the Mayor, any City councilmember, or City staff, other than the individual indicated above (specific to this RFQ), prior to award of a contract, is strictly prohibited and will result in automatic disqualification from consideration under this RFQ.**

XI. EVALUATION CRITERIA

Although not necessarily exhaustive of the criteria to be utilized, the City intends to use the following evaluation criteria in selecting firm(s):

- Responsiveness to the RFQ: Compliance with RFQ requirements, understanding of the scope, and breadth and depth of response.
- Firm Experience: Demonstrates adequate and relevant experience conducting similar work for other public agencies.
- Project Team and Subconsultants: Has provided all team members resumes with appropriate information, project experience noted, and qualifications noted.
- Client Reference Checks: Satisfaction of prior/current clients, professional reputation of the firm, and experience working with cities.

After evaluating all SOQs received, discussions with prospective firms may or may not be required. If scheduled, the oral interview will be a question/answer format for the purpose of clarifying the intent of any portions of the RFQ. The individual from your firm who will be directly responsible for carrying out a contract, if awarded, should be present at the oral interview.

XII. SELECTION PROCESS

Following the evaluation, the evaluation panel may invite shortlisted firms for additional interviews or presentations. Selection does not guarantee award of a contract, but qualifies the firm to be considered for future petroleum engineering assignments.

XIII. PROFESSIONAL SERVICES AGREEMENT

A selected firm will be required to enter into an agreement with the City based on the template attached to this RFQ (Attachment B). Revisions to the agreement provisions will not be accepted.

XIV. PUBLIC RECORDS

Any provision of the application that the business entity would like to be treated as confidential should be clearly marked as "Confidential." Proposers are further advised that marking of a particular section as Confidential will not automatically preclude the release of that portion of the application to the public, as the City is a public agency subject to the California Public Records Act (CPRA) (Gov. Code § 7920.000 *et seq.*). In the event a request for information under the CPRA seeks disclosure of application materials marked by Proposer as "Confidential information," the City will make reasonable efforts to provide notice to Proposer prior to such disclosure to allow the Proposer to seek a protective order, injunctive relief, or other appropriate remedy. If Proposer contends any designated application materials are exempt from the CPRA and wishes to prevent disclosure, it is required, at its own cost, liability, and expense to obtain a protective order, injunctive relief or other appropriate remedy from a court having jurisdiction over the matter at least two (2) days before City's deadline to respond to the CPRA request. If Proposer fails to obtain such a remedy before the deadline for the City's response to the CPRA request, the City will disclose the requested information and shall not be liable or responsible for such disclosure.

XV. RESERVATION OF RIGHTS

The City of Santa Fe Springs expressly reserves the right, without any cause or reason, without liability, obligation, or commitment to any party, firm or organization, to:

- Reject any or all responses.
- Accept all or any part of the proposal.
- Make multiple awards.
- Waive irregularities or informalities.
- Modify, postpone, or cancel this RFQ at any time.
- Request additional information from respondents.

The City shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by the submission of a proposal. In addition, the City reserves the right to request and obtain additional information from any proposer submitting a proposal. Participation in this RFQ process is at the sole risk of the participants.

XVI. CONFLICT OF INTEREST

By submitting a SOQ in response to this RFQ, the responding firm warrants and covenants that no official, director, employee, or agent of the City, nor any business entity in which an official or employee of the City has an interest, has been employed or retained to solicit or assist in the procurement of an award under this RFQ, nor that any such person will be employed in the performance of such procurement without immediate divulgence of such fact to the City.

XVII. CERTIFICATION

By submitting an SOQ, respondents certify that it has fully read and understands this RFQ and has full knowledge of the nature, scope and scale of services and tasks that are to be performed under this RFQ. Respondent also certifies that its proposal was prepared without prior understanding, agreement or connection with any other firm or individual submitting a SOQ under this RFQ, and is, in all respects, fair and without collusion or fraud, so that all proposals will result from free, open and competitive proposing among all proposers.

XVIII. ATTACHMENTS

Attachment A – Professional Services Agreement

2026

PROFESSIONAL SERVICES AGREEMENT

(Engagement: On-Call Petroleum Engineering Services)

(Parties: _____ and City of Santa Fe Springs)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this _____ day of _____ 2026 (hereinafter, the "Effective Date") by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and _____ (hereinafter, "CONSULTANT"). For the purposes of this Agreement, CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably, as appropriate.

RECITALS

WHEREAS, pursuant to Chapter 117 of the Santa Fe Springs Municipal Code ("SFSMC"), CITY regulates the oil and gas operations, inclusive of installation, maintenance, drilling for or production of oil and gas on lands within the CITY limits; and

WHEREAS, CITY requires the expertise of a petroleum engineering consultant to assist CITY with oil and gas well abandonment projects; and

WHEREAS, Section 34.18 of the Santa Fe Springs Municipal Code ("SFSMC") requires CITY to procure professional engineering services through a fair, competitive selection process in accordance with California Government Code Section 4529.12; and

WHEREAS, on _____, 20___, CITY issued a Request for Qualifications (RFQ No. _____) ("RFQ") soliciting Statements of Qualifications (SOQs) from qualified petroleum engineering consulting companies; and

WHEREAS, CONSULTANT timely submitted a SOQ in response to RFQ No. _____; and

WHEREAS, CITY staff evaluated CONSULTANT's SOQ according to the criteria and review process outlined in the RFQ and determined that CONSULTANT possesses the experience, skills, and training necessary to competently provide such services to CITY; and

WHEREAS, after evaluating all SOQs received, CITY staff selected CONSULTANT based on its SOQ evaluation score and recommended to the City Council of CITY ("City Council") that CITY enter into an agreement with CONSULTANT for on-call petroleum engineering services; and

WHEREAS, the execution of this Agreement was approved by the City Council at its Regular Meeting of _____, 20___, under Agenda Item No. _____.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

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I.
ENGAGEMENT TERMS

1.1 TERM: This Agreement shall have a term of three (3) years, (hereinafter, the "Term"), commencing from the Effective Date. Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause as provided under Article V (Termination), below. The Term may be extended for two (2) one-year periods at the option of the CITY, provided that CITY provides CONSULTANT with written notice of CITY's intent to exercise CITY's option to extend the Term of the Agreement no less than thirty (30) days prior to the expiration of the Term or any prior extension term. In the event CITY exercises its option to extend this Agreement, all terms, conditions, and provisions of this Agreement shall remain in effect and govern the duties, responsibilities, and liabilities of the parties hereto.

1.2 SCOPE OF SERVICES:

A. Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain Request for Qualifications of CITY entitled "Petroleum Engineering Services; RFQ No. _____" (hereinafter, "CITY RFQ") and the written proposal of CONSULTANT entitled "_____" (hereinafter, the "CONSULTANT Proposal"). The CITY RFQ and the CONSULTANT Proposal are attached and incorporated hereto as **Exhibit "A"** and **"B"** respectively. The term "Scope of Services" shall be a collective reference to the CITY RFQ and the CONSULTANT Proposal. The capitalized term "Services" shall be a collective reference to all the various services and tasks referenced in the Scope of Services. In the event of any conflict or inconsistency between the provisions of the document entitled CITY RFQ and the provisions of the document entitled CONSULTANT Proposal, the requirements of the document entitled CITY RFQ shall govern and control but only to the extent of the conflict or inconsistency and no further. In the event of any conflict or inconsistency between the provisions of the Scope of Services and the provisions of this Agreement to which the Scope of Services is attached, the provisions of this Agreement shall govern and control.

1.3 PROSECUTION OF SERVICES:

A. CONSULTANT shall perform the Services contemplated under this Agreement on an on-call, as-needed basis. Nothing in this Agreement shall be construed to grant CONSULTANT the exclusive right to perform any of the types of services or tasks contemplated under this Agreement nor shall anything in this Agreement be construed to entitle CONSULTANT to the receipt of any sums under this Agreement, except to the extent CITY requests the performance of any Services in the manner described below and such Services is in fact performed and completed by CONSULTANT and accepted by CITY. CITY requests for the performance of specific

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services or tasks contemplated under this Agreement shall be made in the form of a written work order(s) issued by the City Representative (each such written request hereinafter referred to as a "Work Order"). Each Work Order shall include the following information:

1. A detailed description of the specific services or tasks requested;
2. The location of where the particular services or tasks are to be performed, if applicable;
3. A not-to-exceed budget for performing the services or tasks;
4. A timeline for completing the requested services or tasks;
5. Any other information CITY deems necessary and relevant to the requested services or tasks; and
6. The signature of the City Representative, confirming that the services or tasks have been authorized by the City Representative.

B. CONSULTANT shall not perform any of the Services contemplated under this Agreement without a written Work Order request from the City Representative, containing the information set forth in Section 1.3(A), above;

C. CONSULTANT shall perform all assigned Services continuously and with due diligence so as to complete all assigned Services by the completion date indicated in each Work Order. CONSULTANT shall cooperate with CITY and in no manner interfere with the work of CITY, its employees or other consultants, contractors, or agents;

D. CONSULTANT shall not claim or be entitled to receive any compensation or damage because of the failure of CONSULTANT, or its subconsultants, to have related services or tasks completed in a timely manner;

E. CONSULTANT shall at all times enforce strict discipline and good order among CONSULTANT's employees; and

F. CONSULTANT, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.

1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the "_____" which is attached and incorporated hereto as **Exhibit "C"** (hereinafter, the "COMPENSATION RATE").

1.5 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT will submit to CITY an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and any reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice should indicate the number of hours worked in the recently concluded calendar month, the person(s) responsible for performing the Services, the rate of

compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY will notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY will pay all undisputed amounts included on the invoice. CITY will not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

1.6 ACCOUNTING RECORDS: CONSULTANT will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY will have the right to access and examine such records, without charge, during normal business hours. CITY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Services agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services, CONSULTANT will deliver to CITY immediately and without delay, all materials, records, and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT will only be compensated for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for any damages, costs, or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

II.
PERFORMANCE OF AGREEMENT

2.1 CITY'S REPRESENTATIVE: The CITY hereby designates the Fire Chief of CITY's Department of Fire-Rescue, or his or her designee, to act as its representative for the performance of this Agreement (hereinafter, the "City Representative"). The City Representative or the City Representative's designee will act on behalf of the CITY for all purposes under this Agreement. CONSULTANT will not accept directions or orders from any person other than the City Representative or the City Representative's designee.

2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates _____ to act as its representative for the performance of this Agreement (hereinafter, "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. Consultant Representative or the Consultant Representative's designee will supervise and direct the performance of the Services, using his/her best skill and attention, and will be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all Services under this Agreement. Notice to the Consultant Representative will constitute notice to CONSULTANT.

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2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Services and this Agreement and will be available to CITY staff and the City Representative at all reasonable times. All work prepared by CONSULTANT will be subject to inspection and approval by City Representative or his or her designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges, and agrees to the following:

A. CONSULTANT will perform all Services skillfully, consistent with and adhering to its professional standard of care, that is, the degree of care and skill ordinarily exercised by members of the same profession currently practicing at the same time and in the same or similar locality;

B. CONSULTANT shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the CITY to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the CITY's authorized representative;

C. CONSULTANT will perform all Services in a manner reasonably satisfactory to the CITY;

D. CONSULTANT will comply with all applicable federal, state, and local laws and regulations, including the conflict of interest provisions of Government Code §1090 and the Political Reform Act (Government Code §§81000 *et seq.*) CONSULTANT shall be liable for all violations of such laws and regulations in connection with CONSULTANT's performance of the Services. If CONSULTANT performs any work knowing it to be contrary to such laws, rules and regulations, CONSULTANT shall be solely responsible for all costs arising therefrom;

E. CONSULTANT understands the nature and scope of the Services to be performed under this Agreement as well as any and all schedules of performance;

F. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training, and experience to perform those services and tasks assigned to them by CONSULTANT; and

G. All of CONSULTANT's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications, and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications, and approvals will be maintained throughout the term of this Agreement and

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made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONSULTANT will perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions will be commenced immediately upon their discovery by either Party and, notwithstanding Section 5.2(B), will be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand, and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge, and experience necessary to perform the Services under the standard of care as articulated under Section 2.4(A).

2.5 ASSIGNMENT: The skills, training, knowledge, and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement, or the performance of any of CONSULTANT's duties or obligations under this Agreement, without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

2.6 SUBSTITUTION OF KEY PERSONNEL: CONSULTANT has represented to CITY that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, CONSULTANT may substitute other personnel of at least equal competence upon written approval of CITY. In the event that CITY and CONSULTANT cannot agree as to the substitution of key personnel, CITY shall be entitled to terminate this Agreement for cause. As discussed below, any personnel who fail or refuse to perform the Services in a manner acceptable to the CITY, or who are determined by the CITY to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the CONSULTANT at the request of the CITY. The key personnel for performance of this Agreement are as follows: _____.

2.7 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Services will be performed by CONSULTANT or under

CONSULTANT's strict supervision. CONSULTANT will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Services contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Services under this Agreement on behalf of CONSULTANT are not employees of CITY and will at all times be under CONSULTANT's exclusive direction and control. CONSULTANT will pay all wages, salaries and other amounts due such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like. Notwithstanding any other CITY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors performing the Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contributions and/or employee contributions for PERS benefits.

2.8 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Services in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by CONSULTANT and will not be reassigned to perform any of the Services.

2.9 COMPLIANCE WITH LAWS: CONSULTANT will keep itself informed of and in compliance with all applicable federal, state, or local laws to the extent such laws control or otherwise govern the performance of the Services. CONSULTANT's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements and applicable regulations of the U.S. Department of Housing and Urbanization.

2.10 NON-DISCRIMINATION: CONSULTANT represents that it is an equal opportunity employer, and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer,

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recruitment or recruitment advertising, layoff, or termination.

2.11 INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand, and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments, or subdivisions of CITY. CONSULTANT will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT will have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

III.
INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Before performing any Services contemplated under this Agreement, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT will procure and maintain the following insurance coverage, at its own expense:

A. Commercial General Liability Insurance: CONSULTANT will procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage will have minimum limits of no less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability.

B. Automobile Liability Insurance: For any owned, non-owned, or hired vehicles used in connection with the performance of this Agreement, CONSULTANT will procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per accident for bodily injury and property damage.

C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Services contemplated in this Agreement.

D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT will procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per claim.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance will contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers as additional insureds.

3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement will be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance will be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the City Representative is authorized to authorize lower ratings than those set forth in this Section.

3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT will be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers will be in excess of CONSULTANT's insurance and will not contribute with it.

3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement will not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY, its officials, officers, employees, agents, and volunteers.

3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands, and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is a material consideration of this Agreement. Accordingly, CONSULTANT warrants, represents, and agrees that it will furnish CITY with certificates of insurance and endorsements evidencing the coverage required under this Article on ACORD-25 or forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy will be signed by a person authorized by that insurer to bind coverage on its behalf and will be on forms provided by the CITY if requested**. Before performing any Services, CONSULTANT shall provide CITY with all certificates of insurance and endorsements referenced herein. Upon CITY's written request, CONSULTANT will also provide CITY with copies of all

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required insurance policies and endorsements.

3.7 FAILURE TO MAINTAIN COVERAGE: In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, CITY has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, CITY may cancel this Agreement effective upon notice.

3.8 SPECIAL RISKS OR CIRCUMSTANCES: City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any amendment to the insurance requirements of this Article shall be memorialized and approved in the form of a written amendment to this Agreement, signed by the Parties. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void or invalid.

IV.
INDEMNIFICATION

4.1 CITY and its elected and appointed officials, officers, employees, agents, and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. CONSULTANT acknowledges that CITY would not enter into this Agreement in the absence of CONSULTANT's commitment to indemnify, defend and protect CITY as set forth herein Notwithstanding the foregoing, to the extent CONSULTANT's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to Claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the CONSULTANT. CONSULTANT's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CITY, its officials, officers, employees, agents, or volunteers.

4.2 To the fullest extent permitted by law, CONSULTANT shall indemnify, hold harmless and defend the City Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with CONSULTANT's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY.

4.3 CITY shall have the right to offset against the amount of any compensation due to

CONSULTANT under this Agreement, any amount due to CITY from CONSULTANT as a result of CONSULTANT's failure to either pay CITY promptly for any costs associated with CONSULTANT's obligations to indemnify the City Indemnitees under this Article or related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.4 The obligations of CONSULTANT under this Article will not be limited by the provisions of any workers' compensation act or similar act. CONSULTANT expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers.

4.5 CONSULTANT agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. In the event CONSULTANT fails to obtain such indemnity obligations from others as required herein, CONSULTANT agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONSULTANT's subcontractors or any other person or entity involved by, for, with or on behalf of CONSULTANT in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

4.6 CITY does not and shall not waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

4.7 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

V.
TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may immediately terminate this Agreement at any time for convenience and without cause by giving prior written notice of CITY's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, CONSULTANT will be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination.

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CONSULTANT may not terminate this Agreement except for cause as provided under Section 5.2, below. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Services. CONSULTANT will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service, or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service, or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth under Sections 5.2B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONSULTANT will cure the following Events of Defaults within the following time periods:

i. Within ten (10) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation, or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a

written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT will include, but will not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary of involuntary; and/or (v) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY will cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.5, above, will be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT will be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY will operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

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E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;

ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;

iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or

iv. The CITY may exercise any other available and lawful right or remedy.

CONSULTANT will be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty, or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto will not operate to terminate any Article, Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

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VI.
MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data will be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT will require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONSULTANT without prior written consent by CITY. CITY will grant such consent of disclosure as legally required. Upon request, all CITY data will be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT will not use CITY's name or insignia, photographs, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., §§3801 *et seq*. and the California False Claims Act, Government Code §§12650 *et seq*.

6.4 NOTICES: All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

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CONSULTANT:

_____

_____

_____

Phone: _____

Attn: _____

CITY:
City of Santa Fe Springs
Department of Fire-Rescue
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Phone: (562) 868-0511
Attn: Fire Chief

Courtesy Copy to:

City of Santa Fe Springs
Community Development
Department
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Phone: (562) 868-0511
Attn: Cuong Nguyen

Olivarez Madruga Law
Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Phone: (213) 744-0099
Attn: Paloma McEvoy

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

6.5 COOPERATION; FURTHER ACTS: The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate, or convenient to achieve the purposes of this Agreement.

6.6 SUBCONTRACTING: CONSULTANT will not subcontract any of the Services contemplated under this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other independent contractors in connection with the various projects worked upon by CONSULTANT.

6.8 CONFLICTS OF INTEREST:

A. CONSULTANT warrants, represents, and maintains that it has not employed

nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of CITY, during the term of his or her service with CITY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

B. CONSULTANT may serve other clients, but none who have activities within the corporate limits of CITY, including clients who have activities within the corporate limits of CITY but retain CONSULTANT's services only for projects outside of the corporate limits of CITY. CONSULTANT also may not serve clients whose business, regardless of location, would place CONSULTANT in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code §81000 *et seq*

C. CONSULTANT shall not employ any official or employee of the CITY during the Term of this Agreement or any extension term. No officer or employee of CITY shall have any financial interest in this Agreement that would violate Government Code §§1090 *et seq*. CONSULTANT warrants and represents that no owner, principal, partner, officer, or employee of CONSULTANT is or has been an official, officer, employee, agent, or appointee of the CITY within the twelve-month period of time immediately preceding the Effective Date. If an owner, principal, partner, officer, employee, agent, or appointee of CONSULTANT was an official, officer, employee, agent, or appointee of the CITY within the twelve-month period immediately preceding the Effective Date, CONSULTANT warrants that any such individuals did not participate in any manner in the forming of this Agreement. CONTRACTOR understands that, if this Agreement is made in violation of Government Code §1090 *et seq*., the entire Agreement is void and CONSULTANT will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONSULTANT will be required to reimburse the CITY for any sums paid to CONSULTANT. CONSULTANT understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090.

6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.

6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of

Los Angeles, California.

6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, legal, administrative, or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation will be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

6.12 SUCCESSORS AND ASSIGNS: This Agreement will be binding on the successors and assigns of the Parties.

6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

6.14 CONSTRUCTION OF AGREEMENT: This Agreement will not be construed in favor of, or against, either Party but will be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions will continue in full force and effect.

6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement will control.

6.19 ENTIRE AGREEMENT: This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have been entered into between CITY and CONSULTANT prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.

6.20 FORCE MAJEURE: The completion deadline for any Services assigned to CONSULTANT may be extended in the event of any delays due to unforeseeable causes beyond the control of CONSULTANT and without the fault or negligence of CONSULTANT, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, litigation, and/or acts of any governmental agency, including the CITY. CONSULTANT shall within three (3) calendar days of the commencement of such delay notify the City Representative in writing of the causes of the delay. The City Representative 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 Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONSULTANT be entitled to recover damages against the CITY for any delay in the performance of this Agreement, however caused, CONSULTANT's sole remedy being extension of the Agreement pursuant to this Section.

6.21 COUNTERPARTS: This Agreement will be executed in three (3) original counterparts each of which will be of equal force and effect. No handwritten or typewritten amendment, modification, or supplement to any one counterpart will be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart will be delivered to CONSULTANT and the remaining two original counterparts will be retained by CITY.

[SIGNATURES ON NEXT PAGE]

DRAFT

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SANTA FE SPRINGS:

By:_____
René Bobadilla, City Manager

Date: _____

APPROVED AS TO FORM:

By:_____
Rick Olivarez, City Attorney

Date: _____

_____:

By: _____

Name:_____

Title:_____

Date: _____

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Exhibit "A"
On-Call Petroleum Engineering Services

[To Be Attached Behind This Page]

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Exhibit "B"
Consultant Proposal

[To Be Attached Behind This Page]

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Exhibit "C"
Compensation Rate

[To Be Attached Behind This Page]

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ITEM # 26

CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Cuong Nguyen, Director of Community Development

SUBJECT: **FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR PETROLEUM ENGINEERING AND WELL ABANDONMENT CONSULTING SERVICES WITH PR FIELD SERVICES, INC.**

DATE: December 2, 2025

RECOMMENDATION

It is recommended that the City Council take the following actions:

1) Determine that the approval and execution of the First Amendment to Professional Services Agreement for Petroleum Engineering and Well Abandonment Consulting Services with PR Field Services, Inc. (First Amendment) is exempt from the requirements of the California Environmental Quality Act (CEQA);

2) Authorize the City Manager/Executive Director to execute the First Amendment in substantially the form presented, with such minor modifications as approved by the City Attorney, to increase the not-to-exceed amount from $50,000 to $100,000; and

3) Authorize the City Manager to take any additional, related action(s) that may be desirable.

FISCAL IMPACTS

Approval of this First Amendment will increase the not-to-exceed amount under the existing Professional Services Agreement with PR Field Services, Inc. from $50,000 to $100,000. Funds are available in the Fiscal Year 2025–26 Budget under the Department of Fire-Rescue's Environmental Protection Services – Consulting Services (Account No. 10102125). Additional appropriations to this account will be made as needed to support this action.

BACKGROUND

On November 26, 2025, the City entered into a Professional Services Agreement (PSA) with PR Field Services, Inc., a California corporation specializing in petroleum engineering and oil and gas well abandonment consulting.

The agreement was executed under the City Manager's authority as provided in Section 34.21(B) of the Santa Fe Springs Municipal Code, with a not-to-exceed limit of $50,000 and a term of one year with an option to renew for an additional year.

Pursuant to the PSA and this First Amendment, PR Field Services, Inc. will provide as-needed petroleum engineering and environmental services, including well abandonment oversight, compliance review, and technical support to ensure safe and effective management of the City's legacy oil and gas infrastructure.

ENVIRONMENTAL

Approval of this First Amendment is exempt from the requirements of CEQA pursuant to Public Resources Code Section 21065 and CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.) Section 15378, because the action does not approve any development nor does it result in a direct physical impact on the environment, and as such, there are no reasonably foreseeable environmental impacts at this time.

As a separate and independent basis, approval of the First Amendment is exempt from the requirements of CEQA pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

DISCUSSION

City staff have determined it necessary to issue numerous work orders for technical evaluations, field inspections, and engineering support related to oil well abandonment and compliance oversight. Due to unanticipated additional workload and the need for continued specialized petroleum engineering assistance, the current not-to-exceed amount of $50,000 is projected to be insufficient to cover ongoing and upcoming work orders through the remainder of the contract term.

City staff recommends increasing the not-to-exceed amount to $100,000 to ensure uninterrupted support for the City's oil well abandonment program and compliance with regulatory requirements from the California Geologic Energy Management Division (CalGEM) and other agencies.

No other terms or conditions of the PSA will be modified by the First Amendment. The PSA's scope of services, insurance requirements, and all other contractual provisions will remain in full force and effect.

SUMMARY/NEXT STEPS

If approved, staff will execute the First Amendment, increasing the total not-to-exceed compensation to $100,000. The First Amendment will ensure that the City maintains timely access to qualified petroleum engineering expertise necessary to safely and effectively manage its well abandonment activities.

ATTACHMENTS

A. First Amendment to Professional Services Agreement with PR Field Services, Inc.

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ATTACHMENT A

2025
FIRST AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
FOR PETROLEUM ENGINEERING AND WELL ABANDONMENT CONSULTING SERVICES

(Parties: PR Field Services, Inc. and City of Santa Fe Springs)

THIS FIRST AMENDMENT ("First Amendment") to that certain professional services agreement and dated as of November 26, 2025, by and between the City of Santa Fe Springs ("CITY") and PR Field Services, Inc. ("CONSULTANT") is made and entered into this 2nd Day of December, 2025 (hereinafter, "Effective Date"). For the purposes of this First Amendment, the capitalized term "Party" may refer to either CITY or CONSULTANT, interchangeably as appropriate, or collectively, as the "Parties."

RECITALS

This First Amendment is made and entered into with respect to the following facts:

WHEREAS, the City regulates oil and gas operations within the City limits pursuant to Chapter 117 of the Santa Fe Springs Municipal Code ("SFSMC") and requires professional petroleum engineering and well abandonment consulting services to assist with oil and gas well abandonment, compliance oversight, and related activities; and

WHEREAS, on November 26, 2025, the City and Consultant entered into that certain Professional Services Agreement (hereinafter "Agreement") to provide petroleum engineering and well abandonment consulting services on an on-call, as needed basis; and

WHEREAS, the under the Agreement, Consultant's compensation may not exceed the aggregate sum of Fifty Thousand Dollars ($50,000) (the "Not-to-Exceed Sum"); and

WHEREAS, the Agreement is attached and incorporated hereto as **Exhibit "A"**; and

WHEREAS, the costs of petroleum engineering and well abandonment consulting services required to support the City's ongoing well abandonment and regulatory compliance activities are projected to exceed the Not-to-Exceed Sum; and

WHEREAS, to prevent interruption of Consultant's support of the City's ongoing well abandonment and regulatory compliance activities, City staff recommends that the Not-to-Exceed Sum be increased to One Hundred Thousand Dollars ($100,000).

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

SECTION 1. The recitals set forth above are true, correct and are hereby incorporated by reference in full herein.

SECTION 2. Section 1.4 of the Agreement is hereby amended as follows (unless otherwise noted, changes are shown in underline or ~~strikethrough~~ text):

> *1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the "Engineering and Environmental Rates," which is attached and incorporated hereto as* ***Exhibit "B"*** *(hereinafter, the "COMPENSATION RATE"). The foregoing notwithstanding, CONSULTANT's total compensation for the performance of all Services contemplated under this Agreement, may not exceed the aggregate sum of ONE HUNDRED THOUSAND DOLLARS ($100,000) ~~FIFTY THOUSAND DOLLARS ($50,000)~~ (hereinafter, the "Not-to-Exceed Sum") during the Term of this Agreement, unless such added expenditure is first approved by the City Council. In the event CONSULTANT's charges are projected to exceed the Aggregate Not-to-Exceed Sum for any certain Work Order, CITY or CONSULTANT may suspend CONSULTANT's performance under such Work Order pending CITY approval of any anticipated expenditures in excess of the Aggregate Not-to- Exceed Sum or any other CITY approved amendment to the compensation terms of this Agreement.*

SECTION 3. Except as amended herein, all terms, conditions, and provisions of the Agreement, as amended, shall remain in binding, controlling and in full force and effect. The provisions of this First Amendment shall be deemed a part of the Agreement, as amended. Except as otherwise provided under this First Amendment, the Agreement, as amended, and all provisions contained herein, shall remain binding and enforceable. In the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Agreement, the provisions of this First Amendment shall govern and control, but only so far as such provisions conflict with the Agreement, as amended, and no further.

[SIGNATURES ON FOLLOWING PAGES]

ATTACHMENT A

IN WITNESS WHEREOF, the Parties hereto have set their hand by their duly authorized representatives as of the day and year first above written.

CITY OF SANTA FE SPRINGS

_____
William K Rounds, Mayor

Date: _____

PR FIELD SERVICES, INC.

_____
Steven Coombs, President

Date: _____

ATTEST :

_____
Fernando Munoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

2025
PROFESSIONAL SERVICES AGREEMENT
(Engagement: Petroleum Engineering and Well Abandonment Consultant)
(Parties: PR Field Services, Inc. and City of Santa Fe Springs)

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this 26th day of November 2025 (hereinafter, the "Effective Date"), by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and PR FIELD SERVICES, INC., a California corporation (hereinafter, "CONSULTANT"). For the purposes of this Agreement, CITY and CONSULTANT may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONSULTANT interchangeably, as appropriate.

