



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

TUESDAY, FEBRUARY 3, 2026
AT 5:00 P.M.

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

CITY COUNCIL

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

CITY MANAGER

René Bobadilla, P.E.

CITY ATTORNEY

Rick Olivarez

CITY STAFF

Assistant City Manager
Interim Fire Chief
Police Chief
Director of Community Development
Interim Director of Community Services
Director of Finance
Director of Parks & Recreation
Director of Police Services
Director of Public Works
City Clerk

Nicholas Razo
Michael Kozicki
Aviv Bar
Cuong Nguyen
Kaili Torres
Julio Morales
Gus Hernandez
Arlene Salazar
James Enriquez
Maribel Garcia

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 LEGAL – ANTICIPATED LITIGATION: One Matter

(Pursuant to California Government Code Sections 54956.9(d)(2) and 54569(e)(1))

CLOSED SESSION REPORT**REGULAR SESSION – BEGINNING AT 6:00 P.M.****INVOCATION****PLEDGE OF ALLEGIANCE****PRESENTATIONS - NONE****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****2. PUBLIC HEARING FOR FIRST READING OF ORDINANCE NO. 1166 AMENDING SECTIONS 155.175.2 (USES) AND 155.637 (MINI-WAREHOUSES) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINING THAT THE PROJECT IS EXEMPT FROM CEQA (COMMUNITY DEVELOPMENT)**

- 1) Open the Public Hearing; and

- 2) Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
- 3) Find and determine that the proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and
- 4) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
- 5) Introduce by title only and waive further reading of Ordinance No. 1166: An Ordinance of the City of Santa Fe Springs Municipal Code relating to mini-warehouses in the Mixed-Used Transit-Oriented Development (MU-TOD) zone; and
- 6) 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.

HOUSING SUCCESSOR

**3. MINUTES OF THE JANUARY 13, 2026 HOUSING SUCCESSOR MEETINGS
(CITY CLERK)**

RECOMMENDATION: It is recommended that the Housing Successor:

- 1) Approve the minutes as submitted.

SUCCESSOR AGENCY

**4. MINUTES OF THE JANUARY 13, 2026 SUCCESSOR AGENCY MEETINGS
(CITY CLERK)**

RECOMMENDATION: It is recommended that the Successor Agency:

- 1) Approve the minutes as submitted.

CITY COUNCIL

5. MINUTES OF THE JANUARY 13, 2026 CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the minutes as submitted.

6. RESOLUTION NO. 9999 – WEED ABATEMENT (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

- 1) Adopt Resolution No. 9999 declaring weeds a public nuisance, declaring the intention to remove them, and setting Tuesday, February 17, 2026 as the date for Public Hearing.

7. RESIDENTIAL CONCRETE IMPROVEMENT 2025–2026 – AWARD OF CONTRACT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Award a construction contract to C J Concrete Construction, Inc. of Santa Fe Springs, California in the amount of \$158,150 for the construction of the Residential Concrete Improvement 2025-2026 project and authorize the City Manager to execute the agreement; and
- 2) Take such additional, related action that may be desirable.

8. LANDSCAPE MAINTENANCE SERVICES – AWARD OF CONTRACT (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Accept the proposal from Merchants Landscape Services, Inc. in response to RFB No. 26-1 for Landscape Maintenance Services; and
- 2) Award a contract to Merchants Landscape Services, Inc. from Santa Ana, California for Landscape Maintenance Services in the annual amount not to exceed \$1,329,633; and
- 3) Authorize the City Manager to execute the agreement with Merchants Landscape Services, Inc., and
- 4) Amend the Fiscal Year 2025-26 Adopted Budget with an appropriation of \$106,211 from the General Fund; and
- 5) Take such additional, related, action that may be desirable

9. APPROVAL OF THREE OPERATING AGREEMENTS WITH CLEAR CHANNEL OUTDOOR, LLC FOR POSTER BILLBOARD CONVERSION (COMMUNITY DEVELOPMENT)

RECOMMENDATION: It is recommended that the City Council:

- 1) Adopt Resolution No. 9998, approving three (3) Operating Agreements between the City of Santa Fe Springs and Clear Channel Outdoor, LLC, allowing Clear Channel Outdoor, LLC to convert five existing static poster billboard faces to electronic poster billboards; and
- 2) 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, Maribel Garcia, 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.



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
Laurel Reimer, AICP, Planning Consultant

SUBJECT: PUBLIC HEARING FOR FIRST READING OF ORDINANCE NO. 1166 AMENDING SECTIONS 155.175.2 (USES) AND 155.637 (MINI-WAREHOUSES) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE AND DETERMINING THAT THE PROJECT IS EXEMPT FROM CEQA

DATE: February 3, 2026

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Open the Public Hearing; and
- 2) Receive any comments from the public wishing to speak on this matter and thereafter close the Public Hearing; and
- 3) Find and determine that the proposed Zoning Code Amendment is consistent with the goals, policies, and programs of the City's General Plan; and
- 4) Find and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3); and
- 5) Introduce by title only and waive further reading of Ordinance No. 1166: An Ordinance of the City of Santa Fe Springs Municipal Code relating to mini-warehouses in the Mixed-Use Transit-Oriented Development (MU-TOD) zone; and
- 6) Take such additional, related action that may be desirable.

ZONING CODE AMENDMENT – MINI-WAREHOUSES IN MU-TOD

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FISCAL IMPACT

Adoption of the proposed Zoning Code Amendment will not have a fiscal impact.

PLANNING COMMISSION PUBLIC HEARING AND RECOMMENDATION

On December 8, 2025, the Planning Commission conducted a duly noticed public hearing to review and consider the proposed Zoning Code Amendment (ZCA) regarding mini-warehouses in the MU-TOD zone. Following a thorough evaluation of written and oral reports, and public discussions during the meeting, the Commissioners voted unanimously to adopt Resolution No. 310-2025. This resolution recommends that the City Council approve and adopt Ordinance No. 1166 to effectuate the proposed amendments to the text of the City's Municipal Code, and determine that the proposed ZCA is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). It is worth noting that no comments were received from the community or interested parties regarding the ZCA.

BACKGROUND/DISCUSSION

The City first established regulations for mini-warehouse uses with the adoption of Ordinance 468 on October 10, 1974. Ordinance 468 added a definition of "mini-warehouse" to distinguish a mini-warehouse use from a typical warehouse use, required approval of a Conditional Use Permit prior to establishment of a mini-warehouse, and included provisions to restrict the size, location, and function of a mini-warehouse. Mini-warehouses were limited to the M-1 and M-2 Zones on parcels less than two acres in size. Additionally, mini-warehouses could not be located within 1,000 feet of a residential zone, commercial zone, school, or park, or occupy frontage on a freeway, major, or secondary highway.

On September 28, 2017, the City Council adopted Ordinance No. 1089 to amend the Zoning Regulations to allow for mini-warehouses on parcels up to three acres in size, on properties adjoining a freeway, major or secondary highway, and located within 1,000 feet of a residential zone, commercial zone, school, or park. Ordinance No. 1089 also required approval of a Development Plan Approval, in addition to a Conditional Use Permit, and added architectural and design requirements for mini-warehouse buildings.

On August 21, 2025, Amerco Real Estate Company, a real estate company providing real estate and development services for U-Haul, submitted an application for a Zoning Code Amendment. The proposed Zoning Code Amendment (Attachment A) will amend Sections 155.175.2 (Uses) and 155.637 (Mini-Warehouses) of the Zoning Code to allow for mini-warehouse uses in the Mixed-Use Transit-Oriented Development (MU-TOD) zone. Specifically, the ZCA will achieve the following:

- Require an operating agreement for all mini-warehouses in all zones
- Make mini-warehouses a conditionally permitted use in the MU-TOD zone

ZONING CODE AMENDMENT – MINI-WAREHOUSES IN MU-TOD

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- Require mini-warehouses in the MU-TOD zone to comply with the mixed-use zones' architectural design standards
- Require mini-warehouses in the MU-TOD zone to be a minimum of three stories
- Require mini-warehouses in the MU-TOD zone to include an active ground-floor commercial or retail use that contributes to and supports a pedestrian-oriented experience
- Limit the location of mini-warehouses in the MU-TOD zone to parcels that directly abut a heavy railway
- Require ancillary rental moving vehicles to be stored in a designated area and screened from view

ANALYSIS

The proposed Zoning Code Amendment is consistent with the following Santa Fe Springs General Plan Goals and Policies:

1. Policy LU-1.6 – Community Benefits. Ensure that new development(s) provide a net community benefit and pay their fair share of fiscal impacts on infrastructure and services.
2. Policy LU-6.8 – Community Facilities. Locate community facilities, such as shopping areas, places of worship, clubs, and governmental offices on the periphery of residential areas so as to have both convenient vehicular access from arterial streets (without inducing traffic over local residential streets) and convenient pedestrian access from adjacent residential areas.
3. Goal LU-11 – Well-designed, attractive business districts and neighborhoods.
4. Policy ED-3.4 – Mixed Use Commercial Uses. Maximize retail and commercial services within mixed-use development and within the transit-oriented community districts.
5. Policy ED-4.4 – Strategic Additional Revenue Sources. Investigate the components of business-use costs, including amounts, as well as how costs can be offset by benefits, and how revenue options (e.g., impact fees targeting truck traffic) will: a) directly affect various business types and b) indirectly affect the attractiveness of the community as a business location.

Mini-warehouse uses can be complementary to the characteristics of transit-oriented development (TOD). TOD typically offers high-density housing with limited parking for private cars. In turn, high-density, multifamily housing is more likely to be rental housing than single-family homes. Apartments offer limited storage space and are overall smaller than typical detached homes, as they often do not have attached garages or yards in which possessions can be stored. In this way, proximity to a mini-warehouse can act as an extension of the home and a complement to TOD.

Mini-warehouses will require approval of a Conditional Use Permit and Development Plan Approval, ensuring mini-warehouses are attractive, comply with development standards, and operate with minimal impact to surrounding uses. Additionally, mini-warehouse

ZONING CODE AMENDMENT – MINI-WAREHOUSES IN MU-TOD

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developers will be required to enter into an operating agreement with the City to ensure public benefit.

ENVIRONMENTAL

Adoption of this Ordinance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) (Pub. Res. Code § 21000 et seq.) because it falls within the Common Sense Exemption, pursuant to CEQA Guidelines Section 15061(b)(3), which indicates that CEQA only applies to projects that have the potential to have a “significant effect on the environment,” as defined in Public Resources Code Section 21068 and in CEQA Guidelines Section 15382. Adopting the proposed Zoning Code Amendment would not be an activity with the potential to cause a significant effect on the environment. Therefore, no further action is required pursuant to CEQA.

PUBLIC NOTIFICATION

This matter was set for Public Hearing in accordance with the requirements of Sections 65090 and 65091 of the State Planning, Zoning, and Development Laws and the requirements of Sections 155.860 through 155.864 of the City’s Municipal Code.

The legal notice was posted at Santa Fe Springs City Hall, the City’s Town Center Kiosk, and the Santa Fe Springs Library on January 9, 2026, and published in a newspaper of general circulation (Los Cerritos Community News) on January 9, 2026, as required by the State Zoning and Development Laws. As of the date of this report, staff has not received any further inquiries regarding the Project.

SUMMARY/NEXT STEPS

Staff is recommending that the City Council approve and adopt Ordinance No. 1166 to effectuate the proposed amendments to the text of the City’s Municipal Code and determine that the Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3). Upon City Council approval of the first reading of Ordinance No. 1166, the Ordinance will be placed on the City Council meeting agenda of February 17, 2026, for a second reading. If adopted, the Ordinance will take effect on March 17, 2026.

ATTACHMENT(S):

- A. Ordinance No. 1166
 - a. Exhibit A – Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the Municipal Code of Santa Fe Springs

ZONING CODE AMENDMENT – MINI-WAREHOUSES IN MU-TOD

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

ORDINANCE NO. 1166

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS AMENDING SECTIONS 155.175.2 (USES) AND 155.637 (MINI-WAREHOUSES) WITHIN TITLE 15 (LAND USE), CHAPTER 155 (ZONING), OF THE SANTA FE SPRINGS MUNICIPAL CODE

WHEREAS, On December 8, 2025, the Planning Commission of the City of Santa Fe Springs conducted a duly noticed public hearing and adopted Resolution 310-2025 recommending that the City Council adopt an Ordinance to amend Sections 155.175.2 (Uses) and 155.637 (Mini-Warehouses) within Title 15 (Land Use), Chapter 155 (Zoning), of the Santa Fe Springs Municipal Code; and

WHEREAS, On February 3, 2026, the City Council of the City of Santa Fe Springs considered this Ordinance, the staff report, and all testimony, written and spoken, at a duly noticed public hearing; and

WHEREAS, the Zoning Code Amendment meets the requirements as contained in Planning and Zoning Law (Government Code sections 65800-65912); and

WHEREAS, the Zoning Code Amendment has been prepared and will be adopted in accordance with the requirements of Planning and Zoning Law (Government Code sections 65850-65860).

NOW THEREFORE, the City Council of the City of Santa Fe Springs does ordain as follows:

SECTION 1. The Zoning Code Amendment is exempt from CEQA because it falls within the common sense exemption, pursuant to CEQA Guidelines Section 15061(b)(3), which indicates that CEQA only applies to projects that have a “significant effect on the environment” as defined in Public Resources Code Section 21068 and CEQA Guidelines Section 15382 as a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project. Adopting the Zoning Code Amendment would not be an activity with the potential to cause a significant effect on the environment, and therefore is exempt from CEQA. Consequently, no other environmental documents are required by law.

SECTION 2. The Zoning Code Amendment is consistent with the following Santa Fe Springs General Plan Goals and Policies:

1. Policy LU-1.6 – Community Benefits. Ensure that new development(s) provide a net community benefit and pays their fair share of fiscal impacts on infrastructure and services.
2. Policy LU-6.8 – Community Facilities. Locate community facilities, such as shopping areas, places of worship, clubs, and governmental offices on the

- periphery of residential areas so as to have both convenient vehicular access from arterial streets (without inducing traffic over local residential streets) and convenient pedestrian access from adjacent residential areas.
3. Goal LU-11 – Well-designed, attractive business districts and neighborhoods.
 4. Policy ED-3.4 – Mixed Use Commercial Uses. Maximize retail and commercial services within mixed-use development and within the transit-oriented community districts.
 5. Policy ED-4.4 – Strategic Additional Revenue Sources. Investigate the components of business-use costs, including amounts, as well as how costs can be offset by benefits, and how revenue options (e.g., impact fees targeting truck traffic) will: a) directly affect various business types and b) indirectly affect the attractiveness of the community as a business location

Mini-warehouse uses can be complementary to the characteristics of transit-oriented development (TOD). TOD typically offers high-density housing with limited parking for private cars. In turn, high-density, multifamily housing is more likely to be rental housing than single-family homes. Apartments offer limited storage space and are overall smaller than typical detached homes, as they often do not have attached garages or yards in which possessions can be stored. In this way, proximity to a mini-warehouse can act as an extension of the home and a complement to TOD. Mini-warehouses will require approval of a Conditional Use Permit and Development Plan Approval, ensuring mini-warehouses are attractive, comply with development standards, and operate with minimal impact to surrounding uses. Additionally, mini-warehouse developers will be required to enter into an operating agreement with the City to ensure public benefit.

SECTION 3. Chapter 155 (Zoning) of Title 15 (Land Use) of the Santa Fe Springs Municipal Code is hereby amended as provided in Exhibit “A” attached hereto and incorporated herein by reference.

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

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

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Santa Fe Springs at a regular meeting on this 17th day of February, 2026.

ATTEST:

Joe Angel Zamora, Mayor

Maribel Garcia, City Clerk

APPROVED AS TO FORM:

Rick R. Olivarez, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.
CITY OF SANTA FE SPRINGS)

I, Maribel Garcia, City Clerk of the City of Santa Fe Springs, do hereby certify that the foregoing Ordinance was adopted at a regular meeting of the City Council held on the 17th day of February 2026, and was carried by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Maribel Garcia, City Clerk

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

1st READING: February 3, 2026
2nd READING: February 17, 2026

EXHIBIT A - Zoning Code Amendment
Amendments to Chapter 155 (Zoning) of Title 15 (Land Use) of the
Municipal Code of Santa Fe Springs

Key:

Normal Text = Existing unmodified Code language

~~Strikethrough Text~~ = Proposed language to be removed from the existing Code

Underline Text = Proposed language to be added to the Code

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.175.2 (Uses) is hereby amended as follows:

§ 155.175.2 USES.

Permitted uses and conditional uses are shown in Table 1 below. Where a "P" is indicated, the use is a principal permitted use in the zone. Where a "CUP" is indicated, the use is permitted in the zone only after a valid conditional use permit has first been issued. Where an "AUP" is indicated, the use requires an administrative use permit from the Director of Planning and Development. Where an "X" is indicated, the use is not allowed.

TABLE 1: MIXED-USE ALLOWED USES AND PERMIT REQUIREMENTS				
P: Permitted Use X: Use Not Allowed CUP: Conditional Use Permit AUP: Administrative Use Permit				
Uses	Land Use Regulation			Specific Use Regulations
	MU	MU-DT	MU-TOD	
<i>Residential Uses</i>				
Single unit dwelling	X	X	X	
Multi-unit dwellings	P	P	P	For projects on properties identified in the Housing Element as Lower Income Regional Housing Needs Assessment sites, those projects must comply with California Government Code § 65583.2(h) and (i) ¹
Accessory dwelling unit	P	P	P	Subject to the regulations in § 155.644
Boarding house and single room occupancy (SRO)	CUP	CUP	CUP	
Employee housing, large	P	P	P	
Employee housing, small	P	P	P	
Live/work unit	P	P	P	

Supportive housing	P	P	P	
Transitional housing	P	P	P	
<i>Care Services and Facilities</i>				
Community care facilities, large	CUP	CUP	CUP	
Community care facilities, small	P	P	P	
Emergency shelter, permanent	P	X	X	Emergency shelter facilities are subject to § 155.629.1
Emergency shelter, temporary low barrier navigation centers	P	P	P	
Family day care home, large	AUP	AUP	AUP	-Subject to Approval by Director of Planning and Development -See § 155.625; Day Care; Large Family -Allowed in stand-alone residential uses only
Family day care home, small	P	P	P	Allowed in stand-alone residential uses only
Hospitals and clinic/urgent care				CUP required for: blood/plasma donation centers, new clinic/urgent care establishments with more than 10,000 square feet of floor area, and hospitals.
Clinic/urgent care	P/CUP	P/CUP	P/CUP	
Hospital	CUP	X	X	
<i>Recreation, Education, and Public Assembly Uses</i>				
Commercial recreation facilities (indoor facilities only)	CUP	CUP	CUP	Amusement arcades are subject to § 155.614; Bingo parlors and game rooms are subject to § 155.617; Clubs, lodges and similar organizations are subject to § 155.622
Community gardens	P	P	P	
Cultural institutions	P	P	P	
Entertainment venue (indoor facilities only)	P/CUP	P/CUP	P/CUP	CUP is required for new establishments with more than 10,000 square feet of floor area or establishments with live entertainment (incidental or standalone). Adult uses are subject to § 155.602
Gymnasium and fitness centers (large)	P/CUP	P/CUP	P/CUP	CUP required for new establishments with more than 10,000 square feet of floor area

Gymnasium and fitness centers (small)	P	P	P	
Parks and public plazas	P	P	P	
Religious assembly facilities	P	P	P	
Schools, K through 12, private	CUP	CUP	CUP	
Schools, K through 12, public	P	P	P	
Technical trade, business or professional schools	CUP	CUP	CUP	
Colleges and universities, public and private	CUP	CUP	CUP	
<i>Eating Establishments</i>				
Breweries, wineries, or distilleries	CUP	CUP	CUP	Subject to § 155.628 Sale or service of alcoholic beverages
Cigar lounges and bars	P/CUP	P/CUP	P/CUP	Lounges serving alcoholic beverages are subject to § 155.723 Conditional use permits for entertainment and other uses and § 155.628 Sale or service of alcoholic beverages
Cocktail lounges and bars	CUP	CUP	CUP	Subject to § 155.723 Conditional use permits for entertainment and other uses and § 155.628 Sale or service of alcoholic beverages
<i>Restaurants</i>				
Where the outdoor dining area is more than 50% of the overall seating area	CUP	CUP	CUP	
Serving alcoholic beverages	CUP	CUP	CUP	Restaurants serving alcoholic beverages are subject to § 155.628 Sale or service of alcoholic beverages
With drive-in or drive-through facilities	CUP	CUP	CUP	
All other restaurants	P	P	P	
<i>Retail, Commercial Service, and Office</i>				
Automated teller machines (ATMs) Drive-through	CUP	CUP	CUP	
Automated teller machines (ATMs) Standalone	P	P	P	

Business support services	P	P	P	
Check cashing business and/or pawn shop	CUP	X	X	
Financial institutions and related services	P	P	P	
Hotel and/or motel	CUP	CUP	CUP	
<u>Mini-Warehouses</u>	<u>X</u>	<u>X</u>	<u>CUP</u>	<u>Subject to §155.637 Mini-warehouses</u>
Office, business, and professional (non-medical and dental offices)	P	P	P	
Office, medical or dental	P	P/CUP	P/CUP	CUP required for medical or dental office developments with more than 10,000 square feet of floor area
Personal services, general	P	P	P	
Personal services, restricted	CUP	CUP	CUP	
Retail, general	P/CUP	P/CUP	P/CUP	CUP required for new retail establishments with more than 20,000 square feet of floor area or more than 2,000 square feet of outdoor sales
Retail, restricted	CUP	CUP	CUP	
Veterinary clinic and/or animal grooming (indoor only)	P	P	P	Outdoor kennels or dog runs are not permitted
<i>Automobile-Oriented Uses</i>				
Automobile sales and rental	X	X	X	
Automobile washing/detailing	X	X	X	
Automobile service, major	X	X	X	
Automobile service, minor	X	X	X	
Drive-in/drive-through establishments	CUP	CUP	CUP	
Service/fueling station, automobile	X	X	X	
<i>Light Industrial</i>				
Laboratory; medical, analytical, research, testing (existing uses only)	CUP	CUP	X	Expansion of existing uses is subject to CUP; new uses are prohibited

Manufacturing, light (existing uses only)	CUP	CUP	X	Expansion of existing uses is subject to CUP; new uses are prohibited
Research and development (existing uses only)	CUP	CUP	X	Expansion of existing uses is subject to CUP; new uses are prohibited
<i>Other Uses</i>				
Transit stations	CUP	CUP	P	
Utility facilities				
Facilities with on-site staff	CUP	CUP	CUP	
Facilities with no on-site staff	P	P	P	
Wireless telecommunication facilities, satellite dish antenna	Subject to Chapter 157 (Wireless Telecommunications Facilities) and as otherwise regulated by this section.			

Notes:

¹ For housing element sites, please see General Plan Housing element Tables H-33 and H-34 at www.santafesprings.org, Government Code Section 65583.2, subdivisions (h) and (i) generally include, but are not limited to, permitting housing developments with 20 percent affordability to lower-income households without discretionary action at minimum densities of 20 units per acre and meeting residential only performance standards. For more information, please see https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=1.&title=7.&part=&chapter=3.&article=10.6.

Code of Ordinances of the City of Santa Fe Springs Chapter 155, Section 155.637 (Mini-warehouses) is hereby amended as follows:

§ 155.637 MINI-WAREHOUSES.

- (A) Mini-warehouses shall be permitted in the M-1, ~~and M-2 Zones~~ and MU-TOD Zones only after a valid conditional use permit, operating agreement and development plan approval have been granted. Notwithstanding, no conditional use permit shall be granted for a mini-warehouse facility along the Telegraph Road Corridor.
- (B) Individual storage units shall only be used for the pick-up and deposit of goods and/or property within the storage unit. Storage units shall not be used for any other activities, including, but not limited to:
 - (1) Residences, with the exception of the manager's residential unit;
 - (2) Offices, workshops, studios, hobby or rehearsal areas;
 - (3) Manufacturing, fabrication, or processing of goods, service or repair of vehicles, engines, appliances or other electrical equipment, or any other industrial activity;
 - (4) Conducting retail sales of any kind including garage or estate sales or auctions or to conduct any other commercial activity;

- (5) Storage of flammable, perishable or hazardous materials or the keeping of animals; and
 - (6) Truck or vehicle rental without obtaining all necessary approvals.
- (C) In addition to any other conditions which may be imposed on the granting of such conditional use permit and development plan approval, including, but not limited to, hours of operation, noise, lighting, and security, the following conditions shall apply:
- (1) Mini-warehouses shall not be located on parcels exceeding three acres in size.
 - (2) The exterior walls of all mini-warehouses shall be constructed of masonry or concrete. Other materials may be acceptable for exterior walls if the Planning Commission determines that visual compatibility with the surrounding development can be achieved with the use of such materials. Within the MU-TOD Zone, exterior wall materials shall be visually compatible with those of surrounding existing or prospective residential and/or mixed-use developments, per §155.175.15 (Architectural Design Standards) of the Zoning Code. The use of prefabricated structures is prohibited.
 - (3) Setbacks and landscaping greater than those required by other provisions of this chapter may be required if deemed necessary by the Planning Commission to make such facilities compatible with existing or prospective developments in the area.
 - (4) No part of the facility shall be converted to another use unless and until proper approval has been granted by the Planning Commission and by the City Council.
 - (5) Outdoor storage is prohibited.
 - (6) The development shall meet the requirements of the Fire Department as to adequate fire protection.
 - (7) There shall be no uses or storage of materials not permitted by the type of structure or classification of occupancy as specified in the Building Code and Fire Code.
 - (8) Access aisles shall not be used for storage purposes.
 - (9) Area designated for off-street parking shall not be used for storage of vehicles or other materials.
 - (10) Chain-link (or similar), barbed or razor wire fences are prohibited.
 - (11) A maximum of one manager's residential unit may be provided, but is not required.
 - (12) Access doors to individual storage units shall be located within a building or shall be screened from adjacent property and public rights-of-way.
 - (13) Projects within the M1 and M2 Zones. Mini-warehouse buildings shall incorporate architectural and design features common to contemporary industrial development. Examples of such architectural and design features include: massing; proportion; facade modulation; exterior building materials and

detailing; varied roof-line; varied recessed and projection; pedestrian scale; fenestration; etc.

(14) Projects within the MU-TOD Zone.

- (a) Mini-warehouse buildings within the MU-TOD Zone shall incorporate architectural and design features consistent with § 155.175.15 to the greatest extent to ensure compatibility with existing or prospective residential and/or mixed-use development. The building's design must be aesthetically pleasing and not appear monolithic. The facility should reflect a mixed-use or commercial building with storage units concealed from the street and adjacent properties and shall be a minimum of three stories.
- (b) Mini-warehouse buildings within the MU-TOD Zone must include a primary, active ground-floor commercial or retail use that contributes to and supports a pedestrian-oriented experience. Examples include retail storefronts, coffee shops, or restaurants.
- (c) Mini-warehouses within the MU-TOD Zone shall only be located on parcels that directly abut a heavy railway.

(15) Any ancillary moving vehicle rental shall be addressed through the Conditional Use Permit process. Such vehicles shall be stored in a designated area, screened from adjacent properties and the public right-of-way, and not impact on site parking or driveways.

- (D) Notwithstanding the foregoing, any mini-warehouse facility which existed in compliance with the existing code as of October 28, 2017 shall be deemed legally nonconforming and subject to the requirements set forth in §§ 155.385 through 155.397.

FOR ITEM NO. 3, PLEASE SEE ITEM NO. 5

FOR ITEM NO. 4, PLEASE SEE ITEM NO. 5



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: Maribel Garcia, City Clerk

SUBJECT: MINUTES OF THE JANUARY 13, 2026 CITY COUNCIL MEETINGS

DATE: February 3, 2026

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:

- Regular Meeting of January 13, 2026

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

MINUTES OF THE REGULAR COUNCIL MEETINGS

Page 2 of 2

N/A

ATTACHMENT(S):

A. January 13, 2026 Meeting Minutes

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



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

January 13, 2026

CALL TO ORDER

Mayor Rounds called the meeting to order at 5:07 p.m.

ROLL CALL

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

Members absent: None

PUBLIC COMMENTS ON CLOSED SESSION: None

1. CLOSED SESSION

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Pursuant to Government Code Section 54956.8)

Property: 11330-11350 Washington Boulevard (Assessor Parcel No. 8178-001-045)

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

Negotiation parties: Primestor Development, LLC

Under negotiation: Price and terms

2. CLOSED SESSION

CONFERENCE WITH LEGAL – ANTICIPATED LITIGATION

(Pursuant to California Government Code Sections 54956.9(d)(2) and 54569(e)(1): One Matter

City Attorney, Rick Olivarez announced that there was one additional walk-on item for closed session consideration pursuant to California Government Code Sections 54956.9(d)(2).

2a. CLOSED SESSION

CONFERENCE WITH LEGAL-ANTICIPATED LITIGATION

(Pursuant to California Government Code Sections 54956.9(d)(2): One Matter

Mayor Rounds recessed the meeting at 5:09 p.m.

Mayor Rounds reconvened the meeting at 6:17 p.m.

CLOSED SESSION REPORT

City Attorney Olivarez provided a closed session report: Direction was given to staff and no reportable action was taken.

INVOCATION

Councilmember Mora led the invocation.

PLEDGE OF ALLEGIANCE

Councilmember Martin led the pledge of allegiance.

PRESENTATIONS

None

3. **RECOGNITION OF OUTGOING MAYOR FROM LEGISLATIVE, BUSINESS, AND EDUCATIONAL REPRESENTATIVES**
4. **MAYOR YEAR-END RECAP**

CHANGES TO AGENDA

City Manager, René Bobadilla announced that staff would like to add two walk-on items; “2024- 2027 MOU Between the City of Santa Fe Springs and the Santa Fe Springs Executive Management Association and the Santa Fe Springs Firefighters Association” and “Interstate 5 Consortium Cities Joint Powers Authority Agreement-Amendment No. 8”. Council unanimously approved to have both items included in the consent calendar as Item Nos. 7 and 8.

Copies of each walk-on item were made available to the Council and the public.

PUBLIC COMMENTS

The following person spoke during public comments: Yasmin Gomes

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

None

REGULAR BUSINESS

5. **INSTALLATION OF MAYOR AND MAYOR PRO TEM**

City Clerk, Maribel Garcia announced that per Ordinance No. 1149, Mayor Pro Tem Joe Angel Zamora was the next councilmember positioned to be Mayor. Mayor Pro Tem Zamora accepted the position of Mayor.

The City Clerk announced that per Ordinance No. 1149, Councilmember Annette Rodriguez was the next councilmember positioned to be Mayor Pro Tem. Councilmember Rodriguez accepted the position of Mayor Pro Tem.

It was moved by Councilmember Martin, seconded by Councilmember Rounds, to

approve the Installation of Mayor and Mayor Pro Tem, by the following vote:

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

CONSENT CALENDAR

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

CITY COUNCIL

6. MINUTES OF THE NOVEMBER 28 AND DECEMBER 9, 2025 SPECIAL AND ADJOURNED CITY COUNCIL MEETINGS (CITY CLERK)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the minutes as submitted.

7. 2024-2027 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SANTA FE SPRINGS AND THE SANTA FE SPRINGS EXECUTIVE MANAGEMENT ASSOCIATION AND THE SANTA FE SPRINGS FIREFIGHTERS ASSOCIATION (HUMAN RESOURCES)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve the updated 2024-2027 Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Executive Management Association
- 2) Approve the updated 2024-2027 Memorandum of Understanding between the City of Santa Fe Springs and the Santa Fe Springs Firefighters Association

8. INTERSTATE 5 CONSORTIUM CITIES JOINT POWERS AUTHORITY AGREEMENT – AMENDMENT NO. 8 (PUBLIC WORKS)

RECOMMENDATION: It is recommended that the City Council:

- 1) Approve Amendment No. 8 to the Interstate 5 Consortium Cities Joint Powers Authority (I-5 JPA) Agreement; and
- 2) Authorize the City Manager to execute Amendment No. 8; and
- 3) Take such additional, related, action that may be desirable.

It was moved by Councilmember Martin, seconded by Mayor Pro Tem Rodriguez, to

approve the consent calendar, by the following vote:

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

COUNCIL COMMENTS/AB1234 COUNCIL CONFERENCE REPORTING

Councilmember Rounds talked about attending the Sacramento Legislative Tour. Topics included housing.

Councilmember Martin talked about attending Sacramento Legislative Tour. Topics included homelessness and fund allocation. She also mentioned the “fast” breakout sessions and the EOC.

Councilmember Mora talked about attending the Sacramento Legislative Tour.

Mayor Pro Tem Rodriguez talked about her first time attending the Press Conference at the Sacramento Legislative Tour.

Mayor Zamora talked about attending the Sacramento Legislative Tour. He thanked everyone for their attendance including his prayer groups.

ADJOURNMENT

Mayor Zamora adjourned the meeting at 7:46 p.m.

Joe Angel Zamora
Mayor

ATTEST:

Maribel Garcia
City Clerk

Date



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

BY: Maribel Garcia, City Clerk

SUBJECT: RESOLUTION NO. 9999 – WEED ABATEMENT

DATE: February 3, 2026

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Adopt Resolution No. 9999 declaring weeds a public nuisance, declaring the intention to remove them, and setting Tuesday, February 17, 2026 as the date for Public Hearing.

FISCAL IMPACT

N/A

BACKGROUND

The City contracts with the Los Angeles County Agricultural Commissioner for the abatement of weeds. The county has conducted their annual inspection of the properties in the City and listed those needing weeds abated. If the proposed resolution is passed, it will declare hazardous weeds, brush, rubbish, etc., growing or occurring upon or in front of the listed properties as a seasonal and recurrent public nuisance. Weed abatement notices will be mailed to all property owners listed on or before February 1st, 2026.

Resolution No. 9999 declares the weeds to be a public nuisance and sets a Public Hearing on the matter for Tuesday, February 17, 2026, at 6:00 p.m. where property owners will have an opportunity to object to any part of the weed abatement process.

Resolution No. 9999 provides property owners with the option of abating the weeds themselves, contracting the work to others, or having the County Agricultural

2026 WEED ABATEMENT RESOLUTION

Page 2 of 2

Commissioner's contractor perform the work. Costs for work performed by the County, if approved by the City Council, will be assessed to the respective property owner's tax bill.

ANALYSIS

N/A

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

If approved, the public hearing for weed abatement charges will be held on February 17, 2026.

ATTACHMENT(S):

- A. Resolution No. 9999
- B. Declaration List

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

RESOLUTION NO. 9999

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS DECLARING THAT WEEDS, BRUSH, RUBBISH AND REFUSE UPON OR IN FRONT OF SPECIFIED PROPERTY IN THE CITY ARE A SEASONAL AND RECURRENT PUBLIC NUISANCE, AND DECLARING ITS INTENTION TO PROVIDE FOR THE ABATEMENT THEREOF

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

BE IT RESOLVED THAT, pursuant to the provisions of Title 4, Division 3, Part 2, Chapter 13, Article 2, of the California Government Code, Sections 39560 to 39588, inclusive, and evidence received by it, the City Council of the City of Santa Fe Springs specifically finds:

SECTION 1. That the weeds, brush or rubbish growing or existing upon the streets, sidewalks, or private property in the city attain such large growth as to become, when dry, a fire menace to adjacent improved property, or which are otherwise noxious, dangerous, or a public nuisance.

SECTION 2. That the presence of dry grass, stubble, refuse, or other flammable materials are conditions which endanger the public safety by creating a fire hazard.

SECTION 3. That by reason of the foregoing fact, the weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material growing or existing upon the private property hereinafter described, and upon the streets and sidewalks in front of said property constitute a seasonal and recurrent public nuisance and should be abated as such.

SECTION 4. That the private property, together with the streets and sidewalks in front of same herein referred to, is more particularly described as follows, to wit: That certain property described in the attached list hereto and by this reference made a part hereof as though set forth in full at this point.

BE IT THEREFORE RESOLVED, pursuant to the findings of fact, by this Council heretofore made, that the weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material in and upon and in front of the real property hereinbefore described constitute and are hereby declared to be a seasonal and recurrent public nuisance which should be abated. The Agricultural Commissioner/Director of Weights and Measures, County of Los Angeles, is hereby designated the person to give notice to destroy said weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material and shall cause notices to be given to each property owner by United States Mail and said notice shall be substantially in the following form to wit.

**NOTICE TO DESTROY WEEDS,
REMOVE BRUSH, RUBBISH AND REFUSE**

Notice is hereby given that on February 3, 2026, the City Council of the City of Santa Fe Springs passed or will pass a resolution declaring noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish and refuse were growing or occurring upon or in front of said property on certain streets in said city or unincorporated area of the County of Los Angeles, and more particularly described in the resolution, and that they constitute a public nuisance which must be abated by the removal of said noxious or dangerous vegetation, rubbish and refuse. The resolution further declares that, if not abated, the vegetation and/or rubbish and refuse may be removed and the nuisance abated by County authorities in which case the cost of removal shall be assessed upon the land from or in front of which the noxious or dangerous vegetation, rubbish and refuse are removed. Such cost will constitute a special assessment against such lots or lands. Reference is hereby made to said resolution for further particulars. In addition, the Board of Supervisors of the County of Los Angeles authorized and directed the Agricultural Commissioner to recover its costs of details. All property owners having any objections to the proposed removal of noxious or dangerous vegetation, rubbish and refuse and the recovery of inspection costs, are hereby notified that they may attend a hearing of the City Council of said city to be held at 11710 East Telegraph Road, Santa Fe Springs, CA 90670, in the Council Chambers on February 17, 2026 at 6:00 p.m. where their objections will be heard and given due consideration. If the property owner does not want to present objections to the proposed removal of the noxious or dangerous vegetation including weeds, brush, tumbleweeds, sagebrush, and chaparral or rubbish and refuse, or the recovery of inspection costs, the owner need not appear at the above-mentioned hearing.

City Clerk of the City of Santa Fe Springs

BE IT THEREFORE RESOLVED, that the Agricultural Commissioner is hereby authorized and directed to recover its costs of inspection of the properties hereinabove described in a manner consistent with prior action of the Board adopting a fee schedule for such inspections. The recovery of these costs is vital to the ongoing operation governing the identification and abatement of those properties that constitute a seasonal and recurrent public nuisance and endanger the public safety.

BE IT FURTHER RESOLVED THAT, the 17th day of February, 2026, at the hour of 6:00 p.m. of said day is the day and hour, and the Meeting Room of the City Council of the City of Santa Fe Springs in the City Hall in the City of Santa Fe Springs is fixed by this City Council as the place when and where any and all property owners having any objections to the aforesaid proposed removal of weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material may appear before the City Council and show cause why said weeds, brush, rubbish, dry grass, stubble, refuse, or other flammable material should not be removed in accordance with this resolution, and said objections will then and there be heard and given due consideration; and

BE IT RESOLVED THAT the notices to destroy weeds, brush, rubbish, dry grass, stubble, refuse or other flammable material hereinbefore referred to shall be mailed by said Agricultural Commissioner/Director of Weights and Measures at least ten days prior to February 17, 2026.

PASSED and ADOPTED this 3rd day of February, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Angel Zamora, Mayor

ATTEST:

Maribel Garcia, City Clerk

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
7005 001 803		SO PAC CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
7005 014 801		SO PAC CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
7005 014 803		SO PAC CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
7005 014 913	13560 FIRESTONE BLVD	DEPARTMENT OF TRANSPORTATION	100 S MAIN ST MS 13	LOS ANGELES CA	90012
7005 014 915	13580 FIRESTONE BLVD	DEPARTMENT OF TRANSPORTATION	100 S MAIN ST MS 13	LOS ANGELES CA	90012
8002 013 801		SOU PAC TRANS CO S B OF E PAR 1 MAP 872-19-130	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 013 803		SOU PAC TRANS CO S B OF E PAR 1 MAP 872-19-130	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 015 800		SOU PAC CO SBE PAR 13 72-19-130D	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 015 801		SOU PAC COS B OF E PAR 8 MAP 72- 19-56	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 015 805		SOU PAC TRANS CO SBE PAR 12 MAP 72-19-130C	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 015 806		SOU PAC TRANS CO S B E PAR 12 AP 872-19-129E	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8002 017 803		A T&S F RY COS B OF E PAR 7 MAP 04- 19-43	8920 REX RD	PICO RIVERA CA	92660
8002 019 042		MCMASTER CARR SUPPLY COMPANY	9630 NORWALK BLVD	SANTA FE SPRINGS CA	90670
8002 021 801		A T&S F RY COS B OF E PAR 8 MAP 04- 19-43	8920 REX RD	PICO RIVERA CA	92660
8002 021 803	LOS NIETO RD	A T AND S F RY CO	8920 REX RD	PICO RIVERA CA	92660
8002 021 804		A T&S F RY COS B OF E PAR 9 MAP 04- 19-43	8920 REX RD	PICO RIVERA CA	92660

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8005 009 800		SOU PAC COS B OF E PAR 3 MAP 72-19-129A	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8005 010 801		SOU PAC TRANS CO SBE PAR 15 MAP 72-19-129F	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8005 012 027		GEARY AVENUE PROPERTIES LLC	8536 WHITE FISH CIR	FOUNTAIN VALLEY CA	92708
8005 012 047	10137 NORWALK BLVD	GEMINIS PROPERTY DEVELOPMENT LLC	PO BOX 2767	SANTA FE SPRINGS CA	90670
8005 012 800		SOU PAC TRANS CO SBE PAR 13 MAP 72-19-129E	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8005 015 047		WG HOLDINGS SPV LLC	109 N POST OAK LN STE 230	HOUSTON TX	77024
8005 015 050		WG HOLDINGS SPV LLC	249 OCEAN BLVD	LONG BEACH CA	90802
8005 015 051		WG HOLDINGS SPV LLC	109 N POST OAK LN STE 230	HOUSTON TX	77024
8008 017 800		SOU PAC TRANS CO SBE PAR 10 MP 72-19-128F 2 PT	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8009 001 095		TOWNLOT FEE LLC	707 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 001 097		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 001 098		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 001 101		TOWNLOT FEE LLC	717 WILSHIRE BLVD., 46TH FL	LOS ANGELES CA	90017
8009 004 078		TOWNLOT FEE LLC	707 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 004 079		TOWNLOT FEE LLC	707 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 004 116		TOWNLOT FEE LLC	717 WILSHIRE BLVD., 46TH FL	LOS ANGELES CA	90017
8009 004 117		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 004 118		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8009 004 119		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 004 127		TOWNLOT FEE LLC	717 WILSHIRE BLVD 46TH FL	LOS ANGELES CA	90017
8009 004 128		TOWNLOT FEE LLC	717 WILSHIRE BLVD., 46TH BLVD	LOS ANGELES CA	90017
8009 022 071		SFS REAL ESTATE AND RECOVERY LLC	14555 N 82ND ST	SCOTTSDALE AZ	85260
8009 023 043					
8009 025 800		SOU PAC TRANS CO SBE PAR 11 MAP 72-19-128F	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8009 026 809		SOU PAC TRANS CO	1400 Douglas St Stop 1690	OMAHA NE	68179
8011 002 807		AT AND SF RY CO SBE PAR 34&35 M 804-19-43 M	8920 REX RD	PICO RIVERA CA	92660
8011 004 031		12720 TELEGRAPH LLC	109 N POST OAK LN	HOUSTON TX	77024
8011 004 064		SFW SYSTEMS LLC	PO BOX 235	RANCHO SANTA FE CA	92067
8011 005 013	13007 TELEGRAPH RD	GREEN LEAF XC, LLC	3010 OLD RANCH PARKWAY SUITE 470	SEAL BEACH CA	90740
8011 005 034	10330 GREENLEAF AVE	GREENLEAF XC, LLC	3010 OLD RANCH PARKWAY SUITE #470	SEAL BEACH CA	90740
8011 007 026		TALL PROPERTIES LLC	PO BOX 5547	FULLERTON CA	92838
8011 007 027		TALL PROPERTIES LLC	PO BOX 5547	FULLERTON CA	92838
8011 007 028		TALL PROPERTIES LLC	PO BOX 5547	FULLERTON CA	92838
8011 007 029		TALL PROPERTIES LLC	PO BOX 5547	FULLERTON CA	92838
8011 007 038		12720 TELEGRAPH LLC	109 N POST OAK LN	HOUSTON TX	77024
8011 007 039		PRODUCTOL INC	12243 BRANFORD ST	SUN VALLEY CA	91352

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8011 007 040		12720 TELEGRAPH LLC	109 N POST OAK LN STE	HOUSTON TX	77024
8011 007 041		PRODUCTOL INC	12243 BRANFORD ST	SUN VALLEY CA	91352
8011 015 041	10765 PAINTER AVE	WESTMONT PROPERTIES INC	10805 PAINTER AVE	SANTA FE SPRINGS CA	90670
8011 016 802		A T AND S F RY CO SBE PAR 27 MA 804-19-43J W PT	8920 REX RD	PICO RIVERA CA	92660
8011 017 015		CONTINO, SAM H ET AL HASELTON, TONI A	27156 N 103RD WAY	SCOTTSDALE AZ	85262
8011 017 808		A T AND S F RY CO S B E PAR 2 M 804- 19-44	8920 REX RD	PICO RIVERA CA	92660
8011 017 809		A T AND S F RY CO S B OF E PAR MAP 804-19-43J	8920 REX RD	PICO RIVERA CA	92660
8011 017 810		A T AND S F RY CO S B OF E PAR MAP 804-19-43J	8920 REX RD	PICO RIVERA CA	92660
8017 018 800		SOU PAC CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8017 018 801		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8017 018 802		SO PAC CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8026 001 800		A T&S F RY COS B OF E PAR 19 MAP 04-19-43	8920 REX RD	PICO RIVERA CA	92660
8044 001 801		AT AND SF RY CO SBE PAR 82 MAP 4- 19-45Z	8920 REX RD	PICO RIVERA CA	92660
8059 001 800		AT AND SF RY CO SBE PAR 83 MAP 804-19-45Z	8920 REX ROAD	PICO RIVERA CA	90660
8059 004 801		A T&S F RY COS B OF E PAR 2 MAP 804-19-45B	8920 REX ROAD	PICO RIVERA CA	90660
8059 005 801		AT AND SF RY CO SBE PAR 1 MAP 804-19-45E	8920 REX ROAD	PICO RIVERA CA	90660

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8059 029 016		BPW INC	13639 BORA DR	SANTA FE SPRINGS CA	90670
8059 029 800		A T AND S F RY CO S B E PAR 2 M 804-19-45B	8920 REX ROAD	PICO RIVERA CA	90660
8069 004 803		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8069 006 044	14150 ROSECRANS AVE	VALLEY VIEW-SANTA FE SPRINGS LLC	26100 NORTHWESTERN HWY STE 1913	SOUTHFIELD MI	48076
8069 006 801		A T&S F RY COS B OF E PAR 1 MAP 04-19-45C	8920 REX ROAD	PICO RIVERA CA	90660
8069 007 802		A T AND S F RY CO S B OF E PAR MAP 804-19-45L	8920 REX ROAD	PICO RIVERA CA	90660
8069 007 814		A T AND S F RY CO AND SBE PAR 67 MAP 804-19-45U 2PTS	8920 REX ROAD	PICO RIVERA CA	90660
8069 011 801		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8069 011 802		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8069 013 802		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8069 016 903		STATE OF CA	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8069 016 907		STATE OF CA	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8069 016 908		STATE OF CA	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8069 016 910		STATE OF CA	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8069 016 911		STATE OF CA	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8069 016 915		STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION	100 S MAIN ST MS 6	LOS ANGELES CA	90012
8082 003 801		SOU PAC TRANS CO SB OF E PAR 1 AP 872-19-55	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8082 003 806		SOU PAC CO SBE PAR 30 MP 72-19-54H 2 PT	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8167 001 807		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8167 002 055		GREENLEAF BUSINESS CENTER LLC	5215 OLD ORCHARD RD STE 420	SKOKIE IL	60077
8167 037 802		SOUTHERN PAC TRANS CO SBE PAR 6 MAP 872-19-285A 2PTS	1700 FARMAN ST 10TH FL	OMAHA NE	68102
8168 001 815		UNION PACIFIC RAILROAD COMPANY	1400 DOUGLAS ST	OMAHA NE	68179
8168 001 816		UNION PACIFIC RAILROAD COMPANY	1400 DOUGLAS ST	OMAHA NE	68179
8168 002 901		LA COUNTY FLOOD CONTROL DISTRICT	900 S FREMONT AVE	ALHAMBRA CA	91803
8168 007 026	9005 SORENSEN AVE, SANTA FE SPRINGS CA 90670	9005 SORENSEN XC LLC	3020 OLD RANCH PKWY STE 200	SEAL BEACH CA	90740
8168 007 814		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8168 007 816		SOU PACIFIC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8168 009 027		VALVOLINE LLC	100 VALVOLINE WAY	LEXINGTON KY	40509
8168 009 030		VALVOLINE LLC	100 VALVOLINE WAY	LEXINGTON KY	40509
8168 011 802		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8168 011 803		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8168 012 814		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8168 023 048	11790 SLAUSON AVE	ELISA FAVELA	1412 ESPANOL AVE	MONTEBELLO CA	90640
8177 029 810		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8177 029 815		SO CALIF EDISON CO	2 INNOVATION WAY 2ND FL	POMONA CA	91768
8177 029 823		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179

2026
LOS ANGELES COUNTY
DECLARATION LIST
CITY OF SANTA FE SPRINGS
KEY OF 8, CITY CODE 623 (UNIMPROVED)

DATE: 12/16/2025

PARCEL	LOCATION	OWNER	MAILING ADDRESS	CITY/STATE	ZIP
8177 029 825		SOUTHERN PACIFIC TRANS COSBE 72-19-283B PAR 7	1700 FARMAN ST. 10TH FLR	OMAHA NE	68102
8178 004 065		CHAVEZ,WILLIAM AND CHAVEZ,FERNANDO	10402 CLIOTA ST	WHITTIER CA	90601
8178 035 811		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8178 035 812		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8178 035 814		AT AND SF RY CO SBE PAR 36 MAP 4- 19-43N	2500 LOU MENK DR	FORT WORTH TX	76131
8178 035 815		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8178 036 803		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8178 036 804		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8178 037 805		A T AND S F RY CO	8920 REX ROAD	PICO RIVERA CA	90660
8178 037 806		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8178 037 810		SOU PAC TRANS CO S B E PAR 6 AP 872-19-284 A	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
8178 037 811		SOU PAC TRANS CO	1400 DOUGLAS ST STOP 1690	OMAHA NE	68179
TOTAL VACANT/IMPROVED RECORDS					0
TOTAL UNIMPROVED RECORDS					116
TOTAL RECORDS					116



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 CONCRETE IMPROVEMENT 2025 - 2026 – AWARD OF CONTRACT

DATE: February 3, 2026

RECOMMENDATION:

It is recommended that the City Council:

- 1) Award a construction contract to C J Concrete Construction, Inc. of Santa Fe Springs, California in the amount of \$158,150 for the construction of the Residential Concrete Improvement 2025–2026 project and authorize the City Manager to execute the agreement; and
- 2) Take such additional, related action that may be desirable.

