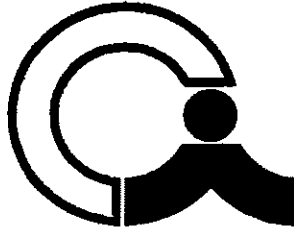


# CITY OF INDUSTRY

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CITY COUNCIL  
REGULAR MEETING AGENDA

MARCH 9, 2017  
9:00 AM



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

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

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## **Addressing the City Council:**

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

## **Americans with Disabilities Act:**

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

## **Agendas and other writings:**

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

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1. Call to Order
  2. Flag Salute
  3. Roll Call

4. Public Comments
5. Presentation and update regarding the Fullerton Grade Separation by the Alameda Corridor-East Construction Authority.
6. **CONSENT CALENDAR**

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

- 6.1 Consideration of the Register of Demands for March 9, 2017.

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

- 6.2 Consideration of Professional Services Agreement with Lang, Hansen, O'Malley & Miller for government relations services in the amount of \$25,000.00 per month.

*RECOMMENDED ACTION: Approve the Agreement.*

- 6.3 Consideration of Amendment No. 2, extending the Professional Services Agreement with Cordoba Corporation for real estate and related advisory services, in the amount of \$45,000.00 per month, from April 1, 2017 to March 31, 2018.

*RECOMMENDED ACTION: Approve the Agreement.*

7. **ACTION ITEMS**

- 7.1 Presentation by Karen Wise and Jane Pisano regarding the Review and Analysis of Operations of the Workman and Temple Homestead Museum.

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

- 7.2 Discussion and consideration of a new City logo.

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

- 7.3 Presentation and discussion pertaining to the City of Industry's 60<sup>th</sup> Anniversary Celebration.

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

- 7.4 Consideration of Resolution No. CC 2017-05 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA APPROVING AND ADOPTING THE FISCAL YEAR 2016-2017 MID-YEAR BUDGET AMENDMENTS.

*RECOMMENDED ACTION: Adopt Resolution No. CC 2017-05.*

- 7.5 Consideration of Resolution No. CC 2017-06 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, APPROVING THE GENERAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF INDUSTRY AND THE COUNTY OF LOS ANGELES.

*RECOMMENDED ACTION: Adopt Resolution No. CC 2017-06.*

- 7.6 Consideration of a License Agreement with the Orange County Fire Authority, the California Department of Forestry and Fire Protection Riverside, the California Department of Forestry and Fire Protection San Bernardino, Chino Valley Fire District, County of Los Angeles, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina, and City of Brea for Access to Assessor's Parcel No. 8714-026-271, located at 19001 Tonner Canyon Road, for Various Fire Prevention Training Exercises Associated with the Annual SOLAR Exercise to be held May 15 – 19, 2017.

*RECOMMENDED ACTION: Approve the Agreement.*

- 7.7 Consideration of a License Agreement with the County of Orange for Access to Assessor's Parcel No. 8714-028-270, located at 19001 Tonner Canyon Road, for Various Law Enforcement Training Exercises associated with the Orange County Sheriff's Department Canine Services Unit to be held on May 10, 2017.

*RECOMMENDED ACTION: Approve the Agreement.*

- 7.8 Consideration of License Agreements between private property owners and the City for work on private property associated with the Arenth Avenue Reconstruction Project.

*RECOMMENDED ACTION: Approve the License Agreements and authorize the City Manager to execute same for all properties that need to be accessed to perform the work.*

- 7.9 Consideration of the acceptance of the work for Contract No. CITY-1422, Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction, performed by Sully-Miller Contracting Company in

the amount of \$608,718.08, authorize the City Engineer to execute the Notice of Completion and authorize the Chief Deputy City Clerk to file the Notice of Completion.

*RECOMMENDED ACTION: Authorize the City Engineer to execute the Notice of Completion and authorize the Chief Deputy City Clerk to file the Notice of Completion.*

8. **CITY COUNCIL COMMITTEE REPORTS**

9. **AB 1234 REPORTS**

10. **CITY COUNCIL COMMUNICATIONS**

11. **CLOSED SESSION**

11.1 CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION  
Pursuant to Government Code Section 54956.9(d)(1)  
City of Gardena, et al. v. Regional Water Quality Control Board, et al.  
Orange County Superior Court  
Case No. 30-2016-00833722-CU-WM-CJC

11.2 Conference with real property negotiators pursuant to Government Code Section 54956.8.  
Property: Assessor's Parcel No. 8120-024-270 and 8120-024-039, Crossroads Parkway North at the Union Pacific Railroad  
City Negotiators: Paul J. Philips, City Manager and James M. Casso, City Attorney  
Negotiating Party: Los Angeles County  
Under Negotiation: Price and Terms of Payment

12. Adjournment to Thursday, March 23, 2017 at 9:00 a.m.

*CITY COUNCIL*

ITEM NO. 6.1

**CITY OF INDUSTRY  
AUTHORIZATION FOR PAYMENT OF BILLS  
CITY COUNCIL MEETING OF MARCH 9, 2017**

**FUND RECAP:**

<u>FUND</u>	<u>DESCRIPTION</u>	<u>DISBURSEMENTS</u>
100	GENERAL FUND	1,711,428.43
120	CAPITAL IMPROVEMENT FUND	1,024,607.05
161	IPUC - ELECTRIC	3,118.10
TOTAL ALL FUNDS		2,739,153.58

**BANK RECAP:**

<u>BANK</u>	<u>NAME</u>	<u>DISBURSEMENTS</u>
BOFA	BANK OF AMERICA - CKING ACCOUNTS	427,611.69
WFBK	WELLS FARGO - CKING ACCOUNT	2,311,541.89
TOTAL ALL BANKS		2,739,153.58

**APPROVED PER CITY MANAGER**

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**CITY OF INDUSTRY  
BANK OF AMERICA  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITYGEN.CHK - City General</b>				
WT1009	01/13/2017		MIDAMERICA ADMINISTRATIVE &	\$20,000.00
	Invoice	Date	Description	Amount
	JAN-DEC2017	01/13/2017	HRA INSTALLMENTS FOR NEW EMPLOYEES	\$20,000.00
WT1010	01/20/2017		MIDAMERICA ADMINISTRATIVE &	\$32,118.54
	Invoice	Date	Description	Amount
	FEB-MAR2017	01/20/2017	MEDICAL PREMIUM REIMBURSEMENTS	\$32,118.54
24343	02/21/2017		CITY OF INDUSTRY	\$359,343.36
	Invoice	Date	Description	Amount
	2/21/17-A	02/21/2017	TRANSFER FUNDS-SAVINGS	\$359,343.36
24344	02/21/2017		CITY OF INDUSTRY	\$161.50
	Invoice	Date	Description	Amount
	2/21/17-B	02/21/2017	TRANSFER FUNDS 91-1 ADMIN	\$161.50
24345	02/21/2017		CITY OF INDUSTRY	\$15,988.29
	Invoice	Date	Description	Amount
	2/21/17-C	02/21/2017	TRANSFER FUNDS 91-1 REDEMPTION	\$15,988.29

Checks	Status	Count	Transaction Amount
	Total	5	\$427,611.69

**CITY OF INDUSTRY**  
**WELLS FARGO VOIDED CHECK**  
**March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65737	02/23/2017	02/23/2017	CARLSON, CALLADINE &	(\$29,396.49)
	Invoice	Date	Description	Amount
	19280	01/10/2017	VOIDED-PAID WRONG INVOICE	(\$29,396.49)

Check	Status	Count	Transaction Amount
	Total	1	(\$29,396.49)



**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65806	02/22/2017		AT & T	\$8.98
	Invoice	Date	Description	Amount
	2017-00000964	02/01/2017	02/01-02/28/17 SVC - CITY WHITE PAGES	\$8.98
65807	02/22/2017		FRONTIER	\$143.92
	Invoice	Date	Description	Amount
	2017-00000965	02/04/2017	02/04-03/03/17 SVC - EM-21858 GARCIA LN-ALARM	\$64.02
	2017-00000966	02/04/2017	02/04-03/03/17 SVC - GS-21620 VALLEY BLVD	\$53.43
	2017-00000967	02/07/2017	02/07-03/06/17 SVC - GS-408 BREA CYN RD	\$26.47
65808	02/22/2017		GAS COMPANY, THE	\$421.91
	Invoice	Date	Description	Amount
	2017-00000968	02/07/2017	01/05-02/02/17 SVC - 15651 STAFFORD ST	\$363.01
	2017-00000969	02/07/2017	01/01-02/01/17 SVC - 1 INDUSTRY HILLS PKWY UNIT	\$58.90
65809	02/22/2017		SO CALIFORNIA EDISON COMPANY	\$1,127.56
	Invoice	Date	Description	Amount
	2017-00000970	02/07/2017	01/06-02/06/17 SVC - 1135 HATCHER AVE	\$276.21
	2017-00000971	02/08/2017	01/06-02/06/17 SVC - VARIOUS SITES	\$106.68
	2017-00000972	02/09/2017	01/01-02/01/17 SVC - GALE AVE/L ST	\$35.38
	2017-00000973	02/10/2017	01/10-02/09/17 SVC - 575 BALDWIN PARK AVE U	\$63.76
	2017-00000974	02/10/2017	12/14-02/07/17 SVC - VALLEY BLVD U-VARIOUS SITES	\$591.80
	2017-00000975	02/11/2017	01/11-02/10/17 SVC - 490 7TH U	\$53.73
65810	02/22/2017		VERIZON BUSINESS	\$221.68
	Invoice	Date	Description	Amount
	63570555	02/10/2017	01/01-01/31/17 SVC - VARIOUS SITES	\$123.23
	63570554	02/10/2017	01/01-01/31/17 SVC - VARIOUS SITES	\$98.45
65811	02/22/2017		WALNUT VALLEY WATER DISTRICT	\$3,299.29
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date	Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>			
2546052	02/07/2017	01/01-01/31/17 SVC - IRR 820 FAIRWAY DR	\$62.95
2546104	02/07/2017	01/01-01/31/17 SVC - LEMON AVE N OF CURRIER RD	\$75.77
2546138	02/07/2017	01/01-01/31/17 SVC - BREA CYN RD & OLD RANCH RD	\$41.57
2546154	02/07/2017	01/01-01/31/17 SVC - FERRERO & GRAND EAST	\$445.99
2546172	02/07/2017	01/01-01/31/17 SVC - BAKER PKWY METER #1	\$86.94
2546173	02/07/2017	01/01-01/31/17 SVC - BAKER PKWY METER #2	\$94.80
2546179	02/07/2017	01/01-01/31/17 SVC - GRAND AVE CROSSING	\$100.52
2546180	02/07/2017	01/01-01/31/17 SVC - GRAND AVE CROSSING	\$75.51
2546182	02/07/2017	01/01-01/31/17 SVC - 22002 VALLEY BLVD	\$207.44
2546199	02/07/2017	01/01-01/31/17 SVC - 21350 VALLEY-MEDIAN	\$24.47
2546200	02/07/2017	01/01-01/31/17 SVC - GRAND CROSSING EAST	\$33.02
2546201	02/07/2017	01/01-01/31/17 SVC - GRAND CROSSING WEST	\$41.57
2546202	02/07/2017	01/01-01/31/17 SVC - BAKER PKWY & GRAND N/W	\$1,135.12
2546209	02/07/2017	01/01-01/31/17 SVC - E/S GRAND S/O BAKER PKWY	\$134.77
2546215	02/07/2017	01/01-01/31/17 SVC - BREA CYN N OF RR TRKS	\$118.61
2546216	02/07/2017	01/01-01/31/17 SVC - BREA CYN N OF CURRIER	\$24.56
2546218	02/07/2017	01/01-01/31/17 SVC - 60 FWY INTERCHANGE	\$19.43
2546236	02/07/2017	01/01-01/31/17 SVC - END OF BAKER PKWY-TEMP	\$464.78
2546888	02/08/2017	01/04-02/01/17 SVC - PUMP STN N/W CHERYL	\$24.47
2546908	02/08/2017	01/04-02/01/17 SVC - PUMP STN BREA CYN	\$29.18
2547134	02/08/2017	01/04-02/01/17 SVC - NOGALES PUMP STN	\$57.82
<b>65812</b>	<b>02/28/2017</b>	<b>BANK OF AMERICA - VISA</b>	<b>\$1,920.20</b>
Invoice	Date	Description	Amount
2017-00000991	02/06/2017	1/7-2/6/17 CREDIT CARD EXPENSES-PHILIPS	\$1,920.20
<b>65813</b>	<b>02/28/2017</b>	<b>FRONTIER</b>	<b>\$859.10</b>
Invoice	Date	Description	Amount
2017-00000976	02/10/2017	02/10-03/09/17 SVC -EM-21508 BAKER PKWY BLDG	\$50.75
2017-00000977	02/10/2017	02/10-03/09/17 SVC - EM-21808 GARCIA LN-ALARM	\$64.02
2017-00000978	02/10/2017	02/10-03/09/17 SVC - 600 BREA CYN RD	\$217.51

**CITY OF INDUSTRY**  
**WELL FARGO BANK**  
**March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	2017-00000979	02/10/2017	02/10-03/09/17 SVC - GS-21640 VALLEY BLVD	\$50.75
	2017-00000980	02/10/2017	02/10-03/09/17 SVC - GS-747 S. ANAHEIM-PUENTE RD	\$144.87
	841 7TH-FEB17	02/10/2017	02/10-03/09/17 SVC - 841 S. 7TH	\$99.03
	2017-00000981	02/16/2017	02/16-03/15/17 SVC - BREÁ CYN PUMP STN	\$66.70
	2017-00000982	02/16/2017	02/16-03/15/17 SVC - PH AUTO PLAZA	\$165.47
<b>65814</b>	<b>02/28/2017</b>		<b>GAS COMPANY, THE</b>	<b>\$15.29</b>
	Invoice	Date	Description	Amount
	2017-00000983	02/15/2017	01/13-02/13/17 SVC - 610 S BREA CYN RD	\$15.29
<b>65815</b>	<b>02/28/2017</b>		<b>SAN GABRIEL VALLEY WATER CO.</b>	<b>\$430.22</b>
	Invoice	Date	Description	Amount
	2017-00000984	02/15/2017	01/13-02/14/17 SVC - 14329 VALLEY	\$163.46
	2017-00000985	02/16/2017	01/17-02/15/17 SVC - 336 EL ENCANTO	\$127.76
	841 7TH-FEB17	02/17/2017	01/18-02/16/17 SVC - 841 S SEVENTH	\$139.00
<b>65816</b>	<b>02/28/2017</b>		<b>SO CALIFORNIA EDISON COMPANY</b>	<b>\$7,298.58</b>
	Invoice	Date	Description	Amount
	2017-00000986	02/16/2017	01/17-02/15/17 SVC - 1341 FULLERTON RD	\$34.88
	2017-00000987	02/17/2017	01/17-02/15/17 SVC - VARIOUS SITES	\$5,167.58
	2017-00000988	02/17/2017	01/17-02/15/17 SVC - VARIOUS SITES	\$1,427.85
	2017-00000989	02/17/2017	01/17-02/15/17 SVC - PECK RD S/O PELLISSIER	\$45.71
	841 7TH-FEB17	02/17/2017	01/17-02/15/17 SVC - 841 7TH AVE	\$532.07
	2017-00000990	02/17/2017	01/17-02/15/17 SVC - VARIOUS SITES	\$90.49
<b>65817</b>	<b>02/28/2017</b>		<b>SOUTH COAST A.Q.M.D.</b>	<b>\$1,800.00</b>
	Invoice	Date	Description	Amount
	P65351	02/27/2017	PENALTY FOR ICE ELEC GEN DIESEL AT 15625	\$1,800.00
<b>65818</b>	<b>03/09/2017</b>		<b>ADVANCED DISCOVERY, INC.</b>	<b>\$1,342.56</b>
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	B202796	01/31/2017	DOCUMENT MGMT SVC-LITIGATION	\$1,342.56
65819	03/09/2017		ALEJANDRO GONZALEZ	\$105.69
	Invoice	Date	Description	Amount
	02/06/17	02/06/2017	REIMBURSEMENT FOR EXPENSES	\$105.69
65820	03/09/2017		ALL AMERICAN CONTRACTING	\$63,964.40
	Invoice	Date	Description	Amount
	16200-3	02/06/2017	REMODELING OF 16200-5 TEMPLE AVE	\$63,964.40
65821	03/09/2017		ALL AMERICAN TONERS, INC	\$595.00
	Invoice	Date	Description	Amount
	CONT5046	03/01/2017	MAINT AGREEMENT FOR TYPEWRITERS 3/1/17-	\$595.00
65822	03/09/2017		ANNEALTA GROUP	\$2,600.00
	Invoice	Date	Description	Amount
	1042	02/08/2017	PLANNING SUPPORT SVC-JAN 2017	\$2,600.00
65823	03/09/2017		ARAMARK REFRESHMENT SERVICE,	\$108.55
	Invoice	Date	Description	Amount
	8566571	02/14/2017	COFFEE/OFFICE SUPPLIES	\$108.55
65824	03/09/2017		AVANT-GARDE, INC	\$4,662.50
	Invoice	Date	Description	Amount
	4276	02/21/2017	PROJECT MGMT-CITY BRIDGES	\$1,942.50
	4277	02/21/2017	PROJECT MGMT-AZUSA AVE BRIDGE	\$2,720.00
65825	03/09/2017		BROWN RUDNICK, LLP	\$25,037.80
	Invoice	Date	Description	Amount
	711206	02/01/2017	PROF SVC-JAN 2017	\$25,037.80

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65826	03/09/2017		BRYAN PRESS	\$164.26
	Invoice	Date	Description	Amount
	0076609	02/10/2017	BUSINESS CARDS-S. AVALOS AND Y. PATHAK	\$82.13
	0076601	02/03/2017	BUSINESS CARDS-D. LOMELI & N. VASQUEZ	\$82.13
65827	03/09/2017		CARLSON, CALLADINE &	\$27,880.89
	Invoice	Date	Description	Amount
	19352	02/09/2017	LEGAL SVC-JAN 2017	\$27,880.89
65828	03/09/2017		CASC ENGINEERING AND	\$6,055.00
	Invoice	Date	Description	Amount
	36867	01/31/2017	NPDES SVC-COI	\$5,365.00
	36926	01/31/2017	NPDES SVC-FOLLOW'S CAMP	\$690.00
65829	03/09/2017		CASSO & SPARKS, LLP	\$81,043.13
	Invoice	Date	Description	Amount
	20196	02/26/2017	COL-LEGAL SVC FOR SEP 2016	\$81,043.13
65830	03/09/2017		CHEM PRO LABORATORY, INC	\$269.00
	Invoice	Date	Description	Amount
	614128	01/23/2017	WATER TREATMENT-JAN 2017	\$269.00
65831	03/09/2017		CITY OF INDUSTRY	\$1,412.95
	Invoice	Date	Description	Amount
	2017-00000053	01/31/2017	IH FUEL PUMP-CITY VEHICLES	\$445.13
	2017-00000051	01/31/2017	IH FUEL PUMP-SECURITY VEHICLES	\$967.82
65832	03/09/2017		CITY OF INDUSTRY-PAYROLL ACCT	\$130,000.00
	Invoice	Date	Description	Amount
	P/R 2/28/17	02/27/2017	REIMBURSE FOR PAYROLL 2/28/17	\$130,000.00