RECITALS

WHEREAS, pursuant to Chapter 117 of the Santa Fe Springs Municipal Code ("SFSMC"), CITY regulates the oil and gas operations, inclusive of installation, maintenance, drilling for or production of oil and gas on lands within the CITY limits; and

WHEREAS, CITY requires the expertise of a petroleum engineering consulting company to assist CITY with oil and gas well abandonment projects; and

WHEREAS, CITY staff has determined that CONSULTANT possesses the experience, skills and training necessary to competently provide such services to CITY; and

WHEREAS, this Agreement was approved by the City Manager pursuant to his authority under Section 34.21(B) of the Santa Fe Springs Municipal Code.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONSULTANT agree as follows:

I.
ENGAGEMENT TERMS

1.1 TERM: This Agreement shall commence on the Effective Date and expire within one (1) year with an option to renew the Term for an additional one (1) year (hereinafter, the "Term"). Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause as provided under Article V (Termination), below.

1.2 SCOPE OF SERVICES:

A. Subject to the terms and conditions of this Agreement, CONSULTANT agrees to provide the services and tasks described in that certain proposal of CONSULTANT entitled "Engineering and Environmental Services Related to Oil Well Abandonment – List of Services" dated July 29, 2025

(hereinafter, the "SCOPE OF SERVICES"), which is attached and incorporated hereto as **Exhibit "A"**. CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Services. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Services shall hereinafter be referred to generally by the capitalized term "Services." In the event of any conflict or inconsistency between the provisions of the Scope of Services and the provisions of this Agreement to which the Scope of Services is attached, the provisions of this Agreement shall govern and control.

1.3 PROSECUTION OF SERVICES:

A. CONSULTANT shall perform the Services contemplated under this Agreement on an on-call, as-needed basis. Nothing in this Agreement shall be construed to grant CONSULTANT the exclusive right to perform any of the types of services or tasks contemplated under this Agreement nor shall anything in this Agreement be construed to entitle CONSULTANT to the receipt of any sums under this Agreement, except to the extent CITY requests the performance of any Services in the manner described below and such Services is in fact performed and completed by CONSULTANT and accepted by CITY. CITY requests for the performance of specific services or tasks contemplated under this Agreement shall be made in the form of a written work order(s) issued by the City Representative (each such written request hereinafter is referred to as a "Work Order"). Each Work Order shall include the following information:

1. A detailed description of the specific services or tasks requested;
2. The location of where the particular services or tasks are to be performed, if applicable;
3. A not-to-exceed budget for performing the services or tasks;
4. A timeline for completing the requested services or tasks;
5. Any other information CITY deems necessary and relevant to the requested services or tasks; and
6. The signature of the City Representative, confirming that the services or tasks have been authorized by the City Representative.

B. CONSULTANT shall not perform any of the Services contemplated under this Agreement without a written Work Order request from the City Representative, containing the information set forth in Section 1.3(A), above;

C. CONSULTANT shall accept or reject a Work Order in writing within seventy-two (72) hours of receipt to the City Representative. If CONSULTANT agrees to the Work Order in writing, CONSULTANT shall perform all assigned Services continuously and with due diligence so as to complete all assigned Services by the completion date indicated in each Work Order.

CONSULTANT shall cooperate with CITY and in no manner interfere with the work of CITY, its employees or other consultants, contractors, or agents;

D. CONSULTANT shall not claim or be entitled to receive any compensation or damage because of the failure of CONSULTANT, or its subconsultants, to have related services or tasks completed in a timely manner;

E. CONSULTANT shall at all times enforce strict discipline and good order among CONSULTANT's employees; and

F. CONSULTANT, at its sole expense, shall pay all sales, consumer, use or other similar taxes imposed on CONSULTANT as required by law.

1.4 COMPENSATION: CONSULTANT shall perform the Services in accordance with the "Engineering and Environmental Rates," which is attached and incorporated hereto as **Exhibit "B"** (hereinafter, the "COMPENSATION RATE"). The foregoing notwithstanding, CONSULTANT's total compensation for the performance of all Services contemplated under this Agreement, may not exceed the aggregate sum of **FIFTY THOUSAND DOLLARS ($50,000)** (hereinafter, the "Not-to-Exceed Sum") during the Term of this Agreement, unless such added expenditure is first approved by the City Council. In the event CONSULTANT's charges are projected to exceed the Aggregate Not-to-Exceed Sum for any certain Work Order, CITY or CONSULTANT may suspend CONSULTANT's performance under such Work Order pending CITY approval of any anticipated expenditures in excess of the Aggregate Not-to- Exceed Sum or any other CITY approved amendment to the compensation terms of this Agreement.

1.5 PAYMENT OF COMPENSATION: Following the conclusion of each calendar month, CONSULTANT will submit to CITY an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and any reimbursable out-of-pocket expenses incurred. If the amount of CONSULTANT's monthly compensation is a function of hours worked by CONSULTANT's personnel, the invoice should indicate the number of hours worked in the recently concluded calendar month, the person(s) responsible for performing the Services, the rate of compensation at which such services and tasks were performed, the subtotal for each task and service performed and a grand total for all services performed. Within thirty (30) calendar days of receipt of each invoice, CITY will notify CONSULTANT in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY will pay all undisputed amounts included on the invoice. CITY will not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

1.6 ACCOUNTING RECORDS: CONSULTANT will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY will have the right to access and examine such records, without charge, during normal business hours. CITY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings,

and activities.

1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Services under an active Work Order agreed to under this Agreement or otherwise abandons the undertaking contemplated herein under an active Work Order prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Services under an active Work Order, CONSULTANT will deliver to CITY immediately and without delay, all materials, records, and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT will only be compensated for the reasonable value of the Services performed up to the time of cessation or abandonment, less a deduction for any damages, costs, or additional expenses which CITY may reasonably incur in order to complete such Services as a result of CONSULTANT's cessation or abandonment.

II.
PERFORMANCE OF AGREEMENT

2.1 CITY'S REPRESENTATIVE: The CITY hereby designates the Fire Chief of CITY's Department of Fire-Rescue, or his or her designee, to act as its representative for the performance of this Agreement (hereinafter, the "City Representative"). The City Representative or the City Representative's designee will act on behalf of the CITY for all purposes under this Agreement. CONSULTANT will not accept directions or orders from any person other than the City Representative or the City Representative's designee.

2.2 CONSULTANT REPRESENTATIVE: CONSULTANT hereby designates Steven Coombs to act as its representative for the performance of this Agreement (hereinafter, "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. Consultant Representative or the Consultant Representative's designee will supervise and direct the performance of the Services, using his/her best skill and attention, and will be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all Services under this Agreement. Notice to the Consultant Representative will constitute notice to CONSULTANT.

2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Services and this Agreement and will be available to CITY staff and the City Representative at all reasonable times. All work prepared by CONSULTANT will be subject to inspection and approval by City Representative or his or her designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges, and agrees to the following:

A. CONSULTANT will perform all Services skillfully, consistent with and adhering to its professional standard of care, that is, the degree of care and skill ordinarily exercised by members of the same profession currently

practicing at the same time and in the same or similar locality;

B. CONSULTANT shall at all times employ such knowledge as will be sufficient in the opinion of the CITY to perform the Services within the time limits established, and as provided herein. It is understood and agreed that said knowledge, materials and tools shall be furnished and said Services performed and completed as required by the Agreement, and subject to the approval of the CITY's authorized representative;

C. CONSULTANT will perform all Services in a manner reasonably satisfactory to the CITY;

D. CONSULTANT will comply with all applicable federal, state, and local laws and regulations, including the conflict of interest provisions, of Government Code Section 1090 and the Political Reform Act (Government Code § 81000 *et seq.*). CONSULTANT shall be liable for all violations by CONSULTANT of such laws and regulations in connection with CONSULTANT's performance of the Services. If CONSULTANT performs any work knowing it to be contrary to such laws, rules and regulations, CONSULTANT shall be solely responsible for all costs arising therefrom;

E. CONSULTANT understands the nature and scope of the Services to be performed under this Agreement as well as any and all schedules of performance;

F. All of CONSULTANT's employees and agents possess sufficient skill, knowledge, training, and experience to perform those services and tasks assigned to them by CONSULTANT; and

G. All of CONSULTANT's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications, and approvals of whatever nature that are legally required to perform the Services contemplated under this Agreement and all such licenses, permits, certificates, qualifications, and approvals will be maintained throughout the term of this Agreement and made available to CITY for copying and inspection.

H. The Parties acknowledge and agree that CONSULTANT will perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions in the Services caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions in the Services will be commenced immediately upon their discovery by either Party and, notwithstanding Section 5.2(B), will be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the City Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by

CONSULTANT or on CONSULTANT's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand, and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge, and experience necessary to perform the Services under the standard of care as articulated under section 2.4(A).

I. Notwithstanding the foregoing or any other term in this Agreement to the contrary, in interpreting information and making recommendations, either written or oral, as to logs or tests or other data, the type or amount of materials or services to be furnished, or manner or performance in predicting results to be obtained therefrom, CONSULTANT shall give CITY the benefit of its best judgment based on its experience. Nevertheless, all such recommendations or predictions are opinions only; and, in view of the impracticability of obtaining firsthand knowledge of the many variable conditions, the reliance on inferences, measurements and assumptions which are not infallible, and/or the necessity of relying on facts and supporting services furnished by others, NO WARRANTY OR REPRESENTATION IS GIVEN CONCERNING THE ACCURACY OR COMPLETENESS OF DATA OR THE EFFECTIVENESS OF THE MATERIALS USED, THE RECOMMENDATIONS GIVEN, OR RESULTS OF THE SERVICES RENDERED BY CONSULTANT. NOTWITHSTANDING CONTRACTOR'S INDEMNIFICATION OBLIGATIONS IN ARTICLE IV HERETO OR ANY OTHER TERM IN THIS AGREEMENT TO THE CONTRARY, CITY ASSUMES FULL RESPONSIBILITY FOR THE USE OF SUCH OPINIONS AND FOR ALL RESULTING DECISIONS, AND CONSULTANT SHALL NOT BE LIABLE FOR ANY DAMAGES, LOSSES, OR CLAIMS OF ARISING OUT OF SUCH USE.

2.5 ASSIGNMENT: The skills, training, knowledge, and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement, or the performance of any of CONSULTANT's duties or obligations under this Agreement, without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

2.6 SUBSTITUTION OF KEY PERSONNEL**:** CONSULTANT has represented to CITY that certain key personnel will perform and coordinate the Services under this Agreement. Should one or more of such personnel become unavailable, CONSULTANT may substitute other personnel of at least equal competence upon written approval of CITY. In the event that CITY and CONSULTANT cannot agree as to the substitution of key personnel, CITY shall be entitled to terminate this Agreement for convenience. As discussed below, any personnel who fail or refuse

to perform the Services in a manner acceptable to the CITY, or who are reasonably determined by the CITY to be uncooperative, incompetent, a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property, shall be promptly removed from the Project by the CONSULTANT at the request of the CITY. The key personnel for performance of this Agreement are as follows: Steven Coombs, President of CONSULTANT.

2.7 CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR: The Services will be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods, and details of performing the Services subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent and timely performance of the Services contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Services under this Agreement on behalf of CONSULTANT are not employees of CITY and will at all times be under CONSULTANT's exclusive direction and control. CONSULTANT will pay all wages, salaries and other amounts due such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONSULTANT will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like. Notwithstanding any other CITY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors performing the Services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contributions and/or employee contributions for PERS benefits.

2.8 REMOVAL OF EMPLOYEES OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the City Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Services in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by CONSULTANT and will not be reassigned to perform any of the Services.

2.9 COMPLIANCE WITH LAWS: CONSULTANT will keep itself informed of and in compliance with all applicable federal, state, or local laws to the extent such laws control or otherwise govern the performance of the Services. CONSULTANT's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements and applicable regulations of the U.S.

Department of Housing and Urbanization.

2.10 NON-DISCRIMINATION: CONSULTANT represents that it is an equal opportunity employer, and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex, or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, or termination.

2.11 INDEPENDENT CONTRACTOR STATUS: The Parties acknowledge, understand, and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments, or subdivisions of CITY. CONSULTANT will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONSULTANT and all persons retained or employed by CONSULTANT will have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt, or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

III.
INSURANCE

3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: Before performing any Services contemplated under this Agreement, CONSULTANT will procure and maintain policies of insurance that meet the requirements and specifications set forth under this Article. CONSULTANT will procure and maintain the following insurance coverage, at its own expense (the limits of which may be met through a combination of primary and excess insurance):

A. Commercial General Liability Insurance: CONSULTANT will procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001) or its equivalent. Such CGL Coverage will have minimum limits of no less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the general aggregate for bodily injury, personal injury, property damage, operations, products and completed operations, sudden and accidental pollution, and contractual liability.

B. Automobile Liability Insurance: For any owned, non-owned, or hired vehicles used in connection with the performance of this Agreement, CONSULTANT will procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance will have minimum limits of no less than Two Million Dollars ($2,000,000.00) per accident for bodily injury and property damage.

C. Workers' Compensation Insurance/ Employer's Liability Insurance: A policy

of workers' compensation insurance in such amount as will fully comply with the laws of the State of California and which will indemnify, insure and provide legal defense for both CONSULTANT and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONSULTANT in the course of carrying out the Services contemplated in this Agreement.

D. Errors & Omissions Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT will procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage will have minimum limits of no less than One Million Dollars ($1,000,000.00) per claim.

3.2 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance will contain an endorsement naming the CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers as additional insureds, but only to the extent of liabilities assumed by CONSULTANT in this Agreement.

3.3 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement will be procured from insurers admitted in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance will be procured from insurers who, according to the latest edition of the Best's Insurance Guide, have an A.M. Best's rating of no less than A:VII. CITY may also accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition of the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the City Representative is authorized to authorize lower ratings than those set forth in this Section.

3.4 PRIMACY OF CONSULTANT'S INSURANCE: All policies of insurance provided by CONSULTANT will to the extent of liabilities assumed by CONSULTANT in this Agreement be primary to any coverage available to CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers. Any insurance or self-insurance maintained by CITY or CITY's elected or appointed officials, officers, employees, agents, or volunteers will be in excess of CONSULTANT's insurance and will not contribute with it, but only to the extent of liabilities assumed by CONSULTANT in this Agreement.

3.5 WAIVER OF SUBROGATION: All insurance coverage provided pursuant to this Agreement will not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss but only to the extent of liabilities assumed by CONSULTANT in this Agreement. CONSULTANT hereby waives all rights of subrogation against CITY, its officials, officers, employees, agents, and volunteers, but only to the extent of liabilities assumed by CONSULTANT in this Agreement.

3.6 VERIFICATION OF COVERAGE: CONSULTANT acknowledges, understands,

and agrees, that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is a material consideration of this Agreement. Accordingly, CONSULTANT warrants, represents, and agrees that it will furnish CITY with certificates of insurance and endorsements evidencing the coverage required under this Article on ACORD-25 or forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy will be signed by a person authorized by that insurer to bind coverage on its behalf and will be on forms provided by the CITY if requested**. Before performing any Services, CONSULTANT shall provide CITY with all certificates of insurance and endorsements referenced herein. Upon CITY's written request, CONSULTANT will also provide CITY with copies of all required insurance policies and endorsements.

3.7 FAILURE TO MAINTAIN COVERAGE: In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, CITY has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, CITY may cancel this Agreement effective upon notice.

3.8 SPECIAL RISKS OR CIRCUMSTANCES: City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. Any amendment to the insurance requirements of this Article shall be memorialized and approved in the form of a written amendment to this Agreement, signed by the Parties. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void or invalid.

IV. LIMITATION OF LIABILITY; INDEMNIFICATION

4.1 NOTWITHSTANDING ANY TERM IN THIS AGREEMENT TO THE CONTRARY, EXCEPT TO THE EXTENT CAUSED BY A PARTY'S NEGLIGENCE, WILLFUL MISCONDUCT, ERRORS, OR OMISSIONS, NEITHER PARTY SHALL BE LIABLE FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES IN ANY WAY ARISING OUT OF THE SERVICES OR THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, LOSS OR DAMAGE TO ANY WELL, WELLBORE, OR RESERVIOR, SUBSURFACE POLLUTION EVENTS, WELL BLOWOUT OR CRATERING, DELAY DAMAGES, BUSINESS INTERRUPTION OR FACILITIES DOWNTIME, HOWSOEVER OTHERWISE CAUSED. CONSULTANT SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND CITY AND CITY'S ELECTED AND APPOINTED OFFICIALS, OFFICERS, EMPLOYEES, AGENTS, AND VOLUNTEERS FROM ANY AND ALL LOSS, INJURY, DAMAGE, CLAIM, LAWSUIT, COST, EXPENSE, ATTORNEYS' FEES, LITIGATION COSTS, OR ANY OTHER COST ARISING OUT OF CONSULTANT'S NEGLIGENCE, WILLFUL MISCONDUCT, ERRORS, OR OMISSIONS IN CONSULTANT'S PERFORMANCE OF SERVICES UNDER THIS AGREEMENT, TO THE EXTENT CAUSED BY CONSULTANT'S NEGLIGENCE,

WILLFUL MISCONDUCT, ERRORS, OR OMISSIONS. CITY SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND CONSULTANT AND CONSULTANT'S OFFICERS, EMPLOYEES, AGENTS, AND VOLUNTEERS FROM ANY AND ALL LOSS, INJURY, DAMAGE, CLAIM, LAWSUIT, COST, EXPENSE, ATTORNEYS' FEES, LITIGATION COSTS, OR ANY OTHER COST ARISING OUT OF CITY'S NEGLIGENCE, WILLFUL MISCONDUCT, ERRORS, OR OMISSIONS. EACH PARTIES' DUTIES TO DEFEND AS SET FORTH IN THIS SECTION 4.1 IS LIMITED TO THE PARTY'S PROPORTIONATE PERCENTAGE OF FAULT, TO BE RESOLVED POST-JUDGMENT.

4.2 NOTWITHSTANDING ANY TERM IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT WILL CONSULTANT'S TOTAL AGGREGATE LIABILITY UNDER OR IN CONNECTION WITH THE SERVICES OR THIS AGREEMENT (WHETHER UNDER CONTRACT, TORT, INCLUDING CONSULTANT'S NEGLIGENCE, OR OTHERWISE AT LAW, INCLUDING CONSULTANT'S INDEMNIFICATION OBLIGATIONS IN THIS AGREEMENT) EXCEED THE GREATER OF THE NOT-TO-EXCEED SUM OR THE RECOVERABLE PROCEEDS OF APPLICABLE INSURANCE REQUIRED HEREUNDER UP TO THE POLICY LIMITS. Except for Consultant's indemnification obligations under this Article IV or any environmental claims, Consultant's total aggregate liability for losses, injuries, damages, claims, or any other costs or expenses shall not exceed the Not-To-Exceed Sum.

4.3 CITY shall have the right to offset against the amount of any compensation due to CONSULTANT under this Agreement, any amount due to CITY from CONSULTANT as a result of CONSULTANT's failure to either pay CITY promptly for any costs associated with CONSULTANT's obligations to indemnify the CITY Indemnitees under this Article or related to CONSULTANT's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.4 Subject to Section 4.2 above, CITY does not and shall not waive any rights that it may possess against CONSULTANT because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement.

V.
TERMINATION

5.1 TERMINATION WITHOUT CAUSE: So long as no work is outstanding under an active Work Order, CONSULTANT may immediately terminate this Agreement at any time for convenience and without cause by giving written notice to the City. If work is outstanding under an active Work Order, CONSULTANT may terminate this Agreement for convenience after completion of such Work Order, by giving prior written notice of CONSULTANT's intent to terminate this Agreement which notice shall specify the effective date of such termination, provided that CONSULTANT shall complete any SERVICES under any active Work Order prior to such termination. If CONSULTANT has outstanding Services due under an active Work Order, CONSULTANT may only terminate this Agreement prior to the completion of such active Work Order for cause. CITY may immediately terminate

this Agreement at any time for convenience and without cause by giving prior written notice of CITY's intent to terminate this Agreement which notice shall specify the effective date of such termination. Upon such termination for convenience, CONSULTANT will be compensated only for those services and tasks which have been performed by CONSULTANT up to the effective date of the termination. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in section 6.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Services. CONSULTANT will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 5.2, below, will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

5.2 EVENTS OF DEFAULT; BREACH OF AGREEMENT:

A. In the event either Party fails to perform any duty, obligation, service, or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service, or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth under Sections 5.2B and 5.2C below or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONSULTANT will cure the following Events of Defaults within the following time periods:

i. Within ten (10) business days of CITY's issuance of a Default Notice for any failure of CONSULTANT to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation, or work product which CONSULTANT is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period;

ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONSULTANT may submit a written request for additional time to cure the Event of Default upon a showing that CONSULTANT has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Section 5.2B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period; or

iii. In addition to any other failure on the part of CONSULTANT to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONSULTANT will include, but will not be limited to the following: (i) CONSULTANT's refusal or failure to perform any of the services or tasks under a Work Order accepted by CONSULTANT called for under the Scope of Services; (ii) CONSULTANT's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONSULTANT's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONSULTANT, whether voluntary of involuntary; and/or (v) CITY's discovery that a statement representation or warranty by CONSULTANT relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY will cure any Event of Default asserted by CONSULTANT within forty-five (45) calendar days of CONSULTANT's issuance of a Default Notice unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONSULTANT as provided under Section 1.5, above, will be cured by CITY within five (5) calendar days from the date of CONSULTANT's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONSULTANT's performance under this Agreement pending CONSULTANT's cure of any Event of Default by giving CONSULTANT written notice of CITY's intent to suspend CONSULTANT's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONSULTANT will be compensated only for those services and tasks which have been rendered by CONSULTANT to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or

asserted breach of this Agreement on the part of CITY will operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights, and remedies otherwise imposed or available by law, except as provided in Article IV above. In addition to any other remedies available to CITY at law or under this Agreement, subject to Article IV above, in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONSULTANT, the CITY may immediately terminate this Agreement in whole or in part;

ii. Upon written notice to CONSULTANT, the CITY may extend the time of performance;

iii. The CITY may proceed by appropriate court action to enforce the terms of the Agreement to recover damages for CONSULTANT's breach of the Agreement or to terminate the Agreement; or

iv. The CITY may exercise any other available and lawful right or remedy.

CONSULTANT will be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONSULTANT's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONSULTANT under this Agreement for completed services and tasks.

5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty, or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto will not operate to terminate any Article, Section or

provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

VI.
MISCELLANEOUS PROVISIONS

6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data will be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONSULTANT will require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.

6.2 CONFIDENTIALITY: All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONSULTANT without prior written consent by CITY. CITY will grant such consent of disclosure as legally required. Upon request, all CITY data will be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT will not use CITY's name or insignia, photographs, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

6.3 FALSE CLAIMS ACT: CONSULTANT warrants and represents that neither CONSULTANT nor any person who is an officer of, in a managing position with, or has an ownership interest in CONSULTANT has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., §§3801 *et seq*. and the California False Claims Act, Government Code §§12650 *et seq*.

6.4 NOTICES: All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

CONSULTANT:

PR Field Services, Inc.
26680 Frontier Way
Tehachapi, CA 93561
Phone: (805) 947-7819
Attn: Lizette Perez, Agent for Service of Process

CITY:

City of Santa Fe Springs
Department of Fire-
Rescue 11710 Telegraph
Road Santa Fe Springs,
CA 90670 Phone: (562)
868-0511
Attn: Fire Chief
***Courtesy Copy to*:**

Olivarez Madruga Law Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Phone: (213) 744-0099
Attn: Paloma McEvoy

Such notices will be deemed effective when personally delivered or successfully transmitted by facsimile as evidenced by a fax confirmation slip or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

6.5 COOPERATION; FURTHER ACTS: The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate, or convenient to achieve the purposes of this Agreement.

6.6 SUBCONTRACTING: CONSULTANT will not subcontract any of the Services contemplated under this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

6.7 CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS: CITY reserves the right to employ other independent contractors in connection with the various projects worked upon by CONSULTANT.

6.8 CONFLICTS OF INTEREST:

A. CONSULTANT warrants, represents, and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award or making of

this Agreement. For breach or violation of this warranty, CITY will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of CITY, during the term of his or her service with CITY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

B. CONSULTANT shall not perform any services for clients that will present a direct conflict of interest with respect to CONSULTANT'S Services to the CITY. During the term of this Agreement, CONSULTANT will disclose to the CITY in writing any potential clients who have oil or gas properties located in the CITY to whom CONSULTANT will perform services. CONSULTANT also may not serve clients whose business, regardless of location, would place CONSULTANT in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.* For the avoidance of doubt, neither this Section 6.8 nor any other provision of this this Agreement shall prohibit Consultant from renting equipment in the City.

C. CONSULTANT shall not employ any official or employee of the CITY during the Term of this Agreement or any extension term. No officer or employee of CITY shall have any financial interest in this Agreement that would violate Government Code §§1090 *et seq.* CONSULTANT warrants and represents that no owner, principal, partner, officer, or employee of CONSULTANT is or has been an official, officer, employee, agent, or appointee of the CITY within the twelve-month period of time immediately preceding the Effective Date. If an owner, principal, partner, officer, employee, agent, or appointee of CONSULTANT was an official, officer, employee, agent, or appointee of the CITY within the twelve-month period immediately preceding the Effective Date, CONSULTANT warrants that any such individuals did not participate in any manner in the forming of this Agreement. CONTRACTOR understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and CONSULTANT will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONSULTANT will be required to reimburse the CITY for any sums paid to CONSULTANT. CONSULTANT understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code §1090.

6.9 TIME IS OF THE ESSENCE: Time is of the essence for each and every provision of this Agreement.

6.10 GOVERNING LAW AND VENUE: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, will be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, will be in the Central District of California located in the City of Los Angeles, California.

6.11 ATTORNEYS' FEES: If either Party commences an action against the other Party, legal, administrative, or otherwise, arising out of or in connection with this

Agreement, the prevailing Party in such litigation will be entitled to have and recover from the losing Party reasonable attorneys' fees and all other costs of such action.

6.12 SUCCESSORS AND ASSIGNS: This Agreement will be binding on the successors and assigns of the Parties.

6.13 NO THIRD-PARTY BENEFIT: There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

6.14 CONSTRUCTION OF AGREEMENT: This Agreement will not be construed in favor of, or against, either Party but will be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.

6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions will continue in full force and effect.

6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement will control.

6.19 ENTIRE AGREEMENT: This Agreement, including all attached exhibits, constitutes the entire, complete, final, and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, which may have been entered into between CITY and CONSULTANT prior to the execution of this Agreement. Any statements, representations, or other agreements, whether oral or written, made by either Party that is not embodied herein will not be valid or binding on the Parties. No amendment, modification or supplement to this Agreement will be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.

6.20 FORCE MAJEURE: The completion deadline for any Services assigned to CONSULTANT may be extended in the event of any delays due to unforeseeable causes beyond the control of CONSULTANT and without the fault or negligence of CONSULTANT, including but not limited to severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars,

litigation, and/or acts of any governmental agency, including the CITY. CONSULTANT shall within three (3) calendar days of the commencement of such delay notify the CITY in writing of the causes of 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 Representative such delay is justified. The City Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONSULTANT be entitled to recover damages against the CITY for any delay in the performance of this Agreement, however caused, CONSULTANT's sole remedy being extension of the Agreement pursuant to this Section.

6.21 COUNTERPARTS: This Agreement will be executed in three (3) original counterparts each of which will be of equal force and effect. No handwritten or typewritten amendment, modification, or supplement to any one counterpart will be valid or binding unless made to all three counterparts in conformity with Section 6.16, above. One fully executed original counterpart will be delivered to CONSULTANT and the remaining two original counterparts will be retained by CITY.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first appearing in this Agreement, above.

CITY OF SANTA FE SPRINGS:

By:_____
René Bobadilla, City Manager

Date:_____

PR FIELD SERVICES, INC.:

By:_____
Steven Coombs, President

Date:_____

APPROVED AS TO FORM:

By:_____
Rick Olivarez, City Attorney

Date:_____

Exhibit "A"
[Scope of Services]

Engineering and Environmental Services Related to Oil Well Abandonment

CITY OF SANTA FE SPRINGS

by

PRFS

PR Field Services, Inc.

7/29/25

List of Services

- Review and evaluation of well abandonment / re-abandonment proposals submitted to the City by oil operators or property developers.
- Review of current status well conditions in the context of CalGEM and City of Santa Fe Springs well abandonment standards to including making a determination whether or not well site conditions pose a threat to human or environmental safety.
- Well abandonment engineering / cost estimation for City owned property.
- Peer review and / or perform risk / hazard analysis of previously abandoned oil wells to evaluate health and safety risks.
- Review of historical aerial photos topo maps to evaluate well locations and historical environmental conditions.
- Perform onsite geophysical / magnetic surveys to assist with well location (3rd party sub-contractors may be required).
- Peer review and / or perform well leak detection (3rd party sub-contractors may be required).
- As requested, review well files for evidence of potential environmental / methane impacts related to drilling and historical well operations.
- Provide recommendations for Methane Mitigation Systems to be implemented pursuant to Chapter 117 of the Santa Fe Springs Municipal Code.