FISCAL IMPACT

The Residential Concrete Improvement 2025-2026 project is an approved project in the Capital Improvement Plan and is funded by the Utility Users Tax (UUT) Capital Improvement Reserve Fund in the amount of \$485,000. The funding covers construction, engineering, design, inspection, and contingency. The total estimated project cost using the lowest responsible bidder remains the same and there are sufficient project funds available. No additional appropriation is recommended at this time.

The total estimated project cost breakdown is as follows:

Item:	Estimated Project Costs	
Construction	\$	158,150
Design	\$	15,000
Engineering	\$	30,000
Inspection	\$	60,000

Residential Concrete Improvement 2025 - 2026 – Award of Contract

Page 2 of 3

Contingency	\$	221,850
Total Estimated Project Cost:	\$	485,000

Project Funding:	Amount
Utility Users Tax (UUT) Capital Improvement Fund	\$ 485,000
Total Project Funding:	\$ 485,000

BACKGROUND

The proposed Residential Concrete Improvement 2025-2026 project locations are shown in the Attachment A. The scope of work consists of the removal and replacement of existing uplifted and/or damaged sidewalk, driveways, curb and gutter, and curb ramp replacements located in the residential community.

ANALYSIS

On November 5, 2025, the City Council Authorized the advertisement for construction bids for the subject project. The solicitation for construction bids was advertised on November 12, 2025, in accordance with the California Public Contract Code.

Bids were opened on January 15, 2026, and a total of seventeen (17) bids were received. City staff reviewed the proposals and determined that all bid proposals complied with the project specifications. The apparent low bidder for the project was C J Concrete Construction, Inc. of Santa Fe Springs, CA with a bid totaling \$158,150. The tabulated bid results are as follows:

Company Name	Audited Bid	Formal Bid Submitted
1. C J Concrete Construction, Inc.	\$158,150.00	\$158,150.00
2. S&H Civilworks	\$200,800.00	\$200,800.00
3. TVR Construction Engineering LLC.	\$204,392.00	\$204,392.00
4. Gentry General Engineering Inc.	\$207,812.00	\$207,812.00
5. Van Engineering, Inc.	\$217,250.00	\$217,250.00
6. Pavement Rehab Company	\$234,000.00	\$234,000.00
7. SAVI Construction, Inc.	\$239,320.00	\$239,320.00
8. FS Contractors, Inc.	\$251,400.00	\$251,400.00
9. Aneen Construction, Inc.	\$251,500.00	\$251,500.00
10. Kalban, Inc.	\$259,500.00	\$259,500.00
11. Leonida Builders, Inc.	\$260,800.00	\$260,800.00
12. Cali State Paving, Inc.	\$264,000.00	\$264,000.00
13. Premo Construction, Inc.	\$271,400.00	\$271,400.00
14. Hardy & Harper, Inc.	\$294,000.00	\$294,000.00
15. Toro Enterprises, Inc.	\$323,290.00	\$323,290.00
16. LCR Earthwork & Engineering, Corp.	\$332,300.00	\$332,300.00
17. Paveco Construction, Inc.	\$369,400.00	\$369,400.00

Residential Concrete Improvement 2025 - 2026 – Award of Contract

Page 3 of 3

The bid proposal submitted by C J Concrete Construction, Inc., in the amount of \$158,150.00, is approximately 50% below the Engineer's Estimate of \$315,000.00 and is acceptable.

The Department of Public Works has reviewed the bids and determined the bid submitted by C J Concrete Construction, Inc. to be responsive and responsible.

ENVIRONMENTAL

N/A

DISCUSSION

The completion of the Residential Concrete Improvement 2025-2026 project will renew the service life of the existing sidewalk segments, driveways, curb ramps and curb and gutter segments. The improvements will also reduce future maintenance costs.

SUMMARY/NEXT STEPS

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

ATTACHMENTS:

- A. Attachment A – Residential Concrete Improvement 2025-2026 – Location Map
- B. Attachment B – Residential Concrete Improvement 2025-2026 – Removal and Replacement Matrix Exhibit
- C. Attachment C – Curb Ramp Location Map
- D. Attachment D – Contract Agreement

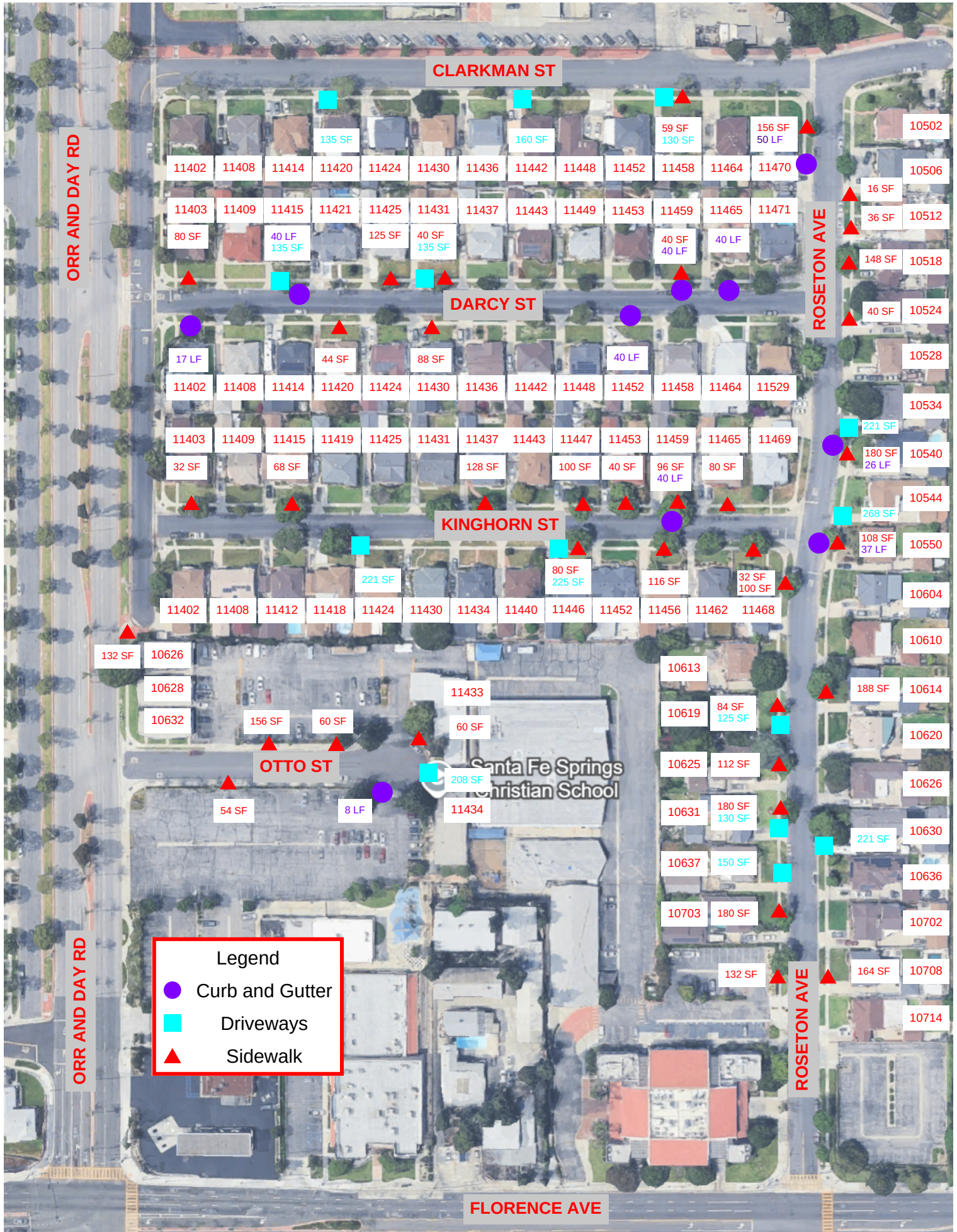
ITEM STATUS:

APPROVED: ☐

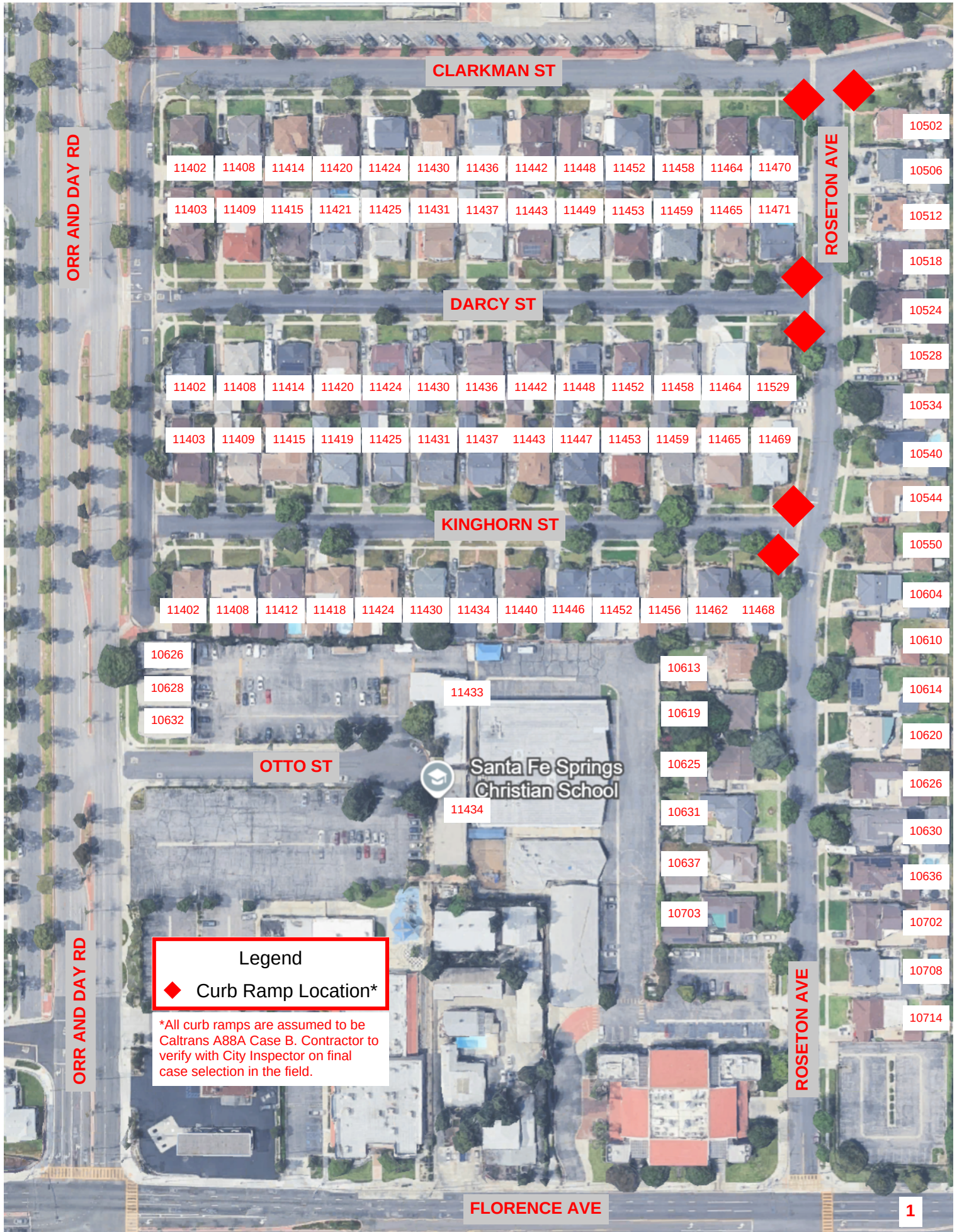
DENIED: ☐

TABLED: ☐

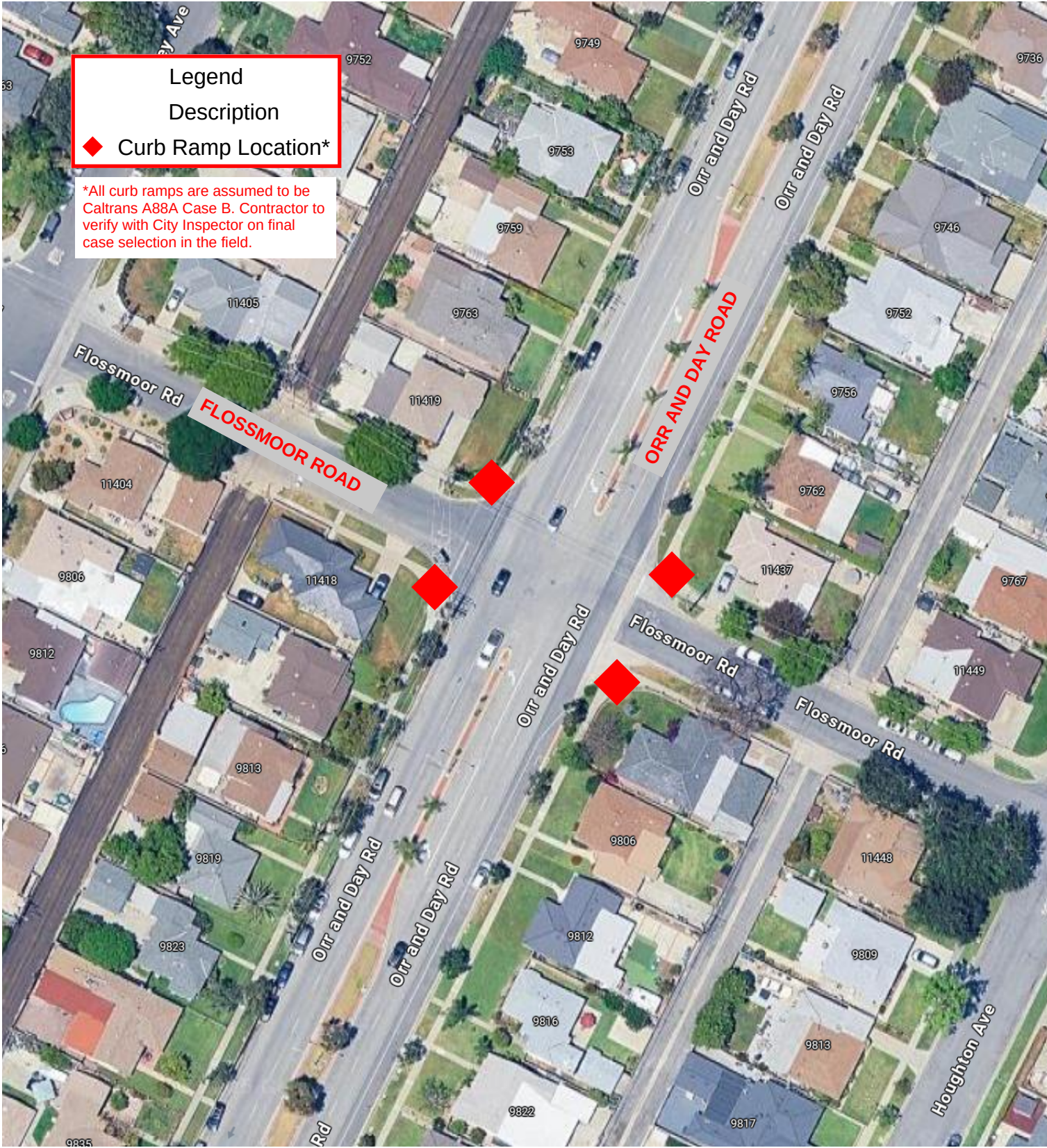
DIRECTION GIVEN: ☐



CURB RAMP LOCATION MAP



CURB RAMP LOCATIONS



**AGREEMENT FOR CONSTRUCTION
RESIDENTIAL CONCRETE IMPROVEMENT 2025-2026**

CONTRACTOR'S NAME

This Agreement for Construction ("Agreement") is entered into on this 3rd day of February, 2026, by and between the CITY OF SANTA FE SPRINGS, a California municipal corporation ("City") and CJ Concrete Construction, Inc., 10142 Shoemaker Ave., Santa Fe Springs, CA 90670, State Contractor's License No. 720989, ("Contractor"). Hereinafter, the City and the Contractor may be referred to collectively as the "Parties." The Parties mutually agree as follows: Contractor shall furnish all labor, equipment and materials for, and perform the work of RESIDENTIAL CONCRETE IMPROVEMENTS 2025-2026 which is covered in the Contractor's Bid Proposal (the "Work), in accordance with the provisions and requirements in the Contract Documents as defined by this Agreement.

ARTICLE 1 – CONTRACT DOCUMENTS

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

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

- a. Permits from the City's Building, Planning, and Public Works Departments and similar Governmental Approvals for the Work required by applicable law.
- b. Change Orders and other Modifications issued after execution of the Agreement.
- c. This Agreement, as signed by the Parties, including the following exhibit, and Certificates of Insurance and Additional insured endorsements for Contractor:
Exhibit "A" – Workers Compensation Certification
Exhibit "B" – Performance and Payment Bonds
Exhibit "C" – Claims Procedure
- d. Addenda with later Addenda having priority over earlier Addenda issued in connection with the Notice Inviting Bids, as follows:
Addendum No. 1 issued January 7, 2026, 2 pages.
- e. Contractors Bid Proposal, for the above-referenced Bid No. 2025-07 (comprised of Notice Inviting Bids, Instructions to Bidders and attachments, Bid Schedule of Prices, List of Subcontractors, Proposal, Signature Certification/Authorization, Bid Guaranty, and where applicable, Contractor Qualification Statement and/or Subcontractor Qualification Statement.

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

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

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

ARTICLE 2 - SERVICES OF CONTRACTOR

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 3 – CONTRACT PRICE AND PAYMENT

3.1 **Contract Price.** City shall pay Contractor the Contract Price of One Hundred Fifty-Eight Thousand One Hundred Fifty Dollars (\$158,150.00) which includes all California sales or use tax and County and City taxes, in consideration for the Contractor's full, complete and timely performance of all of the Work required by the Contract Documents. The Contract Price includes any Alternative/Additive Bid Items which were awarded with the Contract.

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

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

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

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

3.5 Payment Procedures.

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

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

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

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

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

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

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

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

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

ARTICLE 4 – TIME FOR PERFORMANCE

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

4.2 **Contract Time.** Contractor shall perform the Work in a diligent manner and shall complete all of the Work of the Contract, excluding any Plant Establishment, if applicable, within THIRTY (30) working days after the date specified to Contractor in the Notice to Proceed issued by then City.

ARTICLE 5 – LIQUIDATED DAMAGES AND INCENTIVE BONUS

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

ARTICLE 6 – CLAIMS AND DISPUTES

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

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

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

ARTICLE 7 – LOCAL BUSINESS LICENSE, TAXES AND FEES

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

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

ARTICLE 8 – BONDS

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

ARTICLE 9 – WORKERS' COMPENSATION INSURANCE

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

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

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

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

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

ARTICLE 10 – CONTRACTOR'S LIABILITY INSURANCE

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 11 - INDEMNITY/DUTY TO DEFEND

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

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

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

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

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

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

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

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

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

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

ARTICLE 12 – PREVAILING WAGES

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

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

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

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

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

ARTICLE 13 – MISCELLANEOUS

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

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

City

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

Contractor

CJ Concrete Construction, Inc.
Attn: John C. Sarno, President
10142 Shoemaker Avenue
Santa Fe Springs, CA 90670

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

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

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

13.5 Rights and Remedies. Rights and Remedies are cumulative except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

[Signatures on following page.]

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

CITY OF SANTA FE SPRINGS

[INSERT NAME OF CONTRACTOR]

By: _____
René Bobadilla, City Manager

By: _____
John C. Sarno

President

Attest: _____
Maribel Garcia, City Clerk

By: _____
Name

Title

APPROVED AS TO FORM

By: _____
Rick Olivares, City Attorney



CITY OF SANTA FE SPRINGS

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

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

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

SUBJECT: **LANDSCAPE MAINTENANCE SERVICES - AWARD OF CONTRACT**

DATE: **February 3, 2026**

RECOMMENDATION:

It is recommended that the City Council:

- 1) Accept the proposal from Merchants Landscape Services, Inc. in response to RFB No. 26-1 for Landscape Maintenance Services; and
- 2) Award a contract to Merchants Landscape Services, Inc. from Santa Ana, California for Landscape Maintenance Services in the annual amount not to exceed \$1,329,633; and
- 3) Authorize the City Manager to execute the agreement with Merchants Landscape Services, Inc., and
- 4) Amend the Fiscal Year 2025-26 Adopted Budget with an appropriation of \$106,211 from the General Fund; and
- 5) Take such additional, related, action that may be desirable.

FISCAL IMPACT

The recommended agreement with Merchants Landscape Services increases the annual cost for the service from \$1,074,727 to \$1,329,633, an annual increase of \$254,906.

It is recommended that the City Council amend the Fiscal Year 2025-26 Adopted Budget to include an additional appropriation of \$106,211 (5 months of the annual increase) from

Landscape Maintenance Services - Award of Contract

Page 2 of 4

the General Fund. The annual increase will be included in the recommended budget for Fiscal Year 2026-27 and subsequent fiscal years.

BACKGROUND

City Council awarded a three-year Landscape Maintenance Services Contract to Merchant's Landscape Services, Inc. effective July 9, 2020. The contract contained a stipulation allowing the City Council to renew the contract for an additional two one-year contracts at the end of the first term, based on performance and approval by the City Council.

At the May 2, 2023, City Council Meeting, Amendment No. 1 was approved, a one-year extension with a 3% overall increase. At the July 16, 2024 City Council meeting, Amendment No. 2 was approved, the second one-year extension with a 5% overall increase. At the July 15, 2025 City Council Meeting, Amendment No. 3 was approved extending the contract to October 31, 2025.

City staff prepared a Request for Bids (RFB) for Landscape Maintenance Services to select a contractor that best meets the City's requirements based on their qualifications and experience in performing similar work. The RFB was published on PlanetBids on July 30, 2025.

On September 11, 2025, the city received nine proposals. A three-member evaluation team reviewed each proposal based on project-specific criteria, including experience and capability of the firm, ability to perform work with appropriate staff and equipment, quality of work performed for current clients (including site visits to cities currently serviced by the top three rated proposers), and total fee proposed / bid schedule of rates. The City is not required to award to the lowest bidder for Landscape Maintenance Services, since this is not a Public Works Contract as defined by the Public Contract Code.

Upon evaluating the proposals, staff determined that Merchants Landscape Services, Inc. is the best qualified contractor and equipped to provide Landscape Maintenance Services citywide. Attached is a summary of the evaluation team's rankings of the proposals. The proposals submitted to the city and the evaluation score sheets are on file with the Public Works Department.

Based on the evaluation criteria, the proposals were ranked as follows:

Rank	Contractor	Base Fee	Score
1	Merchants Landscape Services	\$1,077,403.41	94.33
2	Mariposa Landscapes	\$1,001,508.00	93.67
3	Brightview	\$ 968,244.00	92.67
4	Landscape West	\$ 921,780.00	77.33
5	Priority Landscape	\$1,483,200.00	74.33

Landscape Maintenance Services - Award of Contract

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6	SGD Enterprises	\$1,286,700.00	73
7	Greenfield Management	\$ 982,656.00	72.33
8	Greentech Landscape	\$1,070,700.00	71
9	Orozco Landscape	\$1,219,705.80	53.33

Following the evaluation of proposals, staff engaged Merchants Landscaping Services for a final negotiation of the scope of services and associated fee resulting in the recommended contract.

ANALYSIS

The current contract annual amount is \$977,024, plus 10% for any requested extra work, for a total annual budget of \$1,074,727. The recommended new agreement is for an annual Base Fee of \$1,156,203, plus 15% for any city requested extra work, for a total annual budget of \$1,329,633. Extra work typically includes, but is not limited to, the following: 1) sod replacement/installation; 2) color flower replacement/installation in select landscaped areas; 3) dethatching of grass at one park per year; 4) de-weeding of areas not included in the base bid on an as-needed basis; and 5) other miscellaneous landscaping work as needed.

The recommended contract proposes an annual increase in the Base Fee of \$179,179 and an increase in the total annual budget for landscaping contracted services of \$254,906 including the increased budget for extra work. The annual increase is due to several items including: 1) inflation since the current fee was negotiated two years ago; 2) a net increase in the total number and size of areas to be maintained; 3) additional staffing requested for increased service including an additional groundskeeper for city parks and increasing the supervisor from 30 hours per week to 40 hours per week; 4), increasing color changeouts at selected sites city wide from the current four times a year to six times a year; and 5) requiring the contractor to vacuum all turf clippings and hardscape areas at the campus of City Hall and Town Center Hall.

The recommended contract term is for an initial three (3) years with an option for the City to extend the agreement for two additional 1-year terms.

ENVIRONMENTAL

N/A

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon approval of the recommended actions by the City Council, staff will execute the

Landscape Maintenance Services - Award of Contract

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agreement with Merchants Landscape Services, Inc., and coordinate with them to ensure uninterrupted service to the City.

ATTACHMENTS:

A. Attachment A – Contract Services Agreement

ITEM STATUS:

APPROVED: ☐

DENIED: ☐

TABLED: ☐

DIRECTION GIVEN: ☐



2026

CONTRACT SERVICES AGREEMENT

(Contractor: Merchants Landscape Services, Inc)
(Nature of Engagement: Landscape Maintenance Services)

THIS CONTRACT SERVICES AGREEMENT (hereinafter, "Agreement") is made and entered into this 3rd day of February 2026 (the "Effective Date") by and between the CITY OF SANTA FE SPRINGS, a municipal corporation (hereinafter, "CITY") and Merchants Landscape Services, Inc (hereinafter, "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.

RECITALS

WHEREAS, CITY is a municipal corporation organized under the laws of the State of California, with power to contract for services and tasks necessary to achieve its purpose; and

WHEREAS, CITY requires regular and emergency landscape maintenance services; and

WHEREAS, CITY staff has determined that CONTRACTOR possess the skills, experience and expertise required to competently provide the services and tasks contemplated under this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, CITY and CONTRACTOR agree as follows:

Section 1. Recitals

The Recitals set forth above and true and correct and incorporated herein to this Agreement by this reference.

Section 2. Term.

- A. This Agreement shall have a term of three (3) years commencing on the Effective Date. Time is of the essence for this Agreement.
- B. The City shall have the sole option to extend the Agreement term for two (2) additional, one (1) year terms. CITY will provide CONTRACTOR 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. CONTRACTOR shall provide CITY written acceptance to extend the Agreement term within ten (10) days of service of CITY's written notice to extend the term.

- C. 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.

Section 3. Scope of Work.

- A. Subject to the terms and conditions of this Agreement, CONTRACTOR agrees to provide the services and tasks described in that certain Request for Bids No. 26-1 of CITY entitled "Landscape Maintenance Services" (hereinafter, "CITY RFB") and the written proposal of CONTRACTOR entitled "Landscape Maintenance Services RFB: 26-1" (hereinafter, the "CONTRACTOR Proposal"). The term "Scope of Services" shall be a collective reference to the CITY RFB and CONTRACTOR Proposal. The capitalized term "Work" or "Services" shall be a collective reference to all the various services and tasks referenced in the Scope of Services, attached hereto as **Exhibit "A"** to this Agreement and incorporated herein by this reference. In the event of any conflict or inconsistency between the provisions of the document entitled CITY RFB and the provisions of the document entitled CONTRACTOR Proposal, the requirements of the document entitled CITY RFB 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 Work and the provisions of this Agreement to which the Scope of Work is attached, the provisions of this Agreement shall govern and control but only to the extent of the conflict or inconsistency and no further.
- B. CONTRACTOR shall provide all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the Work. CONTRACTOR shall perform the Work in accordance with the terms and conditions of this Agreement and in accordance with such other written or verbal directives as may be issued by CITY.
- C. CONTRACTOR warrants that CONTRACTOR: (i) has thoroughly investigated and considered the nature of the Work to be performed under this Agreement; and (ii) has carefully considered how the Work should be performed. CONTRACTOR will inspect any location where the Work is to be performed and acquaint itself with the conditions of the location before commencing any of the Work requested by CITY. Should the CONTRACTOR discover any latent or unknown condition(s) which will materially affect the performance of the Work, CONTRACTOR shall immediately inform the CITY of such discovery and shall not proceed, except at CONTRACTOR's risk, until written instructions are received from the City Representative as defined herein.
- D. In the event CONTRACTOR ceases to perform the Work agreed to under this Agreement or otherwise abandons any undertaking contemplated herein prior to completion and/or acceptance of the Work performed by CITY, CONTRACTOR shall 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 shall 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.

Section 4. Performance of Work.

- A. CONTRACTOR shall perform the services outlined in the Scope of Services continuously and with due diligence, pursuant to applicable dates and timelines. CONTRACTOR shall cooperate with CITY and in no manner interfere with the Services of CITY, its employees or other consultants, contractors, or agents.
- B. CONTRACTOR shall not perform any specific services or tasks not contemplated under this Agreement without a written Work Order request from 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 timeline for completing the requested services or tasks;
 - 4. Any other information CITY deems necessary and relevant to the requested services or tasks; and
 - 5. The signature of the City Representative, confirming that the services or tasks have been authorized by the City Representative.
- C. Once a written Work Order is received, CONTRACTOR shall perform the Work continuously and with due diligence so as to complete the tasks and services as set forth in the Work Order. CONTRACTOR shall cooperate with CITY and in no manner interfere with the work of CITY, its employees or other consultants, contractors, or agents. Nothing in or attached to this Agreement requires the CITY to issue a Word Order to CONTRACTOR.
- D. CONTRACTOR shall not claim or be entitled to receive any compensation or damage because of the failure of CONTRACTOR, or its subcontractors, to have related services or tasks completed in a timely manner.
- E. CONTRACTOR shall at all times enforce strict discipline and good order among CONTRACTOR's employees.
- F. CONTRACTOR, at its sole expense, shall pay all sales, consumer, use or other similar taxes required by law.
- G. CONTRACTOR shall comply with all applicable federal, state, and local laws and regulations, including all applicable Cal/OSHA and wage law and regulations in the performance of this Agreement.

Section 5. Compensation.

- A. CONTRACTOR shall be compensated for Work performed in accordance with the Schedule of Compensation, attached hereto as **EXHIBIT "B"** (the "Approved Rate Schedule") and incorporated herein by this reference. The foregoing notwithstanding, CONTRACTOR's total compensation may not exceed the aggregate Base Fee sum of \$1,156,202.64 (One Million One Hundred Fifty-Six Thousand Two Hundred and Two Dollars and Sixty Four Cents per fiscal year plus up to an additional 15% for extra work only if approved in writing). In the event CONTRACTOR's charges are projected to exceed the Total Sum plus up to an additional 15% for extra work prior to the expiration of this Agreement, CITY may suspend CONTRACTOR's performance pending CITY approval of any anticipated expenditures in excess of the Total Sum plus 15% for extra work or any other CITY approved amendment to the compensation terms of this Agreement.
- B. CONTRACTOR further agrees that the Total Sum plus up to an additional 15% for extra work is inclusive of compensation for all labor, materials, tools, supplies, equipment, services, tasks, and incidental and customary work necessary to competently perform and timely complete the Work requested by CITY.
- C. Following the conclusion of each calendar month, CONTRACTOR shall submit to CITY an itemized invoice indicating the Work performed and completed during the recently concluded calendar month, including the reimbursable out-of-pocket expenses incurred. If the amount of CONTRACTOR's monthly compensation is a function of hours worked by CONTRACTOR's personnel, the invoice should identify the request or work order under which the Work was provided; the number of hours worked in the recently concluded calendar month; the personnel responsible for performing the Work performed; the rate of compensation at which such Work was performed, the subtotal for each Work performed and a grand total for all Work performed. 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.

Section 6. Standard of Care.

- A. CONTRACTOR represents, acknowledges, and agrees as follows:
 - 1. CONTRACTOR shall perform all Work consistent with and adhering to the professional standard 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;
 - 2. CONTRACTOR represents all personnel assigned to perform the Work for CITY under this Agreement shall possess the skill, training, and experience necessary to competently perform the Work and shall at all times possess and maintain all licenses, permits, certifications and/or qualifications legally required to perform the Work and make the same available to CITY for

copying and inspection;

3. CONTRACTOR shall perform and complete all Work in a manner that is reasonably satisfactory to CITY;
 4. CONTRACTOR understands the nature and scope of the Work to be performed under this Agreement as well as any and all applicable schedules of performance; and
 5. In the performance of this Agreement, CONTRACTOR shall supply and deploy personnel, equipment, tools, and materials necessary, in the reasonable opinion of CITY, to perform all Work in compliance with the standard of care set forth in this Section and time to complete all Work as specified by the Scope of Work or other written order.
 6. CONTRACTOR shall perform, at CONTRACTOR's sole cost and expense, any tasks necessary to correct any errors or omissions caused by CONTRACTOR's failure to comply with the standard of care set forth in 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 shall be commenced immediately upon their discovery by either Party and shall 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 in the CITY Representative's sole and absolute discretion.
- B. CONTRACTOR acknowledges and agrees that CITY's acceptance of any Work performed by CONTRACTOR or on CONTRACTOR's behalf shall not constitute a release of any deficiency or delay in performance. CONTRACTOR further acknowledges, understands, and agrees that CITY has relied upon the representations of CONTRACTOR under paragraph A of this Section, above, and that such representations were a material inducement to CITY entering into this Agreement with CONTRACTOR.

Section 7. Representatives.

- A. City Representative. For the purposes of this Agreement, the contract administrator and CITY's representative shall be James Enriquez, Director of Public Works (hereinafter, the "City Representative"). It shall be CONTRACTOR's responsibility to keep the City Representative informed of the progress of all Work provided. CONTRACTOR shall refer any decisions which must be made by CITY to the City Representative. Unless otherwise specified herein, any approval of CITY required hereunder shall mean the approval of the City Representative. Except as otherwise provided under this Agreement, written notice to City Representatives shall constitute notice to the CITY.
- B. Contractor Representative. For the purposes of this Agreement, (Patrick Mahoney, Owner], is hereby designated as the primary representative of CONTRACTOR authorized to act on its behalf with respect to CONTRACTOR's performance under this Agreement and to make all decisions in connection

therewith (hereinafter, the "Contractor Representative"). Notice to the Contractor Representative whether written or verbal shall constitute notice to CONTRACTOR. The Contractor's Representative shall supervise and direct the performance of all Work, using his/her best skill and attention. The Contractor Representative shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Work under this Agreement.

Section 8. Contractor's Personnel.

- A. CONTRACTOR shall be solely responsible for the satisfactory performance of all personnel working on CONTRACTOR's behalf in the performance of this Agreement.
- B. If at any time during the term of this Agreement, CITY requests the removal of any of CONTRACTOR's officers, employees, agents, contractors, subcontractors or subconsultants assigned by CONTRACTOR to perform on CONTRACTOR's behalf under this Agreement, CONTRACTOR shall remove such officers, employees, agents, contractors, subcontractors or subconsultants immediately upon receiving notice from CITY.
- C. CONTRACTOR shall be solely responsible for the payment of all wages and benefits owed to CONTRACTOR's employees and shall comply with all requirements pertaining to employer's liability, workers' compensation, unemployment insurance, and Social Security. CONTRACTOR shall also be solely responsive for the payment of all subcontractors acting on its behalf in the performance of this Agreement.

Section 9. Provisions Applicable to Work Constituting Public Works Under Labor Code Section 1720.

- A. The provisions of this Section shall apply to the extent any of the Work to be performed by CONTRACTOR constitute a "public work" within the meaning of Sections 1720 *et seq.* of the Labor Code. CONTRACTOR is responsible for complying with Labor Code Sections 1720 *et seq.*, which is briefly summarized in this Section.
- B. Hours of Work.
 - 1. In accordance with California Labor Code Section 1810, eight (8) hours of labor in performance of the Work subject to this Section shall constitute a legal day's work under this Agreement.
 - 2. In accordance with California Labor Code Section 1811, the time of service of any worker employed in performance of the Work subject to this Section is limited to eight (8) hours during any one calendar day, and forty (40) hours during any one (1) calendar week, except in accordance with Labor Code Section 1815, which provides that work in excess of eight (8) hours during any one (1) calendar day and forty (40) hours during any one calendar week

is permitted upon compensation for all hours worked in excess of eight (8) hours during any one (1) calendar day and forty (40) hours during any one (1) calendar week at not less than one-and-one-half times the basic rate of pay.

3. CONTRACTOR and its subcontractors shall forfeit as a penalty to the CITY Twenty Five Dollars (\$25) for each worker employed in the performance of the Work subject to this Section for each calendar day during which the worker is required or permitted to work more than eight (8) hours in any one calendar day, or more than forty (40) hours in any one calendar week, in violation of the provisions of Labor Code Section 1810 *et seq.*

C. Wages.

1. In accordance with Labor Code Section 1773.2, the CITY has determined the general prevailing wages for the locality in which Work subject to the Section are to be performed for each craft or type of work needed to be as published by the State of California Department of Industrial Relations, Division of Labor Statistics and Research, a copy of which is on file at the CITY and shall be made available on request. CONTRACTOR and subcontractors engaged in the performance of the Work subject to this Section shall pay no less than these rates to all persons engaged in performance of the Work subject to this Section.
2. CONTRACTOR and any subcontractors engaged in performance of the Work subject to Labor Code Sections 1720 *et seq.* shall comply with Labor Code Section 1775, which establishes a penalty of up to Two Hundred Dollars (\$200) per day for each worker engaged in the performance of the Work and where CONTRACTOR or any subcontractor pays less than the specified prevailing wage. The amount of such penalty shall be determined by the Labor Commissioner and shall be based on consideration of the mistake, inadvertence, or neglect of CONTRACTOR or subcontractor in failing to pay the correct rate of prevailing wages, or the previous record of CONTRACTOR or subcontractor in meeting applicable prevailing wage obligations, or the willful failure by CONTRACTOR or subcontractor to pay the correct rates of prevailing wages. A mistake, inadvertence, or neglect in failing to pay the correct rate of prevailing wages is not excusable if CONTRACTOR or subcontractor had knowledge of their obligations under the California Labor Code. CONTRACTOR or subcontractor shall pay the difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate. If a subcontractor worker engaged in performance of the Work subject to Labor Code Sections 1720 *et seq.* is not paid the general prevailing per diem wages by the subcontractor, CONTRACTOR is not liable for any penalties therefore unless CONTRACTOR had knowledge of that failure or unless CONTRACTOR fails to comply with all of the following requirements:
 - (i) The contract executed between CONTRACTOR and the subcontractor for the performance of part of the Work subject to

Labor Code Sections 1720 *et seq.* shall include a copy of the provisions of California Labor Code Sections 1771, 1775, 1776, 1777.5, 1813, and 1815.

- (ii) CONTRACTOR shall monitor payment of the specified general prevailing rate of per diem wages by the subcontractor by periodic review of the subcontractor's certified payroll records.
 - (iii) Upon becoming aware of a subcontractor's failure to pay the specified prevailing rate of wages, CONTRACTOR shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for performance of the Work subject to this Section.
 - (iv) Prior to making final payment to a subcontractor, CONTRACTOR shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages for employees engaged in the performance of the Work subject to this Section and any amounts due pursuant to California Labor Code Section 1813.
3. In accordance with Labor Code Section 1776, CONTRACTOR and each subcontractor engaged in performance of the Work subject to Labor Code Sections 1720 *et seq.* shall keep accurate payroll records showing the name, address, social security number, work, straight time, and overtime hours worked each day and week, and the actual *per diem* wages paid to each journeyman, apprentice, worker, or other employee employed in performance of the Work subject to Labor Code Sections 1720 *et seq.* Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:
- (i) The information contained in the payroll record is true and correct.
 - (ii) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by the employer's employees on the public works project.

The payroll records required pursuant to Labor Code Section 1776 shall be certified and shall be available for inspection by the CITY and its authorized representatives, the Division of Labor Standards Enforcement, the Division of Apprenticeship Standards of the Department of Industrial Relations and shall otherwise be available for inspection in accordance with Labor Code Section 1776.

4. In accordance with Labor Code Section 1777.5, CONTRACTOR, on behalf of itself and any subcontractors acting on CONTRACTOR's behalf in performance of the Work subject to Labor Code Sections 1720 *et seq.*, shall be responsible for ensuring compliance with Labor Code Section 1777.5

governing employment and payment of apprentices on public works contracts.

5. In case it becomes necessary for CONTRACTOR and any subcontractors performing Work on CONTRACTOR's behalf to employ for the Work subject to Labor Code Sections 1720 *et seq.* any person in a trade or occupation (except executive, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate has been determined by the Director of the Department of Industrial Relations, CONTRACTOR shall pay the minimum rate of wages specified therein for the classification which most nearly corresponds to specific Work subject to Labor Code Sections 1720 *et seq.* to be performed by that person. The minimum rate thus furnished shall be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.

Section 10. Conflicts of Interest.

- A. CONTRACTOR may serve other clients, but none whose activities within the corporate limits of CITY or whose business, regardless of location, would place CONTRACTOR in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*
- B. CONTRACTOR 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.*). CONTRACTOR 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 Section 1090 *et seq.* CONTRACTOR warrants and represents that no owner, principal, partner, officer, or employee of CONTRACTOR 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 CONTRACTOR was an official, officer, employee, agent, or appointee of the CITY within the twelve-month period immediately preceding the Effective Date, CONTRACTOR 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 Section 1090 *et seq.*, the entire Agreement is void and CONTRACTOR will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and CONTRACTOR will be required to reimburse the CITY for any sums paid to CONTRACTOR. CONTRACTOR understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code Section 1090.
- C. 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 shall have the absolute and unfettered right to rescind this Agreement without liability or penalty.

Section 11. Independent Contractor. CONTRACTOR shall at all times in the performance of this Agreement be an independent contractor and shall not be an employee of CITY or engaged in any joint venture relationship with the CITY. CONTRACTOR shall determine the method, details, and means of performing all of the Work to be performed by CONTRACTOR under this Agreement. CONTRACTOR shall be responsible to CITY only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to CITY's control with respect to the physical action or activities of the CONTRACTOR in fulfillment of this Agreement. CONTRACTOR is permitted to provide services to others during the same period as it provides services to CITY under this Agreement. Notwithstanding any other CITY, state, or federal policy, rule, regulation, law, or ordinance to the contrary, CONTRACTOR and any of its employees, agents, and subcontractors performing the Work 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.

Section 12. Non-Discrimination.

- A. CONTRACTOR represents that it is an equal opportunity employer and shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any Work provided by CONTRACTOR under this Agreement. CONTRACTOR shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any Work that is the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of CONTRACTOR thereby.
- B. CONTRACTOR and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code, §12900 *et seq.*) and the applicable regulations promulgated hereunder (Cal. Code Regs., Title 2, §11000 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900 *et seq.*, set forth in Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this Contract by reference and made a part hereof as if set forth in full. CONTRACTOR and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. CONTRACTOR shall include the nondiscrimination and compliance provisions of this Section in all subcontracts to

provide the Work under this Agreement.

Section 13. Indemnification and Duty to Defend.

- A. To the fullest extent permitted by law, CONTRACTOR hereby agrees, at its sole cost and expense, to defend, protect, indemnify, and hold harmless CITY and CITY's elected and appointed officials, officers, attorneys, agents, employees, volunteers, successors, and assigns (collectively "Indemnitees") from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever, including fees of accountants, attorneys, or other professionals and all costs associated therewith (collectively "Liabilities"), arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to any act, failure to act, error, or omission of CONTRACTOR or any of CONTRACTOR's officers, agents, servants, employees, subcontractors, materialmen, suppliers or their officers, agents, servants, or employees, arising or claimed to arise, directly or indirectly, out of, in connection with, resulting from, or related to this Agreement and the performance or failure to perform any term, provision, covenant, or condition of the Agreement, including this indemnity provision. This indemnity provision is effective regardless of any prior, concurrent, or subsequent active or passive negligence by CONTRACTOR and shall operate to fully indemnify the Indemnitees against any such negligence. The foregoing notwithstanding, nothing in this Section shall be construed to encompass (i) Indemnitees' sole negligence or willful misconduct to the extent that the Agreement is subject to Civil Code Section 2782(a), or (ii) CITY's active negligence to the extent that the underlying Agreement is subject to Civil Code Section 2782(b).
- B. CONTRACTOR agrees, at its sole cost and expenses, to promptly defend Indemnitees from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens, and losses of any nature whatsoever. The duty of CONTRACTOR to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees. CONTRACTOR's obligation to defend the Indemnitees shall be at CONTRACTOR's sole expense, and not be excused because of CONTRACTOR's inability to evaluate liability or because the CONTRACTOR evaluates liability and determines that the CONTRACTOR is not liable. This duty to defend shall apply whether a claim, demand, cause of action, or proceeding has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively or concurrently negligent, or which otherwise assert that the Indemnitees are responsible, in whole or in part, for any damage, cost, expense, liability, claim, demand, cause of action, proceeding, expense, judgement, penalty, or lien. CONTRACTOR agrees to provide this defense immediately upon written notice from CITY with well qualified, adequately insured and experienced legal counsel acceptable to the CITY. Should conflict of interest principles preclude a single attorney from representing both CITY and CONTRACTOR, or should CITY otherwise find CONTRACTOR's attorney unacceptable, then CONTRACTOR shall reimburse the CITY its costs of defense, including without limitation reasonable attorneys' fees, expert fees, and all other costs and fees of litigation. The CONTRACTOR shall promptly pay any final judgment rendered against the Indemnitees with respect to claims determined

by a trier of fact to have been the result of the CONTRACTOR's negligent, reckless, or wrongful act, omission, or performance.