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

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

Check	Date	Payee Name	Check Amount
65833	03/09/2017	CNC ENGINEERING	\$233,443.42
	Invoice		
		Date	Amount
	455462	02/23/2017 ON-CALL STREET MAINT PROGRAM	\$249.45
	455463	02/23/2017 VALLEY BLVD PCC PAVEMENT RECONSTRUCTION	\$14,376.84
	455464	02/23/2017 CLARK AVE WIDENING	\$1,176.44
	455465	02/23/2017 2016-2017 CLEANOUT OF STORMWATER DEVICES	\$124.73
	455466	02/23/2017 2016-2017 SLURRY SEAL	\$353.38
	455467	02/23/2017 ARENTH AVE RECONSTRUCTION	\$5,545.48
	455468	02/23/2017 CITYWIDE CATCH BASIN RETROFIT	\$277.37
	455469	02/23/2017 AJAX AVE STORM DRAIN	\$7,439.89
	455470	02/23/2017 GENERAL ENGINEERING-CIP	\$45,667.86
	455471	02/23/2017 GENERAL ENGINEERING-MAINT OF COI	\$41,635.52
	455472	02/23/2017 TONNER CYN PROPERTY	\$2,666.82
	455473	02/23/2017 COLIMA RD WIDENING	\$2,337.34
	455474	02/23/2017 EXPO CENTER RESURFACING OF PARKING LOTS	\$6,986.70
	455475	02/23/2017 CITY ELECTRICAL FACILITIES	\$1,897.17
	455476	02/23/2017 TRES HERMANOS GENERAL ENGINEERING	\$124.73
	455477	02/23/2017 PUC RAILROAD SAFETY UPGRADE	\$166.29
	455478	02/23/2017 SAFETY UPGRADE AT VARIOUS RR CROSSINGS	\$297.20
	455479	02/23/2017 CITY AERIALS	\$268.54
	455480	02/23/2017 TRAFFIC SIGNAL AT DON JULIAN/SIXTH AVE	\$1,188.75
	455481	02/23/2017 SANITATION DISTRICT INTERMODAL	\$603.65
	455482	02/23/2017 SAN JOSE AVE RECONSTRUCTION	\$6,571.90
	455483	02/23/2017 TRAFFIC SIGNAL AT NELSON/SUNSET	\$415.73
	455484	02/23/2017 TRAIL IMPROVEMENTS-TEMPLE AND AZUSA	\$1,585.38
	455485	02/23/2017 HIGHWAY BRIDGE PROGRAM	\$1,465.79
	455486	02/23/2017 HIGHWAY BRIDGE PROGRAM-AZUSA AVE	\$1,708.43
	455487	02/23/2017 FISCAL YEAR BUDGET	\$13,626.38
	455488	02/23/2017 ROWLAND STREET RECONSTRUCTION	\$3,060.72
	455489	02/23/2017 BUSINESS PKY PCC PAVEMENT	\$332.58
	455491	02/23/2017 AZUSA AVE AND TEMPLE INTERSECTION	\$172.47

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date	Payee Name	Check Amount	
<b>CITY.WF.CHK - City General Wells Fargo</b>				
455492	02/23/2017	FOLLOW'S CAMP PROPERTY	\$344.90	
455493	02/23/2017	VARIOUS ASSIGNMENTS-SA TO IUDA	\$2,214.33	
455494	02/23/2017	NEW CUL-DE-SAC EAST OF FAURE AVE	\$2,846.10	
455495	02/23/2017	NELSON AVE/PUENTE AVE INTERSECTION	\$3,325.80	
455496	02/23/2017	BONELLI STREET RESURFACING	\$1,074.16	
455497	02/23/2017	BICYCLE MASTER PLAN	\$872.76	
455498	02/23/2017	ARENTH AVE RECONSTRUCTION	\$8,675.39	
455499	02/23/2017	2015-2016 TARGET SPEED SURVEY	\$1,885.38	
455500	02/23/2017	USGR STORMWATER IMPROVEMENT PROJECT	\$505.05	
455501	02/23/2017	RESURFACING OF UNRUH AVE	\$8,356.72	
455502	02/23/2017	CARTEGRAPH IMPLEMENTATION & MGMT	\$11,209.89	
455503	02/23/2017	COI PAVEMENT MGMT SYSTEM	\$1,579.76	
455504	02/23/2017	GRAND AVE BRIDGE WIDENING	\$2,819.08	
455505	02/23/2017	FULLERTON RD GRADE SEPARATION	\$8,179.16	
455506	02/23/2017	ALAMEDA CORRIDOR EAST RELATED PROJECTS	\$1,179.49	
455507	02/23/2017	FAIRWAY DR GRADE SEPARATION	\$3,492.09	
455508	02/23/2017	NOGALES GRADE SEPARATION	\$252.53	
455509	02/23/2017	MISC GRADE SEPARATION	\$1,003.92	
455490	02/23/2017	BIXBY DR PCC PAVEMENT	\$6,303.38	
032017	03/01/2017	MEALS/WHEELS RENT-MAR 2017	\$5,000.00	
<b>65834</b>	<b>03/09/2017</b>	<b>COUNTY OF LA DEPT OF PUBLIC</b>	<b>\$116,366.54</b>	
	Invoice	Date	Description	Amount
	PW-17020806628	02/08/2017	EMERGENCY CALL-OUT FOR ROAD SVC	\$2,010.14
	PW-17020806619	02/08/2017	PUMP HOUSE MANT	\$4,720.67
	PW-17020806706	02/08/2017	AZUSA AVE BRIDGE REPAINTING	\$5,151.36
	PW-17020806626	02/08/2017	STREET MAINT/INSPECTION	\$5,688.61
	PW017020806625	02/08/2017	PAVEMENT PATCHING	\$9,308.78
	PW-17020806623	02/08/2017	CONCRETE REPAIRS	\$12,455.19
	PW-17020806621	02/08/2017	STORM DAMAGE RESPONSE	\$17,393.38
	PW-17020806632	02/08/2017	PUMP HOUSE MAINT	\$11,653.69

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date	Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>			
	PW-17020806878	02/08/2017	TRAFFIC SIGNAL MAINT \$41,324.22
	PW-17020806627	02/08/2017	EMERGENCY ROAD CLOSURE \$493.74
	PW-17020806630	02/08/2017	TRAFFIC SIGNING FY 16/17 \$394.18
	PW-17020806596	02/08/2017	FAIRWAY DR GRADE SEPARATION \$148.56
	PW-17020806879	02/08/2017	TRAFFIC SIGNAL MAINT \$673.19
	PW-17020806624	02/08/2017	PUMP HOUSE MAINT \$303.21
	PW-17020806622	02/08/2017	LITTER/DEBRIS REMOVAL \$2,687.50
	PW-17020806665	02/08/2017	INSTALL VIDEO DETECTION CAMERA \$1,960.12
<b>65835</b>	<b>03/09/2017</b>	<b>D M V RENEWAL</b>	<b>\$241.00</b>
	Invoice	Date	Description
	6UBX655-17	02/22/2017	REGISTRATION RENEWAL-LIC 6UBX655 \$241.00
<b>65836</b>	<b>03/09/2017</b>	<b>DAKOTA BACKFLOW CO.</b>	<b>\$740.00</b>
	Invoice	Date	Description
	40533	02/17/2017	BACKFLOW TESTING-VARIOUS SITES \$475.00
	40534	02/10/2017	BACKFLOW TESTING-CITY HALL PARKING LOT \$265.00
<b>65837</b>	<b>03/09/2017</b>	<b>DEPT OF ANIMAL CARE &amp; CONTROL</b>	<b>\$3,707.88</b>
	Invoice	Date	Description
	02/15/17	02/15/2017	SHELTER COST-JAN 2017 \$3,707.88
<b>65838</b>	<b>03/09/2017</b>	<b>DEPT OF TRANSPORTATION</b>	<b>\$800,043.62</b>
	Invoice	Date	Description
	17005607	02/02/2017	COOP 4905-RIGHT OF WAY GRAND AVE ON-RAMP \$8,737.79
	17005608	02/02/2017	COOP 4959-WESTBOUND SLIP ON-RAMP SR60 \$791,305.83
<b>65839</b>	<b>03/09/2017</b>	<b>ELECTRA-MEDIA, INC</b>	<b>\$1,763.00</b>
	Invoice	Date	Description
	5612	02/15/2017	PUENTE HILLS AUTO DISPLAY-MAR 2017 \$1,763.00



**CITY OF INDUSTRY  
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March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65840	03/09/2017		ENVIRONS, INC.	\$322.50
	Invoice	Date	Description	Amount
	2985	02/09/2017	IRRIGATION PLANS-CLARK AVE	\$322.50
65841	03/09/2017		FEDERAL EXPRESS CORP.	\$327.42
	Invoice	Date	Description	Amount
	5-702-89378	02/10/2017	MESSENGER SVC	\$327.42
65842	03/09/2017		FUEL PROS, INC.	\$150.00
	Invoice	Date	Description	Amount
	0000028812	01/31/2017	INDUSTRY HILLS FUEL STN MAINT	\$150.00
65843	03/09/2017		GONSALVES & SON, JOE A.	\$5,045.00
	Invoice	Date	Description	Amount
	155512	02/22/2017	LEGISLATIVE SVC-MAR 2017	\$5,045.00
65844	03/09/2017		HADDICK'S AUTO BODY	\$3,537.89
	Invoice	Date	Description	Amount
	047790	02/15/2017	AUTO MAINT-LIC 1094930	\$54.62
	047791	02/15/2017	AUTO MAINT-LIC 1370863	\$56.01
	047775	02/15/2017	AUTO MAINT-LIC 1210025	\$336.61
	047777	02/15/2017	AUTO MAINT-LIC 29260E1	\$227.95
	047778	02/15/2017	AUTO MAINT-LIC 6EAL475	\$183.39
	047782	02/15/2017	AUTO MAINT-LIC 1279616	\$858.05
	047785	02/15/2017	AUTO MAINT-LIC 5HJT180	\$39.01
	047786	02/15/2017	AUTO MAINT-LIC 1356177	\$45.91
	047789	02/15/2017	AUTO MAINT-GOLF CARTS	\$1,736.34
65845	03/09/2017		HINDERLITER, DE LLAMAS AND	\$74,161.50
	Invoice	Date	Description	Amount
	0026891-IN	02/14/2017	CONTRACT/AUDIT SALEX TAX SVC	\$74,161.50

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65846	03/09/2017		HISTORICAL RESOURCES, INC.	\$63,742.68
	Invoice	Date	Description	Amount
	02/22/17	02/22/2017	AGRMT REIMBURSEMENT-FEB 2017	\$63,742.68
65847	03/09/2017		INDUSTRY MANUFACTURERS	\$100,908.25
	Invoice	Date	Description	Amount
	JANUARY 2017	02/17/2017	EXPENSE REIMBURSEMENT FOR JAN 2017	\$100,908.25
65848	03/09/2017		INDUSTRY SECURITY SERVICES	\$40,914.75
	Invoice	Date	Description	Amount
	14-20060	02/10/2017	SECURITY SVC-TRES HERMANOS	\$2,187.12
	14-20108	02/17/2017	SECURITY SVC-TRES HERMANOS	\$2,187.12
	14-20097	02/17/2017	SECURITY SVC 02/10-2/16/17	\$16,536.31
	14-20154	02/24/2017	SECURITY SVC 02/17-2/23/17	\$17,648.76
	14-20165	02/24/2017	SECURITY SVC-TRES HERMANOS	\$2,355.44
65849	03/09/2017		JAS PACIFIC	\$17,100.00
	Invoice	Date	Description	Amount
	BI 12402 A	01/05/2017	DEVELOPMENT SERVICE SUPPORT-DEC 2016	\$17,100.00
65850	03/09/2017		JEFF PARRIOTT PHOTOGRAPHIC	\$4,316.25
	Invoice	Date	Description	Amount
	00515	02/23/2017	PROF SVC-HOMESTEAD	\$4,316.25
65851	03/09/2017		KEENAN AND ASSOCIATES	\$2,935.00
	Invoice	Date	Description	Amount
	197291	02/10/2017	PREMIUM-INDUSTRY HILLS STORAGE TANKS	\$2,935.00
65852	03/09/2017		KIMLEY-HORN & ASSOCIATES, INC.	\$7,444.11
	Invoice	Date	Description	Amount

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
	8915578	01/31/2017	INTERSECTION EVALUATION-FERRERO PKY/GRAND	\$6,987.17
	8915577	01/31/2017	TRAFFIC ANALYSIS-STONER CREEK	\$456.94
<b>65853</b>	<b>03/09/2017</b>		<b>KLEINFELDER, INC.</b>	<b>\$6,561.70</b>
	Invoice	Date	Description	Amount
	001138209	01/30/2017	NOGALES/FULLERTON RD GRADE SEPARATION	\$6,561.70
<b>65854</b>	<b>03/09/2017</b>		<b>L A COUNTY SHERIFF'S</b>	<b>\$387.89</b>
	Invoice	Date	Description	Amount
	172957NH	02/17/2017	HELICOPTER SVC-JAN 2017	\$387.89
<b>65855</b>	<b>03/09/2017</b>		<b>LA PUENTE VALLEY COUNTY</b>	<b>\$285.28</b>
	Invoice	Date	Description	Amount
	BS; 02/17	02/15/2017	WATER MONITORING-BOY SCOUTS RESERVOIR	\$285.28
<b>65856</b>	<b>03/09/2017</b>		<b>MICHAEL BAKER INTERNATIONAL,</b>	<b>\$16,475.21</b>
	Invoice	Date	Description	Amount
	969860	02/21/2017	PLANNING SUPPORT SVC-JAN 2017	\$16,475.21
<b>65857</b>	<b>03/09/2017</b>		<b>MR PLANT &amp; INTERIOR BOTANICAL</b>	<b>\$778.19</b>
	Invoice	Date	Description	Amount
	MAR 5646	03/01/2017	PLANT MAINT-MAR 2017	\$528.00
	MAR 5645	03/01/2017	PLANT MAINT-MAR 2017	\$250.19
<b>65858</b>	<b>03/09/2017</b>		<b>MUNI-ENVIRONMENTAL, LLC</b>	<b>\$26,618.49</b>
	Invoice	Date	Description	Amount
	17-007	02/17/2017	COMMERCIAL WASTE PROGRAM	\$26,618.49
<b>65859</b>	<b>03/09/2017</b>		<b>MUSULMAN ROOFING CO., INC.</b>	<b>\$6,120.00</b>
	Invoice	Date	Description	Amount
	1123 HATCHER	02/14/2017	EMERGENCY ROOF REPAIR-1123 HATCHER	\$6,120.00

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65860	03/09/2017		NORTON ROSE FULBRIGHT US LLP	\$22,124.00
	Invoice	Date	Description	Amount
	11662026	02/06/2017	BOND SVC FOR 2016 REFUNDING BOND-JAN 2017	\$22,124.00
65861	03/09/2017		OLMOS PROFESSIONAL SERVICES	\$8,782.00
	Invoice	Date	Description	Amount
	241	02/28/2017	JANITORIAL SVC-IMC	\$1,467.00
	240	02/28/2017	JANITORIAL SVC-IPUC BLDG	\$1,815.00
	239	02/28/2017	JANITORIAL SVC-FEB 2017	\$5,500.00
65862	03/09/2017		PACIFIC PALMS CONFERENCE	\$9,516.19
	Invoice	Date	Description	Amount
	MF47965	02/04/2017	WELL STORMWATER CONFERENCE	\$9,516.19
65863	03/09/2017		PAETEC COMMUNICATIONS	\$815.01
	Invoice	Date	Description	Amount
	68834241	02/10/2017	CITY HALL PHONE SVC-FEB 2017	\$815.01
65864	03/09/2017		PARS	\$300.00
	Invoice	Date	Description	Amount
	36651	02/13/2017	REP FEES	\$300.00
65865	03/09/2017		ProcureIT USA, LLC	\$1,697.35
	Invoice	Date	Description	Amount
	PIT110869	02/22/2017	COMPUTER EQUIPMENT FOR SERVER	\$1,697.35
65866	03/09/2017		R.F. DICKSON CO., INC.	\$17,131.51
	Invoice	Date	Description	Amount
	2508382	01/31/2017	STREET AND PARKING LOT SWEEPING	\$17,131.51

**CITY OF INDUSTRY  
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March 9, 2017**

Check	Date	Payee Name		Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65867	03/09/2017	RICOH USA, INC.		\$2,121.72
	Invoice	Date	Description	Amount
	5047034456	02/09/2017	METER READING-FIELD SVC COPIER	\$21.49
	22500038	02/10/2017	COPIER LEASE-FINANCE DEPT	\$287.38
	5047072838	02/13/2017	METER READING-HR COPIER	\$71.53
	22500039	02/10/2017	COPIER LEASE-FIELD SVC DEPT	\$250.93
	5047111659	02/15/2017	METER READING-VARIOUS COPIERS	\$1,490.39
65868	03/09/2017	RICOH USA, INC.		\$3,441.14
	Invoice	Date	Description	Amount
	53424943	02/11/2017	COPIER EASE-HR	\$282.13
	53424530	02/11/2017	COPIER LEASE-MAR 2017	\$3,159.01
65869	03/09/2017	SATSUMA LANDSCAPE & MAINT.		\$130,683.34
	Invoice	Date	Description	Amount
	0217CH	02/28/2017	LANDSCAPE SVC-CIVIC FINANCIAL CENTER	\$24,687.02
	0217CH-1	02/28/2017	LANDSCAPE SVC-VARIOUS AGENCY SITES	\$23,518.43
	0217EC	02/28/2017	LANDSCAPE SVC-EXPO CENTER	\$17,378.00
	0217TA	02/28/2017	LANDSCAPE SVC-TEMPLE & AZUSA AVE	\$39,148.45
	0217XROADS	02/28/2017	LANDSCAPE SVC-CROSSROADS PKY NORTH &	\$25,951.44
65870	03/09/2017	SC FUELS		\$20,310.91
	Invoice	Date	Description	Amount
	3257206	02/09/2017	DIESEL FUEL-INDUSTRY HILLS PUMPS	\$20,310.91
65871	03/09/2017	SO CAL INDUSTRIES		\$348.69
	Invoice	Date	Description	Amount
	260930	02/09/2017	RR RENTAL-16224 TEMPLE AVE	\$84.98
	260928	02/09/2017	RR RENTAL-TONNER CYN/57 FWY	\$84.88
	260929	02/09/2017	RR RENTAL-16200-5 TEMPLE AVE	\$84.98
	260411	02/06/2017	RR RENTAL-TONNER CYN-GRAND AVE	\$93.85

