AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

The City Council, with certain statutory exceptions, can only take action upon properly posted and listed agenda items. Any writings or documents given to a majority of the City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk’s office during normal business hours. Such Documents may also be posted on the City’s website at www.elsegundo.org and additional copies will be available at the City Council meeting.

Unless otherwise noted in the Agenda, the Public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the Agenda during the Public Communications portions of the Meeting. Additionally, the Public can comment on any Public Hearing item on the Agenda during the Public Hearing portion of such item. The time limit for comments is five (5) minutes per person.

Before speaking to the City Council, please come to the podium and state: Your name and residence and the organization you represent, if desired. Please respect the time limits.

Members of the Public may place items on the Agenda by submitting a Written Request to the City Clerk or City Manager’s Office at least six days prior to the City Council Meeting (by 2:00 p.m. the prior Tuesday). The request must include a brief general description of the business to be transacted or discussed at the meeting. Playing of video tapes or use of visual aids may be permitted during meetings if they are submitted to the City Clerk two (2) working days prior to the meeting and they do not exceed five (5) minutes in length.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Clerk, 524-2305. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, June 4, 2013 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER

ROLL CALL

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.
SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, *et seq.*) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(d)(1) -4- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279
2. City of Los Angeles vs. Pacific Bell Telephone Company, et.al., LASC Case No. BC414272
3. Willmore vs. City of El Segundo, et.al., LASC Case No. BC485025
4. Garton vs. City of El Segundo, et.al., LASC Case No. YC066586

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2) and (3): -2- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -1- matter

1. Performance Evaluation
   Title: City Attorney

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957) –0- matter

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -0- matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0- matters
AGENDA
EL SEGUNDO CITY COUNCIL
COUNCIL CHAMBERS - 350 Main Street

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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, June 4, 2013 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Father Alexi Smith, St. Andrew Russian Greek Catholic Church

PLEDGE OF ALLEGIANCE – Council Member Atkinson
PRESENTATIONS

a. Presentation – Sindee Pickens, Youth Services Manager, Summer Reading Program 2013 at the El Segundo Library.

b. Presentation - Recognition of the Chevron El Segundo Refinery for their sponsorships of the 2013 Summer Concerts in the Park Series and Fourth of July Community Celebration events.

c. Proclamation – Saturday, June 8, 2013 Beauty and the Beach Day in El Segundo.

ROLL CALL

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

Recommendation – Approval.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to open a public hearing and receive public testimony concerning adopting a resolution approving the vacation of an existing sewer easement currently located at 1916 East Imperial Highway within the City of El Segundo.

(Fiscal Impact: $0)

Recommendation – 1) Open the public hearing; 2) Take public testimony; 3) Adopt a resolution approving the vacation of a sewer easement on real property owned by the Boeing Company; 4) Alternatively, discuss and take other possible action related to this item

C. UNFINISHED BUSINESS
D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

2. Consideration and possible action to announce the appointments to the Recreation and Parks Commission.
   (Fiscal Impact: None)
   Recommendation – 1) Announce the appointees to the Recreation and Parks Commission; 2) Alternatively, discuss and take other possible action related to this item.

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

3. Warrant Numbers 2592671 to 2592919 on register No. 16 in the total amount of $1,418,921.66 and Wire Transfers from 5/9/13 through 5/23/13 in the total amount of $2,083,434.56.
   Recommendation – Approve Warrant Demand Register and authorize staff to release. Ratify Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

4. Special City Council Meeting Minutes of May 14, 2013, Special City Council Meeting Minutes of May 21, 2013 and Regular City Council Meeting Minutes of May 21, 2013.
   Recommendation – Approval.

5. Consideration and possible action regarding the acceptance of a donation from Chevron El Segundo Refinery in the amount of $25,000.00 to help subsidize City special events such as Fourth of July Community Celebration and Concerts in the Park.
   (Fiscal Impact: $25,000.00 Revenue for the Special Events Trust Account)
   Recommendation – 1) Accept the donation from Chevron El Segundo Refinery; 2) Alternatively, discuss and take other possible action related to this item.
6. Consideration and possible action regarding a two-year renewal of the cost sharing agreement in a form approved by the City Attorney with Beach Cities Transit (BCT) for operation of Transit Line 109 for FY 13/14 and FY 14/15, in conjunction with the cities of Hermosa Beach, Redondo Beach and Manhattan Beach.
   (Fiscal Impact: $23,646.00 for FY 13/14 and up to $29,558.00 for FY 14/15 Proposition C funds.)
   Recommendation – 1) Approve the two-year renewal of the cost sharing agreement with BCT for operation of Transit Line 109; 2) Authorize the Mayor to execute Transit Service Operation Agreement in a form approved by the City Attorney; 3) Alternatively, discuss and take other possible action related to this item.

7. Consideration and possible action regarding awarding a contract to Big West Construction Corporation for constructing 26 homes related to Project No. RSI 13-04 (Group 50 of the City’s Residential Sound Insulation Program)
   (Fiscal Impact: Estimated construction costs and retention $874,525.00)
   Recommendation – 1) Reject the bid from AZ Home, Inc.; 2) Reject the bid from Harry H. Joh Construction; 3) Waive minor irregularities in the bid from Big West Construction Corporation; 4) Award contract to Big West Construction Corporation for project RSI 13-04 (Group 50); 5) Authorize the City Manager to execute a contract in a form approved by the City Attorney; and/or 6) Alternatively, discuss and take other possible action related to this item.

8. Consideration and possible action to authorize the City Manager to sign and enter into an agreement, reviewed by the City Attorney, with the County of Los Angeles to enable controlled substances to be supplied by the County Emergency Medical Services Agency to the El Segundo Fire Department paramedic provider program.
   (Fiscal Impact: $2,500.00)
   Recommendation – 1) Authorize the City Manager to sign and enter into an agreement, reviewed by the City Attorney, with the County of Los Angeles to enable controlled substances to be supplied by the County Emergency Medical Services Agency to the El Segundo Fire Department paramedic provider program; 2) Alternatively, discuss and take other possible action related to this item.
9. Consideration and possible action to update the El Segundo Municipal Code regulating general penalties and administrative citations. These changes are desirable to ensure effective code enforcement by the El Segundo Police, Fire Public Works and Planning and Building Safety Departments. (Fiscal Impact: None)


10. Consideration and possible action to adopt a Resolution approving Plans and Specifications for Park Vista Senior Housing Roof Repairs. Project No. PW 13-20. (Fiscal Impact: To Be Determined)

Recommendation – 1) Adopt attached resolution approving Plans and Specifications for the Park Vista roof repairs; 2) Alternatively, discuss and take other possible action related to this item.

11. Consideration and possible action regarding a change to the Self-Insured Retention (SIR) limits from $400,000 to $750,000 in the General Liability Program with Independent Cities Risk Management Authority (ICRMA) beginning for the policy period 7/1/13. (Fiscal Impact: None)

Recommendation – 1) Approving a change to the Self-Insured Retention (SIR) limits from $400,000 to $750,000 in the General Liability Program beginning for the policy period 7/1/13; 2) Alternatively, discuss and take other possible action related to this item.

F. NEW BUSINESS

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK
12. Consideration and possible action regarding Council consensus to cancel the July 2, 2013 City Council Meeting.
(Fiscal Impact: None)
Recommendation – 1) Approve cancellation of the July 2, 2013 City Council Meeting; 2) Alternatively, discuss and take other possible action related to this item.

J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer -

Council Member Atkinson –

Council Member Fuentes –

Mayor Pro Tem Jacobson –

Mayor Fisher –

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MEMORIALS –

CLOSED SESSION

The City Council may move into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators.

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)
ADJOURNMENT

POSTED:

DATE: 5.29.13

TIME: 3:00 PM

NAME: [Handwritten Name]
PRESENTATION
Sindee Pickens, Youth Services Manager
Summer Reading Program 2013 at the El Segundo Library.
PRESENTATION
Recognition of the Chevron El Segundo Refinery for their
sponsorships of the 2013 Summer Concerts in the Park Series and
Fourth of July Community Celebration events.
Proclamation
City of El Segundo, California

WHEREAS, For economic, aesthetic and environmental reasons, the quality of Santa Monica Bay beaches is of paramount concern to all citizens of El Segundo; and

WHEREAS, On Saturday, June 8, 2013, from 9:30 a.m. to 12:00 p.m., the El Segundo Power, LLC and El Segundo Kiwanis Club will sponsor the 13th Annual Beauty and The Beach community event for people to gather and celebrate their commitment to preserving our beaches by undoing some of the damage caused to this precious natural resource; and

WHEREAS, Employees of El Segundo Power, LLC and members of the El Segundo Kiwanis Club along with other volunteers, will clean the stretch of beach from all debris between Grand Avenue to Vista del Mar Beach Entrance.

NOW, THEREFORE, on this 4th day of June, 2013, the Mayor and Members of the City Council of the City of El Segundo, California, hereby proclaim June 8, 2013 Beauty and The Beach Day in El Segundo and invite the community to join the El Segundo Power, LLC and members of The El Segundo Kiwanis Club in cleaning our El Segundo Beach.

Mayor Bill Fisher

Mayor Pro Tem Carl Jacobson
Council Member Suzanne Fuentes
Council Member Dave Atkinson
Council Member Marie Fellhauer
AGENDA DESCRIPTION:
Consideration and possible action to open a public hearing and receive public testimony concerning adopting a resolution approving the vacation of an existing sewer easement currently located at 1916 East Imperial Highway within the City of El Segundo. (Fiscal Impact: $0)

RECOMMENDED COUNCIL ACTION:
1. Open the public hearing;
2. Take the public testimony;
3. Adopt a resolution approving the vacation of a sewer easement on real property owned by the Boeing Company;
4. Alternatively, discuss and take other possible action related to this item

ATTACHED SUPPORTING DOCUMENTS:
Resolution
Boeing Request and Property Description
Vesting Deed
Preliminary Title Report

FISCAL IMPACT: None.

Amount Requested: $0
Additional Appropriation: No
Account Number(s): N/A

ORIGINATED BY: Floriza Rivera, Principal Engineer
REVIEWED BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On April 16, 2013, City Council adopted a Resolution of Intention to schedule a hearing for determining whether to vacate an existing sewer easement located at 1915 East Imperial Highway, a property owned by Boeing Company. Boeing has future plans to expand their building footprint over the easement area, and relocate its sewer connection facilities to a more desirable location.

Notices of the proposed easement vacation were advertised in the El Segundo Herald on April 25 and May 2, 2013. Notices were also posted along the property line at the easement location and sent to all utility agencies with known facilities in the City, inquiring if their agencies had any
facilities within the same easement. Only a few utilities responded to the survey. The Planning Commission reviewed the proposed abandonment at its April 25, 2013 meeting and determined that it is in conformance with the General Plan. A public hearing must now take place to determine whether to adopt a resolution to abandon the sewer easement. The Boeing Company would assume ownership and maintenance of the existing sewer facilities by operation of law if the City Council decides to adopt the proposed resolution.

An unidentified amount of future savings would occur due to the elimination of repair and maintenance activities for approximately 305 ft of sewer lateral pipe in the easement and in public right-of-way up to the existing manhole on Selby Street. The sewer lateral only serves the Boeing Company and can easily be transferred to Boeing without impacting other adjacent properties that connect to the nearby sewer main. Staff therefore supports this action and recommends that Council adopt the attached Resolution to abandon the easement.
March 12, 2013

Ms. Floriza Rivera
Principal Civil Engineer
City of El Segundo
Dept. of Public Works
350 Main Street
El Segundo, CA 90245

Re: Sewer easement quitclaim request
Project No.: 20-12020

We are sending you herewith via Stephen Woolley & Associates:

- One (1) original legal description and exhibit of proposed abandonment of sewer easement
- One (1) copy of sewer easement deed in Book 53041, Page 48
- One (1) copy of sewer easement deed in Book D274, Page 827

_____ in compliance with your request
for your information
X for your approval
_____ for your review and comment
_____ for your signature and return

Remarks:
Boeing is now the owner of the property located at 1916 East Imperial Highway, as well as the remainder of the Selby block. The easement is no longer required and therefore requested to be abandoned. The sewer line will be privately maintained. Thanks.

By: Larry L. Mar, P.E., PLS
Partner
Recording Requested by and Returned to:

Tracy Weaver
City Clerk
City of El Segundo
350 Main Street
El Segundo, CA

Request recording without fee for the benefit of the
City of El Segundo pursuant to Streets and Highways Code § 8336.

APN 4138-005-072,
APN 4138-005-057, and
APN 4138-005-042

RESOLUTION NO. _________

A RESOLUTION ADOPTED BY THE CITY COUNCIL FOR THE CITY OF EL SEGUNDO VACATING SEWER EASEMENTS WITHIN PORTIONS OF PARCEL NO. 5, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON RECORD OF SURVEY MAP OF A PORTION OF THE NORTH HALF OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 14 WEST, IN THE RANCHO SAUSAL REDONDO.

BE IT RESOLVED by the Council of the City of El Segundo as follows:

SECTION 1: The City Council finds as follows:

A. On or about November 14, 1956, the Santa Fe Land Improvement Company conveyed easements, each being a strip 10 feet in width, situated in the City of El Segundo (“City”), County of Los Angeles, State of California, being portions of Parcels 2, 4 and 5 as said parcels are shown on Record of Survey Map of a portion of the North Half of Section 7, Township 3 South, Range 14 West, in the Rancho Sausal Redondo, which Map was filed with the Los Angeles County Recorder’s Office in Records of Survey Book 66, Page 5 (“Final Map”).

B. The conveyed gave three separate sanitary sewer lines, together with an easement to the City of El Segundo for public utility services (“Easement”) over, under and across three parcels of real property for the maintenance of said sewer lines.

C. On or about March 12, 2013, the Boeing Company (“Boeing”), through its
representatives at Southland Civil Engineering and Stephen Woolley & Associates, stated that Boeing is now the owner of the property located at 1916 East Imperial Highway as well as the remainder of the Selby block. Boeing requested the easements described in Items A and B be abandoned (“Project”). The vesting deed and preliminary title report are attached to this resolution to confirm Boeing’s ownership.

D. The Project would, by law, transfer all responsibility of maintenance for City Manhole CS-001 on Boeing property, the sewer main between City Manhole CS-001 and CS-002 located on Selby Street, and all related sewer appurtenances between the manholes to the Boeing Company.

E. A review of applicable documents shows there are sewer utility facilities located within the Easement.

F. If the Easement is relinquished, the present maintenance by the City of El Segundo for Manhole CS-001 and for the sewer line and its appurtenances from Manhole CS-001 west to Manhole CS0002 will no longer be required. Manhole CS-002 and all sewer facilities downstream of it will continue to be maintained by the City.

G. The Easement, in its current location, is not necessary for present or prospective public use.

H. On or about April 11, 2013, the City informed all utility agencies with facilities in the City in writing about the Project. Surveys to be returned by the agencies were included with the City letter. Several agencies responded to the letter. Those that responded confirmed that the easement relinquishment would not be an issue for them.

H. On or about April 16, 2013, the City adopted a Resolution of Intention to schedule a public hearing regarding the abandonment of this easement and sewer facility. Notices for the hearing were published in the El Segundo Herald on April 25 and May 2. Notices were also displayed in four locations on the Boeing property line on Imperial Highway and Selby Street near the easement.

I. On or about April 25, 2013, the City Planning Commission determined that vacating the Easement is consistent with the City’s General Plan.

J. Following a public hearing held on May XX, 2013, the City Council finds that abandoning the Easement is in the public interest.
SECTION 2: In accordance with the City Council’s findings, the City of El Segundo summarily vacates the Easement. Ownership and maintenance of Manhole CS-001 and the sewer line and its appurtenances from Manhole CS-001 up to Manhole CS-002 will be assumed by the Boeing Company by operation of law.

SECTION 3: The City Clerk, or designee, is directed to record this Resolution within ten (10) days of its adoption.

SECTION 4: From and after the date this Resolution is recorded, the Easement vacated by this Resolution will no longer constitute a public service easement, and the sewer utilities vacated by this Resolution will no longer constitute a City responsibility to maintain.

SECTION 5: This Resolution will become effective immediately upon adoption and will remain effective unless superseded or repealed.

PASSED AND ADOPTED this ___ day of ________________, 2013.

Bill Fisher, Mayor

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: __________________________
   Karl H. Berger, Assistant City Attorney
ATTEST:

STATE OF CALIFORNIA )
COUNTY OF VENTURA ) SS
CITY OF EL SEGUNDO )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution No. ___ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the ____ day of ____ 2013, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____________________________________
Tracy Weaver, City Clerk
EXHIBIT "A"
(SEWER EASEMENT)

THOSE PORTIONS OF PARCEL NO. 5, IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON RECORD OF SURVEY MAP OF A PORTION OF THE NORTH HALF OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 14 WEST, IN THE RANCHO SAUSAL REDONDO, FILED IN BOOK 66, PAGE 5 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING TWO STRIPS OF LAND, 10.00 FEET WIDE, DESCRIBED AS PARCEL "A" OF DOCUMENT NO. 3453, RECORDED DECEMBER 5, 1956 IN BOOK 53041, PAGE 48 AND THAT DOCUMENT NO. 5232, RECORDED NOVEMBER 13, 1958 IN BOOK D274, PAGE 827, BOTH OF OFFICIAL RECORDS OF SAID COUNTY.

EXHIBIT "B" (SHEETS 2 AND 3 OF 3 SHEETS) ATTACHED HERETO, IS MADE A PART HEREOF.

[Signature]
LARRY L. MAR, PLS

[Stamp]
LICENSED LAND SURVEYOR
STATE OF CALIFORNIA

DATE
5/9/13
LINE AND CURVE DATA FOR SHEET 2

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### EASEMENT LEGEND

**A** CENTERLINE OF AN EXISTING 10.00' WIDE EASEMENT OF THE CITY OF EL SEGUNDO FOR SANITARY SEWER PURPOSES DESCRIBED AS PARCEL "A" IN DOCUMENT RECORDED IN BOOK 53041, PAGE 48, OF OFFICIAL RECORDS.

**B** EXISTING 10.00' WIDE EASEMENT OF THE CITY OF EL SEGUNDO FOR SANITARY SEWER PURPOSES PER DOCUMENT RECORDED IN D274, PAGE 827, OF OFFICIAL RECORDS.
PCOR SURCHARGE $20.00
RECORDING REQUESTED BY
Chicago Title Company

AND WHEN RECORDED MAIL TO:
The Boeing Company
2201 Seal Beach Blvd., 7th Floor
Seal Beach, CA 90740
Attn: Gary Rafferty

ORDER NO. 116747166-X59
ESCROW NO. 12470049-002-CD2
PARCEL NO. 4138-005-042 & 4138-005-057

GRANT DEED

Statement of Tax Due and Request that Transfer Tax not be Made Part of the Permanent Record to be filed separate from the Grant Deed

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Satco, Inc., a California corporation

hereby GRANT(s) to

The Boeing Company, a Delaware corporation

the following real property in the County of Los Angeles, State of California:

see legal description attached hereto and made a part hereof.