- C. Attorneys and other professionals employed by CONTRACTOR to defend Indemnitees shall be selected by Indemnitees. CONTRACTOR, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the CONTRACTOR regardless of any prior, concurrent, or subsequent active or passive negligence by the Indemnitees. CITY shall have the right to offset against the amount of any fees due to CONTRACTOR under this Agreement any amount due to CITY from CONTRACTOR because of CONTRACTOR's failure to promptly pay to CITY any reimbursement or indemnification arising under this Section.
- D. CONTRACTOR agrees to obtain executed indemnity agreements with provisions identical to those in 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 for the benefit of CITY, CONTRACTOR agrees to be fully responsible and indemnify, hold harmless and defend Indemnitees 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 or any of its officers, employees, servants, agents, subcontractors, volunteers 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.
- E. 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.
- F. The indemnification duty established under this Section is effective without reference to the existence or applicability of any insurance coverage(s) which may have been required under the Agreement or any additional insured endorsements which may extend to Indemnitees. The hold harmless and indemnification provisions of this Section shall apply regardless of whether any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost, or expense.
- G. Payment is not required as a condition precedent to an Indemnitee's right to recover under the indemnification provisions of this Section, and an entry of judgment against any one or more of the Indemnitees shall be conclusive in favor of the Indemnitees' right to recover under such indemnification provisions. CONTRACTOR shall pay Indemnitees for any attorney's fees and costs incurred in enforcing this indemnification provision.
- H. CONTRACTOR's obligations under this Section or any other provision of this

Agreement will not be limited by the provisions of any workers compensation act or similar act. CONTRACTOR expressly waives its statutory immunity under such statutes or laws as to the Indemnities. CONTRACTOR shall fully comply with the workers' compensation laws regarding CONTRACTOR and CONTRACTOR's employees. CONTRACTOR further agrees to indemnify and hold CITY harmless from any failure of CONTRACTOR to comply with applicable workers' compensation laws.

- I. The provisions of this Section shall survive the termination or expiration of this Agreement and the completion of all Work contemplated under this Agreement and is in addition to any other rights or remedies which Indemnitees may have under the law or elsewhere under this Agreement.

Section 14. Insurance.

- A. CONTRACTOR shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:
 - 1. Commercial General Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) for each occurrence and in the aggregate for any personal injury, death, loss, or damage.
 - 2. Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with minimum limits of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
 - 3. Worker's Compensation insurance as required by the State of California.
- B. CONTRACTOR shall require each of its sub-consultants or sub-contractors to maintain insurance coverage that meets all of the requirements of this Agreement.
- C. 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.
- D. Prior to commencement of any Work under this Agreement, CONTRACTOR shall file with CITY's Risk Manager a certificate or certificates of insurance showing that the insurance policies are in effect and satisfy the required amounts and specifications required pursuant to this Agreement. CONTRACTOR warrants represents, and agrees that it will furnish CITY with certificates of insurance and endorsements evidencing the coverage required under this Section 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. CONTRACTOR 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.

- E. CONTRACTOR shall provide proof that policies of insurance expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages.
- F. The general liability and automobile policies of insurance shall contain an endorsement naming CITY, its elected officials, officers, agents, employees, attorneys, servants, volunteers, successors and assigns as additional insureds. All of the policies shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONTRACTOR agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.
- G. All policies of Commercial General Liability and Automobile Liability insurance shall be primary and any other insurance, deductible, or self-insurance maintained by the CITY, its officials, officers, employees, agents, or volunteers shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.
- H. All insurance coverage provided pursuant to this Agreement shall not prohibit CONTRACTOR, and CONTRACTOR's employees, agents, subcontractors, or subconsultants from waiving the right of subrogation prior to a loss. CONTRACTOR hereby waives all rights of subrogation against CITY, its officials, officers, employees, agents, and volunteers.
- I. Any deductibles or self-insured retentions must be approved by CITY. At the option of CITY, CONTRACTOR shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONTRACTOR shall procure a bond guaranteeing payment of losses and expenses.
- J. If CONTRACTOR is a Limited Liability Company, general liability coverage must be amended so that the Limited Liability Company and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insureds.
- K. Procurement of insurance by CONTRACTOR shall not be construed as a limitation of CONTRACTOR's liability or as full performance of CONTRACTOR's duties to indemnify, hold harmless and defend under Section 13 of this Agreement.
- L. 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.

- M. 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 Section 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.

Section 15. Records and Inspection. CONTRACTOR shall keep, and require subcontractors to keep, such books and records as shall be necessary to document the performance of the Work and enable the CITY to evaluate the performance of the Work. The Contract Officer shall have full and free access to such books and records at all times during normal business hours of CITY, including the right to inspect, copy, audit, and make records and transcripts from such records. Such records shall be maintained for a period of four (4) years following completion of the Work hereunder, and the CITY shall have access to such records in the event any audit is required. This Section shall survive the termination or expiration of the Agreement.

Section 16. Termination.

- A. Termination for Convenience. CITY may immediately terminate this Agreement for convenience, without cause and without penalty or liability at any time upon the issuance of written notice to CONTRACTOR specifying the effective date of such termination. Upon such termination for convenience, CONTRACTOR will be compensated only for those services and tasks which have been performed by CONTRACTOR up to the effective date of the termination. Such termination for convenience shall be made in writing signed by either the City Representative, the City Manager, or the Assistant City Manager. CONTRACTOR may only terminate this Agreement for cause as provided herein. If this Agreement is terminated as provided herein, CITY may require CONTRACTOR to provide all finished or unfinished Documents and Data and other information of any kind prepared by CONTRACTOR in connection with the performance of the Services. 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 will operate to prohibit or otherwise restrict CITY's ability to terminate this Agreement for convenience as provided under this Section.
- B. Termination for Cause. 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") shall occur. For all Events of Default, the Party alleging an Event of Default shall give written notice to the defaulting Party (hereinafter referred to as a "Default Notice") which shall 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 shall be cured, which shall not be less than the applicable cure period set forth in this Section 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 shall

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. An Event of Default shall include, but shall not be limited to the following: (i) 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; (ii) CONTRACTOR's and/or its employees' disregard or violation of any federal, state, local law, rule, procedure or regulation; (iii) the initiation of proceedings under any bankruptcy, insolvency, receivership, reorganization, or similar legislation as relates to CONTRACTOR, whether voluntary or involuntary; (iv) CONTRACTOR's refusal or failure to perform or observe any covenant, condition, obligation or provision of this Agreement; and/or (v) CITY's discovery that a statement representation or warranty by CONTRACTOR relating to this Agreement is false or erroneous in any material respect.

1. CONTRACTOR shall cure the following Event of Default within the following time periods:

- i. Within three (3) 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 3-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 3-day cure period. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this subsection that exceeds seven (7) calendar days from the end of the initial 3-day cure period; or
- ii. Within thirty (30) 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 30-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; that the Event of Default cannot be reasonably cured within the 30-day cure period; and CONTRACTOR is diligently pursuing to cure the Event of Default. The foregoing notwithstanding, CITY shall be under no obligation to grant additional time for the cure of an Event of Default under this subsection that exceeds thirty (30) calendar days from the end of the initial 30-day cure period.

If an Event of Default relates to a material falsehood or misrepresentation that is not susceptible to a cure, CITY in its sole and absolute discretion may elect to treat the falsehood or misrepresentation as a breach of this Agreement or waive the falsehood or misrepresentation. The foregoing notwithstanding, the prior waiver of a falsehood or misrepresentation as an Event of Default shall not operate as a waiver or any other falsehood or misrepresentation later discovered by CITY.

2. Except as otherwise specified in this Agreement, CITY shall cure any Event of Default asserted by CONTRACTOR within thirty (30) calendar days of CONTRACTOR's issuance of a Default Notice, unless the Event of Default cannot reasonably be cured within the 30-day cure period. Prior to the expiration of the 30-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 30-day cure period. The foregoing notwithstanding, an Event of Default dealing with CITY's failure to timely pay any undisputed sums to CONTRACTOR shall be cured by CITY within five (5) calendar days from the date of CONTRACTOR's Default Notice to CITY.
3. CITY, in its sole and absolute discretion, may also immediately suspend CONTRACTOR's performance under this Agreement (or the performance of any specific task or function performed by CONTRACTOR 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 shall 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 shall operate to prohibit or otherwise restrict CITY's ability to suspend this Agreement as provided herein.
4. No waiver of any Event of Default or breach under this Agreement shall 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 shall give the other Party any contractual rights by custom, estoppel, or otherwise.
5. The duties and obligations imposed under this Agreement and the rights and remedies available hereunder shall 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. 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
 - iii. The CITY may exercise any other available and lawful right or remedy.

CONTRACTOR shall 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.

6. In the event CITY is in breach of this Agreement, CONTRACTOR's sole remedy shall 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. In no event shall CONTRACTOR be entitled to receive more than the amount that would be paid to CONTRACTOR for the full performance of the Work required by this Agreement.

Section 17. Force Majeure. Performance of Work under this Agreement may be waived 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. 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.

Section 18. Confidentiality. All data, documents, discussion, or other information developed or received by CONTRACTOR or provided for performance of this Agreement are deemed confidential and will not be disclosed by CONTRACTOR 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. CONTRACTOR 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.

Section 19. Notices. Except as otherwise expressly provided in this Agreement, all notices permitted or required under this Agreement shall be given to the respective Parties must be in writing and may be given personally, by registered or certified mail (return receipt requested), Federal Express, UPS or other similar couriers. If notice is personally delivered, the notice shall be deemed to have been given and received on the date notice was given. If given by registered or certified mail, such notice or communication shall be deemed to have been given and received three (3) days after the notice is deposited in the United States mail. If notice is given by Federal Express, UPS, or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered, as shown on the receipt issued by the courier. Notice shall be provided to the following addresses:

If to CITY:

City of Santa Fe Springs
11710 Telegraph Road
Santa Fe Springs, CA 90670
Attn: James Enriquez,
Director of Public Works
Phone: (526) 868-0511

If to CONTRACTOR:

Merchants Landscape Services, Inc.
1510 Lyon St.
Santa Ana, CA 92705
Attn: Mark Browers
President
Phone: (800) 645-3185

Section 20. 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 shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without CITY's prior written consent, and any attempt to do so shall be void and of no effect. CITY shall not be obligated or liable under this Agreement to any party other than CONTRACTOR.

Section 21. Attorneys' Fees. In the event that CITY or CONTRACTOR commences any legal action or proceeding to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorneys' fees.

Section 22. Entire Agreement. All documents referenced as exhibits in this Agreement are hereby incorporated in this Agreement. Except as expressly provided in this Agreement or its Exhibits, in the event of any conflict or inconsistency between the express provisions of this Agreement and provisions of any document attached or incorporated by reference, the provisions of this Agreement shall prevail and control. This instrument contains the entire Agreement between CITY and CONTRACTOR with respect to the subject matter herein. No other prior oral or written agreements are binding on the parties. Any modification of this Agreement will be effective only if it is in writing and executed by both CITY and CONTRACTOR.

Section 23. Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of CONTRACTOR each represent and warrant that they have the legal power, right and actual authority to bind CONTRACTOR to the terms and conditions of this Agreement.

Section 24. Governing Law; Jurisdiction. 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, shall 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, shall be in the Central District of California located in the City of Los Angeles, California.

Section 25. Severability. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law. If any provision of

this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

Section 26. Captions. The captions used in this Agreement are solely for reference and the convenience of the Parties. The captions are not a part of the Agreement, in no way bind, limit, or describe the scope or intent of any provision, and shall have no effect upon the construction or interpretation of any provision herein.

Section 27. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

Section 28. 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.

[SIGNATURES ON FOLLOWING 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:

Merchants Landscape Services, Inc:

By: _____
René Bobadilla
City Manager

By: _____
Name: Mark Brower

Title: President

Date:_____

Date:_____

ATTEST:

By: _____
Maribel Garcia
City Clerk

Date:_____

APPROVED AS TO FORM:

By: _____
Rick Olivarez
City Attorney

Date:_____

EXHIBIT “A”
SCOPE OF SERVICES



REQUEST FOR BIDS No. 26 - 1

Landscape Maintenance Services

Issue Date:	Wednesday, July 30, 2025
Questions Due Date:	Tuesday, August 12, 2025, at 2 pm Pacific
Proposal Due Date:	Thursday, September 4, 2025, at 2 pm Pacific

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I. Introduction

The City of Santa Fe Springs is seeking proposals from qualified contractors to provide landscape maintenance services, related services as needed. City desires to establish an agreement for three (3) years, with possible extension options.

Interested contractors must demonstrate that they have sufficient, readily available personnel, support, supplies, equipment, and financial resources to do the work without delay or shortcomings. Please review the City's bid document for requirements and directions on submitting a response.

II. About the City of Santa Fe Springs

Santa Fe Springs is located in the southeast segment of the County of Los Angeles. Though incorporated in May 1957, the City's history dates to 1871 when Dr. James E. Fulton came to the area and discovered a sulfur spring that was later developed into a health spa. Today, the City has approximately 18,800 residents and over 3,000 businesses.

The City provides a full range of municipal services, including police and fire, street maintenance, water utilities, recreational services, a public library, and cultural events. Additionally, the City is responsible for two (2) other legally separate entities, which include the Successor Agency to the Redevelopment Agency and the Housing Successor Agency to the Housing Authority.

The City's vision statement affirms, "The City of Santa Fe Springs is a great place to live, work, and play." The mission statement is, "The City of Santa Fe Springs is committed to enhancing the quality of life of its residents and businesses by providing a safe environment, a thriving business community, quality family, youth, and senior services, and sound financial management of the community's resources."

The guiding values are as follows:

- Personal integrity, honesty, and ethics
- Public service
- Compassion
- Responsibility, accessibility, and accountability
- Dedication

III. Schedule/Timeline

• Release Solicitation	Wednesday, July 30, 2025
• Online Q&A Deadline	Tuesday, August 12, 2025, at 2 pm Pacific
• Deadline to Submit Responses	Thursday, September 4, 2025, at 2 am Pacific
• Review Response	Mid-September 2025
• Interviews (if needed)	TBD
• Award	October 2025

IV. Scope of Work/Specifications

The following general conditions detail basic program requirements and services to be provided under the contract.

A. NOT AN AGENT OF CITY

It is expressly understood and agreed that the Contractor furnishing all labor, services, materials, and equipment and performing the work as provided in the Agreement is acting as an independent contractor and not as an agent or employee of the City.

B. PERFORMANCE OF WORK-GENERAL

At its own cost and expense, the Contractor shall furnish all labor, materials, tools, equipment and incidentals required by the Scope of Services and as referenced in the Agreement. The general items of work include the maintenance and irrigation of the landscape and hardscape of the City's medians, parks, parkways, greenbelts, planters, parkettes, athletic fields, and City facilities. The Contractor will assume all areas mentioned in an as-is condition.

C. LOCATION OF WORK

The Detailed Service Area Fee Schedule (See *Line Items* Tab on PlanetBids) identifies the location of each work area and facility to be serviced. A map of the service areas is included in *Attachment D—Landscape Maintenance Area (Maps)*.

D. EMERGENCY INFORMATION

The names, addresses, and telephone numbers of the Contractor and/or their representatives shall be on file with the City Engineer (11710 Telegraph Rd), Municipal Services Yard (12636 Emmens Way), Police Services Center (11576 Telegraph Road), and Fire Department Headquarters (11300 Greenstone Avenue).

E. STANDARD OF PERFORMANCE

Contractor agrees that all services performed hereunder shall be provided in a manner commensurate with the highest professional standards and shall be performed by qualified and experienced personnel; that any material furnished shall be subject to the approval of the Contract Administrator; and that both work and materials will meet the requirements of this Agreement.

F. REPRESENTATIVES

1. CITY - CONTRACT ADMINISTRATOR

City shall designate the Director of Public Works or his designee as the City's Contract Administrator and shall act as the City's representative for the performance of the Agreement. The Contract Administrator shall have the power to act on behalf of the City for all purposes under the Agreement. Contractor shall not accept direction or orders from any person other than the City's Contract Administrator.

2. CONTRACTOR - SUPERVISOR

Contractor shall designate a Supervisor to act as the Contractor's representative for the performance of this Agreement. The Supervisor shall have full authority to represent and act on behalf of the Contractor for all purposes under the Agreement. The Supervisor shall supervise and direct the performance of the Scope of Services. The Supervisor shall meet with the Contract Administrator as necessary to effectuate the purposes of the Agreement, and must be available to respond to inquiries, job walks and inspections of the maintained areas as required.

The Supervisor shall have at least five (5) years' experience in the management of landscape maintenance services for municipal government entities.

The Supervisor shall be on site for a minimum of four (4) hours per workday. The cost for the Supervisor shall be included as part of the fee for each of the service areas as identified in the Detailed Service Area Fee Schedule. A separate cost for the Supervisor will not be accepted unless it is approved in advance by the city as Extra Work.

3. CONTRACTOR- IRRIGATION SPECIALISTS

Contractor shall maintain on staff an Irrigation Specialists with demonstrated competency, knowledge and experience in the use of programming, troubleshooting, maintenance and repair of all stand-alone and centralized irrigation controllers used by the City.

Contractor shall provide two (2) Irrigation Specialists for a total of eighty (80) hours per week to provide preventive maintenance and minor irrigation system repair services. Each Irrigation Specialists assigned to the City shall have their own vehicle to perform irrigation system services.

Irrigation Specialists shall have at least five (5) years' experience in the diagnosis, repair, replacement, and installation of all irrigation system components, including controllers, wiring and connections, mainlines, backflow prevention devices, control valves, master valves, flow sensors, pressure regulators, etc.

The cost for the Irrigation Specialists shall be included as part of the fee for each of the service areas as identified in the Detailed Service Area Fee Schedule. A separate cost for the Irrigation Specialists will not be accepted unless it is approved in advance by the City as Extra Work.

For details regarding irrigation system maintenance and repairs, see Standards of Performance *Section K—Irrigation System Maintenance* and *Section L—Irrigation System Repairs*.

4. CONTRACTOR – GROUNDSKEEPER

Contractor shall provide four (4) Groundskeepers. Each Groundskeeper shall be assigned to and responsible for the landscape and maintenance of one of the following

City facilities:

- a. TCH Plaza (includes City Hall)
- b. Clarke Estate
- c. Heritage Park
- d. All City Parks

Each Groundskeeper shall be assigned to the facility eight (8) hours per day, Monday through Friday (40 hours per week for 52 weeks).

G. MATERIALS PROVIDED BY CONTRACTOR

Contractor shall furnish all materials needed to complete the Scope of Services.

- 1. Waste disposal bins and disposal.
- 2. Irrigation parts required to make repairs and replacement.
- 3. The city designates and schedules the color for flower beds. The installation schedule is quarterly. See Standards of Performance—*Section G—Annual Color*.

H. WORKFORCE

If applicable, contractor shall pay all workers engaged in the work, prevailing rates of wages for public works contracts, as determined by the Director of Industrial Relations of the State of California or Secretary of Labor for Federal Rates, whichever is greater.

The Contractor shall provide sufficient personnel to perform all work in accordance with the Agreement.

I. UNIFORMS

Contractor's personnel shall be clearly identifiable as an employee of the Contractor while working in the City by wearing clean and neat uniforms, complete with company name, logo and nametag.

The Contractor shall require its personnel to wear proper Personal Protective Equipment (PPE) which includes but not limited to work shoes, clothing and gear required by Federal and/or State of California Safety Regulations.

J. VEHICLES AND EQUIPMENT

Contractor shall provide an adequate number of vehicles and equipment to perform the Scope of Services. All vehicles shall conform to the highest industry standards, shall be maintained in a clean and efficient condition and shall comply with all measures and procedures promulgated by all agencies and jurisdiction.

Contractor shall make available sufficient back-up vehicles and equipment to ensure that the provision of services remains uninterrupted during the term of the Agreement.

The Contractor's vehicles shall be clearly identifiable by company name, logo, and local telephone number printed conspicuously on the vehicle. Each vehicle shall also bear a distinct identification number.

The noise level generated by vehicles and equipment shall not exceed a single-event noise level of seventy-five (75) decibels at twenty-five (25) feet from the vehicle or equipment.

K. COOPERATION WITH OTHER WORK FORCES

Contractor shall be responsible for ascertaining the nature and extent of any simultaneous, collateral and essential work by other agencies, City and companies. The City, its workers and contractors, utility companies and others, shall have the right to operate within or adjacent to the work site during the performance of the Scope of Services.

The Contractor shall not be entitled to any additional compensation from the City for damages or delay resulting from such simultaneous, collateral, and essential work.

L. CLEANING AND ENVIRONMENTAL CONTROLS

Contractor shall comply with all applicable litter, pollution and environmental laws (National Pollutant Discharge Elimination System Regulations) while performing

the Scope of Services. All subcontractors and employees shall likewise obey these laws, and it shall be the responsibility of the Contractor to ensure compliance.

Contractor shall exercise every reasonable precaution to protect storm drains from pollution. The Contractor shall not discharge smoke, dust or any other pollutants into the atmosphere in such quantity as will violate the regulations of any legally constituted authority.

Contractor shall separate litter and trash from landscape green wastes and dispose of these waste materials in the appropriate waste disposal bins distributed throughout the City.

M. PROTECTION OF PROPERTY

Contractor shall be responsible for the protection of public and private property adjacent to each work site and shall exercise due caution to avoid damage to such property. Should any facility, structure, or property be damaged during the operations of the Contractor, the Superintendent shall immediately notify the property owner(s) or authorities.

Contractor shall repair or replace all existing improvements that are damaged because of its operations, at its own expense. The Contractor shall pay all damages and losses incurred. Repairs and replacements should be at least equal to previous conditions before damage or loss incurred and shall match in finish and dimension. Landscaping damaged by the Contractor's operations shall be restored or replaced in as nearly the original condition and location as reasonably possible.

N. TRAFFIC CONTROL – PUBLIC CONVENIENCE AND SAFETY

Contractor shall comply with the requirements of the American Public Works Association Traffic Control Handbook, and the State of California Manual of Temporary Traffic Controls for Construction and Maintenance Work Zones, except as modified and supplemented below:

1. Contractor shall conduct its operations to offer the least possible obstruction and inconvenience to the public and shall have underway no greater length or amount of work than can be prosecuted properly with due regard to the rights of the public.
2. Contractor shall maintain safe and adequate pedestrian and vehicular access to all properties. Access shall be continuous and unobstructed, unless otherwise approved by the Contract Administrator.

3. Contractor shall furnish and maintain all signs to safely guide the public through the project limits, as described herein, and as directed by the Contract Administrator.
4. Contractor's employees working within the right-of-way shall always wear reflective vests.
5. Lane Closures. In compliance with the California Traffic Control Handbook, Contractor shall provide, at its own expense, all materials, equipment and trained personnel required for proper closure of one or more lanes of traffic on City streets. This shall include, but not limited to the provision of cones, delineators, barricades, traffic control signs, arrow boards, extra traffic personnel, etc. No lane closures on arterial streets before 9 am. See list below.

List of Arterial Streets

- a. Telegraph Road
 - b. Florence Avenue
 - c. Orr and Day Road
 - d. Norwalk Boulevard
 - e. Carmenita Road (between Imperial Hwy and Alondra Boulevard)
 - f. Pioneer Boulevard
6. Parking Restrictions. When necessary to facilitate the work, on-street parking of Contractor vehicles shall be restricted to within the work area limits, during the specified working hours, on weekdays only. Temporary "NO PARKING" signs shall be provided and posted by the Contractor not less than seventy-two (72) hours in advance of the start of work requiring said restriction. Temporary "NO PARKING" signs must clearly state the days, dates and hours when the parking restrictions will be in effect.

O. **CUSTOMER SERVICE**

1. Office Hours. Contractor's office hours shall be weekdays from 7:00 am to 5:00 pm, excluding Saturdays, Sundays, and holidays. A Contractor representative shall be available by telephone during office hours for communication with the City's Contract Administrator at the Contractor's principal office.
2. After Hours Emergencies. Contractor shall maintain an emergency telephone number for use outside normal business hours. Contractor shall have a representative available at said emergency telephone number during all hours other than normal office hours.

P. PERMITS AND LICENSES

Contractor shall obtain all applicable permits and licenses required by other agencies of the State of California and County of Los Angeles, as well as a City business license. All applicable permits and licenses shall be obtained by and at the expense of the Contractor and/or subcontractors.

Q. DATA TO BE FURNISHED BY THE CONTRACTOR

Contractor shall furnish the Contract Administrator access to such information as may be required in connection with the progress and manner of the Scope of Services, including all information necessary to determine costs, such as the number of persons employed, their rate of pay, the time during which they worked on site and other pertinent data.

R. MAINTENANCE SCHEDULES

1. General. The Scope of Services shall be performed on a regular schedule, in accordance with the frequencies described in the Detailed Service Area Fee Schedule and incorporated herein by reference.
2. Initial Monthly Service Schedule. Within one week after the Notice to Proceed, and prior to the start of any work, the Contractor shall submit to the Contract Administrator for approval the proposed initial Monthly Service Schedule that reflects the service frequency identified in the Detailed Service Area Fee Schedule. The Contract Administrator will communicate approval or a revised schedule within five (5) working days.
3. Monthly Service Schedules. After the initial schedule, Contractor shall provide updated Monthly Service Schedules to the Contract Administrator not later than the first Friday of each month until completion of the Agreement. The updated Monthly Service Schedule should show any significant changes in activities since submission of the previous schedule, including upcoming seasonal periodic work.

S. MONTHLY REVIEW OF PERFORMANCE AND QUALITY OF SERVICE

The Contractor Administrator, Superintendent and Supervisor shall meet monthly to review the performance and quality of service by the Contractor as identified in the prior month's Service Schedule. The monthly review will include on-site visits to service areas to be determined by the Contract Administrator.

T. CHANGES TO THE SCOPE OF SERVICES- CONTRACTOR

If conditions develop during the progress of the work and the Contractor finds it impractical to comply strictly with the provisions of the Agreement or the Scope of

Services, Contractor may request in writing for a modification of requirements or methods of work. The Contract Administrator is authorized to approve the requested change.

U. CHANGES TO THE SCOPE OF SERVICES - CITY

The City reserves the right to make such changes in the Scope of Services or to add Extra Work and as determined by the Contract Administrator to be necessary or in the City's best interests. Changes may include alterations, deviations, and additions of Extra Work or deletions from the Scope of Services. The City reserves the right to increase or decrease the frequency of any item or portion of work or to omit any item or portion of the Scope of Work.

1. Extra Work. Extra work shall include specific tasks of work outside the Scope of Services. Such extra work shall have a specific written scope of services, cost and schedule agreed upon the City and the Contractor. City will provide Contractor with a written Authorization to Proceed. Compensation for extra work will be based on Contractor's Extra Work Rate Schedule.
2. Changes to Scope of Services. Changes to the Scope of Services shall include specific additions to or deletions from the Scope of Services set forth in the Agreement, or an increase or decrease in the frequency of any item or portion of the Scope of Services.

The cost per month for added or deducted work areas shall be determined by computing the area (in square feet) of the added or deducted work area multiplied by the monthly bid price for the corresponding quantity of turf, planted area or hardscape area as listed in the Detailed Service Area Fee Schedule incorporated herein by reference.

V. WORK TO BE PERFORMED BY CONTRACTOR

1. Contractor shall maintain the landscape and hardscape areas identified in the Detailed Service Area Fee Schedule and incorporated herein by reference. The scope of work shall generally include maintenance of landscaped median islands, public parkways (greenbelts and planters and tree wells), parks, parkettes, parking lots, athletic fields and City facilities' landscape and hardscape areas.
2. Contractor shall not work or perform any operation, particularly during periods of inclement weather, which may destroy or damage plant, ground cover or turf areas. The Contract Administrator shall have authority to suspend the work, wholly or in part, for such period as may be deemed necessary, due to unsuitable weather or to such other conditions as are considered unfavorable for the suitable performance of the work. Any work

not performed due to inclement weather and not rescheduled shall be deducted from the monthly billing statement.

3. Contractor shall be available twenty-four (24) hours a day, seven (7) days a week to respond to all emergencies within one (1) hour of notification. If Contractor cannot be notified or does not respond in a timely manner, the City will respond to the emergency.
4. Contractor shall schedule his operations so as not to interfere with the public's use of the areas set forth in the Detailed Service Area Fee Schedule. Contractor shall conduct its operations to provide maximum safety for the public and to offer the least possible obstruction, inconvenience, or disruption to the peace and quiet of the area to the public around which the services are performed.

W. WORKING HOURS

Unless otherwise approved by the City, normal work or activity of any kind shall be limited to the hours between 7:00 am to 5:00 pm from Monday through Friday. No noise from the work performed under this Agreement shall be permitted between the hours of 5:00 pm and 7:00 am of the next day, pursuant to the City of Santa Fe Springs Municipal Code.

X. EMERGENCY WORK

The City may call upon the Contractor to respond to an emergency that requires immediate attention during working hours and outside of working hours. The City will be the sole judge in determining an emergency. Contractor shall be required to respond to the emergency within one (1) hour of notification by the City. Claims for additional compensation for emergency work will be paid as extra work.

Y. COMPENSATION AND BILLING

Payment for regular recurring landscape maintenance services provided under the Agreement shall be at the annual bid price, to be paid in equal monthly installments. Contractor shall only be compensated for actual services rendered in accordance with the Detailed Service Area Fee Schedule. The Contract Administrator will review and approve the invoice for payment of services rendered consistent with the Agreement after the services have been completed.

Invoices will be processed monthly for payment and remitted within thirty (30) days from receipt of invoice, if work is accomplished consistent with Agreement as determined by the Contract Administrator.

Z. DEDUCTIONS

The City may withhold and/or deduct payment to such extent as may be necessary to protect the City from loss due to:

1. Work required as identified in the Detailed Service Area Fee Schedule that is defective, incomplete or not performed, including any maintenance not performed due to inclement weather and not rescheduled.
2. Claims filed or reasonable evidence indicating probably filing of claims for damages caused by the Contractor to private or public property.
3. Expenses incurred by the City to perform work required as identified in the Detailed Service Area Fee Schedule that the Contractor performed in a defective or incomplete manner.

STANDARDS OF PERFORMANCE

The Contractor shall perform the following services:

A. MOWING

Turf shall be mowed with a properly sharpened power rotary mower to ensure a smooth surface appearance without scalping or leaving visible clippings on the turf or adjacent walkways.

The mowing heights will be adjusted according to the needs of the city or during periods of renovation. A mowing schedule shall be established and maintained. This schedule will ensure that all areas will be mowed not less than once a week. Mowing personnel shall flag broken sprinkler heads for repair.

B. EDGING

Grass along sidewalks, curbs, shrub and flowerbeds, infield baselines, outfield/infield edges, and walls shall be trimmed to a neat and uniform line. Straight edges of sports fields must be done with string. Arches of sports fields must be measured out to field specifications. Edging shall be done concurrently with each mowing. Turf edges shall be maintained to prevent grass invasion into adjacent shrub, flower, and ground cover bed areas. After mowing and edging is completed, all adjacent hardscape areas are to be cleaned. All trash and debris generated by mowing and edging shall be collected and removed immediately following the work performed.

Where trees occur in turf areas, all grass shall be removed 6 inches from the trunks of trees by approved chemicals or by hand as required. Mulch shall be applied to the base of tree trunks to reduce weed growth. String trimmers may not be used to clear turf around trees.

Contractor shall trim around all sprinkler heads as necessary to provide maximum irrigation coverage. The edge of the turf shall be trimmed around valve boxes, meter boxes, backflow devices, or any structures located within the turf areas using mechanical methods.

C. FERTILIZATION

Contractor will provide fertilizer and fertilize all turf areas at each City facility four (4) times per year, in accordance with the attached Pesticide and Fertilizer Schedule (Attachment C).

D. AERATION

Contractor will provide core aeration of all turf areas at each City facility two (2) times per year. The first aeration shall be performed in the months of March/April. The second aeration shall be performed in the months of October/November. Core aeration shall be performed removing ½ inch diameter by six (6) inch deep cores of turf, roots, and soil with tines not more than 6 inches spacing. Cores shall be pulverized over the turf surface.

Sports field infields and outfield areas; core aeration of all turf areas shall occur six (6) times per year.

E. SEASONAL OVERSEEDING

Contractor shall reseed all turf areas as identified in the Detailed Service Area Fee Schedule once a year in November, and pursuant to the Contract Administrator's authorization. The Contractor will provide all seed and materials necessary to all turf areas. All bare or sparse areas shall be seeded at the direction of the Contract Administrator.

Overseeding of sports fields shall occur twice annually-once in October/November and once in March/April-using seed types specified by the Contract Administrator.

F. WEED CONTROL

Turf areas will be maintained in as nearly a weed-free condition as reasonably possible. The Contractor will provide the chemicals. The Contractor shall apply chemicals for weed control by a Qualified Applicator Certificate (QAC) or Qualified Applicator License (QAL) in accordance with the attached Pesticide and Fertilizer Schedule.

G. ANNUAL COLOR

Contractor shall install and provide annual color flowers every two (2) months (6 times per year) at four (4) specified locations at City Hall, eight (8) specified locations at Clarke Estate, four (4) specified locations at Heritage Park, two (2) specified locations at Friendship Park, four (4) specified location at Town Center Hall, one specified location at Telegraph Rd City Marker west end, and one specified location on Telegraph Rd median and Cedardale only. The Contractor shall provide the color flowers to the City. The Contract Administrator will identify the areas and colors at each identified City facility where the color flowers will be installed.

Annual Color Schedule

1. First two weeks in February
2. First two weeks in April
3. First two weeks in June
4. First two weeks in August
5. First two weeks in October
6. First two weeks in December

H. PLAYGROUND AREAS - PARKS AND PARKETTES

In addition to the landscape and hardscape maintenance, Contractor shall maintain the playground area surfaces by raking and blowing any leaves plus the raking of sand, wood chips, engineered wood or other surface material adjacent to and under playground equipment including but not limited to swings, slides, stairs, etc. Special attention shall be given to the landing areas for the playground equipment.

Contractor shall inform the City if additional playground surface material is required to maintain a level surface. The City shall install the surface material.

I. PRUNING

Contractor shall perform pruning of all shrubs located within each of the City's service areas to promote healthy growth habits for shape and appearance. Shrubs shall be maintained free of damaged, dead, weak, diseased or insect-infested limbs, flowers, seed heads or fruiting bodies. Contractor shall remove all clippings the same day shrubs are pruned. Pruning shall be performed as often as necessary, but not less than once per month, to maintain public safety, neat, tidy appearance and a vigorous healthy condition of all shrubs.

Contractor shall perform pruning services of low-hanging tree branches that pose a risk to public safety.

J. MAINTENANCE OF HARDSCAPE

Contractor shall maintain all hardscape areas identified in the Detailed Service Area Fee Schedule in a clean and safe condition. All litter shall be manually removed or vacuumed. Contractor shall not be permitted to use water to clean hardscape surfaces. Contractor shall not blow dirt or debris into traffic lanes, walking paths, parking lots, planters, or pool decking.

Contractor shall maintain monument signs clean of dirt and debris. Vandalism of monument signs shall be reported to the Contract Administrator.

K. IRRIGATION SYSTEM MAINTENANCE

In accordance with State water regulations, Contractor shall be responsible for irrigating all landscaped areas as required to maintain vigorous growth rate and appearance. Consideration shall be given to the soil conditions, seasonal temperatures, wind conditions, humidity, minimizing runoff, and the relationship of conditions that affect day and night watering.

Contractor shall be responsible for maintaining all systems within the areas identified in the Detailed Service Area Fee Schedule and for the correction of coverage, sprinkler adjustments, nozzle replacements, head cleaning, minor valve and controller maintenance.

Contractor shall perform the following irrigation system maintenance services:

1. Perform periodic irrigation system checks and adjust sprinkler system function and coverage following mowing or recurring maintenance activity.
2. Establish and maintain a schedule of performing irrigation system checks.
3. Flag broken sprinkler heads for repair or replacement with each mowing or recurring maintenance activity.
4. Manually irrigate areas that do not have automatic sprinkler systems, or during periods of prolonged heat.
5. Program irrigation controllers and adjust sprinkler frequency and duration of cycle length.
6. Program controllers such that irrigation occurs between midnight and 5:00 am. Frequent repeat cycles may be required to germinate grass seed or reduce irrigation runoff.

L. IRRIGATION SYSTEM REPAIRS

Contractor shall perform minor (routine) repairs to the irrigation system arising from normal wear and tear at no additional cost to the City.

Minor repairs shall include but not limited to:

1. Replacement of nozzles, pop-up spray heads, rotary sprinkler heads, drip irrigation emitters, tubing and filters.
2. Repair/replacement of automatic control valve solenoids, bleed screws, diaphragms, etc.
3. Repair/replacement of broken swing joint assemblies, risers, quick couplers, etc.
4. Replacement of automatic controller batteries and other minor adjustments.

Contractor shall perform major (extraordinary) repairs, as determined by the Contract Administrator, to the irrigation system not described above for additional compensation by the City. Major repairs shall be performed as follows:

1. Contractor shall provide the City with a written estimate price to perform the major repairs. Major repairs will be billed as Extra Work following completion of the work and approval by the City.
2. The Contractor will provide all irrigation system parts for major repairs.
3. The City reserves the right to perform major repairs with its own staff or a third party.
4. Any necessary repairs to main lines over 2" will be considered as major repairs to the irrigation system. An estimate, with approval from Contract Administrator, will be required to use the extra work rate schedule before work can be performed.

V. Instructions to Bidders

Interested prospective contractors should submit a complete bid for the items/services they can provide to the city. When preparing your submittal, please refer to the list below to ensure all items have been included. All submissions must consist of the following:

- A. Cover/Introductory Letter that includes the following:
 - Business name
 - Address
 - Contact Person Name/Title
 - E-mail Address

- Phone Number
 - Statement of Capabilities (description of your firm's ability to provide the items/services described in the scope of work/services, number of years in service/operation, number of personnel, and describe any relevant experience)
- B. Cost Proposal (Please use the Line-Item Tab in PlanetBids to submit your pricing for the requested items. Supplemental attachments that provide additional information are acceptable)
- C. References (See Attachment A)
- D. Non-Collusion Affidavit (See Attachment B)

VI. Evaluation Criteria

The evaluation is based on weighted scores for various categories including price. Scoring criteria is summarized below:

- Experience in performing similar work for other Municipalities (25 percent)
- Capability to perform the work based on staffing and equipment (20 percent)
- Quality of work previously performed by the contractor as verified by reference checks (35 percent). **City staff will be performing site visits to references submitted.**
- Annual total fee proposal (20 percent).

VII. Process for Submitting Bids

All bids must be submitted electronically via PlanetBids. Submissions must be received by Tuesday, September 4, 2025, at 2 pm Pacific. Submissions will not be accepted after this deadline. Faxed, mailed, or e-mailed submissions will not be accepted.

To access the City's PlanetBids website, please visit:

<https://vendors.planetbids.com/portal/65093/portal-home>

Prospective bidders must register with PlanetBids before being able to view or submit a response.

VIII. Inquiries/Questions

Inquiries/questions regarding this solicitation must be submitted via PlanetBids by Tuesday, August 12, 2025, at 2 pm Pacific.

IX. Submission Criteria

The City may contact and evaluate the bidder's references; contact any bidder to clarify any response; contact any current users of a bidder's services; solicit information from any available source concerning any aspect of submission; and seek and review any other information deemed pertinent to the evaluation process.

After submissions have been reviewed, discussions with bidders may or may not be required. An electronic notice may be sent to the selected contractors. Award is contingent upon the successful negotiation of final contract terms. Negotiations shall be confidential and not subject to disclosure to competing contractors unless an agreement is reached. If contract negotiations cannot be concluded successfully and expeditiously, the City may negotiate with another bidder or withdraw the solicitation.

X. Prevailing Wages (If Applicable)

Legislation by the State of California imposes prevailing wage requirements on the work to be performed by the vendor/contractor during the term of this Agreement.

Department of Industrial Relations (DIR) Registration Requirements:

No vendor/contractor or subcontractor may be listed on a bid proposal for a public works project unless registered with the Department of Industrial Relations under Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)].

No vendor/contractor or subcontractor may be awarded a contract for public work on a public works project unless registered with the Department of Industrial Relations under Labor Code section 1725.5.

This vendor/contract is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

Vendor/Contractor acknowledges and agrees that it is responsible for compliance with all state law requirements governing employment and payment of apprentices, as outlined in Labor Code section 1777.5, and elsewhere, which are fully incorporated herein by this reference.

XI. Wage Rates for State-funded Projects/Contracts (if Applicable)

Bid specifications require the vendor/contractor and any subcontractors to pay prevailing wage ("Prevailing Wage Rates") to persons employed by them for work under this contract. Following the provisions of Section 1773 of the Labor Code of the State of California, the City has ascertained the general prevailing wage scales applicable to the work to be done. The prevailing wage scales are those determined by the Director of Industrial Relations, State of California.

The State prevailing wage rates determination is available directly from the State of California Director of Industrial Relation's home page, www.dir.ca.gov/dlsr/.

XII. Standard Terms and Conditions

- A. Specifications and Qualifications:** Bidders shall carefully review all specifications, drawings, scopes of work, and any other bid requirements, including but not limited to insurance, bonding, licensing, references, affidavits, certifications, etc. that may be called for in the bid documents, to ensure qualifications and submission of a responsive bid or proposal. All requirements specified in the bid documents will be made a part of any contract with the successful bidder.
- B. Questions:** Any questions concerning this bid request are to be directed in writing to the City's Procurement Manager or the person named in the bid documents electronically by the date indicated in the bid. In the event no specific date is indicated, questions are due no later than seven (7) calendar days prior to the scheduled bid submittal date. Attempts to obtain information from other City employees or representatives during the bid cycle may disqualify a bidder. Answers to such inquiries, as well as any revision, deletion, or addition to the bid, will be posted on the City's PlanetBids website. Bidders should check the website for any addendums prior to submitting their bid.
- C. Price Errors/Discrepancies:** In the event of discrepancies between totals, unit price extensions, and summaries of totals, the unit price correctly extended will control.
- D. Single or Multiple Awards:** If more than one item appears on the bid proposal form and no statement to the contrary is set forth therein, the City reserves the right to:
1. Make multiple awards based on prices submitted; or
 2. Make one award based on the total price of all items.
- E. Open Competition:** The city encourages all qualified business firms to submit proposals. The Department of Finance will assist by providing detailed instructions, procurement policies, and other relevant information upon request to any potential bidder seeking assistance.
- F. Federally Funded Purchases:** For projects designated as federally funded, the successful bidder will be required to certify prior to award that it has a written affirmative action program and complies with all federal, state, and local laws and regulations about affirmative action and non-discrimination.

The vendor/contractor must also certify that they have not been disbarred and comply with any additional Federal regulations that may be indicated within the specific bid documents. When this provision applies to the bid, this certification shall be made on the bid form that will be provided with the bid documents.

- G. New Materials:** Unless a bid specification calls for used, refurbished or recycled materials, all items or materials bid and supplied to the city are to be new, unused products.
- H. Alternates/Substitutions:** When bidding for an item believed to be equal to that specified where equals are called for, sufficient supporting data to enable the City to determine whether the proposed item is equal must accompany your bid. Vendors/contractors should refer to the specification pages to determine if alternate products or specifications will be considered, and to determine any pre-qualification requirements that may be applicable.
- I. Exceptions:** Exceptions to the City's specifications, terms, or conditions taken at the time of or after bid submittal may render the bid non-responsive and result in disqualification. Vendors/contractors wishing to request such exceptions are asked to notify the City of such a request prior to the bid due date to allow for consideration and notification of acceptance or rejection of such request.
- J. Lowest Responsive, Responsible Bidder:** It is understood that, except as may be otherwise expressly provided in the bid documents, the award will be made to the lowest, most responsive bidder where the bids are for identical items or supplies, subject to the right to reject any bids. When bids call for articles or supplies that are similar but of different brands or make, the City may accept the bid of the bidder who submits the article or supply which, in the City's judgment, is deemed best for the City, although it may not be the lowest bid.
- K. Sales Tax/Taxes:** The City's sales tax rate is 10.75%. When submitting their response, bidders should submit their bid prices without including sales taxes, unless requested to do so. The City is exempt from Federal Excise tax.
- L. Informality or Irregularity:** The City reserves the right to waive any informality or irregularity in a bid when it is to the City's advantage and best interest to do so. It is further understood that if the bidder to whom any award is made fails to enter into an agreement in a timely manner, the award may be made to the next lowest responsible bidder, who shall be bound to perform as if he had received the award in the first instance.
- M. Discounts/Rebates:** All discounts or proposed rebates must be incorporated as reductions in the bid prices and not shown separately. The price shown in the unit price and its extension shall be used in determining the award.
- N. Payment Terms:** The City's standard payment terms are net 30 days. Payment will be made within thirty days of acceptance of goods or services and receipt of invoice, whichever occurs last. Discount payment terms may be offered; however, they will not be considered in determining the lowest responsive bid award.

- O. Non-Collusion:** By submitting a bid, the bidder certifies that they have not divulged, discussed, or compared their bid with other bidders, nor colluded with any other bidder or parties to the request for bid.
- P. Applicable Laws:** All applicable laws and regulations of the State of California, County of Los Angeles, and City of Santa Fe Springs will apply to any resulting agreement, contract, or purchase order. Bidders are responsible to comply with all Federal, State and local rules, regulations and requirements applicable to their provision of the items and/or services to the City.
- Q. Patents, Royalties, and License Fees:** Should any articles being bid be protected by patent, copyright, royalties, and/or license fees, the successful bidder shall include any such royalties or license fees in their bid price and defend all suits or claims for infringement of any patent right against the City. The successful bidder shall hold the City of Santa Fe Springs harmless from any loss on account thereof and cost and attorney's fees incurred, therefore.
- R. Quality Guaranty:** All items furnished shall be new, of good workmanship, in full accordance with the specifications, and free of defects. Items will be subject to inspection by the City. If any product or service delivered shows evidence of shipping damage or defects, does not meet applicable specifications, or does not perform to the standards represented by the supplier, the City shall reject same. The supplier will refund the money which has been paid and bear all costs of removal and return of the products. Unless otherwise specified, all products provided shall have a warranty of at least twelve (12) months on workmanship, parts, and labor.
- S. Hold Harmless and Indemnification:** The successful bidder shall agree to indemnify, defend, and hold harmless the City (including its officers and employees) from and against any claims of any kind or nature presented against the City arising out of vendor/contractor's (including employees, representatives, products and subcontractors) performance under any purchase order or Agreement resulting from this bid, excepting only such claims, costs or liability which may arise out of the sole negligence of the City.
- T. Bonding and Insurance Requirements:** Some purchases may require bonding and/or insurance. Specific requirements will be stated in the applicable bid documents. In the event bonding is required, bonds shall be submitted in a form acceptable to the City. When work is performed on City property, the City's standard insurance requirements (shown below) will apply unless otherwise indicated.