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65872	03/09/2017		SQUARE ROOT GOLF &	\$177,407.55
	Invoice	Date	Description	Amount
	1271ELHM	02/28/2017	LANDSCAPE SVC-EL ENCANTO	\$6,484.00
	1272ELHM	02/27/2017	LANDSCAPE SVC-VARIOUS CITY SITES	\$10,099.00
	1273ELHM	02/27/2017	LANDSCAPE SVC-HOMESTEAD	\$20,792.28
	1274H	02/27/2017	LANDSCAPE SVC-VARIOUS CITY SITES	\$140,032.27
65873	03/09/2017		SST CONSTRUCTION, LLC	\$1,800.00
	Invoice	Date	Description	Amount
	14956	02/10/2017	PREVENTIVE MAINT SVC-METRO SOLAR	\$480.00
	14762	01/31/2017	PREVENTIVE MAINT SVC-METRO SOLAR	\$240.00
	14761	01/31/2017	PREVENTIVE MAINT SVC-METRO SOLAR	\$240.00
	15272	02/16/2017	PREVENTIVE MAINT SVC-METRO SOLAR	\$840.00
65874	03/09/2017		STAPLES BUSINESS ADVANTAGE	\$1,835.71
	Invoice	Date	Description	Amount
	8043033016	02/04/2017	OFFICE SUPPLIES	\$1,835.71
65875	03/09/2017		STATE COMPENSATION INS. FUND	\$5,131.33
	Invoice	Date	Description	Amount
	MARCH 2017	03/01/2017	PREMIUM FOR 3/1-4/1/17	\$5,131.33
65876	03/09/2017		SUN TILE & CERAMIC	\$11,279.32
	Invoice	Date	Description	Amount
	17541	02/13/2017	TILE FOR REMODEL OF 16224 TEMPLE AVE	\$2,602.92
	17538	02/13/2017	TILE FOR REMODEL OF 16200-5 TEMPLE AVE	\$8,676.40
65877	03/09/2017		USA FACT, INC.	\$34.58
	Invoice	Date	Description	Amount
	7021720	02/04/2017	BACKGROUND CHECK SVC	\$34.58

**CITY OF INDUSTRY  
WELL FARGO BANK  
March 9, 2017**

Check	Date		Payee Name	Check Amount
<b>CITY.WF.CHK - City General Wells Fargo</b>				
65878	03/09/2017		VISION TECHNOLOGY SOLUTIONS,	\$27,212.00
	Invoice	Date	Description	Amount
	34288	02/14/2017	IT PROF SVC-REDESIGN WEBSITES	\$27,212.00
65879	03/09/2017		WEST COAST ARBORISTS, INC.	\$1,720.00
	Invoice	Date	Description	Amount
	1-2948	02/04/2017	TREE/STUMP REMOVAL-14425 CLARK AVE	\$1,200.00
	1-2982	02/22/2017	EMERGENCY TREE REMOVAL-13397 TEMPLE AVE	\$520.00
65880	03/09/2017		WREGIS	\$20.00
	Invoice	Date	Description	Amount
	W686	02/10/2017	WREGIS CERTIFICATES	\$20.00

Checks	Status	Count	Transaction Amount
	Total	75	\$2,340,938.38

*CITY COUNCIL*

ITEM NO. 6.2





## MEMORANDUM

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

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

**Staff:** Alex Gonzalez, Director of Development Services and Administration *AG*  
Kristen Weger, Administrative Analyst

**Date:** March 9, 2017

**SUBJECT:** Consideration of Lang, Hansen, O'Malley & Miller Professional Services Agreement for government relations services in the amount of \$25,000 per month

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On October 8, 2015, the City Council approved an Agreement between the City of Industry ("City") and Lang, Hansen, O'Malley & Miller ("LHOM") to provide governmental relations services from November 1, 2015 through December 31, 2016. LHOM specializes in monitoring legislative and administration efforts, review of proposed statutory changes and preparation of all forms or reports necessary to comply with the Political Reform Act of 1974. LHOM will report to the City of Industry ("City") about any statutory changes that may impact the City and ensure compliance with the Political Reform Act of 1974.

Staff recommends that LHOM continue to provide governmental relations services to the City. The Professional Services Agreement term is through March 8, 2018 at a rate of \$25,000 per month.

Fiscal Impact:

Appropriate \$350,000.00 to the General Fund – Legislative – Professional Services (account no. 100-528-5120.01) for the Professional Services Agreement.

Recommendation:

- 1.) Staff recommends approving the Professional Services Agreement with Lang, Hansen, O'Malley & Miller from January 1, 2017 to March 9, 2018 in an amount not to exceed \$350,000.00; and
- 2.) Appropriate \$350,000.00 to General Fund – Legislative – Professional Services (account no. 100-528-5120.01) for the Professional Services Agreement.

Exhibits

A. Professional Services Agreement with Lang, Hansen, O'Malley & Miller dated March 9, 2017

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PJP/AG:kw

**EXHIBIT A**

Professional Services Agreement with Lang, Hansen, O'Malley & Miller  
dated March 9, 2017

[Attached]

## CITY OF INDUSTRY

### PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made as of March 9, 2017 ("Effective Date"), between the City of Industry, a municipal corporation ("City") and Lang, Hansen, O'Malley & Miller, a partnership ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

#### RECITALS

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

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

#### 1. TERM

This Agreement shall commence on the January 1, 2017, and shall remain and continue in effect until tasks described herein are completed, but in no event later than March 9, 2018, unless sooner terminated pursuant to the provisions of this Agreement. Notwithstanding the foregoing, the City may extend the Term of the Agreement for five (5), one year periods, upon approval by the City Manager.

#### 2. SERVICES

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

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

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

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not

limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et. seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

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

### **3. MANAGEMENT**

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

### **4. PAYMENT**

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon the monthly billing rate on the above tasks.

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

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

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

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the City pursuant to Section 5 of this Agreement.

## **6. OWNERSHIP OF DOCUMENTS**

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

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office, and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to City all right, title, and interest,

including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City.

## **7. INDEMNIFICATION**

### **(a) Indemnity for professional liability**

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

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

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

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

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

**8. INSURANCE**

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

**9. INDEPENDENT CONSULTANT**

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

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

**10. LEGAL RESPONSIBILITIES**

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

**11. UNDUE INFLUENCE**

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

**12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES**

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during



his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

**13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST**

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City, unless otherwise required by law or court order. (b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

**14. NOTICES**

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

To City: City of Industry  
15625 E. Stafford, Suite 100  
City of Industry, CA 91744

Attention: City Manager

With a Copy To: James M. Casso, City Attorney  
Casso & Sparks, LLP  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746

To Consultant:

Joseph L. Lang, Managing Partner  
Lang, Hansen, O'Malley & Miller  
1121 L Street, Suite 100  
Sacramento, CA 95814

**15. ASSIGNMENT**

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

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

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconsultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

**16. GOVERNING LAW/ATTORNEYS' FEES**

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Los Angeles County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

**17. ENTIRE AGREEMENT**

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

and upon each party's own independent investigation of any and all facts such party deems material.

**18. SEVERABILITY**

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

**19. COUNTERPARTS**

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

**20. CAPTIONS**

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

**21. WAIVER**

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

**22. REMEDIES**

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

**23. AUTHORITY TO EXECUTE THIS AGREEMENT**

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the

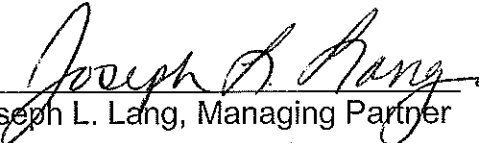
Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above.

**“CITY”**  
**City of Industry**

**“CONSULTANT”**  
Lang, Hansen, O’Malley & Miller

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

By:   
Joseph L. Lang, Managing Partner

**Attest:**

By: \_\_\_\_\_  
Diane M. Schlichting, Chief Deputy City Clerk

**Approved as to form:**

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

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

## EXHIBIT A

### SCOPE OF SERVICES

Consultant shall provide governmental relations services to include, but not limited to:

- 1) Comprehensive monitoring of all legislative and administration efforts addressing the City's concerns. Provide timely reports on those actions to the City of;
- 2) Coordination of legislative efforts with other interest groups who may have an interest in or be supportive of any proposed statutory change. Consultant shall help to develop support from those groups and industries;
- 3) Arrange meetings with key Legislative leaders. Hands-on lobbying of legislation, including meetings with Legislators, attending legislative hearings, helping to prepare testimony, drafting of amendments and other such correspondence; and
- 4) Assist with the preparation of all forms or other reports necessary to comply with the Political Reform Act of 1974.

EXHIBIT B  
RATE SCHEDULE

Consultant shall be compensated twenty-five thousand dollars (\$25,000.00) per month for the Services set forth herein.

## EXHIBIT C

### INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to Agency.

**General liability insurance.** Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000.00 per occurrence, \$2,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

*CITY COUNCIL*

ITEM NO. 6.3



## MEMORANDUM

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

**FROM:** James M. Casso, City Attorney

**DATE:** March 9, 2017

**SUBJECT:** Consideration of Amendment No. 2 to Professional Services Agreement with Cordoba Corporation

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

**DISCUSSION:** The underlying agreement originally terminated on March 31, 2016. Last year, the Council extended the agreement to March 31, 2017. In order for Cordoba to continue its services and efforts, staff and the City Attorney’s office believes the Agreement should be extended for an additional 12 months, terminating on March 31, 2018.

It is expected that Cordoba will continue providing the City with consulting services on potential uses for the Tonner Canyon property, Follows Camp and any other City owned property as requested through the City Manager.

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

**RECOMMENDATION:** Staff recommends that the City Council approve Amendment No. 2 to the Professional Services Agreement with Cordoba Corporation.

**AMENDMENT NO. 2  
TO PROFESSIONAL SERVICES WITH CORDOBA CORPORATION**

This Amendment No. 2 to the Professional Services for Real Estate and Related Advisory Services ("Agreement"), is made and entered into this \_\_\_ day of March, 2017, by and between the City of Industry, a California municipal corporation ("City") and Cordoba Corporation, a California corporation ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties."

**RECITALS**

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

**WHEREAS**, the Agreement is scheduled to terminate on March 31, 2017, and the Parties desire to extend the term of the Agreement to expire on March 31, 2018.

**AMENDMENT**

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

**Section 1. TERM**

The term of this Amendment No. 2 shall commence on April 1, 2017, (the "**Effective Date**") and shall terminate on March 31, 2018, unless otherwise terminated in accordance with Section 5.

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

**IN WITNESS WHEREOF**, the Parties have executed this Amendment No. 2 to the Agreement as of the Effective Date.

**“CITY”**  
**City of Industry**

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

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

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

**Attest:**

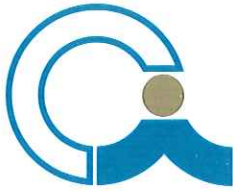
By: \_\_\_\_\_  
Diane M. Schlichting, Chief Deputy City Clerk

**APPROVED AS TO FORM**

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

*CITY COUNCIL*

ITEM NO. 7.1



## MEMORANDUM

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

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

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

**Date:** March 9, 2017

**SUBJECT:** Presentation by Karen Wise and Jane Pisano regarding the Review and Analysis of Operations of the Workman and Temple Homestead Museum

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The City of Industry ("City") owns the Workman and Temple Family Homestead Museum ("Museum"). The City is interested in completing an initial assessment of the potential of the site becoming a regional destination in the San Gabriel Valley and surrounding area. The assessment will include the following: a review of the organization, governance, management, structure and operations of the museum site, an assessment related to professional standards and practices in the museum field including planning, programming, budgeting, collections, financial management, and opportunities for public outreach and future growth. Karen Wise and Jane Pisano will be presenting on their professional backgrounds and experience in analyzing museum operations.

Fiscal Impact:

There is no fiscal impact associated with this item.

Recommendation:

Staff recommends consideration to enter into negotiations for a Professional Services Agreement for review and analysis of operations of the Workman and Temple Homestead Museum subject to City Council approval.

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PJP/AG:kw

*CITY COUNCIL*

ITEM NO. 7.2





# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**TO:** Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** March 9, 2017  
**SUBJECT:** Recommended new official City of Industry Logo

The current City logo does not incorporate the City of Industry's name. It is important to include the City name in the logo, so during presentations, etc., the City is recognized. There has also been a wide range of colors being used for the City logo over the years. We are proposing the official colors to be gold/yellow (PMS 103) and royal blue (PMS 7686). Please find attached the new recommended official City of Industry Logo. These folders were made years ago as the folders for proclamations. This is not the color it is just the logo we are showing you. The new logo will have the City of Industry name, the year the City was incorporated (1957), and Los Angeles County.

**IT IS RECOMMENDED** that the City Council approve the new design and colors to be used as the official City of Industry logo.

### FISCAL IMPACT

Incidental ongoing printing costs.



*CITY COUNCIL*

ITEM NO. 7.3



# CITY OF INDUSTRY

Incorporated June 18, 1957

## MEMORANDUM

**TO:** Honorable Mayor Radecki and Members of the City Council  
**FROM:** Paul J. Philips, City Manager *Paul J. Philips*  
**DATE:** March 9, 2017  
**SUBJECT:** Attached Proposed City of Industry 60<sup>th</sup> Anniversary Celebration Staff Report.

Please review the attached outline of possible activities that would result in a citywide recognition of the 60<sup>th</sup> Anniversary of the City of Industry's Incorporation. Additional staff comments will be presented at this and additional meetings as needed. Staff understands that the City Council may request additional time/meetings to refine the options available to the community.

**IT IS RECOMMENDED** that the City Council review the options and direct staff accordingly, and also approve one 60<sup>th</sup> Anniversary logo to be used.

## 60th Anniversary Staff Report March 9, 2017

---

The City will have its 60<sup>th</sup> anniversary on June 18, 2017. This anniversary provides an opportunity to showcase the City's many accomplishments while celebrating with residents and the neighboring communities with signature anniversary events.

Similar to other cities that have significant anniversaries, a full branding effort for the 60<sup>th</sup> Anniversary would include:

- *60<sup>th</sup> Anniversary Logo*
- *60<sup>th</sup> Anniversary Webpage:* The 60<sup>th</sup> anniversary calendar of events would include highlights of the city's history over the past 60 years. The website may also include an interactive timeline to highlight key historic events, videos, and "then and now" photos.
- *Video Compilation:* Video will be captured during all of the 60<sup>th</sup> anniversary activities to create a video to be posted on the City's website and social media channels.

### **60<sup>th</sup> Anniversary Publication**

*Proposed Dates: May 2017*

The 60<sup>th</sup> Anniversary, provides an opportunity to share the city's history and culture using a variety of platforms, including press releases, social media postings and shareable infographics. Additionally, development of a publication or hard-copy 60<sup>th</sup> Anniversary publication could be an added platform to commemorate the City's history. This publication would feature images from throughout the years as well as then-and-now photos of important city landmarks. The publication will also promote upcoming events.

This publication would be distributed through a mailing to residents, passed out at 60th Anniversary events and would be available at City Hall. The budget below could be offset by advertisements from local businesses and organizations in the City. This budget includes newsletter development, printing and mailing.

<b>Optional Sizes of Publication</b>	<b>Cost</b>
12 Page Newsletter – 500 QTY	\$4,600
20 Page Newsletter – 500 QTY	\$7,250
12 Page Newsletter – 1000 QTY	\$5,925
20 Page Newsletter – 1000 QTY	\$9,200

### **Signature 60<sup>th</sup> Anniversary Events**

#### **Taste of the Town Partnered with IMC**

*Proposed Dates for Consideration: Friday, June 9 (evening), Saturday, June 10 (afternoon), Friday, June 16 (evening), Saturday, June 17 (afternoon)*

Taste of the Town would be a one-day event on the weekend hosted in partnership with the IMC to promote local businesses. The event will be held at the Expo Center and feature tasting booths from local restaurants, bakeries and other vendors. The event would be ticketed and would give attendees unlimited food tastings at a set price for a set number of hours. VIP tickets would allow folks to pay

more for a ticket and arrive at the event an hour early before general admission opens, to sample more booths before the crowd.

- *IMC coordination with Local Restaurants:* The IMC will coordinate and recruit local restaurants and other businesses to participate in the Taste of the Town. There would be no cost for vendors to participate and in exchange for serving appetizer-sized food to event attendees, vendors would receive advertising both in-person as well as on the event website, flyers and all event materials. This exchange for service is typical of similar local food festivals. Vendors would also receive free wristbands to the event for themselves and their staff to utilize. The IMC would spearhead sending these initial communications out to local businesses, and following-up to sign them up as vendors.

Vendor booths could range from local restaurants, to bakeries to alcohol vendors. Other food festivals and local "Taste of the Town" events generally have anywhere from 20 to 40 vendors. Being that the City of Industry has a rich culinary scene, our goal for the Taste of the Town would be to have at least 20 vendors participate.