Dated: December 4, 2012

GRANTOR:

Satco, Inc.,
a California corporation

By: Peter Looker, President

Mail tax statement to: The Boeing Company, P.O. Box 3707, M/C 6A1-01, Seattle, Washington, 98124-2207, Attn: Nancy Gayman, Puget Sound Tax
STATE OF CALIFORNIA
COUNTY OF Los Angeles SS:

On December 5, 2012 before me, Jocelyne B. Duross, a Notary Public, personally appeared Peter Deboer who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature

Jocelyne B. Duross
Commission # 1965502
Notary Public - California
Los Angeles County
My Comm. Expires Jan 29, 2018
LEGAL DESCRIPTION EXHIBIT

PARCEL 1: (4138-005-042)

AN IRREGULAR-SHAPED PARCEL OF LAND IN THE CITY OF EL SEGUNDO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF THAT CERTAIN 20.057 ACRE PARCEL NO. 5, AS SHOWN ON RECORD OF SURVEY MAP OF A PORTION OF THE NORTH HALF OF SECTION 7, TOWNSHIP 3 SOUTH, RANGE 14 WEST, IN THE RANCHO SAUSAL REDONDO WHICH MAP FILED IN BOOK 66 PAGE 5 OF RECORD OF SURVEYS OF SAID COUNTY BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THAT CERTAIN ANGLE POINT IN THE WESTERLY BOUNDARY OF SAID PARCEL NO. 5, AS SHOWN ON SAID SURVEY MAP DISTANT NORTH 0° 20' WEST 417.22 FEET ALONG SAID WESTERLY BOUNDARY FROM THE SOUTHWEST CORNER OF SAID PARCEL NO 5; THENCE NORTH 89° 59' 20" EAST PARALLEL WITH THE SOUTHERLY BOUNDARY OF SAID PARCEL NO. 5, A DISTANCE OF 346.60 FEET TO A POINT IN A LINE THAT IS PARALLEL WITH AND DISTANT 510 FEET WESTERLY MEASURED AT RIGHT ANGLES, FROM THE WESTERNLY LINE OF THE LAND DESCRIBED IN DEED OF NASH-KELVINATOR CORPORATION, RECORDED IN BOOK 29478 PAGE 241, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID WESTERNLY LINE BEING ALSO THE EASTERLY LINE OF SAID PARCEL NO. 5; THENCE ALONG LAST SAID PARALLEL LINE, BEING ALSO THE EASTERLY LINE OF THE SOUTHERLY PROLONGATION THEREOF OF THAT CERTAIN 0.2733 OF AN ACRE PARCEL "B" AS DESCRIBED IN DEED RECORDED FEBRUARY 15, 1957 FROM SANTA FE LAND IMPROVEMENT COMPANY TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, RECORDED IN BOOK 53662 PAGE 127, OFFICIAL RECORDS OF SAID COUNTY, NORTH 0° 00' 23" WEST, A DISTANCE OF 353.00 FEET TO THE TRUE POINT OF BEGINNING FOR THIS DESCRIPTION; THENCE ALONG LAST SAID PARALLEL LINE, BEING ALONG THE EASTERLY LINE OF SAID 0.2733 OF AN ACRE PARCEL, NORTH 0° 00' 23" WEST 267.28 FEET TO A POINT IN THE NORTHERLY LINE OF SAID PARCEL NO. 5; THENCE NORTHERLY 89° 59' 20" EAST ALONG THE NORTHERLY LINE OF SAID PARCEL 5; A DISTANCE OF 210.00 FEET TO THE NORTHWESTERN CORNER OF THAT CERTAIN 0.8201 OF AN ACRE PARCEL "B" AS DESCRIBED IN DEED RECORDED JANUARY 18, 1957, FROM SANTA FE LAND IMPROVEMENT COMPANY TO THE CITY OF EL SEGUNDO, RECORDED IN BOOK 53409 PAGE 217, OFFICIAL RECORDS OF SAID COUNTY; THENCE EASTERLY AND SOUTHERLY ALONG THE BOUNDARY LINE OF LAST SAID PARCEL "B" THE FOLLOWING COURSES; ALONG THE ARC OF A CURVE TANGENT TO THE LAST DESCRIBED COURSE, CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 20.00 FEET THROUGH A CENTRAL ANGLE OF 90° 00' 17" A DISTANCE OF 31.42 FEET TO POINT OF TANGENCY IN A LINE THAT IS PARALLEL WITH AND DISTANT WESTERLY 280.00 FEET MEASURED AT RIGHT ANGLES FROM THE EASTERNLY BOUNDARY OF SAID PARCEL NO 5; THENCE SOUTH 0° 00' 23" EAST ALONG SAID LAST PARALLEL LINE, A DISTANCE OF 197.28 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT SOUTHERLY 217.28 FEET, MEASURED AT RIGHT ANGLES FROM THE NORTHERLY BOUNDARY OF SAID PARCEL NO. 5; THENCE LEAVING THE BOUNDARY OF LAST SAID PARCEL "B"; SOUTH 89° 59' 20" WEST ALONG LAST SAID PARALLEL LINE 225.00 FEET; THENCE SOUTH 5° 41' 59" WEST, A DISTANCE OF 50.25 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.
EXCEPT ALL NATURAL GAS AND ALL OIL, HYDROCARBON AND MINERAL SUBSTANCES IN OR UNDER THAT MAY BE PRODUCED FROM SAID LAND BUT WITH OUT THE RIGHT OF SURFACE ENTRY FOR THE PURPOSE OF DISCOVERING OR EXTRACTING SAID SUBSTANCES, AS GRANTED TO STANDARD OIL COMPANY OF CALIFORNIA, A CORPORATION, BY DEED RECORDED JULY 27, 1943 IN BOOK 20145 PAGE 298, OFFICIAL RECORDS, AND TO CHANSLOR-CANFIELD MIDWAY OIL COMPANY, A CORPORATION, BY DEED RECORDED SEPTEMBER 7, 1945 IN BOOK 22243, PAGE 336, OFFICIAL RECORDS.

PARCEL 2: (4138-005-057)

THAT PORTION OF THAT CERTAIN 20.057 ACRE PARCEL NO. 5 AS SHOWN ON RECORD OF SURVEY MAP OF A PORTION OF THE NORTH HALF OF SECTION 7 TOWNSHIP 3 SOUTH, RANGE 14 WEST, IN THE RANCHO SAUSAL REDONDO, WHICH MAP IS FILED IN BOOK 66, PAGE 5 OF RECORD OF SURVEYS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

A STRIP OF LAND 20.00 FEET IN WIDTH LYING 10.00 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTER LINE:

BEGINNING AT THE INTERSECTION OF A LINE THAT IS PARALLEL WITH AND DISTANT NORTHERLY 442.22 FEET AT RIGHT ANGLES FROM THE SOUTHERLY LINE OF SAID PARCEL 5 WITH A LINE THAT IS PARALLEL WITH AND DISTANT WESTERLY 520.00 FEET AT RIGHT ANGLES FORM THE EASTERLY LINE OF SAID PARCEL 5; THENCE ALONG LAST SAID PARALLEL LINE NORTH 0° 00' 23" WEST 595.28 FEET, MORE OR LESS, TO POINT OF ENDING IN THE NORTHERLY LINE OF SAID PARCEL 5.

EXCEPTING THEREFROM THAT PORTION OF SAID LAND DESCRIBED IN QUITCLAIM DEED RECORDED NOVEMBER 23, 1998 AS INSTRUMENT NO. 98-2140032, OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES AS CONVEYED (A) TO STANDARD OIL COMPANY OF CALIFORNIA BY DEED DATED DECEMBER 21, 1942, RECORDED JULY 27, 1943 IN BOOK 20145, PAGE 298 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AND (B) TO CHANSLOR-CANFIELD MIDWAY OIL COMPANY BY DEED DATED AUGUST 23, 1945, RECORDED SEPTEMBER 7, 1945 IN BOOK 22243, PAGE 336 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

END OF LEGAL DESCRIPTION
Southland Civil Engineering & Survey LLP 87 N Raymond Ave., Suite 500  Pasadena, CA 91103  
Attn: Larry L. Mar, P.E. PLS  
Our File No: 09512737  
Title Officer: Ines Caballa  
e-mail: ICaballa@litic.com  
Phone: (213) 330-3054  
Fax: (213) 330-3086  

Your Reference No: 11024 S20  
Property Address: 1916 East Imperial Highway, El Segundo, California

PRELIMINARY REPORT (V6)

Dated as of March 5, 2013 at 7:30 a.m.

In response to the application for a policy of title insurance referenced herein, Lawyers Title Company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitation on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

The policy(s) of title insurance to be issued hereunder will be policy(s) of Commonwealth Land Title Insurance Company.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.
SCHEDULE A

The form of policy of title insurance contemplated by this report is:

Preliminary Report

The estate or interest in the land hereinafter described or referred to covered by this report is:

A FEE

Title to said estate or interest at the date hereof is vested in:

The Boeing Company, a Delaware corporation, as to Parcels 1 and 2; and

Boeing Satellite Systems Inc., formerly known as Hughes Space and Communications Company, a Delaware Corporation, as to Parcel 3.

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

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF
EXHIBIT "A"

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

Parcel 1: (4138-005-042)

An irregular-shaped parcel of land in the City of EL Segundo, County of Los Angeles, State of California, being a portion of that certain 20.057 acre Parcel No. 5, as shown on Record of Survey map of a portion of the North half of Section 7, Township 3 South, Range 14 West, in the Rancho Sausal Redondo which map filed in Book 66 Page 5 of Record of Surveys of said County being more particularly described as follows:

Commencing at that certain angle point in the Westerly boundary of said Parcel No. 5, as shown on said survey map distant North 0°20’ West 417.22 feet along said Westerly boundary from the Southwest corner of said Parcel No 5; thence North 89°59’20” East parallel with the Southerly boundary of said Parcel No. 5, a distance of 346.60 feet to a point in a line that is parallel with and distant 510 feet Westerly measured at right angles, from the Westerly line of the land described in Deed of Nashkelvinator Corporation, recorded in Book 29478 Page 241, Official Records, in the Office of the County Recorder of said County, said Westerly line being also the Easterly line of said Parcel No. 5; thence along last said parallel line, being also the Easterly line of the Southerly prolongation thereof of that certain 0.2733 of an acre Parcel “B” as described in Deed recorded February 15, 1957 from Santa Fe Land Improvement Company to the Atchison, Topeka and Santa Fe Railway Company, recorded in Book 53662 Page 127, Official Records of said County, North 0°00’23” West, a distance of 353.00 feet to the True Point of Beginning for this description; thence along said last parallel line, being along the Easterly line of said 0.2733 of an acre parcel, North 0°00’23” West 267.28 feet to a point in the Northerly line of said Parcel No. 5; thence Northerly 89°59’20” East along the Northerly line of said Parcel 5; a distance of 210.00 feet to the Northwesterly corner of that certain 0.8201 of an acre Parcel “B” as described in Deed recorded January 18, 1957, from Santa Fe Land Improvement Company to the City of EL Segundo, recorded in Book 53409 Page 217, Official Records of said County; thence Easterly and Southerly along the boundary line of last said Parcel “B” the following courses; along the arc of a curve tangent to the last described course, concave Southwesterly and having a radius of 20.00 feet through a central angle of 90°00’17” a distance of 31.42 feet to point of tangency in a line that is parallel with and distant Westerly 280.00 feet measured at right angles from the Easterly boundary of said parcel No. 5; thence South 0°00’23” East along said last parallel line, a distance of 197.28 feet to a point in a line parallel with and distant Southerly 217.28 feet, measured at right angles from the Northerly boundary of said parcel No. 5; thence leaving the boundary
of last said Parcel “B”; South 89°59’20” West along last said parallel line 225.00 feet; thence South 5°41’59” West, a distance of 50.25 feet, more or less, to the True Point of Beginning.

Except therefrom that portion of said land described in deed recorded August 22, 1985 as Instrument No. 85-969409 of Official Records.

Also except all natural gas and all oil, hydrocarbon and mineral substances in or under that may be produced from said land but with out the right of surface entry for the purpose of discovering or extracting said substances, as granted to Standard Oil Company of California, a Corporation, by Deed recorded July 27, 1943 in Book 20145 Page 298, Official Records, and to Chanslor-Canfield Midway Oil Company, a Corporation, by Deed recorded September 7, 1945 in Book 22243, Page 336, Official Records.

Parcel 2: (4138-005-057)

That portion of that certain 20.057 acre Parcel No. 5 as shown on Record of Survey Map of a portion of the North half of Section 7 Township 3 South, Range 14 West, in the Rancho Sausal Redondo, in the City of El Segundo, County of Los Angeles, State of California, which map is filed in Book 66, Page 5 of Record of Surveys of said County, described as follows:

A strip of land 20.00 feet in width lying 10.00 feet on each side of the following described center line:

Beginning at the intersection of a line that is parallel with and distant Northerly 442.22 feet at right angles from the Southerly line of said Parcel 5 with a line that is parallel with and distant Westerly 520.00 feet at right angles form the Easterly line of said Parcel 5; thence along last said parallel line North 0°00’23” West 595.28 feet, more or less, to point of ending in the Northerly line of said Parcel 5.

Excepting therefrom that portion of said land described in Quitclaim Deed recorded November 23, 1998 as instrument No. 98-2140032, of Official Records.

Also excepting therefrom all oil, gas and other hydrocarbon and mineral substances as conveyed (A) to Standard Oil Company of California by Deed dated December 21, 1942, recorded July 27, 1943 in Book 20145, Page 298 of Official Records, in the Office of the County Recorder of said County, and (B) To Chanslor-Canfield Midway Oil Company by Deed dated August 23, 1945, recorded September 7, 1945 in Book 22243, Page 336 of Official Records, in the Office of the County Recorder of said County.
Above said Parcels 1 and 2 are also being described and shown in Record of Survey filed in Book 252 Page 26 of Record of Survey, records of said County.

Parcel 3: (4138-005-072)

That portion of Parcel No. 5, in the City of El Segundo, County of Los Angeles, State of California, as shown on record of survey map of a portion of the North half of Section 7, Township 3 South, Range 14 West, in the Rancho Sausal Redondo, filed in Book 66, Page 5 of record of surveys, in the Office of the County recorder of said County, more particularly described as follows:

Beginning at a point in the Southerly right-of-way of Imperial Highway, 90.00 feet wide, as shown on said record of survey, said point being on a line that is parallel with and distant 530.00 feet Westerly, measured at right angle, from the Easterly line of said Parcel No. 5; thence along said right-of-way, South 89°59'20" West, 206.29 feet to the beginning of a tangent curve concave Southeasterly and having a radius of 40.00 feet, said point being the most Easterly corner of deed recorded July 19, 1973 as Instrument No. 280, of Official Records; thence along the Easterly boundary of said deed and of documents recorded January 22, 1973 as Instrument Nos. 3137 and 3138, both of Official Records, the following courses:

1. Westerly and Southerly along said last mentioned curve through a central angle of 85°40'02" an arc distance of 59.81;
2. South 04°19'18" West, 52.94 feet, to the beginning of a tangent curve concave Westerly and having a radius of 135.00 feet;
3. Southerly along said curve though a central angle of 17°03'33" an arc distance of 40.19 feet to the beginning of a reverse curve concave Easterly and having a radius of 115.00 feet;
4. Southerly along said curve through a central of 17°03'33" an arc distance of 34.24 feet;
5. South 04°19'18" West, 351.91 feet to the beginning of a tangent curve concave Easterly and having a radius of 2925.00 feet;
6. Southerly along said curve through a central angle of 01°12'06" an arc distance of 61.35 feet to the beginning of a compound curve concave Northeasterly and having a radius of 20.00 feet;
7. Southerly and arc distance of 32.51 feet to a point in the Northerly of 93°07' 52" an arc distance of 32.51 feet to a point in the Northerly line of Walnut Avenue, 60.00 feet wide, as described in a street deed recorded January 18, 1957 as Document No. 3121, of Official Records;

Thence along said Northerly line, North 89°59'20" East, 507.24 feet to the beginning of a tangent curve concave Northwesterly and having a radius of 20.00 feet; thence Easterly and Northerly along said curve through a central angle of 89°59' 43" an arc distance of
31.41 feet to a point of tangency in the Westerly line of Selby Street, 60.00 feet wide, as described in said street deed; thence along said Westerly line, North 00°00'23" West, 350.00 feet to the Northeasterly corner of deed recorded June 12, 2009 as Instrument No. 09-885855, in Official Records; thence along the boundary of said deed the following courses:

1. South 89°59'20" West, 225.00 feet to an angle point;
2. South 05°41'59" West, 50.25 feet to an angle point;
3. South 89°59'20" West, 20.00 feet to an angle point;
4. North 00°00'23" West, 167.28 feet to the Southeasterly corner of deed recorded June 12, 2009 as Instrument No. 09-885857, in Official Records;

Thence along the Easterly line of said deed, North 00°00'23" West, 100.00 feet to the Point of Beginning.

Said land is also described and shown as Parcel 1 in a Certificate of Compliance recorded May 13, 2010 as Instrument No. 20100653177, of Official Records.
SCHEDULE B – Section A

The following exceptions will appear in policies when providing standard coverage as outlined below:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.

2. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.

3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.

4. Any encroachment, encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.

6. Any lien or right to a lien for services, labor of material not shown by the Public Records.
SCHEDULE B – Section B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2013-2014

B. Property taxes, including any personal property taxes and any assessments collected with taxes, are as follows:

<table>
<thead>
<tr>
<th>Tax Identification No.:</th>
<th>4138-005-042</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year:</td>
<td>2012-2013</td>
<td></td>
</tr>
<tr>
<td>1st Installment:</td>
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<td></td>
</tr>
<tr>
<td>2nd Installment:</td>
<td>$15,225.60, unpaid (Delinquent after April 10)</td>
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<tr>
<td>Penalty and Cost:</td>
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<tr>
<td>Homeowners Exemption:</td>
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<td></td>
</tr>
<tr>
<td>Code Area:</td>
<td>9851</td>
<td></td>
</tr>
</tbody>
</table>

Affects: Parcel 1

C. Property taxes, including any personal property taxes and any assessments collected with taxes, are as follows:

<table>
<thead>
<tr>
<th>Tax Identification No.:</th>
<th>4138-005-057</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year:</td>
<td>2012-2013</td>
<td></td>
</tr>
<tr>
<td>1st Installment:</td>
<td>$521.06 Paid</td>
<td></td>
</tr>
<tr>
<td>2nd Installment:</td>
<td>$521.06, unpaid (Delinquent after April 10)</td>
<td></td>
</tr>
<tr>
<td>Penalty and Cost:</td>
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</tr>
<tr>
<td>Homeowners Exemption:</td>
<td>$none</td>
<td></td>
</tr>
<tr>
<td>Code Area:</td>
<td>9851</td>
<td></td>
</tr>
</tbody>
</table>

Affects: Parcel 2

D. Property taxes, including any personal property taxes and any assessments collected with taxes, are as follows:

<table>
<thead>
<tr>
<th>Tax Identification No.:</th>
<th>4138-005-072</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Year:</td>
<td>2012-2013</td>
<td></td>
</tr>
<tr>
<td>1st Installment:</td>
<td>$116,388.73 Paid</td>
<td></td>
</tr>
<tr>
<td>2nd Installment:</td>
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<td>Penalty and Cost:</td>
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<tr>
<td>Homeowners Exemption:</td>
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<td></td>
</tr>
<tr>
<td>Code Area:</td>
<td>9851</td>
<td></td>
</tr>
</tbody>
</table>

Affects: Parcel 3

E. Any liens or other assessments, bonds, or special district liens including without limitation, Community Facility Districts, that arise by reason of any local, City, Municipal or County Project or Special District.
THE FOLLOWING MATTERS AFFECT PARCELS 1 AND 2:

1. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Pipes and pipe lines  
   Recording No: In Book 6089, Page 349, Official Records  
   Affects: That portion of said land as described therein.

2. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Exclusive right to drill and produce such natural gas from said land  
   Recording Date: July 27, 1943  
   Recording No: In Book 20145, Page 298, Official Records  
   Affects: That portion of said land as described therein.

3. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Pipe lines  
   Recording Date: June 11, 1956  
   Recording No: In Book 51424, Page 445, Official Records  
   Affects: That portion of said land as described therein.

4. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Gas pipe line  
   Recording Date: June 11, 1956  
   Recording No: as Instrument No. 2219, Official Records  
   Affects: That portion of said land as described therein.

5. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Sanitary sewers  
   Recording Date: December 5, 1956  
   Recording No: In Book 53041, Page 48, Official Records  
   Affects: That portion of said land as described therein.

6. Intentionally Deleted.

7. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

   Purpose: Underground electrical supply systems and communication systems  
   Recording Date: September 18, 1979  
   Recording No: as Instrument No. 79-1039002, Official Records  
   Affects: That portion of said land as described therein.
8. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Construction, reconstruction, inspection, maintenance, operation and repair of a catch basin
Recording Date: October 7, 1986
Recording No: as Instrument No. 86-1347842, Official Records
Affects: That portion of said land as described therein.

A document subject to all the terms, provisions and conditions therein contained.

Entitled: Indemnification Agreement
Recording Date: November 17, 1986
Recording No: as Instrument No. 86-1586302, Official Records

9. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: Storm drain
Recording Date: August 19, 1986
Recording No: as Instrument No. 86-1077507, Official Records
Affects: That portion of said land as described therein.

10. The effect of a Resolution of the Planning Commission of the City of El Segundo, California, approving Environmental Assessment No. EA241 and Subdivision No. 90-9, recorded October 23, 1990, as Instrument No. 90-1794236, Official Records. Said document may affect the property in question but we cannot be sure because it lacks a sufficient legal description.