Commercial General Liability	\$1,000,000
Business Automobile Liability	\$1,000,000
Professional Liability or Errors and Omissions	\$2,000,000
Workers' Compensation and Employer's Liability	\$1,000,000

Cyber Liability Insurance	\$1,000,000
Tech. Professional Liability Errors & Omissions	\$2,000,000

City of Santa Fe Springs to be named as an Additional Insured. In addition, coverage shall be primary non-contributory. All policies shall provide for a minimum of thirty (30) days written notice of any change or cancellation. Insurance policies to be in form and written through companies acceptable to the City.

Vendors/contractors may request a waiver or modification of these insurance requirements. Waiver or modification requests must be submitted in writing. The request should state the specific insurance requirement that is being considered for waiver or modification and provide a brief explanation for the request. Requests will be reviewed on a case-by-case basis, and the decision will ultimately depend on the scope of services. The final decision to approve or deny a request will be at the City's legal authority and/or an authorized designee's discretion.

U. Addenda: Any changes, deletions, or additions to this bid solicitation will be made by addendum numbered sequentially and posted via PlanetBids.

V. Right to Reject: The City of Santa Fe Springs reserves the right to accept or reject any/all bids.

W. Extension to Other Public Agencies: The awarded vendor/contractor(s), at their discretion, offer the prices, terms, and conditions of this bid may be extended to governmental agencies with the mutual Agreement of both the entity and vendor/Contractor. All requirements of the specifications, purchase orders, invoices, and payments with other agencies would be directly with the Contractor. The City will not be held responsible for any dispute arising from such an agreement.

Please review:

Attachment A – References

Attachment B – Non-Collusion Affidavit

Attachment C – Pesticide and Fertilizer Schedule

Attachment D – Landscape Maintenance Areas (Map)

Attachment E – Draft GSA



11710 Telegraph Road • CA • 90670-3679 • (562) 868-0511 • Fax (562) 868-7112 • www.santafesprings.org

"A great place to live, work, and play"

RFB 26-1
Landscape Maintenance Services
ATTACHMENT A – References
(COMPLETE AND RETURN WITH YOUR PROPOSAL)

Entity Name _____

Entity Address _____

Name of Contact _____

Telephone Number of Contact _____

Email of Contact _____

Project Title _____

Date of Project _____

Entity Name _____

Entity Address _____

Name of Contact _____

Telephone Number of Contact _____

Email of Contact _____

Project Title _____

Date of Project _____

Entity Name _____

Entity Address _____

Name of Contact _____

Telephone Number of Contact _____

Email of Contact _____

Project Title _____

Date of Project _____



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"A great place to live, work, and play"

**RFB 26-1
Landscape Maintenance Services
ATTACHMENT B – Non-Collusion Affidavit**

PLEASE SUBMIT THIS NONCOLLUSION DECLARATION WITH YOUR BID DOCUMENTS/PROPOSAL

The undersigned declares:

I, _____ [your name], am a representative
of _____ [entity bidding], the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____ [date], a _____ [city],
_____ [state].

Bidder's Name (Printed): _____

Bidder's Entity Name: _____

Bidder's Signature: _____

Bidder's Title: _____



RFB 26-1
Landscape Maintenance Services
ATTACHMENT C – PESTICIDE AND FERTILIZER SCHEDULE

JANUARY	Provide City with copies of all pesticide licenses, permits, pesticide labels, Safety Data Sheets and pest control recommendations that will be used during the year.
FEBRUARY	Fertilizer plus Herbicide for pre-emergent weed control.
MARCH	Blanket spray all turf areas City-wide with Speed Zone pesticide for broad leaf weeds.
APRIL	Fertilize with 16-06-08 to stimulate growth and green-up of permanent grasses.
MAY	Spot spraying of broadleaf weeds City-wide.
JUNE	Spot spraying of broadleaf weeds City-wide.
JULY	Spot spraying of broadleaf weeds City-wide.
AUGUST	Fertilize with 16-06-08.
SEPTEMBER	Spot spraying of broadleaf weeds City-wide.
OCTOBER	Spot spraying of broadleaf weeds City-wide.
NOVEMBER	Fertilize with 6-20-20 to enhance the turf from the fall over seeding. Spot spraying of broadleaf weeds City-wide.
DECEMBER	Spot spraying of broadleaf weeds City-wide.

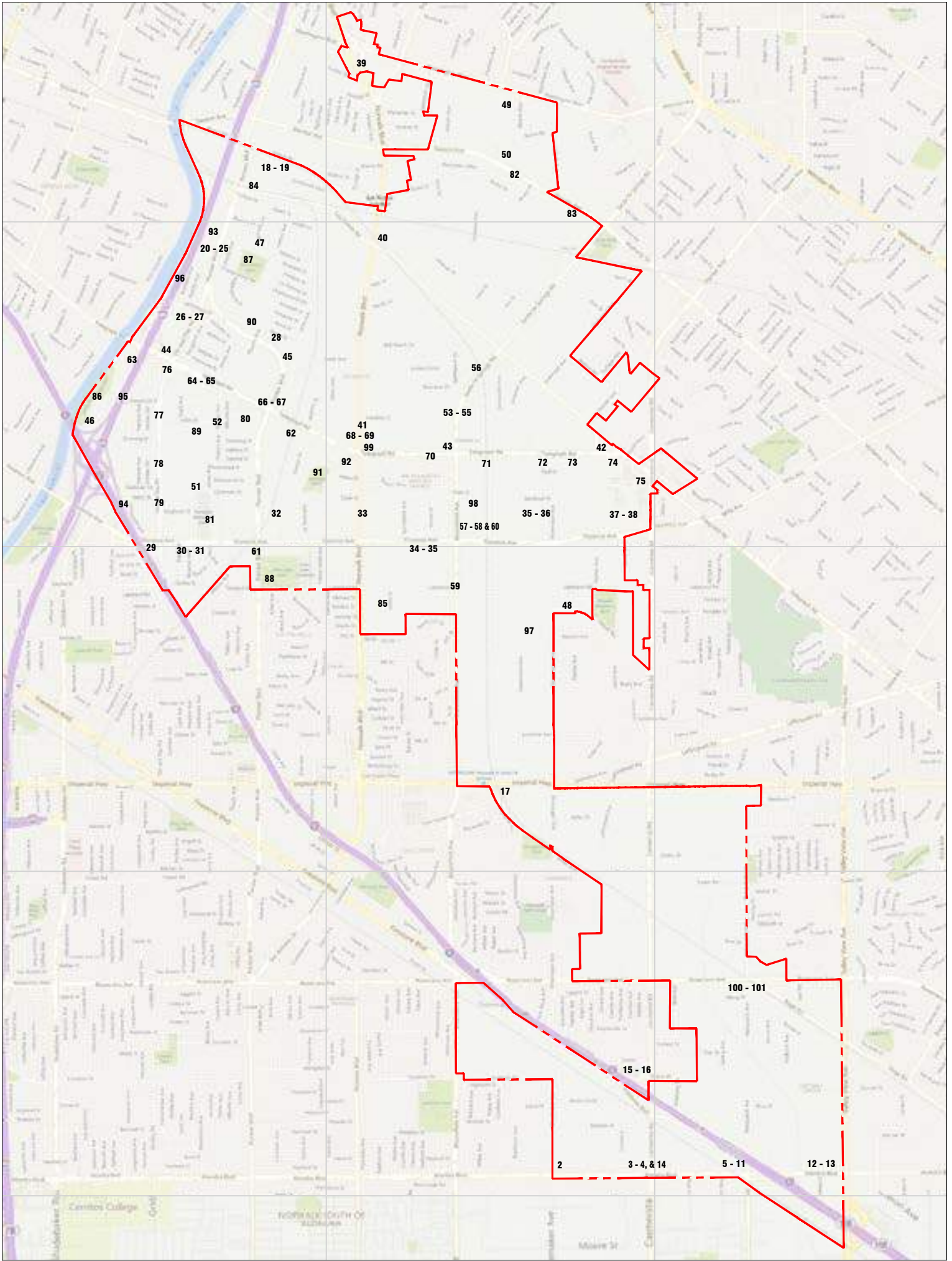
**CITY OF
SANTA FE SPRINGS**

**LANDSCAPE MAINTENANCE AREAS
2025**

TABLE OF CONTENTS

Location	Page No.	Area
Index Map	1	
Alondra Blvd - Medians	2 - 11	45,432 SQ. FT.
Carmenita Road - Medians, Planters, & Embankments	14 -16	26,623 SQ. FT.
Imperial Highway & Transportation Center - Median & Side Embankment	17	39,817 SQ. FT.
Pioneer Boulevard - Medians	18 - 28	4,972 SQ. FT.
Florence Avenue - Median, Frontage Roads, & Side Slopes	29 - 38	77,930 SQ. FT.
Norwalk Blvd - Medians	39 - 41	5,257 SQ. FT.
N/W Corner of Telegraph Rd & Laurel Ave	42	7,713 SQ. FT.
Northwest & Southwest Corners - Telegraph Rd & SFS Rd/ Bloomfield Ave	43	18,789 SQ. FT.
Friendship Park	44	11,532 SQ. FT.
Smith Ave Triangle	45	31,399 SQ. FT.
Davenrich Cul-De-Sac	46	6,000 SQ. FT.
Broaded St - Greenbelt	47	16,569 SQ. FT.
Meyer Road - Medians	48	5,335 SQ. FT.
Sorensen Avenue - Medians	49 - 50	3,981 SQ. FT.
Jersey Ave/ Clarkman St - Walkway	51	14,261 SQ. FT.
Alburtis Avenue/ Flallon Avenue - Walkway	52	9,906 SQ. FT.
Telegraph Road Median & Underpass Embankments e/o Bloomfield Ave	53	76,550 SQ. FT.
Santa Fe Springs Road Medians & Side Embankments	54 - 56	105,000 SQ. FT.
Bloomfield Ave - Medians	57 - 59	23,165 SQ. FT.
Bloomfield Ave - Greenbelt	60	18,357 SQ. FT.
North West & South West Corner of Florence Ave & Pioneer Blvd	61	10,500 SQ. FT.
Telegraph Road e/o Pioneer Blvd - Planter Areas	62	13,993 SQ. FT.
Telegraph Road - Medians, Frontage Roads, & Side Embankments	63 - 75	117,553 SQ. FT.
Orr & Day Rd - Medians & Frontage Roads	76 - 79	72,500 SQ. FT.
City Center - City Hall, Post Office, Library, Clarke Estate, Community Gardens Picnic Area, Aquatic Center, & Fire Station No. 4	80	253,000 SQ. FT.
Lake Center Athletic Park	81	313,000 SQ. FT.
Slauson Ave Medians	82 - 83	35,022 SQ. FT.
Los Nietos Road - North & South Greenbelts	84	22,000 SQ. FT.
Westside - Getty Drive Planter	85	5,707 SQ. FT.
Santa Fe Springs Park & Parking Lots	86	596,400 SQ. FT.
Los Nietos Park	87	549,000 SQ. FT.
Little Lake Park	88	786,000 SQ. FT.
Lakeview Park	89	255,500 SQ. FT.
SFS Athletic Fields	90	275,525 SQ. FT.
Heritage Park	91	150,000 SQ. FT.
Sculpture Garden	92	189,964 SQ. FT.
Gus Velasco Neighborhood Center	93	28,500 SQ. FT.
Longworth Parkette	94	13,989 SQ. FT.
Davenrich Parkette	95	10,285 SQ. FT.
Bradwell Parkette	96	12,912 SQ. FT.
Fire Station HQ	97	11,762 SQ. FT.
Municipal Services Yard	98	11,538 SQ. FT.
Food Court/ Art Walk	99	32,500 SQ. FT.
Rosecrans Marquardt Bridge	100 - 101	70,500 SQ. FT.

The following site plans are intended to be used as vicinity maps, and are for facility locating purposes only. Outlined areas shown within are only general project limits, that show both softscape and hardscape areas. Square footages listed are for pervious landscape areas only, and include grass, mulch, top soil, dirt, gravel, decomposite granite, flower beds, tree wells, above ground planters, and planters at grade level.



INDEX MAP



ALONDRA BOULEVARD MEDIANS





ALONDRA BLVD

CORNET ST





ALONDRA BLVD

CARMENITA RD





CARMENITA RD

RESIN PL

ALONDRA BLVD



RESIN PL

HOT BEATER

ALONDRA BLVD





ALONDRA BLVD

COMMERCE WY

CLANTON CIR



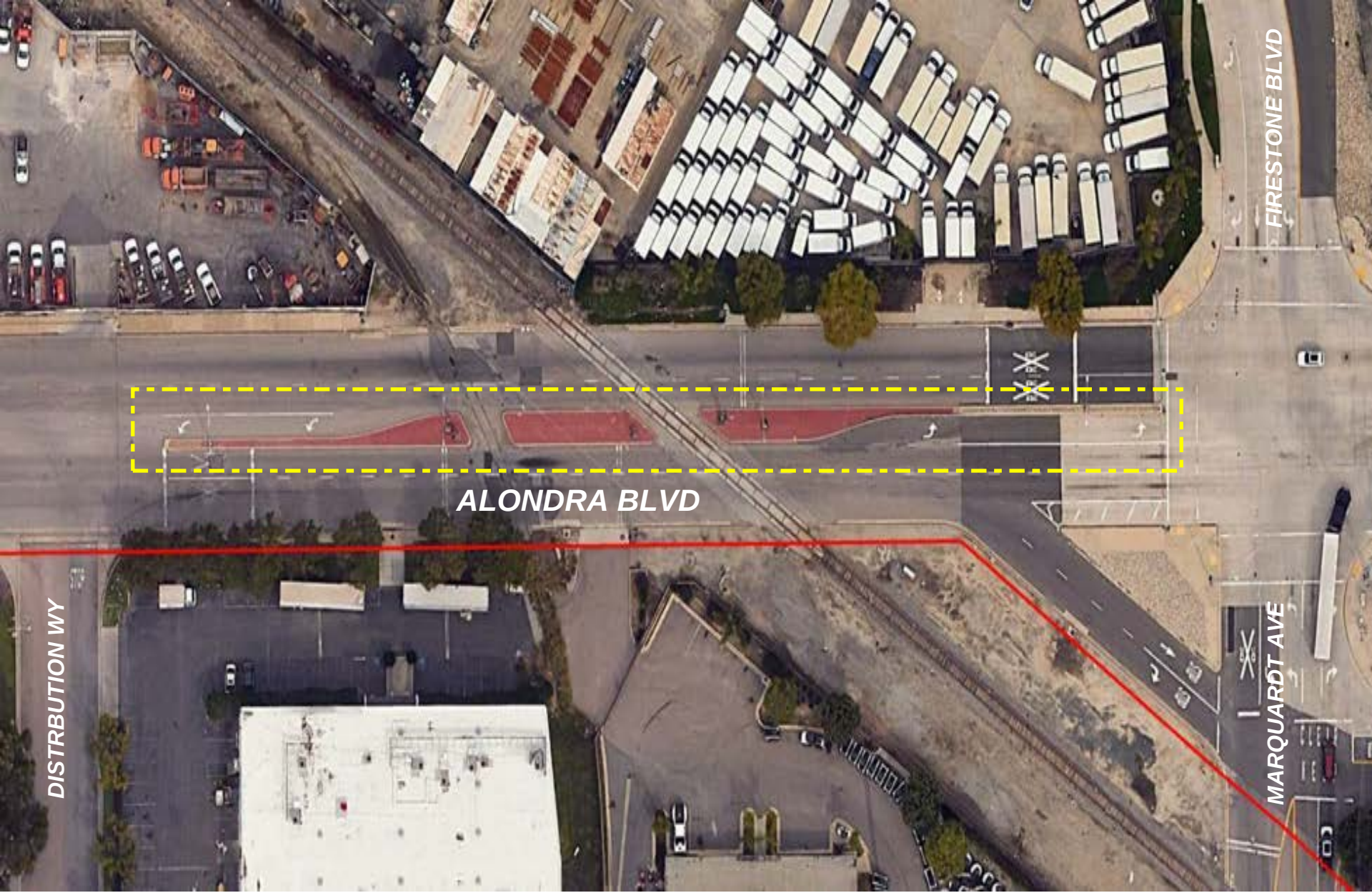
CLANTON CIR



ALONDRA BLVD

DISTRBUTION WY





DISTRIBUION WY

ALONDRA BLVD

FIRESTONE BLVD

MARQUARDT AVE





MARQUARDT
AVE

FIRESTONE
BLVD

ALONDRA BLVD







COYOTE CREEK

ALONDRA BLVD

FREEWAY DR



ALONDRA BLVD

VALLEY VIEW AVE





CARMENITA RD

ALONDRA BLVD

CARMENITA ROAD MEDIANS

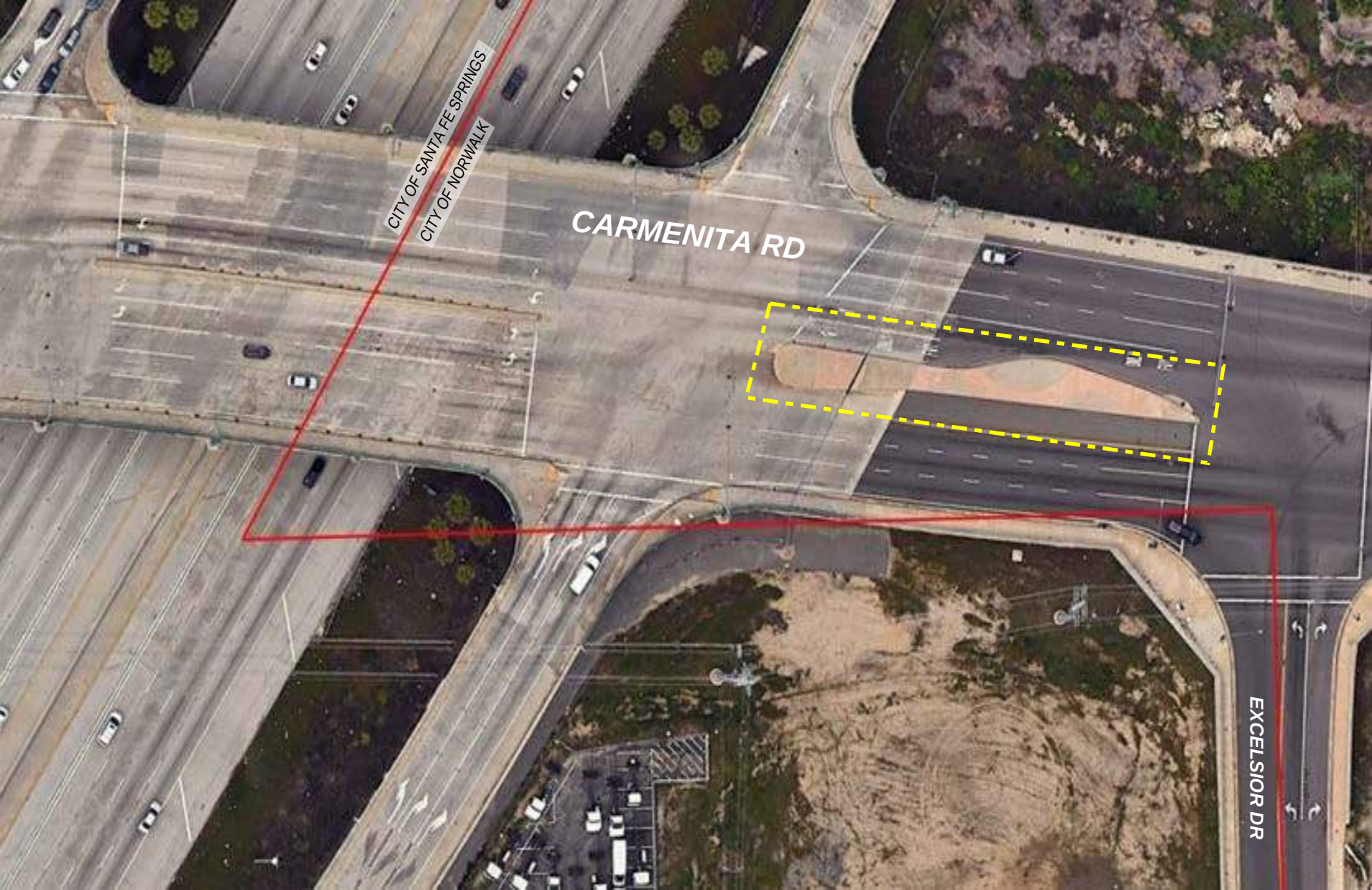




CARMENITA RD

I-15 FREEWAY





CITY OF SANTA FE SPRINGS
CITY OF NORWALK

CARMENITA RD

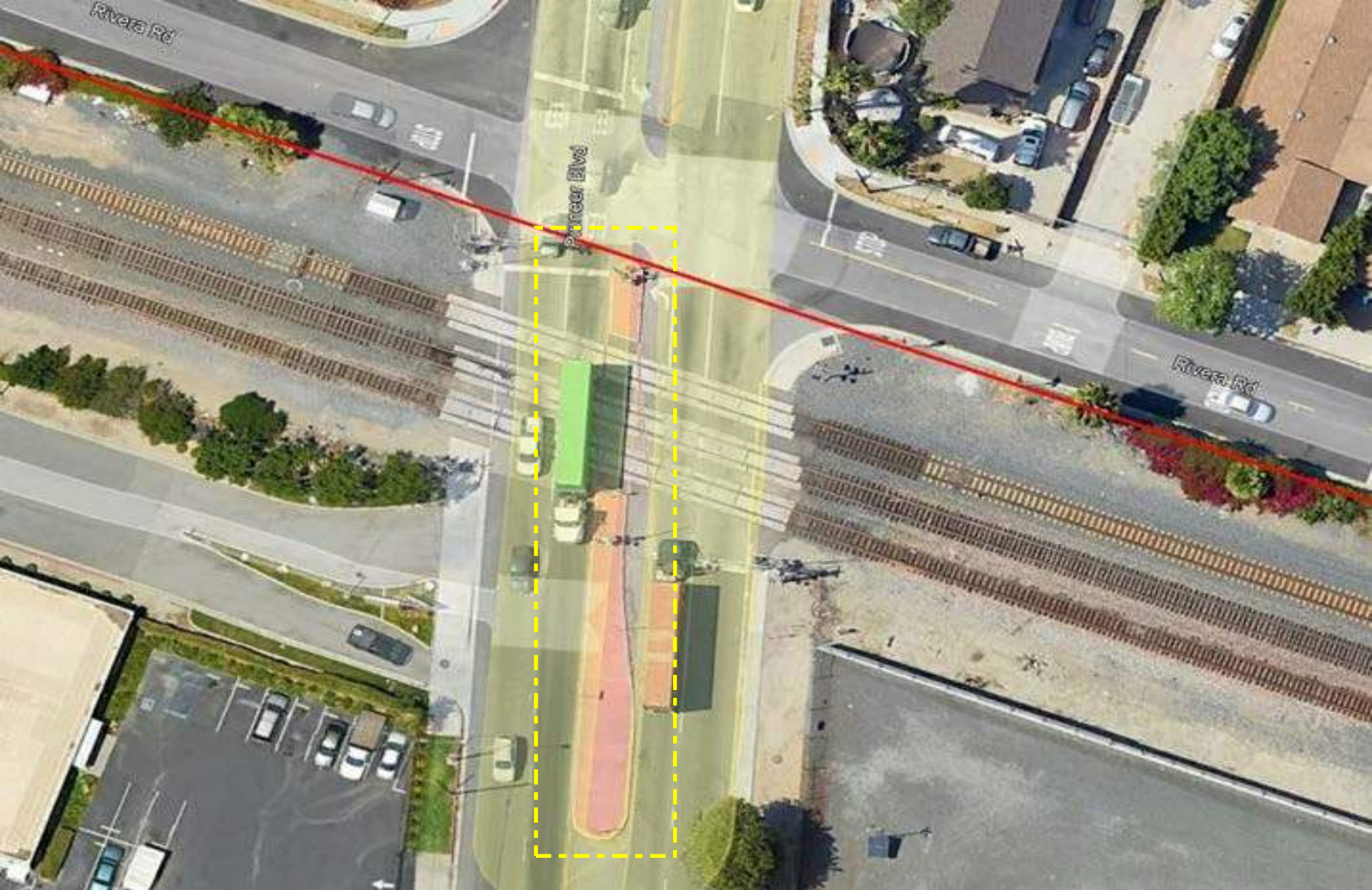
EXCELSIOR DR





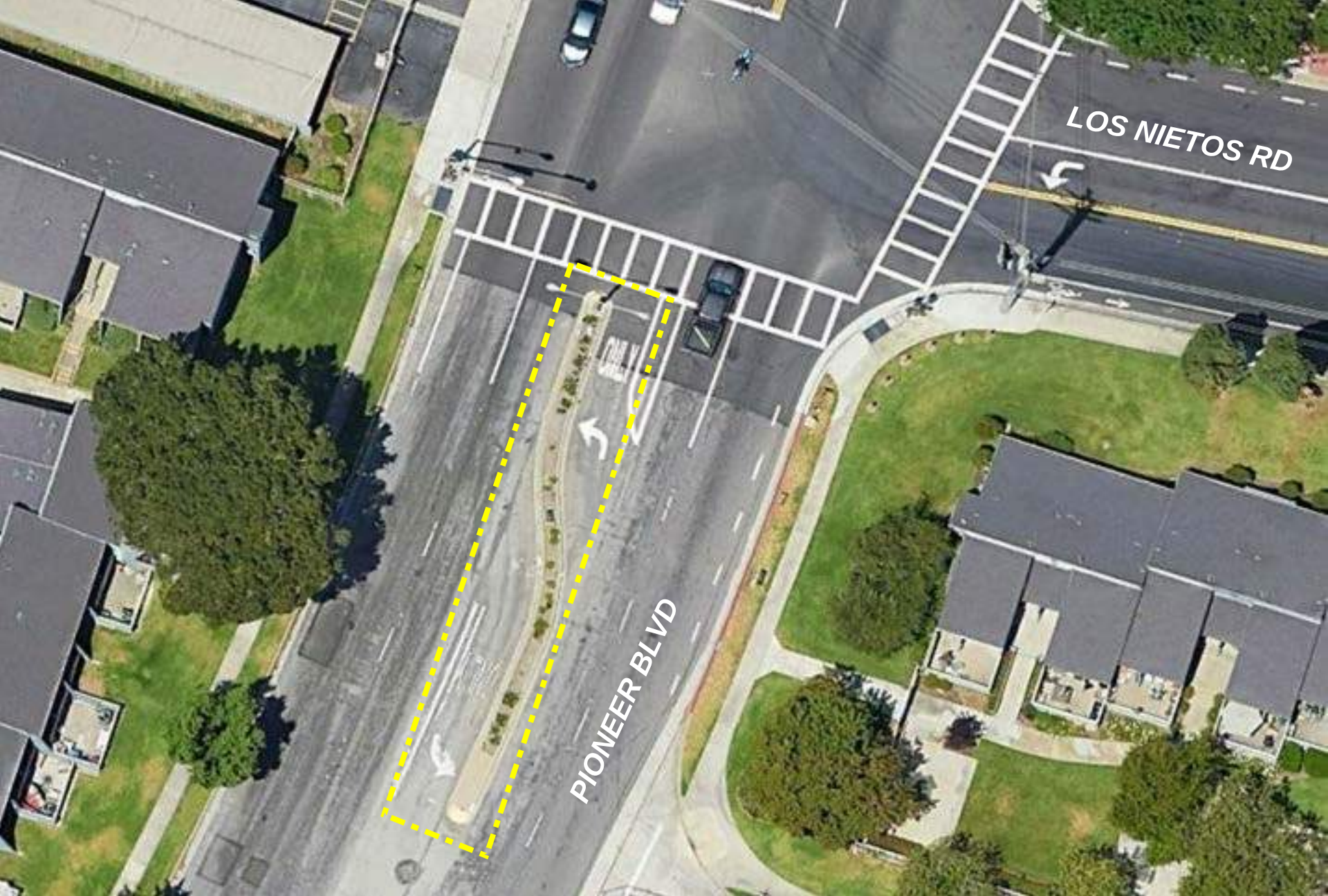
IMPERIAL HWY @
TRANSPORTATION CENTER -
MEDIAN & SIDE EMBANKMENT





PIONEER BOULEVARD MEDIANS
(From Rivera Rd to Alburto Ave)





LOS NIETOS RD

PIONEER BLVD





MERSIN PL

PIONEER BLVD

CULTURA ST





MERSIN PL

PIONEER BLVD

BLUEJAY LN

CENTER MEDIAN & FRONTAGE ROAD MEDIAN





PIONEER BLVD

NAVOJOA PL

BLUEJAY LN

CENTER MEDIAN & FRONTAGE ROAD MEDIAN



NAVOJOA PL

PIONEER BLVD

BROADED ST

CENTER MEDIAN & FRONTAGE ROAD MEDIAN





PLACITA PL

PIONEER BLVD

ALONDRA BLVD

CHARLESWORTH RD

CENTER MEDIAN & FRONTAGE ROAD MEDIAN





CENTER MEDIAN





CENTER MEDIAN





CENTER MEDIAN ONLY







FLORENCE AVENUE MEDIANS & FRONTAGE ROADS





CENTER MEDIAN & FRONTAGE ROAD MEDIAN





CENTER MEDIAN & FRONTAGE ROAD MEDIAN











CENTER MEDIAN & SIDE SLOPES











NORWALK BOULEVARD MEDIANS







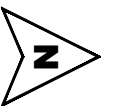


N/W CORNER OF TELEGRAPH RD
& LAUREL AVE

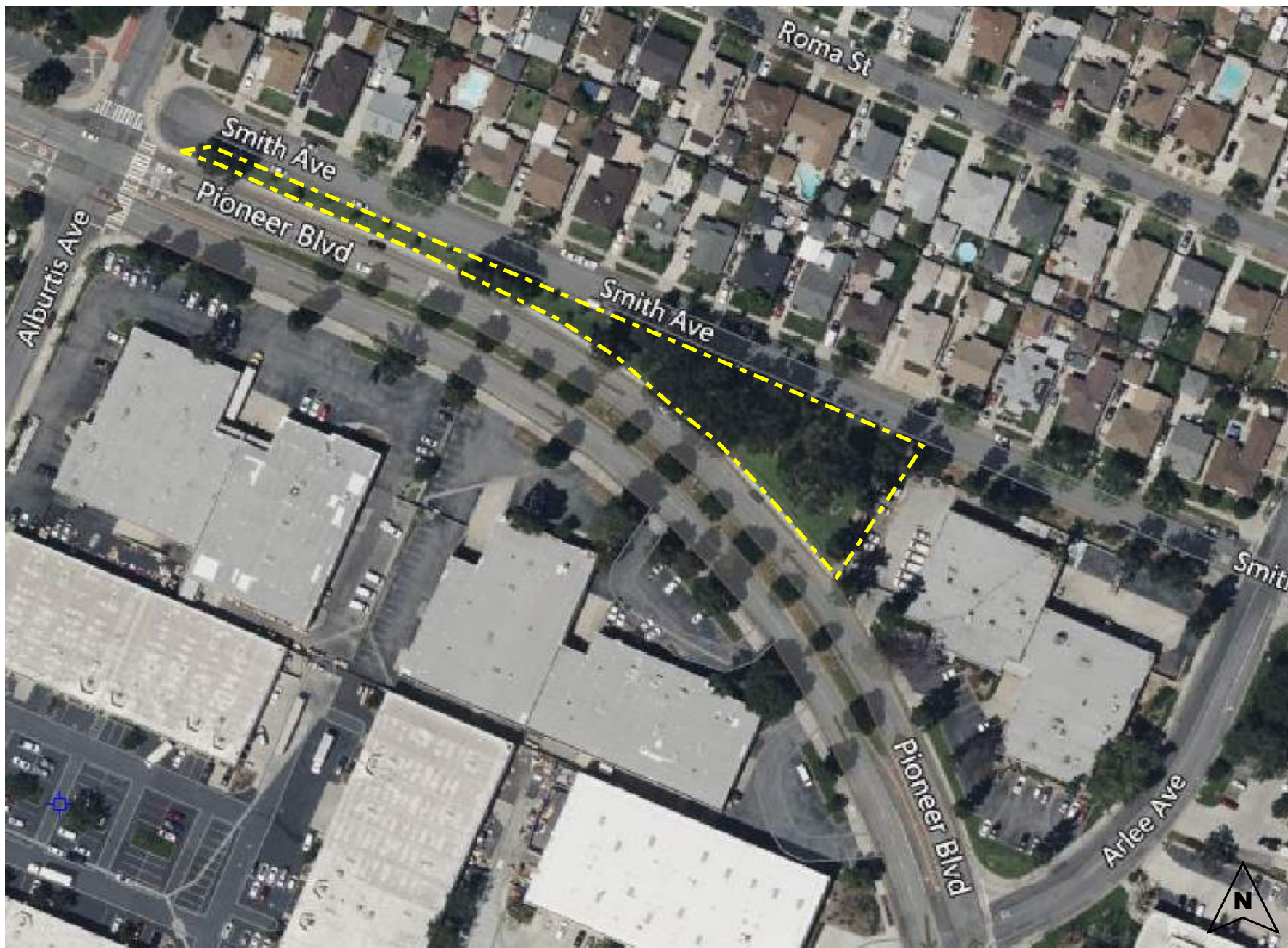




NORTHWEST & SOUTHWEST CORNERS OF
TELEGRAPH RD & SFS RD/ BLOOMFIELD AVE







SMITH AVENUE TRIANGLE



DAVENRICH STREET CUL-DE-SAC





BROADED STREET GREENBELT





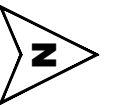
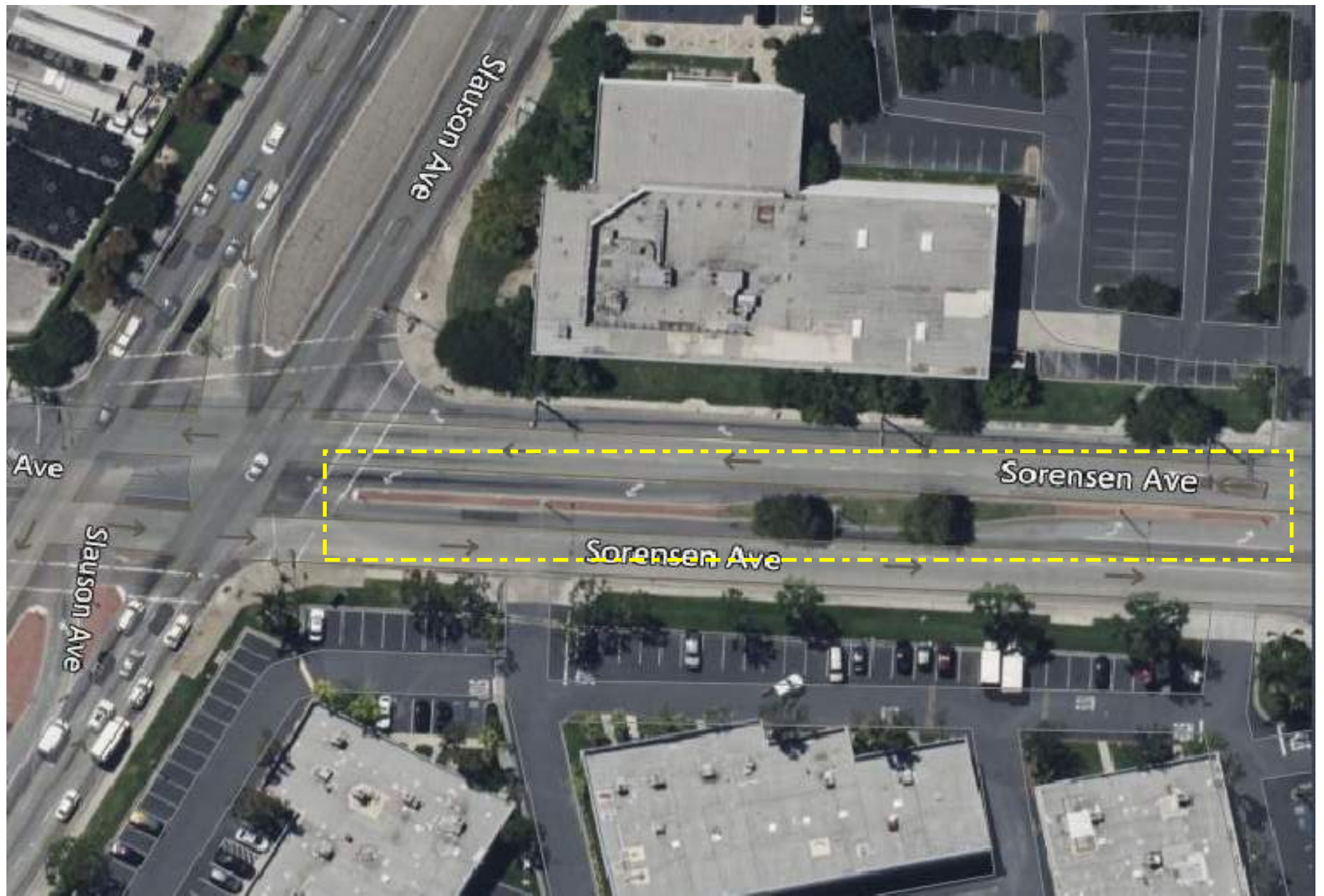
MEYER ROAD MEDIANS





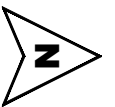
SORENSEN AVENUE MEDIANS

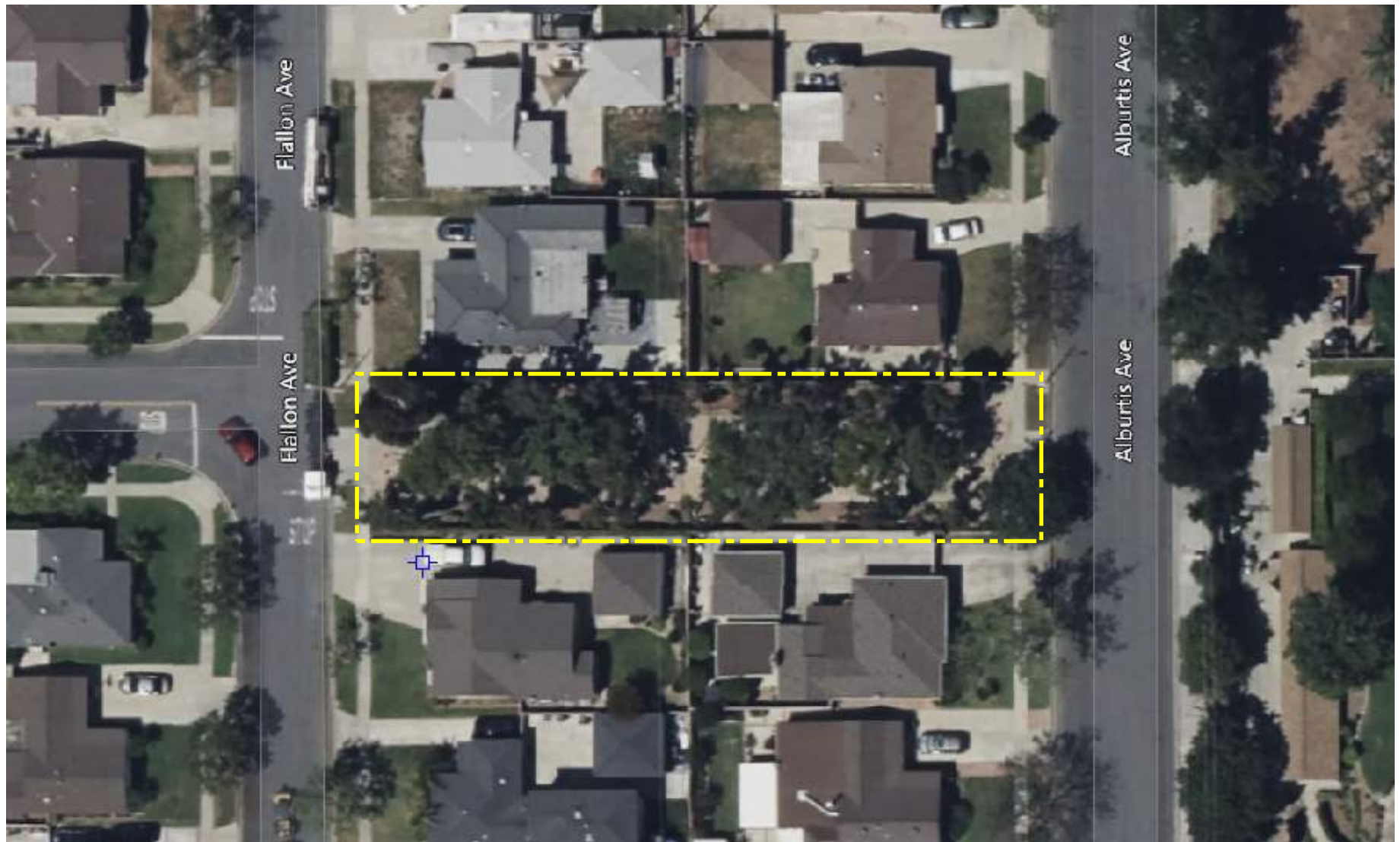




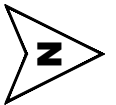


JERSEY AVENUE/ CLARKMAN STREET
WALKWAY





ALBURTO AVENUE/ FLALLON AVENUE
WALKWAY





SANTA FE SPRINGS ROAD MEDIANS & SIDE SLOPES

Approx. 105,000 Sq. Ft.