- *Ticketing and Logistics:* Taste of the Town would be a ticketed event and would give attendees unlimited food tastings at a set price for a set number of hours. There will be discounted pre-sale tickets and VIP tickets for an additional charge.
- *Entertainment:* It is recommended to hire local bands including possibly a local school student musical group to provide musical entertainment.
- *Sponsorships:* The IMC will also recruit sponsorships to offset costs and to generate additional revenue for IMC educational programming. Below is a sample listing of types of sponsor levels, the benefits associated with each sponsorship and a sample range of pricing for each level:

- **Entertainment Sponsors/ Presenting Sponsors**

- This sponsorship would go directly to acquiring the stage, AV and musical entertainment for the event. The entertainment sponsor would get premier banner space behind the stage, ability to place a step and repeat next to the stage.
- Opportunity to host a non-food booth near the registration booth.
- Logo listed on all guest tasting trays (pending guest tray sponsor).
- Recognition on selected event promotional materials, invitations
- 4 VIP tickets, 1 VIP parking pass, early admission, and access to the VIP Lounge
- Name or logo listed on the website event page
- Name listed in the official Event Tasting Guide
- Listing on banners at event

- **Hosts**

- Sponsors would be given the opportunity to speak for 1 minute during the ceremony to the entire audience and would be listed as hosts on the stage.
- Recognition on selected event promotional materials, invitations
- 4 VIP tickets, 1 VIP parking pass, early admission, and access to the VIP Lounge
- Name or logo listed on the website event page
- Name listed in the official Event Tasting Guide
- Listing on banners at event

- **VIP Cabana Sponsor**

- Sponsorship limited to one sponsor who will be listed as the host for the VIP "Lounge" or "Cabana". All signage in VIP area will reflect this sponsor.
- Recognition on selected event promotional materials, invitations
- 4 VIP tickets, 1 VIP parking pass, early admission, and access to the VIP Lounge
- Name or logo listed on the website event page

- Name listed in the official Event Tasting Guide
- Listing on banners at event
- **Guest Tray Sponsors**
  - Logo placed on plastic guest trays that all event attendees receive for tastings.
  - Recognition on selected event promotional materials, invitations
  - 4 VIP tickets, 1 VIP parking pass, early admission, and access to the VIP Lounge
  - Name or logo listed on the website event page
  - Name listed in the official Event Tasting Guide
  - Listing on banners at event
- **VIP Entrance Sponsors**
  - Special recognition on banners at VIP entrance
  - Recognition on selected event promotional materials, invitations
  - 2 VIP tickets, 1 VIP parking pass, early admission, and access to the VIP Lounge
  - Name or logo listed on the website event page
  - Name listed in the official Event Tasting Guide
  - Listing on banners at event
- **Tasting Sponsor**
  - Recognition on selected event promotional materials, invitations
  - Name or logo listed on the website event page
  - Name listed in the official Event Tasting Guide
  - Listing on banners at event

***Proposed Budget for Taste of the Town***

<b>Item:</b>	<b>Notes:</b>	<b>Cost:</b>
<b>Expo Center Rental</b>	Rental of Grand Arena	\$2,000
<b>Restaurant Outreach</b>	Development of letter, sign-up form, printing	\$500
<b>Logo</b>	Development of a simple event logo	\$500
<b>Advertising</b>	Mailer to 13,000 HH, online sponsored content and banner ads	\$15,000-20,000
<b>Sound and Stage</b>	Full AV set-up	\$2,000 - \$4,000
<b>Entertainment</b>		\$2,000
<b>Banners</b>	Promotional event & Sponsor banners	TBD
<b>Easy-ups and Table Rentals</b>	Restaurants to provide. Expo Center has a few that may be rented. IMC may wish to purchase a few to rent or loan out	\$500
<b>Printing of day-of maps, agendas, tasting booklets</b>		\$1,000 - \$2,000
<b>Total</b>		\$24,000 - \$35,000

***\*Budget numbers can be offset by event sponsorships***

## City of Industry Time Capsule

*Proposed Timing: Week of June 18, 2017*

In order to highlight the long and important history of the City of Industry, we recommend partnering with the Workman and Temple Family Homestead Museum to create a 60<sup>th</sup> Anniversary time capsule. The Museum would spearhead the efforts to collect items for the capsule and would hold the capsule in their facility to be opened at a future date. This project run in partnership by the Museum and the City will create an opportunity to engage with the local community as well as local partners.

Working with the Homestead Museum, we could offer a prize of \$500 to the best elementary or junior high submission and a \$1,000 scholarship to the best high school or college submission. The Museum would select a Capsule Committee to meet and review the items submitted, select what would be placed in the capsule and to determine the winning students. The time capsule could be closed on the date of the 60<sup>th</sup> Anniversary and then held at the Homestead Museum or City Hall to be opened at a future date.

- *Capsule Committee:* We recommend the formation of a Capsule Committee to review the items donated for the capsule, decide what to include in the capsule if space becomes an issue and to decide the winners of the prize and scholarship. The Capsule Committee could be selected by the Museum and should include a representative(s) of the museum, a representative of the City, three representatives of other partner groups. Once the date to submit items for the capsule has closed, the Committee would meet to review the items, select what would be placed in the capsule and to determine the winning students.
- *Capsule Event:* The closing of the capsule can take place on its own as a public event at the museum, or in conjunction with another event in the city. There will be a short ceremony where the Museum, the City and the Capsule Committee can give a brief overview of the city's history, discuss the items that were submitted, award the prize and scholarship and close the capsule. Once closed, the capsule would be housed in the Museum to be opened at a later date (100<sup>th</sup> Anniversary).

Item:	Notes:	Cost:
Event Flyer	Development and printing of a Time Capsule flyer with all details and deadline information	\$500
Time Capsule	Purchase of a box or capsule	\$100 - \$800
Elementary/ Junior High Prize		\$500
College Scholarship		\$1,000
Total		\$2,100 - \$2,800



City of Industry  
60 Years Celebration  
Regional Jobs, Enterprise & Infrastructure

# City of Industry 1957-2017

## 60<sup>th</sup> Anniversary of the City

- Provides a unique opportunity to highlight the many contributions the City has provided to its residents and region over the year-long anniversary.
- Provides an opportunity to showcase these accomplishments while celebrating with residents and the neighboring communities with one or two signature anniversary events.
- Incorporate events with key partners including the IMC, Expo Center, and some of the neighboring cities.

# 60<sup>th</sup> Anniversary Branding

Similar to other cities on significant anniversaries, this is an opportunity to celebrate the City's history.

## **This includes:**

- 60<sup>th</sup> Anniversary Logo
- 60<sup>th</sup> Anniversary Webpage to Highlight Celebratory Events
- Video Compilation of the City's history
- City Newsletter to celebrate 60 years and commemorate the City's history
- Development of City Mission and Vision Statements
- **Share the City's story:**
  - Historical evolution
  - Economic Engine for Region
  - Community Improvement and Infrastructure Projects



**YEARS**

Jobs, Enterprise & Regional Infrastructure



**60 YEARS**

Jobs, Enterprise & Regional Infrastructure



**YEARS**

Jobs, Enterprise & Regional Infrastructure

# 60<sup>th</sup> Anniversary Publication

Development of a hard-copy publication will be an added platform to commemorate the City's history and feature images from throughout the years as well as then-and-now photos. The newsletter will also promote upcoming events.

## **This publication would be distributed via:**

- A mailed copy to each resident in the City
- Handed out at 60<sup>th</sup> Anniversary events
- Available at City Hall

Target Publishing Date: May 2017

60<sup>th</sup> Anniversary

# Signature Events

# City of Industry's Taste of the Town

**Taste of the Town** is an opportunity to bring together our neighbors and businesses to celebrate the City's 60 years of history and contributions.

**Partner:** IMC will be the City's partner and coordinate and manage the event.

**When:** Either Friday, June 9 (evening), Saturday, June 10 (1-5PM)

Friday, June 16 (evening) or Saturday, June 17 (1-5PM)

**Where:** Expo Center



# City of Industry Taste of the Town

- IMC recruits local restaurants (about 20) to offer tasting booths.
- Attendees will purchase tickets (consider allowing kids in for free).
- VIP tickets are higher priced tickets and allow for entry to event an hour early before general admission, as well as other benefits.
- IMC will recruit sponsors to support the event.





# City of Industry Taste of the Town



- Feature entertainment from local bands, local schools and potentially incorporate a car show or other entertainment.
- Market event through print and targeted digital media & postcard mailing to Industry residents, businesses, residents of La Puente and Hacienda Heights.
- Opportunity to partner with a local nonprofit to benefit from some of the ticket sale revenue.
- One free ticket can be mailed to each household in the city inside of the Magazine. One lucky "Golden Ticket" will win a Grand Prize at the event, incentivizing residents to attend.

# City of Industry Time Capsule

## Partnership with Homestead Museum

- Work with local nonprofits, youth groups and schools to compile memorabilia and essays from local youth to depict the city's culture in 2017.
  - Work with Homestead Museum to offer a prize of \$500 to the best elementary/ junior high submission and a \$1,000 scholarship to the best high school/ college submission.
  - Museum to select Capsule Committee to meet and review the items, select what would be placed in the capsule and to determine the winning students.
  - The time capsule could be closed on the date of the 60<sup>th</sup> Anniversary and then held at the Homestead Museum to be opened at a future date.
- ***Potential Launch Date: June 2017***

# Potential Capsule Partners

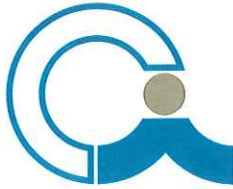
- The Sherriff's Youth Activities League
- The Boy Scouts
- The Gabriel Foundation
- VFW Post 1944
- The IMC
- Rowland Unified School District
- Hacienda La Puente Unified School District
- Bassett Unified School District
- La Puente Valley ROP
- Bishop Amat Memorial High School
- Mt. San Antonio College
- Rio Hondo College
- Cal Poly of Pomona
- Azusa Pacific
- Claremont Colleges
- Caltech
- University of Phoenix, Diamond Bar Learning Center
- Hacienda La Puente Adult Continuing Education
- DeVry Institute of Technology



Thank You

*CITY COUNCIL*

ITEM NO. 7.4



## MEMORANDUM

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

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

**STAFF:** Susan Paragas, Director of Finance  
Steven Avalos, Finance Manager

**DATE:** March 9, 2017

**SUBJECT:** Consideration to Receive and File the FY 2016-2017 Mid-Year Budget Report and Consideration to Approve and Adopt Resolution No. CC 2017-05, approving the Fiscal Year 2016-2017 Mid-Year Budget Amendments

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### BACKGROUND

It is customary for cities to present a mid-year budget report to city councils to convey the city's fiscal condition, revisit any budget assumptions that may have changed during the year, and present any mid-year budget adjustments for the city council's consideration. The presentation of the mid-year budget report identifies and explains fiscal impacts to city councils and seeks direction with respect to both the remainder of the current fiscal year and the preparation of the budget for the upcoming year.

Throughout a fiscal year, unanticipated revenues and expenditures may arise that potentially could impact the adopted budget and require budget amendments. Budget amendments are a sound fiscal practice, a standard financial control for all cities, and ensure budgets are amended properly. For Fiscal Year 2016-2017 ("FY 17"), budget amendments have been routinely presented and approved by the City of Industry's City Council ("Council"). Further, many of the budget amendments are a result of the City's planned reforms to the State Controller's Office Review Report ("SCO Review Report").

On June 9, 2016, the Council adopted the City's FY 17 Operating Budget for its General Fund, all its other funds and affiliated entities. The City took a new approach with the FY 17 Budget Process which entailed implementing a new budget policy of a "Zero-Based" approach that aligned with City operations to actual costs, as well as the undertaking of a new "collaborative" Citywide process in which all departments were responsible for developing their budgets. Further, the FY 17 Budget Process was also one that was fully committed to fiscal transparency and included the City's planned fiscal

and administrative reforms to the SCO Review Report.

The FY 17 Mid-Year Budget Report will provide an update on the City's fiscal performance at the mid-point of the fiscal year, from July 1, 2016 through December 31, 2016, comparing all revenues and expenditures to adopted budget levels. The Mid-Year Budget Report will also provide an update on the City's reform efforts and changes from the FY 17 Adopted Budget, as well as present mid-year budget amendments for Council's consideration. As customary with many cities alike, the Mid-Year Budget Report will focus on the General Fund, as this is the City's primary operating fund that supports the traditional municipal services, and will address fiscal issues as needed in other impacted funds.

**DISCUSSION**

**FY 2016-2017 Mid-Year Budget Report**

Council adopted a FY 17 General Fund operating budget of \$40.3 million, supported by \$51.0 million in revenues. Since then, there have been several changes to the adopted budget which largely reflects the City's continued efforts and commitment to implement its fiscal and administrative reforms in response to the SCO Report. The FY 17 Mid-Year Budget Report discusses revenue and expenditure performances through the halfway point of the year and provides an overview of the FY 17 Proposed Budget Amendments.

**General Fund - Revenues**

Below is an overview of the City's mid-year revenue performance for the General Fund compared to this same period in the prior fiscal year.

<b>Table 1 – General Fund Revenues (In Millions)</b>				
	<b>FY 17 Adopted</b>	<b>FY 17 Actuals Thru 12/31/16</b>	<b>FY 16 Actuals Thru 12/31/15</b>	<b>% Increase / (Decrease)</b>
<b>Taxes</b>	\$35.26	\$18.16	\$13.20	37.6%
<b>Fees and Charges</b>	5.18	2.32	1.39	66.9%
<b>Use of Money &amp; Property</b>	10.56	4.11	3.15	30.5%
<b>Totals</b>	<b>\$51.00</b>	<b>\$24.59</b>	<b>\$17.73</b>	<b>38.7%</b>

**Taxes**

- Sales Tax revenues are the City's top revenue source in the General Fund and accounts for over 60% of all General Fund revenues. Through the midpoint of the



year for FY 17, sales tax revenues are significantly higher from last year by 41.8% (or \$4.8 M). However, this significant increase is largely due to the ending of the "Triple Flip." In FY 16 and for the last several years prior, the State diverted 0.25% of the City's monthly allocation of sales tax revenues and restored these amounts in January and May of each year. For FY 17, the City now receives its full 1% monthly allocation of sales tax revenues and is on target to reach our projected FY 17 adopted levels. Despite losing two major sales tax providers in the last fiscal year, the City continues to see a rise in its sales tax revenues.

- Property Tax revenues are a key foundation source of revenue for most cities, and is a consistent revenue source for the City. In FY 17, property tax revenues at mid-year are up by 4.5% (or \$47K) and are on target to meet year-end projected levels.
- The City's Transient Occupancy Taxes ("TOT") rate is 10% and is generated by the City's lone hotel, the Pacific Palms Resort at Industry Hills. TOT revenues are up by 21.7% (\$103K) from last year, and is another positive sign for the City's revenue base. TOT revenues are anticipated to be on track with its projected budget levels.

### **Fees and Charges**

- The increase in revenues from prior year is primarily attributable to the growth in the development of properties in the City. License and permits are higher than last year by almost \$1 million. The FY 17 budget is projected to be on target.

### **Use of Money and Properties**

- Rental income revenues have increased from its adopted budget. When the City adopted its budget in June 2016, the City was in the process of purchasing and acquiring a number of properties owned by the Successor Agency. Since then, the City has purchased several properties, including the properties leased by businesses such as Best Buy, Bank of America, and One West Bank. The City has also approved several licensing-lease agreements for vacant City lots since the budget adoption. As a result, Rental Income has increased significantly by over \$462K (130% increase) since last year; and is projected to surpass its budget by approximately \$900K. A budget increase for this revenue will be presented as part of the FY 17 Proposed Mid-Year Budget Amendments.

### **General Fund - Expenditures**

Council adopted a FY 17 General Fund Operating Budget of \$40.3 million. During the FY 17, budget amendments have been routinely presented and approved by Council. Further, many of the budget amendments are a result of the City's planned reforms to the SCO Review Report. As such, there have been several changes to the FY 17 Adopted Budget; and an overview of all department budgets' are summarized below.

<b>Table 1 – General Fund Expenditures</b> (In Millions)					
	<b>FY 16/17 Adopted</b>	<b>FY 16/17 Revised</b>	<b>FY 17 Actuals Thru 12/31/16</b>	<b>FY 16 Actuals Thru 12/31/15</b>	<b>% Increase / (Decrease)</b>
<b>Administrative Services</b>	\$7.9	\$8.3	\$4.1	\$5.2	<b>-21.3%</b>
<b>Financial Services</b>	2.9	2.9	1.4	0.9	<b>65.1%</b>
<b>Development Services</b>	26.0	28.6	10.9	8.6	<b>26.9%</b>
<b>Community Support &amp; Regional Improvements</b>	<u>3.6</u>	<u>3.6</u>	<u>1.3</u>	<u>2.0</u>	<b>-35.7%</b>
<b>Grand Total:</b>	<b>\$40.3</b>	<b>\$43.4</b>	<b>\$17.7</b>	<b>\$16.6</b>	<b>6.3%</b>

Overall, in FY 17, the City has expended slightly more by \$1.1 M (or 6.3%) compared to this same halfway point in FY 2015-16 (“FY 16”). This increase is primarily due to the City’s significant organizational changes since the beginning of FY 16, as the City has undertaken a citywide organizational restructuring such as the hiring of new City staff. Moreover, the City realigned its operations by forming several new departments and divisions. Specifically, the City established new departments: Development Services and Financial Services. Furthermore, departmental spending appears higher in FY 17 and is partially due to employee-related benefits (i.e. Medical, Dental, Medicare, Retirement, etc.) being budgeted and recorded in each employees’ respective department and division. In prior years, these benefits were budgeted and recorded in a non-departmental account. Spending is also slightly higher in FY 17 due to the City’s implementation of its planned fiscal and administrative reform efforts, which are outlined below.

- 1) Administrative Services – The Administrative Services Department primarily consists of the City Council, City Attorney, City Manager’s Office, Central Services, and Human Resources divisions. The \$0.4 M increase in the Administrative Services Department budget can be largely attributed to a contract amendment to the City’s Environmental Services contract (\$145K), as well as a budget amendment approved to pay for the final invoice for the State Controller’s Office Audit of the City in the previous fiscal year (\$194K).
- 2) Financial Services – The Financial Services Department consists of the City Treasurer’s Office and Finance divisions. While there has not been a fiscal impact to note in FY 17, there has been a significant organizational change in this department. In September 2016, Council approved the reorganization of the Finance Department by approving seven (7) new

positions in Finance, as well as two (2) other positions in other departments. The primary purpose was to create an "in-house" Finance department staff to ensure proper internal financial controls are adhered to and to protect the City's fiscal assets and resources to correct the financial deficiencies cited in the SCO Review Report. The projected fiscal impact is discussed below in the Mid-Year Amendments section.

- 3) Development Services – The Development Services Department primarily consists of Planning, Public Safety, Field Operations, Engineering Services, and the Development Services divisions. In response to the SCO Review Report, the City committed itself to conducting a thorough review and analysis of all its contracts and agreements. Thus, current contracts are being re-negotiated to updated terms and conditions. Furthermore, formal and transparent Request for Proposals were administered to approve new agreements/contracts.

With the commitment, the City has approved numerous new contracts, as well as selected professional services benches for the following: Planning Services, Architectural Services, Engineering Services and Maintenance Services. Over time, the City has allowed a significant amount of deferred maintenance to accumulate at existing properties, and a substantial effort was initiated in 2017 to address all deferred maintenance by 2018. In addition, the City has brought a number of firms on board to design and implement capital projects to satisfy the City's bond responsibilities. It is expected that \$25 million in design work is needed over the next three (3) years to satisfy the City's \$250 million capital bond construction requirements over the next 10 years. As a result of the efforts, the FY 17 Development Services Budget has increased by \$2.6 M since its adoption.