11. Water rights, claims or title to water, whether or not disclosed by the public records.

12. Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

13. Any rights of the parties in possession of a portion of, or all of, said Land, which rights are not disclosed by the public records.

14. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other matters which a correct survey would disclose and which are not shown by the public records.

15. Any easements not disclosed by the public records as to matters affecting title to real property, whether or not said easements are visible and apparent.

THE FOLLOWING MATTERS AFFECT PARCEL 3:

16. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Standard Oil Company of California
Purpose: Construct and maintain 2 pipe lines for the transportation of oil, petroleum, gas or water, and to erect and maintain telegraph or telephone lines upon a single line of poles, if the same shall be desired
Recorded: In Book 4244, Page 230, Official Records
Affects: A portion of said land

In Book 12216, Page 14, Official Records, appears the record of an instrument executed by Santa Fe Land Improvements Company, a Corporation, and Standard Oil Company of California, a corporation, whereby they agree that the easement above mentioned is amended.
17. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Shell Company of California
Purpose: Construct and maintain pipes and pipe lines for the transportation of oil, petroleum, gas, water and other substances or any thereof
Recorded: In Book 6089, Page 349, Official Records
Affects: A portion of said land

The exact location and/or extent of said easement is not disclosed in the public records.

18. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein.

Lessor: Santa Fe Land Improvement Company, a Corporation
Lessee: Standard Oil Company of California, a corporation
Disclosed by: Notice of Lease
Recorded: July 8, 1940, in Book 17577, Page 335, Official Records

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

19. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: The City of El Segundo, a Municipal Corporation
Purpose: An underground storm drain
Recorded: August 22, 1942, in Book 1947, Page 282, Official Records
Affects: A portion of said land

20. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Southern California Gas Company, a Corporation
Purpose: Gas pipe line and appurtenant equipment or facilities
Recorded: July 11, 1956, in Book 51424, Page 445, Official Records
Affects: A portion of said land

21. The effect of a Grant Deed

Dated: July 13, 1956
Executed by: Santa Fe Land Improvement Company, a California Corporation
In favor of: Damien M. O'Brien and Marianne J. O'Brien
Recorded: August 28, 1956, in Book 52141, Page 192, Official Records

Reference is made to said document for full particulars.

22. Covensants, conditions and restrictions as set forth in the document referred to in the numbered item last above shown. This exception omits any restrictions based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

By deed recorded October 27, 1961, in Book D-1401, Page 631, Official Records, Santa Fe Land Improvement Company relinquished all rights in and to said land by reason of the right of first refusal recited in the above mentioned covenants, conditions and restrictions.
23. An easement for the purpose shown below and rights incidental thereto as set forth in a document
   Granted to: City of El Segundo, a Municipal Corporation
   Purpose: Sanitary sewers
   Recorded: December 5, 1956, in Book S3041, Page 48, Official Records
   Affects: A portion of said land

   Said above mentioned easement was extended 10 feet by an instrument executed by B.F.S. Corporation, a Corporation, in favor of the City of El Segundo, by deed recorded in Book D-274, Page 827, Official Records.

24. Covenants, conditions and restrictions as set forth in the document
   Recorded: June 24, 1957, as Instrument No. 1804, in Book 54869, Page 168, Official Records

   This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that the covenant, condition or restriction (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607 or (c) relates to a handicap but does not discriminate against handicapped people.

   Said covenants, conditions and restrictions provide that a violation thereof shall not defeat the lien of any mortgage or deed of trust made in good faith and for value.

   Modification(s) of said covenants, conditions and restrictions
   Recorded: February 13, 1959, as Instrument No. 2832, in Book D-364, Page 198, Official Records

25. An easement for the purpose shown below and rights incidental thereto as set forth in a document
   Granted to: The City of El Segundo, a Municipal Corporation
   Purpose: water meter vault
   Recorded: November 13, 1958, in Book D274, Page 825, Official Records
   Affects: A portion of said land

   The exact location and/or extent of said easement is not disclosed in the public records.

26. An easement for the purpose shown below and rights incidental thereto as set forth in a document
   Granted to: Southern California Edison Company, a Corporation
   Purpose: Poles and lines
   Affects: A portion of said land

27. A deed of trust to secure an indebtedness in the amount shown below, and any other obligations secured thereby.
   Amount: $375,000.00
   Dated: July 29, 1976
   Trustor: Essel Company, a Corporation
   Trustee: Title Insurance and Trust Company, a California Corporation
   Beneficiary: Betty C. Samuels, a married woman as her separate property
   Recorded: July 29, 1976, as Instrument No. 552, Official Records
   Loan No.: Not Set Out
An assignment of the beneficial interest under said deed of trust which names
As Assignee: Betty C. Samuels, Trustee of the Betty C. Samuels Living Trust
Dated December 3, 1979
Recorded: January 29, 1980, as Instrument No. 80-105353, Official Records

If the above-mentioned deed of trust has been paid, or will be paid prior to or at close of
escrow, this Company will require the original note, deed of trust and signed request for
reconveyance, or the executed full reconveyance for said deed of trust, prior to closing. Any
demand(s) for payoff and/or request(s) for full/partial reconveyance, must be executed by all
beneficiaries or their successors in interest and their spouses, if married. In the event said
beneficiaries/assignees are represented by an agent, proof of agency must be submitted along
with the demand(s) and/or request(s) for full/partial reconveyance. To avoid delays please
submit all documents to the Company at least one week prior to closing. If you cannot obtain
these documents, please contact us.

28. An easement for the purpose shown below and rights incidental thereto as set forth in a
document
Granted to: Southern California Edison Company, a Corporation
Purpose: Underground conduits
Recorded: July 15, 1992, as Instrument No. 92-1282859, Official Records
Affects: Portions of the herein described land, the exact location of which
can be determined by examination of the above-mentioned
instrument which contains a complete legal description of the
affected portions of said land.

The exact location and/or extent of said easement is not disclosed in the public records.

29. A lien for unsecured property taxes filed by the tax collector of the county shown, for the
amount set forth, and any other amounts due.
County: Los Angeles
Fiscal Year: 2001-2002
Taxpayer: Hughes Space and Communications
County ID No.: 01/49920362
Amount: $5,568.98, plus penalty and costs
Recorded: October 31, 2002, as Instrument No. 20022604091, Official
Records

30. A lien for unsecured property taxes filed by the tax collector of the county shown, for the
amount set forth, and any other amounts due.
County: Los Angeles
Fiscal Year: 2004-2005
Taxpayer: Hughes Space and Communications
County ID No.: 04/49952514
Amount: $1,933.89, plus penalty and costs
Recorded: January 19, 2005, as Instrument No. 20050131852, Official
Records

31. A lien for unsecured property taxes filed by the tax collector of the county shown, for the
amount set forth, and any other amounts due.
County: Los Angeles
Fiscal Year: 2004-2005
Taxpayer: Hughes Space/Com
County ID No.: 04/3650/977459/P
Amount: $1,324.75, plus penalty and costs
Recorded: May 2, 2005, as Instrument No. 05-1024995, Official Records
32. A lien for unsecured property taxes filed by the tax collector of the county shown, for the amount set forth, and any other amounts due.

County: Los Angeles
Fiscal Year: 2005-2006
Taxpayer: Hughes Space/Com
County ID No.: 05/3650/977459/P
Amount: $1,389.75, plus penalty and costs
Recorded: April 26, 2006, as Instrument No. 06-918075, Official Records

33. An irrevocable offer to dedicate a portion of said land for the purposes stated herein.
In favor of: The City of el Segundo, a general law city and municipal corporation
For: Public right of way purposes
Recorded: February 11, 2011, as Instrument No. 20110230942, Official Records
Affects: Said land

Reference is made to said document for full particulars.

34. Any easements not disclosed by those public records which impart constructive notice and which are not visible and apparent from an inspection of the surface of said land.

35. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose, and which are not shown by the public records.

END OF SCHEDULE B EXCEPTIONS

PLEASE REFER TO THE “NOTES AND REQUIREMENTS SECTION” WHICH FOLLOWS FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION
REQUIREMENTS SECTION:

NONE
INFORMATIONAL NOTES SECTION

NOTE NO. 1: The information on the attached plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not guaranteed, nor is it a part of any policy, report or guarantee to which it may be attached.

NOTE NO. 2: California insurance code section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds deposited with the company by wire transfer may be disbursed upon receipt. Funds deposited with the company via cashier’s check or teller’s check drawn on a California based bank may be disbursed on the next business day after the day of deposit. If funds are deposited with the company by other methods, recording and/or disbursement may be delayed. All escrow and sub-escrow funds received by the company will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the company in a financial institution selected by the company. The company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with such financial institution, and the company shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by the company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the company or its parent company and earnings on investments made with the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the company for its services in connection with the escrow or sub-escrow.

WIRING INSTRUCTIONS FOR THIS OFFICE ARE:

Wells Fargo Bank, NA  
420 Montgomery St  
San Francisco, CA 94104  
ABA# 121000248  
Credit to: Lawyers Title Company  
Account #4122109614

RE: 09512737-ICF-905

PLEASE INDICATE COMMONWEALTH LAND TITLE COMPANY ESCROW OR TITLE ORDER NUMBER

NOTE NO. 3: Lawyers Title is a division of Commonwealth Land Title Insurance Company. The insurer in policies of title insurance, when issued in this transaction, will be Commonwealth Land Title Insurance Company.
NOTE NO. 4: The Company requires current beneficiary demands prior to closing. If the demand is expired and a current demand cannot be obtained, our requirements will be as follows:

a) If the Company accepts a verbal update on the demand, we may hold an amount equal to one monthly mortgage payment. This hold will be in addition to the verbal hold the lender may have stipulated.

b) If the Company cannot obtain a verbal update on the demand, we will either pay off the expired demand or wait for the amended demand, at our discretion.

c) All payoff figures are verified at closing. If the customer's last payment was made within 15 days of closing, our Payoff Department may hold one month's payment to insure the check has cleared the bank (unless a copy of the cancelled check is provided, in which case there will be no hold).

NOTE NO. 5: Intentionally deleted.

NOTE NO. 6: Intentionally deleted.

NOTE NO. 7: Intentionally deleted.

Typist: nb0
Date Typed: August 2, 2012; September 7, 2012; September 20, 2012; September 25, 2012; December 18, 2012; March 11, 2013
ATTACHMENT ONE

CALIFORNIA LAND TITLE ASSOCIATION
STANDARD COVERAGE POLICY – 1990

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien, or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.

4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.

5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon fraud or any consumer credit protection or truth in lending law.

6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

EXCEPTIONS FROM COVERAGE - SCHEDULE B, PART I

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

   Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be ascertained by persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material not shown by the public records.
CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE

EXCLUSIONS

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
   a. building;
   b. zoning;
   c. land use;
   d. improvements on the Land;
   e. land division; and
   f. environmental protection.
   This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.

3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.

4. Risks:
   a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
   b. that are known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
   c. that result in no loss to You; or
   d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.

5. Failure to pay value for Your Title.

6. Lack of a right:
   a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
   b. in streets, alleys, or waterways that touch the Land.
   This Exclusion does not limit the coverage described in Covered Risk 11 or 21.

7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

<table>
<thead>
<tr>
<th>Covered Risk</th>
<th>Your Deductible Amount</th>
<th>Our Maximum Dollar Limit of Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>1.00% of Policy Amount Shown in Schedule A or $2,500.00 (whichever is less)</td>
<td>$10,000.00</td>
</tr>
<tr>
<td>18</td>
<td>1.00% of Policy Amount Shown in Schedule A or $5,000.00 (whichever is less)</td>
<td>$25,000.00</td>
</tr>
<tr>
<td>19</td>
<td>1.00% of Policy Amount Shown in Schedule A or $5,000.00 (whichever is less)</td>
<td>$25,000.00</td>
</tr>
<tr>
<td>21</td>
<td>1.00% of Policy Amount Shown in Schedule A or $2,500.00 (whichever is less)</td>
<td>$5,000.00</td>
</tr>
</tbody>
</table>
AMERICAN LAND TITLE ASSOCIATION
RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
   - land use
   - improvements on the land
   - land division
   - environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

2. The right to take the land by condemning it, unless:
   - a notice of exercising the right appears in the public records
   - on the Policy Date
   - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking

3. Title Risks:
   - that are created, allowed, or agreed to by you
   - that are known to you, but not to us, on the Policy Date – unless they appeared in the public records
   - that result in no loss to you
   - that first affect your title after the Policy Date – this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks

4. Failure to pay value for your title.

5. Lack of a right:
   - to any land outside the area specifically described and referred to in Item 3 of Schedule A
   - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14);
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.

6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 12(b) of this policy.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE
This policy does not insure against loss or damage (and the Company will not pay costs, attorneys’ fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

2006 ALTA OWNER’S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys’ fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors’ rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys’ fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys’ fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
(b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(e), 13(d), 14 or 16.

2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.

3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.

4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.

5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.

6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.

7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.

8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.

9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.
Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer’s right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

**FNF Underwritten Title Company**  
**FNF Underwriter**  
LTC – Lawyers Title Company  
CLTIC – Commonwealth Land Title Insurance Co.

**Available Discounts**

**DISASTER LOANS (CLTIC)**  
The charge for a Lender’s Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

**EMPLOYEE RATE (LTC and CLTIC)**  
No charge shall be made to employees (including employees on approved retirement) of the Company or its underwritten, subsidiary or affiliated title companies for policies or escrow services in connection with financing, refinancing, sale or purchase of the employees’ bona fide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.
AGENDA DESCRIPTION:
Consideration and possible action to announce the appointments to the Recreation and Parks Commission. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Announce the appointees to the Recreation and Parks Commission;
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
None

FISCAL IMPACT: Included in Adopted Budget
Amount Budgeted: $ None
Additional Appropriation: N/A
Account Number(s):

ORIGINATED BY: Mishia Jennings, Executive Assistant
REVIEWED BY:
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

<table>
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<tr>
<th>Committee/Commission and Board Expire(s)</th>
<th># of Openings</th>
<th>Appointee(s)</th>
<th>Term</th>
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<td>Recreation and Parks Commission</td>
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<tr>
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<td></td>
<td></td>
<td>05/30/2017</td>
</tr>
<tr>
<td>Code</td>
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<td>General Fund</td>
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<tr>
<td>104</td>
<td>Traffic Safety Fund</td>
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<td>108</td>
<td>State Gas Tax Fund</td>
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<td>108</td>
<td>Associated Recreation Activities Fund</td>
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<td>109</td>
<td>Asset Forfeiture Fund</td>
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<td>Comm Dev. Block Grant</td>
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<td>112</td>
<td>Prop &quot;A&quot; Transportation</td>
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<td>118</td>
<td>TDA Article 3 - SB 621 Bikeway Fund</td>
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<td>L.A.W.A. Fund</td>
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<td>202</td>
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<td>Wastewater Fund</td>
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<td>Golf Course Fund</td>
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<td>Equipment Replacement</td>
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<td>708</td>
<td>Outside Services Trust</td>
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**TOTAL WARRANTS**: $1,418,921.66

**State of California**
**County of Los Angeles**

Information on actual expenditures is available in the Director of Administrative Services office in the City of El Segundo.

I certify as to the accuracy of the Demands and the availability of fund for payment thereof.

For Approval: Regular checks held for City council authorization to release.

**Codes**:

- **R** = Computer generated checks for all non-emergency payments for materials, supplies and services in support of City Operations.

For Ratification:

- **A** = Payroll and Employee Benefit checks
- **B - F** = Computer generated Early Release disbursements and/or adjustments approved by the City Manager. Such as: payments for utility services, petty cash and employee travel expense reimbursements, various refunds, contract employee services consistent with current contractual agreements. In instances where prompt payment discounts cannot be availed, or when a situation arises that the City Manager approves.
- **H** = Handwritten Early Release disbursements and/or adjustments approved by the City Manager.

**Finance Director**

**City Manager**

**Date**: 5/1/2013

**Date**: 5/29/2013

**VOID CHECKS DUE TO ALIGNMENT**: N/A

**VOID CHECKS DUE TO INCORRECT CHECK DATE**: N/A

**VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR**: N/A

**NOTES**
## CITY OF EL SEGUNDO
### PAYMENTS BY WIRE TRANSFER
#### 5/9/13 THROUGH 5/23/13

<table>
<thead>
<tr>
<th>Date</th>
<th>Payee</th>
<th>Amount</th>
<th>Description</th>
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<td>5/9/2013</td>
<td>State of CA EFT</td>
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<td>EFT 401a payment</td>
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<td>EFT 457 payment</td>
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<td>US Bank - Trust Acct</td>
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<td>5/10/2013</td>
<td>South Bay Credit Union</td>
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5/10-5/23/13 Workers Comp Activity  42,672.35  SCRMA checks issued

2,083,434.56

## DATE OF RATIFICATION: 06/04/13
## TOTAL PAYMENTS BY WIRE:

2,083,434.56

Certified as to the accuracy of the wire transfers by:

City Treasurer

5/23/13

Director of Finance

5/28/13

City Manager

5/29/13

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
CALL TO ORDER – Mayor Jacobson at 7:01 PM

PLEDGE OF ALLIGIANCE – Council Member Fellhauer

ROLL CALL

Mayor Jacobson - Present
Mayor Pro Tem Fuentes - Present
Council Member Fisher - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. None

K. REPORTS – CITY COUNCIL MEMBERS

   Council Member Fellhauer -

   1. Consideration and possible action to appoint Council Member Atkinson to Chair a temporary Golf Course Advisory Group, and appoint other members to the Advisory Group, to research options for improvement of the financial and physical condition of the Lakes at El Segundo Golf Course and develop recommendations for City Council consideration. (Fiscal Impact: None)

Council Member Fellhauer gave a report.

Karl Berger, Assistant City Attorney, spoke on behalf of the Ad Hoc Committee and how it relates to the Brown Act.

Council Member Atkinson stated meetings will be held at The Lakes Golf Course.

Council Discussion
MOTION by Council Member Fellhauer, SECONDED by Mayor Pro Tem Fuentes to appoint Council Member Atkinson Chair of a temporary Golf Course Advisory Group and appoint the following members Gene Krekorian, Jorge Badel, Tom Addis III, Craig Kessler, Casey O’Callaghan, Bill Bue and Mike Dugan to the Advisory Group and direct the City Manager (or his designee) to provide staff support to assist with the development of recommendations. The committee will report back to the June 18, 2013 City Council Meeting. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

Recessed to Closed Session at 7:26 PM.

CLOSED SESSION:
The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -1- matter

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): - 1 - matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): - 0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957) – 0 - matter

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -0-matter

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0-matter

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT at 8:53 PM

Tracy Weaver, City Clerk
SPECIAL MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, MAY 21, 2013 – 5:00 PM

CALL TO ORDER – Mayor Jacobson at 5:01 PM

ROLL CALL

Mayor Jacobson - Present
Mayor Pro Tem Fuentes - Present
Council Member Fisher - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -1- matter

1. Garton vs. City of El Segundo, et al, LASC Case No. YC066586

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -0- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957) – 0 - matter

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -0- matter

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov’t Code §54956.8): -0- matter

No Report
ADJOURNMENT at 5:50 PM

Tracy Weaver, City Clerk
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, May 21, 2013 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER - Mayor Jacobson at 5:01 PM

ROLL CALL

- Mayor Jacobson  Present
- Mayor Pro Tem Fuentes  Present
- Council Member Fisher  Present
- Council Member Atkinson  Present
- Council Member Fellhauer  Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250.

Mayor Jacobson announced that Council would be meeting in closed session pursuant of the items listed on the agenda.

SPECIAL ORDER OF BUSINESS:

CLOSED SESSION:
The City Council moved into a closed session pursuant to applicable law, including the Brown Act (Government Code Section §54960, et seq.) for the purposes of conferring with the City’s Real Property Negotiator; and/or conferring with the City Attorney on potential and/or existing litigation; and/or discussing matters covered under Government Code Section §54957 (Personnel); and/or conferring with the City’s Labor Negotiators; as follows:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -0- matter

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- matter.

Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

DISCUSSION OF PERSONNEL MATTERS (Gov’t Code §54957): -0- matter

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957) –0- matter
CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -0-
matters

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0-
matters

Adjourned at 5:50 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL  
TUESDAY, May 21, 2013 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Jacobson at 7:01 PM

INVOCATION – Tracy Weaver, City Clerk

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Fuentes

PRESENTATIONS

a. Proclamation read by Council Member Atkinson and presented to Elaine Allen, the 2013 El Segundo Older American of the Year.
b. Proclamation read by Mayor Jacobson and presented to Fire Chief Kevin Smith for SUPER CPR SATURDAY, June 1, 2013.
c. Proclamation read by Council Member Fellhauer and presented to Stephanie Katsouleas, Public Works Director, for National Public Works Week May 19 – May 25, 2013.
d. Presentation by Ellen Cunningham, Senior Librarian, about the 13th Annual Author Fair at the El Segundo Library Sunday, June 2, 2013 from 11:30 AM – 4:30 PM.
e. PULLED

ROLL CALL

Mayor Jacobson - Present
Mayor Pro Tem Fuentes - Present
Council Member Fisher - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have received value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Carol Wingate, resident, spoke concerning the Unfinished Business item 1A – a settlement between Wiseburn School District and the City of El Segundo. Ms. Wingate is opposed to the settlement.
Tony Mendez, resident, spoke concerning a defense forum item that he read about in the Daily Breeze. He would like to see a member of our council attend the next forum. Second item, Mr. Mendez spoke on behalf of Hawthorne’s Economic Development Event, would like to see El Segundo hold this type of event.

Jim Decordova, resident, spoke concerning the Unfinished Business item 1A – the settlement between Wiseburn School District and the City of El Segundo. Mr. Decordova opposes the settlement.

Mike Briney, resident, spoke in favor of the settlement between Wiseburn School District and the City of El Segundo.

Sam Pena, Consolidated Services, friendly reminder to recycle and pick up your free recycling bins, call 1-800-299-4898 to receive a bin. Memorial Day Service will be one day different and residents will receive a phone call from Consolidated with a friendly reminder. Shred Day will be held Saturday, July 13, 2013 from 10:00 am – 1:00 pm.

Sarah Combs, resident, spoke in favor of the settlement between Wiseburn School District and the City of El Segundo.

Deb Davis, resident, spoke concerning the state of the Plunge and would welcome a new facility.

Lee Davis, resident, spoke concerning the plunge shut down and trying to find other pools for the club swim team to practice. He would like to see the settlement with Wiseburn and the City of El Segundo.

Ron Swanson, resident, stated that now is the time to move forward and take Wiseburn up on their offer to build a pool. Mr. Swanson complemented the RSI program.

El Segundo Resident, spoke concerning the Concord Hotel.

Robin Funk, Vice President of the El Segundo School Board, thanked the Council for their efforts with the El Segundo Pool issue.

A. PROCEDURAL MOTIONS

Consideration of a motion to read all ordinances and resolutions on the Agenda by title only.

MOTION by Council Member Fellhauer, SECONDED by Council Member Fisher to read all ordinances and resolutions on the agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

C. UNFINISHED BUSINESS

A1. Consideration and possible action to authorize the Mayor to execute a settlement agreement between the Wiseburn School District and the City of El Segundo related to the construction of a high school and joint use aquatics facility at 201 N. Douglas Street (Fiscal Impact: City will agree to operate the aquatics facility upon completion).

Greg Carpenter, City Manager, gave a report.
Council Discussion

MOTION by Council Member Atkinson, SECONDED by Council Member Fellhauer to authorize the Mayor to execute the draft Settlement Agreement No. 4431 between the Wiseburn School District and the City of El Segundo and directed the City Manager, or designee, to cooperate with Wiseburn School District on the design of the facility and the drafting of a Joint Use Agreement (JUA) and return to City Council for a presentation of the design and consideration of the JUA. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

E. CONSENT AGENDA

All items listed are to be adopted by one motion without discussion and passed unanimously. If a call for discussion of an item is made, the item(s) will be considered individually under the next heading of business.

1. Approved Warrant Numbers 2592490 to 2592670 on register No. 15 in the total amount of $1,058,106.95 and Wire Transfers from 4/26/13 through 5/09/13 in the total amount of $1,193,429.69. Authorized staff to release. Ratified Payroll and Employee Benefit checks; checks released early due to contracts or agreement; emergency disbursements and/or adjustments; and wire transfers.

2. Approved Special City Council Meeting Minutes of April 23, 2013, Special City Council Meeting Minutes of April 30, 2013 and Regular City Council Meeting Minutes of May 7, 2013.

3. Authorized the City Manager to sign Agreement No. 4424, in a form approved by the City Attorney, between El Segundo and the Metropolitan Transportation Authority, for the exchange of Federal STP-L funds for LACMTA local funds. (Fiscal Impact: $243,458.00 receipt of grant funding)

4. Authorized the City Manager to award standard Public Works Contract No. 4425, in a form approved by the City Attorney, to West Coast Netting for Installation of Soccer Field Netting at Campus El Segundo Athletic Field in the amount of $13,900.00. Project No.: PW 13-06 (Fiscal Impact: $17,375.00)

5. ITEM MOVED TO JUNE 4, 2013 CITY COUNCIL MEETING.

6. PULLED FOR DISCUSSION BY MAYOR JACOBSON
7. Authorized the City Manager to execute standard Public Works Contract No. 4426, in a form approved by the City Attorney, to J. Cab & Sons for City Hall Roof Replacement rejected all bids for the Park Vista Senior Housing Facility Roof Replacement. Project No.: PW 13-05
(Fiscal Impact: $378,350.00)

8. Received, filed and approved a request for an Administrative Use Permit to expand the on-site sale and consumption of beer, wine and alcohol (Type 47 State of California Alcoholic Beverage Control License) at an existing restaurant. The restaurant, The Tavern on Main will expand into approximately 800 square-foot vacant portion of 119 Main Street located at 121-123 Main Street. Applicant: Kristian Krieger
(Fiscal Impact: N/A)

9. Received, filed and approved a request for an Alcoholic Beverage Control (ABC) License to allow the on-site sale and consumption of beer and wine (Type 41 State of California Alcoholic Beverage Control License) at a new restaurant (PizzaRev) at 460 North Sepulveda Boulevard, Suite C. Applicant: Rodney Eckerman
(Fiscal Impact: N/A)

10. Authorized the acceptance of $36,940.00 in grant funding from the U.S. Department of Homeland Security, through the Grant Programs Directorate within the Federal Emergency Management Agency (FEMA), under the Fiscal Year 2012 Urban Areas Security Initiative (UASI 2012), to procure the $39,547.17 purchase of gas masks and class III protective suits for the Police Department and waived the bidding process to purchase gas masks (the Avon C50), their corresponding filters, and class III protective suits (the Blauer XRT) in accordance with an existing contract with U.S. Communities (Contract Number 4400001839) and Mallory Safety and Supply, LLC using equipment replacement and Urban Areas Security Initiative (UASI) grant funds and authorized the City Manager to execute Agreement No. 4427, in a form approved by the City Attorney, to purchase sixty-five (65) gas masks (the Avon C50), their corresponding filters, and class III protective suits (the Blauer XRT) from Mallory Safety and Supply, LLC, using equipment replacement and Urban Areas Security Initiative (UASI) grant funds
(Fiscal Impact: $39,547.17)

11. Authorized the City Manager to execute Agreement No. 4428 with AC Martin Partners, Inc. for Interior Architectural services for City Permit Center and Finance Office Tenant Improvements; services not to exceed $36,000.00.
(Fiscal Impact: $36,000.00)
12. Authorized the City Manager to execute Standard Public Works Contract No. 4429, in a form approved by the City Attorney, to GMC Engineering, Inc. for construction of Maple Avenue Street Improvements project, and to award Public Works Professional Services Agreement No. 4430 to AKM Consulting Engineers for construction inspection services for the project in the amount of $92,694.00. Project No.: PW 12-09  
(Fiscal Impact: $2,035,500.00)

13. Received and filed report regarding the emergency repair of the wet well level monitoring sensor line in Pump Station #1.  
(Fiscal Impact: $2,906.63)

14. Received and filed report regarding the emergency repair to the 480 Volt, 800 amp main breaker of Recreation Park.  
(Fiscal Impact: $10,525.00)

MOTION by Council Member Fellhauer, SECONDED by Mayor Pro Tem Fuentes to approve Consent Agenda items 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, and 14. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

PULLED ITEMS

6. Consideration and possible action to authorize the City Manager to execute a fifth amendment extending Agreement No. 3484, in a form approved by the City Attorney, between El Segundo and Fireworks & Stage FX America Inc. to provide a public fireworks show for the 2013 Fourth of July Community Celebration.  
(Fiscal Impact: Not-to-Exceed $23,000.00 from Special Events Trust Account and Special Events Contractual Services)

MOTION by Mayor Jacobson, SECONDED by Council Member Atkinson to authorize the City Manager to execute a fifth amendment extending Agreement No. 3484, in a form approved by the City Attorney, between El Segundo and Fireworks & Stage FX America Inc. to provide a public fireworks show for the 2013 Fourth of July Community Celebration. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

NEW BUSINESS

15. Consideration and possible action to update the El Segundo Municipal Code regulating general penalties and administrative citations. These changes are desirable to ensure effective code enforcement by the El Segundo Police, Fire, Public Works, and Planning and Building Safety Departments.  
(Fiscal Impact: None)

Mitch Tavera, Chief of Police, gave a presentation.

Karl Berger, Assistant City Attorney, read the Ordinance by title only.
ORDINANCE 1479

AN ORDINANCE AMENDING CHAPTER 1-2 OF THE EL SEGUNDO MUNICIPAL CODE IN ITS ENTIRETY ESTABLISHING GENERAL PENALTIES FOR VIOLATING THE EL SEGUNDO MUNICIPAL CODE; PROCEDURES FOR ISSUING CITATIONS; AND AUTHORIZING PROSECUTIONS.

Council Member Fellhauer introduced the Ordinance 1479

Second reading and adoption scheduled for June 4, 2013.

Karl Berger, City Attorney, read the Ordinance by title only.

ORDINANCE 1480


Council Member Fellhauer introduced the Ordinance 1480

Second reading and adoption scheduled for June 4, 2013.

MOTION by Council Member Atkinson, SECONDED by Council Member Fellhauer to introduce and waive first reading of an Ordinance amending Chapter 1-2 of the El Segundo Municipal Code regarding procedures for issuing infraction citations, introduce and waive the first reading of an Ordinance amending Sections 1-2A-1, 1-2A-2, 1-2A-3 1-2A9 and 1-2A10 of the El Segundo Municipal Code regarding administrative citations and scheduled a second reading and adoption for both ordinances. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

REPORTS – CITY MANAGER - None

REPORTS – CITY ATTORNEY - None

REPORTS – CITY CLERK - None

REPORTS – CITY TREASURER – None

REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer - None
Council Member Atkinson – Thanked everyone for attending Elderfest and thanked those who made Elderfest possible.

Council Member Fisher –

16. Consideration and possible action to change the current practice of electing a Mayor and Mayor Pro Tem for two-year terms and instead have these positions elected by Council on an annual basis. (Fiscal Impact: None)

Council Member Fisher discussed the reason for change in terms.

Council Discussion

Karl Berger, Assistant City Attorney, answered questions for the Council concerning changing the term of Mayor and Mayor Pro Tem.

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson to vacate the position of Mayor. MOTION PASSED BY THE FOLLOWING VOICE VOTE. AYES: Fellhauer, Fisher and Atkinson NOS: Fuentes and Jacobson. 3/2

Council Member Fellhauer nominated Council Member Bill Fisher for Mayor.

MOTION by Council Member Fellhauer, SECONDED by Council Member Atkinson to elect Bill Fisher Mayor. MOTION PASSED BY THE FOLLOWING VOICE VOTE. AYES: Fellhauer, Fisher and Atkinson NOS: Fuentes and Jacobson. 3/2

Mayor Jacobson asked for a re-vote. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

MOTION by Mayor Fisher, SECONDED by Council Member Fellhauer to vacate the position of Mayor Pro Tem. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

Mayor Fisher nominated Council Member Jacobson as Mayor Pro Tem.

MOTION by Mayor Fisher, SECONDED by Council Member Fellhauer to elect Carl Jacobson Mayor Pro Tem. MOTION PASSED BY A UNANIMOUS VOICE VOTE. 5/0

17. ITEM PULLED FROM THIS AGENDA

Mayor Pro Tem Fuentes – ED! Gala wonderful event, Elderfest was a great event, thank you to all who made it possible. Spent a day with the school board and visited the State Legislatures. The day was very insightful. Thank you to the Firefighters for their Public Safety Event. Attended Amateur Radio Club Event. Spoke about the Memorial Day weekend to commemorate those who gave their lives for our country.
Mayor Jacobson – Announced Super CPR Saturday June 1, 2013. Enjoyed the ED Gala.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) Individuals who have receive value of $50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of $250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.

Loretta Frye, resident, spoke against the change in Mayor.
Liz Garnholtz, resident, spoke against the change in Mayor.
Dr. Bill Watkins, School Board Member, thanked Suzanne Fuentes for supporting education and thanked the council for the settlement agreement between Wiseburn and the City of El Segundo. Thanked the Council on behalf of the students in El Segundo.

MEMORIALS – Richard George Nagel

CLOSED SESSION - None

ADJOURNMENT at 9:34 PM

__________________________
Tracy Weaver, City Clerk
AGENDA DESCRIPTION:

Consideration and possible action regarding the acceptance of a donation from Chevron El Segundo Refinery in the amount of $25,000 to help subsidize City special events such as Fourth of July Community Celebration and Concerts in the Park.

(Fiscal Impact: $25,000 Revenue for the Special Events Trust Account)

RECOMMENDED COUNCIL ACTION:

1. Accept the donation from Chevron El Segundo Refinery; and/or,
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS: None

FISCAL IMPACT: $25,000 Revenue for the Special Events Trust Account

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>702-200-5101-2606</td>
</tr>
</tbody>
</table>

PREPARED BY: Meredith Petit, Recreation Superintendent
REVIEWED BY: Bob Cummings, Director of Recreation and Parks
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

Beginning in 2010, the Department of Recreation and Parks began accepting donations from local businesses and organizations to help subsidize and enhance special events in exchange for sponsorship benefits such as advertising opportunities and booth space. In 2011 and 2012, the Chevron El Segundo Refinery sponsored components of the Fourth of July Community Celebration and the Summer Concerts in the Park Series.

This year, the partnership between the Department of Recreation and Parks and the Chevron El Segundo Refinery continues. Chevron has pledged their support once again for the amount of $25,000 to help support the Special Events Trust Account, which is used to help subsidize various expenses for special events throughout the year. As a benefit of their contribution, Chevron will be named the “Fireworks Sponsor” for the Fourth of July Community Celebration and the “Promotional Sponsor” for the Summer Concerts in the Park Series. Their logo will be placed on marketing materials and other recognition opportunities will be presented to the organization.
AGENDA DESCRIPTION:

Consideration and possible action regarding a two-year renewal of the cost sharing agreement in a form approved by the City Attorney with Beach Cities Transit (BCT) for operation of Transit Line 109 for FY13/14 and FY14/15, in conjunction with the cities of Hermosa Beach, Redondo Beach, and Manhattan Beach.

(Fiscal Impact: $23,646 for FY13/14 and up to $29,558 for FY14/15 Proposition C funds)

RECOMMENDED COUNCIL ACTION:

1. Approve the two-year renewal of the cost sharing agreement with BCT for operation of Transit Line 109.
2. Authorize the Mayor to execute Transit Service Operation Agreement in a form approved by the City Attorney.
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Cost Sharing Proposal from Beach Cities Transit for FY13/14
2. Beach Cities Transit Route Map and Time Schedule

FISCAL IMPACT: $23,646 for FY13/14 and up to $29,558 for FY14/15 Proposition C funds

Amount Budgeted: $0
Additional Appropriation: $0
Account Number(s): 114-400-5293-6206 (Beach Cities Transit Contractual Services)

ORIGINATED BY: Meredith Petit, Recreation Superintendent
REVIEWED BY: Bob Cummings, Director of Recreation and Parks
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

Since August 2006, Beach Cities Transit has operated BCT Line 109 from Redondo Beach to the LAX Transit Center, passing through the cities of Hermosa Beach, Manhattan Beach, and El Segundo. In July 2006, these South Bay communities came together to collectively fund a portion of the operating costs for a new BCT Line (designated Line 109), to assume bus service responsibilities in lieu of the discontinued Metropolitan Transportation Authority’s (Metro) Line 439.

BCT, a community-based transit system operated by the City of Redondo Beach, is designated as an ‘included operator’ in Los Angeles County. As such, BCT is eligible to receive funding from Metro to partially fund local transit operating expenses. Despite the fact funding is available through Metro, recent statewide funding reductions to transit agencies have impacted BCT’s allocation, leaving the participating agencies the responsibility to cover the unfunded expenses of operating the service.

Additionally, in the recent past, Metro has jettisoned ‘regionally underperforming’ bus lines, leaving them to be either picked up by local operators or discontinued entirely. Over the past six years, these four South Bay communities have supported the operation and evolution of BCT Line 109 to serve the transit needs of
local residents and commuters, as Metro has discontinued routes 439, 124, and 125.

Line 109 encompasses over 70 stops each northbound and southbound, with nearly 40% of the route within El Segundo city limits. Major destinations on Line 109 include the LAX City Bus Center, the Aviation Green Line Station, the Douglas Green Line Station, downtown Manhattan Beach, downtown El Segundo, Plaza El Segundo, the Hermosa Beach Pier, the Redondo Beach Pier, and Riviera Village.

In June 2012 the City Council approved a one-year agreement (July 1, 2012 through June 30, 2013) to continue supporting a proportional share of the operational costs of the BCT Line 109. At the end of June 2013, the total FY12/13 financial commitment is estimated to total about $43,445 and is funded through Proposition C Funds.

BCT is requesting the City of El Segundo approve a two-year agreement in a form approved by the City Attorney to participate in Line 109 to continue to improve the service and serve the communities’ residents, businesses, and employers. Both the cities of Manhattan Beach and Hermosa Beach are expected to renew their participation for the next two years. Due to increased funds received from Metro and other funding sources, the proportional share for FY13/14 is estimated at $23,646, while the estimates set forth in the agreement for FY14/15 include an additional 25% contingency for planning purposes. BCT will provide an estimated cost sharing allocation amount for FY14/15 towards the end of FY13/14.
May 8, 2013

Meredith Petit, Recreation Superintendent
City of El Segundo
350 Main Street
El Segundo, CA 90245

Re: Beach Cities Transit Line 109 Cost Sharing Contribution FY 2013-14 and FY 2014-15

Dear Ms. Petit,

With your support during the past year we have made several operational and service changes to Line 109 that benefit our communities, and that improved BCT public information for the Beach Cities’ community members. The Line 109 route changes that added southbound service to Metro’s Green Line Douglas station, as well as closer service to the Manhattan Village Mall have resulted in increased passengers. The revised transit brochures further assist existing and new riders with public transit trip planning by providing comprehensive beach cities business district bus stop information, as well as regional transit connection information. This year we plan to complete the new bus stop signage project which will enhance public information by providing at-stop destination information at several of Line 109’s key bus stop locations.

In April, Metro issued preliminary transit fundmarks that reflect an increase in the fund estimates for FY 2013-14 for transit operators, therefore the BCT Line 109 contribution from the Beach Cities is estimated to be lower than in previous years. The FY 2013-14 contribution for the City of El Segundo is estimated to be $23,646 as shown in the attached summary of the BCT Line 109 service and cost projections.

Upon your request, we have prepared a two-year term for the new cost sharing agreement and the draft redlined-Agreement is attached for your City Attorney review. While it is anticipated that Metro transit fund allocations will continue to be positive, the contract language for the FY 2014-15 second year contribution is set at a 10% increase with up to 25% increase above the FY 2013-14 estimates, subject to decreases in Metro transit fund allocations. A FY 2014-15 cost sharing estimate will be provided in May 2014.

I appreciate your contributions and commitment to the success of the service. Our continued joint efforts are critical to achieving our regulatory compliance for environmental sustainability and the reduction of our communities’ carbon footprint. We would like to finalize the BCT Line 109 renewal agreement by June 19, 2013, with all parties obtaining approval of the cost sharing agreement by their respective City Councils by June 4, 2013. If you have any questions, please contact me at (310) 318-0631, ext. 2670. Thank you for your prompt attention.