SANTA FE SPRINGS ROAD MEDIANS &
SIDE EMBANKMENTS





CENTER MEDIAN





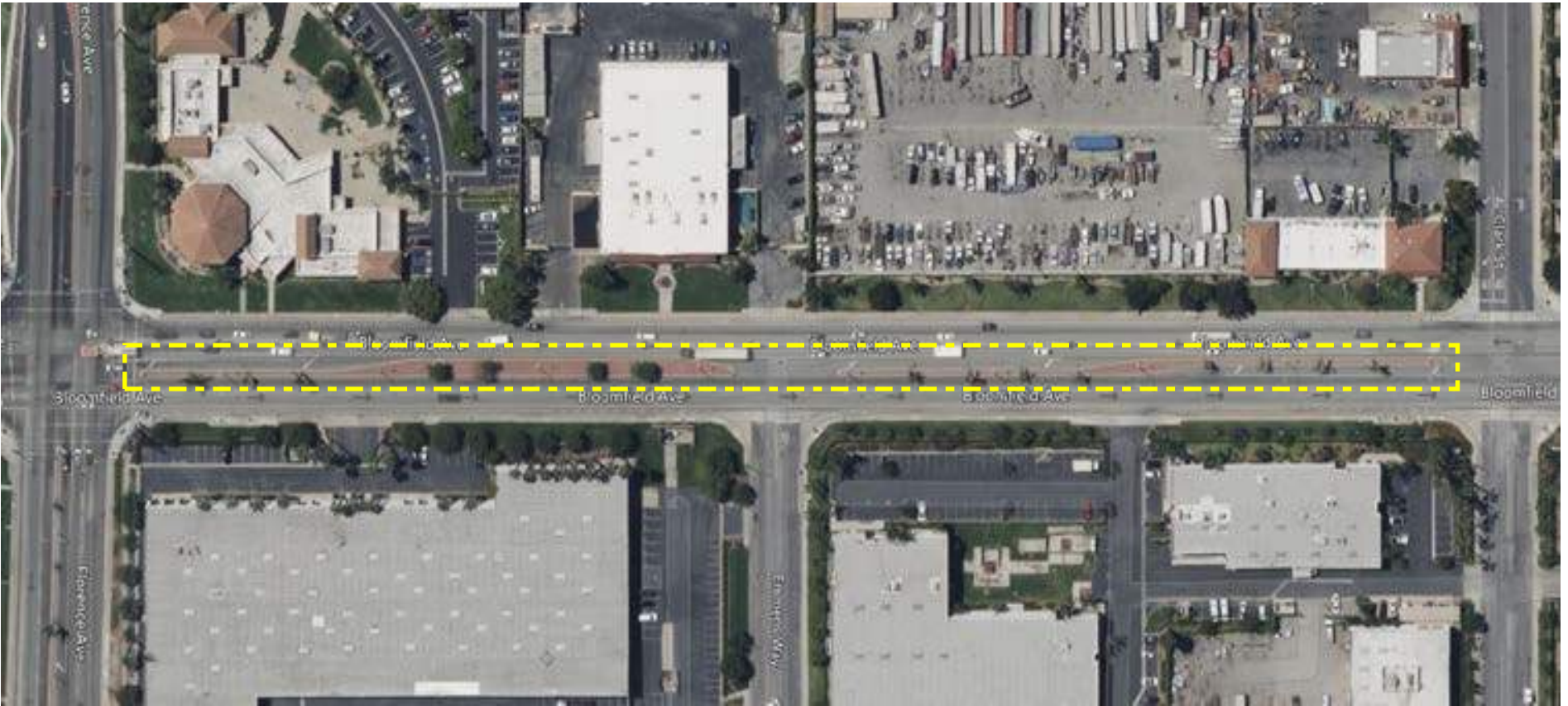
CENTER MEDIAN & SIDE SLOPES





BLOOMFIELD AVENUE MEDIANS





CENTER MEDIAN





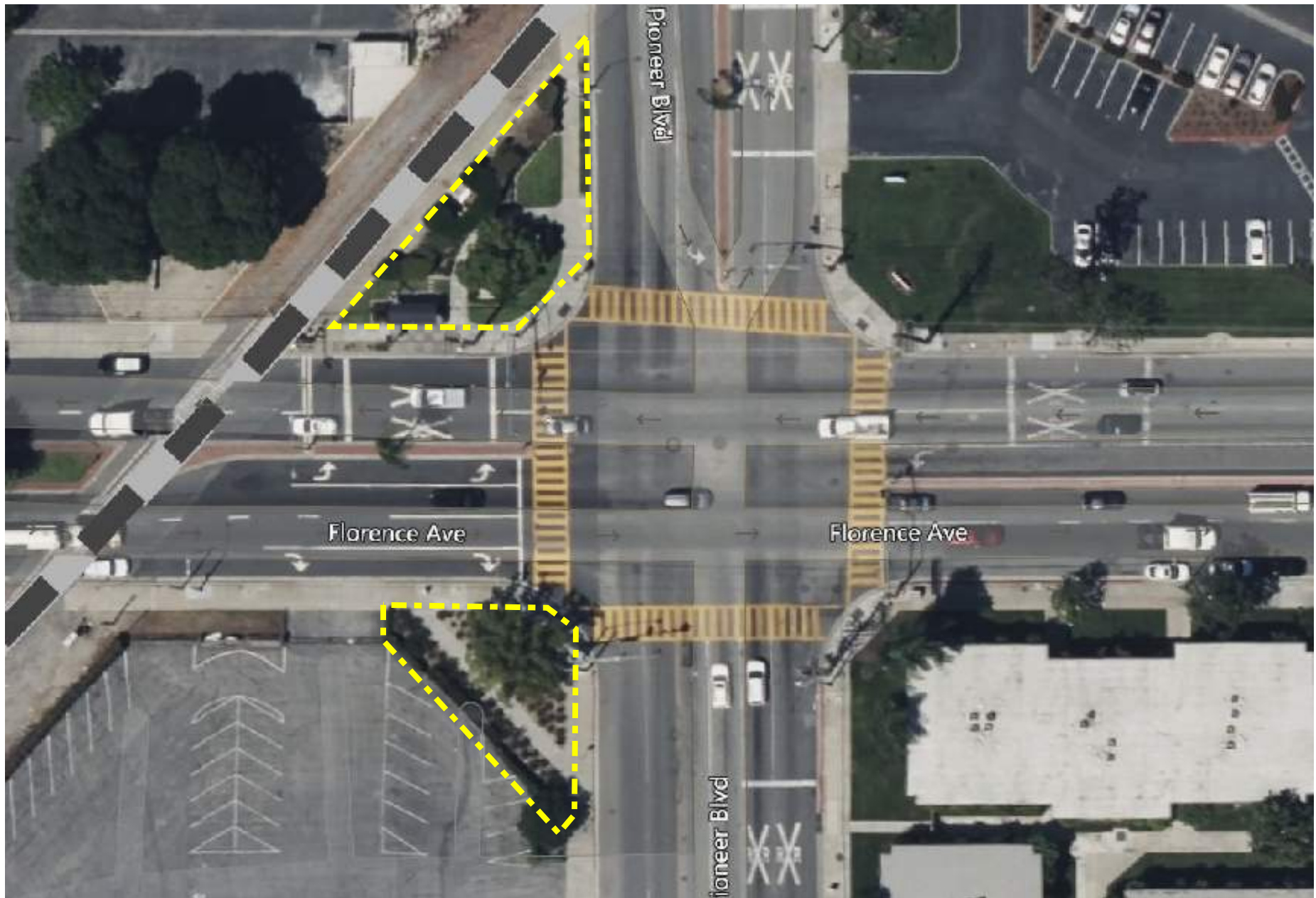
CENTER MEDIAN





BLOOMFIELD AVENUE GREENBELT







TELEGRAPH ROAD E/O PIONEER
BLVD - PLANTER AREAS





TELEGRAPH ROAD - MEDIANS, FRONTAGE ROADS, & SIDE EMBANKMENTS





CENTER MEDIAN





CENTER MEDIAN & FRONTAGE ROAD





CENTER MEDIAN





CENTER MEDIAN





CENTER MEDIAN





CENTER MEDIAN





CENTER MEDIAN















ORR & DAY ROAD MEDIANS AND FRONTAGE ROADS





CENTER MEDIAN AND WEST & EAST FRONTAGE ROAD MEDIANS





CENTER MEDIAN AND WEST FRONTAGE ROAD MEDIAN





CENTER MEDIAN AND WEST & EAST FRONTAGE ROAD MEDIAN



CITY CENTER

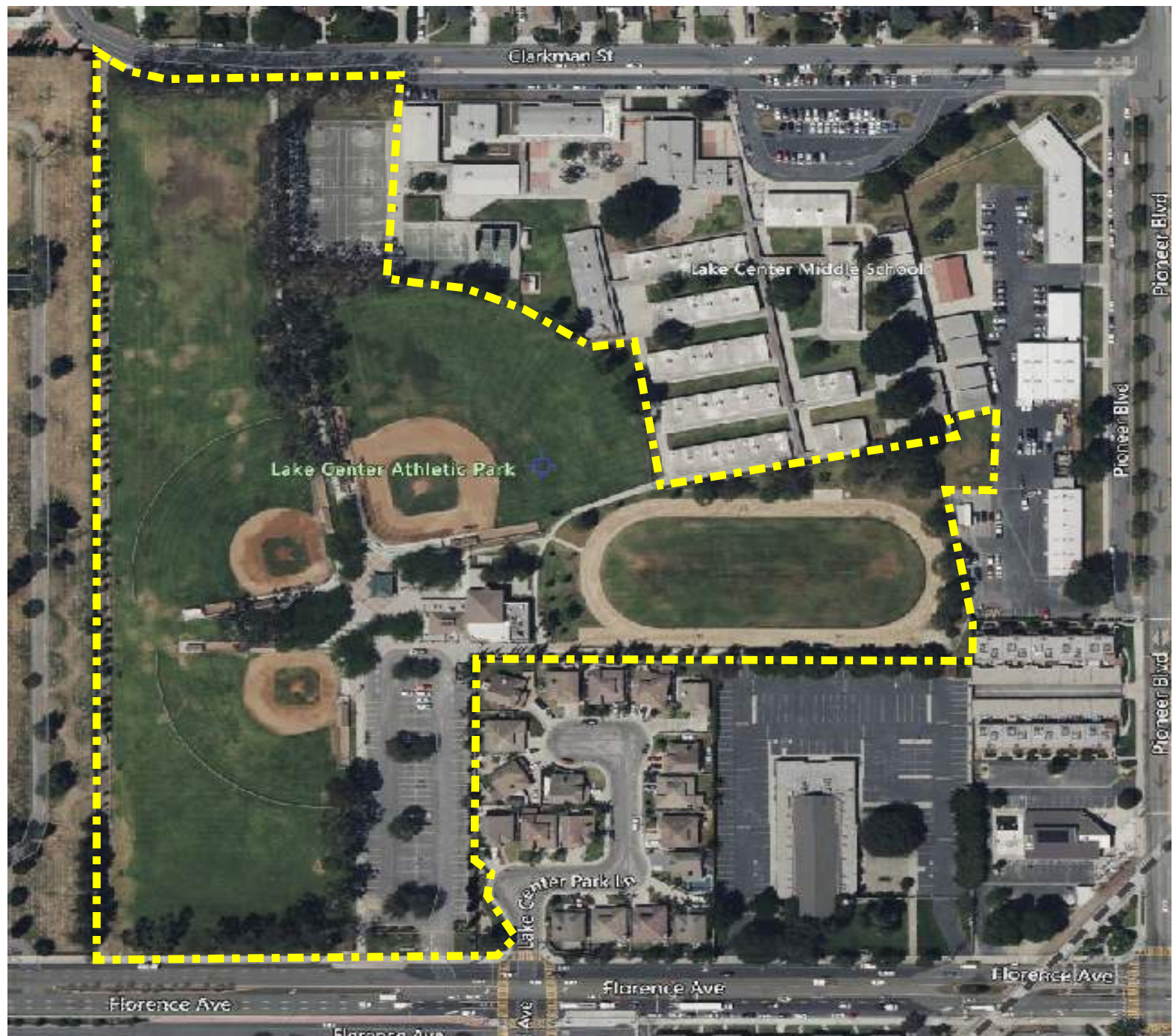
CITY HALL, TOWN CENTER, POST OFFICE,
LIBRARY, CLARKE ESTATE,
COMMUNITY GARDENS PCINIC AREA,
AQUATIC CENTER, & FIRE STATION NO. 4
Approx. 253,000 Sq. Ft.



THIS
AREA
NOT
APART

LAKE CENTER ATHLETIC PARK

Approx. 313,000 Sq. Ft.



Slauson Ave - Median

- Number of Sheets: 5
- Total Square Footage: 35,022



CENTER MEDIAN





CENTER MEDIAN





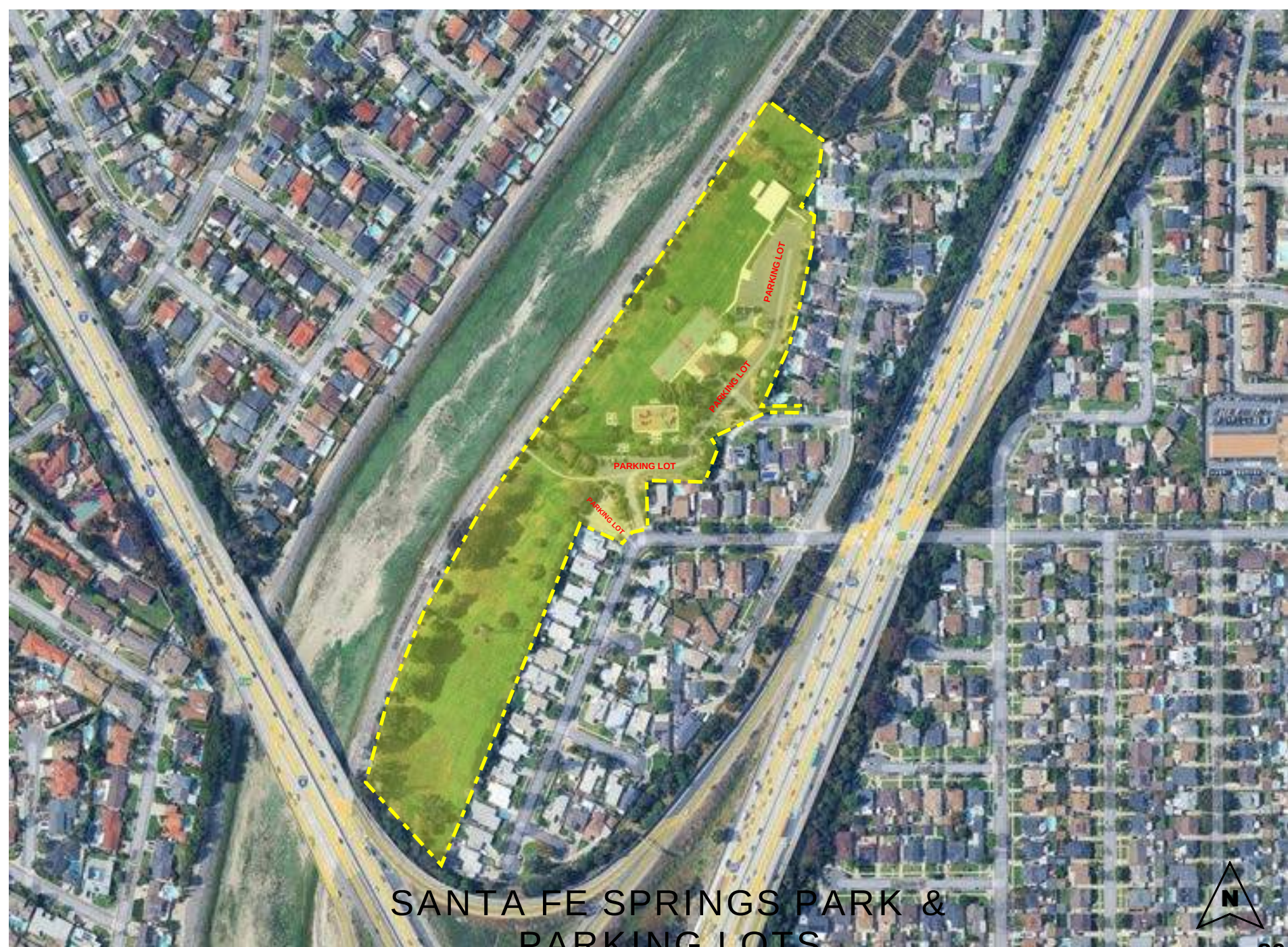
LOS NIETOS ROAD - NORTH & SOUTH GREENBELTS





WEST SIDE GETTY DRIVE - PLANTER



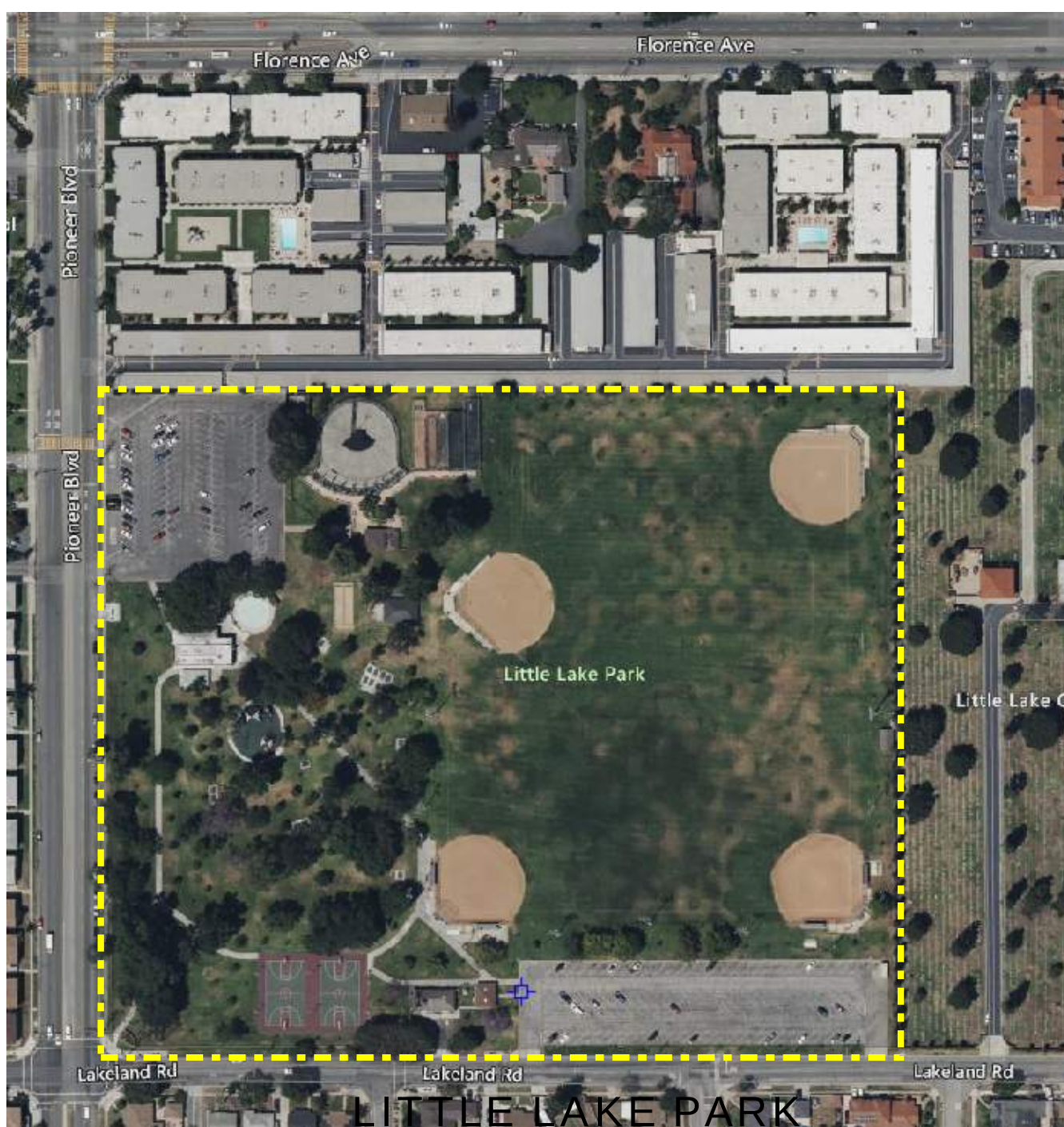


SANTA FE SPRINGS PARK &
PARKING LOTS





LOS NIETOS PARK



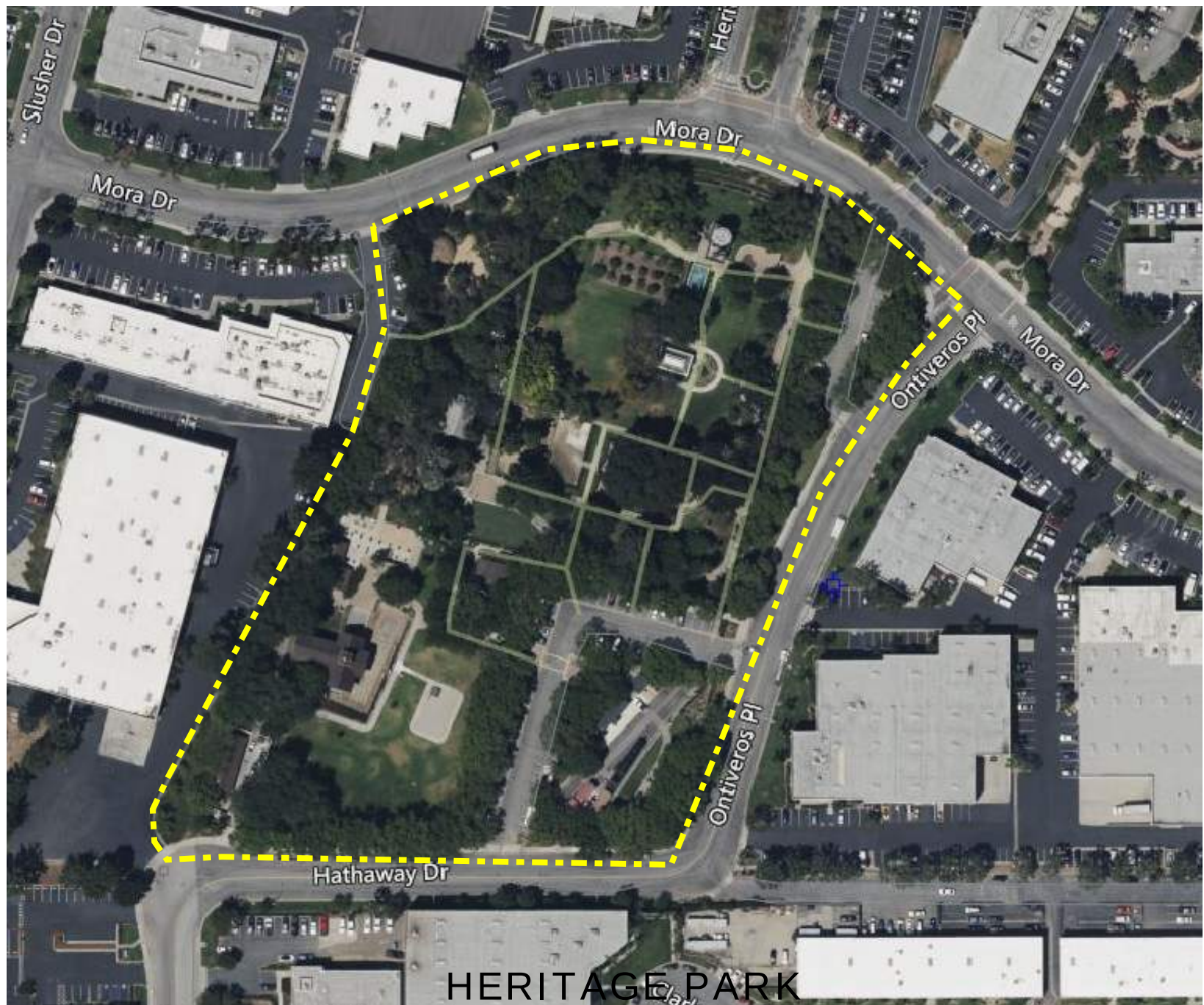


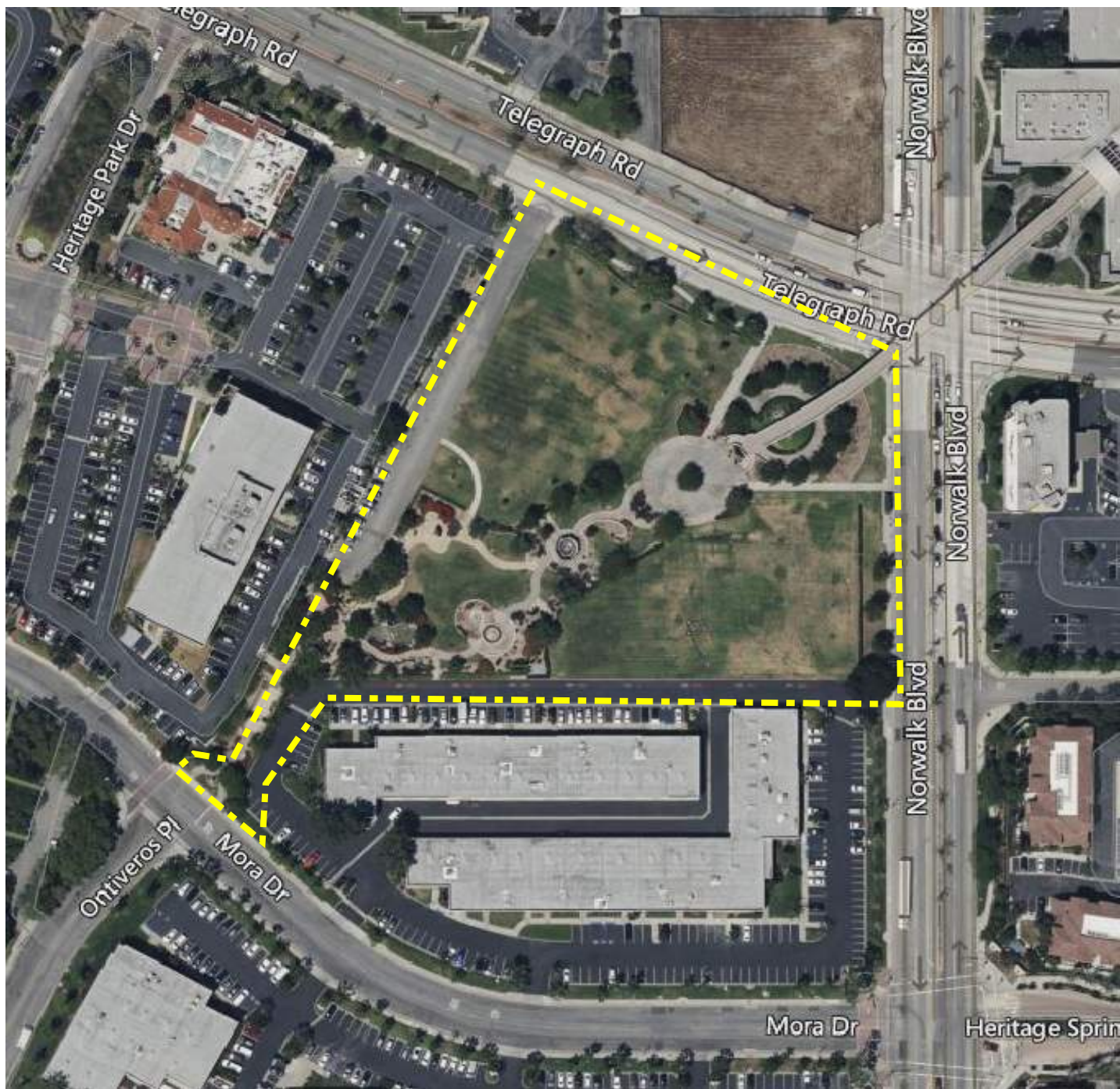
LAKEVIEW PARK



SANTA FE SPRINGS ATHLETIC FIELDS



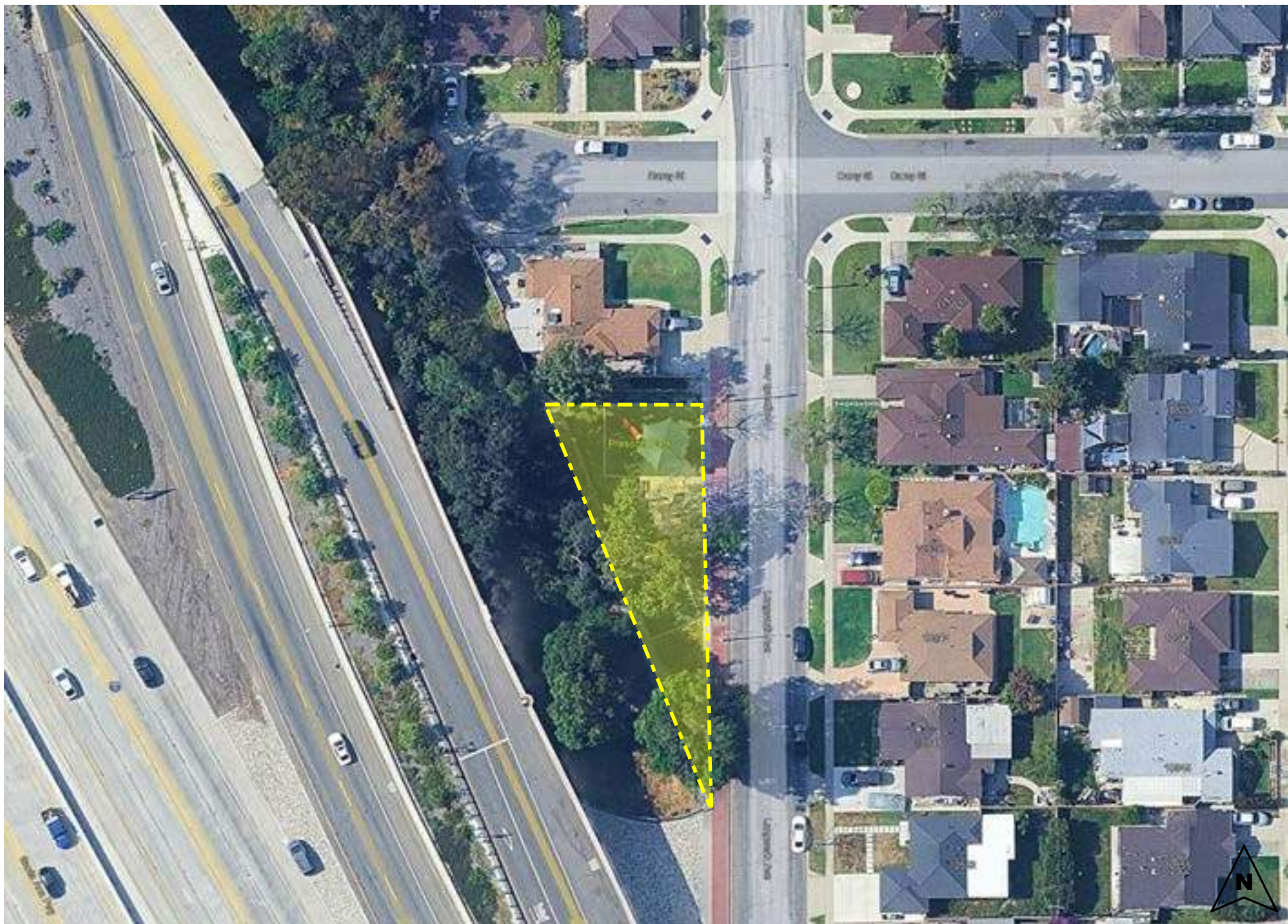




SCULPTURE GARDENS







LONGWORTH PARKETTE



DAVENRICH PARKETTE



BRADWELL PARKETTE





FIRE STATION
HEADQUARTERS





98



FOOD COURT/ ART WALK





ROSECRANS MARQUARDT BRIDGE AREA





**Notice Inviting Bids
City of Santa Fe Springs
Request for Bids 26 – 1
Landscape Maintenance Services**

The City of Santa Fe Springs invites bids from qualified contractors to provide landscape maintenance services in accordance with the terms and conditions of Request for Bids (RFB) No. 26 - 1.

To view the complete proposal package and associated documents, visit <https://pbsystem.planetbids.com/portal/65093/portal-home> and click "Bid Opportunities" or <https://vendors.planetbids.com/portal/65093/bo/bo-detail/129325> to access the project directly. You can also visit the City's website and find the link above on the "Bids & Proposals" webpage.

Questions/inquiries regarding this opportunity must be submitted via the PlanetBids Portal by **Tuesday, August 12, 2025, at 2 pm Pacific**. The City will not respond to any questions/inquiries submitted after this deadline.

Please review all related documents in their entirety before submitting a response. Responses must be submitted electronically via the City's PlanetBids Portal by **Thursday, September 4, 2025, at 2 pm Pacific**. Any proposals received after this deadline will be deemed non-responsive, and the City reserves the right to reject them.

Responses to this request will be evaluated to determine the most qualified and responsive vendors. Responses must adhere to the format and content described in the RFB. Responses will not be evaluated unless all parts requested are submitted in a complete package.

Proposal for
CITY OF SANTA FE SPRINGS
Landscape Maintenance Services
RFB: 26-1

Due Date: September 4, 2025
Time: 2:00pm

Submitted By:



merchants
landscape services, inc.

1510 S. Lyon St.
Santa Ana, CA 92705
800-645-4881
Fax 714-972-3185
Contact
Martin Herrera
martin@merchantslandscape.com



September 4, 2025

City of Santa Fe Springs
11710 Telegraph Road
Santa Fe Springs, CA. 90670

Regarding: Cover letter/Letter of Introduction

Merchants Landscape Services is pleased to submit the following proposal for the Landscape Maintenance Services.

Contact information can be found in the attached Company Profile. Also, see the attached Qualifications/Experience of Bidder for more information regarding Merchants Landscape. Our website is www.merchantslandscape.com.

Merchants Landscape will accept the terms of the RFP as well as City's Professional services Agreement without any exceptions.

The submitted proposal will remain valid for a period of not less than 120 days.

I attest that all information submitted with the proposal is true and correct.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Brower", is written over a horizontal line.

Mark Brower
President



COMPANY PROFILE

Merchants Landscape Services, a California Corporation, is a full service landscape maintenance contractor, which currently operates Four Regional offices in Southern California.

Merchants Landscape Services corporate headquarters is located in Santa Ana. Merchants Landscape is the largest provider of municipal landscape maintenance in Southern California. This growth was accomplished without a marketing department or acquisitions. MLS's corporate philosophy is based on service and client retention. Our Sun Valley branch service's LA and Ventura counties, the Santa Ana and Irvine branch's Orange County, the Rancho Cucamonga branch service's Riverside and San Bernardino counties. Merchants Landscape Services has over 500 employees and maintains a fleet of more than 200 trucks and trailers. Company annual sales will exceed \$40,000,000.00 this year.

Merchants Landscape Services is the largest provider of Municipal landscape maintenance in the Western United States. Merchants Landscape is currently servicing the cities of:

Irvine	Ontario	County of Orange	Hermosa Beach
Yorba Linda	West Covina	Manhattan Beach	Moreno Valley
Fountain Valley	Great Park	Sierra Madre	Santa Fe Springs
Pomona	Chino	Buena Park	Newport Beach
Huntington Beach	Laguna Niguel	Riverside	

Merchants welcomes any interested future clients to contact any of our current clients regarding Merchants services.

Merchants Landscape Services is 1 of only 2 landscape maintenance companies in California that are self-insured for workers compensation insurance. Allowing Merchants to maintain a lower cost of operation and provide our clients with very competitive pricing.

The contact lead person for the City of Santa Fe Springs will be Branch Manager Martin Herrera, martin@merchantslandscape.com. The office is located 1510 S. Lyon St., Santa Ana, CA. 92705; Office # (800) 645-4881, Fax # (714) 973-3185.



August 22, 2025

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

Regarding: **City of Santa Fe Springs Landscape Maintenance Services Bid No. 26-1 – Added Value**

Dear James,

We are grateful for your business these past five years and Merchants Landscape Services would like to get the opportunity to continue working with the City of Santa Fe Springs.

Our current positive relationship with the City of Santa Fe Springs during the past years and our commitment to continue working for the residents of the City of Santa Fe Springs; Merchants Landscape is pleased to offer the following proposal at NO COST to the City of Santa Fe Springs. This proposal will be added to the Landscape Maintenance Contract if awarded to Merchants Landscape Services, Inc.

Description

- I. The following proposal is to enhance and continue beautifying the current conditions for the enjoyment of residents, and Softball/Baseball little leagues of the City of Santa Fe Springs.
 - A) Dethatching turf areas every other year: Verti-cut in two directions to cut stolons, aerate, fertilize, inter-seed, and top-dress bare areas. Work will be done every other year during Oct/Nov.
Note: City to provide dumpsters.

Parks Sport Fields: Approx. (29) Acres:

- Lake Center Park Athletic Fields
- Santa Fe Springs Athletic Fields
- Los Nietos Parks
- Little Lake Park

- B) Renothatching (11) softball/baseball fields: To include lip removal, repair skin lines, and redo the arches. This task will include removing the excessive dirt, redoing the arches, and inter-seeding. Work to be done every other year.
Note: City to provide dumpsters.



Parks:

- Lake Center Park Athletic: (3) Fields
- Santa Fe Spring Athletic: (2) Fields
- Los Nietos Park: (2) Fields
- Little Lake Park: (4) Fields

C) Laser Grading (11) softball/baseball fields using laser technology to grade infields to the desired surface elevation: Prepare by ripping and laser level skinned infields. Work to be done every other year.
Note: City to provide infield materials if needed.

Parks: 11- Fields

- Lake Center Park Athletic: (3) Fields
- Santa Fe Spring Athletic: (2) Fields
- Los Nietos Park: (2) Fields
- Little Lake Park: (4) Fields

2. Parks and Facilities: Apply Mulch (150) cubic yards to all planters bare areas
3. Merchants is offering to provide 100 hours labor as donation for any community event for the City of Santa Fe Springs to be used for any time during the contract annually.
4. Merchants is offering up to \$1,000.00 annually in materials for any community event for the City of Santa Fe Springs.
5. Merchants will continue to provide donations to all City sponsored charity opportunities.

Respectfully, please consider our proposal.

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

Sincerely,


Martin Herrera
Branch Manager

CC: Mark Brower



CITY OF SANTA FE SPRINGS

Business Plan

Proposed Staff and Plan of Action for City of Santa Fe Springs

Supervisor (Juan Damian)

Merchants Landscape will provide a full time Field Supervisor to work Daily with Crews Assisting in Morning Duties and inspections throughout parks, medians & parkways, and Facilities. Supervisor will have daily routine of driving through each city facilities and Right of Ways and visually inspect and ensure all duties are completed. Supervisor will communicate with all Foreman/Leads by voice or email giving report of Scheduled daily, weekly and Monthly duties as well as any safety or public issues. Supervisor will be responsible for all city reports to ensure all is completed on timely manner with Daily and Weekly follow ups. Supervisor will work with Foreman in order to follow Monthly schedule directing crews on daily task and assisting all crews in completing tasks at hand. After each day Supervisor will turn in full report of Daily operations to Management for review.

Irrigation Techs: Parks, Medians & Parkways, and Facilities

Merchants Landscape will provide two (2) Irrigation Techs to track, repair, and adjust any needed controllers in order to meet daily reports and or climate change. Irrigation tech will be fully trained with certification and knowledge of new weather based controllers to ensure all daily reports are accurate and eliminate any run-off or waste of Water. Irrigation tech will be provided with smart phone or remote controllers, Irrigation trucks fully equip with necessary irrigation supplies in order to meet daily routines and any upgrades to any system or controller. Supervisor will work daily with irrigation tech in order to implement new methods and or ways to better facilitate full irrigation system.

Foreman

Mow Crews-Detail Crews- Environmental Crews

Foreman will be responsible to follow and assist all crews on Daily Task and scheduled duties. Foreman will work directly with supervisor following schedule and assuring all duties are completed daily. Foreman will report any issues to supervisor and Assist Supervisor in completing any reports given by city. Foreman will poses high level of expertise and skill in order to keep production moving at an efficient pace keeping an eye on large scale of work as well as small details needed to keep Lawn and Landscape areas to High standards of quality. Foreman will also work with chemical applicator and will be properly trained in order to assist were needed.

Facility Maintenance crews

Playground Areas Parks and Parkettes

Merchants Landscape will dispatch crews during the week to full fill all maintenance work to playground areas as specified in the scope of work. In addition onsite crews at City Hall (including TCH Plaza), Clarke Estate, and Heritage Park will pick up trash, and clean hardscape areas by raking and blowing any leaves. All Crews will possess proper tools and equipment on truck to assure all job duties are completed with no time lost.



2 Mow Crews – 3-Men each Crew

Merchants Landscape will dispatch six men mowing crew weekly to fulfill mowing task at each scheduled location on Daily Basis. Crew will poses all upgraded equipment and tools in order to complete all mowing daily. All Equipment will be inspected daily and maintained at high level of operation to avoid any damage to lawn, area, and public. Mowers will have weekly Maintenance every Friday and inspected throughout in prep for weekly mowing. All heights and adjustments will be to city specification. Crew will also have back up equipment in case of malfunctions on field. All Safety precautions and measure will be considered when arriving at each location and working around public.

Merchants Landscape takes pride in their mowing program and will work diligently to keep all turf areas at High Standards throughout contract. We understand and see the importance of giving each city the opportunity to enjoy all amenities throughout and will go above and beyond in doing our part to keep each Park clean and enjoyable.

Detail Crews and Weed Control

Merchants Landscape will have Detail Crews complete with equipment and Trucks servicing all city facilities and Right of Ways. Three Groundskeepers will be assigned to and responsible for the landscape maintenance of one of the following City Facilities: (a) City Hall (including TCH Plaza), (b) Clarke Estate, and (c) Heritage Park. Each Crew will have experienced Lead men with proper skills and keen eye needed to keep Landscape at high level of quality. Supervisor and Foreman will work directly with crews implementing proper pruning technics and care of all plant material.

Detail crews will have proper training in order to detect disease or insects affecting any plant material. Crew will run on Landscape program and schedule created by Management in order to give each type of plant its proper growing and or flowering stage. Detail Crews will be responsible each day to fill our report of areas maintained and services completed to Supervisor for Review. Supervisor will review all reports with Management in order to keep production moving at an efficient pace.

Chemical Applicator

Merchants Landscape will Dispatch a Chemical Applicator with necessary equipment and Synthetic Herbicides (where permitted) treating but not limited to All Lawn areas, planter areas, Hardscape, Tree Wells, Trails, and Pest/Rodent control. Chemical Applicator will receive all proper training and procedure to complete all applications according to label and regulations. All Safety and laws will be implemented each time in order to create safe environment for all public and wild life throughout. Management will work with applicator in keeping him up to date on all new technics, restrictions, tools, and equipment to keep city facilities and Right of Ways well maintained. Training will be provided to Applicator throughout the year in order to keep a safe and productive working environment.

Renovation, Aeration, Dethatching, and Refurbishing Turf Grasses

Merchants Landscape will provide the necessary equipment and trucks for Turf management Task itemized in the scope of work.

We feel our plan of Action we put together not only will improve appearance of City Parks, Medians & Parkways, and Facilities but also maintain the High level of Expectation City of Santa Fe Springs implements in its community. Merchants Landscape will provide the proper staff with needed schooling and training throughout contract to better service all Areas for the City. We feel we have the needed equipment, training, experience, and skill level to work together and implement all proper technics to give City of Santa Fe Springs a high level of service and safety on a daily basis. Merchants Landscape feels they are the Top Company in Southern California that specializes in Municipalities and Regional Parks and will give you the needed service to fully maintain City Facilities and Right of Ways. We are only company that strictly only works with Municipalities and have created a system that is focused on Government contracts to Ensure we meet all standards. Our personnel is fully trained and aware of how to perform within Government contracts to ensure safety to public and Perform at high expectation.



CITY OF SANTA FE SPRINGS,
LANDSCAPE MAINTENANCE SERVICES

Staffing/Support

Staff

- 1 – Area Manager Full Time Under City of Santa Fe Springs Contract
- 1- Field Supervisor as needed to give support in any extra work
- 2 – Irrigation Techs
- 1- Chemical Applicator as needed for weed control and Broadleaf
- 2 – Foreman (mowing, details, hardscapes, sport fields)
- 5- Laborers (mowing, details, hardscapes, sport fields)
- 4- Laborers Facility Maintenance: City Hall, Clarke Estate, Heritage Park,
And All City Parks
- Extra labor will be dispatch for mulching, planter details during Peak season, or in preparation of any Festival Event
- As needed: Labor available from outside crews for any extra work (Turf Renovations, planting, etc.)

Vehicles

- 1 – Ford F-150
- 1- Ford F-150
- 2 – Ford Ranger
- 1 – Ford F-150
- 2- Crew Cab Trucks

Proposed Equipment

- 1- Arrow Board, safety cones, and traffic signs for traffic control (lane closures)
- 2- Lazer Mowers 72" deck for parks and sport fields
- 2- Lazer Mowers 50"-60" deck for medians and parkways
- 1- Reel Mower walk behind 21"
- 2- Large trailers to mobilize mowing equipment
- 2- Utility Gator cart for on-site Crews
- 10- Backpack blowers
- 7- extension hedge trimmers
- 5-string trimmers
- 2- Power trim edgers
- 2- Remote controllers for irrigator techs
- All necessary equipment for Turf Management (Aeration, Dethatching, topdressing, etc.)
- Small tools as needed



Merchants Landscape owns over 1 million dollars of landscape equipment and will invest in new equipment as needed for this contract. All mowers, power equipment, and trucks will be purchased to support the contract.

If awarded the full contract Merchants would designate a Branch Manager to oversee the management of the contract. Merchants has listed the staffing it will provide for the contract and would move experienced foremen from existing contracts and hire some new qualified staff if necessary. Merchants has very strict hiring practices and I will guarantee all members of the contracts staff will be experienced and professional. The amount of large, sophisticated maintenance equipment Merchants utilizes daily warrants having nothing but experienced, qualified operators.

Our clients invest a lot of money and responsibility in Merchants to maintain their municipalities/Institution and we have not ever let them down.

The City of Santa Fe Springs can expect the same level of commitment from Merchants Landscape Services if given the opportunity to manage these maintenance contracts on behalf of the City of Santa Fe Springs.



Qualifications/Experience of Bidder

Merchants Landscape Services is the largest provider of municipal landscape maintenance in the California. We currently have under long-term municipal contracts more than 350 parks encompassing more than 3,000 acres of municipal parks and maintain a total of over 5,000 acres of municipal landscape.

Our excellent reputation and extensive client list attests to our commitment to providing the highest quality municipal landscape maintenance in the industry. Many of our largest clients have renewed their contracts with Merchants with some in their 3rd terms of 16 years of service.

City of Irvine-Merchants has provided complete landscape maintenance for all **Sports Parks**, Parks, Villages and facilities since 2008 and recently executed a new **third** contract to continue through 2024. Merchants provides 7 day a week service for **26 sports parks** and 27 parks totaling over 350 acres. Including, **34 soccer fields**, **43 ball fields**, which are **prepped daily** by Merchants crews, and servicing over 700 trash cans daily. Our service also includes major monthly and annual renovation work, including monthly aerations varying from hollow tine, solid tine, verti-drain, Fraze mowing and verticutting. All tasks are done with Merchants vast equipment inventory, please see attached.. Annually we install over 300,000 sq. ft. of sod and completely renovate all turf areas. In addition to the cities sports park system and all facilities, Merchants also maintains the Great Park and all medians, parkways and parks in the Villages of Turtle Rock, Woodbrige, Westpark, Woodbury, Northwoods , El Camino and Portola totaling over 1,100 acres. The City of Irvine spends over \$10,000,000.00/year with Merchants to maintain their landscape.

City of Ontario-Merchants has provided the landscape maintenance in Ontario for past 12 years and was recently awarded its **fourth** 4 year contract, to continue through 2029. We maintain facilities, medians, parkways and parks and **Sports Parks** totaling over 200 acres, including 7 days a week trash cans, opening/closing/cleaning restrooms, opening/closing parks and playgrounds daily.



Qualifications/Experience of Bidder – Cont.

City of Fountain Valley-Merchants was awarded a new 5 year contract in 2025 to maintain the parks and **Sports Park Complex**. This complex encompasses over 50 acres and includes **14 Ball fields, 5 Soccer fields** and Tennis and Basketball facilities.

Great Park-Merchants was awarded a 10 year, \$60 million dollar contract in 2021 to maintain the Great Park. The Great Park is the largest municipal **Sports Park** in the Western United States, encompassing over 350 acres. Which includes **17 soccer fields, 12 baseball fields, 8 synthetic soccer fields, 27 tennis courts and volleyball courts**. It also includes tournament stadiums for soccer, baseball, volleyball and tennis. The annual spending for our services exceeds \$6,000,000.00/yr.

City of Newport Beach-Merchants Landscape is currently in its second successful year of a 5 year contract maintaining the City's Parks, Sports Parks and Civic Center Facilities.

Merchants Landscape also possesses a one of kind extensive inventory of landscape equipment. As the attached equipment inventory and pictures illustrates we own a very diverse and specialized equipment inventory. Having numerous tractors, renovators, aerators, dethatchers, slit-seeders, vacuums, top dressers, state of the art mowers and fraze mowers.

Our extremely unique portfolio of municipal park maintenance has resulted in a one of kind management staff with unparalleled knowledge and experience in the art of sports turf management.

Simply, municipal maintenance is what Merchants Landscape was built on and continues to grow with. Our total staff is committed to it and thrives on the challenge every day.



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RFB 26-1
Landscape Maintenance Services
ATTACHMENT A – References
(COMPLETE AND RETURN WITH YOUR PROPOSAL)

Entity Name City of Irvine

Entity Address P.O. Box 19575, Irvine, CA. 92623

Name of Contact Dennis Chiotti

Telephone Number of Contact (949) 468-6896

Email of Contact dchiotti@cityofirvine.org

Project Title Maintenance of Landscape & Associated Facilities

Date of Project 2022 to on-going

Entity Name City of Buena Park

Entity Address 6955 Aragon Circle, Buena Park, CA. 90620

Name of Contact Doug Brodowski

Telephone Number of Contact (714) 562-3652

Email of Contact dbrodowski@buenapark.com

Project Title City wide Landscape Maintenance for Parks and Right-A Ways

Date of Project 2022 - On-going

Entity Name City of Fountain Valley

Entity Address 17300 Mt. Herrmann St., Fountain Valley

Name of Contact Martin Guillen

Telephone Number of Contact (714) 593-4612

Email of Contact Martin.Guillen@fountainvalley.org

Project Title Landscape Maintenance Services of Parks, Sports Parks, Civic Facilities, Medians and Parkways

Date of Project 2020 - On-going



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**RFB 26-1
Landscape Maintenance Services
ATTACHMENT B – Non-Collusion Affidavit**

PLEASE SUBMIT THIS NONCOLLUSION DECLARATION WITH YOUR BID DOCUMENTS/PROPOSAL

The undersigned declares:

I, Mark Brower [your name], am a representative
of Merchants Landscape Services, Inc. [entity bidding], the party making the foregoing bid.

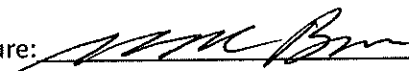
The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 4th [date], a September [city],
California [state].

Bidder's Name (Printed): Mark Brower

Bidder's Entity Name: Merchants Landscape Services, Inc.

Bidder's Signature: 

Bidder's Title: President



November 21, 2025

Kevin J. Periman
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670-3942

Regarding: **City of Santa Fe Springs – Turf area on Bloomfield south of Telegraph**

Dear Kevin,

Merchants Landscape Services is pleased to submit this proposal for incorporating additional green areas on Bloomfield, south of Telegraph, into our existing contract, as per your request.

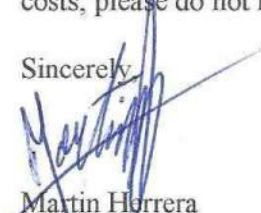
Please note that all current terms, conditions, and specifications will remain the same.

City of Santa Fe Springs
Service Areas Not In The Contract

<u>Site #:</u>	<u>Site Names:</u>	<u>Approx. Sq. Ft.</u>	<u>Monthly Cost</u>	<u>Notes:</u>
1	Green area on Bloomfield south of Telegraph	7,000	\$ 490.00	Weekly mowing, trim Ligustrums, and weed control.
	Total SQ. FT.	7,000	\$ 490.00	

Thank you for considering our proposal. Should you have any questions regarding the details or associated costs, please do not hesitate to contact me at (800) 645-4881

Sincerely,


Martin Herrera
Branch Manager



November 20, 2025

Kevin J. Periman
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670-3942

Regarding: **City of Santa Fe Springs – Landscape Maintenance**

Dear Kevin,

Merchants Landscape is pleased to submit the following proposal for additional work to be added to the scope of work at the above-referenced location. This proposal includes all necessary equipment, labor, and supervision.

Description

Per your request, this proposal outlines the details and associated costs for adding extra labor and equipment to the current scope of work for your review.

1. Vacuuming Turf Clippings (approx. 2.60 acres): \$900.00 Monthly

We propose incorporating a weekly service for collecting, removing, and properly disposing of turf clippings at the following locations: Town Center Hall, City Hall, Library, Clarke Estate, Post Office, Soaring Dreams, Aquatic Center, and Fire Station 1. This service will involve additional labor and the use of dedicated mowers equipped with high-capacity bagging systems, ensuring efficient collection during the mowing process.