Exhibit "B"
[Compensation Rate]

Engineering & Environmental Rates

Principal Investigators:

Steve Coombs – Well Abandonment Engineering / Risk Analysis

Gwen Tellegen, PE MS – Environmental Engineering / Assessment

Hourly Rates:

- Principal Well Abandonment Engineer- $250/hr
- Principal Environmental Engineer / Scientists - $250/hr
- Project Engineer - $185/hr
- Geologist - $250/hr
- Jr. Engineer - $145/hr
- Administrative - $65/hr

ITEM # 27

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: **APPROVAL OF AN EXCLUSIVE NEGOTIATION AGREEMENT WITH JHC-ACQUISITIONS LLC (JAMBOREE HOUSING CORPORATION) FOR THE POTENTIAL DEVELOPMENT OF THE GUS VELASCO NEIGHBORHOOD CENTER PROPERTY, INCLUDING AN AFFORDABLE HOUSING DEVELOPMENT AND A REPLACEMENT COMMUNITY CENTER**

DATE: December 2, 2025

RECOMMENDATIONS:

It is recommended that the City Council:

1) Approve the Exclusive Negotiation Agreement (ENA) between the City of Santa Fe Springs and JHC-Acquisitions LLC (an affiliate of Jamboree Housing Corporation) (Developer) for the potential ground lease, subdivision, and redevelopment of the city-owned Gus Velasco Neighborhood Center property located at 9255 Pioneer Boulevard (Site);

2) Authorize the City Manager to execute the ENA in substantially the form presented, with such minor modifications and clarifying revisions as approved by the City Attorney; and

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

FISCAL IMPACT

No General Fund appropriation is required at this time.

The ENA requires Developer to deposit $15,000 with the City upon execution. The deposit ensures the Developer will proceed diligently and in good faith during the negotiation period and serves as consideration for the City's commitment not to negotiate with other parties. The deposit is refundable upon expiration or termination of the ENA, subject to

the Developer's compliance with the Agreement.

BACKGROUND

The City owns an approximately 111,460 square-foot ("sf") Site, which includes the approximately 14,400 sf Gus Velasco Neighborhood Center. The community center is facing deferred maintenance issues and the City desires to update the facilities. The remainder of the site is largely underutilized.

The City faces two important needs:

- The modernization and reconstruction of the Gus Velasco Neighborhood Center; and
- The production of affordable housing—particularly for seniors—and the City's RHNA obligations under its Housing Element.

The Developer submitted a proposal to partner with the City on a comprehensive redevelopment of the Site to provide a new, modernized community center and affordable housing (the "Project"). The proposal includes:

- Development of approximately 319 total units, with a minimum commitment of not less than 275 total units, of which 210 units will be made affordable to lower-income households ("Senior Housing Project");
- Reconstruction of a new, modernized approximately 14,400 sf community/senior center including City staff office space ("Community Center Project");
- Construction of a shared parking structure with approximately 386 parking spaces; and
- A long-term ground lease with Developer of the subdivided portion of the Site associated with the Senior Housing Project.

To initiate the process, staff is requesting approval of an ENA, which outlines a structured, one-year negotiation period, due diligence, subdivision, financial review, and preparation of a future Disposition and Development Agreement ("DDA").

ANALYSIS

Purpose of the ENA

The ENA establishes a one-year negotiation period (with an optional 180-day extension by mutual agreement) during which the City and Developer will work together to:

- Subdivide the Site into two components to accommodate (1) the Senior Housing Project; and (2) the Community Center Project;
- Negotiate the terms of a long-term ground lease for the senior housing portion;
- Refine the conceptual site plan, building program, replacement community center layout, and parking structure design;
- Conduct due diligence, including environmental, geotechnical, physical

condition, and title investigations; and
- Prepare and negotiate a comprehensive DDA, including affordability covenants required by Government Code Sections 54221(f)(1)F)(i) and 37364.

If the parties come to agreement on the foregoing terms, a DDA will be presented to the City Council for approval and execution.

Affordable Housing Obligations (Gov. Code §§ 54221(f)(1)F)(i) and 37364)
The ENA requires the Developer to deliver:

- A minimum of 210 units affordable to lower-income households;
- At least 40% of total units affordable to households earning ≤ 75% of lower-income limits;
- At least half of those units affordable to very low-income households; and
- Affordability restrictions recorded in a regulatory agreement binding upon successors.

These requirements ensure compliance with statutory mandates necessary for the City to designate the property as "exempt surplus" land pursuant to the Surplus Lands Act (Gov. Code § 54220 *et seq.*). The City Council is being presented with a resolution to declare the Site "exempt surplus" in a different City Council agenda item.

Community Benefits
The project is expected to provide significant community benefits:

- A new, modernized Gus Velasco Neighborhood Center;
- Hundreds of deeply affordable senior housing units;
- Improved services and amenities for seniors and residents;
- Increased RHNA compliance and long-term housing stability;
- Efficient use of a currently underutilized City asset.

Subdivision Requirements
Following negotiation of the DDA, the City and Developer will proceed with actions under the Subdivision Map Act to formally divide the property into two areas to accommodate the Senior Housing Project and the Community Center Project.

ENVIRONMENTAL

Approval of the ENA is not a project under the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., § 15000 *et seq.*) Section 15378, because the requested actions do not approve any type of development or construction. Any future approvals related to the Project, including the DDA, subdivision actions, entitlements, or construction authorization will undergo separate CEQA review at the appropriate time. Therefore, it is reasonably foreseeable that the actions will not result in any direct or indirect environmental impacts and no further action is required pursuant to CEQA.

DISCUSSION

The ENA provides a structured framework enabling the City to evaluate the feasibility of a transformative redevelopment project that addresses key municipal priorities: affordable senior housing production and modernization of the Gus Velasco Neighborhood Center. This action does not approve development, financing, entitlements, or land transfer. It only permits exclusive negotiations with the Developer.

SUMMARY/NEXT STEPS

Approval of the ENA will initiate a structured negotiation process to evaluate the feasibility of redeveloping the Site with affordable senior housing and a new community center. During the Negotiation Period, staff and the Developer will refine the conceptual design, complete due diligence, and prepare the financial and operational analyses necessary to determine whether the project can advance to a DDA.

If the ENA is approved, City staff will:

- Coordinate with Developer to implement the Schedule of Performance;
- Review conceptual design packages and updated pro formas;
- Provide City-prepared community center floorplans for Developer integration;
- Proceed with negotiations related to the subdivision and long-term ground lease;
- Prepare a draft DDA and associated exhibits; and
- Return to the City Council with a proposed DDA for consideration at a future public meeting.

This process provides the City with the flexibility and safeguards needed to fully assess the project's design, financial viability, community benefits, and regulatory obligations before making any binding commitments. The ENA offers a controlled framework while preserving the City Council's complete discretion over whether to proceed with a future development agreement.

ATTACHMENT(S):

A. Exclusive Negotiation Agreement with JHC-Acquisitions LLC (an affiliate of Jamboree Housing Corporation)
   - Exhibit A – Property Legal Description
   - Exhibit B – Conceptual Site Plan
   - Exhibit C – Letter of Intent
   - Exhibit D – Schedule of Performance
   - Exhibit E – Right of Entry Agreement

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

THE CITY OF SANTA FE SPRINGS

EXCLUSIVE NEGOTIATION AGREEMENT

9255 Pioneer Boulevard (Gus Velasco Neighborhood Center)

THIS EXCLUSIVE NEGOTIATION AGREEMENT ("Agreement") is dated as of _____, 2025, for reference purposes only, and is entered into by and between the City of Santa Fe Springs, a municipal corporation (the "City") and JHC-Acquisitions LLC, a California limited liability company (the "Developer"), to provide a specified period of time to attempt to negotiate a disposition and development agreement for a long-term lease of 9255 Pioneer Boulevard. The City and the 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 owner of that certain real property located at 9255 Pioneer Blvd., Santa Fe Springs, California (APN 8001-003-934), and more specifically described in the legal description attached to this Agreement as **Exhibit "A"** (the "Property"); and

B. The City operates an approximately 14,400 square foot ("sf") single-story community center on the Property currently used for community programming and rentable event space (the "Gus Velasco Neighborhood Center"); and

C. Aside from the existing Gus Velasco Neighborhood Center, the remainder of the approximately 111,460 sf Property is largely unprogrammed and underutilized by City staff and community residents that seek services at Gus Velasco Neighborhood Center; and

D. The Gus Velasco Neighborhood Center is in need of improvements for modernization to best serve the community, and the City is in dire need of housing; and

E. To maximize the value of the City-owned Property to residents, the City intends to take necessary actions, including but not limiting to subdividing the Property in a manner for the underutilized portion of the Property to be used for senior citizen housing, and a portion for continued use by the City for City operations and community programming as the Gus Velasco Neighborhood Center; and

F. The City has an interest in redeveloping the Property and has reviewed development proposals from Developer; and

G. The Developer has proposed the redevelopment of the Property to create approximately 319 housing units, including approximately 316 covenanted affordable senior units, with a minimum of 275 total units, of which no less than 210 units made affordable to lower-income households with additional affordability restrictions as set forth herein, and three unrestricted manager units (the "Senior Citizen Housing Project"), and rebuild the Property's

existing Gus Velasco Neighborhood Center and City staff offices ("Community Center Project" and collectively with the Senior Citizen Housing Project, the "Project"), as generally depicted in the conceptual site plan attached to this Agreement as **Exhibit "B"** and incorporated into this Agreement by this reference; and

H. The Developer has submitted a Letter of Interest, dated September 4, 2025, attached to this Agreement and incorporated herein as **Exhibit "C"**, indicating the Developer's commitment to providing a minimum of 210 covenanted units that will be made affordable to lower-income households; and

I. The Senior Citizen Housing Project will assist the City in meeting its Regional Housing Need Allocation ("RHNA") requirement in accordance with the City's Housing Element; and

J. The California's Surplus Lands Act (Gov. Code § 54220 *et seq.*) ("Surplus Lands Act") provides that a local agency may declare a property "exempt surplus land" under Government Code Sections 54221(b)(1) & (f)(1)(A) when a property is not necessary for the agency's use and is transferred pursuant to Government Code Section 37364; and

K. In compliance with the requirements of Government Code Sections 37364 and 54221(f)(1)(A), all but the three manager units of the Senior Citizen Housing Project's proposed units will be restricted to persons and families of low or moderate income, and at least 210 units will be made affordable to lower income households. The affordability of these 210 units of the Senior Citizen Housing Project to lower-income households is an essential aspect of the deal between the Parties; and

L. Further, of the 210 units made affordable to lower-income households, in accordance with Government Code Section 37364(c), not less than 40 percent of the total units of the Senior Citizen Housing Project shall be affordable to households whose incomes are equal to or less than 75 percent of the maximum income of lower-income households, and at least half of which shall be affordable to very low income households; and

M. On December 2, 2025, the City adopted Resolution No. 9987 declaring the portion of the Property proposed to be developed with the Senior Citizen Housing Project "exempt surplus" land pursuant to the Surplus Lands Act by a ___-___-___ vote; and

N. The Community Center Project will include the construction of an approximately 14,400 square foot senior center including office space for City staff, which is an essential aspect of the proposed future development scope and of the agreement between the Parties; and

O. 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 regarding a future agreement between them governing the potential ground lease of the portion of the subdivided Property utilized for the Senior Citizen Housing Project, and development of the Project on the Property, all subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be negotiated and documented in a future disposition and development agreement ("DDA") which shall include restriction of affordable units by a recorded regulatory agreement binding upon Developer and its successors in interest pursuant to Government Code Section 37364(d); and

P. The intent of both the City and the Developer in entering this Agreement is to comply with the objectives of the Surplus Lands Act in accordance with a statutory exemption for the purpose of facilitating the production of affordable housing for various low-income populations.

NOW, THEREFORE, IN VIEW OF THE GOALS AND OBJECTIVES OF THE PARTIES RELATING TO THE PROJECT AND THE COVENANTS AND PROMISES OF THE CITY AND THE DEVELOPER SET FORTH IN THIS AGREEMENT, AND FOR GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY AND RECEIPT OF WHICH ARE HEREBY ACKNOWLEDGED BY THE PARTIES, 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. **Deposits.**

(a) Concurrent with the Developer's execution of this Agreement, the Developer shall pay to the City a non-refundable deposit in the amount of Fifteen Thousand Dollars ($15,000) 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 defined in Section 3(a)), as part of the consideration for the City's agreement not to negotiate with other persons during the Negotiation Period. Developer acknowledges that the Initial Deposit (and any Extension Deposit, pursuant to Section 2(b) below, if applicable) shall be in addition to those fees and expenses required by the City for any permit, other required entitlement or project processing.

(b) Upon each extension of the Negotiation Period occurring pursuant to the provisions of Section 3(b), if any, the Developer shall provide to the City an additional deposit of Ten Thousand Dollars ($10,000) in immediately available funds on the first day of any extension of the Negotiation Period occurring pursuant to the provisions of Section 3(b) (each, an "Extension Deposit"). Each Extension Deposit is intended to ensure that the Developer will proceed diligently and in good faith to fulfill its obligations under this Agreement during any extension of the Negotiation Period, as part of the consideration for the City's agreement not to negotiate with other persons during any such extension of the Negotiation Period. For the avoidance of doubt, the City acknowledges and agrees that any extension occurring pursuant to the provisions of Section 3(c), Section 15(a)(i), or Section 27, if any, shall not require Developer to provide to the City an Extension Deposit (or any other deposit).

3. **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 ten (10) calendar 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 one (1) calendar year immediately following the Effective Date ("Negotiation Period").

(b) Subject to the terms of Section 3(c), if the Parties have not executed and delivered the DDA within the one-year period, the Negotiation Period may be extended upon the mutual written agreement of the City Manager and the Developer for a period of no more than one hundred eighty (180) days.

(c) If the Parties have reached substantive agreement on the terms of the DDA with the terms of such DDA finalized and reduced in writing in a proposed DDA between Developer (or an Affiliate of Developer, as defined in Section 7(d)) and City staff within the Negotiation Period (as it may have been extended in accordance with Section 3(b)), and the only action remaining to enable the Parties to enter into the DDA is the noticing and holding of a public hearing by the City Council to authorize the execution of such finalized DDA, then the Negotiation Period (as it may have been extended in accordance with Section 3(b)) shall be automatically extended for the time necessary for City to properly notice and hold said public hearing and, if the City Council approves the DDA, which City Council approval shall be made in its sole and absolute discretion, for the time necessary for the Parties to execute the DDA. In the event that the City Council does not approve the DDA for execution, this Agreement shall terminate and shall be in no further force or effect, excepting those terms and obligations that survive the termination or expiration of this Agreement.

(d) This Agreement shall automatically expire and be of no further force or effect at the end of the Negotiation Period (as it may have been extended in accordance with Section 3(b) or Section 3(c)), unless, prior to that time, both the City and the Developer approve and execute a DDA acceptable to both the City and the Developer, in their respective sole and absolute discretion, in which case this Agreement will terminate on the effective date of such DDA.

4. **Developer Representations and Warranties.** As of the Effective Date and at all times during the Negotiation Period, Developer represents, warrants, and covenants to and for the benefit of City as follows:

(a) Developer is a limited liability company duly organized and validly existing under the laws of the State of California. Developer has all requisite power and authority to lease the Property from City and conduct its business as presently conducted. Developer has made all filings and is in good standing in the jurisdiction of the State of California.

(b) Developer has all requisite power and authority to enter into and perform this Agreement.

(c) Neither Developer's articles of incorporation nor any other organizational document regarding Developer in any way prohibits, limits, or otherwise affects the right or power of Developer to enter into or perform this Agreement. Developer is not a party to or bound by any contract, agreement, indenture, trust agreement, note, obligation or other instrument that could prohibit, limit, or otherwise affect Developer's entry into or performance of this Agreement. To the best of Developer's knowledge, no consent,

authorization or approval of, or other action by, and no notice to or filing with, any government authority, regulatory body or any other person or entity is required for the due execution, delivery or performance by Developer of this Agreement or any of the terms or covenants contained in this Agreement. There is no pending or threatened suit or proceeding or undischarged judgement affecting Developer before any court, governmental agency, or arbitrator that might materially adversely affect the enforceability of this Agreement, the ability of Developer to perform the transactions contemplated by this Agreement or the business, operations, assets or condition of Developer.

(d) The execution and delivery of this Agreement by Developer has been duly and validly authorized by all necessary action of Developer and others. This Agreement will be a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

5. **Obligations of Developer.** In addition to payment of the deposit(s) under Section 2 of this Agreement, during the Negotiation Period, Developer shall proceed diligently and in good faith to perform the following actions and obligations.

(a) Developer will present to City staff and, subsequently, to the City governing body, for review, all of the following:

(i) A proposed complete conceptual development plan for the Project on the Property that describes and depicts: (1) the location and placement of proposed buildings and replacement of the existing approximately 14,400 sf Gus Velasco Neighborhood Center, and (2) the architecture and elevations of the proposed buildings;

(ii) Any General Plan amendment, zone change, variances, conditional use permits or other entitlements that are necessary to implement the Project on the Property;

(iii) For the Senior Citizen Housing Project, a schedule of anticipated lease rates and unit mix for the Property, inclusive of affordability levels that meet the requirements of Government Code Section 37364 which shall provide no less than 210 covenanted units made affordable to lower-income households;

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

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

(vi) A detailed financial pro forma ("Financial Pro Forma") containing matters typically contained in pro formas for similar types of projects in form and substance reasonably acceptable to

the City, including but not limited to the following: (i) a detailed estimate of development costs including construction and nonconstruction costs; (ii) a proposed construction and operating pro forma which identifies all sources and uses of funds; (iii) a detailed cash flow, operating income and expense estimate; and (iv) a narrative describing the fundamental economics of the proposed Project. The Financial Pro Forma is intended to provide the initial basis for determining the financial feasibility of the Project in connection with the negotiation of the DDA. The Developer shall update the Financial Pro Forma periodically to reflect changes to the Project in light of Developer's preliminary investigations, future due diligence review and other information, and the Parties acknowledge that the Financial Pro Forma will continue to be refined in accordance with the DDA.

(b) Developer will undertake and complete all actions described in the "Schedule of Performance" attached to this Agreement as **Exhibit "D",** within the time period specified for each such action in the Schedule of Performance.

(c) Developer will provide the City a term sheet within sixty (60) days of the Effective Date.

(d) Developer will conduct investigations regarding condition of title and, pursuant to Section 6 below, and a right of entry agreement substantially in the form attached hereto as **Exhibit "E"** (the "**Right of Entry Agreement**"), the physical condition of the Property.

(e) Developer acknowledges that City reserves the right to reasonably obtain further information and data to ascertain the ability and capacity of Developer to complete the potential DDA. Developer acknowledges that it may be required to make certain financial disclosures to City or City's staff, legal counsel, or other consultants, as part of City's financial due diligence investigations related to the potential DDA and development of the Project on the Property, and that any such disclosures by Developer to City may become public records. Notwithstanding, City agrees to maintain the confidentiality of Developer's financial information to the extent allowed by law, as determined by the City Attorney.

(f) Developer acknowledges and agrees that the intended result of the proposed subdivision of the Property is to delineate the portion of the Property to be ground leased to Developer and developed with the Senior Citizen Housing Project, which improvements will be owned, maintained and operated by Developer, from the portion of the Property to be developed with the Community Center Project, which portion and improvements will be owned, maintained and operated by the City; with respect to the subdivided land that will contain the Community Center Project, the City may desire to construct or implement additional improvements, which shall be located on the portion that contains the Community Center Project.

(g) Periodically, as requested by 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.

(h) Notwithstanding the following Section 6 of this Agreement, 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.

6. **Negotiation of DDA.**

(a) During the Negotiation Period, the City and the Developer shall proceed diligently and in good faith to negotiate a DDA between them. The City and the Developer shall generally cooperate with each other and supply such available 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 commercially 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 governing body. The Developer acknowledges and agrees that the City's consideration of any DDA is subject to the sole and absolute discretion of the City governing body and all legally required public hearings, public meetings, notices, factual findings and other determinations required by law.

(b) Based on Developer's proposal, it is the intent of both Parties to create a formal agreement on the following issues, subject to future negotiation during the Negotiation Period:

(i) The Parties shall include in the DDA or a separate agreement mutually agreeable terms regarding the Subdivision Map Act (Gov. Code § 66410 *et seq.*) action required to subdivide the Property. The intended result of the proposed subdivision of the Property is to clearly delineate the portion of the Property to be ground leased to Developer and developed with the Senior Citizen Housing Project, which improvements will be owned, maintained and operated by Developer from the portion of the Property to be developed with the Community Center Project, which portion and improvements will be operated and maintained by the City.

(ii) The Developer shall lease the subdivided portion of the Property to be developed with the Senior Citizen Housing Project from the City in a below market ground lease for not less than 60 years, subject to the requirements of the LIHTC investor and

financing documents.

(iii) The Senior Citizen Housing Project will result in approximately 319 residential units consistent with the requirements of Government Code Section 37364, with all but the three manager units of such units covenanted as affordable senior units, with no less than 210 units made affordable to lower-income households with additional affordability restrictions as set forth herein, and three unrestricted manager units, an approximately 5,000 sf area for residential management and services, and a parking structure containing approximately 386 parking spaces.

(iv) The Community Center Project will require the demolition of the existing approximately 14,400 sf Gus Velasco Neighborhood Center and result in the construction of a new approximately 14,400 sf senior center including City staff office space, and construction of a parking structure with approximately 386 parking spaces. The Senior Citizen Housing Project will utilize approximately 326 parking spaces from the parking structure.

(v) The Subdivision Map Act (Gov. Code § 66410 *et seq.*) action to subdivide the Property to accommodate the Senior Citizen Housing Project and the Community Center Project to be processed after the successful negotiation and execution of the DDA for the anticipated Project.

(c) Subject to the terms and conditions of the Right of Entry Agreement, during the term of the Right of Entry Agreement, Developer and its employees, contractors, agents, representatives, architects, engineers and consultants (collectively, the "**Developer Entities**"), at Developer's sole cost and expense, shall have the right to enter and conduct non-invasive investigations and inspections of the Property, which shall include surveys and other non-invasive tests, studies and investigation as Developer may require (collectively, the "**Non-Invasive Inspections**"), as well as invasive investigations with the prior written approval of the City in its sole and absolute discretion (as more specifically described in the Right of Entry Agreement, the "**Invasive Inspections**," and together with the Non-Invasive Inspections, the "**Inspections**"), pursuant to the terms of the Right of Entry Agreement and this Section 6, in advance of due diligence investigations to be conducted under the future DDA.

(i) Developer shall provide City, at no additional charge and without representation or warranty of any kind, with copies of non-proprietary reports prepared by third parties for Developer in connection with the Inspections within three (3) business days of Developer's receipt of the same.

(ii) Prior to entering the Property pursuant to this Section 6, Developer and/or Developer's consultant or contractor (as applicable) shall procure, maintain, and provide proof to the City of insurance meeting all requirements set forth in Sections 8 and

9 of the Right of Entry Agreement, and as set forth in the Right of Entry Agreement, may be required to procure, maintain, and provide proof of additional insurance coverage for its conduct of Invasive Inspections as determined in the City's sole and absolute discretion.

(d) Within thirty (30) days after the Effective Date, City shall provide to Developer all documents in its possession or control relating to the physical or environmental condition of the Property (including, but not limited to, environmental, property physical condition, geological studies, engineering and structural analyses, and geotechnical reports and soil tests and analyses) to the extent reasonably known to be in City's possession. The City shall not have any duty to create or obtain documents that are not under its possession or control.

(e) City and Developer acknowledge and agree that any disposition of any portion of the Property shall be subject to compliance with applicable provisions of the Surplus Land Act (Government Code § 54220 *et seq.*).

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

(a) The qualifications and identity of the Developer and its principals are of particular concern to the 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 Developer shall promptly notify the City in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 7(d)) of the Developer, as well as any and all changes in the interest or the degree of Control of the Developer by any such persons or entities, of which information the Developer or any of its shareholders, partners, members, directors, managers or officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change, whether voluntary or involuntary, in ownership, management or Control of the Developer (other than such changes occasioned by the retirement, death, or incapacity of any individual) that has not been approved by the City, prior to the time of such change, the City may terminate this Agreement, without liability to the Developer or any other person, by sending written notice of termination to the Developer, referencing this Section 7(b).

(c) Notwithstanding anything in this Agreement to the contrary, the Developer may assign its rights under this Agreement to an Affiliate (as defined in Section 7(d)), such as a single purpose LLC or LP, on the condition that such Affiliate expressly assumes all of the obligations of the Developer under this Agreement in a writing reasonably satisfactory to the City, and further provided that Developer shall, at all times, control any such Affiliate and be responsible and obligated directly to the City for performance of the

Developer's obligations under this Agreement.

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

(e) 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 the assignee or successor in interest agrees to assume obligations to the fullest extent under law and as specifically agreed to in writing by the City, with such written approval not unreasonably withheld. Developer may only assign responsibility to the fullest extent permitted by law, and language making assignees and successors in interest liable for all future obligations must be included in any assignment instrument.

8. **Obligations to Review Draft Agreements and Attend Meetings.**

(a) The City shall provide Developer with an initial draft DDA and associated exhibits, which shall include but not be limited to:

(i) Legal description of the Property;
(ii) Schedule of Performance;
(iii) Form of Ground Lease;
(iv) Regulatory Agreement in accordance with Government Code Section 37364(d);
(v) Form of Notice of Agreement;
(vi) Form of Official Action of Developer; and
(vii) Form of Certificate of Completion.

(b) During the Negotiation Period, each Party shall diligently review and comment on draft versions of a DDA provided by the other Party and, if the terms and conditions of such a DDA are agreed upon between City staff and the Developer, the Developer shall submit the DDA fully executed by the authorized representative(s) of the Developer to the City Manager for submission to the City governing body for review and approval or disapproval. Any future DDA shall consist of terms and conditions acceptable to both the Developer and the City governing body, in their respective sole and absolute discretion.

(c) During the Negotiation Period, the Developer shall also keep City 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 and/or City staff questions regarding the progress of the design and planning of the Project or the negotiation of a DDA, attend both: (1) periodic meetings with City staff, as reasonably scheduled and requested by City staff during the Negotiation Period, which may be held telephonically, and (2) meetings of the City governing body, when reasonably requested to do so by City staff.

9. **Developer to Pay All Costs and Expenses.** All fees or expenses of engineers, architects, financial consultants, legal, planning or other consultants or contractors, retained by the Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, planning and/or design activities, drawings, specifications or other activity or matter relating to the Property or the Project or negotiation of a DDA that may be undertaken by the Developer during the Negotiation Period, pursuant to or in reliance upon this Agreement or in the Developer's discretion, regarding any matter relating to a DDA, the Property or the Project, shall be the sole responsibility of and undertaken at the sole cost and expense of the Developer and no such activity or matter shall be deemed to be undertaken for the benefit of, at the expense of or in reliance upon the City. The Developer shall also pay all fees, charges and third-party costs, make all deposits and, if applicable, provide all 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. 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 the non-refundable Initial Deposit or Extension Deposit in accordance with this Agreement. Notwithstanding the foregoing, however, the City shall be responsible for its own costs, including, without limitation, legal costs (including legal costs of any contract legal counsel, if applicable), incurred in negotiating this Agreement.

10. **No City Approval.** Nothing in this Agreement, nor any comments provided by the City or City staff, nor any failure of City staff to provide comments to any submittal by Developer pursuant to this Agreement shall modify or replace any land use entitlement process of the City applicable to the Project, limit the police power land use jurisdiction of the City as relates to the Property or the Project, constitute an approval of all or any portion of the Project by the City pursuant to the police power land use jurisdiction of the City, or constitute any approval of all or any portion of a future DDA by the City.

11. **City Not to Negotiate With Others.** During the Negotiation Period, the City and City staff shall not negotiate with any other person regarding the sale, lease and/or redevelopment of the Property. The term "negotiate," as used in this Agreement, means and refers to engaging in any discussions with a person or entity other than the Developer, regardless of how initiated, with respect to the availability of the Property and/or that person/entity's redevelopment of the Property, without the Developer's prior written consent. Developer acknowledges that City may receive and retain unsolicited offers regarding

redevelopment of the Property, but shall not entertain any offer or negotiate with the proponent of any such offer during the Negotiation Period; provided, however, that the City may notify such proponent that it is a party to this Agreement. Developer acknowledges that the City is a public agency and subject to the provisions of the California Public Records Act, Government Code Section 7920.000, *et. seq*. (the "PRA"). 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, or other 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, lease or other disposition of the Property or the redevelopment of the Project or 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, solely 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 for projects of this nature. 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 Parties agree and acknowledge that the City will cooperate with Developer in the development of any plans for the Project by using its best efforts to provide any information in its possession or control that would customarily be furnished to persons requesting information from the City concerning their respective goals, matters of a similar nature relating to development plans or as required by law to be disclosed, upon request or otherwise.

(f) The City reserves the right to reasonably obtain further available information and data to ascertain the ability and capacity of the Developer to acquire or lease,

develop and operate 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 lease 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 determined by the City Attorney.

(g) 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.

(h) 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.

(i) The Parties acknowledge that further efforts by either Party to perform due diligence, arrange or obtain financing, or carry out other acts in contemplation of the possible acquisition of, lease of, or disposition of the Property or the development of the Project shall not be deemed evidence of intent by either Party to be bound by any term, condition, covenant, restriction or agreement relating to acquisition of, lease of, or disposition of the Property.