Sincerely,

Joyce Rooney, Transit Operations and Transportation Facilities Manager
BCT Line 109
Cost Sharing Proposal
May 8, 2013

Service Statistics
BCT Line 109 continues to be a popular route for local commuters, residents and community members. BCT Line 109 passenger trips increased in FY 2011-12 by 11%, adding 19,550 passenger trips over the prior year with an increase in fare revenues. In August 2012, service changes were implemented that improved service to the Manhattan Village Mall and Green Line Douglas Station. New transit brochures that were specifically designed to provide pop out maps of the Beach Cities’ business districts detailing bus route and bus stops, and time schedule information have shown positive results in the ridership trends for FY 2012-13.

Ridership continues to increase as BCT becomes more important to the sustainability of the region, and as the South Bay workforce employment environment improves.

<table>
<thead>
<tr>
<th>Service Statistics of BCT Line 109</th>
<th>FY 07-08 Actual</th>
<th>FY 08-09 Actual</th>
<th>FY 09-10 Actual</th>
<th>FY 10-11 Actual</th>
<th>FY 11-12 Actual</th>
<th>FY 12-13 Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Hours</td>
<td>16,628</td>
<td>16,663</td>
<td>19,317</td>
<td>18,953</td>
<td>18,809</td>
<td>20,090</td>
</tr>
<tr>
<td>Operating Cost</td>
<td>$888,727</td>
<td>$846,106</td>
<td>$1,027,029</td>
<td>$930,967</td>
<td>$998,035</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>Fare Revenues</td>
<td>$137,506</td>
<td>$145,000</td>
<td>$158,190</td>
<td>$135,465</td>
<td>$144,820</td>
<td>$160,000</td>
</tr>
<tr>
<td>Passenger Trips</td>
<td>174,991</td>
<td>193,350</td>
<td>194,345</td>
<td>179,748</td>
<td>199,295</td>
<td>200,000</td>
</tr>
</tbody>
</table>

Transit Funding
Metro’s annual transit formula funding allocations to municipal transit operators are based on sales tax revenue receipts. Regional funding estimates continue to improve and funding allocations for FY 2013-14 are projected to increase.

Cost Estimates
The expenses included in the FY 2013-14 cost sharing estimates for BCT Line 109 are the operating expenses incurred from the transit contractor and fuel expenses, which are expected to be $1,131,000 for the operation of 20,090 annual service hours. Cost increases are the result of increased fuel expenses, the contractor’s annual rate increase, and additional operating service hours resulting from the service changes made in August 2012.
Cost Sharing Allocations

<table>
<thead>
<tr>
<th>CITY</th>
<th>% INVESTMENT (avg. route miles/total route miles)</th>
<th>FY 2009-10 INVESTMENT</th>
<th>FY 2010-11 INVESTMENT</th>
<th>FY 2011-12 INVESTMENT</th>
<th>FY 2012-13 INVESTMENT Estimated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redondo Beach</td>
<td>34.95%</td>
<td>$61,628</td>
<td>$60,800</td>
<td>$33,716</td>
<td>$39,843</td>
</tr>
<tr>
<td>Hermosa Beach</td>
<td>10.89%</td>
<td>32,354</td>
<td>$18,940</td>
<td>$10,506</td>
<td>$12,415</td>
</tr>
<tr>
<td>Manhattan Beach</td>
<td>16.05%</td>
<td>30,043</td>
<td>$27,918</td>
<td>$15,484</td>
<td>$18,297</td>
</tr>
<tr>
<td>El Segundo</td>
<td>38.11%</td>
<td>72,412</td>
<td>$66,289</td>
<td>$36,765</td>
<td>$43,445</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
<td>$196,437</td>
<td>$173,947</td>
<td>$96,469</td>
<td>$114,000</td>
</tr>
</tbody>
</table>

The BCT Line 109 FY 2013-14 shortfall is estimated at $62,050. Metro issued the draft transit formula funding allocation fund marks for FY 2013-14 in April 2013. Based on the preliminary fund marks, the estimated FY 2013-14 shortfall and City contributions are approximately 45% lower than the FY 2012-13 projections as shown in the chart below.

BCT Estimated Cost Sharing Allocations for FY 2013-14

<table>
<thead>
<tr>
<th>CITY</th>
<th>% OF ROUTE MILES</th>
<th>FY 2013-14 INVESTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redondo Beach*</td>
<td>34.95%</td>
<td>$21,686</td>
</tr>
<tr>
<td>Hermosa Beach</td>
<td>10.89%</td>
<td>$6,757</td>
</tr>
<tr>
<td>Manhattan Beach*</td>
<td>16.05%</td>
<td>$9,959</td>
</tr>
<tr>
<td>El Segundo</td>
<td>38.11%</td>
<td>$23,646</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>$62,048</td>
</tr>
</tbody>
</table>

*Revised Mileage (westbound Rosecrans Avenue: Sepulveda Blvd. to Highland Avenue).

Service Assumptions:
- 20,090 annual service hours
- Estimated annual transit formula fund allocations that contribute to Line 109 transit operations expenses based on Metro’s preliminary fund marks
- Transit Fare Revenue estimate of $160,000 is based on FY 2012 revenues of $144,820 and FY 2013 fare revenue trends.
- No change in route mile distribution to Cities

May 2013
AGENDA DESCRIPTION:

Consideration and possible action regarding awarding a contract to Big West Construction Corporation for constructing 26 homes related to Project No. RSI 13-04 (Group 50 of the City's Residential Sound Insulation Program)

(Estimated construction costs and retention $874, 525)

RECOMMENDED COUNCIL ACTION:

1. Reject the bid from AZ Home, Inc.;
2. Reject the bid from Harry H. Joh Construction;
3. Waive minor irregularities in the bid from Big West Construction Corporation;
4. Award contract to Big West Construction Corporation for project RSI 13-04 (Group 50);
5. Authorize the City Manager to execute a contract in a form approved by the City Attorney; and
6. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Bidder's Proposal and Statement (from AZ Home's bid)
2. Appendix B-08 (Designation of Manufacturers and Suppliers) (from AZ Home’s bid)
3. Appendix B-12 (Designation of Subcontractors) (from AZ Home’s bid)
4. Proposal from Burbank Fireplace and BBQ, Inc. (from AZ Home’s bid)
5. Proposal from Specialty Door Company (from AZ Home’s bid)
7. Minutes of Special Meeting of the Board of Directors of Harry H. Joh Construction, Inc. (from Harry H. Joh Construction’s bid)
8. Bidder’s Bond (from Harry H. Joh Construction’s bid)
10. Appendix B-03 (Non-Collusion Affidavit) (from Harry H. Joh Construction’s bid)
11. Appendix B-08 (Designation of Manufacturers and Suppliers) (from Harry H. Joh Construction’s bid)
12. Appendix B-10 (Bidder’s Assurance of Compliance with Title 49 CFR Part 26 relating to Disadvantaged Business Enterprise Participation) (from Harry H. Joh Construction’s bid)
13. Appendix B-12 (Designation of Subcontractors) (from Harry H. Joh Construction’s bid)
14. Bidder’s Proposal and Statement (from Big West Construction Corporation’s bid)
15. Appendix B-08 (Designation of Manufacturers and Suppliers) (from Big West Construction Corporation’s bid)

FISCAL IMPACT: Included in Adopted Budget

| Amount Budgeted: | $12,000,000.00 |
| Additional Appropriation: | N/A |
| Account Number(s): | 116-400-0050-8960 (RSI Program Construction) |

PREPARED BY: James O’Neill, Program Manager
REVIEWED BY: Sam Lee, Director of Planning and Building Safety
APPROVED BY: Greg Carpenter, City Manager
BACKGROUND & DISCUSSION:

On April 16, 2013 the City Clerk’s office opened bids for Project RSI 13-04 (Group 50 of the City’s Residential Sound Insulation (RSI) Program). Four (4) bids were submitted, and the results are as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>AZ Home, Inc.</td>
<td>$729,500.00</td>
</tr>
<tr>
<td>Harry H. Joh Construction, Inc.</td>
<td>$738,000.00</td>
</tr>
<tr>
<td>Big West Construction Corporation</td>
<td>$874,525.00</td>
</tr>
<tr>
<td>Karabuild Development, Inc.</td>
<td>$899,701.00</td>
</tr>
</tbody>
</table>

The bid submitted by AZ Home is non-responsive for the following reasons:
1. AZ Home is not licensed to perform roofing work and no subcontractor was identified to perform roofing work (a C39 specialty license is required);
2. AZ Home did not identify Burbank Fireplace & BBQ, Inc. on its Designation of Subcontractors form (Appendix B-12) despite a quote from that company for $5,978 that includes $1,400 for installation (the $5,978 amount was included on the Designation of Materials & Suppliers form (Appendix B-08)).

Additionally, staff found the following irregularities:
3. AZ Home did not exemplify that its representative read, become familiar with and understand all of the requirements of the Contract Documents and conditions under which the work will be performed by placing a signature and date next to the page number of the Bidder’s Proposal and Statement;
4. The price of $10,000 is listed for the six (6) ventilators to be installed and a price of $10,000 is listed for the 18 furnaces to be installed. Those amounts do not appear to reflect the quantities of equipment and/or the fact that typically prices of furnaces are higher than prices for ventilators;
5. The proposal from Specialty Door Company, Inc. references specification sections that do not exist in the City’s specifications (it appears to reference a numbering system that is no longer used in the City’s specifications and/or a numbering system that may be used by other RSI programs);
6. A price for the installation of wood doors by Allied Builders in the proposal from Specialty Door. There is no documentation of a price or proposal directly from Allied Builders;
7. No certification was provided (e.g., Appendix B-11, “Suspension and Debarment Requirements for all contracts over $25,000””) for Allied Builders, despite the value of its contract is identified as $29,800 on the Designation of Subcontractors form (Appendix B-12);
8. A price of $15,130 was identified for H.K. Electrical in the Designation of Subcontractors form (Appendix B-12), and the price sheet included with the Bid does not accurately reflect the scope of work. No price was listed for the electrical panel upgrade at home 50.03 under “Owner Upgrades,” and a price of $1,400 was listed under “Owner Upgrades” for home 50.05 and no electrical owner upgrade is specified as part of the scope of work for that home. Additionally, a price of $2,000 is listed under “Knob Tube” (presumably for the replacement of knob & tube wiring) for home 50.07 that is not part of the scope of work for that home;

The bid submitted by Harry H. Joh Construction, Inc. is non-responsive for the following reasons:
1. The bid did not include all required documentation for listed subcontractors including, without limitation:
a. References for MD Insulation (Bids must include references for subcontractors whose contract value is in excess of $10,000 and the contract value listed for MD Insulation is $16,050 on the Designation of Subcontractors form);
b. No certification was provided (e.g., Appendix B-11, “Suspension and Debarment Requirements for all contracts over $25,000”) for Hot Tech Contractor, Inc., despite the value of its contract is identified as $71,000 on the Designation of Subcontractors form (Appendix B-12)

Additionally, staff found the following minor irregularities:
2. Harry H. Joh Construction did not exemplify that its representatives read, become familiar with and understand all of the requirements of the Contract Documents and conditions under which the work will be performed by placing a signature and date next to the page number of the Bidder’s Proposal and Statement;
3. The Bidder’s Bond provided identifies “International Fidelity Insurance Company” as a “corporation incorporated under the laws of the State of California.” However, a search with the California Secretary of State (and as reflected in the attached Power of Attorney) shows that the surety is a New Jersey corporation;
4. The Bidder’s Bond also appears to be provided by a Surety that is not listed in the latest published State of California, Department of Insurance list of “Insurers Admitted to Transact Surety Insurance in This State”;
5. A Jurat notarization is not attached to the “Non-Collusion Affidavit” (Appendix B-03) as required;
6. Two different manufacturers are listed for Latching and Locking Hardware. Therefore it is not clear which manufacturer’s hardware is intended to be provided;
7. The “Bidder’s Assurance of Compliance with Title 49 CFR Part 26 relating to Disadvantaged Business Enterprise Participation” is not properly completed. It appears that the total bid of $738,000, minus the value of the three (3) subcontracts whose contracts are identified as not certified as a DBE (Hot Tech, Rapid Duct Testing and Castlerock Environmental) was used to calculate a DBE percentage. That methodology results in including materials, overhead, profit and other items as “work,” and misrepresents the percentage of “work” being performed by certified DBE contractors; and
8. The manufacturer of thermostats identified (Venstar) on the Designation of Manufacturer and Suppliers form is different that the manufacturer of furnaces (York), despite the requirement that thermostats “be manufactured by the manufacturer of the furnace to which it is connected (if thermostats meeting the other requirements are available from the furnace manufacturer),” and York does manufacturer thermostats meeting the other requirements.

The bid submitted by Big West Construction Corporation appears to be responsive, with two minor irregularities.
1. Milgard was identified as the manufacturer of Aluminum Windows and “N/A” marked as the manufacturer and supplier of Vinyl Windows, despite only Vinyl Windows specified for the project and Milgard only manufacturing vinyl windows for Residential Sound Insulation (RSI) programs. This appears to be an inadvertent clerical error, as Big West Construction has successfully completed a number of projects for the City’s RSI Program, and is well aware that aluminum windows are no longer offered under the City’s RSI Program. Furthermore, staff will be revising the form for future projects to eliminate the aluminum window category, as “N/A” would be the proper notation in that category for all foreseeable RSI projects.
2. As was also the case with the bid from AZ Home, as well as the bid from Karabuild, a price of
$10,000 is listed for the six (6) ventilators to be installed and a price of $10,000 is listed for the 18 furnaces to be installed. Those amounts do not appear to reflect the quantities of equipment and/or the fact that typically prices of furnaces are higher than prices for ventilators. This issue seems to correlate with the fact that AZ Home, Big West Construction and Karabuild Development, Inc. all have listed True Air Mechanical as the mechanical subcontractor.

The bid submitted by Karabuild Development, Inc. was not thoroughly reviewed as a lower responsive bid appears to have been submitted.

The amount requested for the contract is $961,978 which represents the amount of Big West Construction Corporation’s bid of $874,525 and an additional 10% for contingencies.

Construction is scheduled to start September 23rd, 2013 and complete by November 20th, 2013, with Contractor Site Evaluations scheduled for July 1st – 8th.

City Council is reminded that, except for elective “Owner Upgrades” paid for by property owners, costs associated with the Residential Sound Insulation Program are covered by the grant funding from the Federal Aviation Administration (FAA) and/or a department of the City of Los Angeles commonly referred to as Los Angeles World Airports (LAWA). Grant funding from the City of Los Angeles is provided as part of a settlement agreement with the City of Los Angeles and other jurisdictions. Program expenditures for homes in the areas highlighted in shades of green on the City’s RSI Program map are funded by grants from the FAA and LAW at a rate of 80% and 20% respectively, while expenditures for homes in the areas highlighted in shades of yellow are funded 100% by remaining grant funds provided by LAW.

The twenty-six homes included in the Group 50 project are all in the “Green-2” area on the RSI Program map, and therefore (with the exception of “Owner Upgrades”) 80% of expenditures are funded by a grant from the FAA and 20% of expenditures funded by a grant from LAW.
City of El Segundo
Residential Sound Insulation Program

To the Mayor and City Council
City of El Segundo
350 Main St.
El Segundo, CA 90245

I declare, under penalty of perjury, that I have carefully examined, become familiar with, and understand all of the requirements of the Contract Documents and conditions under which the Work must be performed, including the City of El Segundo's current Municipal Code, and am fully informed as to all conditions and matters which can in any way affect the Work or its cost, and agree to the following:

To perform all Work in strict conformity with the requirements of the Contract Documents for

Project Number RSI 13-04
“Residential Sound Insulation Program – Group 50”

at the following lump sum price:

<table>
<thead>
<tr>
<th>RSI ID</th>
<th>Property Address</th>
<th>Description</th>
<th>Staff Estimate</th>
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<td>$44,000.00</td>
<td>$44,000.00</td>
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<td>$64,100.00</td>
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<td></td>
<td>Owner Upgrade (Sill Damage)</td>
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<td>Owner Upgrade (Electrical Panel)</td>
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**Total Bid (Contract Sum)**

Seven Hundred Twenty Nine Thousand Five Hundred 20% - Dollars
(words)

$729,500.00
(figures)

In case of discrepancy between the words and figures, the words must prevail.

Contractor Representative: [Signature]

Date: 04/16/13

Thomas O. Anzian
Name (printed or typed)
Title: President

Contractor's State License Number: 647564

Name of Firm: AZ Home inc.

Address: 14942 Delano St.

Van Nuys, Ca. 91411

License Expiration Date: 10/31/13

Telephone Number: 818-782-7171

Type of Entity: ☑ Corporation

* If Corporation, evidence of authority to sign must be attached
## Designation of Manufacturers and Suppliers

<table>
<thead>
<tr>
<th>Section</th>
<th>Manufacturer</th>
<th>Supplier (if Applicable)</th>
<th>Contract Value</th>
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<td>08 32 00</td>
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<td>N/A</td>
<td>$N/A</td>
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<tr>
<td>08 51 00</td>
<td>N/A</td>
<td>N/A</td>
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<td>08 53 00</td>
<td>Milgard Windows &amp; Doors</td>
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<td>China A-Lastor</td>
<td>Burbank Fireplace &amp; Bath, Inc.</td>
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<td>$N/A</td>
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<tr>
<td>22 21 00</td>
<td>Condensate Pumps</td>
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<td>$</td>
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<tr>
<td>23 09 00</td>
<td>Thermostats</td>
<td></td>
<td>$</td>
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<tr>
<td>23 34 00</td>
<td>Ventilators</td>
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<tr>
<td>23 54 00</td>
<td>Furnaces</td>
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<td>08 14 00 Primary Hinged Entry Doors</td>
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<tr>
<td>08 32 00 Primary Sliding Glass Doors</td>
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<tr>
<td>08 51 00 Aluminum Windows</td>
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<tr>
<td>08 53 00 Vinyl Windows</td>
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<td>08 71 00 Latching and Locking Hardware</td>
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<td>10 32 00 Chimney Dampers</td>
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<tr>
<td>10 32 00 Fireplace Glass Doors</td>
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<td>22 21 00 Condensate Pumps</td>
<td>Little Giant</td>
<td>AC-Pro</td>
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<td>23 09 00 Thermostats</td>
<td>Carrier</td>
<td>Sigler</td>
<td>$120,000</td>
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<tr>
<td>23 34 00 Ventilators</td>
<td>American Allen</td>
<td>American Allen</td>
<td>$10,000</td>
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<tr>
<td>23 54 00 Furnaces</td>
<td>Carrier</td>
<td>Sigler</td>
<td>$10,000</td>
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</tbody>
</table>
# Estimate

**Burbank Fireplace & BBQ, Inc.**

833 N. Hollywood way Unit A  
Burbank, CA 91505  
Phone (818) 843-1555  
Fax (818) 843-1551  

<table>
<thead>
<tr>
<th><a href="http://www.Burbankfireplace.com">www.Burbankfireplace.com</a></th>
</tr>
</thead>
</table>

**Name / Address**  
AZ Home Inc.  
14416 Friar Street  
Van Nuys CA 91401  
P 818-782-7171  
F 818-782-7107

<table>
<thead>
<tr>
<th>Item</th>
<th>Qty</th>
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<th>Rate</th>
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<td>Fireplace &amp; Chimney Cleaning and installation of top dampers.</td>
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<tr>
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<td>Job - El Segundo -50</td>
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**Signature**

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April 9, 2013

Project: El Segundo RSP, Residential Sound Insulation, Bid Group 50
Owner: City of El Segundo
Scope: Wood Doors, (section 08100), Wood Frames (section 06200), Finish Hardware (section 08713) of the RSP Project.
The purpose of the following is to clarify our scope and allow a fair comparison of bids.

WOOD DOORS, (by Vancouver Door), WOOD JAMBS,
FINISH HARDWARE & SECONDARY SLIDING
GLASS DOORS (by Mon-Ray):

1) ALL PRODUCT SUBMITTALS & DOCUMENTS ARE TO CONFORM TO DIVISION #1 REQUIREMENTS AND SECTIONS 08100 & 08713.
2) IMPORTANT NOTE: Please make sure that other door quotes are based on STC-40 at
   9.2lbs/Sq.Ft. The 7.7 lbs/Sq. Ft STC-40 door is not warranted for exterior use. A deduct
   can be provided if we can use STC-40 @ 7.7 lbs/Sq. Ft doors.
3) Where indicated on plans, our quote includes hardware for existing doors.
4) All doors to be factory sized, beveled & prepped for butts, lockset & deadbolt.
5) Our bid includes Doug Fir jambs for painted and solid Oak for stained doors, for wall
   thickness up to 5-1/4".
6) Our quote includes the Kerfed and rigid weatherstripping.
7) Locks and deadbolts are to be keyed alike for individual residences.