### **FY 17 Proposed Mid-Year Amendments**

As prefaced earlier in this report, as unanticipated changes in income and expenditures occur, adopted budget assumptions may change and corrections to the current budgets may be needed. Below is a summary of the major budget amendments presented for Council's consideration to approve.

#### Revenues:

- 1) *Rental Income* – Budget increase due to additional lease income as a result of City purchases of commercial properties.
- 2) *Reimbursement-Successor Agency* – Budget increase due to recovery of costs from 2015 Taxable Sales Tax Revenue bond proceeds for eligible property acquisitions/purchases. In addition, CIP reimbursement for the 57/60

Confluence project from the Successor Agency was not established during the FY 17 budget process. Per the City's Memorandum of Understanding ("MOU") Agreements, with Caltrans and the Successor Agency, the City is required to pay for all costs associated with projects, in which Successor Agency will reimburse the City.

- 3) *Sales Tax* – Budget reduction for final sales tax rebate due to a tax-sharing agreement.

Expenditures:

- 4) *Citywide Employee Plan Benefits* – In June and July 2016, after the FY 17 budget was adopted, Council approved several changes to the City's employees' and retirees' benefit plans and switched to new health coverage providers. The primary purpose for the changes was to provide broader coverage levels for our City employees and retirees, and to yield the City significant savings of \$1.6 million annually per year. The projected fiscal impact to amend the FY 17 Adopted Budget is proposed with a pro-rated savings in the amount of \$1.4 M.
- 5) *Finance Department Reorganization* – In September 2016, Council approved the addition of seven (7) new positions in Finance (as well as two other positions in other departments) to form a new, in-house Finance Department. A one-time fiscal impact of \$77K is anticipated for FY 17 and is included as a budget amendment. This fiscal impact is largely due to the transition from the City's Contracted Accounting Services Contract, which performed Accounting Services for the City through the first half of the year. Beginning in FY 18 and beyond, it is anticipated the City will achieve over \$600K in annual savings.
- 6) *Personnel Adjustments* – Staff is recommending budget adjustments for various personnel changes made through the 1st half of the fiscal year and to approve the budget of two (2) part-time receptionist positions and three (3) part-time Code Enforcement Officer positions.
  - Two (2) part-time Receptionist positions will provide an annual savings of \$34K by reorganizing the one full-time position into two part-time positions to work a combined 40 hours per week. Having two positions will allow for coverage at the reception desk when needed. Additionally, staff in the positions can be utilized in other departments.
  - The transfer of three budgeted part-time contract code enforcement positions, to three in house part-time code enforcement positions, working a total of 60 hours per week,

saving \$22K while providing an additional 780 hours per year. As code enforcement officers handle sensitive legal situations, partner with the Los Angeles County Sheriff's Department, partner with regulating agencies, and act as agents of the City in levying citations, it is critical that these employees are under direct control of the City. This recommended change is not only for the protection of the City, but also for the protection of the contractor who may face significant legal exposure.

- 7) *Capital Improvement Program ("CIP") Budget* – City staff has been working extensively with all Engineering contractors to identify "high-priority" and active projects for this fiscal year and to properly amend their budgets for this year and beyond. The City had not previously completed an extensive capital projects schedule and resources analysis, and the FY 17 CIP was developed using the best information available during budget development. City staff and contractors have been working over the last several months to analyze all capital projects, develop resource targets, and develop realistic schedules while bringing in support staff to accelerate project development. As a result of the analysis over the last 120 days, it was determined that several projects will not commence or be completed in FY 17. Therefore, the proposed amended CIP Budget for FY 17 decreased to \$14.7 million, from the budgeted \$50.8 million, yielding a savings of \$36.0 million to the General Fund. The Proposed CIP Budget Amendments are attached as Exhibit B.

The City is endeavoring to adopt a formal 5-Year CIP Plan in FY 18, which will improve the planning and budgeting of all the City's CIP projects, aligning costs with its appropriate phase and anticipated completion dates. Overall, this will also greatly assist the City in its overall fiscal planning and forecasting, as well as ensuring that projects are completed as quickly as possible to ensure that the City's capital bond resources are not diminished in value over time due to delays in designing and constructing projects.

- 8) *Appropriating the 2015 Sales Tax Revenue Bond Proceeds of \$250 Million*  
In December 2015, the City issued bonds that resulted in approximately \$250 million of available bond proceeds from the 2015 Sales Tax Revenue bond issue. Per the bond covenants, these bond proceeds can be utilized to support all capital infrastructure projects, including the purchase and acquisition of properties within the City limits, but have not yet been appropriated for City projects. Staff is recommending to re-allocate the budget of \$14.7 million from the General Fund to the Capital Projects Fund where the 2015 Sales Tax Revenue bond proceeds ("Bond Proceeds") are recorded.

Further, the Bond Proceeds can also be utilized to support any property acquisitions the City made in FY 17 and during the last half of FY 16. The City purchased several properties from the Successor Agency since June 2016, which included the properties leased to businesses such as Best Buy, Bank of America, and One West Bank. For FY 17, the Bond Proceeds can support the six (6) properties purchased by the City and reimburse the General Fund in the total amount of \$35 million. Additionally, the Bond Proceeds will also reimburse the City in the amount of \$8.7 million for the three (3) property purchases that occurred in the last half of FY 16. The total reimbursement will be approximately \$43.7 million to the General Fund.

9) *57/60 Confluence Project* – A budget amendment is necessary as the costs associated with the 57/60 Confluence project was not established during the FY 17 budget process. Per the City's MOU Agreements, with Caltrans and Successor Agency, City is required to pay for all costs associated with project, in which Successor Agency will reimburse the City.

10) *Other Budget Amendments* - Various budget amendments, listed in Exhibit A, are recommended such as adjustments in property maintenance costs, the settlement payment for State Water Resources Control Board ("SWRCB"), community contributions and an equipment purchase for tree removal.

The proposed budget amendments are identified and presented in Exhibit A and Exhibit B, and are recommended for Council's consideration and approval.

The majority of the City budgets are on track and the proposed budget amendments allow the City to prepare for the upcoming FY 2017-2018 budget process which is to begin on March 13, 2017.

Moreover, in the near future, to recapture the funds the General Fund provided for IPUC expenditures, a loan between the General Fund and IPUC will be presented for Council and IPUC Board approval. This will provide repayment of any General Fund expenditures spent for IPUC.

The Finance Department will continue to monitor the City's budgets to ensure that the City stays within its authorized limits and to protect its assets and resources.

### **FISCAL IMPACT**

By approving the FY 17 Proposed Budget Amendments as presented in Exhibit A and Exhibit B:

- 1) Budgeted revenues will increase by an estimated \$51.1 million, primarily due to:
  - o Increase in commercial rental income and the

- reimbursement from the Successor Agency; and
  - Reimbursement to the General Fund of \$43.7 million from the 2015 Sales Tax Bond Proceeds for property purchases and acquisitions.
- 2) Budgeted expenditures will increase by a net of approximately \$14.8 million (as shown on Exhibit A) which mainly was due:
- Combination of reductions in personnel costs, CIP and property maintenance; and
  - Establishment of budgets largely for CIP projects, CIP reimbursement to the General Fund and the settlement for the SWRCB.

### **RECOMMENDATION**

Staff recommends that the City Council receive and file the FY 17 Mid-Year Budget Report, and adopt Resolution No. CC 2017-05 approving the proposed FY 17 mid-year budget amendments.

#### Attachments:

1. Resolution CC 2017-05: A Resolution Approving and Adopting FY 2016-2017 Mid-Year Budget Amendments
2. Exhibit A – Proposed FY 2016-2017 Mid-Year Budget Amendments (non-CIP)
3. Exhibit B – Proposed FY 2016-2017 CIP Mid-Year Budget Amendments

**RESOLUTION NO. CC 2017-05**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
INDUSTRY, CALIFORNIA, APPROVING AND ADOPTING THE  
FISCAL YEAR 2016-2017 MID-YEAR BUDGET AMENDMENTS**

**WHEREAS**, on June 9, 2016, the City Council ("Council") adopted the City's Fiscal Year 2016-2017 ("FY 17") Operating Budget for its General Fund and all its funds and affiliated entities; and

**WHEREAS**, the City used a "Zero-Based" approach with the development of the FY 17 budget process that aligned true City operations to actual costs, as well as the undertaking of a new "collaborative" Citywide process in which all departments were responsible for developing their budgets; and

**WHEREAS**, the FY 17 budget process was fully committed to fiscal transparency, and included the City's planned fiscal and administrative reforms in response to the State Controller's Office Review Report ("SCO Review Report"); and

**WHEREAS**, it is customary for cities to present a Mid-Year Budget Report to Council to report on the City's fiscal condition, revisit any budget assumptions that may have changed during the year, and present mid-year budget adjustments for Council's consideration; and

**WHEREAS**, throughout a fiscal year, unanticipated changes in revenues and expenditures may arise that could potentially impact the adopted budget. Thus, requiring budget amendments, in which budget amendments are a sound fiscal practice, a standard financial control for cities, and ensure budgets are amended properly by city councils in a transparent manner; and

**WHEREAS**, for FY 17, budget amendments have been routinely presented and approved by Council, which are largely the result of the City's planned fiscal and administrative reforms to the State SCO Review Report; and

**WHEREAS**, on March 9, 2017, the FY 17 Mid-Year Budget Report was presented to the Council and provided an update on the City's fiscal performance through the mid-point of the fiscal year, from July 1, 2016 through December 31, 2016, comparing all revenues and expenditures to the same period in the prior fiscal year; and

**WHEREAS**, the FY 17 Mid-Year Budget Report provided an update to Council on the City's fiscal and administrative reform efforts and with recommendations of FY 17 Mid-Year Budget Amendments for Council's consideration to approve and amend the FY 17 Adopted Budget; and

**WHEREAS**, the FY 17 Mid-Year Budget Report provided an update on the FY 17 Adopted Capital Improvement Projects ("CIP") Program and its current status of, in which



FY 17 CIP Program budget amendments were recommended for Council's consideration to approve and amend the FY 17 Adopted Budget.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

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

**Section 2.** The City Council received a presentation on the FY 17 Mid-Year Budget Report and hereby approves its receiving and filing.

**Section 3.** The City Council approves Resolution No. 2017-05 hereby approving the FY 17 Mid-Year Budget Amendments (non-CIP), attached to this resolution as Exhibit A, and approving the FY 17 CIP Mid-Year Budget Amendments, attached to this resolution as Exhibit B, and, therefore, amending the City's FY 17 budget.

**Section 4.** The City Council hereby authorizes the City Manager, or Designee, to make the appropriate changes and budget amendments in the City's Financial System.

**Section 5.** The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**Section 6.** This resolution shall be effective immediately.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Industry at a regular meeting held on March 9, 2017, by the following vote:

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

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

**ATTEST:**

\_\_\_\_\_  
Diane Schlichting, Chief Deputy City Clerk

**City of Industry**  
**FY 17 Proposed Mid-Year Budget Amendments (non-CIP)**

**Exhibit A**

#	Proposed FY 17 Mid-Year Budget Amendments	Proposed Mid-Year Budget Amendments	Department(s) / Account(s)	Fund(ing) Source
<b>Revenue Amendments</b>				
1	<b>Revenues - Rental Income -</b> Increase budget due to additional lease income generated by City's purchases of commercial properties in FY 17.	\$ 1,011,000	Revenues	General Fund
2	<b>Revenues - Reimbursement -</b> Reimbursement from 2015 Taxable Sales Tax Revenue bonds for General Fund eligible purchased properties within City boundaries.	43,743,000	Revenues	General Fund
3	<b>Revenues - Reimbursement -</b> Reimbursement from Successor Agency for 57/60 Confluence Project. Per the City's MOU Agreements, with Caltrans and Successor Agency, City is required to pay for all costs associated with project, in which Successor Agency will reimburse the City.	6,414,500	CIPs	CIP Fund
4	<b>Revenues - Sales Tax (Rebate) -</b> Decrease revenue budget to support final sales tax rebate from tax-sharing agreement.	(85,000)	Revenues	General Fund
<b>Total Revenue Amendments:</b>		<b>\$ 51,083,500</b>		
<b>Expenditure Amendments</b>				
5	<b>Citywide Employee Plan Benefits -</b> Decrease budget due to savings from City's new enrollment in various medical and life insurance plans.  <i>(Pro-rated based on plans' effective dates.)</i>	\$ (1,406,950)	All Departments	General Fund
6	<b>Finance Department Reorganization -</b> Net Budget adjustment for: 7 New Finance Positions, 1 New Development Services Department Position, 1 New City Manager's Office Position and increase in professional services contract with reduction accounting services contract  <i>(Pro-rated based on new employees' start dates and/or anticipated start dates.)</i>	77,100	Finance Department, Development Services Department, City Manager's Office	General Fund
7	<b>Personnel Adjustments -</b> Budget adjustments for various personnel changes made through the 1st half of the fiscal year and includes budget amendments for two (2) part-time Receptionist positions and three (3) part-time Code Enforcement Officers.	(421,730)	City Clerk, Human Resources, Development Services, All Departments CRIA	General Fund
8	<b>2015 Taxable Sales Tax Revenue Bond Proceeds (\$250 M)-</b> Re-allocate and revise eligible City capital improvement projects by charging to bond proceeds in CIP fund.	(36,019,845)	All City Projects (Funded by General Fund)	CIP Fund

**City of Industry**  
**FY 17 Proposed Mid-Year Budget Amendments (non-CIP)**

**Exhibit A**

#	Proposed FY 17 Mid-Year Budget Amendments	Proposed Mid-Year Budget Amendments	Department(s) / Account(s)	Fund(ing) Source
9	<b>2015 Taxable Sales Tax Revenue Bond Proceeds (\$250 M) -</b> Setup budgets in CIP fund to reimburse General Fund for eligible purchased properties using bond proceeds.	43,743,000	Property Purchases (Funded by General Fund)	CIP Fund
10	<b>57/60 Confluence Project -</b> Per the City's MOU Agreements, with Caltrans and Successor Agency, City is required to pay for all costs associated with project, in which Successor Agency will reimburse the City. Therefore, the City should budget total project.	6,446,000	CIPs	CIP Fund
11	<b>Property Maintenance -</b> Reduction in costs to General Fund. These costs were to be reimbursed by the Successor Agency.	(209,100)	Civic Financial Center Tres Hermanos	General Fund
12	<b>Environmental Improvement Project -</b> Budget for State Water Resources Control Board Settlement Agreement & Project	2,500,000	General Fund	General Fund
13	<b>Community Contributions -</b> Donation to Veterans Ropers Foundation	40,000	Community Promotions	General Fund
14	<b>Equipment Purchase -</b> Tree Stump Removal Vehicle	17,300	Field Operations	General Fund
<b>Total Expenditure Amendments:</b>		<b>\$ 14,765,775</b>		

**City of Industry**  
**FY 17 CIP Proposed Mid-Year Budget Amendments**

**Exhibit B**

#	Project Name	FY 17 Adopted Budget (incl. FY 16 Carry-Over)	FY 17 Proposed Revised Budget	Proposed Mid-Year Budget Amendments	Design Completion	Construction Commencement
<b>Grade Separations</b>						
1	Fullerton Road Grade Separation (near Railroad Street and Gale Avenue)	6,786,415	250,000	(6,536,415)	Winter 2015	Summer 2016
2	Fairway Drive Grade Separation (near Walnut Drive North)	5,302,831	150,000	(5,152,831)	Summer 2014	Summer 2015
<b>Street Widening Reconstruction, Resurfacing, Slurry Seal</b>						
3	Colima Road Widening and Intersection Modifications from Stoner Creek Road to Azusa Avenue (Co-op Project with L.A. County)	339,608	110,000	(229,608)	Summer 2017	Summer 2018
4	Clark Avenue Widening from 9th Avenue (westerly 550' and Sidewalk Improvements from 7th Avenue easterly 1,100')	40,000	353,355	313,355	Winter 2014	Completed Feb 2017
5	Walnut Drive South Street Widening and Storm Drain Improvements	1,147,915	125,000	(1,022,915)	Summer 2017	Winter 2018
6	Crossroads Parkway South Reconstruction or Replacement with PCC Pavement (from the north side of the bridge over the Pomona Freeway to Crossroads Parkway North)	572,918	30,000	(542,918)	On hold awaiting citywide new citywide pavement analysis	
7	Don Julian Road & Unruh Ave. Resurfacing, 6th Avenue to 7th Avenue	198,450	360,150	161,700	Spring 2017	Fall 2017
8	Unruh Avenue Resurfacing	161,700	-	(161,700)	Project will be consolidated with Don Julian Road Project (No. 7)	
9	San Jose Avenue Reconstruction (500' west of Nogales Street to 400' west of Charlie Road)	1,808,100	160,000	(1,648,100)	Spring 2017	Fall 2017
10	Arenth Avenue Reconstruction from Fullerton Road to Nogales Street	5,000,000	500,000	(4,500,000)	Spring 2017	Fall 2017
11	Reconstruct Portions of Bixby Drive and Chestnut Street (near the peaker plant)	342,000	150,000	(192,000)	Summer 2017	Winter 2017
12	Pellissier Place Reconstruction and Resurfacing, Peck Road to Workman Mill Road	100,000	-	(100,000)	On hold awaiting citywide new citywide pavement analysis	
13	Business Parkway Resurfacing	400,000	-	(400,000)	Summer 2019	Winter 2020
14	Rowland Avenue Reconstruction, Lawson Avenue to 800' west of Ajax Avenue	329,000	100,000	(229,000)	Summer 2017	Winter 2018
15	Citywide On-Call Minor Highway and Street Improvements	563,500	225,000	(338,500)	Annual On-Call Street Improvement Program	
16	COI - Pavement Management System	270,000	20,000	(250,000)	Study is Budgeted in General Fund - complete in April 2017	