Implementing this service will contribute to maintaining a clean appearance, preventing thatch buildup and potential fungal diseases, and ensuring overall turf health across all listed locations.

2. Vacuuming Hardscapes (instead of blowing) at Town Center Hall, City Hall, and Library: \$845.00 Monthly

We will provide the necessary equipment and additional labor to vacuum these areas daily, five days a week, utilizing self-propelled, walk-behind equipment with a 28"-32" cleaning path and a 40-gallon bag capacity.

This service aims to maintain the cleanliness of the hardscapes through vacuuming, as an alternative to blowing.

3. Dedicated On-Site Supervisor: \$2,590.00 Monthly

We will increase the amount of time a Supervisor is present within City Limits from the current minimum of 30 hours per week to a dedicated 40 hours per week.

The grand total for this additional work will be \$4,335.00 per month. All current terms, conditions, and specifications will remain the same.

Please review these proposed additions at your convenience. Should you have any questions about the details or associated costs, please do not hesitate to contact me at (800) 645-4881. We respectfully ask that you consider our proposal.

Respectfully,


Martin Herrera
Branch Manager
Cc: Mark Brower



June 18, 2025

Johnny Chavarria
City of Santa Fe Springs
12636 Emmens Way
Santa Fe Springs, CA 90670-3942

RE: **City of Santa Fe Springs – Rosecrans and Marquardt**

Dear Johnny,

Merchants Landscape Services is pleased to submit the following proposal to add various locations into our current contract.

City of Santa Fe Springs
Service Areas Not In The Contract

<u>Site #:</u>	<u>Site Names:</u>	<u>Approx. Sq. Ft.</u>	<u>Monthly Cost</u>	<u>Notes:</u>
1	Rosecrans and Marquardt	11,000	\$ 165.00	Weed Control and Blowing
		1,536	\$ 25.00	
		7,440	\$ 111.00	
		4,800	\$ 72.00	
		1,104	\$ 17.00	
		36,000	\$ 540.00	
		8,400	\$ 126.00	
		2,976	\$ 45.00	
		7,616	\$ 115.00	
	Total SQ. FT.	80,872	\$ 1,216.00	

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

Sincerely,

Juan Damian
Field Supervisor

EXHIBIT “B”
SCHEDULE OF COMPENSATION

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

BASE FEE

Site #	Site Name	Monthly Fee	Annual Fee
Medians & Parkways			
M-01	Alondra Blvd/Shoemaker Road to Valley View Ave (Median) (Weekly) (45,432 Sq Ft)	\$ 551.12	\$ 6,613.44
M-02	Bloomfield Ave/Telegraph Road to Heritage Springs Dr (Greenbelt) (Weekly) (18,357 Sq Ft)	\$ 428.65	\$ 5,143.80
M-03	Bloomfield Ave/Telegraph Road to Lakeland Ave (Median) (Weekly) (23,165 Sq Ft)	\$ 489.88	\$ 5,878.56
M-04	Broaded St/Millergrover Dr to Alburtis Ave (Greenbelt) (Weekly) (16,569 Sq Ft)	\$ 489.88	\$ 5,878.56
M-05	Carmenita Road/Alondra Blvd to Imperial Hwy (Median) (Weekly) (26,623 Sq Ft)	\$ 673.58	\$ 8,082.96
M-06	Carmenita Road/Foster Road to Cambridge St (Hardscape/Planter) (Weekly) (36,456 Sq Ft)	\$ 244.94	\$ 2,939.28
M-07	Florence Ave - Bloomfield Ave to Norwalk Blvd (Hardscape/Planter) (Weekly) (61,727 Sq Ft)	\$ 918.53	\$ 11,022.36
M-08	Florence Ave - West City Boundary to Carmenita Road (Median) (Weekly) (77,628 Sq Ft)	\$ 1,200.00	\$ 14,400.00
M-09	Florence Ave - Orr & Day to Ringwood Ave (Greenbelt) (Weekly) (24,878 Sq Ft)	\$ 367.41	\$ 4,408.92
M-10	Getty Drive - Cul-De-Sac to Lakeland Dr (Planter) (Weekly) (5,707 Sq Ft)	\$ 367.41	\$ 4,408.92
M-11	Imperial Hwy - Bloomfield Ave to Transportation Dr (Hardscape/Planter) (Weekly) (18,354 Sq Ft)	\$ 122.47	\$ 1,469.64
M-12	Imperial Hwy - Bloomfield Ave to Transportation Dr (Median) (Weekly) (10,000 Sq Ft)	\$ 489.88	\$ 5,878.56
M-13	Los Nietos Sound Wall - Pioneer Blvd to Railroad Tracks (Greenbelt/Planter) (Weekly) (5,335 Sq Ft)	\$ 1,102.23	\$ 13,226.76
M-14	Meyer Road - Shoemaker Ave to Painter Ave (Median) (Weekly) (5,335)	\$ 428.65	\$ 5,143.80
M-15	Motor Center - Firestone Blvd and Bloomfield Ave (Greenbelt) (Weekly) (12,746 Sq Ft)	\$ 489.88	\$ 5,878.56
M-16	(DELETED)	\$ -	\$ -
M-17	Norwalk Blvd - North City Boundary to Clark St (Median) (Weekly) (5,256 Sq Ft)	\$ 367.41	\$ 4,408.92

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

Site #	Site Name	Monthly Fee	Annual Fee
M-18	Orr & Day Road - Otto St to Davenrich St (Greenbelt) (Weekly) (19,221 Sq Ft)	\$ 1,837.05	\$ 22,044.60
M-19	Orr & Day Road - Florence Ave to Pioneer Blvd (Median/Planter) (Weekly) (50,756 Sq Ft)	\$ 2,061.76	\$ 24,741.12
M-20	Orr & Day Road - Florence Ave to Pioneer Blvd (Greenbelt) (Weekly) (20,512 Sq Ft)	\$ 2,143.23	\$ 25,718.76
M-21	Pioneer Blvd - Navojoa Pl to Mersin Pl (Greenbelt) (Weekly) (4,972 Sq Ft)	\$ 244.94	\$ 2,939.28
M-22	Pioneer Blvd - Florence Ave to Rivera Road (Median) (Weekly) (95,900 Sq Ft)	\$ 3,500.00	\$ 42,000.00
M-23	Pioneer Blvd - Florence Ave to Dunning St (Median) (Weekly) (15,111 Sq Ft)	\$ 489.88	\$ 5,878.56
M-24	Santa Fe Springs Parking Lot - Davenrich St (Planter) (Weekly) (58,400 Sq Ft)	\$ 1,163.47	\$ 13,961.64
M-25	Santa Fe Springs Road - Telegraph Road to Los Nietos Road (Median) (Weekly) (29,985 Sq Ft)	\$ 1,530.88	\$ 18,370.56
M-26	Santa Fe Springs Road - McCann Dr to Los Nietos Road (Greenbelt/Planter) (Weekly) (73,408 Sq Ft)	\$ 1,837.05	\$ 22,044.60
M-27	Slauson Ave - Sorensen Ave to Santa Fe Springs Road (Median/Planter) (Weekly) (35,022 Sq Ft)	\$ 1,102.23	\$ 13,226.76
M-28	Sorensen Ave - Washington Blvd to Slauson Ave (Median) (Weekly) (3,981 Sq Ft)	\$ 367.41	\$ 4,408.92
M-29	Telegraph Road - NW Corner of Telegraph Road & Laurel Ave (Greenbelt) (Weekly) (8,411 Sq Ft)	\$ 489.88	\$ 5,878.56
M-30	Telegraph Road - Cedardale Dr to City Boundary (Median) (Weekly) (117,554 Sq Ft)	\$ 1,469.64	\$ 17,635.68
M-31	Telegraph Road - NW Corner of Telegraph Road and Bloomfield Ave (Greenbelt/Planter) (Weekly) (9,909 Sq Ft)	\$ 367.41	\$ 4,408.92
M-32	Telegraph Road - Bloomfield Ave to 1400 Feet East (Greenbelt/Planter) (Weekly) (76,547 Sq Ft)	\$ 918.53	\$ 11,022.36
M-33	Telegraph Road - Telegraph Road @ Railroad Overpass (Greenbelt/Planter) (Weekly) (13,993 Sq Ft)	\$ 367.41	\$ 4,408.92
M-34	Telegraph Road - Telegraph Road to Pioneer Blvd (Greenbelt/Planter) (Weekly) (13,993 Sq Ft)	\$ 367.41	\$ 4,408.92
M-35	Washington Blvd - Norwalk Blvd to City Boundary (Median) (Weekly) (8,568 Sq Ft)	\$ 367.41	\$ 4,408.92

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

Site #	Site Name	Monthly Fee	Annual Fee
M-36	Valley View Ave - NW Corner Valley View Ave and Stage Road (Parkway) (Weekly) (1,525 Sq Ft)	\$ 122.47	\$ 1,469.64
M-37	Borate St - Frontage of Water Well No. 12 (Parkway) (Weekly) (1,765 Sq Ft)	\$ 306.17	\$ 3,674.04
M-38	Heritage Corporate Center - Norwalk Blvd and Telegraph Road (Flag Court and Parkway) (Weekly) (19,389 Sq ft)	\$ 1,347.17	\$ 16,166.04
M-39	Carmenita Overpass South of 5 Fwy - Eastside of Bridge @ Freeway Dr (Parkway) (Weekly) (16,400 Sq Ft)	\$ 476.55	\$ 5,718.60
M-40	Firestone Blvd at Carmenita Pl - Median South of 5 Fwy (Weekly) (7,200 Sq Ft)	\$ 129.54	\$ 1,554.48
M-41	Shoemaker Bridge at Firestone Blvd - Parkway South of 5 Fwy Eastside of Bridge (Weekly) (22,500 Sq Ft)	\$ 170.75	\$ 2,049.00
M-42	Los Nietos Road (South HOA Area) Southside Los Nietos Road Pioneer to Morrill (Planter) (Weekly) (8,139 Sq Ft)	\$ 194.25	\$ 2,331.00
M-43	Norwalk Business Center Art Walkway - Telegraph Road and Norwalk Blvd NE Corner Parking Lot Area (Planter) (Weekly) (6,304 Sq Ft)	\$ 160.95	\$ 1,931.40
M-44	Florence Ave Median Planter - Overpass of 5 Fwy (Weekly) (3,645 Sq Ft)	\$ 127.65	\$ 1,531.80
M-45	Bloomfield Ave (east side of street) south of Telegraph Rd (Weekly)	\$ 490.00	\$ 5,880.00
M-46	Rosecrans-Marquardt Bridge (Monthly) (80,872 Sq ft)	\$ 1,216.00	\$ 14,592.00
	TOTAL MEDIANS & PARKWAYS:	\$ 34,099.01	\$ 409,188.12
<u>Parks & Parkettes</u>			
P-01	Alburtis Ave/Alburtis Ave to Fallon Ave Walkway (Hardscape/Landscape) (Weekly) (9,906 Sq Ft)	\$ 306.17	\$ 3,674.04
P-02	Bradwell/Bradwell Ave @ Ternadall St (Parkette Hardscape/Landscape) (Weekly) (12,912 SF)	\$ 367.41	\$ 4,408.92
P-03	Daverich Cul-De-Sac - Cul-De-Sac to 605 Fwy Sound Wall (Weekly) (5,984 Sq Ft)	\$ 367.41	\$ 4,408.92
P-04	Davenrich - Davenrich St @ Longworth Ave (Parkette) (Weekly) (10,285 Sq Ft)	\$ 367.41	\$ 4,408.92
P-05	Florence Ave - NW Corner Florence Ave/Pioneer Blvd (Parkette/City Monument Sign) (Weekly) (5,144 Sq Ft)	\$ 367.41	\$ 4,408.92

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

Site #	Site Name	Monthly Fee	Annual Fee
P-06	Florence Ave - SW Corner Florence Ave/Pioneer (Parkette) (Weekly) (4,122 Sq Ft)	\$ 367.41	\$ 4,408.92
P-07	Heritage Park - Parking Lots - Groundskeeper Services (Daily Except Wednesdays)	\$ 6,450.00	\$ 77,400.00
P-08	Heritage Park - Parking Lots - Groundskeeper Services - Special Events (On-Call Services Sat/Sun - 4 Hour Min) (April - Nov)	\$ 990.00	\$ 11,880.00
P-09	Jersey/Clarkman Walkway (Hardscape) (Weekly) (14,262 Sq Ft)	\$ 244.94	\$ 2,939.28
P-10	Lake Center Park - Florence Ave to Clarkman St (Park) (Weekly - Athletic Fields)(510,000 Sq Ft)	\$ 4,250.00	\$ 51,000.00
P-11	Lake Center Park Entry - Florence Ave to Clarkman St (Greenbelt/Planter) (Weekly) (8,788 Sq Ft)	\$ 367.41	\$ 4,408.92
P-12	Lakeview Park - Joslin St/Jersey Ave (Park) (Weekly) (255,500 Sq Ft)	\$ 2,081.99	\$ 24,983.88
P-13	Little Lake Park - Pioneer Blvd/Lakeland Road (Park) (Weekly - Athletic Fields) (786,057 Sq Ft)	\$ 4,950.00	\$ 59,400.00
P-14	Longworth Ave - Darcy St at Longworth Ave (Parkette) (Weekly) (13,989 Sq Ft)	\$ 367.41	\$ 4,408.92
P-15	Los Nietos Park - Charlesworth Road to Broaded St (Park) (Weekly - Athletic Fields) (549,000 Sq Ft)	\$ 3,919.05	\$ 47,028.60
P-16	Mersin Garden - Telegraph Road and Bartley Ave (Parkette) (Weekly) (11,532 Sq Ft)	\$ 367.41	\$ 4,408.92
P-17	Santa Fe Springs Park - Davenrich St to San Gabriel River (Park) (Weekly) (538,000 Sq Ft)	\$ 3,674.11	\$ 44,089.32
P-18	Santa Fe Springs Athletic Fields - Jersey Ave and Pioneer Blvd (Park) (Weekly - Athletic Fields) (275,999 Sq Ft)	\$ 2,939.29	\$ 35,271.48
P-19	Smith Ave Triangle/Alburtis Ave to 750 Feet East (Parkette) (Weekly) (31,400 Sq Ft)	\$ 612.35	\$ 7,348.20
P-20	Sculpture Gardens - Mora Dr @ Ontiveros Pl (Park) (Weekly) (189,964 Sq Ft)	\$ 4,180.48	\$ 50,165.76
P-21	Neighborhood Center - Navojoa Pl to Placita Pl (Greenbelt/Planter) (Weekly) (28,290 Sq Ft)	\$ 1,469.64	\$ 17,635.68
P-22	Post Office - Telegraph Road (Greenbelt) (Weekly) (8,807 Sq Ft)	\$ 244.94	\$ 2,939.28

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

Site #	Site Name	Monthly Fee	Annual Fee
P-23	Town Center Walkway (Greenbelt/Hardscape/Planter) (Weekly) (38,012 Sq Ft)	\$ 305.00	\$ 3,660.00
P-24	Telegraph Road & Norwalk - Empty Lot - NW Corner (Bi-Monthly) (38,012 Sq Ft)	\$ 165.00	\$ 1,980.00
P-25	Weed Abatement - 9257 Millergrove Dr (5,637 sq ft)	\$ 975.00	\$ 11,700.00
	TOTAL PARKS & PARKETTES:	\$ 40,697.24	\$ 488,366.88
Facilities			
F-01	Aquatic Center/Pioneer to Clarke Estate (Greenbelt/Planter) (Weekly) (18,867 Sq Ft)	\$ 545.82	\$ 6,549.84
F-02	City Hall - Parking Lots (Planters/Hardscape)	\$ 5,500.00	\$ 66,000.00
F-03	City Yard (Greenbelt) (Weekly/Bi-Weekly Nov. thru Feb.) (11,538 Sq Ft)	\$ 424.00	\$ 5,088.00
F-04	Civic Center/Telegraph Road and Pioneer Blvd (Greenbelt/Hardscape) (85,406 Sq Ft)	\$ 1,700.00	\$ 20,400.00
F-05	Clarke Estate - Groundskeeper Services (Park/Planters/Hardscape)	\$ 5,950.00	\$ 71,400.00
F-06	Clarke Estate - Groundskeeper Services Special Events (On-Call Services 4 Hours Min/After Hours/Weekends/Holidays - April - Nov.)	\$ 904.39	\$ 10,852.68
F-07	Fire Station HQ - 11300 Greenstone Ave (Greenbelt) (Weekly) (11,762 Sq Ft)	\$ 363.88	\$ 4,366.56
F-08	Fire Station No. 4 - 11736 Telegraph Road (Greenbelt) (Weekly) (2,400 Sq Ft.)	\$ 363.88	\$ 4,366.56
F-09	Fire Station No. 1 - 11300 Greenstone Ave (Patio, Pond, Back Parking Areas) (Weekly) (45,518 Sq Ft)	\$ 960.00	\$ 11,520.00
F-10	Fire Station No. 2 - 8634 Dice Road (Front Landscape) (Weekly) (4,404 Sq Ft)	\$ 335.00	\$ 4,020.00
F-11	Fire Station No. 3 - 15517 Carmenita Road (Front Landscape) (Weekly) (2,061 Sq Ft)	\$ 172.00	\$ 2,064.00
	TOTAL FACILITIES:	\$ 17,218.97	\$ 206,627.64
Miscellaneous			
Misc-1	Vacuumping Turf Clippings (City Hall Campus)	\$ 900.00	\$ 10,800.00
Misc-2	Vacuumping Hardscape in lieu of blowing (City Hall, Town Center Hall and Library)	\$ 845.00	\$ 10,140.00

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

Site #	Site Name	Monthly Fee	Annual Fee
Misc-3	Dedicated On-Site Supervisor (Increase from 30 hrs to 40 hrs per week)	\$ 2,590.00	\$ 31,080.00
	TOTAL MISCELLANEOUS:	\$ 4,335.00	\$ 52,020.00
	GRAND TOTAL (BASE FEE):	\$ 96,350.22	\$ 1,156,202.64

EXHIBIT B

APPROVED RATE SCHEDULE OF COMPENSATION

EXTRA WORK RATE SCHEDULE (PRIOR WRITTEN AUTHORIZATION REQUIRED)

Item #	Site Name	UNIT OF MEASURE	RATE
Hourly Rates by Position			
1	Supervisor (Per Hour)	Hour	\$ 64.00
2	Foreman (Per Hour)	Hour	\$ 42.00
3	Groundskeeper (Per Hour)	Hour	\$ 39.00
4	Laborer (Per Hour)	Hour	\$ 39.00
5	Irrigation Specialist (Per Hour)	Hour	\$ 48.00
6	Irrigation Laborer (Per Hour)	Hour	\$ 42.00
7	Pesticide Applicator (Per Hour)	Hour	\$ 49.00
Turf Maintenance			
8	Mowing (Per Sq. Foot)	SQFT	\$ 0.01
9	Edging (Per 1,000 Linear Feet)	LF	\$ 0.30
10	Fertilization (Per Acre)	Acre	\$ 186.00
11	Hollow Core Aerification (with removal of cores)(Per Acre)	Acre	\$ 325.00
12	De-Thatching (Per Acre)	Acre	\$ 1,150.00
13	Weed Control (including material)(Per Acre)	Acre	\$ 495.00
Landscape Maintenance			
14	Edge & Trim (Per 1,000 Linear Feet)	1,000 LF	\$ 52.00
15	Weed Removal & Clean-Up (Per 1,000 Sq. Ft)	1,000 SQFT	\$ 64.00
16	Fertilization (Placement Only)(Per Acre)	Acre	\$ 70.00
17	Pest Control-Cheminal (Including Material) (Per Hour)	Hour	\$ 48.00
18	Pruning/Shearing Shrubs (Per 1,000 Sq. Ft)	1,000 SQFT	\$ 85.00
19	Vertical Mulch Trees (Each)	Each	\$ 11.00
20	Vegetation Removal (Per Sq. Ft)	SQFT	\$ 0.06
21	Clean Hardscape/Sidewalks	SQFT	\$ 0.02
Plant Material (Installed)			
22	Annual Color (Labor Only) (Per Flat of Flowers)	Flat	\$ 11.00
23	Annual Color (Material Only) (Per Flat of Plants)	Flat	\$ 17.00
24	Ground Cover (Per Flat of Plants)	Flat	\$ 24.00
25	One (1) Gallon (Each)	Each	\$ 11.00
26	Five (5) Gallon (Each)	Each	\$ 28.00
27	Fifteen (15) Gallon (Each)	Each	\$ 85.00
28	24" Box Size Tree w/ Triple Staking System	Each	\$ 425.00
29	Seeded & Top Dressed Turf Repair	SQFT	\$ 0.08
30	Sodded Turf (Remove, Prep, Soil, Replace)	SQFT	\$ 1.50
31	Hydro-Seeding (Binder & Fertilizer-Exclude See)	SQFT	\$ 0.75
32	Seasonal Overseeding (Per Sq. Ft)	SQFT	\$ 0.05



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 THREE OPERATING AGREEMENTS WITH CLEAR CHANNEL OUTDOOR, LLC FOR POSTER BILLBOARD CONVERSION

DATE: February 3, 2026

RECOMMENDATION(S):

It is recommended that the City Council:

- 1) Adopt Resolution No. 9998, approving three (3) Operating Agreements between the City of Santa Fe Springs and Clear Channel Outdoor, LLC, allowing Clear Channel Outdoor, LLC to convert five existing static poster billboard faces to electronic poster billboards; and
- 2) Take such additional, related action that may be desirable.

FISCAL IMPACT

Pursuant to the Operating Agreements, Clear Channel Outdoor, LLC will provide the following public benefits: 1) a one-time processing fee of \$50,000 (\$10,000 per sign face); 2) a one-time economic development fee of \$50,000 (\$10,000 per sign face); 3) an annual development fee totaling \$50,000 per year (\$10,000 per sign face); and 4) City use of the digital billboards for advertising public service announcements and City-related public messages at no charge to the City, subject to available space. These public benefits will be new sources of General Fund revenue. The \$50,000 annual fee will be ongoing revenue for the first ten years of the Operating Agreements, then increases to \$62,500 per year (\$12,500 per sign face) for years 11-20 of the Operating Agreements. Additionally, as per the Operating Agreements, Clear Channel will be reimbursing the City for the costs of drafting the Operating Agreements.

BACKGROUND

A poster billboard is a billboard whose sign face measures no less than two hundred (200) square feet and no more than three hundred (300) square feet in area. Poster billboards can have static advertising faces with printed advertisements, or they can have electronic faces whereby advertisements are digitally displayed. Clear Channel Outdoor operates 16 static poster billboard faces on 11 structures in Santa Fe Springs. There are no existing electronic poster billboards in the City.

On October 15, 2024, the City Council adopted Ordinance No. 1146 to establish procedures for converting existing static poster billboards to electronic poster billboards. The intent was to allow for modernization of existing static poster billboards in exchange for reducing the overall number of static poster billboards. For every existing static poster billboard that is converted to an electronic poster billboard, a minimum of one additional static poster billboard must be removed. Billboard owners are required to enter into an operating agreement with the City and the operating agreement must include compensation to the City, utilization by the City to display messages of community interest and information, utilization for Amber Alerts and emergency disaster communications, quality and maintenance standards, and the removal of existing poster billboard on a one-to-one ratio.

On November 12, 2024, the City Council adopted Resolution No. 9935 to approve Operating Agreement Nos. 01-2024, 02-2024, and 03-2024 between the City of Santa Fe Springs and Clear Channel Outdoor, LLC to convert the same five existing static poster billboard faces contemplated in Resolution No. 9998 to electronic poster billboards. Subsequent to that approval, Clear Channel Outdoor, LLC requested changes to the Operating Agreements and OA Nos. 01-2024, 02-2024, and 03-2024 were never fully executed. The proposed Operating Agreement changes are substantial enough to require re-approval from the City Council.

When compared to the operating agreements adopted via Resolution No. 9935, the proposed version of the operating agreement includes several revisions that modify financial terms, administrative requirements, and project specifications. Changes were made to the structure and timing of development fee increases, and certain payment provisions included in the prior agreement were removed. The revised agreement also provides clearer direction regarding which existing structures are subject to removal as part of the conversion process. Eligibility criteria for development fee discounts were refined, narrowing the scope of qualifying businesses. In addition, the agreement updates regulatory language by replacing specific permitting and fee references with more general approval and fee requirements. The revised operating agreement further introduces new standards governing the appearance and configuration of converted structures, establishing additional design and cleanup requirements that were not previously specified.

ANALYSIS

Section 155.537 of the Santa Fe Springs Municipal Code allows for static poster billboards to be converted to electronic poster billboards in exchange for public benefits. The five billboard faces to be converted are:

- A double-faced 12' x 25' static poster billboard located at 13352 Imperial Highway (APN 8044-001-007)
- A double-faced 12' x 25' static poster billboard located on railroad right-of-way 1,000' southwest of the intersection of Santa Fe Springs Road and Slauson Avenue (APN 8168-011-803)
- A single-faced 12' x 25' static poster billboard located approximately 500 feet northeast of the intersection of Santa Fe Springs Road and Los Nietos Road (APN 8167-002-028)

The five billboard faces to be removed are:

- A double-faced 12' x 25' static poster billboard located south of 10634 Shoemaker Avenue (APN 8011-014-075)
- A double-faced 12' x 25' static poster billboard located north of 10715 Shoemaker Avenue (APN 8011-017-808)
- A single-faced 12' x 25' static poster billboard located south of 10620 Pioneer Blvd. (APN 8009-025-800)

For each static poster billboard face that is converted to an electronic poster billboard face, the City will receive the following:

- A one-time processing fee of \$10,000
- A one-time economic development fee of \$10,000
- An annual development fee of \$10,000 for the first ten years; annual development fee of \$12,500 for years 11-20

For five converted poster billboard faces, the City will receive \$50,000 in processing fees, \$50,000 in economic development fees, and an annual development fee of \$50,000 for the first ten years of the Operating Agreement. Additionally, as per the Operating Agreements, Clear Channel will be reimbursing the City for the costs of drafting the Operating Agreements.

ENVIRONMENTAL

This action is exempt from the requirements of the California Environmental Quality Act (CEQA) per Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Entering into an operating agreement would not be an activity with potential to cause significant effect on the environment, and therefore is exempt from CEQA.

DISCUSSION

N/A

SUMMARY/NEXT STEPS

Upon full execution of the Operating Agreements, the Developer/Clear Channel will prepare and submit engineering drawings and specifications to plan check, secure necessary approvals with Caltrans, and submit proof of insurance to the City. The Developer/Clear Channel will pay the one-time processing fee, the one-time economic development fee and the annual installments of the development fee in accordance with the established schedule identified in the Operating Agreements.

ATTACHMENT(S):

- A. Resolution No. 9998
Exhibit A – Operating Agreement (OA) No. 01-2026 (13352 Imperial Highway, APN 8044-001-007)

Exhibit B – Operating Agreement (OA) No. 02-2026 (1,000 feet southwest of the intersection of Santa Fe Springs Road and Slauson Avenue, APN 8168-011-803)

Exhibit C – Operating Agreement (OA) No. 03-2026 (500 feet northeast of the intersection of Santa Fe Springs Road and Los Nietos Road, APN 8167-002-028)

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

RESOLUTION NO. 9998

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS
REGARDING THREE OPERATING AGREEMENTS (OA NO. 01-2026, OA NO. 02-
2026, AND OA 03-2026) WITH CLEAR CHANNEL OUTDOOR, LLC FOR POSTER
BILLBOARD CONVERSIONS**

WHEREAS, On October 15, 2024, the City Council of the City of Santa Fe Springs ("City Council") adopted Ordinance No. 1146 to establish procedures for converting existing static poster billboards to electronic poster billboards; and

WHEREAS, the intent of Ordinance No. 1146 was to allow for the modernization of existing static poster billboards in exchange for reducing the overall number of static poster billboards within the City of Santa Fe Springs ("City"); and

WHEREAS, pursuant to Ordinance No. 1146, billboard owners are required to enter into an operating agreement with the City and the operating agreement must include: (i) compensation to the City; (ii) the utilization of the electronic poster billboard by the City to display messages of community interest and information, and public safety; (iii) the utilization by the City (or other appropriate agencies) to display "Amber Alert" messages and emergency-disaster communications; (iv) to establish quality and maintenance standards; and (v) the removal of other existing poster billboards on a one to one (1:1) ratio, at a minimum; and

WHEREAS, Clear Channel Outdoor, LLC ("Clear Channel") owns and operates static billboard faces within the City; and

WHEREAS, Clear Channel requested that it be allowed to convert certain static billboard faces and remove other billboard faces, and subsequently submitted Operating Agreement Nos. 01-2026, 02-2026 and 03-2026 for City approval; and

WHEREAS, the City Council has considered the operating agreements and the written reports presented at the City Council Meeting on February 3, 2026, concerning Operating Agreement Nos. 01-2026, 02-2026 and 03-2026; and

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

Section 1. Recitals. The City Council finds and determines that the foregoing recitals of fact are true and correct.

Section 2. CEQA Compliance. This action is exempt from the requirements of the California Environmental Quality Act (CEQA) per Section 15061(b)(3), the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Entering into an operating agreement would not be an activity with

potential to cause significant effect on the environment, and therefore is exempt from CEQA. Therefore, no environmental analysis is required, and staff is authorized and directed to file a Notice of Exemption with the County of Los Angeles.

Section 3. Findings. Under Ordinance No. 1146, and specifically Section 155.537 (Static Poster Billboard Conversation Program) of the City's Zoning Ordinance. The conversion of an existing static poster billboard to an electronic poster billboard shall only be permitted when the City has entered into an operating agreement with an electronic poster billboard owner to allow for an electronic poster billboard under certain circumstances; including (i) compensation to the City; (ii) the utilization of the electronic poster billboard by the City to display messages of community interest and information, and public safety; (iii) the utilization by the City (or other appropriate agencies) to display "Amber Alert" messages and emergency-disaster communications; (iv) to establish quality and maintenance standards; and (v) the removal of other existing poster billboards on a one to one (1:1) ratio, at a minimum. In its review of the proposed Agreements, the City Council finds and determines that the proposed Operating Agreements meet the aforementioned requirements and approves of the Operating Agreements attached hereto as Exhibits A, B, and C, subject to City Attorney approval as to form.

Section 4. The City Clerk shall certify to the passage and adoption of this Resolution and this Resolution shall be published as required by law and shall take effect as provided.

PASSED AND ADOPTED, this 3rd day of February 2026, by the City Council of the City of Santa Fe Springs by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Joe Angel Zamora, Mayor

ATTEST:

Maribel Garcia, City Clerk

APPROVED:
ITEM NO.:

Exhibit "A"

Operating Agreement No. 01-2026

13352 Imperial Highway (APN 8044-001-007)

APPROVED:
ITEM NO.:

Exhibit "B"

Operating Agreement No. 02-2026

Approximately 1,000 feet southwest of the intersection of Santa Fe Springs Road
and Slauson Avenue (APN 8168-011-803)

APPROVED:
ITEM NO.:

Exhibit "C"

Operating Agreement No. 03-2026

Approximately 500 feet northeast of the intersection of Santa Fe Springs Road
and Los Nietos Road (APN 8167-002-028)

OPERATING AGREEMENT NO. 01-2026

This Operating Agreement (hereinafter “Agreement”) is entered into this ____ day of ____, 2026 (hereinafter the “Effective Date”), by and between the CITY OF SANTA FE SPRINGS (hereinafter “City”), and CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company (hereinafter “Developer”).

RECITALS

A. The City of Santa Fe Springs, California (the “City”) is a municipal corporation, duly organized under the constitution and laws of the State of California; and

B. The City Council adopted Ordinance No. 1146 on October 15, 2024, establishing a poster billboard conversion program, such that the conversion of an existing static poster billboard to an electronic poster billboard shall only be permitted when the City has entered into an Operating Agreement with an electronic poster billboard owner; and

C. Developer has a leasehold interest in that certain portion of real property located at 13352 Imperial Highway in the City of Santa Fe Springs, Assessor Parcel Number (APN) 8044-001-007 as more specifically described in Exhibit “A” and depicted in Exhibit “C-1”, attached hereto and incorporated herein (the “Site”), upon which Developer currently owns and operates an existing lawfully-permitted double-faced 12’ x 25’ outdoor advertising sign with two printed display faces identified as Clear Channel billboards #4574 and #4575. Developer seeks to replace sign in place as a double-faced 12’ x 25’ outdoor advertising sign with two digital display faces such as the one depicted in Exhibit “C-2” (hereinafter, the “Digital Billboard”). The term the “Project” is hereinafter used to describe the development project described above and that is the subject of this Agreement.

D. The Site is located within the City’s C-4 Community Commercial Zone, with a General Plan land use designation of Commercial. The City has determined that the Project contemplated herein complies with the City’s Zoning Ordinance, which is found in Chapter 155 of the Code of Santa Fe Springs (the “Code”). Developer and the City agree that an operating agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

E. City and Developer agree and acknowledge that the outdoor advertising sign conversion contemplated herein complies with, and serves the purposes enumerated in, California Business & Professions Code Section 5200 *et seq.* (the “California Outdoor Advertising Act”), including, but not limited to, Sections 5412 and 5443.5 and incorporated by reference in the Code as well as the City’s regulations regarding signage in the City, which are set forth in Chapter 155, Zoning, Section 155.515 *et seq.*, as amended.

F. In exchange for the approvals sought to convert the printed faces currently existing at the Site to the Digital Billboard, as described above, Developer has offered to:

1. Pay to the City an annual Development Fee, as defined and provided in Section 2.5 below, for the cost to the City to ameliorate the impact of the installation of the digital sign panels on the Digital Billboard; and
2. Pay to the City a one-time Processing Fee and a one-time Economic Development Fee, as are also defined in Sections 2.4 and 2.6, respectively; and
3. On a space-available basis, provide advertising space free of charge to City for the display of community messaging and public service messaging as described more fully in Section 3. Such space-available free advertising time shall be equally distributed through the hours of operation of the Digital Billboard.
4. Reimburse the City for the costs of making this Agreement.
5. Remove the double-faced static billboard located south of 10634 Shoemaker Avenue, Assessor's Parcel Number (APN) 8011-014-075, identified as Clear Channel billboards #5257 and #5258

G. On February 3, 2026, the City Council of the City, at a duly noticed hearing, approved this Agreement by Resolution No. 9998, finding that this Agreement: (1) is in the best public interest of the City and its residents; (2) constitutes a present exercise of the City's police power; (3) will not be detrimental to the public's health, safety, or general welfare; and (4) is consistent with the City's General Plan.

H. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use and the orderly development, relocation and distribution of existing displays to more appropriate locations within the City, while also allowing for the incorporation of modern technology into relocated displays as part of the City's planned development.

I. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

J. In exchange for the benefits to the City described in the Agreement, together with other public benefits in this agreement that will result from the development of the Project (as defined below), Developer will receive by this Agreement assurance that it may proceed with the Project in accordance with Land Use Regulations (as defined below), and therefore desires to enter into this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1. Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 “Agreement” means this Operating Agreement and all attachments and exhibits hereto.

1.1.2 “Anniversary Date” is the annual reoccurrence of the Commencement Date.

1.1.3 “City” means the City of Santa Fe Springs, a California municipal corporation.

1.1.4 “City Council” means the City Council of the City.

1.1.5 “Commencement Date” is the date that the digital display faces on the Digital Billboard become Operational.

1.1.6 “Developer” means Clear Channel Outdoor, LLC, a Delaware limited liability company and its successors and assigns, duly existing and operating, and doing business at 19320 Harborage Way, Torrance, CA 90501.

1.1.7 “Development” means the conversion of an existing static poster billboard to an electronic poster billboard.

1.1.8 “Development Approvals” means any and all permits and approvals which may be required by City, affected utility agencies, or any other governmental agency for the construction and/or operation of the Project by Developer pursuant to the Scope of Development, including but not limited to, necessary permits and approvals required from the California Department of Transportation (“CalTrans”), if applicable. Pursuant to Article 19, Sections 15300 and 15302 of the California Environmental Quality Act (“CEQA”) guidelines, digital sign conversions are categorically exempt from CEQA review, as the development contemplates only the replacement or reconstruction of sign faces on the existing structures on the Site, involving digital panels of the same size, purpose, and capacity as the printed faces they replace.

1.1.9 “Digital Billboard” shall have the meaning set forth in the Recitals

1.1.10 “Effective Date” means the date when all the following have occurred: (i) the Agreement is signed by both Developer and City, (ii) the Agreement is approved by Resolution No. 9998 and effective, and not subject to referendum, (iii) all conditions precedent to its effectiveness have been satisfied, and (iv) after expiration of all applicable appeal periods.

1.1.11 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct, operate and maintain the Digital Billboard, and are signed and dated by a City representative, where applicable.

1.1.12 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City's General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the Digital Billboard, and the design, improvement and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System ("NPDES") regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.13 "Lease" means the lease or license agreement, as the case may be, for the Site between Thrifty Oil Corporation ("Owner"), the owner of the site as landlord or licensor, and Developer, as tenant or licensee.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.15 "Operational" means the Digital Billboard is capable, legally and functionally, of displaying advertising on the digital displays because it is connected to a permanent source of power.

1.1.16 "Project" shall have the same meaning set forth in the Recitals.

1.1.17 "Site" refers to the site described in Recital C and more specifically described on Exhibit "A" attached hereto and incorporated herein.

1.1.18 "Schedule of Performance" means the Schedule of Performance attached hereto as Exhibit "D" and incorporated herein.

1.1.19 "Scope of Development" means the Scope of Development attached hereto as Exhibit "B" and incorporated herein.

1.1.20 "Subsequent Land Use Regulations" means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.21 "Subsequent Development Approvals" means any Development Approvals sought by Developer in connection with future changes desired to be made by Developer to the Development following its initial completion. Consistent with the Outdoor Advertising Act (Bus. & Profs. Code, § 5200 et seq.), the performance of customary maintenance does not require local approvals, but enhancement modification or other change requires approval.

1.1.22 "Term" shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

1.1.23 **Exhibits.** The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit "A" (Legal Description of Site), Exhibit "B" (Scope of Development), Exhibit "C-1" (Billboard Locations), Exhibit "C-2" (Billboard Elevations), and Exhibit "D" (Schedule of Performance).

2. GENERAL PROVISIONS.

2.1. Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

2.2. Interest in Site. The City and Developer acknowledge and agree that Developer is the tenant or licensee of the Site and thus is qualified to enter into and be a party to this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under this Agreement, except as provided under Section 8.1. Subject to applicable law, the parties may consider relocation if Developer's leasehold interest in the Site is prematurely terminated.

2.3. Term of Agreement. Unless earlier terminated as provided in this Agreement, the "Term" of this Agreement shall continue in full force and effect until the date that is twenty (20) years from the Commencement Date. After said twenty (20) year initial term, Development shall have the option to extend this Agreement for an additional term of ten (10) years. Developer shall exercise that option by providing written notice to the City at least one hundred eighty (180) days before expiration of the initial term. Notwithstanding the foregoing, (i) if Developer is unable, for reasons beyond Developer's control, to obtain or maintain any permits necessary for the operation of the Digital Billboard; (ii) if the use of the digital faces is prevented or restricted by law, (iii) if, by some cause beyond Developer's control, the operation of the Digital Billboard becomes impossible; (iv) if the Site Lease is terminated, or (v) if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date, then Developer shall have the right to terminate the Agreement. Within thirty (30) days after the expiration or termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 10.1 below. The term of this Agreement supersedes any amortization period that may apply under the Code as to any non-conformity as applied to the Site.

2.3.1. As stated in Subsection 2.3(v), either party may terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date. If a Commencement Date has not occurred by the date that is one (1) year after the Effective Date, then this Agreement shall automatically extend into another one (1) year build-out term. Developer may (at

its option) decide to terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years from the Effective Date.

2.4. Processing Fee. The Developer shall pay the City a one-time processing fee (“Processing Fee”) in the amount of Ten Thousand Dollars (\$10,000.00). The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City’s discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and permit fees, and any other fees imposed by Los Angeles County, as may be applicable. The Processing Fee shall be paid by Developer to City on the date that the City issues all building approvals necessary to begin construction of the Project.

2.5. Development Fee. The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee in the amount of Ten Thousand Dollars (\$10,000.00) per digital display face to the City (“Development Fee”). The Development Fee shall be payable in twelve (12) monthly installments, with the first installment due on the Commencement Date. Monthly installment payments shall continue the first day of each subsequent month in the term of this Agreement. On the tenth (10th) anniversary of the Commencement Date, the Development Fee shall increase to Twelve Thousand Five Hundred Dollars (\$12,500.00) annually per digital display face. Further, in the event that the Developer elects to extend the Agreement after the initial twenty (20) year term, on the twentieth (20th) anniversary of the Commencement Date, the Development Fee shall increase to Fifteen Thousand Dollars (\$15,000.00) annually per digital display face.

2.5.1. Developer shall notify the City in writing when the digital display faces on the Digital Billboard become Operational for the purpose of determining the Commencement Date. The City’s issuance of approvals for the Project shall not be unreasonably withheld, provided the issuance of any such approvals is done in compliance with the terms of this Agreement and said approvals are issued in full compliance with applicable codes and standards.

2.6. One-Time Economic Development Fee. Developer shall pay a one-time Economic Development Fee in the amount of Ten Thousand Dollars (\$10,000) per Project. Such Economic Development Fee shall be due to the City on the date that the City issues all approvals necessary to begin construction of the Project.

3. COMMUNITY BENEFITS. Developer shall also provide the following Community benefits during the entire Term of this Agreement.

3.1. Removal of Signs. As consideration for this Agreement, Developer shall voluntarily remove the double-faced static billboard located south of 10634 Shoemaker Avenue, Assessor’s Parcel Number (APN) 8011-014-075, identified as Clear Channel billboards #5257 and #5258. Within thirty (30) days of the date that the Digital Billboard is Operational, as such term

as defined herein, Developer shall apply for all permits, demolition and otherwise, required to effectuate the removal of these removal signs. Removal shall be completed within ninety (90) days after issuance of said permit.

3.2. City's Use of the Billboard. Developer shall provide, on a space-available basis, free advertising space on the digital display faces on the Digital Billboard for purposes of posting public service announcements and City-related advertising or announcements ("City Messages"). This time shall be the equivalent of one "spot" within the regular rotation. Such space-available free advertising time to City shall be equally distributed through the hours of operation of the Digital Billboard.

3.3. Provision of Copy and Representations. The City shall submit all proposed copies of City Messages to Developer not less than five (5) business days prior to the date the copy is proposed to be eligible for display, and, with the exception of Public Service Messages described in Section 3.5, the City shall notify Developer in writing not less than twenty (20) days prior to a requested display date. All proposed copy shall be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer to approve or disapprove a copy and remove a copy once posted or displayed. Any content provided by City shall be owned and belong exclusively to the City, and Developer shall not reproduce, sell, or give away any such content without the advance written consent of the City. It is expressly understood and agreed that, absent approval from Developer, City Messages shall not include any names, logos or marks associated with any third-party non-governmental person or entity, or any products or services associated with any third-party non-governmental person or entity.

3.4. Mutual Representations and Warranties.

3.4.1. City represents and warrants that all copy, content and materials supplied by City to Developer for display under this Agreement: (i) are owned or duly licensed by City and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.4.2. Developer represents and warrants that all copy, content and materials displayed by Developer under this Agreement: (i) are owned or duly licensed by Developer and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been

substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.5. Mutual Indemnification. Each Party ("Indemnifying Party") mutually agrees to indemnify, defend and hold harmless the other Party ("Indemnified Party") for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorneys' fees), losses, actions or liabilities, arising from or in connection with any third party allegation that any portion of any City Message or Developer advertising infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. The Indemnifying Party shall not be liable for any claims, damages, or liabilities caused by the sole negligence or willful misconduct of the Indemnified Party. The Indemnified Party shall promptly notify the Indemnifying Party of the existence of any claim, demand, or other matter, which the Indemnifying Party's indemnification obligations under this Section would apply, and shall give them a reasonable opportunity to settle or defend the same at their own expense and with counsel of their own selection, provided that the Indemnified Party shall at all times also have the right to fully participate in the defense. If the Indemnifying Party, within a reasonable time after this notice, fails to take appropriate steps to settle or defend the claim, demand or the matter, the Indemnified Party shall, upon written notice, have the right, but not the obligation, to undertake such settlement or defense and settle the claim, demand, or other matter on behalf, for the account, and at the risk, of the Indemnifying Party.

3.6. Public Service Messages. During the entire Term of this Agreement and any extension, Developer shall make advertising space immediately available on the digital display faces on the Digital Billboard for the purposes of displaying "Amber Alert" or other similar public service or emergency messages ("Public Service Messages"), at no cost, and in accordance with local and regional emergency protocols.

3.7. Discount Advertising. Developer shall offer a twenty percent (20%) discount off its applicable rates for display of advertising on the Billboard to any business that both (a) is a member of the Santa Fe Springs Chamber of Commerce and (b) maintains its headquarters within the boundaries of the City.

4. PROHIBITED USE. Developer shall not utilize the digital display faces on the Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, sexually oriented materials, use sexually oriented images or language, "obscene matter," as that term is defined in California Penal Code section 311, or any matter that is prohibited by City ordinance existing as of the Effective Date of this Agreement or as may be amended or implemented from time-to-time after the Effective Date and equally applicable to all billboard displays. In addition, the Developer shall at all times comply with Article 7 § 5402 of the Outdoor Advertising Act of the Business and Professions Code. Developer shall immediately remove any prohibited content upon notice from the City. If there is a dispute between Developer and City as to whether any such content is prohibited, Developer shall remove the disputed content until the dispute is resolved.

5. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.

5.1. Rights to Develop. Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 5.2 below.

5.2. Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

5.3. Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals from the City, and any and all approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City's Planning Commission and City Council have approved a categorical exemption or an Initial Study/Negative Declaration for the project, thus complying with, and satisfying the requirements of, the California Environmental Quality Act ("CEQA"). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City's Municipal Code that were in affect at the time the Operating Agreement was approved by the City Council, (2) applicable NPDES requirements pertaining to the Development, and (3) applicable codes that were in affect at the time the Operating Agreement was approved by the City Council, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such approvals, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

5.4. [Intentionally Deleted.]

5.5. Changes and Amendments. Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s), provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers.

Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

5.6. Reservation of Authority.

5.6.1. ***Limitations, Reservations and Exceptions.*** Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of necessary approvals for development of the Digital Billboard. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

5.6.2. ***Future Discretion of the City.*** This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

5.6.3. ***Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.*** In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.7. **Regulation by Other Public Agencies.** It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 8.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.8. **Public Improvements.** Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

5.8.1. The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

5.8.2. The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the logical progression of the development of the Development, as well as the reasonable needs of the public.

5.8.3. It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.9. Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Operating Agreement and/or the Development Approvals. However, this Operating Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the Digital Billboard or Developer directly, except as follows:

5.9.1. Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

5.9.2. Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

5.9.3. Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer; and

5.9.4. Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

5.10. Changes. Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

6. DEVELOPER'S OBLIGATIONS AFTER EXPIRATION OR TERMINATION

6.1. Following the termination or expiration of this Agreement, Developer shall remove the digital display faces from the Digital Billboard and shall restore the printed display faces that were present at the Site before the conversion Project occurred. Such reversion back to printed display faces shall be completed within sixty (60) days after the termination or expiration of the Agreement. The City shall cooperate in providing any approvals necessary for such work, if any.