Supply: $101,800.00
*Installation: $29,800.00
* (Wood Doors only, no Sec. SGD installation) under separate contract between GC and Allied Builders

Net Add: Provide 21 each, Mon-Ray Secondary Sliding Glass doors:$34,800.00

We have worked on majority of the El Segundo RSP projects and are looking forward to
performing on these challenging Noise Insulation Projects. Should you have any questions,
please call me at the office or cell phone: 415-971-9071
Sincerely;
SPECIALTY DOOR COMPANY, INC.

Michael R. Ghezavat
Michael R. Ghezavat, AHC/CSI
VP
To the Mayor and City Council  
City of El Segundo  
350 Main St.  
El Segundo, CA 90245

I declare, under penalty of perjury, that I have carefully examined, become familiar with, and understand all of the requirements of the Contract Documents and conditions under which the Work must be performed, including the City of El Segundo’s current Municipal Code, and am fully informed as to all conditions and matters which can in any way affect the Work or its cost, and agree to the following:

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"Residential Sound Insulation Program – Group 50"

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# Residential Sound Insulation Program

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<thead>
<tr>
<th>Lot</th>
<th>Address</th>
<th>RSI Improvements</th>
<th>RSI Improvements</th>
<th>Owner Upgrade (Door B)</th>
<th>Owner Upgrade (Door B)</th>
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</table>

**Total Bid (Contract Sum)**

Seven Hundred Thirty Eight Thousand and 00/100 Dollars

$738,000.00

In case of discrepancy between the words and figures, the words must prevail.

Contractor Representative: [Signature]

Name (printed or typed):

Date: 4-9-13

---

Bidding Form: Appendix B-01

Bidder's Proposal and Statement

Last Modified: March 28, 2013
Title: PRESIDENT (HARRY JON) Contractor's State License Number: 469845

Name of Firm: HARRY H. JON CONSTRUCTION INC.
Address: 8905 SOMERSET
PARAMOUNT CA 90723 License Expiration Date: 4/30/13

Telephone Number: 562-680-3345

Type of Entity: ☑ Corporation* ☐ Sole Proprietorship ☐ Partnership ☐ Other

* If Corporation, evidence of authority to sign must be attached
Minutes of Special Meeting of the Board of Directors of
Harry H. Joh Construction Inc.
A California Corporation
November 3, 2010
At 3:00 P.M.

A special meeting of the Board of Directors of Harry H. Joh, Inc. a California Corporation, was held on November 3, 2010 at 3:00 P.M. at 8205 Somerset Blvd., Paramount, CA 90723.
The said meeting was held at the call of Harry Joh, chairman of the Board of Directors and President of corporation.

The following directors, being all of the member of Directors.

Harry H. Joh, Chairman and President
Young Salo, Director and Secretary
Hyun S. Joh, Director and Treasurer

The following resolution was adopted at the meeting.

Harry H. Joh is fully authorized to execute the bid & contract of any upcoming project for the corporation.

There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting adjourned.

Dated: November 3, 2010

Signed: Young Salo, Secretary

Signed: Harry H. Joh, President
City of El Segundo
Residential Sound Insulation Program

RSI 13-04 (Group 50)

Bidder’s Bond
(Not necessary when cashier’s check accompanies Bidder’s Proposal and Statement)

Harry H. Joh Construction Inc., as principal ("Principal") and
International Fidelity Insurance Company, a corporation incorporated under
the laws of the State of California, and licensed by the State of California to execute bonds and undertakings as sole surety, as surety ("Surety"), our heirs, executors, administrators, successors, and assigns, are jointly and severally bound to the City of El Segundo, a general law city and municipal corporation existing under the laws of California ("City"), in the sum of
Seventy Three Thousand Eight Hundred and No/100 dollars ($73,800.00),
to be paid and forfeited to said City, its successors and assigns, if the Bid of the undersigned Principal with respect to RSI 13-04, Residential Sound Insulation Program – Group 50, ("Project"), as specifically set forth in the Contract Documents, is accepted and the proposed Contract is awarded to said Principal, and said Principal fails or refuses to execute the Residential Sound Insulation Program Contract governing the Project in accordance with such Bid as accepted and the Contract Documents.

SIGNED AND SEALED this 8th day of APRIL, 2013.

[Signature]
Principal’s President

[Signature]
Principal’s Secretary

[Signature]
PHILLIP E. VEGA, ATTORNEY-IN-FACT
Surety’s Secretary

Note: ALL signatures must be acknowledged by a notary public.

Principal’s Mailing Address
8205 Somerset Blvd.
Paramount
CA 90723

Surety’s Mailing Address
534 E. Badillo Street
Covina
CA 91723

Bidding Form Appendix B-02
Bidder’s Bond

Last Modified: January 30, 2012
POWER OF ATTORNEY
INTERNATIONAL FIDELITY INSURANCE COMPANY
ALLEGHENY CASUALTY COMPANY
ONE NEWARK CENTER, 20TH FLOOR NEWARK, NEW JERSEY 07102-5007

KNOW ALL MEN BY THESE PRESENTS: That INTERNATIONAL FIDELITY INSURANCE COMPANY, a corporation organized and existing under the laws of the State of New Jersey, and ALLEGHENY CASUALTY COMPANY, a corporation organized and existing under the laws of the State of Pennsylvania, having their principal office in the City of Newark, New Jersey, do hereby constitute and appoint

KEVIN E. VEGA, BRITTON CHRISTIANSEN, MYRNA SMITH, PHILIP E. VEGA

their true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon said INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by their regularly elected officers at their principal offices.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of the By-Laws of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY and is granted under, and by authority of the following resolution adopted by the Board of Directors of INTERNATIONAL FIDELITY INSURANCE COMPANY at a meeting duly held on the 20th day of July, 2010 and by the Board of Directors of ALLEGHENY CASUALTY COMPANY at a meeting duly held on the 15th day of August, 2010:

"RESOLVED, that (1) the President, Vice President, or Secretary of the Corporation shall have the power to appoint, and to revoke the appointments of, Attorneys-in-fact or agents with power and authority as defined or limited in their respective powers of attorney, and to execute on behalf of the Corporation and affix the Corporation's seal thereto, bonds, undertakings, recognizances, contracts of indemnity and other written obligations in the nature thereof or related thereto; and (2) any such Officers of the Corporation may appoint and revoke the appointments of joint-control custodians, agents for acceptance of process, and Attorneys-in-fact with authority to execute waivers and consents on behalf of the Corporation; and (3) the signature of any such Officer of the Corporation and the Corporation's seal may be affixed by facsimile to any power of attorney or certification given for the execution of any bond, undertaking, recognizance, contract of indemnity or other written obligation in the nature thereof or related thereto, such signature and seals when so used whether herebefore or hereafter, being hereby adopted by the Corporation as the original signature of such officer and the original seal of the Corporation, to be valid and binding upon the Corporation with the same force and effect as though manually affixed."

IN WITNESS WHEREOF, INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY have each executed and attested these presents on this 12th day of March, 2012.

[Seal]

STATE OF NEW JERSEY
County of Essex

ROBERT W. MINSTER
Executive Vice President/Chief Operating Officer
(International Fidelity Insurance Company)
and President (Allegheny Casualty Company)

On this 12th day of March 2012, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the herein described and authorized officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY; that the seals affixed to said instrument are the Corporate Seals of said Companies; that the said Corporate Seals and his signature were duly affixed by order of the Boards of Directors of said Companies.

IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

[Seal]

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Mar. 27, 2014

CERTIFICATION
I, the undersigned officer of INTERNATIONAL FIDELITY INSURANCE COMPANY and ALLEGHENY CASUALTY COMPANY do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Seal of the By-Laws of said Companies as set forth in said Power of Attorney, with the originals on file in the home office of said Companies, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect.

IN TESTIMONY WHEREOF, I have hereunto set my hand this 8TH day of APRIL, 2013

[Seal]

MARIA BRANCO, Assistant Secretary
Non-Collusion Affidavit

The undersigned, being first duly sworn, deposes and says that he or she is authorized to represent the party ("Bidder") making the foregoing Bid; that the Bidder has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with such contract; that the Bid is genuine and not collusion or sham; that the Bidder has not directly or indirectly induced or solicited any other Bidder to put a false or sham Bid, or that anyone must refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the bid price or of that of any other Bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained are true; and, further, that the Bidder has not, directly or indirectly, submitted its bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham Bid.

I declare under penalty of perjury in accordance with the laws of California that the foregoing is true and correct.

Name of Firm: HARRY H. JOH CONSTRUCTION
Address: 3205 SOMERSET BL
Telephone Number: 562.630.3348
Contractor Representative: HARRY JOH.
Title: PRESIDENT
Signature: [Signature]

* Must be subscribed and sworn before a Notary Public and Jurat notarization must be attached
Designation of Manufacturers and Suppliers

<table>
<thead>
<tr>
<th>Section</th>
<th>Manufacturer</th>
<th>Supplier (if Applicable)</th>
<th>Contract Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>08 14 00 Primary Hinged Entry Doors</td>
<td>VANCOUVER DOOR</td>
<td>SPECIALTY DOOR COMPANY</td>
<td>$75,800</td>
</tr>
<tr>
<td>08 32 00 Primary Sliding Glass Doors</td>
<td>SECONDARY MON-RAY</td>
<td>SPECIALTY DOOR COMPANY</td>
<td>$34,800</td>
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<tr>
<td>08 51 00 Aluminum Windows</td>
<td>N/A</td>
<td>N/A</td>
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</tr>
<tr>
<td>08 53 00 Vinyl Windows</td>
<td>MILGARD WINDOWS</td>
<td>N/A</td>
<td>$134,225</td>
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<tr>
<td>08 71 00 Latching and Locking Hardware</td>
<td>STANLEY SCHALAGE</td>
<td>SPECIALTY DOOR</td>
<td>$26,000</td>
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<tr>
<td>10 32 00 Chimney Dampers</td>
<td>RMR PRODUCTS</td>
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<td>$4,500</td>
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<td>10 32 00 Fireplace Glass Doors</td>
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<tr>
<td>22 21 00 Condensate Pumps</td>
<td>DIVERSITECH</td>
<td>U.S. AIR CONDITION</td>
<td>$800</td>
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<td>23 09 00 Thermostats</td>
<td>VENSTAR</td>
<td>U.S. AIR CONDITIONING</td>
<td>$2,000</td>
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<tr>
<td>23 34 00 Ventilators</td>
<td>AMERICAN ALDES</td>
<td>TORO AIRE</td>
<td>$7,000</td>
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<td>23 54 00 Furnaces</td>
<td>YORK</td>
<td>U.S. AIR CONDITION</td>
<td>$18,500</td>
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</table>
Bidder’s Assurance of Compliance with Title 49 CFR Part 26 relating to Disadvantaged Business Enterprise Participation

The Bidder hereby gives assurance pursuant to the requirements of Title 49 CFR part 26 that Bidder has made a reasonable effort to meet goals for Disadvantaged Business Enterprise participation specified for the Contract for which this proposal is submitted and that the Bidder, if the contract is awarded to Bidder, will have a DBE participation of

\[ 0.37,000 \] percent (3.31\%) of the amount of this Bid.

Bidder further gives assurance that Bidder will submit the documentation required by said regulations and the Contract Documents, including the Listing of Disadvantaged Business Enterprises with which the Bidder will subcontract if the Contract is awarded and if Bidder is unable to meet the contract goals for DBE participation, of the steps Bidder has taken to obtain DBE participation.

Name of Firm: HARPY H. TON CONSTRUCTION
Address: 2305 SORTESET BL PARAMOUNT 90723
Telephone Number: 862-630-3045
Contractor Representative: HARPY TON
Title: PRESIDENT

Signature: 

Dated this 31st day of APRIL, 2013.
### Designation of Subcontractors

<table>
<thead>
<tr>
<th>Contract Value</th>
<th>Certified as a DBE (Check one)</th>
<th>DBE License Number</th>
<th>Number of Employees</th>
<th>Business Address and Phone</th>
<th>Work to be Performed (Check one)</th>
<th>Percentage of Work</th>
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<td>$5,000</td>
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<td>3</td>
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<td>2</td>
<td>3</td>
<td>2</td>
<td>1.7</td>
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</table>

This table indicates the designation of subcontractors, where 'DBE' stands for Disadvantaged Business Enterprise. The table lists the contract value, certification status, DBE license number, number of employees, business address, and the work to be performed. The percentage of work to be performed is also indicated. The bids for projects are expected to be performed by the designated subcontractors.

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**Designation of Subcontractors**

RSI 13-04 (Group 50)

City of El Segundo

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<p>| | | | | | | | | | |</p>
<table>
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</tr>
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</tr>
</tbody>
</table>

**Address**

3.3g

**State, Zip, Property Ave.**

23105

**City, State**

Los Angeles, CA
To the Mayor and City Council
City of El Segundo
350 Main St.
El Segundo, CA 90245

I declare, under penalty of perjury, that I have carefully examined, become familiar with, and understand all of the requirements of the Contract Documents and conditions under which the Work must be performed, including the City of El Segundo’s current Municipal Code, and am fully informed as to all conditions and matters which can in any way affect the Work or its cost, and agree to the following:

To perform all Work in strict conformity with the requirements of the Contract Documents for

Project Number RSI 13-04
"Residential Sound Insulation Program - Group 50"

at the following lump sum price:

<table>
<thead>
<tr>
<th>RSI ID</th>
<th>Property Address</th>
<th>Description</th>
<th>Staff Estimate</th>
<th>Bid Amount</th>
<th>Property Sub-Total</th>
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<tbody>
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<td>50.01</td>
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<td></td>
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<td>Owner Upgrade (Electrical Panel)</td>
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<td>$400</td>
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<td>Owner Upgrade (Door B)</td>
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<td>Owner Upgrade (Window 14)</td>
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<td>$57,427</td>
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<td>$33,535</td>
<td>$38,069</td>
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<tr>
<td>50.12</td>
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<td>$26,175</td>
<td>$26,276</td>
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**Total Bid (Contract Sum)**

Eight Hundred Seventy-Four Thousand Five Hundred Twenty-Five Dollars

$874,525.00

In case of discrepancy between the words and figures, the words must prevail.

Contractor Representative:  
Signature:  
Date: 4-15-2013

Name (printed or typed): Tom Carr

Bidding Form  
Bidder's Proposal and Statement  
Appendix B-01  
Last Modified: April 8, 2013
Title: **Vice President**

Contractor's State License Number: 812085

Name of Firm: **Big West Construction Corp**

License Expiration Date: 8-31-2014

Address: **15331 Normandie**

IRVINE, CA 92604

Telephone Number: 949-795-2219

Type of Entity: ☒ Corporation* ☐ Sole Proprietorship ☐ Partnership ☐ Other

* If Corporation, evidence of authority to sign must be attached
### Designation of Manufacturers and Suppliers

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## Designation of Manufacturers and Suppliers

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AGENDA DESCRIPTION:

Consideration and possible action to authorize the City Manager to sign and enter into an agreement, reviewed by the City Attorney, with the County of Los Angeles to enable controlled substances to be supplied by the County Emergency Medical Services Agency to the El Segundo Fire Department paramedic provider program. (Fiscal Impact: $2,500)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to sign and enter into an agreement, reviewed by the City Attorney, with the County of Los Angeles to enable controlled substances to be supplied by the County Emergency Medical Services Agency to the El Segundo Fire Department paramedic provider program;
2. Alternatively, discuss and take other actions related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Agreement by and Between County of Los Angeles and El Segundo Fire Department for Controlled Substances Supply for Paramedic Provider Agencies

FISCAL IMPACT: $2,500

Amount Budgeted: None
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Kevin S. Smith, Fire Chief
REVIEWED BY: Kevin S. Smith, Fire Chief
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

The City of El Segundo Fire Department (ESFD) has been a provider of paramedic treatment and transportation services within Los Angeles County since 1974. The Los Angeles County Emergency Medical Services Agency (EMSA) has developed and approved the scope of practice for paramedics in Los Angeles County which includes the administration of approved controlled substances. Controlled substances cannot be obtained by ESFD without the authorization of a physician. Historically, the EMSA Medical Director has accepted the responsibility for authorizing the procurement of controlled substances by ESFD. The County of Los Angeles is requesting that an agreement be entered into in order to continue the practice of the EMSA Medical Director authorizing ESFD’s procurement of controlled substances for our paramedic program. In the past, the County did not charge provider agencies for the labor, tracking, or cost of controlled substances. The County has indicated that they are no longer able to absorb these costs and therefore in the future will charge provider agencies $9.00 per dose. Staff recommends that the City Council authorize the City Manager to sign and enter into this agreement. The Fire
Department intends to be able to absorb the unplanned fiscal impact of this mandate for the remainder of this fiscal year. The Fire Department plans to increase its operating budget for the next fiscal year to accommodate the $2,500 increase in operating expenses.
AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

EL SEGUNDO FIRE DEPARTMENT

FOR

CONTROLLED SUBSTANCES SUPPLY
FOR PARAMEDIC PROVIDER AGENCIES
## AGREEMENT PROVISIONS
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AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
AND
EL SEGUNDO FIRE DEPARTMENT
FOR
CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC PROVIDER AGENCIES

This Agreement and Exhibits are made and entered into this ___ day of ____________, 201_ by and between the County of Los Angeles, hereinafter referred to as County and the El Segundo Fire Department, hereinafter referred to as Contractor.

RECITALS

WHEREAS, pursuant to the authority granted under the Emergency Medical Services and Prehospital Emergency Medical Care Personnel Act (California Health and Safety Code Division 2.5, Sections 1797, et seq.), (hereafter "Act") County has established and maintains an Advanced Life Support (hereafter "ALS") system providing services utilizing Emergency Medical Technicians-Paramedics (hereafter "EMT-P"), or "paramedics") for the delivery of emergency medical care to the sick and injured at the scene of an emergency, during transport to a general acute care hospital, during interfacility transfer, while in the emergency department of a general hospital, until care responsibility is assumed by the regular staff of that hospital, and during training within the facilities of a participating general acute care hospital; and

WHEREAS, pursuant to the Act, County has designated its Department of Health Services as the local Emergency Medical Services Agency (hereafter "EMS Agency"), and

WHEREAS, the EMS Agency approves paramedic provider agencies, to render through licensed and accredited EMT-P personnel ALS-level patient care in accordance with policies and procedures established by the EMS Agency and the State EMS Authority; and

WHEREAS, under Title 22, California Code of Regulations, Section 100145(c), the Medical Director of the local EMS Agency may approve policies and procedures allowing an EMT-P to administer medications identified in that Section, provided they are incorporated into the written policies and procedures of the EMS Agency; and
WHEREAS, the EMS Agency Medical Director has developed and approved the EMT-P Scope of Practice for Los Angeles County, which includes the administration of approved controlled drugs and use of medical devices; and

WHEREAS, under the California Business and Professions Code, Chapter 9, Section 4119, a pharmacy may furnish a dangerous drug or a dangerous device to an approved service provider within an emergency medical services system for storage in a secured emergency pharmaceutical supplies container, in accordance with the policies and procedures of the local emergency medical services agency; and

WHEREAS, the California Business and Professions Code, Section 4380, restricts the resale of drugs acquired at preferentially low prices to the person's own use or when sold to a purchaser also eligible for those prices;

WHEREAS, approved Controlled Substances cannot be obtained by a paramedic provider agency without the authorization of a physician; and

WHEREAS, the EMS Agency Medical Director may accept responsibility for authorizing the procurement of approved Controlled Substances upon the request of a paramedic provider agency provided that the provider agency adheres to policies and procedures established by the EMS Agency and this Agreement is maintained in full force; and

WHEREAS, Contractor is approved by the County of Los Angeles as an ALS provider of prehospital emergency medical services and is staffed with licensed and accredited EMT-Ps; and

WHEREAS, Contractor desires the EMS Agency Medical Director to provide authorization for Contractor's procurement of approved Controlled Substances; and

WHEREAS, Contractor has a quality assurance program that specifically addresses the procurement, transport, storage, administration, and monitoring of approved Controlled Substances which has been approved by the EMS Agency; and

WHEREAS, Contractor and the EMS Agency Medical Director agree to cooperate to ensure appropriate handling and monitoring of approved Controlled Substances; and

WHEREAS, the parties wish to cooperate with each other to efficiently and appropriately meet the needs of Los Angeles County EMS patients; and

WHEREAS, this Agreement is not intended, and shall not be deemed, a written agreement between City and County (or the local EMS Agency) for the purpose of California Health and Safety Code Section 1797.201 and City does not waive
its "grandfather" status, if applicable, under California Health and Safety Code Section 1797.201; and

WHEREAS, this Agreement is authorized by California Health and Safety Code Section 1797.252; Title 22, California Code of Regulations Sections 100144 and 100170; and California Government Code Section 26227; and

WHEREAS, County-Operated Pharmacies are licensed to provide approved Controlled Substances and operate under the regulations of the State of California Department of Consumer Affairs Board of Pharmacy.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, B1, C, C1, D, E, F, G1, H, I, J and K are attached to and form a part of this Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Agreement and then to the Exhibits according to the following priority.