**City of Industry**  
**FY 17 CIP Proposed Mid-Year Budget Amendments**

**Exhibit B**

#	Project Name	FY 17 Adopted Budget (incl. FY 16 Carry-Over)	FY 17 Proposed Revised Budget	Proposed Mid-Year Budget Amendments	Design Completion	Construction Commencement
<b>Bridge Widening, Seismic Retrofit, &amp; Preventative Maintenance</b>						
17	Azusa Avenue Bridge Painting (bridge spans over Valley Boulevard, UPRR R/W, San Jose Creek and Chestnut Street)	228,347	350,000	121,653	Summer 2017	Summer 2018
18	Grand Avenue Bridge Widening at San Jose Creek	649,000	100,000	(549,000)	Spring 2018	Fall 2018
19	Seismic Retrofit Anaheim-Puente Over San Jose Creek	150,000	100,000	(50,000)	Spring 2018	Winter 2019
20	Nelson Avenue Over Puente Creek	400,000	100,000	(300,000)	Summer 2018	Spring 2019
<b>Traffic Signal and Traffic Related Improvements</b>						
21	Don Julian Road and 6th Avenue Traffic Signal and Intersection Modifications (new signal; includes R/W)	667,800	100,000	(567,800)	Spring 2017	Fall 2017
22	Traffic Signal and Intersection Modifications at Nelson Avenue and Sunset Avenue (to add left turn pockets on Nelson Avenue; shared with La Puente)	1,224,000	150,000	(1,074,000)	Summer 2017	Fall 2017
23	Traffic Signal and Intersection Modifications at Nelson Avenue and Puente Avenue (to add left turn pockets on Nelson Avenue; shared with La Puente and L.A. County)	1,224,000	100,000	(1,124,000)	Summer 2017	Fall 2017
24	Azusa Avenue and Temple Avenue Intersection Modifications (for dual right turn lanes for eastbound Temple Avenue to southbound Azusa Avenue)	290,000	150,000	(140,000)	Fall 2017	Spring 2018
25	Traffic Signal and Intersection Modifications at Gale Avenue and Jellick Avenue	110,000	-	(110,000)	Project On Hold	
26	Traffic Signal Modification at Gale Avenue and Stoner Creek Road	200,000	50,000	(150,000)	Currently a study	
<b>Storm Drain Improvements</b>						
27	Ajax Avenue Storm Drain	647,130	100,000	(547,130)	Spring 2017	Fall 2017
28	Peck Road Storm Drain Cleaning (co-op project with Sanitation Districts of Los Angeles County)	68,938	-	(68,938)	General Maintenance - Will be shifted to the GF	
29	Kella Avenue Storm Drain	10,000	-	(10,000)	General Maintenance - Will be shifted to the GF	
30	Grade Separation Pump House Upgrades	216,549	40,000	(176,549)	Spring 2018	Winter 2019
31	Cleanout of Stormdrain Treatment Devices, CDS Units	176,400	-	(176,400)	General Maintenance - Will be shifted to the GF	
32	Regional Infiltration Basin - MS4 Requirement (San Angelo Park)	1,256,060	20,000	(1,236,060)	Winter 2018	Summer 2019
33	Catch Basin Retrofits - MS4 Requirement	864,900	250,000	(614,900)	Winter 2016	Summer 2017

**City of Industry**  
**FY 17 CIP Proposed Mid-Year Budget Amendments**

**Exhibit B**

#	Project Name	FY 17 Adopted Budget (incl. FY 16 Carry-Over)	FY 17 Proposed Revised Budget	Proposed Mid-Year Budget Amendments	Design Completion	Construction Commencement
<b>IPUC (Water and Electric Utility)</b>						
34	Homestead Recycled Water System Project	303,600	-	(303,600)	Design phase - permitting	
35	Recycled Water Line Extensions to Civic Center	500,000	-	(500,000)	Design phase - permitting	
<b>Expo Center at Industry Hills</b>						
36	Sewer Main Replacement, Realignment, Installation of PVC Lining Repairs and Adjustment of Manholes, at various locations throughout the complex	514,500	70,000	(444,500)	Summer 2017	Winter 2017
37	Painting the Grand Arena	841,500	10,000	(831,500)	Fall 2017	Winter 2017
38	Resurfacing of Roadways and Parking Lots	965,800	225,000	(740,800)	Summer 2017	Fall 2017
39	Pavilion Upgrades	500,000	160,000	(340,000)	Winter 2017	Spring 2018
40	Upgrade Barn Lighting Facility	193,000	260,000	67,000	Winter 2017	Summer 2017
41	New Banquet Hall Facilities	200,000	-	(200,000)	On hold - address deferred maintenance first	
42	Avalon Room: Remodel Restroom, Upgrade Meeting Lights, Cross Walk Restriping, Catering Kitchen, Outdoor Canopy Shade Structure for Patio Bar Removal, Relocate AC System	495,000	40,000	(455,000)	Winter 2017	Fall 2017
43	Patio Café: Upgrade kitchen to energy efficient appliances, remodel restrooms, enlarge restroom facilities, mobile kitchen or permanent kiosk.	-	25,000	25,000	Winter 2017	Fall 2017
44	Grand Arena Building Improvements	100,000	-	(100,000)	Summer 2017	Spring 2019
<b>Industry Hills Golf &amp; Convention Facilities</b>						
45	Repair settlement damage at the parking structure and adjacent employee parking area, including repairs of the perimeter parking lot lighting	392,500	20,000	(372,500)	Pre-Design Phase	
46	Repair settlement damage at the laundry building	184,279	65,000	(119,279)	Pre-Design Phase	
47	Paint, refurbishment, or replacement of perimeter wrought iron fence along Temple Avenue and Azusa Avenue	1,000,000	300,000	(700,000)	Summer 2017	Fall 2018
<b>San Gabriel Canyon Properties</b>						
48	Future Oak Tree Remediation (per arborist inspections, including monitoring by arborist)	38,250	5,000	(33,250)	General Maintenance - Will be shifted to the GF	
49	Demolition of Remaining Substandard Buildings and Abatement of Lead and Asbestos	184,900	20,000	(164,900)	Design/Permitting Phase	
50	Annual Erosion Control and Repair of Storm Drains	10,000	50,000	40,000	General Maintenance - Will be shifted to the GF	

**City of Industry**  
**FY 17 CIP Proposed Mid-Year Budget Amendments**

**Exhibit B**

#	Project Name	FY 17 Adopted Budget (incl. FY 16 Carry-Over)	FY 17 Proposed Revised Budget	Proposed Mid-Year Budget Amendments	Design Completion	Construction Commencement
<b>Tonner Canyon</b>						
51	Brush Clearance Program with California Department of Forestry (DOF; consultant services and equipment costs)	198,900	-	(198,900)	General Maintenance - Will be shifted to the GF	
<b>IPHMA</b>						
52	Cleaning and repair of sewer system for Lake Loop (adjust manholes and cleanouts to grade, video 4" and 6" lines, and hydrojet system)	41,310	-	(41,310)	General Maintenance - Will be shifted to the GF	
53	New Housing at Faure Ave and Valley Blvd	2,889,500	300,000	(2,589,500)	Zoning/ Gen Plan update needed prior to project design	
<b>Civic Center Facilities</b>						
54	Civic Center/ Council Chamber Improvements	650,000	200,000	(450,000)	Pre-Design Phase	
55	Civic Center Landscaping Refurbishment	114,750	-	(114,750)	Pre-Design Phase	
56	City Hall LED Lighting & Restroom Upgrades (New Project)	-	150,000	150,000	Winter 2017	Summer 2017
<b>GRAND TOTALS</b>		<b>\$ 42,063,350</b>	<b>\$ 6,043,505</b>	<b>\$ (36,019,845)</b>		

*CITY COUNCIL*

ITEM NO. 7.5





## MEMORANDUM

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

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

**Staff:** Alex Gonzalez, Director of Development Services and Administration *AG*  
Kristen Weger, Administrative Analyst

**Date:** March 9, 2017

**SUBJECT:** Resolution No. CC 2017-06 of the City Council of the City of Industry, California Approving the General Services Agreement by and between the City of Industry and County of Los Angeles

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The County of Los Angeles has been providing as-needed time limited services to the City of Industry ("City") for many years. The General Services Agreement is general in nature and simply authorizes the County to provide services as requested by the City. Services provided under the GSA consist of "as-needed" time-limited services such as animal control, tree removal, traffic signal and street repairs, pump house maintenance, traffic control, sewer, stormdrain and accident repairs among other on-call public works services. Ongoing services, such as law enforcement and public health code enforcement, are provided by the responsible County departments through Specific Service Agreements ("SSAs"). Any SSAs between the City and the County of Los Angeles are not affected by the renewal of the GSA.

The General Services Agreement shall be effective through June 30, 2022, and at the option of the City Council, with the consent of the Board of Supervisors of County, shall be renewable thereafter for an additional period of not to exceed five (5) years.

### **FISCAL IMPACT:**

The County of Los Angeles General Services Agreement funds were appropriated as part of the Fiscal Year 2016-2017 adopted budget.

### **RECOMMENDED ACTION:**

Staff recommends the City Council adopt:

- a) Resolution No. CC 2017-06 of the City Council of the City of Industry, California Approving the General Services Agreement by and between the City of Industry and County of Los Angeles; and

- b) Authorize the Mayor to execute the General Services Agreement with the County of Los Angeles dated June 1, 2017.

Exhibits

A. Resolution No. CC 2017-06

B. General Services Agreement with the County of Los Angeles dated June 1, 2017

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PJP/AG:kw

**EXHIBIT A**

Resolution No. CC 2017-06

[Attached]

**RESOLUTION NO. CC 2017-06**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDUSTRY, CALIFORNIA APPROVING THE GENERAL SERVICES AGREEMENT BY AND BETWEEN THE CITY OF INDUSTRY AND COUNTY OF LOS ANGELES**

**RECITALS**

**WHEREAS**, General Services Agreement No. **77789** by and between the City of Industry ("City") and County of Los Angeles ("County") expires on June 30, 2017; and

**WHEREAS**, the General Services Agreement is renewable for an additional five year period at the option of the City, and upon approval by the County Board of Supervisors; and

**WHEREAS**, on January 30, 2017, the County notified the City in writing of its desire to renew the General Services Agreement; and

**WHEREAS**, the City and County wish to renew General Services Agreement **INSERT AGREEMENT NUMBER** for an additional five (5) year term.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF INDUSTRY HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:**

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

**SECTION 2:** The City Council of the City of Industry agrees to the terms and conditions set forth in the General Services Agreement, a copy of which is attached hereto as Exhibit "A", and incorporated herein by reference.

**SECTION 3:** That the City Council authorizes the City Manager to execute the General Services Agreement, subject to approval as to form by the City Attorney, and any other ancillary documents that may be necessary to carry out this Resolution.

**SECTION 4.** The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

**SECTION 5.** The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

**PASSED, APPROVED AND ADOPTED** by the City Council of the City of Industry at a regular meeting held on **March 9, 2017**, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

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Mark D. Radecki, Mayor

**ATTEST:**

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Diane M. Schlichting, Chief Deputy City Clerk

**EXHIBIT B**

General Services Agreement with the County of Los Angeles dated June 1, 2017

[Attached]

## GENERAL SERVICES AGREEMENT

THIS GENERAL SERVICES AGREEMENT ("Agreement"), dated for purposes of reference only, June 1, 2017, is made by and between the County of Los Angeles, hereinafter referred to as the "County", and the City of Industry, hereinafter referred to as the "City."

### RECITALS:

(a) The City is desirous of contracting with the County for the performance by its appropriate officers and employees of City functions.

(b) The County is agreeable to performing such services on the terms and conditions hereinafter set forth.

(c) Such contracts are authorized and provided for by the provisions of Section 56½ of the Charter of the County of Los Angeles and Section 51300, *et seq.*, of the Government Code.

### THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. The County agrees, through its officers, agents and employees, to perform those City functions, which are hereinafter provided for.

2. The City shall pay for such services as are provided under this Agreement at rates to be determined by the County Auditor-Controller in accordance with the policies and procedures established by the Board of Supervisors.

These rates shall be readjusted by the County Auditor-Controller annually effective the first day of July of each year to reflect the cost of such service in accordance with the policies and procedures for the determination of such rates as adopted by the Board of Supervisors of County.

3. No County agent, officer or department shall perform for said City any function not coming within the scope of the duties of such officer or department in performing services for the County.

4. No service shall be performed hereunder unless the City shall have available funds previously appropriated to cover the cost thereof.

5. No function or service shall be performed hereunder by any County agent, officer or department unless such function or service shall have been requested in writing by the City on order of the City Council thereof or such officer as it may designate and approved by the Board of Supervisors of the County, or such officer as it may designate, and each such service or function shall be performed at the times and under circumstances which do not interfere with the performance of regular County operations.

6. Whenever the County and City mutually agree as to the necessity for any such County officer or department to maintain administrative headquarters in the City, the City shall furnish at its own cost and expense all necessary office space, furniture, and furnishings, office supplies, janitorial service, telephone, light, water, and other utilities. In all instances where special supplies, stationery, notices, forms and the like must be issued in the name of the City, the same shall be supplied by the City at its expense.

It is expressly understood that in the event a local administrative office is maintained in the City for any such County officer or department, such quarters may be used by the County officer or department in connection with the performance of its duties in territory outside the City and adjacent thereto provided, however, that the performance of such outside duties shall not be at any additional cost to the City.



7. All persons employed in the performance of such services and functions for the City shall be County agent, officer or employee, and no City employee as such shall be taken over by the County, and no person employed hereunder shall have any City pension, civil service, or other status or right.

For the purpose of performing such services and functions, and for the purpose of giving official status to the performance hereof, every County agent, officer and employee engaged in performing any such service or function shall be deemed to be an agent, officer or employee of said City while performing service for the City within the scope of this agreement.

8. The City shall not be called upon to assume any liability for the direct payment of any salary, wages or other compensation to any County personnel performing services hereunder for the City, or any liability other than that provided for in this agreement.

Except as herein otherwise specified, the City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of his or her employment.

9. The parties hereto have executed an Assumption of Liability Agreement approved by the Board of Supervisors on December 27, 1977 and/or a Joint Indemnity Agreement approved by the Board of Supervisors on October 8, 1991. Whichever of these documents the City has signed later in time is currently in effect and hereby made a part of and incorporated into this agreement as set out in full herein. In the event that the Board of Supervisors later approves a revised Joint Indemnity Agreement and the City executes the revised agreement, the subsequent agreement as of its effective date shall supersede the agreement previously in effect between the parties hereto.

10. Each County agent, officer or department performing any service for the City provided for herein shall keep reasonably itemized and in detail work or job records covering the cost of all services performed, including salary, wages and other compensation for labor; supervision and planning, plus overhead, the reasonable rental value of all County-owned machinery and equipment, rental paid for all rented machinery or equipment, together with the cost of an operator thereof when furnished with said machinery or equipment, the cost of all machinery and supplies furnished by the County, reasonable handling charges, and all additional items of expense incidental to the performance of such function or service.

11. All work done hereunder is subject to the limitations of the provisions of Section 23008 of the Government Code, and in accordance therewith, before any work is done or services rendered pursuant hereto, an amount equal to the cost or an amount 10% in excess of the estimated cost must be reserved by the City from its funds to insure payment for work, services or materials provided hereunder.

12. The County shall render to the City at the close of each calendar month an itemized invoice which covers all services performed during said month, and the City shall pay County therefore within thirty (30) days after date of said invoice.

If such payment is not delivered to the County office which is described on said invoice within thirty (30) days after the date of the invoice, the County is entitled to recover interest thereon. Said interest shall be at the rate of seven (7) percent per annum or any portion thereof calculated from the last day of the month in which the services were performed.

13. Notwithstanding the provisions of Government Code Section 907, if such payment is not delivered to the County office which is described on said invoice within

thirty (30) days after the date of the invoice, the County may satisfy such indebtedness, including interest thereon, from any funds of any such City on deposit with the County without giving further notice to said City of County's intention to do so.

14. This Agreement shall become effective on the date herein-above first mentioned and shall run for a period ending June 30, 2022, and at the option of the City Council of the City, with the consent of the Board of Supervisors of County, shall be renewable thereafter for an additional period of not to exceed five (5) years.

15. In the event the City desires to renew this Agreement for said five-year period, the City Council shall not later than the last day of May 2022, notify the Board of Supervisors of County that it wishes to renew the same, whereupon the Board of Supervisors, not later than the last day of June 2022, shall notify the City Council in writing of its willingness to accept such renewal. Otherwise such Agreement shall finally terminate at the end of the aforescribed period.

Notwithstanding the provisions of this paragraph herein-above set forth, the County may terminate this Agreement at any time by giving thirty (30) days' prior written notice to the City. The City may terminate this Agreement as of the first day of July of any year upon thirty (30) days' prior written notice to the County.

16. This Agreement is designed to cover miscellaneous and sundry services which may be supplied by the County of Los Angeles and the various departments thereof. In the event there now exists or there is hereafter adopted a specific contract between the City and the County with respect to specific services, such contract with respect to specific services shall be controlling as to the duties and obligations of the parties anything herein to the contrary notwithstanding, unless such special contract adopts the provisions hereof by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Executed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

The City of Industry,

By \_\_\_\_\_  
Mayor

ATTEST:

City Clerk

**THE COUNTY OF LOS ANGELES**

By \_\_\_\_\_  
Deputy

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

LORI GLASGOW  
Executive Officer/Clerk  
of the Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Senior Deputy

*CITY COUNCIL*

ITEM NO. 7.6



## MEMORANDUM

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

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

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

**Date:** March 9, 2017

**SUBJECT:** Consideration of a License Agreement with the Orange County Fire Authority, the California Department of Forestry and Fire Protection Riverside, the California Department of Forestry and Fire Protection San Bernardino, Chino Valley Fire District, County of Los Angeles, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina and City of Brea for Access to Assessor's Parcel No. 8714-026-271 located at 19001 Tonner Canyon Road for Various Fire Prevention Training Exercises Associated with the Annual SOLAR Exercise to be held May 15 - 19, 2017

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The City of Industry has allowed fire training exercises to be held in Tonner Canyon, Assessor Parcel No. 8714-026-271 since 2009 on an annual basis as part of the San Bernardino, Orange, Los Angeles and Riverside Counties ("SOLAR") Communications Plan. Participating agencies this year include the Orange County Fire Authority, California Department of Forestry and Fire Protection, Chino Valley Fire District, Los Angeles County Fire Department, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina and City of Brea. The area where the SOLAR counties converge has a history of fire activity. The exercise will provide training on command and control of a simulated vegetation fire, communicating and working with other responding agencies, an opportunity to practice tactics involved in fighting a vegetation fire and familiarization with the Tonner Canyon area. All operations will be conducted with a minimal trace left behind and with sensitivity to the adjacent areas. Since this is a simulated fire exercise no fires will be set in Tonner Canyon and the fire agencies will be responsible for providing their own water.

Fiscal Impact:

There is no fiscal impact associated with approval of this License Agreement.

Recommendation:

Staff recommends that the License Agreement be approved so that the exercise can be held on May 15-19, 2017.

Exhibits

A. License Agreement with the Orange County Fire Authority, the California Department of Forestry and Fire Protection, Chino Valley Fire District, County of Los Angeles, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina and City of Brea dated March 9, 2017

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PJP/AG:kw

**EXHIBIT A**

License Agreement with Orange County Fire Authority, the California Department of Forestry and Fire Protection, Chino Valley Fire District, County of Los Angeles, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina and City of Brea dated March 9, 2017

[Attached]



## LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**Agreement**”), dated March 9, 2017, (“**Effective Date**”) is entered into by and between the City of Industry, a public body, corporate and politic (“**Licensor/Agency**”), and the Orange County Fire Authority, the California Department of Forestry and Fire Protection, Chino Valley Fire District, County of Los Angeles, City of Anaheim, City of Corona, City of Fullerton, City of Garden Grove, City of Orange, City of West Covina, public agencies (“**Licensees**”) (Licensor and Licensees are individually referred to as “**Party**” and collectively referred to as the “**Parties**”).