(j) The Developer acknowledges and agrees that no provision of this Agreement shall be interpreted or construed to be a guaranty, warranty, representation or assurance by the City that any public agency or other entity shall give any discretionary approval or provide any development financial assistance to Developer with respect to the Project.

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

14. **City Events of Default and Developer Remedies.**

(a) The occurrence of any of the following shall constitute an "Event of Default" on the part of the City under this Agreement:

(i) City's engagement in discussions concerning the Property, including the sale, lease, and/or redevelopment thereof, with any

party other than Developer prior to the termination or expiration of the Agreement.

(ii) Failure by the City to timely comply with any other provision of this Agreement that is not cured within fifteen (15) days after written notice from Developer to the City of such breach.

(b) **Developer Remedies.** If there is an Event of Default by City, the Developer may provide the City with written Notice of the Event of Default describing the event. If the City fails to cure the Event of Default within the prescribed time periods above, the Developer may terminate the Agreement in its sole and absolute discretion by delivering written notice of termination to Developer. The City and the Developer each acknowledge and agree that the City would not have entered into this Agreement, if it were to be liable to the Developer for any additional monetary damages, monetary recovery or any remedy other than termination of this Agreement and specific performance. Accordingly, subject to the final sentence of this paragraph, the City and the Developer agree that the Developer's sole and exclusive rights and remedies upon the breach of this Agreement by the City is termination of this Agreement and specific performance.

(c) **Non-Waiver.** Any failure or delay by Developer 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.

15. **Developer Events of Default and City Remedies.**

(a) The occurrence of any of the following shall constitute an "Event of Default" on the part of the Developer under this Agreement:

(i) Failure of Developer to meet a performance milestone by the applicable date contained in the Schedule of Performance of this Agreement, if such failure is not cured within fifteen (15) days after written notice from the City of such failure. Notwithstanding the foregoing, (a) Developer's failure to meet performance milestones of the Schedule of Performance shall not constitute a default in the event that and to the extent that such failure is due to a delay by the City (a "City Delay"), and (b) the Negotiation Period shall be automatically extended by the number of days of any City Delay.

(ii) Any material breach of any representation or warranty made by Developer in this Agreement that is not cured within fifteen (15) days after written notice from the City to Developer of such breach.

(iii) Any assignment or attempted assignment by Developer in violation of Section 7 of this Agreement that is not cured within fifteen (15) days after written notice from the City to Developer of such breach.

(iv) Failure of Developer to procure or maintain any of the insurance coverage required by the Right of Entry Agreement resulting in a lapse in required insurance coverage which lapse is not cured within ten (10) days after written notice from the City to Developer of such breach.

(v) Failure by the Developer to comply with any other provision of this Agreement that is not cured within fifteen (15) days after written notice from the City to the Developer of such breach or, if such breach is not reasonably capable of being cured within fifteen (15) days, if Developer has not commenced to cure such breach within fifteen (15) days and thereafter diligently pursued such cure to completion.

(b) **City Remedies.** If there is an Event of Default by Developer, the City may provide the Developer with written notice of the Event of Default describing the event. If the Developer fails to cure the Event of Default within the prescribed time periods above, the City may terminate the Agreement in its sole and absolute discretion by delivering written notice of termination to Developer. The City and the Developer each acknowledge and agree that the Developer would not have entered into this Agreement, if it were to be liable to the City for any additional monetary damages, monetary recovery or any remedy other than termination of this Agreement and specific performance. Accordingly, the City and the Developer agree that the City's sole and exclusive rights and remedies upon the breach of this Agreement by the Developer is termination of this Agreement and specific performance.

(c) **Non-Waiver.** Any failure or delay by City 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.

16. **Compliance with Law.** The Developer acknowledges that any future DDA, if approved by the governing body 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 and zoning laws, environmental laws, safety laws and federal and state labor and wage laws.

17. **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 lease or redevelopment of the Property or negotiation of a DDA with the City, prior to publication. The rights and obligations in this provision shall not apply to leasing and marketing brochures and/or information distributed by email or placed online on a brokerage website or real estate website such as LoopNet.com.

18. **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 18. 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:	Jamboree Housing Corporation 17701 Cowan Ave., Suite 200 Irvine, CA 92614 Attn: Roger Kinoshita Email: rkinoshita@jamboreehousing.com
With Courtesy Copy to:	Rutan & Tucker, LLP 18575 Jamboree Road, 9th Floor Irvine, CA 92612 Attn: Patrick D. McCalla Email: pmcalla@rutan.com
To CITY:	René Bobadilla, City Manager 11710 Telegraph Road Santa Fe Springs, CA 90670 Email: rbobadilla@santafesprings.gov
With Courtesy Copy to:	Olivarez Madruga Law Organization, LLP 500 S. Grand Avenue, 12th Floor Los Angeles, CA 90071 Attn: Paloma Perez-McEvoy Email: pmcevoy@omlolaw.com

19. **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 19, shall not include persons to whom fees are paid for professional services, if rendered by attorneys, financial consultants, accountants, engineers, architects, brokers and other consultants, when such fees are considered necessary by the Developer.

20. **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.

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. **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.

24. **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, nor 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.

25. **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 referred to 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.

26. **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 as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees. For the purposes hereof the words "reasonable attorneys' fees" mean and include, in the case of either Party, salaries and expenses of the lawyers working for or employed by such Party (allocated on an hourly basis) to the extent they provide legal services to such Party in connection with the representation of that Party in any such matter.

27. **Enforced Delay.** No Party shall be deemed in default of its obligations under this Agreement where a delay or default is due to an act of God, natural disaster, accident, breakage or failure of equipment, enactment of conflicting federal or state laws or regulations, third-party litigation, administrative action or any related statute, strikes, lockouts or other labor disturbances or disputes of any character, interruption of services by suppliers thereof, unavailability of materials or labor, unforeseeable and severe economic conditions, rationing or restrictions on the use of utilities or public transportation whether due to energy shortages or other causes, war, civil disobedience, riot, or by any other severe and unforeseeable occurrence that is beyond the control of that party (collectively, "Enforced Delay"). Performance by a party of its obligations shall be excused during, and extended for a period of time equal to, the period (on a day-for-day basis) for which the cause of such Enforced Delay is in effect.

28. **Amendment.** This Agreement may be amended or modified only by a written instrument signed by both City and Developer.

29. **Relationship of the Parties.** No real estate broker commission or other real property finder's fee shall be payable by either Party to any person in connection with the

approval of this Agreement by the City. The subject of this Agreement is a matter which is solely between Developer and City as it relates to the Property. No responsible agency is a party to this Agreement. None of the provisions in this Agreement shall be deemed to render City a partner in Developer's business, or joint venturer, or member in any joint enterprise with Developer.

30. **Indemnity.** Developer shall defend (with counsel reasonably approved by the City), hold harmless and indemnify the City and their elected and appointed officials, officers, agents and employees (individually or collectively, an "Indemnified Party") from and against any and all claims, causes of action, liabilities, damages, judgments, losses, costs or expenses (including, without limitation, reasonable attorneys' fees) (any of the foregoing, a "Claim"), whether meritorious or not, arising through activities of the Developer with respect to the Property, or Developer Entities which may also be brought or asserted against any Indemnified Party that relates to or arises out of: (i) property damages or bodily injury or death of any person in connection with this Agreement; (ii) entry upon the Property or conduct of inspections by Developer or Developer Entities; (iii) any violation of applicable law including but not limited to applicable surplus land disposition statutes, including the Surplus Lands Act (Government Code § 54220, *et seq.*) in connection with the Project contemplated under this Agreement or (iv) the preparation of any report or plan commissioned by Developer. No Indemnified Party shall be entitled to indemnification under this Section for any Claim to the extent such Claim arises from a matter caused by the Indemnified Parties' negligence or willful misconduct. In the event any action of proceeding is brought against an Indemnified Party by reason of a Claim arising out of any loss for which Developer is obligated to indemnify, defend, or hold harmless the Indemnified Party, upon written notice from such Indemnified Party, Developer shall, at Developer's sole expense, (with legal counsel reasonably acceptable to the City) answer and otherwise defend such action or proceeding. A Party found liable shall pay their proportionate share of damages, costs and attorneys' fees as reasonably determined by the Parties or as ordered by a court of competent jurisdiction over the action or proceeding. Notwithstanding anything to the contrary in this Agreement, each indemnity obligation under this Agreement shall survive the expiration or termination of this Agreement.

31. **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, the Parties shall promptly modify, amend, or suspend this Agreement, or any portion 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.

32. **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.

33. **Entire Agreement.** This Agreement (including all exhibits and attachments) 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. Any prior correspondence, memoranda, agreements, warranties or representations relating to such subject matter are superseded in total by this Agreement. No prior drafts of this Agreement or changes from those drafts to the signed version of this Agreement shall be introduced as evidence in any litigation or other dispute resolution proceeding by either Party or any other person and no court or other body shall consider those drafts in interpreting this Agreement.

34. **Time is of the Essence.** Time is of the essence under this Agreement and in the performance of every term, covenant and obligation contained herein.

[SIGNATURES ON FOLLOWING PAGE]

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

DEVELOPER:

Dated: _____

JHC-ACQUISITIONS LLC,
a California limited liability company

By: Jamboree Housing Corporation,
A California nonprofit public benefit corporation

By: _____
Name: Michael Massie
Its: Executive Vice President and Chief Development Officer

CITY:

Dated: _____

THE CITY OF SANTA FE SPRINGS

By: _____
Name: René Bobadilla,
Its: City Manager

ATTEST:

By: _____
Fernando Muñoz, City Clerk

APPROVED TO FORM:

By: _____
Rick Olivarez, City Attorney

EXHIBIT “A”
TO
EXCLUSIVE NEGOTIATION AGREEMENT

Property Legal Description

Lot Number: 49-50 Tract No: 23313

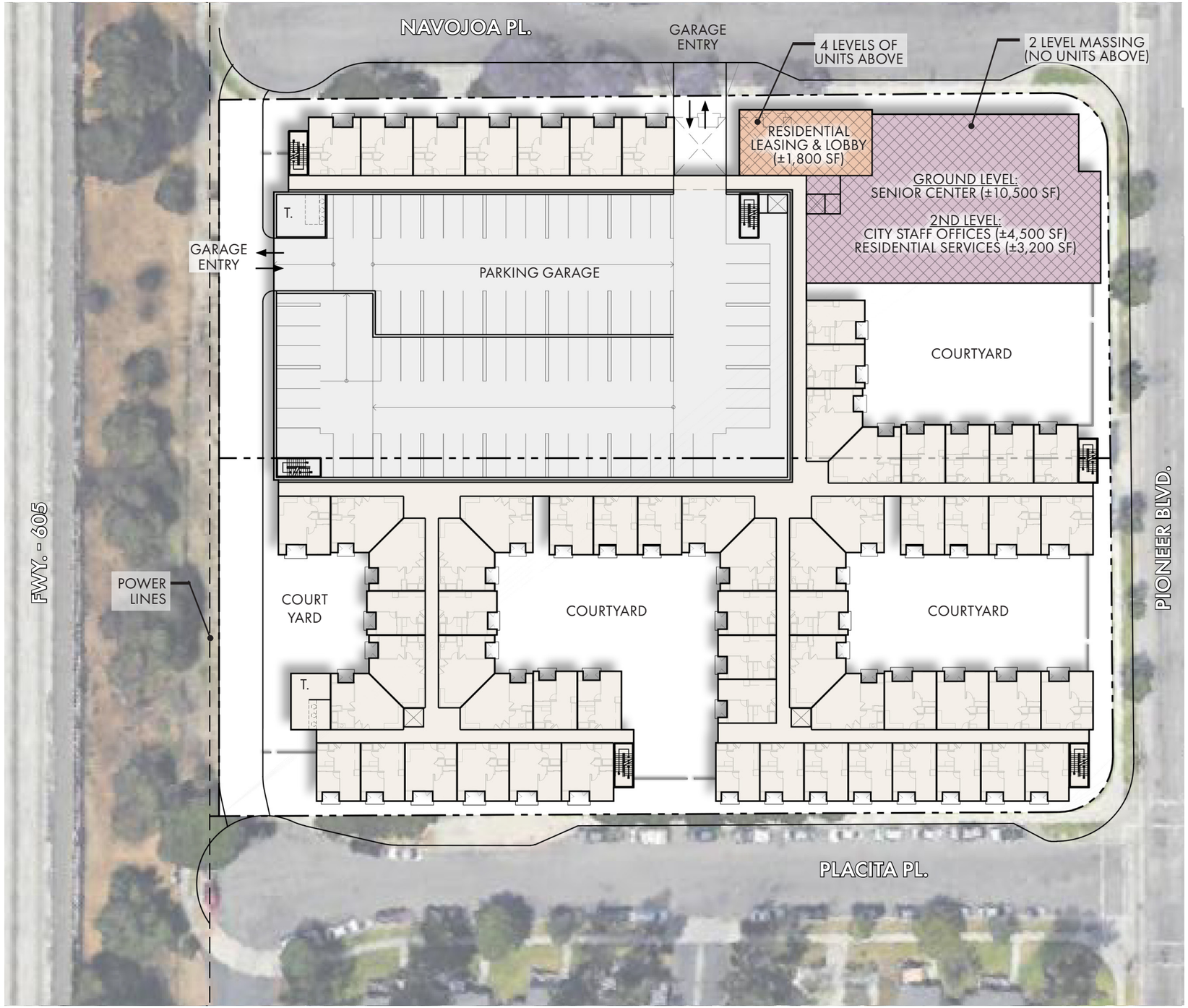
Brief Description: TRACT NO 23313 LOTS 49, 50, 51, 52, 53, 54, 55, 56, 57 AND LOT 58

Parcel Number 8001-003-934

EXHIBIT “B”
TO
EXCLUSIVE NEGOTIATION AGREEMENT

Conceptual Site Plan

[To Be Attached Behind This Cover Page]



SITE PLAN

PROJECT SUMMARY

AREA:	± 3.05 AC
UNITS:	319 DU TOTAL SENIOR - 316 DU MANAGER'S - 3DU
DENSITY:	104.6 DU/AC
BLDG. TYPE:	5 STORY WRAP - TYPE III 5 STORY GARAGE
ELEVATORS:	(3) RESIDENTIAL (1) SENIOR CENTER/SERVICES

BUILDING AREA SUMMARY

EXISTING PROGRAM	
SENIOR CENTER	10,500 S.F.
CITY STAFF OFFICES	4,500 S.F.
TOTAL AREA	15,000 S.F.
PROPOSED PROGRAM:	
SENIOR CENTER	10,500 S.F.
CITY STAFF OFFICE	4,500 S.F.
TOTAL AREA	15,000 S.F.
RESIDENTIAL MANAGEMENT & SERVICES:	
TOTAL AREA	5,000 S.F.

UNIT MIX SUMMARY

1BR + 1BA	(± 491 SF)	139 DU
1BR + 1BA	(± 573 SF)	97 DU
1BR + 1BA	(± 682 SF)	80 DU
TOTAL		316 DU
MANAGER'S:		
2BR + 2BA	(± 1,000 SF)	3 DU
TOTAL		3 DU
GRAND TOTAL:		319 DU

PARKING SUMMARY

PROPOSED:

TOTAL:	386 SPACES

0 25 50 100

EXHIBIT “C”
TO
EXCLUSIVE NEGOTIATION AGREEMENT

Letter of Intent

[To Be Attached Behind This Cover Page]

Jamboree

September 4, 2025

Cuong Nguyen
Director of Community Development
Via email – cuongnguyen@santafesprings.gov

RE: Letter of Interest ("LOI")
9255 Pioneer Blvd.
Santa Fe Springs, CA
APN 8001-003-934

Dear Mr. Nguyen:

Jamboree Housing Corporation or its nominee (Jamboree) is interested in collaborating with the City of Santa Fe Spring (City) to develop affordable housing at 9255 Pioneer Blvd. in Santa Fe Springs.

The proposed development is over 210 lower-income units of senior housing, a senior center and city staff offices.

We believe the development is aligned with the City's Housing Element. We will work diligently and in good faith to assist the City in meeting its housing needs. A timeline is provided in the attached exhibit.

This LOI is non-binding statement of a proposed transaction. It is subject to negotiation, execution, and delivery of definitive legal documents by Jamboree and City.

If the basic terms of this letter are acceptable to the City, City should execute a copy of this letter and return it to Jamboree. Jamboree will then begin preparation of the Exclusive Negotiating Agreement.

We look forward to collaborating on this public private partnership to develop much-needed affordable housing in Santa Fe Springs.

Respectfully submitted,	Accepted by,
JAMBOREE HOUSING	**CITY OF SANTA FE SPRINGS**
By:	By:
Title: Executive VP & Chief Dev. Officer	Title: DIRECTOR OF COMMUNITY DEVELOPMENT.
Dated: 9/4/25	Dated: 9/4/25

Exhibit A
Pioneer Blvd. Tentative Timeline

Milestone	Preliminary Timeline
ENA Submitted	September 2025
ENA Approved	October 1, 2025
Due Diligence Starts	October 2, 2025
Site Plan - Refinements Start	October 2, 2025
City Staff Offices	
Senior Center	
Billboard	
Senior Housing	
Review #1 of Site Plans and Floor Plans with City	November 1, 2025
Review #2 of Site Plans and Floor Plans with City	November 22, 2025
Review #3 of Site Plans and Floor Plans with City	December 13, 2025
Entitlements	
First Submittal	February 11, 2026
Second Submittal	March 28, 2026
Staff Approval	April 27, 2026
Planning Commission Approval	June 26, 2026
City Council Approval	July 26, 2026
DDA Submitted	August 9, 2026
DDA Approved	October 8, 2026

EXHIBIT "D"
TO
EXCLUSIVE NEGOTIATION AGREEMENT

Schedule of Performance

Milestone	**Date**
Satisfaction of all requirements to effectuate the ENA as set forth in ENA Section 3(a)	Within 30 days of City Council approval
Developer's Delivery of Term Sheet to City	Within 60 days of ENA Effective Date
Inspections Starts	Within 10 days of Right of Entry execution, for a period of 90 days
City's Delivery #1 of Floorplan for Community Center Project	Within 60 days of ENA Effective Date
City's Delivery #2 of Floorplan for Community Center Project	Within 30 days of Submittal and Review #1
Developer's Submittal and Review #1 of Conceptual Design Package[1] with City	Within 60 days of Developer Approval of Floorplan for Community Center
Submittal and Review #2 of Conceptual Design Package with City	Within 30 days of Submittal and Review #1
Submittal and Review #3 of Conceptual Design Package with City (if necessary)	Within 30 days of Submittal and Review #2
Delivery of Draft DDA to Developer	Within 30 days of City Approval of Conceptual Design Package
Finalization of the DDA	Within 90 days of receipt of the first Draft DDA (not to exceed ENA term)
City Council Approval of DDA	Within 365 days of ENA Effective Date

[1] The Conceptual Design Package shall consist of the project description, inclusive of the number of affordable units and affordability levels, site plan, floor plans, community center, and anticipated entitlements.

EXHIBIT “E”
TO
EXCLUSIVE NEGOTIATION AGREEMENT

Right of Entry Agreement

[To Be Attached Behind This Cover Page]

THE CITY OF SANTA FE SPRINGS
RIGHT OF ENTRY AGREEMENT

9255 Pioneer Boulevard
(Gus Velasco Neighborhood Center)

THIS RIGHT OF ENTRY AGREEMENT ("Agreement") is made and entered into this ___ day of _____, ____, by and between the City of Santa Fe Springs, a municipal corporation (the "City") and JHC-Acquisitions LLC, a California limited liability company (the "Developer"). City and Developer are sometimes referred to in this Agreement individually, as a "Party" and, collectively, as the "Parties."

RECITALS

A. The City is the owner of that certain real property located at 9255 Pioneer Blvd., Santa Fe Springs, California (APN 8001-003-934), and more specifically described in the legal description attached to this Agreement as **Exhibit "A"** (the "Property") and incorporated into this Agreement by this reference; and

B. The City operates an approximately 14,400 square foot single-story community center on the Property currently used for community programming and rentable event space (the "Gus Velasco Neighborhood Center"); and

C. The Gus Velasco Neighborhood Center is in need of improvements for modernization to best serve the community, and the City is in dire need of housing. To maximize the value of the City-owned Property to residents, the City intends to subdivide the Property in a manner for a portion of the Property to be used for senior citizen housing, and a portion for continued use by the City for City operations and community programming as the Gus Velasco Neighborhood Center; and

D. The Parties have entered into an exclusive negotiation agreement ("Exclusive Negotiation Agreement") dated _____,_____, for reference purposes only, to attempt to negotiate a disposition and development agreement of a long term lease for a portion of the Property; and

E. Developer has proposed the redevelopment of the Property as an approximately 319 unit housing project including approximately 316 covenanted affordable senior units, with a minimum of 210 units made affordable to lower-income households, three unrestricted managers' units, and with additional affordability restrictions set forth in the Exclusive Negotiation Agreement (the "Senior Citizen Housing Project"), consistent with the requirements of Section 54221(f)(1)(A) of the Surplus Lands Act (Gov. Code § 54220 *et seq.*) and the construction of an approximately 14,400 square foot ("sf") senior center including City staff office space ("Community Center Project," and collectively with the Senior Citizen Housing Project, the "Project"); and

F. The Developer has requested access to the Property that the Developer and its employees, contractors, agents, representatives, architects, engineers and consultants (collectively "Affiliated Parties") may conduct such non-invasive investigations, inspections, tests, surveys, and other analyses ("Non-Invasive Inspections") of the Property, and as set forth in Section 2(b) of this

Agreement, Invasive Inspections with prior written approval of the City in its sole and absolute discretion (together with Non-Invasive Inspections, "Inspections") as set forth herein and in the Exclusive Negotiation Agreement to determine the condition of the Property or the feasibility of designing, developing, constructing, leasing and financing the Project in advance of the conduct of due diligence under the future disposition and development agreement; and

G. The City desires to provide access to the Property to the Developer and its Affiliated Parties for the purpose of conducting 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 in accordance with the terms of this Section 2.

a. Except as otherwise authorized by the City and as set forth in Section 2(b), and subject to the requirements of Section 2(c), Developer shall cause the Inspections to be conducted during regular business hours (7:00 a.m. to 6:00 p.m., Monday through Friday) upon not less than forty-eight (48) hours' prior written notice to City. City may have a representative present at any Inspection of the Property.

b. In conducting its Inspections at the Property, Developer and the Developer Entities shall: (i) except with the prior written approval of City, which, if Developer's Phase I environmental site assessment recommends invasive testing shall not be unreasonably withheld (but may be conditioned on Developer's compliance with additional terms and conditions as set forth in this paragraph), but in all other scenarios may be given or withhold in City's sole and absolute discretion, not perform invasive activities on the Property, including but not limited to (a) invasive or intrusive geotechnical, environmental or other inspections with respect to the Property or any portion thereof (including any drilling, boring, cutting, disassembling, or removing of the Property or any portion thereof); or (b) biological or environmental sampling or analysis, whether of air quality, soil, or water samples or otherwise, which shall include, but not be limited to, the conduct of any Phase II Site Investigation (those aforementioned activities set forth in (a) and (b), collectively, "Invasive Inspections"); (ii) comply with all applicable laws; and (iii) not permit any liens to attach to the Property by reason of the exercise of Developer's rights hereunder. The City's grant of advance written approval to Developer to conduct Invasive Inspections may be conditioned on Developer's compliance with certain terms and conditions beyond those set forth in this Agreement, including but not limited to the procurement of heightened insurance requirements beyond those set forth in Sections 8 and 9 prior to the commencement of such Invasive Inspections and performance of specified activities outside of regular business hours (including weekends) to prevent disruption of Gus Velasco

Neighborhood Center operations. The Parties shall cooperate in good faith to ensure any Invasive Inspections authorized by the City are conducted in a manner which does not disrupt Gus Velasco Neighborhood Center operations or current occupants.

c. Developer and its Affiliated Parties shall not interfere with the peaceful enjoyment of the Property by the current occupants of the Property. Developer acknowledges that the Gus Velasco Community Center is currently operational and is therefore occupied by City staff, community residents, and other persons. Any Inspections of the Property or other entry upon the Property by Developer shall not disrupt any existing use or occupancy of the Property, City operations, Gus Velasco Community Center operations, or any other activities of City staff or community residents on-site, as determined by the City in its reasonable and absolute discretion.

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 ninety (90) days, and in accordance with the terms of this Agreement, commencing on _____, ____, unless this Agreement is terminated earlier 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 to or create dangerous conditions on the Property or otherwise cause any other damage to the Property or any personal property owned or held by any third party and shall take all reasonable steps to maintain the Property in its current condition, reasonable wear and tear excepted and except as necessary to conduct the Inspections, in an orderly and appealing manner.

a. Developer shall promptly repair any damage to the Property resulting from the entry by Developer or its Affiliated Parties or from any such Inspections.

b. Promptly upon completion of each Inspection, Developer shall cause the portion of the Property subject to such Inspection to be restored to the condition existing immediately prior to such Inspection, to the maximum extent reasonably commercially feasible.

5. **Termination.** This Agreement may be terminated by City if the City reasonably determines 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 that is not reasonably capable of being mitigated, would impose any liability upon the City, if the Parties are no longer attempting to negotiate a disposition and development agreement for the Project; or the Exclusive Negotiation Agreement has otherwise been terminated or expired.

6. **Access to the Property.** The City shall make a reasonable effort to keep access to the Property available to the Developer and its Affiliated Parties at all times set forth in Section 2(a) of this Agreement. 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 active negligence or willful misconduct of the City, the Developer agrees to indemnify, defend, and hold the City and its officers and employees, harmless from and against all claims, causes of action, damages, losses, liabilities, judgments, costs or

expenses, including attorneys' fees and costs, which arise out of or is in any way connected with (i) the entry upon the Property by Developer or its Affiliated Parties to perform Inspections; (ii) the performance of Inspections or use of the Property under this Agreement by the Developer and its Affiliated Parties; or (iii) property damage, bodily injury, or death of any person in connection with the activities of the Developer and its Affiliated Parties pursuant to this Agreement. The Developer 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. The obligations of this Section 7 shall survive the expiration or termination of this Agreement and of the Exclusive Negotiation Agreement.

8. **Workers' Compensation Insurance.** By executing this Agreement, the Developer certifies that the Developer is aware of 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, to the extent required by law. The Developer shall require its contractors, agents, representatives, architects, engineers and consultants (collectively "Developer's Contractors") to 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, each of the Developer and its Affiliated Parties shall file with City (i) a certificate of insurance showing that such insurance is in effect, (ii) a certification that they are self-insured for such coverage, or (iii) a certification that they have no employees. Any certificate of insurance 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 shall provide, and shall cause the Developer's Contractors to 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 the Developer Contractors. The City, and its officers, employees and agents, shall be named as additional insureds under the Developer's 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. These minimum amounts of coverage shall not constitute any limitation or cap on the Developer's 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 the Developer's Contractor's insurance policies.

10. **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.

11. **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 as fixed by the court, in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees. For the purposes hereof the words "reasonable attorneys' fees" mean and include, in the case of either Party, salaries and expenses of the lawyers working for or employed by such Party (allocated on an hourly basis) to the extent they provide legal services to such Party in connection with the representation of that Party in any such matter.

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.** 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 13. 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:
JHC-Acquisitions LLC
c/o Jamboree Housing Corporation
17701 Cowan Ave., Suite 200
Irvine, CA 92614
Attn: Roger Kinoshita
Email: rkinoshita@jamboreehousing.com

With Courtesy Copy to:
Rutan & Tucker, LLP
18575 Jamboree Road, 9th Floor
Irvine, CA 92612
Attn: Patrick D. McCalla
Email: pmcalla@rutan.com

To CITY:
René Bobadilla, City Manager
11710 Telegraph Road

Santa Fe Springs, CA 90670
Email: rbobadilla@santafesprings.gov

With Courtesy Copy to: Olivarez Madruga Law Organization, LLP
500 S. Grand Avenue, 12th Floor
Los Angeles, CA 90071
Attn: Paloma Perez-McEvoy
Email: pmcevoy@omlolaw.com

14. **Assignment.** It is mutually understood and agreed by both Parties that this Agreement 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.

[SIGNATURES ON FOLLOWING PAGE]

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

Dated: _____

DEVELOPER:

JHC-ACQUISITIONS LLC,
a California limited liability company

By: Jamboree Housing Corporation,
a California nonprofit public benefit corporation

By: _____
Name: Michael Massie
Its: Executive Vice President and Chief Development Officer

Date: _____

CITY:

THE CITY OF SANTA FE SPRINGS

By: _____
Name: René Bobadilla
Its: City Manager

ATTEST:

By: _____
Fernando Muñoz, City Clerk

APPROVED TO FORM:

By: _____
Rick Olivarez, City Attorney

EXHIBIT “A”
TO
RIGHT OF ENTRY AGREEMENT

Property Legal Description

[To be Attached Behind This Cover Page]

ITEM # 28

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: **DECLARING A PORTION OF THE PROPERTY LOCATED AT 9255 PIONEER BOULEVARD (APN: 8001-003-934) AS EXEMPT SURPLUS LAND PURSUANT TO THE SURPLUS LAND ACT**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Find that this action is exempt from environmental review under the California Environmental Quality Act (CEQA); and

2) Adopt Resolution No. 9987, declaring that a portion of the city-owned property located at 9255 Pioneer Boulevard (APN 8001-003-934) is "exempt surplus land" pursuant to the Surplus Land Act (Government Code Sections 54221(f)(1)(A) and 37364).