7. REVIEW FOR COMPLIANCE.

7.1. Annual Review. Annually, within sixty (60) days after a written request from City, Developer shall demonstrate its good faith compliance with the terms hereof by providing a

written report thereon. If the City Manager finds that Developer is not acting in good faith compliance with this Agreement, the City Manager shall schedule a hearing before the Planning Commission. The City shall provide Developer with written notice of such hearing and a copy of all staff reports and related exhibits as soon as available, but in no event later than five (5) days prior to the hearing. The Planning Commission's determination following such a hearing shall be based on substantial evidence, and shall be subject to appeal to the City Council. If the Planning Commission or City Council, as applicable, finds that the Developer is not in compliance with the terms of this Agreement, the provisions of Section 8 shall govern the parties' rights.

7.2. Special Review. The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

7.3. Technological Status. The Parties acknowledge and agree that both City and Developer intend that Developer shall maintain and operate the Digital Billboard in conformance with best available technologies in the industry. If an annual written review report is requested by City as described above, Developer shall submit written documentation designed to demonstrate its compliance with this Section. Notwithstanding the foregoing, Developer shall not be required to actually install an upgrade more frequently than once every 10 years and may be required to do so upon term extension in Section 2.3.

7.4. City Rights of Access. The City, its officers, employees, agents and contractors, shall, in the exercise of the City's police power, have the right, at their sole risk and expense, to enter the Site consistent with any rights the City has obtained by virtue of a recorded easement or other property interests or, if no such interests exist, upon exercise of its police power. If an emergency repair to a public improvement or public facility on the Site is required Developer acknowledges that the City may exercise its police power to enter the Site and conduct such repair after providing Developer and the Site owner with reasonable advance notice. The City also may access the Site in order to implement any of its lawful police powers to address any nuisance, dangerous condition, or other condition prohibited under the City's ordinances.

7.5. Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the

response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 8; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to “force majeure” as defined in, and subject to the provisions of, Section 10.10.

8. DEFAULT AND REMEDIES.

8.1. Termination of Agreement.

8.1.1. ***Termination of Agreement for Material Default of Developer.*** The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default” or “breach”); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. Notwithstanding the foregoing, the City acknowledges and agrees that the decision of when to submit the application materials (including the site-specific submittal package) contemplated in Exhibits B and D is in the sole discretion of Developer. If the City alleges that the Developer is in material breach of this Agreement, then the City shall follow the procedures set forth in Section 7.5. In the event of a termination by the City under this Section 8.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.2. ***Termination of Agreement for Material Default of City.*** Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. In addition, Developer may terminate this Agreement if, despite Developer’s good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the Development. In the event of a termination by Developer under this Section 8.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer

shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that is so terminated that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.3. ***Rights and Duties Following Termination.*** Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement , (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

8.1.4. The termination rights set forth in this Section are in addition to those limited termination rights of Developer as set forth in Section 2.3.

8.2. Remedies.

8.2.1 Remedies. In addition to the rights of termination set forth above, in the event of a default by either party, the non-defaulting party shall have the right to: (i) bring any proceeding in the nature of specific performance, injunctive relief, declaratory relief, or mandamus and/or; (ii) bring any action at law or in equity to compensate the non-defaulting party for all the detriment proximately caused by the defaulting party's default; provided, however, that Developer's sole and exclusive remedy shall be specific performance and Developer shall not have the right to recover monetary damages (compensatory, consequential, punitive, or other) against the City other than attorneys' fees to the extent provided in Section 10.13 below, and the City shall only have the right to recover actual, direct damages (and not consequential or punitive damages) against Developer, as well as attorneys' fees to the extent provided in Section 10.13 below.

9. INSURANCE, INDEMNIFICATION AND WAIVERS.

9.1. Insurance.

9.1.1. Types of Insurance.

(a) ***Liability Insurance.*** Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 9.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars (\$2,000,000) for bodily injury or death to any one person, at least Four Million Dollars (\$4,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

9.1.2. ***Insurance Policy Form, Sufficiency, Content and Insurer.*** All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

9.1.3. ***Failure to Maintain Insurance and Proof of Compliance.*** Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of Exhibit "D" (Schedule of Performance)

(b) The City can request to see updated copies of the current certificates of all insurance policies required.

(c) If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 7.5, may view such failure or refusal to be a default hereunder.

9.2. Indemnification.

9.2.1. ***General.*** To the fullest extent permitted by law, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents ("Indemnitees") against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the Indemnitees with the fullest protection possible under the law. Developer acknowledges that Indemnitees would not enter into this Agreement in the absence

of Developer's commitment to indemnify, defend and protect Indemnitees as set forth herein. Notwithstanding the foregoing, to the extent Developer'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 Developer. Developer's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Indemnitees.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith with counsel reasonably acceptable to the Indemnitees.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective its officers, agents, and employees harmless therefrom.

(c) City shall have the right to offset against the amount of any compensation due to Developer under this Agreement, any undisputed amount due to City from Developer as a result of Developer's failure to either pay City promptly for any costs associated with Developer's obligations to indemnify the Indemnitees under this Section, or related to Developer'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 Developer under this Section will not be limited by the provisions of any workers' compensation act or similar act. Developer 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) Developer agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every contractor and subcontractor or any other person or entity involved by, for, with or on behalf of Developer in the performance of this Agreement. In the event Developer fails to obtain such indemnity obligations from others as required herein, Developer 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 Developer's contractors and subcontractors or any other person or entity involved by, for, with or on behalf of Developer 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 Developer 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.

9.2.2. **Exceptions.** The foregoing indemnity shall not include claims or liabilities arising from the sole negligence, gross negligence, or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

9.2.3. **Additional Coverage.** Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

9.2.4. **Loss and Damage.** Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 9.2.2 above.

9.2.5. **Period of Indemnification.** The obligations for indemnity under this Section 9.2 shall begin upon the Effective Date and shall survive 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 .

9.3. **Waiver of Subrogation.** Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence, gross negligence, or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

10. MISCELLANEOUS PROVISIONS.

10.1. Recordation of Agreement. This Agreement shall be recorded in “short form” version with the County Recorder by the City Clerk within 10 days of execution. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

10.2. Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

10.3. Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

10.4. Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

10.5. Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

10.6. Singular and Plural. As used herein, the singular of any word includes the plural.

10.7. Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.8. Waiver. Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party’s right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

10.9. No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the parties and Owner and their respective successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

10.10. Force Majeure. Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

10.11. Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

10.12. Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

10.13. Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

10.14. Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

10.15. Development as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a “public work” development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer’s private development into a public work project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

10.16. Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

10.17. Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer’s right to seek and collect just compensation or any other remedy available to it.

10.18. Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment (which approval shall not be unreasonably withheld, conditioned or delayed). The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

10.19. Assignment. Developer shall have the right to transfer or assign its rights and obligations under this Agreement (collectively, an “Assignment”) to any person or entity (an “Assignee”) in connection with a transfer or assignment of all of Developer’s interest in the Lease without the prior approval of the City; provided that, (a) Developer shall notify City in writing of such proposed Assignment at least thirty (30) days prior to the effective date of any proposed Assignment, and (b) Developer and Assignee shall enter into a written assignment and assumption agreement, executed in recordable form, pursuant to which Assignee shall agree to

assume all duties and obligations of Developer under this Agreement remaining to be performed at the time of the Assignment.

10.20. Corporate Authority. The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

10.21. Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City: City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attn: City Manager

If to Developer: Clear Channel Outdoor, LLC
19320 Harborgate Way
Torrance, CA 90501
Attn: Vice President, Real Estate & Public Affairs

With a copy to: Clear Channel Outdoor, LLC
2325 E. Camelback Road, Suite 250
Phoenix, AZ 85016
Attn: Operations Counsel

10.22. Nonliability of City Officials. No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

10.23. No Brokers. The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

10.24. No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this

Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

BY THE CITY OF SANTA FE SPRINGS

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

Developer:

CLEAR CHANNEL OUTDOOR, LLC,
a Delaware limited liability company

Bryan Parker, Executive Vice President
Real Estate and Public Affairs

[end of signatures]

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SITE

All that certain real property located in the City of Santa Fe Springs, County of Los Angeles, State of California more particularly described as follows:

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

Parcel 1 in the City of Santa Fe Springs, County of Los Angeles, State of California, as shown on Parcel Map No. 14237, as per map filed in Book 160, Pages 23 and 24 of Maps, in the Office of the County Recorder of said County.

Except all water and water rights lying below a depth of 100 vertical feet from the surface of said land, without, however, any right of entry upon the surface of the land being conveyed, as reserved in deed recorded June 1, 1983, as Instrument No. 83-607951, Official Records.

Assessor's Parcel Number: 8044-001-007

EXHIBIT "B"

SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer currently owns and operates an existing lawfully-permitted double-faced 12' x 25' outdoor advertising sign with two printed display faces identified as Clear Channel billboards #4574 and #4575. Developer shall replace sign in place as a double-faced 12' x 25' outdoor advertising sign with two digital display faces. The Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Fees. Developer shall pay all applicable City fees, as described at Section 5.3 of the Agreement, at the time that any necessary approvals are issued for the installation of the Digital Billboard.

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) The existing sign structure shall be painted gray and all mechanical equipment shall be screened to the satisfaction of the Director of Community Development or designee. In addition, any existing ladders or other ancillary structures which are not required for the digital sign shall be removed. The City of Santa Fe Springs name and/or City seal shall be included on the sign structure. The Director of Community Development or designee shall approve the location of the name and/or City seal.

(b) Maintenance and repair of the Digital Billboard (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) shall be in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of applicable screening and City branding if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the Digital Billboard if damaged by the Development and to minimize dust caused by the Development; and (iii) the maintenance, repair, and repainting of the Digital Billboard's structures and displays as necessary to maintain such billboards in good condition and repair.

(c) Maintenance of the Digital Billboard and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the

Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(d) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit "B", then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 7.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any applicable approvals, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the Digital Billboard and applicable screening and City branding, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Community Development or his or her designee:

(a) Structural calculations shall be prepared by a licensed civil engineer and approved by the applicable City Official.

(b) The Billboard shall be located in the portion of the Site shown on Exhibit "C-1" and shall be of the dimensions described in Section 1, above.

(c) The size and design of each sign display of the Digital Billboard shall satisfy the requirements of Ordinance No. 1146, as depicted in Exhibit "C-1" and Exhibit "C-2" both approved by the City as part of the Development Approvals.

(d) Plans and specifications for the proposed installation of the Digital Billboard shall be submitted to the City Community Development and Building Departments for plan check and approval prior to the issuance of applicable approvals and electrical permits. The site-specific

submittal package shall include a site plan, elevations, structural calculations, and electrical details.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the Digital Billboard and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all times, comply with the approval for the Digital Billboard from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable approvals or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the Digital Billboard is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the billboard or applicable screening and City branding installed on the Digital Billboard is damaged by the Development or becomes damaged or otherwise in need of replacement, as determined by the City's Director of Community Development or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Community Development or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement.

(m) Developer shall use the existing billboard utilities and upgrade only if necessary. The utilities shall be screened or otherwise concealed to the extent practical, as determined by the Director of Community Development.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.

(p) Prior to final sign off of the applicable approvals for the Digital Billboard, the applicable screening and City branding shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Community Development or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Director of Community Development or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT "C-1"

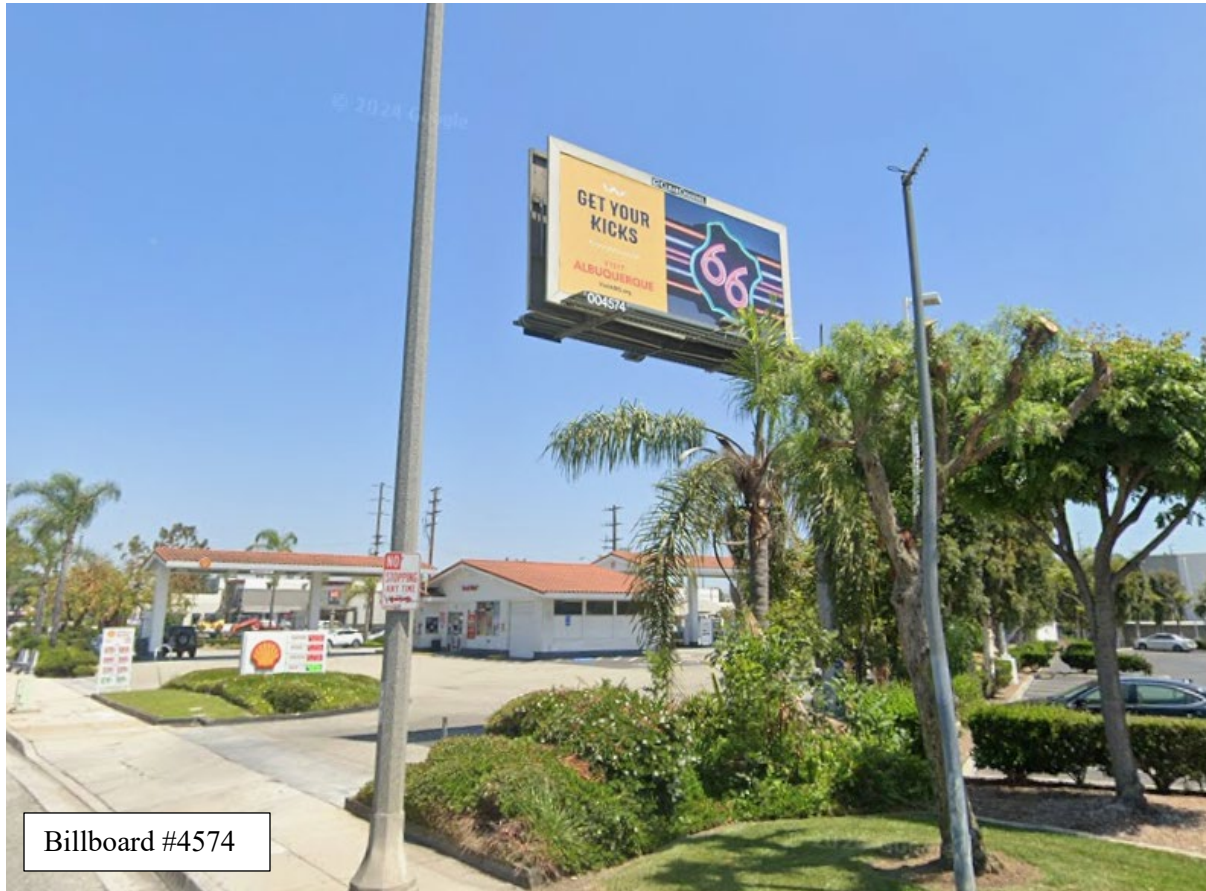
BILLBOARD LOCATIONS



EXHIBIT "C-2"

BILLBOARD ELEVATION

The elevation of the sign structure and the proposed digital faces shall be the same size as the existing elevations of the sign structure and the printed faces that are currently installed:





Billboard #4575

The converted billboard faces will look similar to the digital billboard below:



EXHIBIT "D"

SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's City Council holds hearings to approve Agreement by Resolution No. 9998.	February 3, 2026	Recital G
2. Effective Date of this Agreement.	Date all parties have fully executed the Agreement	1.1.10
3. Developer reimburses City for the costs of making this Agreement	Within ten (10) days of the City sending an invoice to the Developer.	Recital F.4
4. Developer prepares and submits to City working drawings, specifications, and engineering for plan check.	In the sole discretion of the Developer, subject to the parties' rights as set forth in Section 2.3	2.3
5. City to approve all construction and engineering drawings and specifications with a plan check approval and issue a building permit and an electrical permit, if applicable. City agrees to any necessary approvals or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within thirty (30) days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	5.3
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	5.3, 5.4

7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	9.1.2
8. Developer constructs billboard sign conversion and removes existing Clear Channel billboards #5257 and #5258 signs, structures, and equipment.	No later than sixty (60) days from the receipt of building permits/approvals.	N/A
9. Developer pays Processing Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.4
10. Developer pays Economic Development Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.6
11. Developer pays City monthly installments of the Development Fee	First installment due on the Commencement Date, then continuing the first day of each subsequent month.	2.5

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 5.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.

OPERATING AGREEMENT NO. 02-2026

This Operating Agreement (hereinafter “Agreement”) is entered into this ____ day of ____, 2026 (hereinafter the “Effective Date”), by and between the CITY OF SANTA FE SPRINGS (hereinafter “City”), and CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company (hereinafter “Developer”).

RECITALS

A. The City of Santa Fe Springs, California (the “City”) is a municipal corporation, duly organized under the constitution and laws of the State of California; and

B. The City Council adopted Ordinance No. 1146 on October 15, 2024, establishing a poster billboard conversion program, such that the conversion of an existing static poster billboard to an electronic poster billboard shall only be permitted when the City has entered into an Operating Agreement with an electronic poster billboard owner; and

C. Developer has a leasehold interest in that certain portion of real property located approximately 1,000 feet southwest of the intersection of Santa Fe Springs Road and Slauson Avenue in the City of Santa Fe Springs, Assessor’s Parcel Number (APN) 8168-011-803 as more specifically described in Exhibit “A” and depicted in Exhibit “C-1”, attached hereto and incorporated herein (the “Site”), upon which Developer currently owns and operates an existing lawfully-permitted double-faced 12’ x 25’ outdoor advertising sign with two printed display faces identified as Clear Channel billboards #5250 and #5251. Developer seeks to replace sign in place as a double-faced 12’ x 25’ outdoor advertising sign with two digital display faces such as the one depicted in Exhibit “C-2” (hereinafter, the “Digital Billboard”). The term the “Project” is hereinafter used to describe the development project described above and that is the subject of this Agreement.

D. The Site is located within the City’s RR Railroad Zone, with a General Plan land use designation of Industrial. The City has determined that the Project contemplated herein complies with the City’s Zoning Ordinance, which is found in Chapter 155 of the Code of Santa Fe Springs (the “Code”). Developer and the City agree that an operating agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

E. City and Developer agree and acknowledge that the outdoor advertising sign conversion contemplated herein complies with, and serves the purposes enumerated in, California Business & Professions Code Section 5200 *et seq.* (the “California Outdoor Advertising Act”), including, but not limited to, Sections 5412 and 5443.5 and incorporated by reference in the Code as well as the City’s regulations regarding signage in the City, which are set forth in Chapter 155, Zoning, Section 155.515 *et seq.*, as amended.

F. In exchange for the approvals sought to convert the printed faces currently existing at the Site to the Digital Billboard, as described above, Developer has offered to:

1. Pay to the City an annual Development Fee, as defined and provided in Section 2.5 below, for the cost to the City to ameliorate the impact of the installation of the digital sign panels on the Digital Billboard; and
2. Pay to the City a one-time Processing Fee and a one-time Economic Development Fee, as are also defined in Sections 2.4 and 2.6, respectively; and
3. On a space-available basis, provide advertising space free of charge to City for the display of community messaging and public service messaging as described more fully in Section 3. Such space-available free advertising time shall be equally distributed through the hours of operation of the Digital Billboard.
4. Reimburse the City for the costs of making this Agreement.
5. Remove the double-faced static billboard located on Assessor's Parcel Number (APN) 8011-017-808 just north of 10715 Shoemaker, identified as Clear Channel billboards #5259 and #5260.

G. On February 3, 2026, the City Council of the City, at a duly noticed hearing, approved this Agreement by Resolution No. 9998, finding that this Agreement: (1) is in the best public interest of the City and its residents; (2) constitutes a present exercise of the City's police power; (3) will not be detrimental to the public's health, safety, or general welfare; and (4) is consistent with the City's General Plan.

H. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use and the orderly development, relocation and distribution of existing displays to more appropriate locations within the City, while also allowing for the incorporation of modern technology into relocated displays as part of the City's planned development.

I. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

J. In exchange for the benefits to the City described in the Agreement, together with other public benefits in this agreement that will result from the development of the Project (as defined below), Developer will receive by this Agreement assurance that it may proceed with the Project in accordance with Land Use Regulations (as defined below), and therefore desires to enter into this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1. Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 “Agreement” means this Operating Agreement and all attachments and exhibits hereto.

1.1.2 “Anniversary Date” is the annual reoccurrence of the Commencement Date.

1.1.3 “City” means the City of Santa Fe Springs, a California municipal corporation.

1.1.4 “City Council” means the City Council of the City.

1.1.5 “Commencement Date” is the date that the digital display faces on the Digital Billboard become Operational.

1.1.6 “Developer” means Clear Channel Outdoor, LLC, a Delaware limited liability company and its successors and assigns, duly existing and operating, and doing business at 19320 Harborage Way, Torrance, CA 90501.

1.1.7 “Development” means the conversion of an existing static poster billboard to an electronic poster billboard.

1.1.8 “Development Approvals” means any and all permits and approvals which may be required by City, affected utility agencies, or any other governmental agency for the construction and/or operation of the Project by Developer pursuant to the Scope of Development, including but not limited to, necessary permits and approvals required from the California Department of Transportation (“CalTrans”), if applicable. Pursuant to Article 19, Sections 15300 and 15302 of the California Environmental Quality Act (“CEQA”) guidelines, digital sign conversions are categorically exempt from CEQA review, as the development contemplates only the replacement or reconstruction of sign faces on the existing structures on the Site, involving digital panels of the same size, purpose, and capacity as the printed faces they replace.

1.1.9 “Digital Billboard” shall have the meaning set forth in the Recitals

1.1.10 “Effective Date” means the date when all the following have occurred: (i) the Agreement is signed by both Developer and City, (ii) the Agreement is approved by Resolution No. 9998 and effective, and not subject to referendum, (iii) all conditions precedent to its effectiveness have been satisfied, and (iv) after expiration of all applicable appeal periods.

1.1.11 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct, operate and maintain the Digital Billboard, and are signed and dated by a City representative, where applicable.

1.1.12 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City's General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the Digital Billboard, and the design, improvement and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System ("NPDES") regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.13 "Lease" means the lease or license agreement, as the case may be, for the Site between Thrifty Oil Corporation ("Owner"), the owner of the site as landlord or licensor, and Developer, as tenant or licensee.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.15 "Operational" means the Digital Billboard is capable, legally and functionally, of displaying advertising on the digital displays because it is connected to a permanent source of power.

1.1.16 "Project" shall have the same meaning set forth in the Recitals.

1.1.17 "Site" refers to the site described in Recital C and more specifically described on Exhibit "A" attached hereto and incorporated herein.

1.1.18 "Schedule of Performance" means the Schedule of Performance attached hereto as Exhibit "D" and incorporated herein.

1.1.19 "Scope of Development" means the Scope of Development attached hereto as Exhibit "B" and incorporated herein.

1.1.20 "Subsequent Land Use Regulations" means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.21 "Subsequent Development Approvals" means any Development Approvals sought by Developer in connection with future changes desired to be made by Developer to the Development following its initial completion. Consistent with the Outdoor Advertising Act (Bus. & Profs. Code, § 5200 et seq.), the performance of customary maintenance does not require local approvals, but enhancement modification or other change requires approval.

1.1.22 "Term" shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

1.1.23 **Exhibits.** The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit "A" (Legal Description of Site), Exhibit "B" (Scope of Development), Exhibit "C-1" (Billboard Locations), Exhibit "C-2" (Billboard Elevations), and Exhibit "D" (Schedule of Performance).

2. GENERAL PROVISIONS.

2.1. Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

2.2. Interest in Site. The City and Developer acknowledge and agree that Developer is the tenant or licensee of the Site and thus is qualified to enter into and be a party to this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under this Agreement, except as provided under Section 8.1. Subject to applicable law, the parties may consider relocation if Developer's leasehold interest in the Site is prematurely terminated.

2.3. Term of Agreement. Unless earlier terminated as provided in this Agreement, the "Term" of this Agreement shall continue in full force and effect until the date that is twenty (20) years from the Commencement Date. After said twenty (20) year initial term, Development shall have the option to extend this Agreement for an additional term of ten (10) years. Developer shall exercise that option by providing written notice to the City at least one hundred eighty (180) days before expiration of the initial term. Notwithstanding the foregoing, (i) if Developer is unable, for reasons beyond Developer's control, to obtain or maintain any permits necessary for the operation of the Digital Billboard; (ii) if the use of the digital faces is prevented or restricted by law, (iii) if, by some cause beyond Developer's control, the operation of the Digital Billboard becomes impossible; (iv) if the Site Lease is terminated, or (v) if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date, then Developer shall have the right to terminate the Agreement. Within thirty (30) days after the expiration or termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 10.1 below. The term of this Agreement supersedes any amortization period that may apply under the Code as to any non-conformity as applied to the Site.

2.3.1. As stated in Subsection 2.3(v), either party may terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date. If a Commencement Date has not occurred by the date that is one (1) year after the Effective Date, then this Agreement shall automatically extend into another one (1) year build-out term. Developer may (at

its option) decide to terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years from the Effective Date.

2.4. Processing Fee. The Developer shall pay the City a one-time processing fee (“Processing Fee”) in the amount of Ten Thousand Dollars (\$10,000.00). The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City’s discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and permit fees, and any other fees imposed by Los Angeles County, as may be applicable. The Processing Fee shall be paid by Developer to City on the date that the City issues all building approvals necessary to begin construction of the Project.

2.5. Development Fee. The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee in the amount of Ten Thousand Dollars (\$10,000.00) per digital display face to the City (“Development Fee”). The Development Fee shall be payable in twelve (12) monthly installments, with the first installment due on the Commencement Date. Monthly installment payments shall continue the first day of each subsequent month in the term of this Agreement. On the tenth (10th) anniversary of the Commencement Date, the Development Fee shall increase to Twelve Thousand Five Hundred Dollars (\$12,500.00) annually per digital display face. Further, in the event that the Developer elects to extend the Agreement after the initial twenty (20) year term, on the twentieth (20th) anniversary of the Commencement Date, the Development Fee shall increase to Fifteen Thousand Dollars (\$15,000.00) annually per digital display face.

2.5.1. Developer shall notify the City in writing when the digital display faces on the Digital Billboard become Operational for the purpose of determining the Commencement Date. The City’s issuance of approvals for the Project shall not be unreasonably withheld, provided the issuance of any such approvals is done in compliance with the terms of this Agreement and said approvals are issued in full compliance with applicable codes and standards.

2.6. One-Time Economic Development Fee. Developer shall pay a one-time Economic Development Fee in the amount of Ten Thousand Dollars (\$10,000) per Project. Such Economic Development Fee shall be due to the City on the date that the City issues all approvals necessary to begin construction of the Project.

3. COMMUNITY BENEFITS. Developer shall also provide the following Community benefits during the entire Term of this Agreement.

3.1. Removal of Signs. As consideration for this Agreement, Developer shall voluntarily remove the double-faced static billboard located on Assessor’s Parcel Number (APN) 8011-017-808 just north of 10715 Shoemaker Assessor, identified as Clear Channel billboards #5259 and #5260. Within thirty (30) days of the date that the Digital Billboard is Operational, as

such term as defined herein, Developer shall apply for all permits, demolition and otherwise, required to effectuate the removal of these removal signs. Removal shall be completed within ninety (90) days after issuance of said permit.

3.2. City's Use of the Billboard. Developer shall provide, on a space-available basis, free advertising space on the digital display faces on the Digital Billboard for purposes of posting public service announcements and City-related advertising or announcements ("City Messages"). This time shall be the equivalent of one "spot" within the regular rotation. Such space-available free advertising time to City shall be equally distributed through the hours of operation of the Digital Billboard.

3.3. Provision of Copy and Representations. The City shall submit all proposed copies of City Messages to Developer not less than five (5) business days prior to the date the copy is proposed to be eligible for display, and, with the exception of Public Service Messages described in Section 3.5, the City shall notify Developer in writing not less than twenty (20) days prior to a requested display date. All proposed copy shall be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer to approve or disapprove a copy and remove a copy once posted or displayed. Any content provided by City shall be owned and belong exclusively to the City, and Developer shall not reproduce, sell, or give away any such content without the advance written consent of the City. It is expressly understood and agreed that, absent approval from Developer, City Messages shall not include any names, logos or marks associated with any third-party non-governmental person or entity, or any products or services associated with any third-party non-governmental person or entity.

3.4. Mutual Representations and Warranties.

3.4.1. City represents and warrants that all copy, content and materials supplied by City to Developer for display under this Agreement: (i) are owned or duly licensed by City and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.4.2. Developer represents and warrants that all copy, content and materials displayed by Developer under this Agreement: (i) are owned or duly licensed by Developer and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been

substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.5. Mutual Indemnification. Each Party ("Indemnifying Party") mutually agrees to indemnify, defend and hold harmless the other Party ("Indemnified Party") for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorneys' fees), losses, actions or liabilities, arising from or in connection with any third party allegation that any portion of any City Message or Developer advertising infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. The Indemnifying Party shall not be liable for any claims, damages, or liabilities caused by the sole negligence or willful misconduct of the Indemnified Party. The Indemnified Party shall promptly notify the Indemnifying Party of the existence of any claim, demand, or other matter, which the Indemnifying Party's indemnification obligations under this Section would apply, and shall give them a reasonable opportunity to settle or defend the same at their own expense and with counsel of their own selection, provided that the Indemnified Party shall at all times also have the right to fully participate in the defense. If the Indemnifying Party, within a reasonable time after this notice, fails to take appropriate steps to settle or defend the claim, demand or the matter, the Indemnified Party shall, upon written notice, have the right, but not the obligation, to undertake such settlement or defense and settle the claim, demand, or other matter on behalf, for the account, and at the risk, of the Indemnifying Party.

3.6. Public Service Messages. During the entire Term of this Agreement and any extension, Developer shall make advertising space immediately available on the digital display faces on the Digital Billboard for the purposes of displaying "Amber Alert" or other similar public service or emergency messages ("Public Service Messages"), at no cost, and in accordance with local and regional emergency protocols.

3.7. Discount Advertising. Developer shall offer a twenty percent (20%) discount off its applicable rates for display of advertising on the Billboard to any business that both (a) is a member of the Santa Fe Springs Chamber of Commerce and (b) maintains its headquarters within the boundaries of the City.

4. PROHIBITED USE. Developer shall not utilize the digital display faces on the Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, sexually oriented materials, use sexually oriented images or language, "obscene matter," as that term is defined in California Penal Code section 311, or any matter that is prohibited by City ordinance existing as of the Effective Date of this Agreement or as may be amended or implemented from time-to-time after the Effective Date and equally applicable to all billboard displays. In addition, the Developer shall at all times comply with Article 7 § 5402 of the Outdoor Advertising Act of the Business and Professions Code. Developer shall immediately remove any prohibited content upon notice from the City. If there is a dispute between Developer and City as to whether any such content is prohibited, Developer shall remove the disputed content until the dispute is resolved.

5. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.

5.1. Rights to Develop. Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 5.2 below.

5.2. Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

5.3. Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals from the City, and any and all approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City's Planning Commission and City Council have approved a categorical exemption or an Initial Study/Negative Declaration for the project, thus complying with, and satisfying the requirements of, the California Environmental Quality Act ("CEQA"). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City's Municipal Code that were in affect at the time the Operating Agreement was approved by the City Council, (2) applicable NPDES requirements pertaining to the Development, and (3) applicable codes that were in affect at the time the Operating Agreement was approved by the City Council, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such approvals, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

5.4. [Intentionally Deleted.]

5.5. Changes and Amendments. Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s), provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers.

Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

5.6. Reservation of Authority.

5.6.1. ***Limitations, Reservations and Exceptions.*** Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of necessary approvals for development of the Digital Billboard. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

5.6.2. ***Future Discretion of the City.*** This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

5.6.3. ***Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.*** In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.7. **Regulation by Other Public Agencies.** It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 8.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.8. **Public Improvements.** Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

5.8.1. The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

5.8.2. The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the logical progression of the development of the Development, as well as the reasonable needs of the public.

5.8.3. It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.9. Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Operating Agreement and/or the Development Approvals. However, this Operating Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the Digital Billboard or Developer directly, except as follows:

5.9.1. Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

5.9.2. Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

5.9.3. Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer; and

5.9.4. Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

5.10. Changes. Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

6. DEVELOPER'S OBLIGATIONS AFTER EXPIRATION OR TERMINATION

6.1. Following the termination or expiration of this Agreement, Developer shall remove the digital display faces from the Digital Billboard and shall restore the printed display faces that were present at the Site before the conversion Project occurred. Such reversion back to printed display faces shall be completed within sixty (60) days after the termination or expiration of the Agreement. The City shall cooperate in providing any approvals necessary for such work, if any.

7. REVIEW FOR COMPLIANCE.

7.1. Annual Review. Annually, within sixty (60) days after a written request from City, Developer shall demonstrate its good faith compliance with the terms hereof by providing a

written report thereon. If the City Manager finds that Developer is not acting in good faith compliance with this Agreement, the City Manager shall schedule a hearing before the Planning Commission. The City shall provide Developer with written notice of such hearing and a copy of all staff reports and related exhibits as soon as available, but in no event later than five (5) days prior to the hearing. The Planning Commission's determination following such a hearing shall be based on substantial evidence, and shall be subject to appeal to the City Council. If the Planning Commission or City Council, as applicable, finds that the Developer is not in compliance with the terms of this Agreement, the provisions of Section 8 shall govern the parties' rights.

7.2. Special Review. The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

7.3. Technological Status. The Parties acknowledge and agree that both City and Developer intend that Developer shall maintain and operate the Digital Billboard in conformance with best available technologies in the industry. If an annual written review report is requested by City as described above, Developer shall submit written documentation designed to demonstrate its compliance with this Section. Notwithstanding the foregoing, Developer shall not be required to actually install an upgrade more frequently than once every 10 years and may be required to do so upon term extension in Section 2.3.

7.4. City Rights of Access. The City, its officers, employees, agents and contractors, shall, in the exercise of the City's police power, have the right, at their sole risk and expense, to enter the Site consistent with any rights the City has obtained by virtue of a recorded easement or other property interests or, if no such interests exist, upon exercise of its police power. If an emergency repair to a public improvement or public facility on the Site is required Developer acknowledges that the City may exercise its police power to enter the Site and conduct such repair after providing Developer and the Site owner with reasonable advance notice. The City also may access the Site in order to implement any of its lawful police powers to address any nuisance, dangerous condition, or other condition prohibited under the City's ordinances.

7.5. Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the

response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 8; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to “force majeure” as defined in, and subject to the provisions of, Section 10.10.

8. DEFAULT AND REMEDIES.

8.1. Termination of Agreement.

8.1.1. ***Termination of Agreement for Material Default of Developer.*** The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default” or “breach”); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. Notwithstanding the foregoing, the City acknowledges and agrees that the decision of when to submit the application materials (including the site-specific submittal package) contemplated in Exhibits B and D is in the sole discretion of Developer. If the City alleges that the Developer is in material breach of this Agreement, then the City shall follow the procedures set forth in Section 7.5. In the event of a termination by the City under this Section 8.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.2. ***Termination of Agreement for Material Default of City.*** Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. In addition, Developer may terminate this Agreement if, despite Developer’s good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the Development. In the event of a termination by Developer under this Section 8.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer

shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that is so terminated that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.3. *Rights and Duties Following Termination.* Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement , (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

8.1.4. The termination rights set forth in this Section are in addition to those limited termination rights of Developer as set forth in Section 2.3.

8.2. Remedies.

8.2.1 *Remedies.* In addition to the rights of termination set forth above, in the event of a default by either party, the non-defaulting party shall have the right to: (i) bring any proceeding in the nature of specific performance, injunctive relief, declaratory relief, or mandamus and/or; (ii) bring any action at law or in equity to compensate the non-defaulting party for all the detriment proximately caused by the defaulting party's default; provided, however, that Developer's sole and exclusive remedy shall be specific performance and Developer shall not have the right to recover monetary damages (compensatory, consequential, punitive, or other) against the City other than attorneys' fees to the extent provided in Section 10.13 below, and the City shall only have the right to recover actual, direct damages (and not consequential or punitive damages) against Developer, as well as attorneys' fees to the extent provided in Section 10.13 below.

9. INSURANCE, INDEMNIFICATION AND WAIVERS.

9.1. Insurance.

9.1.1. *Types of Insurance.*

(a) ***Liability Insurance.*** Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 9.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars (\$2,000,000) for bodily injury or death to any one person, at least Four Million Dollars (\$4,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

9.1.2. ***Insurance Policy Form, Sufficiency, Content and Insurer.*** All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

9.1.3. ***Failure to Maintain Insurance and Proof of Compliance.*** Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of Exhibit "D" (Schedule of Performance)

(b) The City can request to see updated copies of the current certificates of all insurance policies required.

(c) If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 7.5, may view such failure or refusal to be a default hereunder.

9.2. Indemnification.

9.2.1. ***General.*** To the fullest extent permitted by law, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents ("Indemnitees") against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the Indemnitees with the fullest protection possible under the law. Developer acknowledges that Indemnitees would not enter into this Agreement in the absence

of Developer's commitment to indemnify, defend and protect Indemnitees as set forth herein. Notwithstanding the foregoing, to the extent Developer'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 Developer. Developer's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Indemnitees.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith with counsel reasonably acceptable to the Indemnitees.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective its officers, agents, and employees harmless therefrom.

(c) City shall have the right to offset against the amount of any compensation due to Developer under this Agreement, any undisputed amount due to City from Developer as a result of Developer's failure to either pay City promptly for any costs associated with Developer's obligations to indemnify the Indemnitees under this Section, or related to Developer'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 Developer under this Section will not be limited by the provisions of any workers' compensation act or similar act. Developer 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) Developer agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every contractor and subcontractor or any other person or entity involved by, for, with or on behalf of Developer in the performance of this Agreement. In the event Developer fails to obtain such indemnity obligations from others as required herein, Developer 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 Developer's contractors and subcontractors or any other person or entity involved by, for, with or on behalf of Developer 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 Developer 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.

9.2.2. **Exceptions.** The foregoing indemnity shall not include claims or liabilities arising from the sole negligence, gross negligence, or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

9.2.3. **Additional Coverage.** Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

9.2.4. **Loss and Damage.** Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 9.2.2 above.

9.2.5. **Period of Indemnification.** The obligations for indemnity under this Section 9.2 shall begin upon the Effective Date and shall survive 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 .

9.3. **Waiver of Subrogation.** Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence, gross negligence, or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

10. MISCELLANEOUS PROVISIONS.

10.1. Recordation of Agreement. This Agreement shall be recorded in “short form” version with the County Recorder by the City Clerk within 10 days of execution. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

10.2. Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

10.3. Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

10.4. Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

10.5. Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

10.6. Singular and Plural. As used herein, the singular of any word includes the plural.

10.7. Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.8. Waiver. Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party’s right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

10.9. No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the parties and Owner and their respective successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

10.10. Force Majeure. Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

10.11. Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

10.12. Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

10.13. Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

10.14. Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

10.15. Development as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a “public work” development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer’s private development into a public work project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

10.16. Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

10.17. Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer’s right to seek and collect just compensation or any other remedy available to it.

10.18. Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment (which approval shall not be unreasonably withheld, conditioned or delayed). The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

10.19. Assignment. Developer shall have the right to transfer or assign its rights and obligations under this Agreement (collectively, an “Assignment”) to any person or entity (an “Assignee”) in connection with a transfer or assignment of all of Developer’s interest in the Lease without the prior approval of the City; provided that, (a) Developer shall notify City in writing of such proposed Assignment at least thirty (30) days prior to the effective date of any proposed Assignment, and (b) Developer and Assignee shall enter into a written assignment and assumption agreement, executed in recordable form, pursuant to which Assignee shall agree to

assume all duties and obligations of Developer under this Agreement remaining to be performed at the time of the Assignment.

10.20. Corporate Authority. The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

10.21. Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City: City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attn: City Manager

If to Developer: Clear Channel Outdoor, LLC
19320 Harborgate Way
Torrance, CA 90501
Attn: Vice President, Real Estate & Public Affairs

With a copy to: Clear Channel Outdoor, LLC
2325 E. Camelback Road, Suite 250
Phoenix, AZ 85016
Attn: Operations Counsel

10.22. Nonliability of City Officials. No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

10.23. No Brokers. The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

10.24. No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this

Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

BY THE CITY OF SANTA FE SPRINGS

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

Developer:

CLEAR CHANNEL OUTDOOR, LLC,
a Delaware limited liability company

Bryan Parker, Executive Vice President
Real Estate and Public Affairs

[end of signatures]

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SITE

All that certain real property located in the City of Santa Fe Springs, County of Los Angeles, State of California more particularly described as follows:

COLIMA TRACT IN THE RANCHO SANTA GERTRUDES THAT PART SHOWN AS SBE 872-19-285 PAR 3 PART OF NICOLAS S COLIMA 113 AC ALLOT AND PART OF HEIRS OF A S C DE ACUNA 100 AC ALLOT.

EXHIBIT "B"

SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer currently owns and operates an existing lawfully-permitted double-faced 12' x 25' outdoor advertising sign with two printed display faces. This billboard is identified as Clear Channel billboards #5250 and #5251. Developer shall replace sign in place as a double-faced 12' x 25' outdoor advertising sign with two digital display faces. The Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Fees. Developer shall pay all applicable City fees, as described at Section 5.3 of the Agreement, at the time that any necessary approvals are issued for the installation of the Digital Billboard.

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) The existing sign structure shall be painted gray and all mechanical equipment shall be screened to the satisfaction of the Director of Community Development or designee. In addition, any existing ladders or other ancillary structures which are not required for the digital sign shall be removed. The City of Santa Fe Springs name and/or City seal shall be included on the sign structure. The Director of Community Development or designee shall approve the location of the name and/or City seal.

(b) Maintenance and repair of the Digital Billboard (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) shall be in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of applicable screening and City branding if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the Digital Billboard if damaged by the Development and to minimize dust caused by the Development; and (iii) the maintenance, repair, and repainting of the Digital Billboard's structures and displays as necessary to maintain such billboards in good condition and repair.

(c) Maintenance of the Digital Billboard and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the

Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(d) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit "B", then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 7.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any applicable approvals, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the Digital Billboard and applicable screening and City branding, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Community Development or his or her designee:

(a) Structural calculations shall be prepared by a licensed civil engineer and approved by the applicable City Official.

(b) The Billboard shall be located in the portion of the Site shown on Exhibit "C-1" and shall be of the dimensions described in Section 1, above.

(c) The size and design of each sign display of the Digital Billboard shall satisfy the requirements of Ordinance No. 1146, as depicted in Exhibit "C-1" and Exhibit "C-2" both approved by the City as part of the Development Approvals.

(d) Plans and specifications for the proposed installation of the Digital Billboard shall be submitted to the City Community Development and Building Departments for plan check and approval prior to the issuance of applicable approvals and electrical permits. The site-specific

submittal package shall include a site plan, elevations, structural calculations, and electrical details.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the Digital Billboard and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all times, comply with the approval for the Digital Billboard from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable approvals or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the Digital Billboard is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the billboard or applicable screening and City branding installed on the Digital Billboard is damaged by the Development or becomes damaged or otherwise in need of replacement, as determined by the City's Director of Community Development or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Community Development or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement.

(m) Developer shall use the existing billboard utilities and upgrade only if necessary. The utilities shall be screened or otherwise concealed to the extent practical, as determined by the Director of Community Development.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.

(p) Prior to final sign off of the applicable approvals for the Digital Billboard, the applicable screening and City branding shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Community Development or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Director of Community Development or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT "C-1"

BILLBOARD LOCATIONS

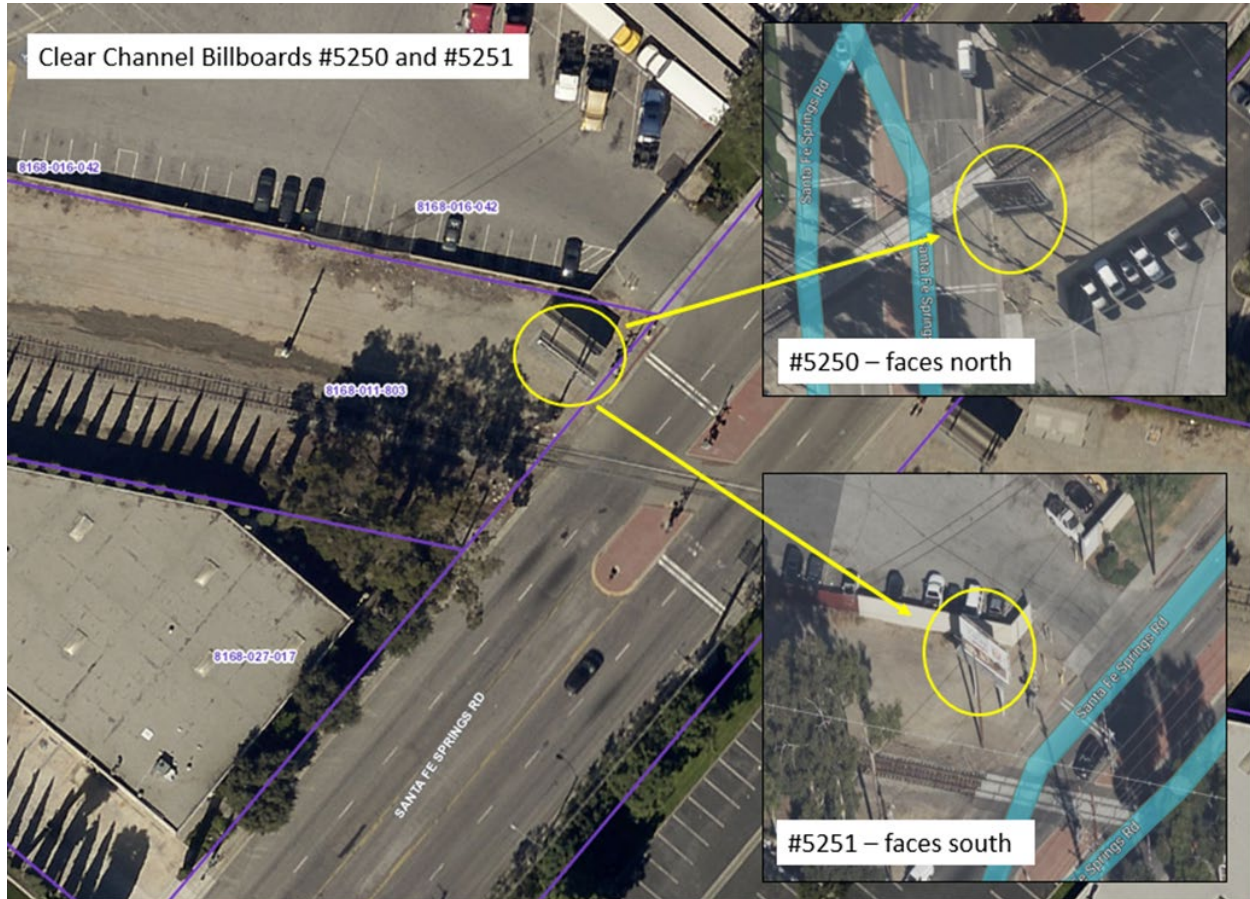


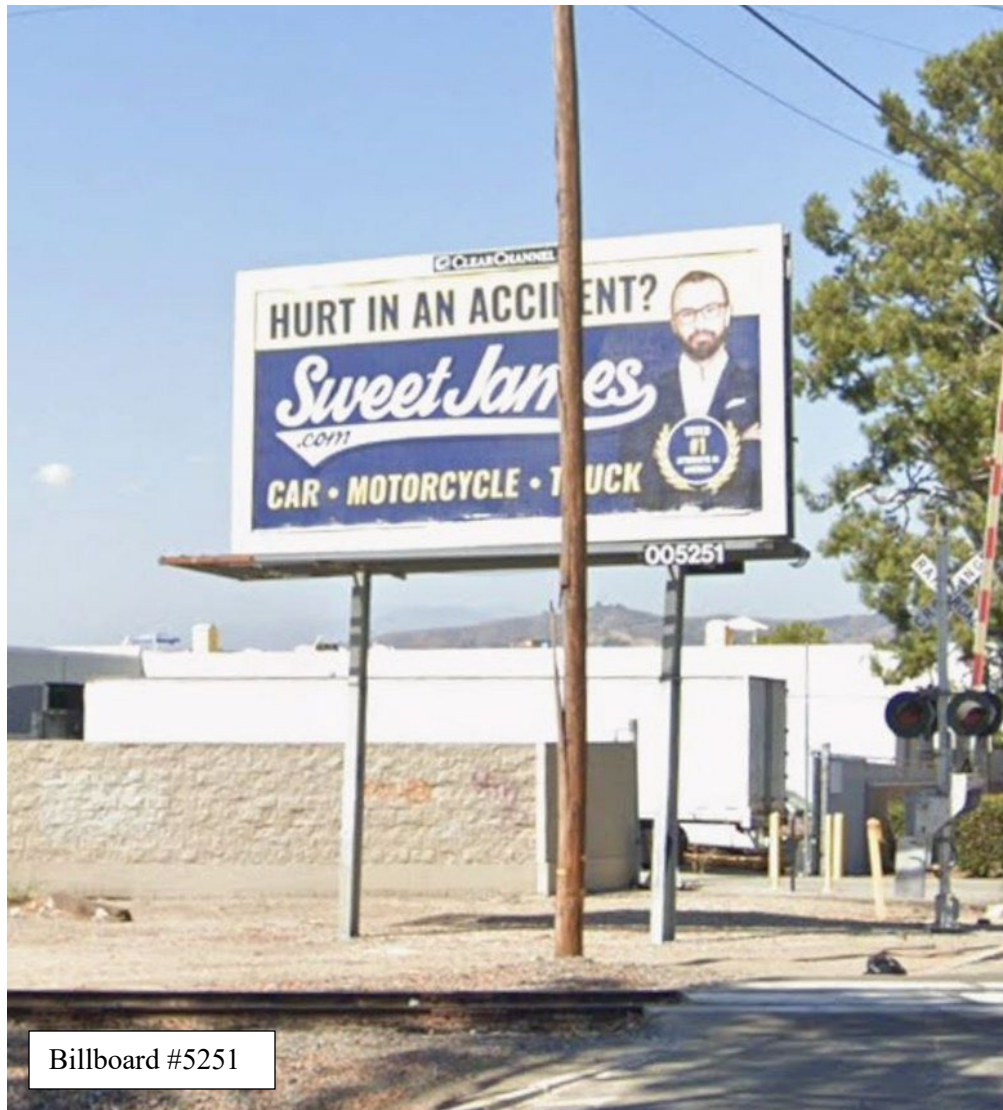
EXHIBIT "C-2"

BILLBOARD ELEVATION

The elevation of the sign structure and the proposed digital faces shall be the same size as the existing elevations of the sign structure and the printed faces that are currently installed:



Billboard #5250



Billboard #5251

The converted billboard faces will look similar to the digital billboard below:



EXHIBIT "D"

SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's City Council holds hearings to approve Agreement by Resolution No. 9998.	February 3, 2026	Recital G
2. Effective Date of this Agreement.	Date all parties have fully executed the Agreement	1.1.10
3. Developer reimburses City for the costs of making this Agreement	Within ten (10) days of the City sending an invoice to the Developer.	Recital F.4
4. Developer prepares and submits to City working drawings, specifications, and engineering for plan check.	In the sole discretion of the Developer, subject to the parties' rights as set forth in Section 2.3	2.3
5. City to approve all construction and engineering drawings and specifications with a plan check approval and issue a building permit and an electrical permit, if applicable. City agrees to any necessary approvals or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within thirty (30) days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	5.3
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	5.3, 5.4

7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	9.1.2
8. Developer constructs billboard sign conversion and removes existing Clear Channel billboards #5259 and #5260 signs, structures, and equipment.	No later than sixty (60) days from the receipt of building permits/approvals.	N/A
9. Developer pays Processing Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.4
10. Developer pays Economic Development Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.6
11. Developer pays City monthly installments of the Development Fee	First installment due on the Commencement Date, then continuing the first day of each subsequent month.	2.5

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 5.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.