### RECITALS

**WHEREAS**, the City is the owner of certain property located at Tonner Canyon, 19001 Tonner Canyon Road, Brea, CA 92821-2604 and Licensees desire to enter the portion of the property generally described as a lot, **Assessor’s Parcel No. 8714-026-271**, as set forth in Exhibit A, attached hereto and incorporated herein by reference (“**Premises**”).

**WHEREAS**, Licensees desire to enter the Premises to conduct a simulated response to a vegetation fire; and

**WHEREAS**, Licensees acknowledge that Licensees are entering onto the Premises at their sole risk and expense, and Licensor does not have any liability to Licensees under this Agreement.

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

### TERMS

1. License to Enter the Premises. Licensor hereby grants to Licensees a non-exclusive license (the “**License**”) granting permission to enter upon the Premises as of the Effective Date of this Agreement, and to use the Premises to conduct a collective simulated response to a vegetation fire (“**Permitted Use**”); provided, that Licensees’ use of the Premises shall not interfere with the operation of business activities, if any, then being conducted on the Premises. Under no circumstances shall any live fires be part of the Permitted Use. Licensees shall provide their own water for the Permitted Use, and shall not use any City water. Further, Licensees shall not conduct any activity which may cause any environmental effects on the Premises. Prior to any initial entry pursuant to the License, Licensees shall, provide to Licensor proof of insurance as set forth in Section 8 of this Agreement. Licensees shall not permit any other party, except the duly-authorized representatives, agents, employees and contractors (collectively “**Representatives**”) of Licensees to enter or use the Premises during the term of this License, without Licensor’s prior written consent, and in all events the sole reason for entry and use of the Premises shall be for the performance of the Permitted Use.

2. Notice. Licensees shall provide Licensor with written notice (“**Notice**”) of their intention to use the Property at least thirty (30) days before entering the Premises. Licensees shall designate one representative to provide said Notice to Licensor. Notice shall include the date, start time, and end time of the Permitted Use. Under no circumstances shall Licensees utilize the Premises at any time not set forth in the Notice.

3. Term. This Agreement is for a period of five (5) years, beginning on the Effective Date, and terminating on December 31, 2022, unless the License Agreement is terminated sooner

according to the terms elsewhere in this document. Notwithstanding the foregoing, Licensees' license to use the Premises shall only inure for the period set forth in the Notice.

4. Permitted Use. The Permitted Use is hereby defined to include conducting a simulated response to a vegetation fire, including, the laying of fire hose, removal of vegetation along an existing path, communicating with aerial operations and supporting the operations logistically. Licensees shall exercise due care in the performance of the Permitted Use and such use shall be exercised in a manner which complies with all applicable laws.

5. Maintenance of Premises. Upon termination of the License, Licensees shall repair any damage done to the Premises by Licensee or their duly authorized Representatives, and shall restore the Premises to its condition as of the Effective Date of this Agreement, with the exception of the restoration of the vegetation that was removed.

6. Government Regulations and Other Obligations of Licensees. As a condition precedent to commencement of the Permitted Use, if required, Licensees shall obtain at their sole cost and expense all governmental permits and authorizations of whatever nature required, if any ("Permits") by any and all governmental authorities having jurisdiction over the Premises for Licensees' exercise of the Permitted Use. Licensor shall use commercially reasonable efforts to cooperate with Licensees and to support any and all applications or request for said Permits submitted by Licensees or on Licensees' behalf. Licensees shall, in all activities undertaken pursuant to this Agreement, comply and cause their Representatives to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees.

7. Liens.

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

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

8. Insurance.

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

(a) Minimum Scope and Limit of Insurance

Coverage shall be at least as broad as:

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

(b) Other Insurance Provisions

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

1. Additional Insured Status

The Licensor and City Representatives, (as defined in Section 9, below) are to be additional insureds on the CGL policy with respect to liability arising out of Licensees' use of the Premises. General liability coverage can be provided in the form of an endorsement to the Licensees' insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

2. Primary Coverage

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

3. Contractors and Subcontractors

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

4. Notice of Cancellation

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

5. Waiver of Subrogation

Licensees hereby grant to City a waiver of any right to subrogation which any insurer of said Licensees may acquire against the City by virtue of the payment of any loss under such insurance. Licensees agree to obtain any endorsement that may be necessary to affect this waiver of subrogation provided such endorsement is available on commercially reasonable terms, but this provision applies regardless of

whether or not the City has received a waiver of subrogation endorsement from the insurer.

6. Deductibles and Self-Insured Retentions

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

7. Acceptability of Insurers

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

8. Deductibles

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

9. Verification of Coverage

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

10. Occurrence Basis Coverage

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

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

10. Term, Termination and Remedies. The License shall commence on May 15, 2017, and shall automatically terminate at 5:00 p.m. on May 19, 2017. In addition, if Licensees shall be in breach of any of their obligations under this Agreement, Licensor shall have the right to terminate this Agreement. Licensees acknowledge that this License is solely a license, and that Licensees have no rights as an owner, purchaser or tenant by virtue thereof. Upon termination of the Agreement, Licensees shall

promptly vacate the Premises and comply with the provisions of Section 5 above. No termination or expiration of this License shall relieve Licensees of their obligations hereunder.

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

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

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

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

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

With a Copy to: James M. Casso, City Attorney  
Casso & Sparks, LLP  
13200 Crossroads Parkway North, Suite 345  
City of Industry, CA 91746  
Tel (626) 269-2980  
jcasso@cassosparks.com

Licensees: Orange County Fire Authority  
Attn: Fire Chief Jeff Bowman  
1 Fire Authority Road  
Irvine, CA 92602  
Tel (714) 573-6000  
JeffBowman@ocfa.org

California Department of Forestry and Fire Protection Riverside  
Attn: Fire Chief John R. Hawkins  
210 W. San Jacinto Avenue  
Perris, CA 92570  
Tel (951) 940-6900

John.Hawkins@fire.ca.gov

California Department of Forestry and Fire Protection San Bernardino

Attn: Fire Chief Darren Feldman  
3800 North Sierra Way  
San Bernardino, CA 92405  
Tel (909) 881-6900  
Darren.Feldman@fire.ca.gov

Chino Valley Fire District  
Attn: Fire Chief Tim Shackelford  
14011 City Center Drive  
Chino Hills, CA 91709  
Tel (909) 902-5260  
tschackelford@chofire.org

Los Angeles County Fire Department  
Attn: Asst. Fire Chief Jim Robinson  
590 South Park Avenue  
Pomona, CA 91766  
Tel (909) 620-2003  
Jim.Robinson@fire.lacounty.gov

City of Anaheim  
Attn: Fire Chief Randy Bruegman  
Anaheim West Tower  
201 S. Anaheim Boulevard, Suite 300  
Anaheim, CA 92805  
Tel (714) 765-4000  
rbruegman@anaheim.net

City of Corona  
Attn: Fire Chief David Duffy  
400 S. Vicentia Avenue  
Corona, CA 92882  
Tel (951) 736-2220  
david.duffy@discovercorona.com

City of Fullerton  
Attn: Fire Chief Wolfgang Knabe  
303 W. Commonwealth Avenue  
Fullerton, CA 92832  
Tel (714) 738-6300  
WKnabe@fullertonfire.org

City of Garden Grove  
Attn: Fire Chief Tom Schultz  
11222 Acacia Parkway  
Garden Grove, CA 92840  
Tel (714) 741-5000

toms@ci.garden-grove.ca.us

City of Orange  
Attn: Fire Chief Jack L. Thomas  
176 South Grand Street  
Orange, CA 92866  
Tel (714) 288-2500  
jthomas@cityoforange.com

City of West Covina  
Attn: Fire Chief Larry Whithorn  
1444 West Garvey Avenue South  
West Covina, CA 91790  
Tel (626) 939-8400  
larry.whithorn@westcovina.org

15. No Liability of Licensors. Licensees and Licensors acknowledge and agree that Licensees are entering into the Premises at its sole risk and expense. The provisions hereof shall inure to the benefit of Licensors' and Licensees' successors and assigns including any Mortgagee.

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

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

**(SIGNATURES ON FOLLOWING PAGE)**

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

“LICENSOR”

**CITY OF INDUSTRY**

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

ATTEST:

\_\_\_\_\_  
Diane M. Schlichting, Chief Deputy City Clerk

APPROVED AS TO FORM:

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

“LICENSEES”

**ORANGE COUNTY FIRE AUTHORITY**

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

**CALIFORNIA DEPARTMENT OF FORESTRY  
AND FIRE PROTECTION RIVERSIDE**

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



**CALIFORNIA DEPARTMENT OF FORESTRY  
AND FIRE PROTECTION SAN BERNARDINO**

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

**COUNTY OF LOS ANGELES**

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

**CHINO VALLEY FIRE DISTRICT**

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

**CITY OF ANAHEIM**

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

**CITY OF CORONA**

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

**CITY OF FULLERTON**

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

**CITY OF GARDEN GROVE**

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

**CITY OF ORANGE**

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

**CITY OF WEST COVINA**

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

**CITY OF BREA**

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

## EXHIBIT A

### Legal Description

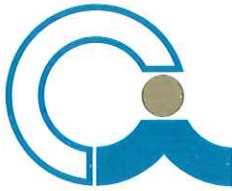
Assessor's Parcel Number (APN) no. 8714-026-271 located at Tonner Canyon, 19001 Tonner Canyon Road, Brea, CA 92821-2604. Participating units will drive only on the Tonner Canyon Road while entering and existing the canyon area. The area identified in the map below by defining red lines identifies the area of the Premises, where the Permitted Use shall occur.

### Location Map – 19001 Tonner Canyon Road



*CITY COUNCIL*

ITEM NO. 7.7



## MEMORANDUM

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

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

**Staff:** Alex Gonzalez, Director of Development Services and Administration *AG*  
Kristen Weger, Administrative Analyst

**Date:** March 9, 2017

**SUBJECT:** Consideration of a License Agreement with the County of Orange for Access to Assessor's Parcel No. 8714-028-270 located at 19001 Tonner Canyon Road for Various Law Enforcement Training Exercises Associated with the Orange County Sheriff's Department Canine Services Unit to be held May 10, 2017

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The County of Orange is requesting permission by and through its Sheriff-Coroner Department for the Orange County Sheriff's Department to use Assessor Parcel No. 8714-028-270 in Tonner Canyon for various law enforcement training exercises on Wednesday, May 10, 2017 from 7:00 am to 6:00 pm. The exercises will consist of approximately thirty officers and canines ("K9"). They will be working on safely moving across open ground, team movement, room entries, room clears and hostage rescue situations.

Fiscal Impact:

There is no fiscal impact associated with approval of this License Agreement.

Recommendation:

Staff recommends approval of the License Agreement so that the Orange County Sheriff's Department can hold K9 law enforcement training exercises on May 10, 2017.

Exhibits

A. License Agreement with the County of Orange dated March 9, 2017

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PJP/AG:kw

**EXHIBIT A**

License Agreement with the County of Orange dated March 9, 2017

[Attached]

## LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("**Agreement**"), dated March 9, 2017, ("**Effective Date**") is entered into by and between the City of Industry, a public body, corporate and politic ("**Licensor/City**"), and the County of Orange, a political subdivision of the State of California, by and through its Sheriff-Coroner Department ("**Licensee**") (Licensor and Licensee are individually referred to as "Party" and collectively referred to as the "**Parties**").

### RECITALS

**WHEREAS**, the City is the owner of certain property located at Tonner Canyon, 19001 Tonner Canyon Road, Brea, CA 92821-2604 and Licensee desires to enter the portion of the property generally described as a lot, **Assessor's Parcel No. 8714-028-270**, as set forth in Exhibit A, attached hereto and incorporated herein by reference ("**Premises**").

**WHEREAS**, Licensee desires to enter the Premises for various law enforcement training activities associated with the Orange County Sheriff's Department Special Weapons and Tactics ("**SWAT**") team and K-9 Unit; and

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

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

### TERMS

1. License to Enter the Premises. Licensor hereby grants to Licensee a non-exclusive license (the "**License**") granting permission to enter upon the Premises on May 10, 2017, and to use the Premises for various law enforcement training activities (collectively, "**Permitted Use**"); provided, that Licensee's use of the Premises shall not interfere with the operation of business activities, if any, then being conducted on the Premises. Prior to any initial entry pursuant to the License, Licensee shall provide to Licensor proof of insurance as set forth in Section 6 of this Agreement. Licensee shall not permit any other party, except the duly-authorized representatives, agents, employees and contractors (collectively "**Representatives**") of Licensee to enter or use the Premises during the term of this License, without Licensor's prior written consent, and in all events the sole reason for entry and use of the Premises shall be for the Permitted Use.
2. Permitted Use. The Permitted Use is hereby defined to include law enforcement training activities, including the training with law enforcement K-9s. The Permitted Use shall not include, and specifically excludes, the use of any ammunition. Licensee shall exercise due care in the performance of the Permitted Use and such use shall be exercised in a manner which complies with all applicable laws.
3. Maintenance of Premises. Upon termination of the License, Licensee shall repair any damage done to the Premises by Licensee or its duly authorized Representatives, and shall restore the Premises to its condition as of the Effective Date of this Agreement.
4. Government Regulations and Other Obligations of Licensee. As a condition precedent to commencement of the Permitted Use, if required, Licensee shall obtain at its sole cost and expense all governmental permits and authorizations of whatever nature required, if any ("**Permits**") by any and all governmental authorities having jurisdiction over the Premises for Licensee's exercise of the Permitted

Use. Licensor shall use commercially reasonable efforts to cooperate with Licensee and to support any and all applications or request for said Permits submitted by Licensee or on Licensee's behalf. Licensee shall, in all activities undertaken pursuant to this Agreement, comply and cause its Representatives to comply with all federal, state and local laws, statutes, orders, ordinances, rules, regulations, plans, policies and decrees.

5. Liens.

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

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

6. Insurance.

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

(a) Minimum Scope and Limit of Insurance

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Licensee have no owned autos, Code 8 (hired) and 9 (non-owned), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(b) Other Insurance Provisions



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

1. Additional Insured Status

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

2. Primary Coverage

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

3. Contractors and Subcontractors

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

4. Notice of Cancellation

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

5. Waiver of Subrogation

Licensee hereby grant to the City a waiver of any right to subrogation which any insurer of said Licensee may acquire against the City by virtue of the payment of any loss under such insurance. Licensee agree to obtain any endorsement that may be necessary to affect this waiver of subrogation provided such endorsement is available on commercially reasonable terms, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

6. Deductibles and Self-Insured Retentions

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

7. Acceptability of Insurers

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

8. Deductibles

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

9. Verification of Coverage

Licensee shall furnish the City with original certificates and amendatory endorsements or copies

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

10. Occurrence Basis Coverage

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

(c) Proof of Self Insurance. Notwithstanding any other provision of this Section 6, Licensee may satisfy the insurance obligations hereunder by a self-insurance program and will provide proof of self-insurance to Licensor.

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

8. Term, Termination and Remedies. The License shall commence as of 7:00 a.m. on May 10, 2017, and shall automatically terminate at 6:00 p.m. on **May 10, 2017**. Notwithstanding the foregoing, at any time, for any reason, the Licensor may, at its sole and absolute discretion, terminate this Agreement without cause. Licensee acknowledges that this License is solely a license, and that Licensee has no rights as an owner, purchaser or tenant by virtue thereof. Upon termination of the Agreement, Licensee shall promptly vacate the Premises and comply with the provisions of Section 3 above. No termination or expiration of this License shall relieve Licensee of its obligations hereunder.

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

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

11. Cost of Enforcement. In the event it is necessary for either Party to employ an attorney or other person or commence an action to enforce or interpret any of the provisions of this License or for Licensor to remove Licensee from the Premises, the non-prevailing party agrees to pay to the prevailing party, in addition to such other relief as may be awarded by the court, agency or other authority before which such

suit or proceeding is commenced, all reasonable costs of enforcement in connection therewith including, but not limited to, reasonable attorneys' fees, expenses and costs of investigation.

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

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

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

Licensee: County of Orange  
Attn: Sergeant Gary Knutson  
550 N. Flower Street  
Santa Ana, CA 92703  
(714)920-2268

13. No Liability of Licensors. Licensee and Licensors acknowledge and agree that Licensee are entering into the Premises prior to the transfer of the Premises to Licensee and that Licensee do so at its sole risk and expense. The provisions hereof shall inure to the benefit of Licensors' and Licensee's successors and assigns including any Mortgagee.

14. Miscellaneous. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof, and all prior and contemporaneous agreements, representations and understandings of the Parties hereto, oral or written, are hereby superseded and merged herein. No supplement, modification or amendment of this Agreement shall be binding unless in writing and executed by the Parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver. The indemnifications under this Agreement, the obligations of Licensee hereunder to remove liens and Licensee's obligations hereunder with respect to vacating and repairing the Premises shall survive the expiration or termination of the License Term. This Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of California. Any action brought concerning this Agreement shall be brought in the appropriate court for the County of Los Angeles, California. Each Party hereby irrevocably consents to the jurisdiction of said court. Developer hereby expressly waives all provisions of law providing for a change of venue due to the fact that the Agency may be a party to such action, including, without limitation, the provisions of California Code of Civil Procedure Section 394. Licensee further waive and releases any right they may have to have any action concerning this

Agreement transferred to Federal District Court due to any diversity of citizenship that may exist between Agency and Licensee. The headings of this Agreement are for purposes of reference only and shall not limit or define the meaning of the provisions hereof. This Agreement may be executed in any number of counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Neither this instrument nor a short form memorandum or assignment hereof shall be filed or recorded in any public office without Licensor's or Licensee's prior written consent.

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

**(SIGNATURES ON FOLLOWING PAGE)**

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

“LICENSOR”

“LICENSEE”

CITY OF INDUSTRY

COUNTY OF ORANGE

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

By:  \_\_\_\_\_  
Gary Knutson, Sergeant  
Orange County Sheriff-Coroner Department


ATTEST:

By: \_\_\_\_\_  
Diane M. Schlichting, Chief Deputy City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

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

By:  \_\_\_\_\_  
Nicole A. Sims  
Supervising Deputy County Counsel

**EXHIBIT A**

**Legal Description**

Assessor's Parcel Number (APN) 8714-028-270 located at Tonner Canyon, 19001 Tonner Canyon Road, Brea, CA 92821-2604. The area identified in the map below by a defining red square identifies the area of the Premises, where the Permitted Use shall occur.