FISCAL IMPACT

There is no fiscal impact associated with declaring the portion of the property exempt surplus land. Adoption of the resolution merely establishes the portion's exempt status under the Surplus Land Act (SLA) and authorizes the City Manager to negotiate an Exclusive Negotiation Agreement (ENA) for a long-term ground lease with a qualified developer.

Future fiscal impacts, including potential lease revenues, terms of development, and capital contributions related to replacement of the Gus Velasco Senior Center, will be evaluated as part of the negotiated ENA and subsequent Council actions.

BACKGROUND

The City of Santa Fe Springs owns an approximately 111,460-square-foot parcel located at 9255 Pioneer Boulevard, identified as APN 8001-003-934 ("Site"). The Site is currently improved with the Gus Velasco Senior Center ("Senior Center"), an approximately 14,400-square-foot, single-story community facility used for senior programming, staff offices, conference rooms, and rental banquet space.

Constructed in 1991, the Senior Center now suffers from deferred maintenance and aging infrastructure that limit its ability to meet the needs of the community's senior population.

JHC-Acquisitions, LLC ("Developer") has submitted a Letter of Interest proposing to develop a portion of the Site with a senior housing project and to rebuild a replacement senior center on the Site. The proposal includes:

- Subdivision of the Site, a portion of which would be ground leased by Developer (the "Proposed Lease Area"), with the portions of the Site that do not comprise the Proposed Lease Area retained by the City (the "City Retained Area");

- Development of an approximately 319-unit affordable senior housing project on the Proposed Lease Area, consistent with requirements of Government Code Section 37364 (the "Senior Housing Project");

- A commitment that not less than 80% of the Proposed Lease Area would be used for housing;

- A commitment that a minimum of 210 units of the Senior Housing Project will be affordable to lower-income households, exceeding the statutory minimum requirement that 40% total units be made affordable to households with incomes equal to or less than 75% of the maximum income for lower income households, half of which must be made affordable to very low income households; and

- Construction of a new 14,400-square-foot Senior Center on the City Retained Area that will continue to serve the City's seniors and remain under City control and use (the "Community Center Project," and together with the Senior Housing Project, the "Project").

ANALYSIS

N/A

ENVIRONMENTAL

The proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines Section 15061(b)(3) (Common Sense

Exemption). The declaration of exempt surplus land does not authorize construction, a ground lease, or any physical change to the environment. Any future development approvals will undergo separate CEQA review.

DISCUSSION

The Surplus Land Act (Gov. Code § 54220 *et seq.*) requires local agencies to classify property as "surplus land" or "exempt surplus land." Properties classified as exempt surplus land are not subject to the Act's process requirements, including mandatory notices and right-of-first-offer procedures for housing sponsors and government agencies.

Government Code Section 54221(f)(1)(A) designates as exempt surplus land any property not necessary for agency's use that will be transferred pursuant to Government Code Section 37364, which authorizes cities to lease land for housing projects that meet specific affordability and land-use criteria.

As the Project is proposed, the Site would be subdivided into two portions; (1) the City Retained Area, retained for the City's continued use, and (2) the Proposed Lease Area, which is not necessary for the City's use, proposed to be transferred pursuant to Government Code Section 37364 and therefore exempt surplus land. The Developer's proposed Project satisfies these statutory requirements:

- ≥80% of the Proposed Lease Area will be devoted to housing;

- ≥40% of total Senior Housing Project units will be made affordable to households with incomes equal to or less than 75% of the maximum income of lower-income households (and at least half of those to very low-income households); and

- The City Retained Area will be retained by the City for the Community Center Project, which will remain an "agency's use."

Accordingly, the Site qualifies as exempt surplus land under Government Code Sections 54221(f)(1)(A) and 37364. Adoption of the proposed resolution authorizes the City Manager to negotiate an ENA with the Developer for the Project, which shall include potential ground lease, subdivision, and redevelopment of the city-owned Gus Velasco Neighborhood Center property at 9255 Pioneer Boulevard.

Adoption of the resolution does not authorize a disposition, lease, or approval of the Project itself; those actions will occur under separate, future City Council consideration.

SUMMARY/NEXT STEPS

Adoption of the attached resolution will:

- Formally designate the Proposed Lease Area as "exempt surplus land";

- Allow the City to proceed directly with negotiations for a long-term lease supporting a senior housing development consistent with Government Code Section 37364; and

- Allow the City to retain a subdivided portion of the Site (the City Retained Area) for development of a new Senior Center.

Following adoption, staff will return to the City Council with an ENA for consideration, followed by additional actions related to project entitlements, long-term lease terms, CEQA review, and development agreements.

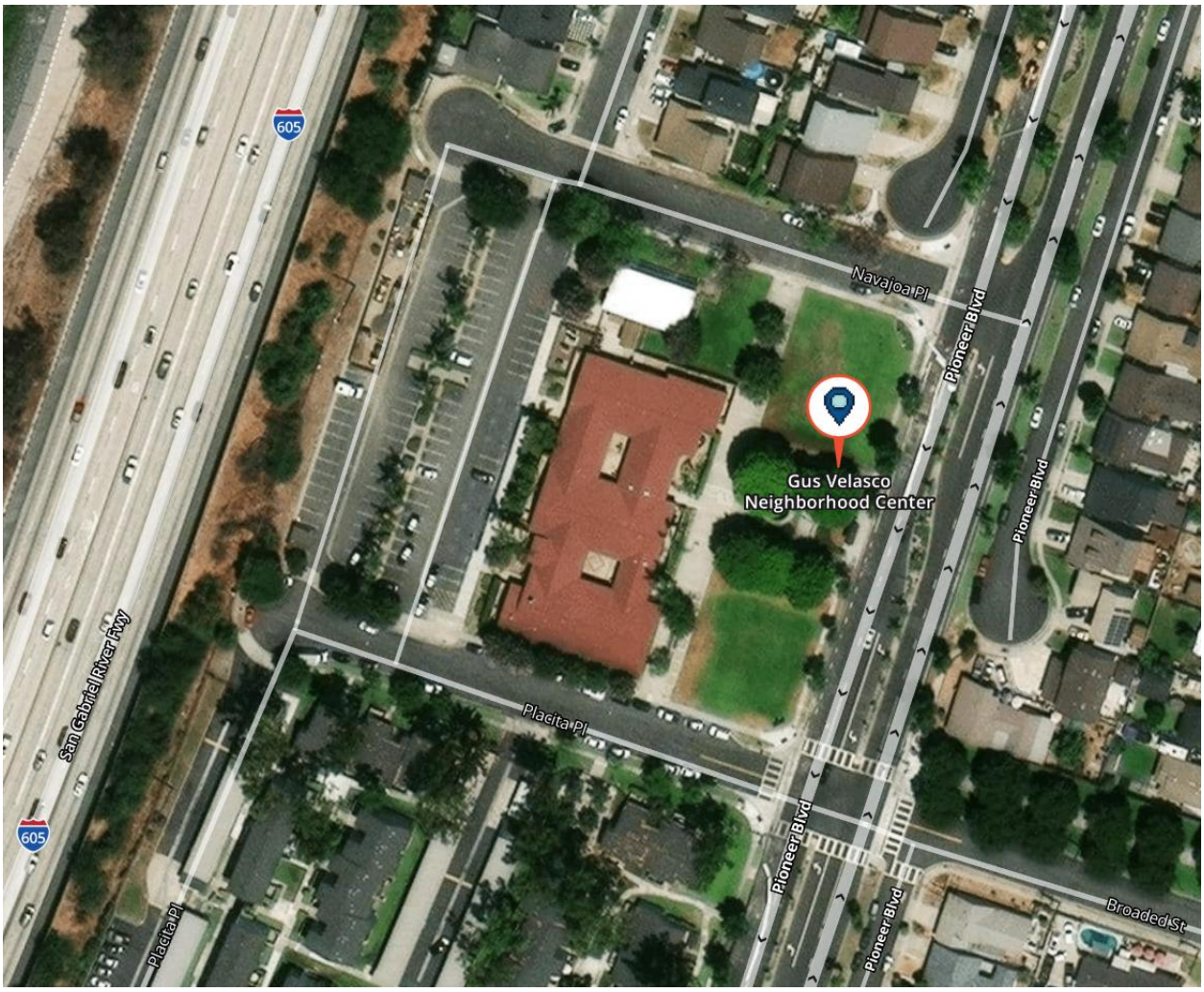
ATTACHMENT(S):

A. Site Aerial
B. Resolution No. 9987
   Exhibit A – Legal Description
   Exhibit B – Jamboree Letter of Interest

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

Attachment A

Site Aerial



RESOLUTION NO. 9987

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DECLARING PROPERTY LOCATED AT 9255 PIONEER BOULEVARD APN 8001-003-934 "EXEMPT SURPLUS" PURSUANT TO THE SURPLUS LANDS ACT GOVERNMENT CODE SECTION 54221(f)(1)(A)

WHEREAS, the City of Santa Fe Springs ("City") owns an approximately 111,460 square foot ("sf") property located at 9255 Pioneer Boulevard in the City of Santa Fe Springs, California, also known as APN 8001-003-934 ("Site") as more specifically described in **Exhibit "A"**; and

WHEREAS, the City currently operates an approximately 14,400 sf single-story community center on the Site, known as the Gus Velasco Senior Center ("Senior Center"), used for community programming, employee offices, conference rooms, and rentable banquet/gathering facilities; and

WHEREAS, the Senior Center suffers from deferred maintenance issues and is in need of upgraded facilities to best serve the community's residents; and

WHEREAS, JHC-Acquisitions, LLC ("Developer") has expressed interest in ground leasing a portion of the Site from the City (the "Proposed Lease Area") to develop an approximately 319-unit affordable senior housing ("Senior Citizen Housing Project") on at least 80 percent (80%) of the Proposed Lease Area of the Site in accordance with Government Code Section 37364(b); and

WHEREAS, in accordance with Government Code Section 37364(c), not less than forty percent (40%) of the Senior Citizen Housing Project's total units shall be made affordable to households whose incomes are equal to or less than seventy-five percent (75%) of the maximum income of lower income households, and at least half of which shall be affordable to very low income households, with a minimum of 210 units made affordable to lower income households, as expressed in a Letter of Interest submitted by Developer, herein attached and incorporated into this Resolution as **Exhibit "B"**, which provides for development of affordable housing on the Proposed Lease Area that exceeds the minimum requirements in Government Code Section 37364(c); and

WHEREAS, in addition to the Senior Citizen Housing Project, the Developer would also rebuild the Senior Center on the portions of the Site that do not comprise the Proposed Lease Area (the "City Retained Area"), as an approximately 14,400 sf facility that would serve the community's senior population (the "Senior Center Project" and collectively with the Senior Citizen Housing Project, the "Project"); and

WHEREAS, the Surplus Lands Act ("Act") (Gov. Code § 54220 *et seq.*) requires a local agency to make a formal declaration when certain real property is no longer needed for an "agency's use" as defined by the Act; and

WHEREAS, the Act provides that when a real property meets the Act's definition of "exempt surplus land," the local agency need not comply with the requirements of the Act; and

WHEREAS, pursuant to Government Code Section 54221(f)(1)(A), surplus land which is being transferred pursuant to Government Code Section 37364 is considered "exempt surplus land"; and

WHEREAS, the proposed Senior Citizen Housing Project complies with Government Code Section 54221(f)(1)(A) because, in accordance with the requirements of Government Code Section 37364, Developer proposes to develop not less than 80 percent of the Proposed Lease Area for housing, with not less than 40 percent of the total housing units affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households, and at least half of which shall be affordable to very low income households; and

WHEREAS, the City will retain the City Retained Area for the "agency's use" and therefore intends to take the proper actions to appropriately subdivide the Site to separate the Proposed Lease Area from the City Retained Area; and

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

SECTION 1. The recitals set forth above are true and correct, and are incorporated herein in full.

SECTION 2. The City has determined and declared that the Proposed Lease Area is no longer necessary for the agency's use, pursuant to the Act. Consistent with the requirements of Government Code Section 37364(b) no less than 80 percent (80%) of the Proposed Lease Area will be used for the development of housing.

SECTION 3. The proposal from Developer for the Proposed Lease Area complies with the requirements set forth in Government Code Sections 54221(f)(1)(A) and 37364.

SECTION 4. The Proposed Lease Area is therefore "exempt surplus land" under the Act and is not otherwise subject to the requirements of the Act.

SECTION 5. The City Council hereby authorizes the City Manager or his designee to do any and all things, including negotiate the terms of and execute an exclusive negotiation agreement ("ENA") for a long-term lease with the Developer or another qualified entity that proposes a housing development project that meets qualifications of Government Code Sections 54221(f)(1)(A) and 37364 that would provide a development that would develop not less than 80 percent of the Proposed Lease Area for housing, and restrict 40 percent of the development to be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households, and at least 50 percent of which shall be affordable to very low-income households.

SECTION 6. The adoption of this resolution is exempt from the California Environmental Quality Act ("CEQA") (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption), which indicates that CEQA only applies to projects that have a "significant effect on the environment" as defined by Public Resources Code Section 21068 and CEQA Guidelines Section 15382. This resolution merely declares the Proposed Lease Area to be exempt from the Act and does not approve the conveyance of the Proposed Lease Area to the Developer, nor does it

approve any sort of development or construction at the Site. Therefore, no further action is required under CEQA.

SECTION 7. If any section, subsection, clause, or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this title; it being hereby expressly declared that this title, and each section, subsection, sentence, clause, and phrase hereof, would have been prepared, proposed, adopted, approved, and ratified irrespective of the fact that any single section subsection, sentence, clause, or phrases be declared invalid or unconstitutional.

SECTION 8. The City Clerk shall certify the passage and adoption of this Resolution and cause the same to be published or posed in the manner required by law.

SECTION 9. This Resolution shall take effect immediately upon its adoption by the City Council and the City Clerk shall attest to and certify the vote adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 2nd day of December, 2025 by the City Council of Santa Fe Springs.

_____
William K. Rounds, Mayor

APPROVED AS TO FORM: **ATTEST:**

_____ _____
Rick Olivarez, City Attorney Fernando N. Muñoz, City Clerk

I, Fernando N. Muñoz, City Clerk of the City of Santa Fe Springs, hereby CERTIFY that Resolution 9987 was adopted by the City Council of Santa Fe Springs at a regular meeting held on 2nd of December, 2025 and was passed, approved and adopted by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

_____
Fernando N. Muñoz, City Clerk

Exhibit A

Property Legal Description

Lot Number: 49-50 Tract No: 23313

Brief Description: TRACT NO 23313 LOTS 49, 50, 51, 52, 53, 54, 55, 56, 57 AND LOT 58

Parcel Number 8001-003-934

Jamboree

September 4, 2025

Cuong Nguyen
Director of Community Development
Via email – cuongnguyen@santafesprings.gov

RE: Letter of Interest ("LOI")
9255 Pioneer Blvd.
Santa Fe Springs, CA
APN 8001-003-934

Dear Mr. Nguyen:

Jamboree Housing Corporation or its nominee (Jamboree) is interested in collaborating with the City of Santa Fe Spring (City) to develop affordable housing at 9255 Pioneer Blvd. in Santa Fe Springs.

The proposed development is over 210 lower-income units of senior housing, a senior center and city staff offices.

We believe the development is aligned with the City's Housing Element. We will work diligently and in good faith to assist the City in meeting its housing needs. A timeline is provided in the attached exhibit.

This LOI is non-binding statement of a proposed transaction. It is subject to negotiation, execution, and delivery of definitive legal documents by Jamboree and City.

If the basic terms of this letter are acceptable to the City, City should execute a copy of this letter and return it to Jamboree. Jamboree will then begin preparation of the Exclusive Negotiating Agreement.

We look forward to collaborating on this public private partnership to develop much-needed affordable housing in Santa Fe Springs.

Respectfully submitted,	Accepted by,
JAMBOREE HOUSING	**CITY OF SANTA FE SPRINGS**
By:	By:
Title: Executive VP & Chief Dev. Officer	Title: DIRECTOR OF COMMUNITY DEVELOPMENT.
Dated: 9/4/25	Dated: 9/4/25

Exhibit A
Pioneer Blvd. Tentative Timeline

Milestone	Preliminary Timeline
ENA Submitted	September 2025
ENA Approved	October 1, 2025
Due Diligence Starts	October 2, 2025
Site Plan - Refinements Start	October 2, 2025
City Staff Offices	
Senior Center	
Billboard	
Senior Housing	
Review #1 of Site Plans and Floor Plans with City	November 1, 2025
Review #2 of Site Plans and Floor Plans with City	November 22, 2025
Review #3 of Site Plans and Floor Plans with City	December 13, 2025
Entitlements	
First Submittal	February 11, 2026
Second Submittal	March 28, 2026
Staff Approval	April 27, 2026
Planning Commission Approval	June 26, 2026
City Council Approval	July 26, 2026
DDA Submitted	August 9, 2026
DDA Approved	October 8, 2026

ITEM # 29

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: Gus Hernandez, Director of Parks & Recreation

SUBJECT: **AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH MAJOR LEAGUE SOFTBALL, INC., FOR ADULT SOFTBALL LEAGUE SERVICES**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Authorize the award of RFP 26-3 to Major League Softball, Inc. to operate the City's adult softball league programming; and

2) Authorize the City Manager to enter into a Professional Services Agreement with Major League Softball, Inc., subject to City Attorney approval as to form; and

3) Authorize the City Manager to approve minor amendments and extensions to the agreement as needed to ensure continuity of services; and

4) Direct the City Attorney to make clarifying changes necessary to effectuate the intent of the Agreement; and

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

FISCAL IMPACT

There is no negative fiscal impact to the City. Transitioning operations to Major League Softball, Inc. (MLS) is expected to provide annual estimated cost savings of approximately $30,000 annually to the Department budget through reductions in staffing, supplies, and contractual services related to program delivery.

BACKGROUND

The City of Santa Fe Springs offers adult softball leagues that serve residents and the surrounding community by promoting fitness, recreation, and social engagement. In accordance with the City's procurement policy, a Request for Proposals (RFP) was issued to identify a qualified operator for league administration and gameday operations.

- RFP posted Thursday, September 25, 2025
- RFP closed Tuesday, October 21, 2025
- A 12 day question submittal period was included
- Notice published in Los Cerritos Community News
- Posting and documentation available on the City's PlanetBids procurement portal
- Distributed directly to 31 prospective service providers
- Four prospective firms registered as bidders and downloaded the RFP documentation
- One bidder submitted

MLS submitted a responsive proposal and demonstrated the experience, capacity, and customer service model necessary to elevate program operations.

ANALYSIS

MLS has more than 30 years of experience operating adult softball programs on behalf of public agencies. Their proposal demonstrates a comprehensive and professional service model that includes:

- Turnkey league administration including registration, rostering, scheduling, standings, statistics, conflict resolution, and participant communication
- Online registration and payment, allowing 24-7 access for team managers and participants
- SCMAF-certified umpires assigned and supervised through a quality-control model that includes field supervision by a League Direction Official each night of league play
- A dedicated customer service team, available Monday through Friday to address participant inquiries, improving responsiveness and reducing staff intervention
- Game day field preparation, including dragging, watering, base installation, and chalking to industry standards
- Program growth opportunities, such as the ability to organize 1 and 2 day tournament events to increase play offerings and facility usage
- Awards, marketing, and branding support, including team awards, press releases, and participant updates

The RFP requested a pricing model that would ensure cost predictability for the City. MLS's proposal offers a registration-fee-based revenue structure that:

- Maintains affordable rates for resident and non-resident teams
- Provides the City with a share of registration revenues to help support field operations
- Eliminates most City costs for league staffing, supplies, and coordination
- Reduces reliance on part-time seasonal staffing for evening operations

The proposed revenue and fee model maintains affordable league fees while returning a portion of program revenues to the City, preserving financial support for facility maintenance and program growth. The operational model complies with City ordinances and park rules, including strict enforcement of no alcohol or drug use on City property.

ENVIRONMENTAL

N/A

DISCUSSION

MLS is widely recognized within Southern California and currently serves multiple municipalities, including the Cities of Cerritos, Chino, Downey, Orange, Pasadena, Rancho Cucamonga, Riverside, and Pico Rivera under successful long-standing partnerships.

Their experienced operational network ensures high quality gameday management, standardized customer service, and program professionalism. Leveraging their expertise will:

- Improve participant experience
- Reduce City staff time on weekly league operations
- Support growth opportunities including tournaments
- Maintain field quality and safety expectations
- League play will continue at Los Nietos Park and Little Lake Park.
- Staff will closely monitor contract compliance and program performance through regular evaluation and communication with the operator.

SUMMARY/NEXT STEPS

If approved by the City Council, staff will work with Major League Softball Inc to finalize and execute the Professional Services Agreement and begin the transition of league operations. Staff will coordinate implementation logistics including field scheduling, communication with current teams and participants, and marketing for upcoming league seasons. Program oversight procedures will be established to ensure contract compliance, quality control, and responsiveness to participant needs. Staff will continue to monitor performance and report on service delivery and program outcomes as needed.

ATTACHMENT(S):

A. Draft Agreement

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

CITY OF SANTA FE SPRINGS
PROFESSIONAL SERVICES AGREEMENT
WITH
MAJOR LEAGUE SOFTBALL, INC.

This Contract Services Agreement ("Agreement") is made and effective as of December 2, 2025 ("Effective Date"), by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation, ("CITY") and MAJOR LEAGUE SOFTBALL, INC., a California corporation ("CONTRACTOR"). For the purposes of this Agreement, CITY and CONTRACTOR may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to CITY or CONTRACTOR interchangeably, as appropriate.

RECITALS

WHEREAS, CITY seeks adult softball league management and administration services; and

WHEREAS, CITY staff has determined that CONTRACTOR possesses the experience, skills, and training necessary to competently provide such services to CITY; and

WHEREAS, the execution of this Agreement was approved by the City of Santa Fe Springs City Council ("City Council") at its Regular Meeting of December 2, 2025, under Agenda Item No. ____.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree as follows:

AGREEMENT

1. TERM

This Agreement shall have a term of three (3) years (hereinafter, the "Term") commencing on the Effective Date, unless sooner terminated pursuant to the provisions of this Agreement. This Agreement may be extended for two (2) additional, one (1) year terms, if mutually agreed upon in writing.

2. SERVICES

Subject to the terms and conditions of this Agreement, CONTRACTOR shall perform the services and tasks described and set forth in the CITY's Request for Proposals, attached hereto as Exhibit A, and CONTRACTOR's Proposal, attached hereto as Exhibit B, both incorporated herein as though set forth in full ("Scope of Work"). CONTRACTOR further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Work. CONTRACTOR shall

complete the services and tasks set forth in the Scope of Work according to any schedule of performance set forth in Exhibit A. To the extent that Exhibit A contains provisions inconsistent with this Agreement, Exhibit A shall govern, except this Agreement shall govern inconsistencies in party names, addresses, dates, and dollar amounts. To the extent that Exhibit B contains provisions inconsistent with this Agreement and/or Exhibit A, the provisions of this Agreement and Exhibit A shall govern. For the purposes of this Agreement, the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Work."

3. PERFORMANCE

A. Time is of importance for this Agreement and every provision contained herein. The Work shall commence upon mutual consent of the Parties subsequent to the CITY's issuance of a written Notice to Proceed. CONTRACTOR shall perform the various tasks identified in, and within the timeframes set forth in, the Scope of Work, and shall complete all of the Work in accordance with the schedule and timeline established by the Parties;

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

C. CONTRACTOR shall not claim or be entitled to receive any compensation or damage because of the failure of CONTRACTOR, or its subconsultants, to have related services or tasks completed in a timely manner;

D. CONTRACTOR shall at all times enforce strict discipline and good order among CONTRACTOR's employees; and

E. CONTRACTOR, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.

4. PAYMENT OF COMPENSATION

A. In consideration for CONTRACTOR's performance, CONTRACTOR shall receive an amount equal to ninety percent (90%) of all resident team registration fees ($250.00 per team) collected, and an amount equal to seventy-five percent (75%) of all non-resident registration fees ($350.00 per team). CONTRACTOR shall impose a $250.00 registration fee for each resident team and a $350.00 registration fee for each non-resident team. CONTRACTOR shall remit the remaining amount of fees collected, ten percent (10%) per resident team and twenty-five (25%) per non-resident team, pursuant to the terms of this Agreement. With each monthly remittance, CONTRACTOR shall provide an invoice indicating the number of resident and non-resident teams registered within the immediately preceding calendar month. In the event of a dispute, the CITY shall advise

CONTRACTOR, in writing, the nature and extent of CITY'S objection to the amount received.

B. CONTRACTOR shall not be compensated for any Work rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the CITY Manager or his/her designee. CONTRACTOR shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the CITY and CONTRACTOR at the time the CITY's written authorization is given to CONTRACTOR for the performance of said services.

C. Within ten (10) days of the conclusion of each calendar month, CONTRACTOR shall provide CITY an itemized invoice indicating the number of resident and non-resident teams registered during the immediately preceding calendar month and shall remit the appropriate percentage of fees to CITY.

D. Following the conclusion of each calendar month, CONTRACTOR will submit to CITY an itemized invoice indicating the services performed and tasks completed during the recently concluded calendar month, including services and tasks performed and the reimbursable out-of-pocket expenses incurred. Within thirty (30) calendar days of receipt of each invoice, CITY will notify CONTRACTOR in writing of any disputed amounts included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY will pay all undisputed amounts included on the invoice. CITY will not withhold applicable taxes or other authorized deductions from payments made to CONTRACTOR.

E. CONTRACTOR agrees to participate in the CITY's Electronic Funds Transfer program and to receive electronic payments for the Work.

5. ACCOUNTING RECORDS

CONTRACTOR will maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY will have the right to access and examine such records, without charge, during normal business hours. CITY will further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

6. TERMINATION OF AGREEMENT WITHOUT CAUSE

A. The CITY may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon CONTRACTOR at least ten (10) days' prior written notice. Upon receipt of said notice, CONTRACTOR shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the CITY suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this section, the CITY shall pay to CONTRACTOR the actual value of the Services performed up to the effective date of termination, unless the CITY disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, CONTRACTOR will submit an invoice to the CITY pursuant to Section 4.

C. CONTRACTOR may not terminate this Agreement except for cause as provided under Section 22, below. If this Agreement is terminated as provided herein, CITY may require CONTRACTOR to provide all finished or unfinished Documents and Data, as defined in Section 25, below, and other information of any kind prepared by CONTRACTOR in connection with the performance of the Work. CONTRACTOR will be required to provide such Documents and Data within fifteen (15) calendar days of CITY's written request. No actual or asserted breach of this Agreement on the part of CITY pursuant to Section 22, below, will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.

7. ABANDONMENT BY CONSULTANT

In the event CONTRACTOR ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Work or as approved in writing, CONTRACTOR will deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONTRACTOR in the performance of this Agreement. Furthermore, CONTRACTOR will only be compensated for the reasonable value of the services, tasks and other Work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONTRACTOR's cessation or abandonment.

8. CITY'S REPRESENTATIVE

CITY hereby designates the CITY Manager (the "CITY Representative") to act as its representative for the performance of this Agreement. The CITY Representative or his/her designee will act on behalf of the CITY for all purposes under this Agreement. CONTRACTOR will not accept directions or orders from any person other than the CITY Representative or his/her designee.

9. CONSULTANT REPRESENTATIVE

CONTRACTOR hereby designates David Johnson, President, to act as its representative for the performance of this Agreement (the "CONTRACTOR Representative"). CONTRACTOR Representative will have full authority to represent and act on behalf of the CONTRACTOR for all purposes under this Agreement. CONTRACTOR Representative or his/her designee will supervise and direct the performance of the Work, using his best skill and attention, and will be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory

coordination of all portions of the Work under this Agreement. Notice to the CONTRACTOR Representative will constitute notice to CONTRACTOR.

10. COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS

CONTRACTOR agrees to work closely with CITY staff in the performance of the Work and this Agreement and will be reasonably available to CITY staff and the CITY Representative at all reasonable times. All work prepared by CONTRACTOR will be subject to inspection and approval by CITY Representative or his or her designees.

11. STANDARD OF CARE; PERFORMANCE OF EMPLOYEES

CONTRACTOR represents, acknowledges and agrees to the following:

A. CONTRACTOR will perform all Work skillfully, competently and to the highest standards of CONTRACTOR's profession;

B. CONTRACTOR shall at all times employ such force, plant, materials, and tools as will be sufficient in the opinion of the CITY to perform the Work within the time limits established, and as provided herein. It is understood and agreed that said tools, equipment, apparatus, facilities, labor, and material shall be furnished and said Work performed and completed as required by the Agreement, and subject to the approval of the CITY's authorized representative;

C. CONTRACTOR will perform all Work in a manner reasonably satisfactory to the CITY;

D. CONTRACTOR will comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 et seq.). CONTRACTOR shall be liable for all violations of such laws and regulations in connection with the Work. If CONTRACTOR performs any work knowing it to be contrary to such laws, rules and regulations, CONTRACTOR shall be solely responsible for all costs arising therefrom;

E. CONTRACTOR understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;

F. All of CONTRACTOR's employees and agents possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONTRACTOR; and

G. All of CONTRACTOR's employees and agents (including, but not limited to, subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals will be maintained

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throughout the term of this Agreement and made available to CITY for copying and inspection.