OPERATING AGREEMENT NO. 03-2026

This Operating Agreement (hereinafter “Agreement”) is entered into this ____ day of ____, 2026 (hereinafter the “Effective Date”), by and between the CITY OF SANTA FE SPRINGS (hereinafter “City”), and CLEAR CHANNEL OUTDOOR, LLC, a Delaware limited liability company (hereinafter “Developer”).

RECITALS

A. The City of Santa Fe Springs, California (the “City”) is a municipal corporation, duly organized under the constitution and laws of the State of California; and

B. The City Council adopted Ordinance No. 1146 on October 15, 2024, establishing a poster billboard conversion program, such that the conversion of an existing static poster billboard to an electronic poster billboard shall only be permitted when the City has entered into an Operating Agreement with an electronic poster billboard owner; and

C. Developer has a leasehold interest in that certain portion of real property located approximately 500 feet northeast of the intersection of Santa Fe Springs Road and Los Nietos Road in the City of Santa Fe Springs, Assessor Parcel Number (APN) 8167-002-028 as more specifically described in Exhibit “A” and depicted in Exhibit “C-1”, attached hereto and incorporated herein (the “Site”), upon which Developer currently owns and operates an existing lawfully-permitted single-faced 12’ x 25’ outdoor advertising sign with one printed display face identified as Clear Channel billboard #5252. Developer seeks to replace sign in place as a single-faced 12’ x 25’ outdoor advertising sign with one digital display face such as the one depicted in Exhibit “C-2” (hereinafter, the “Digital Billboard”). The term the “Project” is hereinafter used to describe the development project described above and that is the subject of this Agreement.

D. The Site is located within the City’s M-2 Heavy Manufacturing Zone, with a General Plan land use designation of Industrial. The City has determined that the Project contemplated herein complies with the City’s Zoning Ordinance, which is found in Chapter 155 of the Code of Santa Fe Springs (the “Code”). Developer and the City agree that an operating agreement should be approved and adopted to memorialize the property expectations of the City and Developer, as more particularly described herein.

E. City and Developer agree and acknowledge that the outdoor advertising sign conversion contemplated herein complies with, and serves the purposes enumerated in, California Business & Professions Code Section 5200 *et seq.* (the “California Outdoor Advertising Act”), including, but not limited to, Sections 5412 and 5443.5 and incorporated by reference in the Code as well as the City’s regulations regarding signage in the City, which are set forth in Chapter 155, Zoning, Section 155.515 *et seq.*, as amended.

F. In exchange for the approvals sought to convert the printed faces currently existing at the Site to the Digital Billboard, as described above, Developer has offered to:

1. Pay to the City an annual Development Fee, as defined and provided in Section 2.5 below, for the cost to the City to ameliorate the impact of the installation of the digital sign panels on the Digital Billboard; and
2. Pay to the City a one-time Processing Fee and a one-time Economic Development Fee, as are also defined in Sections 2.4 and 2.6, respectively; and
3. On a space-available basis, provide advertising space free of charge to City for the display of community messaging and public service messaging as described more fully in Section 3. Such space-available free advertising time shall be equally distributed through the hours of operation of the Digital Billboard.
4. Reimburse the City for the costs of making this Agreement.
5. Remove the single-faced static billboard located south of 10620 Pioneer Boulevard, Assessor's Parcel Number (APN) 8009-025-800, identified as Clear Channel billboard #5068.

G. On February 3, 2026, the City Council of the City, at a duly noticed hearing, approved this Agreement by Resolution No. 9998, finding that this Agreement: (1) is in the best public interest of the City and its residents; (2) constitutes a present exercise of the City's police power; (3) will not be detrimental to the public's health, safety, or general welfare; and (4) is consistent with the City's General Plan.

H. This Agreement and the proposed Development (as hereinafter defined) will achieve a number of City objectives, including utilizing the Site for a revenue-generating use and the orderly development, relocation and distribution of existing displays to more appropriate locations within the City, while also allowing for the incorporation of modern technology into relocated displays as part of the City's planned development.

I. The purpose of this Agreement is to set forth the rules and regulations applicable to the Development, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "B") which sets forth Scope of the Development and the Schedule of Performance (Exhibit "D").

J. In exchange for the benefits to the City described in the Agreement, together with other public benefits in this agreement that will result from the development of the Project (as defined below), Developer will receive by this Agreement assurance that it may proceed with the Project in accordance with Land Use Regulations (as defined below), and therefore desires to enter into this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1. Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized, when used in the Agreement. In addition to the terms defined in the Recitals above, the defined terms include the following:

1.1.1 “Agreement” means this Operating Agreement and all attachments and exhibits hereto.

1.1.2 “Anniversary Date” is the annual reoccurrence of the Commencement Date.

1.1.3 “City” means the City of Santa Fe Springs, a California municipal corporation.

1.1.4 “City Council” means the City Council of the City.

1.1.5 “Commencement Date” is the date that the digital display faces on the Digital Billboard become Operational.

1.1.6 “Developer” means Clear Channel Outdoor, LLC, a Delaware limited liability company and its successors and assigns, duly existing and operating, and doing business at 19320 Harborage Way, Torrance, CA 90501.

1.1.7 “Development” means the conversion of an existing static poster billboard to an electronic poster billboard.

1.1.8 “Development Approvals” means any and all permits and approvals which may be required by City, affected utility agencies, or any other governmental agency for the construction and/or operation of the Project by Developer pursuant to the Scope of Development, including but not limited to, necessary permits and approvals required from the California Department of Transportation (“CalTrans”), if applicable. Pursuant to Article 19, Sections 15300 and 15302 of the California Environmental Quality Act (“CEQA”) guidelines, digital sign conversions are categorically exempt from CEQA review, as the development contemplates only the replacement or reconstruction of sign faces on the existing structures on the Site, involving digital panels of the same size, purpose, and capacity as the printed faces they replace.

1.1.9 “Digital Billboard” shall have the meaning set forth in the Recitals

1.1.10 “Effective Date” means the date when all the following have occurred: (i) the Agreement is signed by both Developer and City, (ii) the Agreement is approved by Resolution No. 9998 and effective, and not subject to referendum, (iii) all conditions precedent to its effectiveness have been satisfied, and (iv) after expiration of all applicable appeal periods.

1.1.11 “Final Permits” shall mean all necessary/required permits and inspections by all governmental and utility agencies, to construct, operate and maintain the Digital Billboard, and are signed and dated by a City representative, where applicable.

1.1.12 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of the City, including, but not limited to, the City's General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of the Digital Billboard, and the design, improvement and construction standards and specifications applicable to the Development or the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include the federal National Pollutant Discharge Elimination System ("NPDES") regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.13 "Lease" means the lease or license agreement, as the case may be, for the Site between Thrifty Oil Corporation ("Owner"), the owner of the site as landlord or licensor, and Developer, as tenant or licensee.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, a lender or each of their respective successors and assigns.

1.1.15 "Operational" means the Digital Billboard is capable, legally and functionally, of displaying advertising on the digital displays because it is connected to a permanent source of power.

1.1.16 "Project" shall have the same meaning set forth in the Recitals.

1.1.17 "Site" refers to the site described in Recital C and more specifically described on Exhibit "A" attached hereto and incorporated herein.

1.1.18 "Schedule of Performance" means the Schedule of Performance attached hereto as Exhibit "D" and incorporated herein.

1.1.19 "Scope of Development" means the Scope of Development attached hereto as Exhibit "B" and incorporated herein.

1.1.20 "Subsequent Land Use Regulations" means any Land Use Regulations effective after the Effective Date of this Agreement (whether adopted prior to or after the Effective Date of this Agreement) which govern development and use of the Site.

1.1.21 "Subsequent Development Approvals" means any Development Approvals sought by Developer in connection with future changes desired to be made by Developer to the Development following its initial completion. Consistent with the Outdoor Advertising Act (Bus. & Profs. Code, § 5200 et seq.), the performance of customary maintenance does not require local approvals, but enhancement modification or other change requires approval.

1.1.22 "Term" shall have the meaning provided in Section 2.3, unless earlier terminated as provided in this Agreement.

1.1.23 **Exhibits.** The following documents are attached to, and by this reference made a part of, this Agreement: Exhibit "A" (Legal Description of Site), Exhibit "B" (Scope of Development), Exhibit "C-1" (Billboard Locations), Exhibit "C-2" (Billboard Elevations), and Exhibit "D" (Schedule of Performance).

2. GENERAL PROVISIONS.

2.1. Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Development, including actions by the City on applications for Subsequent Development Approvals affecting the Site, shall be subject to the terms and provisions of this Agreement, provided, however, that nothing in this Agreement shall be deemed or construed: (i) to modify or amend the Lease, or any of Developer's obligations thereunder, or to bind or restrict Owner with respect to its ownership or operation of the Site except as expressly set forth herein with respect to the Development, or (ii) to impose any obligation whatsoever on Owner with respect to the Development, except as expressly set forth in this Agreement.

2.2. Interest in Site. The City and Developer acknowledge and agree that Developer is the tenant or licensee of the Site and thus is qualified to enter into and be a party to this Agreement. If Developer's leasehold or license interest is prematurely and legally terminated by Owner in conformance with the Lease, then Developer shall have no further obligations under this Agreement, except as provided under Section 8.1. Subject to applicable law, the parties may consider relocation if Developer's leasehold interest in the Site is prematurely terminated.

2.3. Term of Agreement. Unless earlier terminated as provided in this Agreement, the "Term" of this Agreement shall continue in full force and effect until the date that is twenty (20) years from the Commencement Date. After said twenty (20) year initial term, Development shall have the option to extend this Agreement for an additional term of ten (10) years. Developer shall exercise that option by providing written notice to the City at least one hundred eighty (180) days before expiration of the initial term. Notwithstanding the foregoing, (i) if Developer is unable, for reasons beyond Developer's control, to obtain or maintain any permits necessary for the operation of the Digital Billboard; (ii) if the use of the digital faces is prevented or restricted by law, (iii) if, by some cause beyond Developer's control, the operation of the Digital Billboard becomes impossible; (iv) if the Site Lease is terminated, or (v) if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date, then Developer shall have the right to terminate the Agreement. Within thirty (30) days after the expiration or termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 10.1 below. The term of this Agreement supersedes any amortization period that may apply under the Code as to any non-conformity as applied to the Site.

2.3.1. As stated in Subsection 2.3(v), either party may terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years after the Effective Date. If a Commencement Date has not occurred by the date that is one (1) year after the Effective Date, then this Agreement shall automatically extend into another one (1) year build-out term. Developer may (at

its option) decide to terminate this Agreement with no further liability if a Commencement Date has not occurred by the date that is two (2) years from the Effective Date.

2.4. Processing Fee. The Developer shall pay the City a one-time processing fee (“Processing Fee”) in the amount of Ten Thousand Dollars (\$10,000.00). The City shall retain and use the Processing Fee, or any part thereof, for any public purpose within the City’s discretion. The Processing Fee shall be separate from all fees which are standard and uniformly applied to similar projects in the City, including, but not limited to, business license fees (due by Developer to the City annually), one-time plan check fees and permit fees, and any other fees imposed by Los Angeles County, as may be applicable. The Processing Fee shall be paid by Developer to City on the date that the City issues all building approvals necessary to begin construction of the Project.

2.5. Development Fee. The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and the City agree that an annual development fee paid by Developer to the City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee in the amount of Ten Thousand Dollars (\$10,000.00) per digital display face to the City (“Development Fee”). The Development Fee shall be payable in twelve (12) monthly installments, with the first installment due on the Commencement Date. Monthly installment payments shall continue the first day of each subsequent month in the term of this Agreement. On the tenth (10th) anniversary of the Commencement Date, the Development Fee shall increase to Twelve Thousand Five Hundred Dollars (\$12,500.00) annually per digital display face. Further, in the event that the Developer elects to extend the Agreement after the initial twenty (20) year term, on the twentieth (20th) anniversary of the Commencement Date, the Development Fee shall increase to Fifteen Thousand Dollars (\$15,000.00) annually per digital display face.

2.5.1. Developer shall notify the City in writing when the digital display faces on the Digital Billboard become Operational for the purpose of determining the Commencement Date. The City’s issuance of approvals for the Project shall not be unreasonably withheld, provided the issuance of any such approvals is done in compliance with the terms of this Agreement and said approvals are issued in full compliance with applicable codes and standards.

2.6. One-Time Economic Development Fee. Developer shall pay a one-time Economic Development Fee in the amount of Ten Thousand Dollars (\$10,000) per Project. Such Economic Development Fee shall be due to the City on the date that the City issues all approvals necessary to begin construction of the Project.

3. COMMUNITY BENEFITS. Developer shall also provide the following Community benefits during the entire Term of this Agreement.

3.1. Removal of Signs. As consideration for this Agreement, Developer shall voluntarily remove the single-faced static billboard located south of 10620 Pioneer Boulevard, Assessor Parcel Number (APN) 8009-025-800, identified as Clear Channel billboard #5068. Within thirty (30) days of the date that the Digital Billboard is Operational, as such term as defined

herein, Developer shall apply for all permits, demolition and otherwise, required to effectuate the removal of these removal signs. Removal shall be completed within ninety (90) days after issuance of said permit.

3.2. City's Use of the Billboard. Developer shall provide, on a space-available basis, free advertising space on the digital display faces on the Digital Billboard for purposes of posting public service announcements and City-related advertising or announcements ("City Messages"). This time shall be the equivalent of one "spot" within the regular rotation. Such space-available free advertising time to City shall be equally distributed through the hours of operation of the Digital Billboard.

3.3. Provision of Copy and Representations. The City shall submit all proposed copies of City Messages to Developer not less than five (5) business days prior to the date the copy is proposed to be eligible for display, and, with the exception of Public Service Messages described in Section 3.5, the City shall notify Developer in writing not less than twenty (20) days prior to a requested display date. All proposed copy shall be subject to Developer's standard advertising copy rejection and removal policies, which allow Developer to approve or disapprove a copy and remove a copy once posted or displayed. Any content provided by City shall be owned and belong exclusively to the City, and Developer shall not reproduce, sell, or give away any such content without the advance written consent of the City. It is expressly understood and agreed that, absent approval from Developer, City Messages shall not include any names, logos or marks associated with any third-party non-governmental person or entity, or any products or services associated with any third-party non-governmental person or entity.

3.4. Mutual Representations and Warranties.

3.4.1. City represents and warrants that all copy, content and materials supplied by City to Developer for display under this Agreement: (i) are owned or duly licensed by City and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.4.2. Developer represents and warrants that all copy, content and materials displayed by Developer under this Agreement: (i) are owned or duly licensed by Developer and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been

substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

3.5. Mutual Indemnification. Each Party ("Indemnifying Party") mutually agrees to indemnify, defend and hold harmless the other Party ("Indemnified Party") for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorneys' fees), losses, actions or liabilities, arising from or in connection with any third party allegation that any portion of any City Message or Developer advertising infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. The Indemnifying Party shall not be liable for any claims, damages, or liabilities caused by the sole negligence or willful misconduct of the Indemnified Party. The Indemnified Party shall promptly notify the Indemnifying Party of the existence of any claim, demand, or other matter, which the Indemnifying Party's indemnification obligations under this Section would apply, and shall give them a reasonable opportunity to settle or defend the same at their own expense and with counsel of their own selection, provided that the Indemnified Party shall at all times also have the right to fully participate in the defense. If the Indemnifying Party, within a reasonable time after this notice, fails to take appropriate steps to settle or defend the claim, demand or the matter, the Indemnified Party shall, upon written notice, have the right, but not the obligation, to undertake such settlement or defense and settle the claim, demand, or other matter on behalf, for the account, and at the risk, of the Indemnifying Party.

3.6. Public Service Messages. During the entire Term of this Agreement and any extension, Developer shall make advertising space immediately available on the digital display faces on the Digital Billboard for the purposes of displaying "Amber Alert" or other similar public service or emergency messages ("Public Service Messages"), at no cost, and in accordance with local and regional emergency protocols.

3.7. Discount Advertising. Developer shall offer a twenty percent (20%) discount off its applicable rates for display of advertising on the Billboard to any business that both (a) is a member of the Santa Fe Springs Chamber of Commerce and (b) maintains its headquarters within the boundaries of the City.

4. PROHIBITED USE. Developer shall not utilize the digital display faces on the Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, sexually oriented materials, use sexually oriented images or language, "obscene matter," as that term is defined in California Penal Code section 311, or any matter that is prohibited by City ordinance existing as of the Effective Date of this Agreement or as may be amended or implemented from time-to-time after the Effective Date and equally applicable to all billboard displays. In addition, the Developer shall at all times comply with Article 7 § 5402 of the Outdoor Advertising Act of the Business and Professions Code. Developer shall immediately remove any prohibited content upon notice from the City. If there is a dispute between Developer and City as to whether any such content is prohibited, Developer shall remove the disputed content until the dispute is resolved.

5. DEVELOPMENT AND IMPLEMENTATION OF THE DEVELOPMENT.

5.1. Rights to Develop. Subject to and during the Term of this Agreement, Developer shall have the right to develop the Site in accordance with, and to the extent of, the Development Approvals, the Land Use Regulations and this Agreement, provided that nothing in this Agreement shall be deemed to modify or amend any of the pre-existing Land Use Regulations, as more particularly set forth in Section 5.2 below.

5.2. Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement, the rules, regulations and official policies governing permitted uses of the Site, the density and intensity of use of the of the structure on the Site, the maximum height and size of proposed structures on the Site, and the design, improvement and construction standards and specifications applicable to the Site, shall be as set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

5.3. Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of improvement upon the Site, secure or cause to be secured the Development Approvals from the City, and any and all approvals which may be required by any other governmental agency or utility affected by such construction, development or work to be performed by Developer pursuant to the Scope of Development; provided, however, that the City acknowledges that the City's Planning Commission and City Council have approved a categorical exemption or an Initial Study/Negative Declaration for the project, thus complying with, and satisfying the requirements of, the California Environmental Quality Act ("CEQA"). Not by way of limiting the foregoing, in developing and constructing the Development, Developer shall comply with all: (1) applicable development standards in the City's Municipal Code that were in affect at the time the Operating Agreement was approved by the City Council, (2) applicable NPDES requirements pertaining to the Development, and (3) applicable codes that were in affect at the time the Operating Agreement was approved by the City Council, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such approvals, and any fees and charges hereafter imposed by the City in connection with the Development which are standard and uniformly-applied to similar projects in the City. Nothing contained in this Agreement shall be deemed to impose any obligation on Owner with respect to the Development Approvals or the Development.

5.4. [Intentionally Deleted.]

5.5. Changes and Amendments. Developer may determine that changes to the Development Approvals are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Development Approvals to effectuate such change(s), provided that the City may request written consent from Owner if the modification is deemed material. The parties acknowledge that the City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers.

Accordingly, under no circumstance shall the City be obligated in any manner to approve any amendment to the Development Approvals. The City Manager shall be authorized to approve any non-substantive amendment to the Development Approvals without processing an amendment to this Agreement. All other amendments shall require the approval of the City Council. Nothing herein shall cause Developer to be in default if it upgrades the digital displays installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement, Land Use Regulations and Subsequent Land Use Regulations.

5.6. Reservation of Authority.

5.6.1. ***Limitations, Reservations and Exceptions.*** Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the Development:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to the City of processing applications for Subsequent Development Approvals.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by the City as Subsequent Land Use Regulations, if adopted prior to the issuance of necessary approvals for development of the Digital Billboard. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development.

(f) Applicable federal, state, county and multi-jurisdictional laws and regulations which the City is required to enforce against the Site or the Development, and that do not have an exception for existing signs or legal nonconforming uses.

5.6.2. ***Future Discretion of the City.*** This Agreement shall not prevent the City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

5.6.3. ***Modification or Suspension by Federal, State, County, or Multi-Jurisdictional Law.*** In the event that applicable federal, state, county or multi-jurisdictional laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such federal, state, county or multi-jurisdictional laws or regulations, and this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.7. **Regulation by Other Public Agencies.** It is acknowledged by the parties that other public agencies not subject to control by the City may possess authority to regulate aspects of the Development as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, state and local laws and regulations applicable to the Development and that do not have an exception for a legal nonconforming use. To the extent such other public agencies preclude development or maintenance of the Development and do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 8.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.8. **Public Improvements.** Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals on the requirement that Developer pay subsequently required development fees, and/or construct certain subsequently required public infrastructure ("Exactions") at such time as the City shall determine, subject to the following conditions:

5.8.1. The payment or construction must be to alleviate an impact caused by the Development or be of benefit to the Development; and

5.8.2. The timing of the Exaction should be reasonably related to the development of the Development, and said public improvements shall be phased to be commensurate with the logical progression of the development of the Development, as well as the reasonable needs of the public.

5.8.3. It is understood, however, that if there is a material increase in cost to Developer, or such action by the City otherwise materially impacts Developer or its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

5.9. Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Development, except such fees, taxes and assessments as are described in or required by this Operating Agreement and/or the Development Approvals. However, this Operating Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not on the Digital Billboard or Developer directly, except as follows:

5.9.1. Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date and applicable to the Development or are included in the Development Approvals;

5.9.2. Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes applicable to the Development;

5.9.3. Developer shall be obligated to pay all fees applicable to any permit applications as charged by the City at the time such application(s) are filed by Developer; and

5.9.4. Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the permit applications are filed by Developer or that exist when Developer applies for any Subsequent Development Approvals.

5.10. Changes. Notwithstanding anything to the contrary herein, if there is a change in such fees as compared to those fees in effect as of the Effective Date, or if any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice to the City.

6. DEVELOPER'S OBLIGATIONS AFTER EXPIRATION OR TERMINATION

6.1. Following the termination or expiration of this Agreement, Developer shall remove the digital display face from the Digital Billboard and shall restore the printed display face that was present at the Site before the conversion Project occurred. Such reversion back to printed display face shall be completed within sixty (60) days after the termination or expiration of the Agreement. The City shall cooperate in providing any permits necessary for such work, if any.

7. REVIEW FOR COMPLIANCE.

7.1. Annual Review. Annually, within sixty (60) days after a written request from City, Developer shall demonstrate its good faith compliance with the terms hereof by providing a

written report thereon. If the City Manager finds that Developer is not acting in good faith compliance with this Agreement, the City Manager shall schedule a hearing before the Planning Commission. The City shall provide Developer with written notice of such hearing and a copy of all staff reports and related exhibits as soon as available, but in no event later than five (5) days prior to the hearing. The Planning Commission's determination following such a hearing shall be based on substantial evidence, and shall be subject to appeal to the City Council. If the Planning Commission or City Council, as applicable, finds that the Developer is not in compliance with the terms of this Agreement, the provisions of Section 8 shall govern the parties' rights.

7.2. Special Review. The City Council may, in its sole and absolute discretion, order a special review of compliance with this Agreement at any time at the City's sole cost ("Special Review"). Developer shall cooperate with the City in the conduct of such any Special Review.

7.3. Technological Status. The Parties acknowledge and agree that both City and Developer intend that Developer shall maintain and operate the Digital Billboard in conformance with best available technologies in the industry. If an annual written review report is requested by City as described above, Developer shall submit written documentation designed to demonstrate its compliance with this Section. Notwithstanding the foregoing, Developer shall not be required to actually install an upgrade more frequently than once every 10 years and may be required to do so upon term extension in Section 2.3.

7.4. City Rights of Access. The City, its officers, employees, agents and contractors, shall, in the exercise of the City's police power, have the right, at their sole risk and expense, to enter the Site consistent with any rights the City has obtained by virtue of a recorded easement or other property interests or, if no such interests exist, upon exercise of its police power. If an emergency repair to a public improvement or public facility on the Site is required Developer acknowledges that the City may exercise its police power to enter the Site and conduct such repair after providing Developer and the Site owner with reasonable advance notice. The City also may access the Site in order to implement any of its lawful police powers to address any nuisance, dangerous condition, or other condition prohibited under the City's ordinances.

7.5. Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with this Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of this Agreement, either party concludes that the other party has not complied in good faith with the terms of this Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have thirty (30) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, but if such cure or remedy is not reasonably capable of being cured or remedied within such thirty (30) day period, then the party receiving a Notice of Non-Compliance shall commence to cure or remedy the non-compliance within such thirty (30) day period and thereafter diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance does not believe it is out of compliance and contests the Notice of Non-Compliance, it shall do so by responding in writing to said Notice of Non-Compliance within thirty (30) days after receipt of the Notice of Non-Compliance. If the

response to the Notice of Non-Compliance has not been received in the office of the party alleging the non-compliance within the prescribed time period, the Notice of Non-Compliance shall be conclusively presumed to be valid. If a Notice of Non-Compliance is contested, the parties shall, for a period of not less than fifteen (15) days following receipt of the response, seek to arrive at a mutually acceptable resolution of the matter(s) occasioning the Notice of Non-Compliance. In the event that a cure or remedy is not timely completed, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 8; provided, however, that if the Notice of Non-Compliance is contested and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period, then either party shall have the right to seek a judicial determination of such contested matter. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to “force majeure” as defined in, and subject to the provisions of, Section 10.10.

8. DEFAULT AND REMEDIES.

8.1. Termination of Agreement.

8.1.1. ***Termination of Agreement for Material Default of Developer.*** The City, in its discretion, may terminate this Agreement for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply in good faith with the terms of this Agreement (hereinafter referred to as “default” or “breach”); provided, however, the City may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. Notwithstanding the foregoing, the City acknowledges and agrees that the decision of when to submit the application materials (including the site-specific submittal package) contemplated in Exhibits B and D is in the sole discretion of Developer. If the City alleges that the Developer is in material breach of this Agreement, then the City shall follow the procedures set forth in Section 7.5. In the event of a termination by the City under this Section 8.1.1, Developer acknowledges and agrees that the City may retain all fees accrued up to the date of the termination, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.2. ***Termination of Agreement for Material Default of City.*** Developer, in its discretion, may terminate this Agreement for any material failure of the City to perform any material duty or obligation of the City hereunder or to comply in good faith with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedures set forth in Section 7.5. In addition, Developer may terminate this Agreement if, despite Developer’s good faith efforts, (1) it is unable to secure the necessary permits and/or compliance with requirements under laws necessary to effectuate the Development, or (2) any governmental agency has concluded a taking or regulatory taking of the Site and/or the Development or (3) the Lease is terminated, or (4) it is unable to profitably operate the Development. In the event of a termination by Developer under this Section 8.1.2, Developer acknowledges and agrees that the City may retain all fees, including the Processing Fee and the Development Fee, as applicable, paid up to the date of termination, and Developer

shall pay the prorated amount of the Development Fee, as applicable, within sixty (60) days after the date of termination and removal of the Digital Billboard that is so terminated that equates to the percentage of time elapsed in the year of the Term at the time of termination.

8.1.3. ***Rights and Duties Following Termination.*** Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any obligations to have been performed prior to said termination of this Agreement , (ii) any default in the performance of the provisions of this Agreement which has occurred prior to said termination of this Agreement, (iii) Developer's obligation to remove the terminated Digital Billboard pursuant to Section 2.3, or (iv) any continuing obligations to indemnify other parties.

8.1.4. The termination rights set forth in this Section are in addition to those limited termination rights of Developer as set forth in Section 2.3.

8.2. Remedies.

8.2.1 Remedies. In addition to the rights of termination set forth above, in the event of a default by either party, the non-defaulting party shall have the right to: (i) bring any proceeding in the nature of specific performance, injunctive relief, declaratory relief, or mandamus and/or; (ii) bring any action at law or in equity to compensate the non-defaulting party for all the detriment proximately caused by the defaulting party's default; provided, however, that Developer's sole and exclusive remedy shall be specific performance and Developer shall not have the right to recover monetary damages (compensatory, consequential, punitive, or other) against the City other than attorneys' fees to the extent provided in Section 10.13 below, and the City shall only have the right to recover actual, direct damages (and not consequential or punitive damages) against Developer, as well as attorneys' fees to the extent provided in Section 10.13 below.

9. INSURANCE, INDEMNIFICATION AND WAIVERS.

9.1. Insurance.

9.1.1. Types of Insurance.

(a) ***Liability Insurance.*** Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for Developer comprehensive broad form general liability insurance against claims and liabilities covered by the indemnification provisions of Section 9.2. Developer has agreed to indemnify the City hereunder to the extent of the liability insurance coverage with respect to its use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars (\$2,000,000) for bodily injury or death to any one person, at least Four Million Dollars (\$4,000,000) for any one accident or occurrence, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to the City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same coverage required of Developer.

(b) *Worker's Compensation.* Developer shall also furnish or cause to be furnished to the City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

9.1.2. ***Insurance Policy Form, Sufficiency, Content and Insurer.*** All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the insurer waives the right of subrogation against the City and against the City's agents and representatives except as provided in this Section; (ii) the policies are primary and noncontributing with any insurance that may be carried by the City, but only with respect to the liabilities assumed by Developer under this Agreement; and (iii) the policies cannot be canceled or materially changed except after written notice by the insurer to the City or the City's designated representative as expeditiously as the insurance company agrees to provide such notice. Developer shall furnish the City with certificates evidencing the insurance required to be procured by the terms of this Agreement.

9.1.3. ***Failure to Maintain Insurance and Proof of Compliance.*** Developer shall deliver to the City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(a) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of Exhibit "D" (Schedule of Performance)

(b) The City can request to see updated copies of the current certificates of all insurance policies required.

(c) If Developer fails or refuses to procure or maintain insurance as required hereby or fails or refuses to furnish the City with required proof that the insurance has been procured and is in force and paid for, the City, after complying with the requirements of Section 7.5, may view such failure or refusal to be a default hereunder.

9.2. Indemnification.

9.2.1. ***General.*** To the fullest extent permitted by law, Developer shall indemnify the City and Owner, and their respective officers, employees, and agents ("Indemnitees") against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with the work, operations, or activities of Developer, its agents, employees, subcontractors, or invitees, hereunder, upon the Site. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the Indemnitees with the fullest protection possible under the law. Developer acknowledges that Indemnitees would not enter into this Agreement in the absence

of Developer's commitment to indemnify, defend and protect Indemnitees as set forth herein. Notwithstanding the foregoing, to the extent Developer'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 Developer. Developer's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the Indemnitees.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith with counsel reasonably acceptable to the Indemnitees.

(b) Developer will promptly pay any judgment rendered against the City or Owner or their respective officers, agents, or employees for any such claims or liabilities arising out of or in connection with such work, operations, or activities of Developer hereunder, and Developer agrees to save and hold the City and Owner and their respective its officers, agents, and employees harmless therefrom.

(c) City shall have the right to offset against the amount of any compensation due to Developer under this Agreement, any undisputed amount due to City from Developer as a result of Developer's failure to either pay City promptly for any costs associated with Developer's obligations to indemnify the Indemnitees under this Section, or related to Developer'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 Developer under this Section will not be limited by the provisions of any workers' compensation act or similar act. Developer 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) Developer agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this Section from each and every contractor and subcontractor or any other person or entity involved by, for, with or on behalf of Developer in the performance of this Agreement. In the event Developer fails to obtain such indemnity obligations from others as required herein, Developer 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 Developer's contractors and subcontractors or any other person or entity involved by, for, with or on behalf of Developer 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 Developer 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.

9.2.2. **Exceptions.** The foregoing indemnity shall not include claims or liabilities arising from the sole negligence, gross negligence, or willful misconduct of the City, or its officers, agents or employees who are directly responsible to the City.

9.2.3. **Additional Coverage.** Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of:

(a) Any accident or other occurrence in or on the Site causing injury to any person or property whatsoever caused by Developer;

(b) Any failure of Developer to comply with performance of all of the provisions of this Agreement;

(c) Any harm, delays, injuries or other damages incurred by any party as a result of any subsurface conditions on the Site caused solely by Developer, including but not limited to, the presence of buried debris, hazardous materials, hydrocarbons, or any form of soil contamination.

9.2.4. **Loss and Damage.** Except as set forth below, the City shall not be liable for any damage to property of Developer, Owner or of others located on the Site, nor for the loss of or damage to any property of Developer, Owner or others by theft or otherwise. Except as set forth below, the City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of Site, or by any other cause of whatsoever nature. The foregoing two (2) sentences shall not apply (i) to the extent the City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage when accessing the Site, or (ii) to the extent covered in any permits to enter executed by the City, or (iii) under the circumstances set forth in Section 9.2.2 above.

9.2.5. **Period of Indemnification.** The obligations for indemnity under this Section 9.2 shall begin upon the Effective Date and shall survive 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 .

9.3. **Waiver of Subrogation.** Developer and the City mutually agree that neither shall make any claim against, nor seek to recover from the other or its agents, servants, or employees, for any loss or damage to Developer or the City or to any person or property relating to this Agreement, except as specifically provided hereunder, which include but is not limited to a claim or liability to the extent arising from the negligence, gross negligence, or willful misconduct of the City or Developer, as the case may be, or their respective officers, agents, or employees who are directly responsible to the City and Developer, as the case may be.

10. MISCELLANEOUS PROVISIONS.

10.1. Recordation of Agreement. This Agreement shall be recorded in “short form” version with the County Recorder by the City Clerk within 10 days of execution. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

10.2. Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

10.3. Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main purpose of this Agreement, which is to allow the Development to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

10.4. Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

10.5. Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

10.6. Singular and Plural. As used herein, the singular of any word includes the plural.

10.7. Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

10.8. Waiver. Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party’s right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

10.9. No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the parties and Owner and their respective successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

10.10. Force Majeure. Notwithstanding any provision to the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur the term of this Agreement then the time for performance shall be extended for the duration of each such event, provided that the Term of this Agreement shall not be extended under any circumstances for more than five (5) years beyond the date it would have otherwise expired, and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to the City and the City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

10.11. Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

10.12. Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

10.13. Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on the City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between the City and Developer seeking enforcement of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

10.14. Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

10.15. Development as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between the City and Developer is that of a government entity regulating the development of private property, on the one hand, and the holder of a legal or equitable interest in such private property on the other hand. The City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private development into a “public work” development, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer’s private development into a public work project, it being understood that this Agreement is entered into by the City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that the City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

10.16. Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

10.17. Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by the City of its power of eminent domain or Developer’s right to seek and collect just compensation or any other remedy available to it.

10.18. Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment (which approval shall not be unreasonably withheld, conditioned or delayed). The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved on behalf of the City by the City Manager upon reasonable approval by the City Attorney.

10.19. Assignment. Developer shall have the right to transfer or assign its rights and obligations under this Agreement (collectively, an “Assignment”) to any person or entity (an “Assignee”) in connection with a transfer or assignment of all of Developer’s interest in the Lease without the prior approval of the City; provided that, (a) Developer shall notify City in writing of such proposed Assignment at least thirty (30) days prior to the effective date of any proposed Assignment, and (b) Developer and Assignee shall enter into a written assignment and assumption agreement, executed in recordable form, pursuant to which Assignee shall agree to

assume all duties and obligations of Developer under this Agreement remaining to be performed at the time of the Assignment.

10.20. Corporate Authority. The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

10.21. Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested, and addressed to the respective parties as set forth below, or to such other address as either party may from time to time designate in writing by providing notice to the other party:

If to the City: City of Santa Fe Springs
11710 E. Telegraph Road
Santa Fe Springs, CA 90670
Attn: City Manager

If to Developer: Clear Channel Outdoor, LLC
19320 Harborgate Way
Torrance, CA 90501
Attn: Vice President, Real Estate & Public Affairs

With a copy to: Clear Channel Outdoor, LLC
2325 E. Camelback Road, Suite 250
Phoenix, AZ 85016
Attn: Operations Counsel

10.22. Nonliability of City Officials. No officer, official, member, employee, agent, or representatives of the City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, or representative.

10.23. No Brokers. The City and Developer each represent and warrant to the other that it has not employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

10.24. No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this

Agreement shall constitute or be deemed to constitute a limit on any of Developer's obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

BY THE CITY OF SANTA FE SPRINGS

By: _____
Mayor

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

Developer:

CLEAR CHANNEL OUTDOOR, LLC,
a Delaware limited liability company

Bryan Parker, Executive Vice President
Real Estate and Public Affairs

[end of signatures]

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

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

State of California)
County of Los Angeles)

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

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

WITNESS my hand and official seal.

Signature _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SITE

All that certain real property located in the City of Santa Fe Springs, County of Los Angeles, State of California more particularly described as follows:

TR=RESURVEY OF GUNN AND HAZZARDS PLAT OF THE CULLEN TRACT LOT COM N 39 31' E 40 FT AND N 50 30' W 1268.16 FT AND N 39 31' E 460 FT FROM MOST S COR OF LOT 5 TH N 39 31' E 107.5 FT TH N 50 30' W FT TO BEG POR OF LOT 5.

APN: 8167-002-028

EXHIBIT "B"

SCOPE OF DEVELOPMENT

Developer and the City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. The Development. Developer currently owns and operates an existing lawfully-permitted single-faced 12' x 25' outdoor advertising sign with one printed display faces. This billboard is identified as Clear Channel billboard #5252. Developer shall replace sign in place as a single-faced 12' x 25' outdoor advertising sign with one digital display face. The Site shall be maintained in accordance with the conditions at Paragraph 3 below.

2. Fees. Developer shall pay all applicable City fees, as described at Section 5.3 of the Agreement, at the time that any necessary approvals are issued for the installation of the Digital Billboard.

3. Maintenance and Access. Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) The existing sign structure shall be painted gray and all mechanical equipment shall be screened to the satisfaction of the Director of Community Development or designee. In addition, any existing ladders or other ancillary structures which are not required for the digital sign shall be removed. The City of Santa Fe Springs name and/or City seal shall be included on the sign structure. The Director of Community Development or designee shall approve the location of the name and/or City seal.

(b) Maintenance and repair of the Digital Billboard (where authorized pursuant to the Agreement, and including but not limited to, the displays installed thereon, and all related on-site improvements and, if applicable, easements and rights-of-way, at its sole cost and expense), including, without limitation, landscaping, poles, lighting, signs and walls (as they relate to the Development) shall be in good repair, free of graffiti, rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction over the Site, unless those federal, state, and local bodies have an exception for a legal nonconforming use. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Development; (ii) the care and replacement of applicable screening and City branding if damaged by the Development; (iii) the ongoing maintenance by Developer of any access road to the Digital Billboard if damaged by the Development and to minimize dust caused by the Development; and (iii) the maintenance, repair, and repainting of the Digital Billboard's structures and displays as necessary to maintain such billboards in good condition and repair.

(c) Maintenance of the Digital Billboard and surrounding portion of the Site in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the

Development such as to be detrimental to the public health, safety or general welfare, or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of the Site.

(d) Developer shall reasonably coordinate with any neighboring property owners who share utilities or access roads to their separate respective billboards. The City may designate alternative access for planning purposes so long as such alternative access allows Developer to access its billboard and related utilities.

4. Other Rights of the City. In the event of any violation or threatened violation of any of the provisions of this Exhibit "B", then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of the Agreement, the City shall have the right, after complying with Section 7.4 of the Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke, after giving written notice of said violation, any applicable approvals, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the Development or any part thereof or interests therein as to the violating person or one threatening violation.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of the Agreement. The failure of the City to enforce the Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to Developer, its successors, transferees or assigns, for any default or breach by the City under the Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the Digital Billboard and applicable screening and City branding, shall conform to all applicable provisions of the Development Approvals and the following conditions, in a manner subject to the approval of the Director of Community Development or his or her designee:

(a) Structural calculations shall be prepared by a licensed civil engineer and approved by the applicable City Official.

(b) The Billboard shall be located in the portion of the Site shown on Exhibit "C-1" and shall be of the dimensions described in Section 1, above.

(c) The size and design of each sign display of the Digital Billboard shall satisfy the requirements of Ordinance No. 1146, as depicted in Exhibit "C-1" and Exhibit "C-2" both approved by the City as part of the Development Approvals.

(d) Plans and specifications for the proposed installation of the Digital Billboard shall be submitted to the City Community Development and Building Departments for plan check and approval prior to the issuance of applicable approvals and electrical permits. The site-specific

submittal package shall include a site plan, elevations, structural calculations, and electrical details.

(f) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(g) Developer shall maintain the Digital Billboard and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, county, state or federal agencies by any duly and valid City, county or state ordinance with jurisdiction over the facilities, unless the Development is exempted as a legal nonconforming use.

(h) Developer shall, at all times, comply with the approval for the Digital Billboard from the California Department of Transportation Outdoor Advertising Division, and shall maintain acceptable clearance between proposed billboards and Southern California Edison distribution lines.

(i) Developer shall pay any and all applicable fees due to any public agency prior to the final issuance of the applicable approvals or electrical permits.

(j) The activities proposed in the Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(k) Developer shall ensure that all access to the Digital Billboard is kept restricted to the general public to the extent permitted under local laws and by the Development Approvals.

(l) If any portion of the billboard or applicable screening and City branding installed on the Digital Billboard is damaged by the Development or becomes damaged or otherwise in need of replacement, as determined by the City's Director of Community Development or his or her designee, Developer shall ensure that the replacement is accomplished within fourteen (14) days of notification by the City, unless such time is extended by the City's Director of Community Development or his or her designee if Developer shows unusual circumstances requiring more time to accomplish such replacement.

(m) Developer shall use the existing billboard utilities and upgrade only if necessary. The utilities shall be screened or otherwise concealed to the extent practical, as determined by the Director of Community Development.

(n) Developer shall comply with all necessary federal National Pollutant Discharge Elimination System (NPDES) requirements pertaining to the proposed use, to the extent applicable.

(o) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the Development.

(p) Prior to final sign off of the applicable approvals for the Digital Billboard, the applicable screening and City branding shall be installed at the Site.

(q) Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Director of Community Development or his or her designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Director of Community Development or designee, Developer shall dim the display to meet these guidelines and further perform a brightness measurement of the display using OAAA standards and provide the City with the results of same within 5 days of the City's complaint.

EXHIBIT "C-1"

BILLBOARD LOCATION



EXHIBIT "C-2"

BILLBOARD ELEVATION

The elevation of the sign structure and the proposed digital face shall be the same size as the existing elevation of the sign structure and the printed face that is currently installed:



Billboard #5252

The converted billboard faces will look similar to the digital billboard below:



EXHIBIT "D"

SCHEDULE OF PERFORMANCE

ITEM OF PERFORMANCE	TIME FOR PERFORMANCE	REFERENCE
1. City's City Council holds hearings to approve Agreement by Resolution No. 9998.	February 3, 2026	Recital G
2. Effective Date of this Agreement.	Date all parties have fully executed the Agreement	1.1.10
3. Developer reimburses City for the costs of making this Agreement	Within ten (10) days of the City sending an invoice to the Developer.	Recital F.4
4. Developer prepares and submits to City working drawings, specifications, and engineering for plan check.	In the sole discretion of the Developer, subject to the parties' rights as set forth in Section 2.3	2.3
5. City to approve all construction and engineering drawings and specifications with a plan check approval and issue a building permit and an electrical permit, if applicable. City agrees to any necessary approvals or electrical permits need for Developer to acquire the Caltrans approvals. Developer agrees not to commence construction until it receives the applicable Caltrans approvals.	Within thirty (30) days of City's receipt of Developer's construction drawings and specifications addressing all of City's comments.	5.3
6. Developer to provide copy of Caltrans approval to City	Prior to commencing any inspections and work on the Development.	5.3, 5.4

7. Developer to submit proof of insurance to City.	Prior to commencing any inspections and work on the Development	9.1.2
8. Developer constructs billboard sign conversion and removes existing Clear Channel billboard #5068 sign, structure, and equipment.	No later than sixty (60) days from the receipt of building permits/approvals.	N/A
9. Developer pays Processing Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.4
10. Developer pays Economic Development Fee	The date the City issues all building approvals necessary to begin construction of the Project.	2.6
11. Developer pays City monthly installments of the Development Fee	First installment due on the Commencement Date, then continuing the first day of each subsequent month.	2.5

It is understood that this Schedule of Performance is subject to all of the terms and conditions of the text of the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and the City. Notwithstanding any extension of the Term in the manner described in, and subject to the provisions of Section 5.5 of the Agreement, the City Manager shall have the authority to approve extensions of time set forth in this Schedule of Performance without action of the City Council, not to exceed a cumulative total of 180 days.