Exhibits:

1.1 EXHIBIT A - Statement of Work
1.2 EXHIBIT B - Prehospital Care Manual (Reference No. 702)
1.3 EXHIBIT B1- Prehospital Care Manual (Reference No. 502)
1.4 EXHIBIT C - Controlled Substances Inventory
1.5 EXHIBIT C1- Controlled Substances Fee Schedule
1.6 EXHIBIT D - Contractor's EEO Certification (Intentionally Omitted)
1.7 EXHIBIT E - County's Administration
1.8 EXHIBIT F - Contractor's Administration
1.9 EXHIBIT G1- Contractor Acknowledgement and Confidentiality Agreement
1.10 EXHIBIT H - Jury Service Ordinance (Intentionally Omitted)
1.11 EXHIBIT I - Safely Surrendered Baby Law
2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

2.1 Agreement: Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.

2.2 Contractor: The duly incorporated City or other public entity that has entered into an agreement with the County to perform or execute the work covered by the Statement of Work.

2.3 Contractor Project Manager: The individual designated by the Contractor to administer the Agreement operations after the Agreement award.

2.4 Director: County’s Director of Health Services, or his duly authorized designee.

2.5 County Agreement Project Monitor: Person with responsibility to oversee the day-to-day activities of this Agreement. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.

2.6 County Project Director: Person designated by County with authority for County on contractual or administrative matters relating to this Agreement that cannot be resolved by the County’s Project Manager.

2.7 County Project Manager: Person designated by County’s Project Director to manage the operations under this Agreement.

2.8 Day(s): Calendar day(s) unless otherwise specified.
2.9 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 **WORK**

Pursuant to the provisions of this Agreement, the Contractor shall procure, transport, store, distribute, administer, and monitor approved Controlled Substances utilized by Contractor and other work identified in Exhibit B, the EMS Agency’s “PREHOSPITAL CARE MANUAL REFERENCE NO. 702, CONTROLLED DRUGS CARRIED ON ALS UNITS”, as set forth in Exhibit A, Statement of Work, for the purpose of continuing the delivery of ALS care in the field.

4.0 **TERM OF AGREEMENT**

The term of this Agreement shall commence effective upon approval by the County's Board of Supervisors, and shall continue in full force and effect up to and including June 30, 2017, unless sooner cancelled or terminated as provided herein. This Agreement may thereafter be extended at the sole discretion of the Director of the Department of Health Services (DHS), or his designee (hereafter Director), for two (2) additional 1-year terms, through June 30, 2019, by providing written notice to the Contractor, in the form of an Amendment to this Agreement, prior to the end of the current term.

5.0 **AGREEMENT SUM**

5.1 During the term of this Agreement, Contractor's payment to County hereunder shall be for the issuance of approved Controlled Substances and other applicable fees as set forth in Exhibit C-1, Controlled Substances Fee Schedule, attached hereto and incorporated herein by reference.

5.2 **Invoices and Payments**

5.2.1 Contractor shall reimburse Health Services Finance (hereafter "HS Finance") for all fees billed for approved Controlled Substances specified in Exhibit C, Controlled Substances Inventory. HS Finance shall prepare invoices, which will include the charges owed to the County by the Contractor under the terms of this Agreement.

5.2.2 HS Finance's quarterly invoices shall be priced in accordance with Exhibit C-1, Controlled Substances Fee Schedule. These rates will be adjusted annually each July, 1 or based on changes of more than 100% in unit cost, random testing, or administrative expenses of supplying Contractors with approved Controlled Substances.
5.2.3 HS Finance's quarterly invoices to Contractor will clearly reflect items issued and provide reasonable details of approved Controlled Substances.

5.2.4 HS Finance's quarterly invoices to Contractor will include, if applicable, any fines assessed against the County-operated hospital pharmacy by the California State Board of Pharmacy that are a direct result of noncompliance with State Law or a direct result of actions or omissions by the Contractor.

5.2.5 HS Finance's quarterly invoices to Contractor will include, if applicable, the cost of Controlled Substance testing if tampering or diversion by Contractor is suspected and confirmed after an investigation is conducted. Contractor will not be charged if tampering or diversion is not confirmed.

5.2.6 Contractor shall reimburse HS Finance within thirty (30) days of receipt of a complete and correct invoice. Reimbursement shall be sent to:

DHS-Health Services Finance
Fiscal Services
313 North Figueroa Street, Room 505
Los Angeles, CA 90012

5.2.7 HS Finance's quarterly invoices to Contractor will include, if applicable, a one-time restocking fee, as specified in Exhibit C-1, Controlled Substances Fee Schedule, for each lot of recalled approved Controlled Substances returned to the County-operated hospital pharmacy for resupply.

5.2.8 HS Finance's quarterly invoices to Contractor will include, if applicable, an ingredient cost, as specified in Exhibit C-1, Controlled Substances Fee Schedule, for each dose of expired approved Controlled Substances returned to the County-operated hospital pharmacy for resupply.

6.0 ADMINISTRATION OF AGREEMENT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following sub-paragraphs are designated in Exhibit E, County's Administration. The County shall notify the Contractor in writing of any change in the names or addresses shown.
6.1 County's Project Director

Responsibilities of the County's Project Director include:

- ensuring that the objectives of this Agreement are met; and
- providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Project Manager

The responsibilities of the County's Project Manager include:

- meeting with the Contractor's Project Manager on an as-needed basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Agreement and is not authorized to further obligate County in any respect whatsoever.

6.3 County's Agreement Project Monitor

The County's Project Monitor is responsible for overseeing the day-to-day administration of this Agreement. The Project Monitor reports to the County's Project Manager.

7.0 ADMINISTRATION OF AGREEMENT - CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 The Contractor's Project Manager is designated in Exhibit F, Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Agreement and shall coordinate with County's Project Manager and County's Agreement Project Monitor on a regular basis.
7.2 Confidentiality

7.2.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.2.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Paragraph 7.2, as determined by County in its sole judgment. Any legal defense pursuant to Contractor’s indemnification obligations under this Paragraph 7.2 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County’s prior written approval.

7.2.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Agreement.

7.2.4 Contractor shall sign and adhere to the provisions of the “Contractor Acknowledgement and Confidentiality Agreement”, Exhibit G-1.
8.0 STANDARD TERMS AND CONDITIONS

8.1 AMENDMENTS

8.1.1 For any change which affects the scope of work, term, any term or condition, or payment rates included under this Agreement, an Amendment shall be prepared and executed by the Contractor and by Director or his designee.

8.1.2 The County’s Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Agreement during the term of this Agreement. The County reserves the right to add and/or change such provisions as required by the County’s Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Agreement shall be prepared and executed by the Contractor and by Director or his designee.

8.1.3 The Director or his/her designee may at his/her sole discretion, authorize extensions of time as defined in paragraph 4.0 - Term of Agreement. The Contractor agrees that such extensions of time shall not change any other term or condition of this Agreement during the period of such extensions. To implement an extension of time, an Amendment to the Agreement shall be prepared by the County and then executed by the Contractor and by Director or his designee.

8.1.4 The Director or his/her designee, may require, at his/her sole discretion, the addition and/or change of certain terms and conditions in the Agreement to conform to changes in federal or state law or regulation or County policy, during the term of this Agreement. The County reserves the unilateral right to add and/or change such provisions as required by law, regulation or County policy, without the need for Contractor’s written consent, to preserve this Agreement’s conformity and compliance to federal and state law or regulation or County policy as deemed necessary by the County’s Board of Supervisors, County Counsel, the Chief Executive Officer or designee.

8.2 ASSIGNMENT AND DELEGATION

8.2.1 The Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation
without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Agreement, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County’s sole discretion, against the claims, which the Contractor may have against the County.

8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor’s duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County’s express prior written approval, shall be a material breach of the Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Agreement for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.4 BUDGET REDUCTIONS

In the event that the County’s Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Agreements, the
County reserves the right to reduce its payment obligation under this Agreement correspondingly for that fiscal year and any subsequent fiscal year during the term of this Agreement (including any extensions), and the services to be provided by the Contractor under this Agreement shall also be reduced correspondingly. The County’s notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board’s approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Agreement.

8.5 COMPLAINTS

Intentionally Omitted

8.6 COMPLIANCE WITH APPLICABLE LAW

8.6.1 In the performance of this Agreement, Contractor and County shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor’s indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief,
or make any admission, in each case, on behalf of County without County’s prior written approval.

8.7 COMPLIANCE WITH CIVIL RIGHTS LAWS

ANTI-DISCRIMINATION AND AFFIRMATIVE ACTION LAWS

8.7.1 The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17); the Fair Employment & Housing Act, Government Code Section 12920-12922; and Affirmative Action in County Agreements, Chapter 4.32 of the Los Angeles County Code to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

8.7.2 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.7.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.7.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation.
8.7.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

8.7.6 The Contractor shall allow County representatives access to the Contractor’s employment records during regular business hours to verify compliance with the provisions of this sub-paragraph 8.8 when so requested by the County.

8.7.7 If the County finds that any provisions of this sub-paragraph 8.8 have been violated, such violation shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement. While the County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Agreement.

8.7.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Agreement, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars ($500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

8.7.9 **Anti-discrimination in Services**

Contractor shall not discriminate in the provision of services hereunder because of race, color, religious creed, national origin, ethnic group identification, ancestry, age, sex, sexual orientation, medical condition, marital status, political affiliation, or physical or mental disability in accordance with requirements of Federal and State laws. For the purpose of this sub-paragraph, discrimination in the provision of services may include, but is not limited to, the following: Denying any person any service or benefit or the availability of a facility; providing any service or benefit to a person which is not equivalent or is provided in a non-equivalent
manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religious creed, national origin, ethnic group identification, ancestry, sex, sexual orientation, age, medical condition, marital status, political affiliation, physical or mental disability.

8.8 COMPLIANCE WITH THE COUNTY’S JURY SERVICE PROGRAM

Intentionally Omitted

8.9 CONFLICT OF INTEREST

Intentionally Omitted

8.10 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Intentionally Omitted

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Intentionally Omitted

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 Responsible Contractor
A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County’s policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code
The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor
on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor
The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

8.12.4 Contractor Hearing Board
1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the
Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

5. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to subcontractors of County Contractors.
8.13 CONTRACTOR’S ACKNOWLEDGEMENT OF COUNTY’S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

Intentionally Omitted

8.14 CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM

Intentionally Omitted

8.15 COUNTY’S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor’s performance under this Agreement on not less than an annual basis. Such evaluation will include assessing the Contractor’s compliance with all Agreement terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors.

The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Agreement or impose other penalties as specified in this Agreement.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

Intentionally Omitted

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

Intentionally Omitted

8.18 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to sub-paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of “original” versions of such documents.
8.19 FAIR LABOR STANDARDS

Intentionally Omitted

8.20 FORCE MAJEURE

Intentionally Omitted

8.21 GOVERNING LAW, JURISDICTION, AND VENUE

This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 This Agreement is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Agreement.
8.22.4 The Contractor shall adhere to the provisions stated in subparagraph 7.2 - Confidentiality.

8.23 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Agreement.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.

- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
• Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding Fifty Thousand Dollars ($50,000.00), and list any County required endorsement forms.

• Neither the County’s failure to obtain, nor the County’s receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Department of Health Services
Contracts and Grants Division
313 Figueroa Street, 6th Floor-East
Los Angeles, CA 90012

County of Los Angeles
Department of Health Services
Emergency Medical Services Agency
10100 Pioneer Boulevard, Suite 200
Santa Fe Springs, CA 90670
Attention: Administrative Services

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from
or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.3 Cancellation of Insurance

Except in the case of cancellation for non-payment of premium, Contractor's insurance policies shall provide, and Certificates shall specify, that County shall receive not less than thirty (30) days advance written notice by mail of any cancellation of the Required Insurance. Ten (10) days prior notice may be given to County in event of cancellation for non-payment of premium.

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach.

8.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.
8.24.6 **Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.7 **Waivers of Subrogation**

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.8 **Sub-Contractor Insurance Coverage Requirements**

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.24.9 **Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.10 **Claims Made Coverage**
If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

8.24.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.24.15 Contractor Self-Insurance Requirements

The County will consider a Contractor's request to substitute a program of self—insurance as an alternative to commercial insurance upon review and approval of the following:

- A formal declaration to be self-insured for the type and amount of coverage required in the agreement. This can be in the form of a corporate resolution or a certified statement from a corporate officer or an
authorized principal of the Contractor. The statement also must identify which required coverages are self-insured and which are commercially insured. Contractors who are self-insured for workers compensation must provide a copy of their “Certificate of Consent to Self-Insure” issued by the State. The Contractor must notify the County immediately of discontinuation or substantial change in the program.

- A statement that the County is a protected party under the Contractor’s self-insurance program. This statement must confirm that the Contractor’s program will respond on a primary basis to any County commercial insurance or self-insurance programs to ensure that the County will be provided at least the same protection from liability and defense of lawsuits as would be provided by first dollar commercial insurance.

- An agreement to notify the County immediately of any claim, judgment, settlement award, verdict or change in the Contractor’s financial condition which would have a significant negative effect on the Contractor’s self-insurance program.

- An agreement to notify the County immediately of any claim, judgment, settlement, award or verdict under the Contractor’s self-insurance program involving the County service agreement.

- The name, title, address, and telephone number of the individual responsible for the administration of the Contractor’s self-insurance program, as well as the name, address, and telephone number of the Contractor’s claims administrator and legal counsel.

- A current audited financial statement to be evaluated by the County to determine if the Contractor has adequate financial resources to respond to claims failing within the self-insured retention or self-insured program. Resubmission of such a statement is required not less than annually or more frequently at the County Project Manager’s request. Failure to comply will result in withdrawal of County approval.

The Contractor’s proposed self-insurance program must be approved by the County prior to the effective date of the agreement.
8.25 INSURANCE COVERAGE

8.25.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate: $2 million
Products/Completed Operations Aggregate: $1 million
Personal and Advertising Injury: $1 million
Each Occurrence: $1 million

8.25.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than One Million Dollars ($1,000,000) for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than One Million Dollars ($1,000,000) per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.26 LIQUIDATED DAMAGES

Intentionally Omitted
8.27 MOST FAVORED PUBLIC ENTITY

Intentionally Omitted

8.28 NON EXCLUSIVITY

Intentionally Omitted

8.29 NOTICE OF DELAYS

Intentionally Omitted

8.30 NOTICE OF DISPUTES AND DISPUTE RESOLUTION

8.30.1 The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Agreement. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the EMS Agency Medical Director, or designee shall resolve it.

8.30.2 The Contractor shall name specific individuals within the Contractor's agency, upon execution of this Agreement, who are authorized to assist the EMS Agency Medical Director with dispute resolution under this Agreement.

8.30.3 The Contractor shall respond to written requests of the EMS Agency Medical Director for information regarding any perceived dispute within thirty (30) calendar days, unless otherwise mutually agreed, following receipt of such request.

8.30.4 Disputes perceived by the Contractor to have a system-wide impact should be referred directly to the EMS Agency.

8.30.5 As soon as reasonably possible, the Contractor shall report possible violations of the California Health and Safety Code Section 1798.200 by Contractor paramedics and EMT-Is directly to the EMS Agency Medical Director, as outlined in Reference No. 214, Base Hospital and Contractor Agency Reporting Responsibilities, of the EMS Agency's Prehospital Care Manual. The EMS Agency Medical Director is required to investigate any such allegations of violations.
8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

Intentionally Omitted

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

Intentionally Omitted

8.33 NOTICES

All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E, County's Administration and F, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Medical Director or his designee shall have the authority to issue all notices or demands required or permitted by the County under this Agreement.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Intentionally Omitted

8.35 PUBLIC RECORDS ACT

Intentionally Omitted

8.36 PUBLICITY

Intentionally Omitted

8.37 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Agreement. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Agreement. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available
to the County during the term of this Agreement and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Contractor is conducted specifically regarding this Agreement by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Agreement. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 8.38 shall constitute a material breach of this Agreement upon which the County may terminate or suspend this Agreement.

8.37.3 If, at any time during the term of this Agreement or within five (5) years after the expiration or termination of this Agreement, representatives of the County conduct an audit of the Contractor regarding the work performed under this Agreement, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Agreement or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Agreement exceed the funds appropriated by the County for the purpose of this Agreement.
8.38 RECYCLED BOND PAPER

Consistent with the Board of Supervisors’ policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Agreement.

8.39 SUBCONTRACTING

Intentionally Omitted

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM

Intentionally Omitted

8.41 TERMINATION FOR CONVENIENCE

8.41.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) days after the notice is sent.

8.41.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and

- Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with sub-paragraph 8.38, Record Retention AND Inspection/Audit Settlement.

8.42 TERMINATION FOR DEFAULT

8.42.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Agreement, if, in the judgment of County’s Project Director:
• If Contractor attempts to obtain any Controlled Substances not listed on Exhibit C, Controlled Substances Inventory, or procures approved Controlled Substances in quantities not approved by Medical Director; or

• If Contractor fails to comply with provisions of this Agreement or the policies and procedures contained in Exhibit B, Prehospital Care Manual (Reference No. 702); or

• If Contractor fails to comply with any corrective actions required by the EMS Agency which are necessary to continue the procurement, transport, storage, distribution, administration, or monitoring of approved Controlled Substances; or

• Contractor has materially breached this Agreement; or

• Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Agreement; or

• Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Agreement, or of any obligations of this Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this Agreement in whole or in part as provided in sub-paragraph 8.43.1, Contractor must have alternate means, approved by the EMS Agency, to purchase pharmaceuticals necessary to providing advanced life support services for its jurisdictional area.

8.42.3 If, after the County has given notice of termination under the provisions of this sub-paragraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this sub-paragraph 8.43, or that the default was excusable under the provisions of sub-paragraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to sub-paragraph 8.42 - Termination for Convenience.
8.42.4 The rights and remedies of the County provided in this sub-paragraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

Intentionally Omitted

8.44 TERMINATION FOR INSOLVENCY

Intentionally Omitted

8.45 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

Intentionally Omitted

8.46 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Intentionally Omitted

8.47 VALIDITY

If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 WAIVER

No waiver by the County of any breach of any provision of this Agreement shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

8.49 WARRANTY AGAINST CONTINGENT FEES

Intentionally Omitted

8.50 WARRANTY OF COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Intentionally Omitted
8.51 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY’S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Intentionally Omitted

9.0 UNIQUE TERMS AND CONDITIONS

9.1 CONTRACTOR’S OBLIGATIONS AS A “BUSINESS ASSOCIATE” UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Agreement, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit K in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit K, Contractor’s Obligations As a “Business Associate” Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) (Business Associate Agreement).