The Parties acknowledge and agree that CONTRACTOR will perform, at CONTRACTOR's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONTRACTOR's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONTRACTOR's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONTRACTOR to correct any errors or omissions will be commenced immediately upon their discovery by either Party and will be completed within seven (7) calendar days from the date of discovery or such other extended period of time authorized by the CITY Representative in writing and in her sole and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONTRACTOR or on CONTRACTOR's behalf will not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONTRACTOR, including but not limited to the representation that CONTRACTOR possesses the skills, training, knowledge and experience necessary to perform the Work skillfully, competently and to the highest standards of CONTRACTOR's profession.

12. ASSIGNMENT

The skills, training, knowledge and experience of CONTRACTOR are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONTRACTOR or on behalf of CONTRACTOR in the performance of this Agreement. In recognition of this interest, CONTRACTOR agrees that it will not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONTRACTOR's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer will be ineffective, null and void and will constitute a material breach of this Agreement.

13. [RESERVED]

14. CONTROL AND PAYMENT OF SUBORDINATES; INDEPENDENT CONTRACTOR

A. The Work will be performed by CONTRACTOR or under CONTRACTOR's strict supervision. CONTRACTOR will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONTRACTOR on an independent contractor basis and not as an employee. CONTRACTOR reserves the right to perform similar or different services for other principals during the term of this Agreement, provided such work does not unduly interfere with CONTRACTOR's competent and timely performance of the Work contemplated under this Agreement and provided the performance of such services does not result in the unauthorized disclosure of CITY's confidential or proprietary

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information. Any additional personnel performing the Work under this Agreement on behalf of CONTRACTOR are not employees of CITY and will at all times be under CONTRACTOR's exclusive direction and control. CONTRACTOR will pay all wages, salaries and other amounts due to such personnel and will assume responsibility for all benefits, payroll taxes, Social Security and Medicare payments and the like. CONTRACTOR will be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.

B. The Parties acknowledge, understand and agree that CONTRACTOR and all persons retained or employed by CONTRACTOR are, and will at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of CITY. CONTRACTOR will be solely responsible for the negligent acts and/or omissions of its employees, agents, contractors, subcontractors and subconsultants. CONTRACTOR and all persons retained or employed by CONTRACTOR will have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONTRACTOR under this Agreement or is otherwise expressly conferred by CITY in writing.

15. REMOVAL OF EMPLOYEES OR AGENTS

If any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representative to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONTRACTOR, a threat to persons or property, or if any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the Work in a manner acceptable to the CITY, such officer, employee, agent, contractor, subcontractor or subconsultant will be promptly removed by CONTRACTOR and will not be reassigned to perform any of the Work.

16. COMPLIANCE WITH LAWS

CONTRACTOR will keep itself informed of and in compliance with all applicable federal, state or local laws to the extent such laws control or otherwise govern the performance of the Work. CONTRACTOR's compliance with applicable laws will include, without limitation, compliance with all applicable Cal/OSHA requirements, Federal Labor Standards Provisions including the prevailing wage requirements of the DBRA, and all applicable regulations of the U.S. Department of Housing and Urbanization.

17. NON-DISCRIMINATION

CONTRACTOR represents that it is an equal opportunity employer and it shall not discriminate against any subconsultant, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-

discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination.

18. INSURANCE

Prior to the beginning of and throughout the duration of the Work, CONTRACTOR will procure and maintain policies of insurance that meet the requirements and specifications set forth in **Exhibit C**. CONTRACTOR will procure and maintain the required insurance coverage, at its own expense.

19. INDEMNIFICATION

A. The Parties agree that CITY and CITY's elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "CITY Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the CITY Indemnitees with the fullest protection possible under the law. CONTRACTOR acknowledges that CITY would not enter into this Agreement in the absence of CONTRACTOR's commitment to indemnify, defend and protect CITY as set forth herein. CONTRACTOR's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the CITY, its officials, officers, employees, agents or volunteers.

B. To the fullest extent permitted by law, CONTRACTOR shall indemnify, hold harmless and defend the CITY Indemnitees from and against all liability, loss, damage, expense, cost (including without limitation reasonable attorneys' fees, expert fees and all other costs, and fees of litigation) of every nature arising out of or in connection with CONTRACTOR's performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement, except such loss or damage which is caused by the sole negligence or willful misconduct of the CITY or caused solely by the condition, design, or construction of CITY park facilities or fixtures.

C. CITY shall have the right to offset against the amount of any compensation due to CONTRACTOR under this Agreement, any amount due to CITY from CONTRACTOR as a result of CONTRACTOR's failure to either pay CITY promptly for any costs associated with CONTRACTOR's obligations to indemnify the CITY Indemnitees under this Section, or related to CONTRACTOR's failure to either (i) pay taxes on amounts received pursuant to this Agreement, or (ii) comply with applicable workers' compensation laws.

D. The obligations of CONTRACTOR under this Section will not be limited by the provisions of any workers' compensation act or similar act. CONTRACTOR

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expressly waives its statutory immunity under such statutes or laws as to CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers.

E. CONTRACTOR agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every subcontractor or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. In the event CONTRACTOR fails to obtain such indemnity obligations from others as required herein, CONTRACTOR agrees to be fully responsible and indemnify, hold harmless and defend CITY and CITY's elected and appointed officials, officers, employees, agents, and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of CONTRACTOR's subcontractors or any other person or entity involved by, for, with or on behalf of CONTRACTOR in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of CITY's choice.

F. CITY does not and shall not waive any rights that it may possess against CONTRACTOR because of the acceptance by CITY, or the deposit with CITY, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

G. This Section and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the CITY may have at law or in equity.

20. [RESERVED].

21. EVENTS OF DEFAULT; BREACH OF AGREEMENT

A. In the event either Party fails to perform any duty, obligation, service or task set forth under this Agreement (or fails to timely perform or properly perform any such duty, obligation, service or task set forth under this Agreement), an event of default (hereinafter, "Event of Default") will occur. For all Events of Default, the Party alleging an Event of Default will give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which will specify: (i) the nature of the Event of Default; (ii) the action required to cure the Event of Default; (iii) a date by which the Event of Default will be cured, which will not be less than the applicable cure period set forth herein, or if a cure is not reasonably possible within the applicable cure period, to begin such cure and diligently prosecute such cure to completion. The Event of Default will constitute a breach of this Agreement if

the defaulting Party fails to cure the Event of Default within the applicable cure period or any extended cure period allowed under this Agreement.

B. CONTRACTOR will cure the Event of Default within the following time periods:

i. Within ten (10) business days of CITY's issuance of a Default Notice for any failure of CONTRACTOR to timely provide CITY or CITY's employees or agents with any information and/or written reports, documentation or work product which CONTRACTOR is obligated to provide to CITY or CITY's employees or agents under this Agreement. Prior to the expiration of the 10-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 10-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this subsection B.i. that exceeds seven (7) calendar days from the end of the initial 10-day cure period; or

ii. Within fourteen (14) calendar days of CITY's issuance of a Default Notice for any other Event of Default under this Agreement. Prior to the expiration of the 14-day cure period, CONTRACTOR may submit a written request for additional time to cure the Event of Default upon a showing that CONTRACTOR has commenced efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 14-day cure period. The foregoing notwithstanding, CITY will be under no obligation to grant additional time for the cure of an Event of Default under this Subsection B.ii that exceeds thirty (30) calendar days from the end of the initial 14-day cure period.

In addition to any other failure on the part of CONTRACTOR to perform any duty, obligation, service or task set forth under this Agreement (or the failure to timely perform or properly perform any such duty, obligation, service or task), an Event of Default on the part of CONTRACTOR will include, but will not be limited to the following: (i) CONTRACTOR's refusal or failure to perform any of the services or tasks called for under the Scope of Work; (ii) CONTRACTOR's failure to fulfill or perform its obligations under this Agreement within the specified time or if no time is specified, within a reasonable time; (iii) CONTRACTOR's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iv) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONTRACTOR, whether voluntary of involuntary; (v) CONTRACTOR's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (vi) CITY's discovery that a statement representation or warranty by CONTRACTOR

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relating to this Agreement is false, misleading or erroneous in any material respect.

C. CITY will cure any Event of Default asserted by CONTRACTOR within forty-five (45) calendar days of CONTRACTOR's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 45-day cure period. Prior to the expiration of the 45-day cure period, CITY may submit a written request for additional time to cure the Event of Default upon a showing that CITY has commenced its efforts to cure the Event of Default and that the Event of Default cannot be reasonably cured within the 45-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONTRACTOR pursuant to this Agreement will be cured by CITY within five (5) calendar days from the date of CONTRACTOR's Default Notice to CITY.

D. CITY, in its sole and absolute discretion, may also immediately suspend CONTRACTOR's performance under this Agreement pending CONTRACTOR's cure of any Event of Default by giving CONTRACTOR written notice of CITY's intent to suspend CONTRACTOR's performance (hereinafter, a "Suspension Notice"). CITY may issue the Suspension Notice at any time upon the occurrence of an Event of Default. Upon such suspension, CONTRACTOR will be compensated only for those services and tasks which have been rendered by CONTRACTOR to the reasonable satisfaction of CITY up to the effective date of the suspension. No actual or asserted breach of this Agreement on the part of CITY will operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.

E. No waiver of any Event of Default or breach under this Agreement will constitute a waiver of any other or subsequent Event of Default or breach. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

F. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder will be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. In addition to any other remedies available to CITY at law or under this Agreement in the event of any breach of this Agreement, CITY, in its sole and absolute discretion, may also pursue any one or more of the following remedies:

i. Upon written notice to CONTRACTOR, the CITY may immediately terminate this Agreement in whole or in part;

ii. Upon written notice to CONTRACTOR, the CITY may extend the time of performance;

iii. The CITY may proceed by appropriate court action to enforce the terms

of the Agreement to recover damages for CONTRACTOR's breach of the Agreement or to terminate the Agreement; or

iv. The CITY may exercise any other available and lawful right or remedy.

CONTRACTOR will be liable for all legal fees plus other costs and expenses that CITY incurs upon a breach of this Agreement or in the CITY's exercise of its remedies under this Agreement.

G. In the event CITY is in breach of this Agreement, CONTRACTOR's sole remedy will be the suspension or termination of this Agreement and/or the recovery of any unpaid sums lawfully owed to CONTRACTOR under this Agreement for completed services and tasks.

22. SCOPE OF WAIVER OF DEFAULT

No waiver of any default or breach under this Agreement will constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party will give the other Party any contractual rights by custom, estoppel, or otherwise.

23. SURVIVING ARTICLES, SECTIONS AND PROVISIONS

The termination of this Agreement pursuant to any provision of this Agreement or by normal expiration of its term or any extension thereto will not operate to terminate any Section or provision contained herein which provides that it will survive the termination or normal expiration of this Agreement.

24. DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY

All Documents and Data will be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONTRACTOR in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically. This Agreement creates, at no cost to CITY, a perpetual license for CITY to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. CONTRACTOR will require all subcontractors and subconsultants working on behalf of CONTRACTOR in the performance of this Agreement to agree in writing that CITY will be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as

applies to Documents and Data prepared by CONTRACTOR in the performance of this Agreement.

25. [RESERVED]

26. FALSE CLAIMS ACT

CONTRACTOR warrants and represents that neither CONTRACTOR nor any person who is an officer of, in a managing position with, or has an ownership interest in CONTRACTOR has been determined by a court or tribunal of competent jurisdiction to have violated the False Claims Act, 31 U.S.C., Section 3789 et seq. and the California False Claims Act, Government Code Section 12650 et seq.

27. PROHIBITED INTERESTS

CONTRACTOR warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONTRACTOR, to solicit or secure this Agreement. Further, CONTRACTOR warrants and represents that it has not paid, nor has it agreed to pay, any company or person, other than a *bona fide* employee working solely for CONTRACTOR, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY will have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, will have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

28. CONFIDENTIALITY; RELEASE OF INFORMATION

A. All data, documents, discussions, or other information received or developed by CONTRACTOR in performance of this Agreement shall be considered confidential and shall not be released by CONTRACTOR without the CITY's prior written authorization, unless the information is clearly public. Upon request, all CITY data will be returned to CITY upon the termination or expiration of this Agreement. CONTRACTOR, its officers, employees, agents, or subconsultants, shall not without written authorization from the CITY Manager or designee, or unless requested by the CITY's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the CITY. Response to a subpoena or court order shall not be considered "voluntary" provided CONTRACTOR gives the CITY notice of such court order or subpoena.

B. CONTRACTOR shall promptly notify the CITY should CONTRACTOR, its officers, employees, agents, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena

from any person or party regarding this Agreement and the Services performed hereunder or with respect to any project or property located within the CITY, unless the CITY is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless CONTRACTOR is prohibited by law from informing the CITY of such Discovery. The CITY retains the right, but has no obligation, to represent CONTRACTOR and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the CITY is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to CONTRACTOR in such proceeding, CONTRACTOR agrees to cooperate fully with the CITY and to provide the opportunity to review any response to discovery requests provided by CONTRACTOR. However, the CITY's right to review any such response does not imply or mean the right by the CITY to control, direct, or rewrite said response, or that the CITY has an obligation to review any such response or verifies any response it has reviewed.

C. CONTRACTOR will not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

29. COOPERATION; FURTHER ACTS

The Parties will fully cooperate with one another and will take any additional acts or sign any additional documents as are reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.

30. SUBCONTRACTING

CONTRACTOR will not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, will contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

31. NOTICES

All notices permitted or required under this Agreement will be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

To the CITY:
CITY of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Department of Parks & Recreation

To CONTRACTOR: Major League Softball, Inc.

621 East Walnut Avenue
Burbank, CA 91501
Attention: David Johnson
davej@mlsoftball.com
(818) 559-8787

Such notices will be deemed effective when personally delivered or successfully transmitted electronically as evidenced by a delivery receipt or when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepaid and addressed to the Party at its applicable address.

32. TIME IS OF THE ESSENCE

Time is of the essence for each and every provision of this Agreement.

33. GOVERNING LAW

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

34. ENTIRE AGREEMENT

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

35. FORCE MAJEURE

The Term shall be extended in the event of any delays due to unforeseeable causes beyond the control of CONTRACTOR and without the fault or negligence of CONTRACTOR, including but not limited to 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 three (3) calendar days of the commencement of such delay notify the CITY Representative in writing of the causes of the delay. The CITY Representative 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 Representative such delay is justified. The CITY Representative's determination shall be final and conclusive upon the parties to this Agreement. In no event shall CONTRACTOR be entitled to recover damages against the CITY for any delay in the performance of this

Agreement, however caused, CONTRACTOR's sole remedy being extension of the Agreement pursuant to this Section.

36. AMENDMENTS; MODIFICATIONS

No amendment, modification or supplement of this Agreement will be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver will be void and invalid.

37. NON-EXCLUSIVE AGREEMENT

CONTRACTOR acknowledges that the CITY may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

38. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

39. NO THIRD-PARTY BENEFIT

There are no intended third-party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.

40. SUCCESSORS AND ASSIGNS

This Agreement will be binding on the successors and assigns of the Parties.

41. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

42. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this

Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

43. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

44. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

45. AUTHORITY TO EXECUTE THIS AGREEMENT

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

46. ELECTRONIC SIGNATURES

The parties acknowledge and agree that execution of this Agreement by electronic signature or electronic transmittal of signatures shall have the same effect as handwritten signatures for the purposes of validity, enforceability, and admissibility.

[SIGNATURE PAGE TO FOLLOW]

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

CITY OF SANTA FE SPRINGS

By: _____
René Bobadilla, City Manager

Date: _____

CONSULTANT

Major League Softball, Inc.

By:_____

Name: David Johnson

Title: President

Date: _____

APPROVED AS TO FORM:

By: _____,
Rick Olivarez, City Attorney

Attachments:

	Exhibit A	Scope of Work
	Exhibit B	Contractor's Proposal
	Exhibit C	Insurance Requirements

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EXHIBIT A

SCOPE OF WORK

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EXHIBIT B

CONSULTANT'S PROPOSAL

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EXHIBIT C

INSURANCE REQUIREMENTS

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

Commercial General Liability Insurance. CONTRACTOR shall procure and maintain commercial general liability insurance ("CGL Coverage") with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than One Million Dollars ($1,000,000.00) per occurrence, Two Million Dollars ($2,000,000.00) general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile Liability Insurance. CONTRACTOR shall procure and maintain automobile liability insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the CONTRACTOR arising out of or in connection with Services to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than One Million Dollars ($1,000,000.00) per accident for bodily injury and property damage.

Professional Liability (Errors & Omissions) Insurance. For the full term of this Agreement and for a period of three (3) years thereafter, CONTRACTOR shall procure and maintain professional liability insurance appropriate to CONTRACTOR's profession. Such coverage shall have the minimum limits of no less than One Million Dollars ($1,000,000.00) per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and CONTRACTOR agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

Workers' Compensation Insurance. CONTRACTOR shall procure and maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least $1,000,000 per accident for bodily injury or disease) which will indemnify, insure and provide legal defense for both CONTRACTOR and CITY against any loss, claim or damage arising from any injuries or occupational diseases occurring to any worker employed by or any persons retained by CONTRACTOR in the course of carrying out the Work contemplated in this Agreement.

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

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

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

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

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

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

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

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

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

Enforcement of Agreement Provisions (Non-Estoppel). CONTRACTOR acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform CONTRACTOR of non-compliance with any requirement imposes no additional obligations on the CITY nor does it waive any rights hereunder.

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

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

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

Prohibition of Undisclosed Coverage Limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting

endorsement of any kind that has not been first submitted to the CITY and approved of in writing.

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

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

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

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

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

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

Failure to Maintain Coverage. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced immediately so as to avoid a lapse in the required coverage, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by CONTRACTOR or CITY will withhold amounts sufficient to pay premium from CONTRACTOR payments. In the alternative, CITY may cancel this Agreement effective upon notice.

ITEM # 30

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: Gus Hernandez, Director of Parks & Recreation

SUBJECT: **AUTHORIZATION TO NEGOTIATE AND EXECUTE A FACILITY USE AGREEMENT WITH ASOCIACIÓN DE JALISCIENSES UNIDOS EN ACCIÓN FOR SHORT-TERM USE OF THE CITY-OWNED NTMA FACILITY**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Determine that the proposed negotiation and execution of a Facility Use Agreement with Asociación de Jaliscienses Unidos en Acción (AJUA) for the short-term use of designated spaces within the former National Tooling & Machining Association (NTMA) facility located at 12131 Telegraph Road (Agreement) is exempt from the requirements of the California Environmental Quality Act (CEQA) (Pub. Res. Code § 21000 *et seq.*) pursuant to CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 *et seq.*) Section 15304 (Class 4 - Minor Alterations to Land) and Section 15061(b)(3) (Common Sense Exemption); and

2) Authorize the City Manager to negotiate and execute the Agreement, for a monthly amount of three hundred dollars ($300) and a term set to expire on March 31, 2026, subject to City Attorney approval as to form; and

3) Authorize the City Manager, in consultation with the City Attorney, to approve minor amendments and extensions to the Agreement as needed to ensure continuity of use; and

4) Direct the City Attorney to make clarifying changes to the Agreement as necessary to effectuate the intent of the Agreement; and

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

FISCAL IMPACT

AJUA will pay rent of approximately three hundred dollars ($300) per month. This revenue will offset a portion of operational and utility costs associated with the NTMA facility. No significant fiscal impact to the City is anticipated.

BACKGROUND

The City owns the former NTMA facility, a 42,170-square-foot building used for various community purposes. AJUA, a nonprofit cultural organization, has requested permission to use designated indoor spaces to conduct cultural programming, community services, administrative activities, and small events consistent with their mission.

ANALYSIS

The proposed arrangement allows the City to activate an underutilized space while supporting community based programming. AJUA's presence will also provide passive oversight of the building, assisting the City with monitoring the NTMA facility during the duration of AJUA's use and reducing the need for additional security measures.

The rental rate will be set at a minimal cost of approximately three hundred dollars ($300) per month. This arrangement allows the City to recover a portion of operational costs while supporting the AJUA's efforts to provide services and cultural programming for residents.

The Agreement's term will be proposed to end on March 31, 2026, which provides flexibility for both parties as the City completes ongoing planning efforts. A month-to-month continuation thereafter will ensure that the City can reassess long term needs while still accommodating AJUA for as long as operationally feasible.

ENVIRONMENTAL

The proposed negotiation and execution of the Agreement is exempt from the requirements of CEQA under CEQA Guidelines Section 15304 (Class 4 – Minor Alterations to Land) and Section 15061(b)(3) (Common Sense Exemption), because it can be shown with certainty that there is no possibility that the action will have a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

DISCUSSION

This short-term Agreement will support community programming while preserving the City's ability to reassess future use of the NTMA facility. The agreement structure will provide flexibility and appropriate safeguards for City operations.

SUMMARY/NEXT STEPS

Following City Council approval, staff will work with the City Manager and City Attorney to negotiate, finalize, and execute the Agreement and coordinate AJUA's access to and use of the facility.

ATTACHMENT(S):

None

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

ITEM # 31

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: Gus Hernandez, Director of Parks & Recreation

SUBJECT: **ADOPTION OF REVISED FACILITY RESERVATION AND USE POLICY (FRUP)**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Adopt the revised Facility Reservation and Use Policy (FRUP); and

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

FISCAL IMPACT

Adoption of the revised FRUP does not result in a direct fiscal impact. Implementation of clearer procedures and enhanced compliance measures is expected to reduce staff time spent on reservation processing and follow-up, minimize damage-related costs, and improve cost recovery through better regulation of fees.

BACKGROUND

The Facility Reservation and Use Policy (FRUP) was formally adopted by the City Council on November 12, 2024. Following its initial implementation, staff identified opportunities to refine, clarify, and streamline the policy to better align with current operational needs, improve customer service, and enhance public access to City facilities. The revisions also incorporate updated municipal code language to ensure consistency with recently adopted regulations governing facility and park conduct.

ANALYSIS

The revised FRUP is intended to improve the efficiency of City operations and increase accessibility for residents, businesses, and community partners. Key revisions include:

- Streamlined reservation procedures to reduce administrative burdens and improve turnaround times.
- Clearer definitions, requirements, and guidelines to enhance consistency and transparency.
- Expanded public access by simplifying the reservation process and aligning facility use categories with community needs.
- Updated policy language referencing Santa Fe Springs Municipal Code §130.04, ensuring users are informed of rules governing unlawful conduct within City facilities and parks.
- Consolidated standards for facility use, including insurance requirements, set-up/clean-up responsibilities, compliance expectations, and fee structures.

These revisions are designed to support operational efficiency, protect City assets, and ensure that facilities remain safe, accessible, and well-maintained.

ENVIRONMENTAL

N/A

DISCUSSION

Community use of City facilities continues to increase, and the revised FRUP provides staff with a more effective framework for managing reservations, ensuring accountability, and accommodating a broad range of public uses. The policy also enhances the City's ability to regulate conduct, enforce safety standards, and preserve facilities for long-term use. Additionally, the inclusion of Municipal Code §130.04 reinforces the City's commitment to maintaining a safe and respectful environment within all public spaces. The revised FRUP provides a clear, comprehensive guide for renters and staff, ensuring fairness, consistency, and improved customer service.

SUMMARY/NEXT STEPS

If approved by City Council, staff will finalize the revised FRUP for immediate implementation, update all public-facing materials, and begin training personnel on new procedures. The updated policy will be posted on the City's website, integrated into reservation workflows, and communicated to all facility users and community partners.

ATTACHMENT(S):

A. Draft Facility Reservation and Use Policy

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐

~~Adopted 11/12/2024~~Revised 12/2/25

ATTACHMENT A

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FACILITY RESERVATION AND USE POLICY

1. INTRODUCTION

1. The City of Santa Fe Springs ("City") coordinates and issues permits for the use of facilities to organizations and the general public for cultural, social, recreational activities, and programs. The City will work to ensure fair and equitable allocation of space.

2. GOALS

1. The goal of this policy is to establish guidelines, rules, and procedures for the utilization of certain City facilities. This policy serves several purposes including the regulation of the use of City facilities, the effective management of City resources, the outlining of safety measures and security protocols, the preservation of the integrity and longevity of City facilities and assets, and ensuring compliance with legal requirements, regulations, and standards related to facilities operations.

3. PURPOSE

1. The purpose of this policy is to establish regulations and processes to ensure access of facilities for the use by the general public; to coordinate multiple facility spaces; to assure preservation of facilities; to prevent uses that are unsafe, unlawful, or impermissible; and to assure financial accountability for damage caused by field or facility use.

4. DEFINITION OF TERMS

1. **Resident**: A person whose primary residence is in the City (and those whose address is located in an unincorporated zip code that the Community Development Department has determined to be resident status).
   a. **Business Resident**: A business owner whose business address is headquartered within the City boundaries, as verified by their Tax Identification Number, and whose name is on the business license.
   b. **School Resident**: A school resident is defined as a student, who attends a school within the City boundaries but resides in a city that is not Santa Fe Springs. School Residents do not qualify for reservation resident rates.
2. **Immediate Family Member:** Immediate family members consist of spouse or domestic partner, parents, including stepparents and foster/adoptive parents, children, including stepchildren and foster/adopted children, siblings, including stepsiblings and half-siblings, grandparents, grandchildren, or legal guardian.
3. **City Employee:** A person who is employed by the City. City Employees must be active City employees to receive a facility reservation discount. The discount is outlined in the City's Fee Schedule.
4. **Non-Profit Organization:** A non-profit organization is an entity that operates for purposes other than profit-making and is recognized as a current 501(c)(3) nonprofit

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public benefit corporation by the Internal Revenue Service ("IRS"). Its primary goal is to further a particular social cause or advocate for a specific mission.

5. **Renter:** A person who pays a fee to use City facilities under a Facility Rental Agreement.
6. **Special Events:**
   a. **City-Sponsored or Co-Sponsored Special Events:** Events sponsored or co-sponsored by the City, such as ArtFest, Independence Day Celebration, Relay For Life, etc. These events are directly organized or supported by the City.
   b. **Private Occasion Reservation Special Events:** Events organized by private citizens for special occasions. These events require a permit for the use of City facilities.
      i. **Business Meeting:** A business meeting is convened with the primary objective of facilitating decision-making processes, discussing corporate objectives, conducting employee training sessions, hosting seminars, workshops, or other educational endeavors pertinent to business operations. Business meetings adhere to a professional environment and do not permit the inclusion of alcoholic beverages. Furthermore, they abstain from incorporating entertainment elements such as DJ's or live bands.
      ii. **Special Occasion Event:** A special occasion event is a social gathering that may include, but is not limited to, a special form of recognition/celebration honoring individual(s), a holiday, or special occasion.
      iii. **Funeral Reception:** A funeral reception is a gathering held within thirty (30) days of a funeral service to provide an opportunity for mourners to come together, offer condolences, share memories of the deceased, and provide support to the bereaved family and friends.
      iv. **Celebration of Life*:*** A celebration of life is an event held to honor and commemorate the life of a deceased individual. Celebrations of life that do not occur within thirty (30) days of a funeral are considered a Special Occasion Event and subject to Special Event fees.
   c. **Third-Party Public Special Events*:*** Events organized entirely by third-party private citizens or organizations that meet any of the following criteria:
      i. hosting more than one hundred (100) people; or
      ii. featuring food and/or informational vendors; or
      iii. impede on a public right of way.

      These events are not sponsored or co-sponsored by the City. Examples include large festivals, concerts, a business expo or fair, or parades.

      Third Party Special Events may be subject to additional requirements, including, but not limited to Temporary Use Permit (See Chapter 119 (Reserved) of Title 11 (Business Regulations)) of the Santa Fe Springs Municipal Code.
   d. **Types of Entertainment:**

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i. **DJ (Disk Jockey):** A DJ plays recorded music from various genres and interacts with the audience by mixing songs together and sometimes providing announcements or commentary.
ii. **Live Band:** A group of musicians who perform music live using amplified instruments such as guitars, drums, keyboards, etc.
iii. **Mariachi Band, Quartet, or Quintet*:*** A traditional musical group typically consisting of acoustic guitars, violins, trumpets, and sometimes other instruments.
iv. **Trio:** A smaller ensemble consisting of three musicians who may play a variety of instruments such as guitar or violin.
v. **Soloist*:*** A single performer who sings or plays an instrument alone, providing entertainment for the event. This could be a singer, guitarist, pianist, or any other musician performing individually.
vi. **Dance:** A dance group consisting of many forms of dance that are created and performed to entertain an audience, this can include folk, recitals, or story dances.

5. RESERVATIONS

1. Due to the high demand for facilities, applications for reservations will be accepted as follows:
   a. Residents – twelve (12) months in advance (open at the beginning of the month).
   b. Non-Residents – nine (9) months in advance.
   c. Reservations will not be accepted less than thirty (30) days from event date.
   d. EXCEPTIONS:
      i. Funeral Receptions.
      ii. Heritage Park or Clarke Estate Reservations.
      iii. Park rental facilities during regularly staffed hours.
2. City reserves the right to change, or cancel any reservation, at any time resulting from City activity and/or maintenance.
3. A facility is not considered rented until (i) Renter submits to City a signed City Rental Agreement, ~~deposit/~~down payment and/or rental fee, a credit card authorization form, certificate of insurance and endorsements, written evidence of permits and licenses, and any other items deemed necessary and requested by City; and (ii) City, in its sole discretion, approves such rental in writing.
4. The signatory of a City Rental Agreement must be the Renter and at least eighteen (18) years of age if alcohol will not be served, or at least twenty-one (21) years of age if alcohol will be served.
5. Renter shall be present for the entirety of the event, including set-up and breakdown periods.
   a. Exception: For weddings, or funeral receptions, if the Renter is the bride or groom, the Renter shall provide City with a single contact to serve as the representative for Renter's activities. However, the representative is not able to make changes to event date, times, and layout.
6. Renter shall be responsible for securing all required permits and licenses.