**Location Map – 19001 Tonner Canyon Road**



*CITY COUNCIL*

ITEM NO. 7.8



# CITY OF INDUSTRY

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

## MEMORANDUM

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

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

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

**DATE:** March 9, 2017

**SUBJECT:** Consideration of License Agreements between the City and Private Property Owners for work on Private Property associated with City of Industry Contract No. CITY-1433, Arenth Avenue Reconstruction

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The City is implementing a project to improve Arenth Avenue from Anaheim-Puente Road to Nogales Street. The work at Arenth Avenue consists of the removal and reconstruction of existing pavement.

Most of the existing curbs, gutters, sidewalks and driveways along Arenth Avenue are in good condition; however, there are some locations that need to be repaired. In order to repair these driveways, we need to enter into private property, and it is therefore necessary to obtain permission from the property owners, in the form of the attached License Agreement.

The License Agreement gives the City a license to enter onto the private property to complete the necessary work. Under the terms of the Agreement, the property owners warrant and represent that the property is free from hazardous and dangerous conditions, and the City agrees to indemnify the property owners from any loss arising from the City's work.

In addition to driveways, we will also be adding sidewalk where it is currently missing. In order to construct the sidewalk, the existing irrigation and landscaping on the private property will need to be modified including but not limited to removal of trees and other landscaping, minor grading and relocation of irrigation equipment and infrastructure. The License Agreement Template will allow the City's contractor to enter the private property to perform this work.

There are approximately 14 properties that need to be accessed by the Contractor. The License Agreement is specific to this project, and we are asking the Council to authorize the City Manager to execute the Agreements as each one is accepted by each property owner.



Staff recommends that the City Council approve the License Agreement Template and authorize the City Manager to execute the same for all properties that need to be accessed to perform the necessary work, upon approval as to form by the City Attorney.

Exhibits:

- A. License Agreement Template between the City of Industry and Private Property Owners
- 

PJP/CC/JN/UJ:jv

**EXHIBIT A**

License Agreement between the City of Industry and Private Property Owners

[Attached]

## LICENSE AGREEMENT

This **LICENSE AGREEMENT** ("Agreement") is entered into this \_\_\_ day of \_\_\_\_\_, 2017 ("Effective Date") by and between the City of Industry, a public body corporate and politic ("City") and NAME, an individual ("NAME"). The City and NAME are collectively referred to herein as "Parties" and individually as "Party."

### RECITALS

**WHEREAS**, NAME is the owner of certain real property located at ADDRESS, City of Industry, California ("Property"); and

**WHEREAS**, the City is in the process of constructing new asphalt pavement and concrete pavement; including the repair of existing curbs and gutters, driveways, sidewalks, curb ramps; installation of new sidewalks, irrigation, trees, and landscaping; within the City's right of way along Arenth Avenue; and

**WHEREAS**, NAME's Property is located on INSERT WHERE IN THE PROJECT AREA THE PROPERTY IS LOCATED, and it is necessary to enter NAME's Property to repair the existing driveway(s) and/ or to install new sidewalk with modifications to the existing irrigation and landscaping owned by NAME, in order to construct and install the City's Contract No.: CITY-1433; and

**WHEREAS**, in order to engage in the construction and installation of the Contract No.: CITY-1433, it is necessary for NAME to grant the City a license to enter the Property to repair the existing driveway(s) and/ or to install new sidewalk with modifications to the existing irrigation and landscaping; and

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions set forth in this Agreement, the Parties do hereby agree as follows:

### ARTICLE I GRANT OF LICENSE

A. Grant of License; No Leasehold or Property Rights Created. NAME hereby grants to City a revocable license to access and use the Property for the sole purpose of Contract No.: CITY-1433 owned by NAME and installing the City's Contract No.: CITY-1433 (the "Permitted Activity"). This Agreement is not intended to nor shall it be interpreted to create or vest in the City any leasehold or any other property rights or interests in the Property or any part thereof.

B. Term. This Agreement shall commence on the Effective Date and terminate upon the City's acceptance of the Contract No.: CITY-1433.

**ARTICLE 2**  
**PERFORMANCE OF SERVICES**

A. Scope of Work. Pursuant to this Agreement, NAME authorizes the City to perform the following work (the "Scope of Work"):

1. Repair the existing driveway(s) and/ or install new sidewalk with modifications to the existing irrigation and landscaping owned by NAME and the installation of the City's Project No.: CITY-1433 along the City right of way.

B. Manner of Rendition of Services. The Scope of Work shall be rendered and performed as follows:

1. In a workmanlike manner, utilizing no less than the standard of care and level of competency and skill presently maintained by other practicing professionals in the same type of work, within the community in which the Property is generally located.

C. Subcontractors. The City shall be responsible for all contractors and all subcontractors engaged to complete the Scope of Work (collectively, "Contractors"), including, without limitation, responsibility for the payment of any compensation or other amounts payable to Contractors, and shall be responsible for their conduct and the conduct of its employees. The City shall supervise and direct the Scope of Work rendered or performed by Contractors using the City's skill and attention, shall enforce discipline and good order among its employees and subcontractors, and shall not employ or engage, on the job, any person unfit or unskilled for the task assigned to him or her.

D. Materials and Supplies. The City shall, at the City's own cost and expense, furnish (unless herein otherwise specifically provided) all superintendence, labor, tools, equipment, materials, and supplies and all other things requisite and necessary to perform the Scope of Work under this Agreement.

E. Supervision by the City. The City shall personally supervise and direct the Scope of Work, be responsible for all methods, sequences and procedures used in connection with the Scope of Work, and be responsible for coordinating all portions of the Scope of Work.

**ARTICLE 3**  
**COMPLIANCE WITH LAW; LICENSES, PERMITS AND APPROVALS; WASTE;  
LIENS AND CLAIMS**

A. Compliance with Law. In completing the Scope of Work, the City shall, and shall cause Contractors to, comply with all applicable federal, state and local laws, statutes, ordinances, codes, rules, regulations, orders, judgments and decrees (collectively, "Applicable Requirements").

B. Licenses, Permits and Approvals. The City shall secure all necessary licenses, permits and approvals required by the Applicable Requirements in connection with completing the Scope of Work.

C. Waste. Any waste generated in the process of completing the Scope of Work will be the responsibility of the City, at the City's sole cost and expense.

#### **ARTICLE 4 INDEMNITY**

A. Indemnification. The City agrees to indemnify, defend (with counsel approved by the City) and hold NAME harmless from and against all liability, loss, cost, claim, demand, action, suit, legal or administrative proceeding, penalty, deficiency, fine, damage and expense (including, without limitation, reasonable attorney's fees and costs of litigation) (all of the foregoing collectively "**Claims**") resulting from or arising in connection with use of the Property by the City or the City's agents, employees, contractors or subcontractors, except and to the extent caused by the gross negligence or willful misconduct of NAME. The City's indemnification obligations set forth in this Article 4 shall survive the expiration or earlier termination of this Agreement.

#### **ARTICLE 5 REPRESENTATIONS**

NAME represents and warrants to the City as follows:

A. Property. That the Property is free from any hazardous and/or dangerous conditions.

#### **ARTICLE 6 GENERAL PROVISIONS**

A. Modification. No waiver, modification or amendment of this Agreement shall be effective or enforceable unless made in writing, signed by the City and NAME and specifying with particularity the nature and extent of such waiver, modification or amendment.

B. Entire Agreement. This Agreement constitutes the entire understanding between the Parties and cancels and supersedes any prior negotiations, understandings or agreements, whether written or oral, with respect to the Scope of Work.

C. Dispute Resolution Procedure. The City and NAME shall endeavor to resolve all disputes through business-like negotiations, without resort to litigation. Accordingly, if a dispute arises, the Parties shall meet and engage in reasonable good faith negotiations to resolve the matter. If the Parties are unable to negotiate a mutually acceptable resolution within ten (10) calendar days they shall be free to pursue any legal remedies which may be available. Except as to those matters that the Parties mutually agree to be resolved by such alternate dispute resolution mechanisms as the Parties may

deem appropriate, all claims, disputes and other matters in question which arise out of or relate to this Agreement shall be decided by a court of competent jurisdiction.

D. Governing Law and Forum. This Agreement shall be governed by the laws of the State of California, and any action to enforce or interpret its provisions must be brought in courts located in Los Angeles County, California.

E. No Assignment. Except as expressly provided herein, neither Party may assign or transfer, either directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, any of its rights under this Agreement without the other Party's prior written consent.

F. Severability. The invalidity of any term or condition of this Agreement shall not impair or otherwise affect the validity, enforceability or effect of any other term or condition of this Agreement.

G. No Third Party Beneficiaries. No provision contained in this Agreement shall create or give to third parties any claim or right of action against the City or NAME.

H. Attorneys' Fees. In the event any suit, action or proceeding arising from or based upon this Agreement or the Scope of Work shall be instituted between the City and NAME, the prevailing party in any such action, suit or proceeding shall be entitled to recover its reasonable attorneys' fees, costs and disbursements, including the cost of reasonable investigation, preparation and professional or expert consultation incurred by reason of such suit, action or proceedings.

I. Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original for all purposes, and all of such counterparts shall constitute but one and the same Agreement.

J. Authority. Each person executing this Agreement hereby represents and warrants (1) their authority to do so, and (2) that such authority has been duly and validly conferred.

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

**CITY OF INDUSTRY**

**NAME**

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

\_\_\_\_\_  
Name, an Individual

*CITY COUNCIL*

ITEM NO. 7.9





# CITY OF INDUSTRY

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

## MEMORANDUM

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

**FROM:** Paul J. Philips, City Manager *AD for paul philips*

**STAFF:** Clement N. Calvillo, City Engineer, CNC Engineering *CNC*  
Josh Nelson, Deputy City Engineer, CNC Engineering *JN*  
Gerardo Perez, CNC Engineering *GP*

**DATE:** March 9, 2017

**SUBJECT:** Consideration of Notice of Completion for Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction, Project No. MP 13-06 with Sully-Miller Contracting Co., and Authorize the City Engineer to Execute the Notice of Completion and Appropriate \$313,354.52 from the \$250M Bond Proceeds (Account No. 120.702.5205)

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### Background:

On August 13, 2015, the City Council awarded Contract No. CITY-1422, Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction to Sully-Miller Contracting Co. in the amount of \$632,064.95. The City Council appropriated \$632,064.95 in General Funds in the 2015-16 fiscal year budget. The City Council also approved \$40,000 funds in the adopted 2016-2017 Fiscal Year Budget. The project widened Clark Avenue at 9th Avenue by 6 feet and included cold milling, installation of 7' high wrought iron fence, construction of curb & gutter, sidewalk, driveways and catch basin relocation. It also included new sidewalk construction and new landscaping and irrigation on the north side of Clark Avenue and new sidewalk on Salt Lake Avenue.

On June 23, 2016, the City Council approved the following Change Order Nos. 1-4 in the amount of \$12,668.38 using the authorized contingency allowance.

- **Change Order No. 1:** Contractor removed the portions of an abandoned reinforced concrete pipe interfering with the proposed sidewalk on Salt Lake Ave. at a cost of \$1,344.60.
- **Change Order No. 2:** Contractor placed asphalt from the back of sidewalk to the property line on Salt Lake Ave. at a cost of \$3,143.70.

- **Change Order No. 3:** The Contractor was required to excavate deeper to tie-in to the existing storm drain, which was lower than shown on the plans, level a section of connector pipe and construct a concrete collar to clear the existing telephone conduit at a cost of \$3,425.00.
- **Change Order No. 4:** The Contractor was issued a plan revision to provide a 7-ft. high by 4-ft. wide opening with two gate posts in concrete foundations and a 7-ft. high by 3-ft. wide wrought iron pedestrian gate including a kick plate, mortise lock and perforated metal screen at a cost of \$4,755.08. This gate was added for safety reasons and to comply with ADA (American with Disabilities Act) requirements.

On November 10, 2016, the City Council approved Change Order Nos. 5-6 in the amount of \$17,084.73 using the authorized contingency allowance.

- **Change Order No. 5:** The Contractor furnished and installed two service pedestals for electrical service at two locations for a cost of \$13,151.57.
- **Change Order No. 6:** Final field measurements included a credit of (\$10,806.07) for bid quantity underruns and an additional cost of \$14,739.25 for bid quantity overruns. Total net additional cost is \$3,933.16.

As of January 15, 2017, the City Engineer has determined that all work has been completed and the landscape maintenance period has terminated. CNC Engineering, Environs (landscape architect) and Kleinfelder (geotechnical engineers) have inspected the site and find all work complete and in accordance with the contract documents.

#### Discussion:

As the City of Industry ("City") is a contract City, it is important that when projects are awarded and closed out that they show a total project cost to include, but not limited to professional services such as: engineering (design and survey), geotechnical, design support, construction management and utility coordination. This is in accordance with the Finance Department's best recommended financial practices to include all project costs when closing out a project to reflect: all change orders costs, all project phase costs, and all project funding sources. Often times, this information is not included in other agencies project close-outs due to in-house staffing. To accurately reflect the total costs of Capital Improvement Projects, it is important to include all project costs, such as engineering design and environmental costs, not just construction costs. The table below details the complete project costs for CITY-1422.

The following table presents a summary of the sources:

General Fund – 2015-2016 fiscal year Capital Improvement Program budget	\$632,064.95
Additional funding – from \$250,000,000.00 in Bonds Proceeds using Account No. 120.702.5205	\$313,354.52
<b>Total Sources:</b>	<b>\$945,419.47</b>

The following table represents a project summary:

Contract (Sully-Miller Contracting Co.)	\$632,064.95
Change Order Nos. 1 – 6 (Sully-Miller Contracting Co.)	\$29,753.11
Contingency Allowance Not Used	(\$53,100.00)
Professional Services for Preliminary Design, Right of Way and Developer Negotiations (CNC Engineering)	\$86,551.38
Professional Services for Design, (CNC Engineering)	\$151,911.07
Professional Services for Design Survey (CNC Engineering)	\$19,423.66
Professional Services for Landscape Design (Environs)	\$5,021.40
Professional Services for Geotechnical Services (Kleinfelder)	\$38,597.78
Professional Services for Construction Management/ Inspection/Design Support/Utility Coordination (CNC Engineering)	\$155,417.14
Professional Services for Construction Staking	\$10,502.48
Developer Reimbursement	(\$130,723.50)
<b>Total Project Cost:</b>	<b>\$945,419.47</b>

The revised contract amount including Change Orders Nos. 1-6 and a deduction of \$53,100.00 for unused unforeseen contingency allowance is \$608,718.06. This represents a total project cost savings of \$53,100.00.

#### Fiscal Impact

On August 13, 2015, the City Council appropriated \$632,064.95 in General Funds to the 2015-16 fiscal year Capital Improvement Program budget (account no. 120.702.5205) for the Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk

Construction Project. The City Council carried over \$40,000 funds into the adopted 2016-2017 Fiscal Year Budget. Total project cost which includes design and construction management costs, landscape architectural design costs and geotechnical services is \$945,419.47. An appropriation in the amount of \$313,354.52 will be required to CITY-1422, Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction (account no. 120.702.5205) and will be supported by \$250M bond proceeds.

Recommendation:

- 1.) Accept the work performed by Sully-Miller Contracting Co., for the amount of \$608,718.06.
- 2.) Appropriate \$313,354.52 from the \$250M bond proceeds (account no. 120.702.5205).
- 3.) Authorize the City Engineer or his designee to execute the Notice of Completion.
- 4.) Authorize the City Clerk to file a Notice of Completion for Project No. CITY-1422 Clark Avenue Widening and Sidewalk Construction and Salt Lake Avenue Sidewalk Construction.

Exhibit:

A. Notice of Completion dated March 9, 2017

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CNC/JN/GP:rg

**EXHIBIT A**

Notice of Completion dated March 9, 2017

[Attached]

RECORDING REQUEST

and WHEN RECORDED, MAIL TO:

Agency CITY OF INDUSTRY

Mailing 15625 East Stafford Street
Address Attention: Clement N. Calvillo
City City of Industry
State, Zip California 91744

THIS SPACE FOR RECORDER'S USE

NOTICE OF COMPLETION

Notice is given that work was completed on that certain work known as Project No. CITY-1422, Clark Avenue Widening & Sidewalk Construction & Salt Lake Avenue Sidewalk Construction, City of Industry, CA 91744, County of Los Angeles, for the undersigned agency and said work was accepted as complete on March 9, 2017. The contractor on said job was Sully Miller Contracting Company 135 S. State College Blvd, Brea CA 92821.

This Notice of Completion is being recorded on behalf of the Owner, CITY OF INDUSTRY, a Public Agency.

City of Industry

By Clement N. Calvillo, City Engineer

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 )
)ss.
County of Los Angeles )

The undersigned, being duly sworn, says: That he is the City Engineer and that he makes this verification on behalf of said entity; that he has read the foregoing and declares that the contents thereof, and that the facts stated herein, are true and correct.

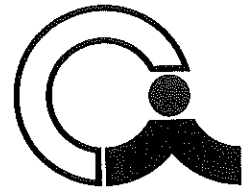
Clement N. Calvillo, City Engineer

Subscribed and sworn to (or affirmed) before me on this 9th day of March 2017, by Clement N. Calvillo, City Engineer, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

(Date)

(Notary Signature)

(Seal)



# CITY OF INDUSTRY

- Civic Recreational-Industrial Authority
- City of Industry Waterworks System
- Industry Urban-Development Agency
- Parking Authority

15625 East Stafford Street, City of Industry, CA 91744

## Notification of Construction Completion

**Project** Clark Avenue Widening & Sidewalk Construction  
& Salt Lake Avenue Sidewalk Construction **Date** MARCH 9, 2017  
**Contract No.** CITY-1422  
MP 13-06

### Contractor Sully Miller Contracting Company

As a result of an inspection conducted on 1/30/2017, the contractor's construction work has been completed in accordance with the contract documents, with the exception of the items noted below:

Acceptance of completed construction work shall not relieve the contractor from other requirements of the contract documents.

Accepted by Contractor Scott Conover [Signature] Project Engineer 2/8/17  
 Printed Name Signature Title Date

Recommended by Project Engineer Arlene Lopez [Signature] Project Engineer 2/8/17  
 Printed Name Signature Title Date

Recommended by Project Inspector Tony Farrahi [Signature] Project Inspector 2/8/17  
 Printed Name Signature Title Date

Recommended by Project Manager Gerardo Perez [Signature] Project Manager 3/1/17  
 Printed Name Signature Title Date

Recommend by Public Agency Clement N. Calvillo [Signature] City Engineer 2.13.17  
 Printed Name Signature Title Date