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7. The facility shall be used for the purpose stated in the Facility Rental Agreement. No other use will be permitted.
8. Renter shall not use City's name to suggest endorsement or sponsorship of the event without prior written approval of City. Renter's publicity of the event shall clearly and accurately identify the name of the sponsoring organization or individual.
9. Renter shall permit any City officers, employees, or agents to visit the event described in the City Rental Agreement.
10. Under no circumstances shall Renter sublease or allow any other organization or individual to use the facility for the period for which Renter has contracted.
11. Renter is an independent contractor and not considered an agent or employee of City, even if the renter is employed by the City.
12. Renter is allowed one (1) date change per reservation confirmation, provided that the date change occurs with six (6) months or more from the original reservation date. Cancellation that occurs after a date change will result in forfeiture of ~~deposit/~~downpayment.

6. COMPLIANCE WITH ALL APPLICABLE LAWS, RULES, REGULATIONS

1. Renter shall comply with all local, state, and federal laws and regulations related to the use of the facility and public gatherings.
2. Renter agrees to abide by all applicable local, state, and federal, accessibility standards and regulations.
~~2.~~ The Renter agrees to comply with all applicable City ordinances, rules, and regulations, including but not limited to Santa Fe Springs Municipal Code Section §130.04 – Unlawful Conduct Within Public City Facilities and City Parks. The Renter understands that failure to comply with any City ordinance or directive from City staff may result in revocation or suspension of the rental permit, removal of individuals from the premises, immediate cancellation of the event, and/or assessment of additional fees or charges. The City reserves the right to take any action necessary to protect public safety, City property, and the well-being of participants and staff.
3. Renter agrees to be solely responsible for reviewing and ensuring compliance with all applicable public health rules, regulations, orders, and/or guidance in effect at the time of the use of the facility, for example, use of appropriate sanitation practices, physical distancing, limits on the size of gatherings, etc.
4. City reserves the right to immediately revoke Renter's right to use of the facility should Renter fail to comply with any provision of this section.

7. FEES

1. Rental fee and/or ~~deposit/~~down payment can be made online, or in-person via credit card, cash, or check. Fees must be paid thirty (30) days prior to event date. Checks are not accepted less than thirty (30) days prior to event date.
2. City will require a rental fee and/or a ~~deposit/~~down payment from Renter. Some non-profit agencies may be eligible for a facility fee waiver (see Section 19, FEE WAIVERS).
3. Cancellations of reservations may be subject to the withholding of a portion of, or the entire, rental fee and ~~deposit/~~down payment for the facility (see Section 18 for

WITHHOLDING AND ADDITIONAL FEES).

4. Renter will forfeit ~~deposit/~~down payment and City may charge an additional amount for any event continuing past the ending time stated in the Facility Rental Agreement.
5. In the event facility is left damaged, Renter will forfeit ~~deposit/~~down payment and may be charged for any and all janitorial and/or repair fees incurred by City as a result, and those fees will be billed to Renter.

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8. INDEMNIFICATIONc

1. Renter shall indemnify, defend, and hold harmless City, and its officers, employees, and agents from and against any and all causes of action, claims, liabilities, obligations, judgments, losses, costs, expenses, or damages, including liability for injuries or illnesses to any person or persons or damage to property arising at any time during and/or arising out of or in any way connected with Renter's use or occupancy of the facility and adjoining property, unless solely caused by the gross negligence or willful misconduct of the City, its officers, employees, or agents. In the event City indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Renter's use or occupancy of the facility and adjoining property, Renter shall provide a defense to the City indemnitees, or at the City's option, reimburse the City indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims.
2. Renter waives any right of recovery against City, its officers, employees, and agents for indemnification, contribution, or declaratory relief arising out of or in any way connected with Renter's use or occupancy of facility and adjoining property, even if City, its officers, employees, or agents seek recovery against Renter. This provision does not apply to claims or damages caused by the City's sole negligence, gross negligence, or willful misconduct.
3. Renter waives any right of recovery against City, its officers, employees, and agents for fires, floods, earthquakes, civil disturbances, regulation of any public authority, and other causes beyond their control. Renter shall not charge results of "acts of God" to City, its officers, employees, or agents.
4. Renter shall report any personal injuries or illnesses or property damage arising at any time during and/or arising out of or in any way connected with Renter's use or occupancy of facility and adjoining property to City in writing and as soon as practicable, but in no event not more than seventy-two (72) hours after occurrence.

9. INSURANCE REQUIREMENTS AND SPECIFICATIONS

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~~9.~~1. **The City, at its sole discretion, may apply insurance requirements and specifications.**

~~1.~~2. **General liability insurance**. Renter shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

~~2.~~3. **Proof of insurance**. Renter shall provide certificates of insurance to City as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by City prior to commencement of the rental. Current certification of insurance shall be kept on file with City at all times during the term of this AGREEMENT. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

~~3.~~ **Additional Insured Status.** General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall

be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

4. **Duration of Coverage.** Renter shall procure and maintain for the duration of the Facility Use Agreement insurance against claims for injuries to persons or damages to property, which may arise from Renter's use or occupancy of facility and adjoining property.
5. **Primary/Non-Contributing.** Coverage provided by Renter shall be primary, and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance policies shall include or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before City's own insurance or self-insurance shall be called upon to protect it as a named insured.
6. **Waiver of subrogation.** All insurance coverage maintained or procured pursuant to the Facility Use Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Renter or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Renter hereby waives its own right of recovery against City and shall require similar written express waivers and insurance clauses from each of its vendors.
7. **Notice of cancellation.** Renter agrees to oblige its insurance agent or broker and insurers to provide City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage. Renter agrees to oblige its insurance agent or broker and insurers to provide CITY with a thirty (30) day notice of any change of coverage or limits.
8. **Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by City.
9. **Enforcement.** Renter acknowledges and agrees that any actual or alleged failure on the part of City to inform Renter of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.
10. **Requirements not limiting.** Requirements of specific coverage features, or limits contained in this section, are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all-inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Renter maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Renter. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

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11. **Prohibition of undisclosed coverage limitations.** None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
12. **City's right to revise specifications.** City reserves the right at any time during the term of the Facility Use Agreement to change the amounts and types of insurance required by giving the Renter at least thirty (30) days advance written notice of such change. However, CITY reserves the right to give less than thirty (30) days notice if City first becomes aware of an issue and needs to change the amounts and types of insurance within thirty (30) days of the scheduled event.
13. **Additional Insurance.** Renter shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its use or occupancy of the FACILITY and adjoining property.
14. **Timely notice of claims.** Renter shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Renter's use or occupancy of the facility and adjoining property, and that involve, or may involve, coverage under any of the required liability policies.

CITY reserves the right to require additional lines of insurance, and any additional insurance, will be agreed to by Renter in writing. Additional insurance may include, but is not limited to:

1. **Automobile liability insurance.** Renter shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Renter arising out of or in connection with the facility use, including coverage for any owned, hired, non-owned, or rented vehicles, in an amount not less than $1,000,000 combined single limit for each accident.
2. **Sexual abuse/molestation insurance.** Renter shall procure and maintain sexual abuse and molestation liability coverage in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate. This coverage may be part of commercial general liability coverage, professional liability coverage, or a separate policy.
3. **Liquor liability insurance.** Renter shall maintain full liquor liability insurance coverage in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate.
4. **Workers' compensation insurance**. Renter shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance (with limits of at least $1,000,000). Renter shall submit to City, along with the certificate of insurance, a waiver of subrogation endorsement in favor of City, its officers, agents, employees, and volunteers.
5. **Cyber liability insurance.** Renter shall procure and maintain cyber liability insurance with limits of $1,000,000 per occurrence, $2,000,000 general aggregate.
6. **Other.** If Renter contracts with a third-party service provider (e.g., caterer), Renter will require the service provider to procure and maintain at its sole cost and expense comprehensive general liability insurance in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, and if applicable, liquor liability coverage

in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, or other lines of coverage City requires. Both City and Renter shall be endorsed as additional insureds.

10. SECURITY

1. City, at its sole discretion, may require a certain number of security officers for the event. Renter shall be responsible for paying or reimbursing City for all costs and expenses in providing security.
2. Renter is solely responsible for supervising all individuals at the facility and adjoining property(ies) during the event. City is not responsible for providing this supervision. However, City may remove individuals from the facility during the event if their conduct is not in the best interest of the public, against the City's Code of Conduct, or is deemed to be detrimental in any way by City staff.

11. SET-UP / CLEAN-UP / DECORATIONS

1. Renter, caterers, bands, vendors, entertainment, photo booths, transportation of rental equipment, and related individuals and activities will not be permitted access to the facility prior to the event set-up time period, or after event breakdown period, as indicated on the Reservation Confirmation. Renter shall be responsible for arranging access during the time requested for entry and exit of the facility.
2. Renter shall not prepare or decorate the facility prior to the event setup time, unless Renter provides rental fees, ~~deposit~~/down payments, and insurance for the time of the preparation and/or decoration.
3. Renter shall not drive or permit to be driven nails, hooks, tacks, pins, screws, poles, stakes, tape, glue dots, glue, adhesives, or other forms of fasteners into any part of the facility and shall not make or allow to be made any alterations of any kind therein. All décor items utilized by the Renter must be free-standing and remain unattached from any part of the facility.
4. Renter is responsible for ensuring that free-standing décor must be displayed, utilized, and/or weighted to prevent it from moving or falling.
5. The use of glitter, confetti, rice, coins, paper currency, silly string, whip cream, birdseed, spray cans, hay, straw, event scatter, or similar type of items, is prohibited.
6. Signs and decorations may not be placed outside the building, trees, shrubbery, or planter areas.
7. Open flames of any kind, candles, smoke, fog machines, bubble machines and piñatas, are NOT allowed. Electronic/flameless candles are permitted.
8. Standard glass vases for floral arrangements are allowed. Glass beverage containers are not allowed as centerpieces.
9. Balloons may NOT be released/loosed inside facility. Balloons must be on weights and set on tabletops. Balloon arches are permissible if they do not exceed height restrictions, as described in the City municipal code.
10. Renter shall be responsible for all clean-up of the facility, including adjacent grounds, lobbies and restrooms, at the end of the rental. Renter shall pick up, bag, sweep, mop, remove all trash, and/or bodily fluid discharge, generated by all activity in any

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way connected with its use of the facility, leaving the facility clean and free of all trash and litter. Renter shall also leave all fixtures, if any, in good working condition.

11. Renter shall not store any equipment or materials at the facility or adjoining property.

12. Renter shall be responsible for any and all damage to the facility and/or its contents during use. In the event damage occurs or excessive cleaning is necessary, Renter shall be charged for any and all janitorial and/or repair fees incurred by City as a result, and Renter's ~~deposit/~~down payment may be withheld, or credit card on file may be charged.

13. Renter's may utilize equipment from third-party vendors (such as chairs, tables, stages, lecterns, pipe and drape, archways, portable bars, generators, etc.). The use of third-party rental equipment must be approved by City more than thirty (30) days prior to event date. Aforementioned equipment may not be stored overnight and must be delivered and picked up within the times indicated on the Reservation Confirmation. Third-party equipment must be completely off of any public grounds within the allotted takedown time. Renter must provide a vendor agreement and a Certificate of Liability Insurance (see Insurance Requirements & Specifications) when third-party equipment is utilized.

14. Renter is responsible for arrangement of any third-party equipment, decorations, and/or set-up; this includes unloading, delivery into the facility, take down, and transport out of the facility. City staff is NOT responsible for third-party equipment. Additionally, delivery of any third-party equipment will NOT be signed for by staff. Applicant must be present for the delivery and pick-up of equipment.

15. Renter's facility rental fee includes three (3) hours of set-up time only, and one (1) hour of breakdown/cleanup time.

- **a.** Exceptions:
  - **i.** Little Lake Park: If renting the Meeting Room at Little Lake Park, there is a 6-hour maximum use time not including set-up and cleanup. No event shall end past 8 p.m.

16. Covered Picnic Areas: rental fee includes one (1) hour of set-up time only, and one (1) hour of breakdown/cleanup time.

- **a.** Additional set-up time (maximum of two (2) hours may be purchased for decoration/set-up purposes only.
- **b.** Decorating must take place immediately before event start time.
- **c.** Additional time MUST be purchased 30 days prior to scheduled event. Guests will not be allowed to enter the facility room until the time indicated on the Reservation Confirmation.

12. EQUIPMENT / ACCESSORIES

1. Renter shall not remove, relocate, or take City property outside of the FACILITY for any reason.

2. Renter shall not use City equipment, tools, or furnishings located in or about the FACILITY.

3. Renter shall not drive motorized vehicles on fields, green space, paths, or facility grounds.

4. Renter shall secure the approval of City before using audio/visual systems, public address systems, and live or recorded amplified music. Renter shall not record,

televise, or broadcast the event or any portion thereof without prior written approval of City.

13. FOOD & BEVERAGE

1. Renter is responsible for ensuring that all food prepared/cooked/served is compliant with Los Angeles County Department of Public Health regulations and protocols.
2. Cooking with open flames must be done outdoors.
   a. i.e., taco cart, bbq smokers, grills, etc.
3. Cooking oil must be discarded in proper containers or must be taken at the conclusion of the event.
4. Chaffing dishes and service utensils are not provided by the City.
   a. EXCEPTION: Gus Velasco Neighborhood Center Pio Pico Room may provide chaffing steam table, on a case-by-case basis.
5. Food may be warmed at onsite kitchen but cannot be prepared or cooked in the kitchen.
6. All City facilities allow catering type vehicles (i.e., food trucks). Renter must get approval from City to have such vehicles at least thirty (30) days prior to reservation/event date, and is subject to additional fees and regulations.
7. Renter is responsible that all food, containers, utensils, or similar type of items are removed from the facility at the end of the event.
8. For the Clarke Estate and Heritage Park, Renter is responsible for the following additional requirements:
   a. Applicant agrees to hire a food caterer from the City's Preferred Catering List.
      i. If Renter chooses to select a caterer that is not on the City's Preferred Catering List, renter must provide a copy of the invoice to the City, and pay a ten percent (10%) catering fee to the City, prior to the event.
9. Alcohol and Beverage Consumption
   a. The signatory of the Facility Use Agreement must be the Renter and at least eighteen (18) years of age if alcohol will not be served, or at least twenty-one (21) years of age if alcohol is served.
   b. If serving alcohol, applicant is required to have a licensed bartender at all times while serving guests. Anyone under the age of 21 is prohibited from standing behind the bar at any time. Self-serving is not allowed.
      i. EXCEPTION: Clarke Estate & Heritage Park: Applicant must use a licensed bartending service from the City's exclusive bar service list and subject to a twenty percent (20%) bartending fee to the City.
   c. Renter will submit a copy of the Responsible Beverage Service Licensed Bartender Certification along with bartender's copy of valid Driver's License (with current mailing address) and the telephone number to City at least five (5) days prior to the reservation/event. A copy of the Alcohol Policy and Procedures will be provided to the Licensed Bartender.
   d. Applicant must ensure that the licensed bartender complies with all state laws.
   e. OUTSIDE ALCOHOL IS NOT ALLOWED. Guests may NOT consume alcohol in the parking lot, restroom, lobby or on any other City property. Guests are not permitted to bring alcohol. Violations may be subject to closure of event

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and loss of ~~deposit/~~down payment, or charge of the credit card on file. Alcohol is only allowed within the designated facility. Flasks or personal beverage containers containing alcohol are prohibited. Staff reserves the right to inspect any coolers, bags, or containers, brought by the Renter, or the Renter's guests.

f. Alcohol is not permitted to be dropped off at facility and left unattended. Bartending services, and/or reservation holder, must be present to receive pre-purchased alcohol. Staff will not receive alcohol from applicant to hold until bartending service arrives.

g. The serving of alcohol MUST stop thirty (30) minutes before the end of the event. Staff will ensure that bar closes thirty (30) minutes prior to end of event.

h. Alcohol (i.e. champagne, wine, beer, etc.) MAY NOT be placed on tables as part of the decoration and/or for guests to self-serve. All alcohol beverages must be served to guests in disposable cups (beverage containers made of glass are not allowed, filled or empty).

i. For a Celebratory Toast, alcohol must be served at the bar, by the bartender, and must be served in plastic stemware.

j. Heritage Park & Clarke Estate:

- **i.** For ceremony and reception reservations, applicant understands that alcohol may not be served until completion of the ceremony. All alcohol must be served from a designated bar area. Alcohol is not permitted following a ceremony-only reservations.

k. Staff reserves the right to close the bar if deemed necessary (i.e. if applicant and/or guests are not in compliance). Violations may result in event closure and loss of ~~deposit/~~down payment, and/or incurring additional charges to the credit card on file.

l. Serving alcohol to minors, and/or consumption of alcohol by minors (under age of 21), is strictly prohibited. Violations of this may result in closure of the event and denial of future facility use by City.

m. Serving alcohol to an intoxicated person is prohibited. Violations of this may result in closure of the event, and denial of future facility use by City.

n. The applicant agrees to comply with all State and Municipal Laws concerning the sale of and consumption of alcoholic beverages while using the facility. Failure to comply with this policy will result in event being terminated immediately, and ~~deposit/~~down payment will not be refunded, and credit card on file may incur additional charges.

o. Alcoholic beverages are not allowed in park settings (SFSMC §130.04).

p. If selling alcohol:

- **i.** An Alcohol Beverage Control (ABC) License is required.
- **ii.** The license can be obtained a maximum of two (2) weeks prior to the scheduled event and must be submitted to the City at least five (5) days prior to the scheduled event. If the license is not submitted on time, alcohol cannot be sold at the event.
- **iii.** Required license can be purchased at: Alcohol Beverage Control Office, 222 E. Huntington Drive, Suite 114, Monrovia, CA 91016, (626) 256 – 3241, www.abc.ca.gov.
- **iv.** Applicant must obtain the license in person and must take the following

documents:

1. Letter of Permission from City (a Community Services Supervisor can provide this letter)

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2. A Cashier's Check or Money Order. (Method of payment is subject to change at the election of City)
3. For nonprofit organizations wanting to sell alcohol – proof of non-profit status, IRS Exception Certificate, and Bylaws.

14. COVERED PICNIC AREAS

1. Renter is responsible for obtaining City's approval to have vendors at their reservation.
2. Dunk tanks, petting zoo, and pony rides are not permitted on the park. Game trucks and food trucks are permitted at all locations at designated areas and require an additional fee (see Fee Schedule for more details).
3. No form of amplified sound is permitted (i.e. P.A. systems, bands, DJ's, etc.).
4. Renter will provide their own charcoal for the BBQ grills. Renter can bring a propane-fueled grill.
5. Additional setup and/or breakdown time may be purchased at additional rates (see Fee Schedule for more details).
6. Up to three (3) EZ-Up canopies may be brought on to the park. Each EZ-Up may not exceed the size of 10' x 10' (S.F.S.M.C. §130.04.B.23-24).
7. Renter is responsible for ensuring that free-standing décor, or EZ-Up canopies must be displayed, utilized, and/or weighted to prevent it from moving or falling.

15. INFLATABLE AMUSEMENTS (JUMPERS)

1. Inflatable amusements (i.e., moon bouncers, bounce houses, or jumpers), are allowed in City parks at the following locations and must meet the following criteria:
   - **a.** Allowed at the following locations: Lakeview Park, Little Lake Park, Los Nietos Park, Santa Fe Springs Park.
   - **b.** Conventional size jumpers only. Inflatables larger than 30' X 30' are NOT allowed. Jumpers with water and amusements with mechanical components (i.e. mechanical bull) are not permitted.
   - **c.** Renter is responsible for providing to the City a copy of inflatable amusement (jumper) vendor's liability insurance; Vendor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.
   - **d.** Renter is responsible for ensuring that they obtain an inflatable amusement (jumper) that is compliant with the American Society for Testing Materials (ASTM) Designation F2374-10.
   - **e.** The vendor or reservation holder must provide its own electricity (i.e. silent generator).
   - **f.** City and its employees are not responsible for any inflatable amusements (jumper) left on the premises before or after permitted hours.

g. City and its employees are not responsible for any damages caused to the inflatables.
h. City and its employees are not liable for any injuries to anyone participating in the use of the inflatable amusement (jumper) set-up on any City facility.
i. Staff must be present while inflatable amusement (jumper) is set-up at the park. Renter may purchase additional time for set-up .
j. Only two (2) inflatable amusement (jumper) are allowed at each park at any time. Only one (1) jumper is allowed per reservation.
k. A fee is required for an inflatable amusement (jumper) permit if a picnic area is not rented (see City's fee schedule for specific fees).
l. All inflatable amusement (jumper) requirements are due to the City no less than two (2) weeks prior to the event date. This includes company information and insurance requirements.
m. The inflatable amusement (jumper) unit must be staked down at all times while in use.
n. Park staff is not responsible for supervision of children in inflatable amusement (jumper). Supervision of children in the inflatable amusement (jumper) is required at all times.

16. MISCELLANEOUS

1. Renter shall not admit a larger number of individuals than indicated on the approved Reservation Confirmation.
2. Gambling of any kind is not permitted at the facility.
3. Smoking is not permitted inside or within 25' of the facility.
   a. Smoking or possessing any lit cigar, cigarette, e-cigarette, vaping device, or pipe, unless City has designated a specific smoking area, is not allowed.
4. No animals are permitted at the facility, except for service animals, as defined under the Americans with Disabilities Act, which are individually trained to do work or perform tasks for people with disabilities.
5. If Renter violates any part of this policy or reports false information to City, City may refuse Renter further use of the facility, and Renter shall forfeit a portion, or all, of the rental fee and/or the ~~deposit/~~down payment, and/or incur additional charges to the credit card on file.
6. City may impose additional requirements as deemed necessary to protect the health, safety, and/or welfare of the community.
7. The facility is not to be used by applicant for commercial benefit or profit-making purposes. Solicitation of money (including admission charges, dues, donations or sales) is prohibited. An exception is made for community-based incorporated groups and nonprofits; however, verification of 501(c)(3) status, through their tax ID application, must be submitted, and approval must be granted by the City Manager.
8. City is not responsible for items that are lost, stolen, or damaged in or on the grounds of the facilities. Leaving personal items unattended or bringing in personal belongings that are disruptive to the primary use of space are not allowed.

17. FORCE MAJEURE

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1. In the event of a natural disaster, government or societal actions, infrastructure failures, or Act of God, City will not be responsible for any costs incurred by the Renter, including, but not limited to, invitations, entertainment, food, beverages, decorations, giveaways, photographers, attractions, inflatables, or any other related expenses.

18. WITHHOLDING AND ADDITIONAL FEES

1. ~~Deposit/~~Ddown payment is due at the time application is submitted.
2. The applicant will be billed for any costs exceeding the ~~deposit/~~down payment or facility use fee. If all requirements of the Facility Use Agreement have been met, ~~the deposit will be refunded via mail 4-6 weeks after event to the applicant. If paying by credit card, deposit will be refunded back to credit card within 7-10 business days after event evaluation/checklist has been approved.~~
3. Down payments are fees toward the reservation and are not refundable.
4. The City reserves the right to charge the Renter's credit card on file for any costs incurred as a result of damages, vandalism, excessive trash, failure to clean and restore the facility to its original condition, unauthorized use of equipment or areas, and/or any additional time beyond the contracted rental period. All associated fees will be assessed based on actual repair, replacement, cleaning, or staffing costs as determined by the City.

~~4.~~5. Renter agrees to reimburse City for any loss or damage to CITY property caused by party, guests, and/or contracted vendors, and additional charges may be incurred~~.~~

~~5.~~6. The balance of fees are due 30 days prior to the scheduled event. If the fees are not paid as required, the reserved date will be cancelled.

~~6.~~7. ~~Deposit/~~Ddown payment will be held if cancellation takes place less than six (6) months of event. A $100.00 non-refundable fee will be charged for event cancellation between six (6) months to one (1) year of event date.

   a. EXCEPTION: If cancelling covered picnic areas at Lakeview Park, Little Lake Park, Los Nietos Park, and Santa Fe Springs Park more than thirty (30) days prior to event date, Renter will be refunded 50% of ~~deposit/~~down payment. If cancellation occurs under thirty (30) days of event date, Renter will forfeit ~~deposit/~~down payment and will be refunded any FACILITY fees.

~~7.~~8. All cancellations must be conducted in person with picture ID, or in writing via email from the email address on file; otherwise, Renter's ~~deposit/~~down payment will not be refunded.

~~8.~~9. Per City policy, City employees are not permitted to accept gratuities or gifts of any kind.

~~9.~~10. If Renter exceeds the time indicated on the Reservation Confirmation, ~~deposit/~~down payment may be withheld and additional fees may be incurred, and the credit card on file will be charged for any additional fees.~~.~~

19. FEE WAIVERS

1. The City of Santa Fe Springs recognizes and appreciates the value of partnering and collaborating with other agencies and organizations to provide services that benefit the community and its residents. In an effort to provide support to organizations, the

City of Santa Fe Springs has established a policy for determining when fees may be waived.

2. Process

~~a.~~ Fees established by the City of Santa Fe Springs for the use of City parks and facilities may be waived by the Department Director (up to $500), or the City

DRAFT

Manager, or designee, up to $4,999, if the Renter submits a fee waiver application and meets the defined criteria within this policy.

i. A Fee Waiver application must be submitted no later than 45 days prior to the date of the event.
ii. Approval of the fee waiver does not relieve the applicant/organization of the obligations to comply with all other permit requirements, including but not limited to submitting a facility use application, liability insurance, health permits, ABC License, ~~deposit/~~down payment, etc.

3. Fees and costs that are NOT eligible to be waived:
   a. Staffing or labor
   b. Refuse costs
   c. Custodial/Janitorial costs
   d. Maintenance costs
   e. Other City charges
4. Eligibility
   a. Tier I Criteria: City recognizes the value that organizations/agencies play in providing benefits to the community and Santa Fe Springs residents. Fees may be waived for organizations/agencies if any of the following criteria are met:
      i. A non-profit organization or association must be headquartered in Santa Fe Springs (must have a physical address in Santa Fe Springs), verified through their current 501(c)(3) Tax Identification Number. Such organization shall be organized and exist in the City for a minimum of one (1) year prior to the event.
      ii. The organization must have as their sole purpose to benefit the City or a particular City Department or service.
      iii. Schools located within the City of Santa Fe Springs or related organizations such as private schools within the City.
      iv. Government agencies where the fee waiver will provide essential public services that align with City's mission of serving the community.
   b. Tier II Criteria: Organizations/agencies that do not meet the criteria under Tier I may still qualify if they are able to meet **all** criteria in Tier II.
      i. The event or program is consistent with City or City Department's mission, values, and objectives.
      ii. The program or event provides a valuable and definable benefit to the Santa Fe Springs community; including but not limited to youth programs and events.
      iii. The proposed event or program will have no negative impact on the existing facility/park or cause the need for increased maintenance; and will not displace any existing City programs or reservations.
      iv. There is no evidence of previous violations of any permits previously issued to applicant or organization.

DRAFT

c. The City Manager may waive fees for organizations that benefit the public, promote civic engagement, as well as support safety, health, and welfare, aligning with the City 's mission.

d. Appeals: The applicant may submit a written appeal (letter or email) directly to the City Manager within ten (10) calendar days of the fee waiver denial.

20. CONTINUAL USE FEE WAIVERS

1. Organizations may utilize City parks and facilities for continual use if specific criteria are met. Organizations must meet eligibility requirements and the continual use of City parks and facilities may be issued a reduced fee of Thirty Dollars ($30.00) per day (fees subject to change), per use. The application period is renewed every twelve (12) months in January. Continual use may be revoked at any time for violations of this Policy. Organizations must meet the following criteria:

a. A non-profit organization or association must be headquartered in Santa Fe Springs, verified through their Tax Identification Number.

i. Such organizations shall be organized and exist in the City for a minimum of one year (1) prior to the start date of the first event.

ii. Schools located within the City of Santa Fe Springs or related organizations such as private schools within the City.

iii. The organization must have as their sole purpose to benefit the City or a particular City department or service.

2. The maximum time allowed for per day use is two (2) hours, including set-up and clean-up times.

3. An organization that provides Department approved community services may get the daily use fee waived. Prior approval of the community services project must be obtained in order to qualify.

4. Approval of the fee waiver does not relieve the applicant/organization of the obligations to comply with all other permit requirements, including but not limited to submitting a facility use application, credit card authorization form, liability insurance, health permits, ABC License, ~~deposit/~~down payment, etc.

21. POLICY INTERPRETATION AND REVISION AUTHORITY

1. The City Manager, or designee, retains the authority to interpret this policy and to make changes, revisions, or exceptions, as deemed necessary, provided that such modifications serve a demonstrable community benefit for the residents of Santa Fe Springs.

DRAFT

ITEM # 32

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: Michael Kozicki, Acting Fire Chief

SUBJECT: **STATE HOMELAND SECURITY PROGRAM FUNDS AWARD OF PURCHASE OF AUTO PULSE NXT EQUIPMENT**

DATE: December 2, 2025

RECOMMENDATION:

It is recommended that the City Council:

1) Award of purchase to Zoll Medical Corporation, in the amount of $87,670.86 for Auto Pulse NXT system(s) and equipment.

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

FISCAL IMPACT

The State Homeland Security Program is 100% reimbursable grant. There will be no fiscal impact on the city. Zoll Medical Corporation is a sole source and the form is attached.

BACKGROUND

The AutoPulse® NXT Resuscitation System is a next-generation mechanical CPR device designed specifically to support EMS and EMT teams in the field and during patient transport. It delivers consistent, high-quality chest compressions in even the most challenging prehospital environments. Built with a radiolucent and low-profile design, the AutoPulse NXT allows for clear imaging if used in transition to hospital care, while its rugged construction supports reliable performance in ambulances. It accommodates patients with chest circumferences from 30 to 56 inches and weights up to 400 pounds, making it adaptable for a wide range of adult patients encountered by EMS personnel. This purchase includes the full AutoPulse NXT system, along with its warranty and lithium batteries, ensuring dependable operation and continued support for field use.

The AutoPulse NXT provides uninterrupted, circumferential compressions that automatically adjust to each patient, helping EMS crews deliver high-quality, consistent CPR throughout transport and handoff. Studies show the AutoPulse improves blood flow and increases rates of return of spontaneous circulation (ROSC) by 62% compared to manual CPR, while also reducing 30-day mortality compared to other mechanical CPR systems. Designed for seamless integration with ZOLL's R Series® and X Series® monitor/defibrillators, the AutoPulse NXT supports efficient workflow and data management during and after resuscitation events. The inclusion of the complete AutoPulse NXT equipment, warranty, and lithium batteries ensures reliable, ready-to-deploy performance for EMS agencies, helping crews provide continuous, effective resuscitation from the scene through patient delivery.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Once the City Council approves the recommended actions, Fire-Rescue staff will proceed with purchasing the AutoPulse NXT system and related equipment and will submit the necessary reimbursement request for the State Homeland Security Program grant.

ATTACHMENT(S):

A. FEMA Authorized Equipment List
B. Zoll Quote
C. Zoll Sole Source Letter
D. Zoll SAM.GOV

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

NOTICE: Due to the lapse in federal funding, portions of this website may not be updated and some non-disaster assistance transactions submitted via the website may not be processed or responded to until after appropriations are enacted. Get more information.

An official website of the United States government Here's how you know

09ME-03-MCCD - Device, Mechanical Chest Compression

Description

Mechanical device that provides powered consistent chest compressions in lieu of manual coronary perfusion pressure (CPP) for a patient in cardiac arrest.

Grant Notes

Medical equipment, supplies, and pharmaceuticals purchased under this grant program are allowable only to supplement normal stores, in order to provide the surge capacity necessary for CBRNE terrorism response. They are NOT intended for routine use.

More Information

FEMA Related Grant Programs

- Intercity Passenger Rail Grant Program (IPR)

- State Homeland Security Program (SHSP)
- Transit Security Grant Program (TSGP)
- Tribal Homeland Security Grant Program (THSGP)
- Urban Area Security Initiative (UASI)

Standardized Equipment List

For more information on operating considerations, mandatory and applicable standards, and training requirements, visit the Interagency Board's Standardized Equipment List website.

Note: Some equipment items on the Authorized Equipment List may not be listed on the Standardized Equipment List.

System Assessment and Validation for Emergency Responders

For market survey reports, visit the System Assessment and Validation for Emergency Responders website. To search for an equipment item, use the same Authorized Equipment List item number.

Note: Some equipment items may not have market survey reports.

Last updated April 18, 2024

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FEMA

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National Terrorism Advisory System

FEMA.gov

An official website of the U.S. Department of Homeland Security

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Download on the App Store

ZOLL Medical Corporation
269 Mill Road
Chelmsford, MA 01824-4105
Federal ID# 04-2711626

Phone: (800) 348-9011
Fax: (978) 421-0015
Email: esales@zoll.com

Quote No: Q-126827 Version: 1

Santa Fe Springs Fire Department
11300 Greenstone Avenue
Santa Fe Springs, CA 90670

ZOLL Customer No: 161794

Geoff Dayne
geoffreydayne@santafesprings.gov

Quote No: Q-126827
Version: 1

Issued Date: November 18, 2025
Expiration Date: December 31, 2025

Terms: Net due in 30 days

FOB: Shipping Point

Freight: Prepay & Add

Prepared by: Juliana Isayeva
EMS Territory Manager
juliana.isayeva@zoll.com

Item	Contract Reference	Part Number	Description	Qty	List Price	Adj. Price	Total Price
1		8700-001003-01	**AutoPulse NXT Starter Kit - EMS** Includes: AutoPulse NXT Platform, AutoPulse NXT Charger, AutoPulse NXT Lithium Batteries (2), AutoPulse NXT Bands (3 pack), AutoPulse NXT QuickCase, AutoPulse NXT Shoulder Restraint	3	$23,204.00	$22,507.88	$67,523.64
2		8700-001012-01	**AutoPulse NXT Lithium Battery**	3	$1,542.00	$1,495.74	$4,487.22
3		8778-890004-WF-NXT	**AutoPulse NXT Worry-Free Service Plan - 4 Year At Time of Sale** Includes: Preventive maintenance per ZOLL's recommendation, Repairs: Parts and labor per ZOLL Limited Product Warranty, and minimum service fee waived, and Accidental damage coverage (see below). Shipping and use of a Service Loaner upon request during device service, no charge shipping. Service Plan is a continuation of ZOLL Limited Product Warranty. Accidental damage guidelines can be found in the ExpertCare Service Plan Terms and Conditions on the ZOLL website.	3	$5,800.00	$5,220.00	$15,660.00

Subtotal: $87,670.86

Total: $87,670.86

ZOLL Medical Corporation
269 Mill Road
Chelmsford, MA 01824-4105
Federal ID# 04-2711626

Phone: (800) 348-9011
Fax: (978) 421-0015
Email: esales@zoll.com

Santa Fe Springs Fire Department
Quote No: Q-126827 Version: 1

To the extent that ZOLL and Customer, or Customer's Representative have negotiated and executed overriding terms and conditions ("Overriding T's & C's"), those terms and conditions would apply to this quotation. In all other cases, this quote is made subject to ZOLL's Standard Commercial Terms and Conditions ("ZOLL T's & C's") which for capital equipment, accessories and consumables can be found at https://www.zoll.com/terms-and-conditions-of-sale, for software products can be found at https://www.zoll.com/software-legal, and for ExpertCare Service Plans can be found at https://www.zoll.com/ExpertCare-Service-Terms. Except in the case of overriding T's and C's, any Purchase Order ("PO") issued in response to this quotation will be deemed to incorporate ZOLL T's & C's, and any other terms and conditions presented shall have no force or effect except to the extent agreed in writing by ZOLL.

1. Delivery will be made upon availability.
2. This Quote expires on December 31, 2025. Pricing is subject to change after this date.
3. Applicable tax, shipping & handling will be added at the time of invoicing.
4. All purchase orders are subject to credit approval before being accepted by ZOLL.
5. To place an order, please forward the purchase order with a copy of this quotation to esales@zoll.com or via fax to 978-421-0015.
6. All discounts from list price are contingent upon payment within the agreed upon terms.
7. Place your future accessory orders online by visiting the ZOLL web store.

Order Information (to be completed by the customer)

[ ] Tax Exempt Entity (Tax Exempt Certificate must be provided to ZOLL)

[ ] Taxable Entity (Applicable tax will be applied at time of invoice)

BILL TO ADDRESS	SHIP TO ADDRESS
Name/Department:	Name/Department:
Address:	Address:
City / State / Zip Code:	City / State / Zip Code:

Is a Purchase Order (PO) required for the purchase and/or payment of the products listed on this quotation?

[ ] Yes PO Number: _____ PO Amount: _____
(A copy of the Purchase Order must be included with this Quote when returned to ZOLL)

[ ] No (Please complete the below section when submitting this order)

For organizations that do not require a PO, ZOLL requires written execution of this order. The person signing below represents and warrants that she or he has the authority to bind the party for which he or she is signing to the terms and prices in this quotation.

Santa Fe Springs Fire Department
Authorized Signature:

_____

Name: _____

Title: _____

Date: _____

ZOLL
an Asahi Kasei company

269 Mill Road
Chelmsford, MA 01824
978.421.9655 (main)
978.421.0015 (fax)
zoll.com

September 9, 2025

Santa Fe Springs Fire Department
11300 Greenstone Ave
Santa Fe Springs, CA 90670

Dear Geoffrey Dayne,

Thank you for your interest in the AutoPulse and AutoPulse NXT® Non-invasive Cardiac Support Pump, a revolutionary new resuscitation system that offers the promise of normal blood flow during sudden cardiac arrest.

Please be aware that ZOLL® Medical Corporation is the only company that manufactures and markets the AutoPulse and AutoPulse NXT. No other organization is authorized to sell the product in the United States. Further, there are no other devices on the market today that can mimic the AutoPulse's unique mechanism of action and achieve its unprecedented clinical results.

Lastly, no vendor or dealer is authorized to provide warranty or service.

Should you have any questions or require additional information please contact me at contracts@zoll.com.

Sincerely,

Jaewoo Lee

Jaewoo Lee
Contracts Specialist

ZOLL
an Asahi Kasei company

269 Mill Road
Chelmsford, MA 01824
978.421.9655 (main)
978.421.0015 (fax)
zoll.com

September 9, 2025

Santa Fe Springs Fire Department
11300 Greenstone Ave
Santa Fe Springs, CA 90670

Dear Geoffrey Dayne,

We appreciate your selection of ZOLL® products. This letter serves as confirmation that ZOLL® Medical Corporation at 269 Mill Road in Chelmsford, Massachusetts, is the sole manufacturer and source of X Series® and X Series Advanced® Defibrillators for the EMS Market. ZOLL® or Duane Anderson, EMS Territory Manager, will not sell an X Series® and X Series Advanced® Defibrillator to the Santa Fe Springs Fire Department, through any vendor or dealer and no vendor or dealer is authorized to provide warranty or service.

Should you have any questions or require additional information please contact me at contracts@zoll.com.

Sincerely,

Jaewoo Lee

Jaewoo Lee
Contracts Specialist

ZOLL MEDICAL CORPORATION

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
YNFJYW1DZ9T3	**0UJ27**	**All Awards**
Registration Status	Expiration Date	
Active Registration	**Dec 31, 2025**	
Physical Address	Mailing Address	
269 Mill RD **Chelmsford, Massachusetts 01824-4105** **United States**	**269 Mill Road** **Chelmsford, Massachusetts 01824-4105** **United States**	

QUERY DATE: 11/12/25
BY: N. RUIZ

Business Information

Doing Business as	Division Name	Division Number
ZOLL	**(blank)**	**(blank)**
Congressional District	State / Country of Incorporation	URL
Massachusetts 03	**Massachusetts / United States**	**http://www.zoll.com**

Registration Dates

Activation Date	Submission Date	Initial Registration Date
Jan 2, 2025	**Dec 31, 2024**	**Oct 11, 2001**

Entity Dates

Entity Start Date	Fiscal Year End Close Date
Sep 4, 1980	**Mar 31**

Immediate Owner

CAGE	Legal Business Name
7CED9	**ASAHI KASEI HOLDINGS US, INC.**

Highest Level Owner

CAGE	Legal Business Name
J6499	**ASAHI KASEI COPORATION**

Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USAspending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

Proceedings Questions

Registrants in the System for Award Management (SAM.gov) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2. C.F.R. 200 Appendix XII. Their responses are displayed in the responsibility/qualification section of SAM.gov. Maintaining an active registration in SAM.gov demonstrates the registrant responded to the proceedings questions.

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure	Entity Type	Organization Factors
Corporate Entity (Not Tax Exempt)	**Business or Organization**	**Foreign Owned** **Manufacturer of Goods**

Profit Structure

For Profit Organization

Socio-Economic Types

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments	Debt Subject To Offset
Yes	**No**

EFT Indicator	CAGE Code
0000	**0UJ27**

Points of Contact

Electronic Business

Deepak Prabhakar, Director of Business Applications and Development

Zoll Medical Corporation
269 Mill Road
Chelmsford, Massachusetts 01824
United States

Government Business

Cleve Wiltz, VP Global Military Sales

Zoll Medical Corporation
269 Mill Road
Chelmsford, Massachusetts 01824
United States

Eric Abbott, VP Government/Military Sales - Americas

Zoll Medical Corporation
269 Mill Road
Chelmsford, Massachusetts 01824
United States

Past Performance

MATTHEW LARIVEE, Manager, Federal Government Contracts

Zoll Medical Corporation
269 Mill Road
Chelmsford, Massachusetts 01824
United States

Eric Abbott, VP Government/Military Sales - Americas

Zoll Medical Corporation
269 Mill Road
Chelmsford, Massachusetts 01824
United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title
Yes	**334510**	**Electromedical And Electrotherapeutic Apparatus Manufacturing**
	339112	**Surgical And Medical Instrument Manufacturing**
	423450	**Medical, Dental, And Hospital Equipment And Supplies Merchant Wholesalers**

Product and Service Codes

PSC	PSC Name
6515	**Medical And Surgical Instruments, Equipment, And Supplies**

Disaster Response

Yes, this entity appears in the disaster response registry.

Bonding Levels	Dollars
(blank)	**(blank)**

States	Counties	Metropolitan Statistical Areas
Any	**(blank)**	**(blank)**

ITEM # 33

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: Maricela Balderas, Director of Community Services

SUBJECT: **AGREEMENT WITH 789, INC. FOR BRAND ROLL-OUT AND APPLICATION SERVICES**

DATE: December 2, 2025

RECOMMENDATION(S):

It is recommended that the City Council:

1) Approve a sole-source agreement with 789, Inc for a Tier 3 brand roll-out and design application services to support implementation for the City's new brand identity, logo, and visual system; and

2) Authorize the City Manager to execute the agreement and any subsequent amendments, subject to approval by the City Attorney as to form; and

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

FISCAL IMPACT

The total cost for Tier 3 Brand Application Retainer services is $67,200 for an eight-month term, at 80 hours per month at $105.00 per hour.

Funding for these services will be drawn from the Community Services Administration Contracted Services (Account No. 10105199-542050). Funds for Fiscal Year 2026-27 will be budgeted into the same account for City Councils budget approval.

BACKGROUND

The City of Santa Fe Springs recently completed a comprehensive rebranding initiative, resulting in a refreshed city logo, updated typography, color standards, and a unified brand system designed to modernize the City's visual identity. The rebranding effort

supports strategic communications objectives, promotes consistency across all departments, and enhances the City's public visibility.

Successful implementation now requires a structured and coordinated roll-out of the new brand across:

- City facilities
- Wayfinding and directional signage
- Street signage
- Business cards and stationery
- Digital communications
- Print collateral
- Departmental program materials
- Vehicle and environmental graphics
- Public-facing service platforms

789, Inc. is the design firm that developed the new logo, brand guidelines, and visual identity system. Their direct authorship of the City's brand standards and working knowledge of the full system uniquely qualifies them to guide the City through a smooth and accurate roll-out.

ANALYSIS

A coordinated and timely brand roll-out is essential to ensure consistency across all City departments and to preserve the integrity of the new visual identity. As the City transitions from its former branding to the newly adopted logo and brand system, it will require substantial design application work for signage, public-facing materials, stationery, digital platforms, environmental graphics, and program collateral. Engaging 789, Inc.—the original designer of the City's brand—provides continuity, quality control, and efficiency during this transition period. Because 789, Inc. authored the brand guidelines, established the color palette and typography standards, and developed the full visual design system, they possess proprietary and technical knowledge that no other firm could replicate without significant onboarding time and additional cost to the City.

Pursuant to the City's procurement policies, a sole-source procurement is justified when:

- Only one vendor is capable of providing the required goods or services due to unique circumstances.
- A vendor possesses specialized knowledge, experience, or proximity critical to the success of the project.
- Timeliness is a factor that cannot be met through competitive bidding.

789 Inc. meets the sole-source criteria as their specialized knowledge is critical to ensuring accurate and consistent application of the brand across facilities, public communication channels, and departmental materials. Attempting to transition this

responsibility to another firm would risk inconsistencies in implementation and potential misuse of the brand system—issues that could undermine the City's investment in the rebranding process.

Timeliness is another essential factor. The City is now entering the implementation phase of the brand and must begin converting signage, communication materials, and digital assets without delay. Conducting a competitive RFP process would significantly slow the transition, resulting in a prolonged period in which the City operates under mixed branding. This not only complicates internal operations but may also cause confusion for residents, businesses, and external stakeholders. The Tier 3 Retainer option offered by 789, Inc. provides the City with the capacity needed to manage simultaneous design tasks, parallel project workflows, and rapid turnaround times. This tier gives the City the highest level of consistency and value during an intensive roll-out period, ensuring that all departments move forward in unison under a unified visual identity.

Overall, retaining 789, Inc. through a sole-source agreement ensures continuity, preserves design integrity, accelerates the brand roll-out timeline, and delivers the capacity necessary to support citywide implementation efforts.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Staff recommends approval of a sole-source agreement with 789, Inc. for comprehensive brand roll-out support under the Tier 3 Retainer option. This approach ensures consistent application of the City's new brand identity, protects the integrity of the design system, and accelerates conversion across all departments and public-facing materials.

Upon City Council approval, staff will finalize the agreement with 789, Inc., prioritize departmental needs, and immediately begin implementation work.

ATTACHMENT(S):

A. Agreement with 789, Inc. for Brand Roll-Out Services

ITEM STATUS:	
APPROVED:	☐
DENIED:	☐
TABLED:	☐
DIRECTION GIVEN:	☐

CITY OF SANTA FE SPRINGS
PROFESSIONAL SERVICES AGREEMENT
WITH
789, INCORPORATED

This Professional Services Agreement ("Agreement") is made and effective as of December 3, 2025 ("Effective Date"), by and between the City of Santa Fe Springs ("City"), a California municipal corporation, and 789, Inc. ("Consultant"), a California corporation. For the purposes of this Agreement, City and Consultant may be referred to collectively by the capitalized term "Parties." The capitalized term "Party" may refer to City or Consultant interchangeably, as appropriate.

RECITALS

WHEREAS, City requires professional graphic design and project management services for the City's Brand Rollout (collectively, the "Project"); and

WHEREAS, City staff has determined that Consultant possesses the experience, skills, and training necessary to competently provide such services to City; and

WHEREAS, the execution of this Agreement was approved by the City of Santa Fe Springs City Council ("City Council") at its Regular Meeting of December 2, 2025 under Agenda Item No. XX;

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

AGREEMENT

1. TERM

This Agreement shall commence on the effective date, and shall remain and continue in effect until the services described herein are completed, unless sooner terminated pursuant to the provisions of this Agreement.

The City shall have the option to extend the Agreement for up to two (2) additional one-year terms, provided that each extension is mutually agreed upon in writing through a formal Agreement Amendment executed by both parties prior to the expiration of the then-current term.

2. SERVICES

Subject to the terms and conditions of this Agreement, Consultant shall perform the services described and set forth in the Consultant's Statement of Work and Fees for Tier 2, attached hereto as Exhibit A, incorporated herein as though set forth in full ("Scope of Work"). Consultant further agrees to furnish to City all labor, materials, tools, supplies,

equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Services. Consultant shall complete the Services according to any schedule of performance set forth in Exhibit A. For the purposes of this Agreement, the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Services."

3. PERFORMANCE

A. Time is of importance for this Agreement and every provision contained herein. The Work shall commence upon mutual consent of the Parties subsequent the City's issuance of a written Notice to Proceed. Consultant shall perform the various tasks identified in, and within the timeframes set forth in, the Scope of Work, and shall complete all of the Services in accordance with the schedule and timeline established by the Parties.

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

C. Consultant shall not claim or be entitled to receive any compensation or damage because of the failure of Consultant, or its subconsultants, to have related services or tasks completed in a timely manner.

D. Consultant shall at all times enforce strict discipline and good order among Consultant's employees; and

E. Consultant, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.

4. CITY REPRESENTATIVE

The City Manager hereby designates the Community Services Director ("City Representative" to represent the City in all matters pertaining to the administration of this Agreement, including review and approval of all products submitted by Consultant. The City Representative or his/her designee will act on behalf of the City for all purposes under this Agreement. Consultant will not accept directions or orders from any person other than the City Representative or his/her designee

5. CONSULTANT REPRESENTATIVE

Consultant hereby designates Charles (Charley) Bell, President, to act as its representative for the performance of this Agreement (the "Consultant Representative"). Consultant Representative will have full authority to represent and act on behalf of the Consultant for all purposes under this Agreement. Consultant Representative or his/her

designee will supervise and direct the performance of the Work, using his best skill and attention, and will be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the Consultant Representative will constitute notice to Consultant.

6. PAYMENT OF COMPENSATION

A. Consultant's total compensation for the performance of all Work contemplated under this Agreement shall not exceed SIXTY-SEVEN THOUSAND TWO-HUNDRED DOLLARS AND NO CENTS ($67,200.00) for the initial term of the Agreement unless additional payment is approved as provided in this Agreement. In the event Consultant's charges are projected to exceed the Not-to-Exceed Sum prior to the expiration of this Agreement, City may suspend Consultant's performance for the relevant Work pending City approval of any anticipated expenditures in excess of the Not-to-Exceed Sum or any other City approved amendment to the compensation terms of this Agreement.

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

C. The Not-to-Exceed Sum will be paid to Consultant in the manner set forth in the schedule of payments as provided in Consultant's Statement of Work and Fees, attached hereto and incorporated herewith as Exhibit A. Consultant will submit invoices monthly for actual Services performed. Consultant agrees to participate in the City's Electronic Funds Transfer program and to receive electronic payments for the Services. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's Services or fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefor.

7. TERMINATION OF AGREEMENT WITHOUT CAUSE

A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon Consultant at least ten (10) days' prior written notice. Upon receipt of said notice, Consultant shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

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B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Consultant the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Consultant will submit an invoice to the City pursuant to Section 6.

8. DEFAULT OF CONSULTANT

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

9. OWNERSHIP OF DOCUMENTS

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

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

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documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the Services under this Agreement.

C. This Agreement creates, at no cost to City, a perpetual license for City to copy, use, reuse, disseminate and/or retain any and all copyrights, designs, and other intellectual property embodied in all Documents and Data. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, analyses, correspondence, plans, designs, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of Consultant in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored digitally, magnetically and/or electronically.

D. Consultant shall own and will continue to own all right, title, and interest, including all related intellectual property rights, in and to its software, design tools, and methods used to create the work specified in this Agreement. City acknowledges that Consultant's software services are trademarks of Consultant or third parties, and no proprietary rights, title, interest or license to such marks is granted herein, except as otherwise provided in this Agreement.

E. Consultant is permitted to showcase the final, publicly launched brand work created for City under this Agreement in its portfolio and marketing materials. However, Consultant shall not, for any other purpose, use City's name or insignia, photographs of the Project, or any publicity pertaining to the Services in any magazine, trade paper, newspaper, television, or radio production, or other similar medium, without the prior written consent of City.

10. INDEMNIFICATION AND DEFENSE

A. Indemnification. To the fullest extent permitted by law, Consultant shall indemnify and hold harmless the City and any and all of its officials, employees, agents, and/or volunteers ("Indemnified Parties"), from and against any and all claims, demands, actions, suits, losses, liabilities, damages, costs, and expenses, including attorney's fees and costs, arising out of or in any way connected with the willful misconduct or negligent acts, errors or omissions of Consultant, its agents, employees, subcontractors, or invitees, including each person or entity responsible for the provision of services hereunder. In the event there is more than one person or entity named in the Agreement as a Consultant, then all obligations, liabilities, covenants and conditions under this Section shall be joint and several. Consultant's duty to indemnify and hold harmless the Indemnified Parties shall not extend to the sole negligence or willful misconduct of the Indemnified Parties.

B. Duty to Defend. In the event the Indemnified Parties, individually or collectively, are made a party to any claim, action, lawsuit, or other adversarial proceeding

arising or alleged to arise out of or is in any way connected with the performance of Consultant's Services under this Agreement, and upon demand by the City, Consultant shall immediately defend the Indemnified Parties at Consultant's cost or at the City's option to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters, regardless of whether or not Consultant, its officers, agents, employees, and/or subconsultants are specifically named or otherwise asserted to be liable, and regardless of whether or not there is any evidence of finding of fault or wrongdoing by Consultant, its officers, agents, employees and/or subconsultants. Payment by the City is not a condition precedent to enforcement of this provision.

C. In the event of any dispute between Consultant and the City as to whether liability arises from the sole negligence or willful misconduct of the City or its officials, employees, agents, and/or volunteers, Consultant will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the Indemnified Parties as solely negligent or to have acted with willful misconduct. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs, including but not limited to attorney's fees, expert fees, and costs of litigation.

D. City does not and shall not waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.

E. This Section and all provisions contained herein (including but not limited to the duty to indemnify, defend, and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the City may have at law or in equity.

11. INSURANCE

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

12. INDEPENDENT CONTRACTOR

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

any of Consultant's officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent contractor relationship created by this Agreement. Consultant further agrees to indemnify and hold the City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Consultant under this Agreement as a result of Consultant's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

C. In the event that Consultant or any employee, agent, or subconsultant of Consultant providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (CalPERS) to be eligible for enrollment in CalPERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in CalPERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for CalPERS benefits.

13. LEGAL RESPONSIBILITIES

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

14. UNDUE INFLUENCE

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

15. NO BENEFIT TO ARISE TO CITY EMPLOYEES

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

16. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.

B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the Services performed hereunder or with respect to any project or property located within the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from

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informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

17. NOTICES

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

To the City:
City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attention: Maricela Balderas,
Community Services Director
MaricelaBalderas@santafesprings.gov

To Consultant:
789, Inc.
101 N. Citrus Ave., Suite 3C,
Covina, CA 91723
Attention: Charles “Charley” Bell, President
charley@789inc.com

18. ASSIGNMENT

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

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19. LICENSES

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

20. GOVERNING LAW

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

21. ENTIRE AGREEMENT

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

22. AMENDMENTS

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

23. NON-EXCLUSIVE AGREEMENT

Consultant acknowledges that the City may enter into agreements with other consultants for services similar to the services that are subject to this Agreement or may have its own employees perform services similar to those services contemplated by this Agreement.

24. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

25. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with

respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

26. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

27. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

28. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

29. AUTHORITY TO EXECUTE THIS AGREEMENT

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

30. ELECTRONIC SIGNATURES

The parties acknowledge and agree that execution of this Agreement by electronic signatures or electronic transmittal of signatures are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

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

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CITY OF SANTA FE SPRINGS

_____
René Bobadilla, City Manager

Date: _____

CONSULTANT

_____
Charles Bell, President

Date: _____

ATTEST:

_____
Fernando Muñoz, City Clerk

APPROVED AS TO FORM:

_____
Rick Olivarez, City Attorney

Attachments:
Exhibit A Consultant's Statement of Work & Fees; Tier 3
Exhibit B Insurance Requirements

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EXHIBIT A

CONSULTANT'S STATEMENT OF WORK & FEES

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Brand Application Retainer

Scope of Services Summary

As the City of Santa Fe Springs begins implementing its new brand across all communication and public-facing touchpoints, a structured creative retainer ensures continuity, accuracy, and strong rollout momentum. The following retainer tiers provide ongoing access to the 789, Inc. design team for the development, refinement, and application of the City's visual identity across print, digital, and environmental platforms.

Each tier includes:

Included Services (All Tiers)

- Application of the new brand system across City collateral
- Design of print assets (brochures, mailers, signage, guides, flyers)
- Digital asset creation (web headers, social media graphics, e-communications)
- Environmental design support (wayfinding, facilities signage, vehicles, kiosks)
- File preparation (print-ready, digital-ready)
- Minor copy adjustments and art direction
- Project management and coordination with City departments
- Priority scheduling and predictable turnaround

Note:

- Hours can be used flexibly across any City department
- Unused hours can roll over for 60 days
- Additional hours beyond the monthly retainer are billed at the respective tier rate

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Tier 1: 40 Hours/Month

Consistent monthly brand support, ideal for moderate design volume, gradual rollout of brand elements, and the ongoing creation of core communication materials.

Rate: $125/hour
Term: 12 months
Monthly Cost: $5,000
Annual Cost: $60,000

Tier 2: 60 Hours/Month

Active brand deployment, including multiple departments, seasonal campaigns, facility signage, and regular print/digital asset production.

Rate: $115/hour
Term: 10 months
Monthly Cost: $6,900
Total Cost: $69,000

Tier 3: 80 Hours/Month

Fast-paced or large-scale implementation cycles where simultaneous projects (print, digital, environmental) require parallel development and quicker turnarounds.

Rate: $105/hour
Term: 8 months
Monthly Cost: $8,400
Total Cost: $67,200

Tier 4: 100 Hours/Month

Accelerated, high-volume brand rollout—ideal for departments requiring immediate brand conversion of signage, facilities, vehicles, uniforms, presentations, web assets, and community-wide materials.

Rate: $95/hour
Term: 6 months
Monthly Cost: $9,500
Total Cost: $57,000

EXHIBIT B

INSURANCE REQUIREMENTS

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

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than $1,000,000 per occurrence, $2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

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

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of $1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

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

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

Other provisions or requirements

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

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

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

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

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

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

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of

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non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

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

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

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

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

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

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

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

Consultant's compensation or come to some other agreement to address the additional cost.

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

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

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

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