9.2 NO REQUIREMENT TO TRANSPORT TO COUNTY FACILITIES

Nothing in this Agreement shall be interpreted to require or otherwise encourage contractors to transport patients to any County facility. Contractor shall comply with Exhibit B1, Reference No. 502, Patient Destination, of the EMS Agency’s Prehospital Care Manual.
IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: El Segundo Fire Department

By __________________________
Name

_______________________________
Title

COUNTY OF LOS ANGELES

By __________________________
Mitchell H. Katz, M.D.
Director

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL
EXHIBIT A

STATEMENT OF WORK FOR CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC PROVIDER AGENCIES
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EXHIBIT A

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

Since the mid 1990’s, the EMS Agency has been responsible for the cost of approved Controlled Substances obtained from County-operated pharmacies by paramedic provider agencies. The Controlled Substances Supply for Paramedic Provider Agencies Agreement is intended to offset the EMS Agency’s costs of dispensing approved Controlled Substances to contracted providers of Advanced Life Support (ALS) prehospital emergency medical services by licensed and accredited Emergency Medical Technicians-Paramedics (EMT-P).

2.0 RESPONSIBILITIES The County’s and the Contractor’s responsibilities are as follows:

COUNTY

2.1 RESPONSIBILITIES OF THE EMERGENCY MEDICAL SERVICES (EMS AGENCY)

2.1.1 Maintain policies and procedures consistent with State and County statutes, regulations, and standards for the procurement, transport, storage, distribution, administration, and monitoring of approved Controlled Substances, including narcotics. Current policies and procedures are reflected in Exhibit B, Prehospital Care Manual (Reference No. 702). Such policies shall be reviewed at least every three (3) years and revised as necessary to remain consistent with legal requirements.

2.1.2 Maintain a standardized inventory of approved controlled drugs carried on ALS Units (“Inventory”) consistent with the paramedic scope of practice. Such Inventory shall be reviewed at least every three (3) years and revised as necessary to remain consistent with the paramedic scope of practice.

2.1.3 Assess compliance with the policies and procedures specific to procurement, transport, storage, distribution, administration and monitoring of approved Controlled Substances by performing periodic retrospective audits of records and by periodically observing the activity on a first-hand basis. Such observations may be performed on either an announced or unannounced basis.

2.1.4 With Contractor’s Project Manager or their designee, review this Agreement on not less than an annual basis to ensure applicability to then current conditions, policies, procedures, and protocols specific to supply and resupply of approved Controlled Substances.
2.1.5 Inform Contractor of manufacturer's recall of approved Controlled Substances dispensed, as applicable.

2.2 RESPONSIBILITIES OF THE COUNTY-OPERATED HOSPITAL PHARMACY

2.2.1 Maintain a consistent and adequate supply of approved Controlled Substances available to meet County dispensing requirements.

2.2.2 Provide a mechanism for after-hours emergency dispensing of approved Controlled Substances.

2.2.3 Provide monthly report to the Office of the Department of Health Services (DHS) Pharmacy Director of approved Controlled Substances specified in Exhibit C, Controlled Substances Inventory, dispensed to Contractor. If applicable, said report will also include any fines assessed against the County by the California State Board of Pharmacy that are a direct result of noncompliance with State Law or a direct result of actions or omissions by the Contractor.

2.2.4 Provide accurate and timely data to the Office of the DHS Pharmacy Director for oversight and monitoring on a monthly basis.

2.2.5 Provide sixty (60) day, or earlier whenever practicable, advance written notice to the Contractor, Office of the DHS Pharmacy Director, and the EMS Agency of any operational changes that would affect the procurement of approved Controlled Substances, prior to implementation.

2.2.6 Maintain operation logs/tracking system with the capability to track approved Controlled Substances dispensed to Contractor and by individual unit.

2.2.7 Maintain system-wide data collection and the ability to provide data at the request of the EMS Agency or Contractor.

2.3 RESPONSIBILITIES OF THE OFFICE OF THE DHS PHARMACY DIRECTOR

2.3.1 Provide sixty (60) day, or earlier whenever practicable, advance written notice to Contractor, County-operated Hospital Pharmacy, and the EMS Agency of any operational changes that would affect the procurement of approved Controlled Substances, prior to implementation.

2.3.2 Notify the EMS Agency of manufacturer's recall of approved Controlled Substances, as applicable.

2.3.3 Provide accurate and timely data to HS Finance for invoice processing.
3.0 CONTRACTOR RESPONSIBILITIES

Contractor will administer the Agreement according to the Agreement, Paragraph 7.0, Administration of Agreement - Contractor. Specific duties shall include:

3.1 CONTRACTOR RESPONSIBILITIES

3.1.1 Adhere to policies and procedures consistent with State and County statutes, regulations, and standards for the procurement, transport, storage, distribution, administration, and monitoring of approved Controlled Substances, including narcotics. Current policies and procedures are reflected in Exhibit B Prehospital Care Manual (Reference No. 702).

3.1.2 Adhere to all policies and procedures of the EMS Agency as outlined in the EMS Agency's Prehospital Care Policy Manual pertaining to the supply and resupply of ALS units or other responding units providing prehospital medical care.

3.1.3 Procure, transport, store, administer and monitor only those approved Controlled Substances listed in Exhibit C, Controlled Substances Inventory, including any modifications thereto which may be implemented at a later date, to remain consistent with the paramedic scope of practice.

3.1.4 Maintain policies and procedures for the procurement, transport, storage, administration, and monitoring of approved Controlled Substances as defined herein. Such policies and procedures shall be submitted to the EMS Agency Medical Director for review and approval. Any subsequent changes to policies and procedures must be submitted to the EMS Agency for review and approval prior to implementation.

3.1.5 Implement and maintain a quality assurance program referencing approved Controlled Substances, which includes the mechanisms for overseeing the procurement, transport, storage, administration, and monitoring of approved Controlled Substances.

3.1.6 Permit the EMS Agency Medical Director or his designee(s) to make scheduled reviews of Contractor's policies and procedures and quality assurance program as it pertains to the procurement, transport, storage, administration, and monitoring of approved Controlled Substances, and, upon request, make available results of audits and investigations to the EMS Agency Medical Director or his designee(s) during the term of this Agreement.

3.1.7 Comply with periodic announced and unannounced site visits by County, State of California, or federal representatives to perform surveys and reviews to ensure compliance with State and federal laws and regulations and local policies pertinent to the procurement, storage,
transport, administration, and monitoring of approved Controlled Substances. Monitoring may include testing of approved Controlled Substances.

3.1.8 Reimburse Los Angeles County DHS for any fines assessed against the County by the California State Board of Pharmacy, or other regulatory agencies, that are a direct result of noncompliance with State Law or a direct result of actions or omissions by the Fire Department.

3.1.9 Reimburse Los Angeles County DHS for the cost of Controlled Substance testing if tampering or diversion is suspected and confirmed after an investigation is conducted. Fire Department will not be charged if tampering or diversion is not confirmed.

3.1.10 Provide the EMS Agency Medical Director or his designee(s) with copies of all Contractor EMS records and logs associated with approved Controlled Substances in compliance with Exhibit B, Prehospital Care Manual (Reference No. 702). All such records and logs shall be retained at a location in Los Angeles County by Contractor for the minimum period of time required by law and by Exhibit B, Prehospital Care Manual (Reference No. 702).

3.1.11 Provide sixty (60) day, or earlier whenever practicable, advance written notice to the County-operated Hospital Pharmacy, Office of the DHS Pharmacy Director, and the EMS Agency of any operational changes that would affect the procurement of approved Controlled Substances.

3.1.12 Inspect inventory of approved Controlled Substances to ensure doses containing recalled lot numbers are immediately removed and disposed of in accordance with instructions provided once notification of manufacturer's recall is received from the EMS Agency.

3.1.13 Complete and submit Novation Affiliate Purchasing Program Agreement, Exhibit J of the Agreement, within thirty (30) days of agreement execution.

3.2 Availability of Personnel, Facilities, Protocols

Contractor shall make its personnel, facilities, and medical protocols available to assist Director or his designee, or State representative(s), or both, to verify compliance with applicable standards and regulations and with the terms of this Agreement.

3.3 Materials and Equipment

The purchase of all materials/equipment to provide the needed services is the responsibility of Contractor.
3.4 Training

3.4.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees handling approved Controlled Substances. All new employees shall review Ref. No. 702, Controlled Drugs Carried on ALS Units, and sign a statement that they have read and understood the policy. Signed statements must be kept on file and made available to County staff upon request.

3.4.2 All employees involved in the handling and distribution of approved Controlled Substances shall be trained in their assigned tasks and in the safe handling of approved Controlled Substances.

4.0 ADDITIONS AND/OR CHANGES IN AGREEMENT TERMS OR REIMBURSEMENT RATES

All changes must be made in accordance with sub-paragraph 8.1 Amendments of the Agreement.
DEPARTMENT OF HEALTH SERVICES
COUNTY OF LOS ANGELES

SUBJECT: CONTROLLED DRUGS CARRIED ON ALS UNITS

PURPOSE: To ensure accountability for all controlled drugs issued to ALS units.

AUTHORITY: Health and Safety Code, Chapter 5, 1797.220 and 1798
California Business and Professions Code, Section 4005 and 4119(4)(5)
DEA Regulations, Title 21, Code of Federal Regulations, Section 1300-1360
Controlled Substances Act, 21 UNC 801-890

PRINCIPLES:

1. Effective controls and procedures are essential to guard against theft and diversion of controlled substances due to the risks associated with mishandling these drugs.

2. Controlled drugs will be restocked only with a full account of drugs administered, wasted, or lost.

3. Controlled drugs issued from County-operated pharmacies are intended for use within Los Angeles County except as otherwise specified in this policy. County-issued controlled drugs remain the property of Los Angeles County after being issued to paramedic provider agencies and when carried on ALS units.

QUANTITIES OF CONTROLLED DRUGS TO BE CARRIED ON ALS UNITS:

Morphine sulfate: 4mg unit dose, minimum amount 32mg not to exceed 60mg unless otherwise approved by the EMS Agency Medical Director, the Provider Agency Medical Director or as dictated by supply.

Midazolam (Versed®): 5mg unit dose, minimum amount 20mg not to exceed 40mg unless otherwise approved by the EMS Agency Medical Director, the Provider Agency Medical Director, the Provider Agency Drug Authorizing Physician or as dictated by supply.

POLICY:

I. Provider Agencies May Obtain Controlled Drugs Through:

A. A County operated hospital pharmacy utilizing the procedure outlined in this policy.

B. A Provider Agency Medical Director who meets the qualifications of Reference No. 411, Provider Agency Medical Director, if they agree to authorize such procurement, or a Provider Agency Drug Authorizing Physician.

EFFECTIVE: 1-7-98
REVISED: 08-01-10
SUPERSEDES: 07-1-09
APPROVED: [Signature] Director, EMS Agency [Signature] Medical Director, EMS Agency
II. Controlled Drug Resupply Through a County Operated Hospital:

A. County (EMS Agency) responsibilities:

1. Assign each provider agency that chooses to resupply controlled drugs through a County-operated hospital to one or more County facilities.

2. Supply each provider agency with a locked bag in which to store controlled drugs while in transit between the pharmacy and the provider agency.

3. Resupply controlled drugs on a one-for-one basis utilizing the procedure outlined in this policy.

4. Report the theft or loss of any controlled substances to the issuing pharmacy, whether or not the controlled substances are subsequently recovered and/or the responsible parties are identified and action taken against them.

B. Provider Agency Responsibilities:

1. Provider agency controlled drug policies and procedures shall be submitted to the EMS Agency for initial review and approval.

   a. Any subsequent changes to policies and procedures must be submitted to the EMS Agency for review and approval.

2. Provide the County pharmacists with the names and original signatures of individuals authorized to pick up and transport controlled drugs.

   a. Submit a single list of names (not copies of drivers' licenses or other ID cards) on departmental or company letterhead.

   b. Update the list annually, no later than June 30th, and provide a copy to the EMS Agency.

3. Identify, in the provider agency's internal policy, one or more individuals responsible for the key to the controlled drug transit bag. The County pharmacist will maintain a second key at the pharmacy.

4. Ensure that the on-duty paramedic is responsible for the security of the drugs at all times. If the department uses a non-key system, such as a keypad or padlock type, the internal controlled substance policy should indicate how the combination is kept secure. Ensure adequate security to guard against theft and diversion during controlled drug transport and distribution.

5. Utilize County-issued controlled drugs outside of Los Angeles County only in the event of wildfires, disasters, terrorist responses or other unanticipated events.

6. Restock controlled drugs only from the assigned Department of Health Services (DHS) pharmacy to prevent intermingling of controlled drug stock.
C. Replacement Procedure for Controlled Drugs Administered in the Field:

1. Providers shall:
   a. Present the blue copy of the EMS Report Form, or an EMS Agency approved electronic patient care record (ePCR) for each patient to whom a controlled drug was administered.
   b. Present a photo identification (employee ID, driver's license, etc.) to verify identity at the pharmacy.

2. Pharmacists shall:
   a. Stamp and initial the blue copy of the EMS Report Form (or an EMS Agency approved ePCR) utilizing the EMS Agency-issued stamp.
   b. Replace the controlled drugs utilizing the locked transport bag.
   c. Return the blue copy (or an EMS Agency approved ePCR) to provider agency personnel.

D. Replacement Procedure for Missing, Broken, Lost or Expired Controlled Drugs:

1. Provider agencies shall:
   a. Complete Reference No. 702.1, Missing/Expired Controlled Drug Pharmacy Reporting Form, and maintain a copy in the provider agency's controlled drug file.
   b. Present the completed Reference No. 702.1 to the issuing pharmacy along with the expired drug(s) for disposal in accordance with all applicable state and federal regulations.

2. Pharmacists shall:
   Replace the controlled drug following their facility's approved procedure.

E. Replacement Procedure when the Blue Copy of the EMS Report Form (or the ePCR) is Missing:

1. Paramedics shall notify the on-duty captain, battalion chief or supervisor that the blue copy is missing. A written report summarizing the incident shall be submitted to the EMS Agency that:
   a. Describes what happened to the Blue Copy of the form (or the ePCR).
   b. Is signed and dated by the reporting party, the on-duty captain or supervisor, the battalion chief or general manager.

2. The incident report and a copy of the EMS Report Form shall be forwarded to the paramedic coordinator or the individual responsible for controlled drug procurement.

3. The paramedic coordinator/responsible individual shall review the documents and hand deliver copies to the EMS Agency.
4. EMS Agency staff shall review the documents and generate a letter to the provider agency's assigned County pharmacy authorizing replacement of the controlled drugs. The original copy of the authorization, which expires in 14 days, is handed to the paramedic coordinator/individual to carry to the pharmacy.

III. Controlled Drug Replacement Through a Non-County Supplier:

A. Provider agencies shall develop policies and procedures, approved by their Provider Agency Medical Director and/or Drug Authorizing Physician to ensure that all controlled drugs are obtained, maintained, and distributed in a secure manner consistent with local, state, and federal regulations.

B. Such policies and procedures shall be submitted to the EMS Agency for review and approval unless the Provider Agency Medical Director/Drug Authorizing Physician wants to assume sole responsibility for procurement, storage and security of controlled substances. In that case, the Provider Agency Medical Director and Provider Agency Fire Chief (or CEO/President) shall submit Ref. No. 702.4, Provider Agency Medical Director Notification of Controlled Substance Program Implementation.

IV. Controlled Drug Security

A. Controlled drug security requirements apply to all provider agencies, whether drugs are ordered through the Provider Agency Medical Director, Drug Authorizing Physician or the EMS Agency Medical Director.

B. Paramedics assigned to an advanced life support (ALS) unit shall be responsible for maintaining the correct controlled drug inventory and security of the narcotic keys (or confidentiality of the keypad/padlock combination) for their assigned unit at all times.

C. Controlled drugs shall not be stored in any location other than on ALS units unless authorized by the EMS Agency. Provider agencies authorized by the EMS Agency to store controlled drugs off the ALS unit shall specify in their internal policy the location, security, access and procedure for obtaining drugs from the controlled drug cache.

D. Morphine and midazolam shall be secured on the ALS units under double lock.

E. Daily Inventory Procedures

1. Controlled drugs shall be inventoried by two paramedics at least daily and anytime there is a change in personnel.

2. The key to access controlled drugs shall be in the custody of the individual who performed the inventory.

3. The Daily Controlled Drug and Key Inventory Form, Reference No. 702.2 or its equivalent, shall be co-signed with the names of the relinquishing and the receiving paramedic. Entries shall be in blue or black ink only.
NOTE: Errors shall be corrected by drawing a single line through the incorrect wording; the writing underneath the single line must remain readable. The individual making the change should initial adjacent to their correction. Correction fluid or other erasure material is not permitted.

4. The Daily Controlled Drug and Key Inventory Form, Reference No. 702.2 or its equivalent, must be maintained by the provider agency for a minimum of three years. An entry shall be made on this form for each of the following situations:

   a. Change of shift.
   b. Any change to the narcotic inventory.
   c. Any time there is a change of responsible personnel

NOTE: Units authorized to participate in the 1:1 Staffing Program for Interfacility Transports are required to inventory controlled drugs at the end of the specified shift, when two paramedics are available to count and co-sign for the drugs.

5. Provider agencies that restock controlled drugs from County operated pharmacies shall forward copies of Reference No. 702.2, Monthly Controlled Drug Storage Inspection Form or its equivalent, to their assigned DHS pharmacy no later than the 30th of the following month.

F. Loss of Controlled Substances

1. Issued by a County Operated Pharmacy

   a. Any loss of controlled substances or discrepancy in the controlled drug count is to be reported by the following business day to the Department of Health (DHS) pharmacy that supplied the drugs. The follow up paperwork shall be submitted within five business days.

   b. Any loss or discrepancy shall also be reported to the paramedic coordinator, the EMS Agency, and the Provider Agency Medical Director or other authorized physician.

   c. Any loss of controlled substances shall be documented on Reference No. 702.1, Missing/Expired Controlled Drug Pharmacy Reporting Form, and shall initiate supervisory review at the involved provider agency. The original of the completed form will be presented to the DHS pharmacy that dispensed the drugs.

   d. If a provider agency’s internal investigation into a controlled drug loss exceeds thirty days, the provider shall submit a status update to the issuing DHS pharmacy and the EMS Agency at the 30th day.
2. Authorized by a Provider Agency Medical Director or Drug Authorizing Physician

   a. Any loss or discrepancy shall be reported by the following business day to the paramedic coordinator, the EMS Agency, and the authorizing Provider Agency Medical Director or Drug Authorizing Physician.

   b. Any significant loss, breakage or discrepancy in the count requires notification to the Drug Enforcement Administration, utilizing DEA Form 106 or electronically via the DEA website, within one business day of discovery.

   c. Any loss shall initiate supervisory review at the involved provider agency. If a provider agency's internal investigation into a controlled drug loss exceeds 30 days, the provider shall submit a status update to the Provider Agency Medical Director and the EMS Agency.

V. Record Keeping

A. All controlled drugs issued to a provider agency must be accounted for. The provider agency shall retain a copy of the EMS Report Form (or an ePCR) for each patient to whom a controlled drug was administered and maintain it with any completed Missing/Expired Controlled Drug Reporting Forms, drug orders, invoices or other associated documentation in a separate file for a minimum of three years.

B. Each controlled drug use must be documented on the EMS Report Form (or an ePCR). If the total amount of the drug is not administered, the remaining amount shall be wasted at the receiving facility. Wasted narcotics (partial or whole) must be documented in the "Narcotic Waste/Witness" section of the EMS Report Form or an ePCR, including the amount wasted and the witness at the receiving hospital's printed name and signature (registered nurse, physician, pharmacist).

C. In addition to the local EMS Agency and the provider agency, controlled drug inventories and logs are subject to inspection by the issuing pharmacy, the California Board of Pharmacy, and agents of the Bureau of Narcotic Enforcement Administration of the Department of Justice, Federal Drug Enforcement Administration.

CROSS REFERENCES:

Prehospital Care Policy Manual:
Reference No. 410, Provider Agency Drug Authorizing Physician
Reference No. 411, Provider Agency Medical Director
Reference No. 606, Documentation of Prehospital Care
Reference No. 701, Supply and Resupply of Designated EMS Provider Units/Vehicles
Reference No. 702.1, Missing/Expired Controlled Drug Pharmacy Reporting Form
Reference No. 702.2, Daily Controlled Drug and Key Inventory Form (Page 1 of 2)
Monthly Drug Storage Inspection Form (Page 2 of 2)
Reference No. 702.3, County Operated Pharmacy Contact Numbers for Reporting Loss of Controlled Drugs
Reference No. 702.4, Provider Agency Medical Director Notification of Controlled Substance Program Implementation
DEPARTMENT OF HEALTH SERVICES  
COUNTY OF LOS ANGELES  

SUBJECT: MISSING/EXPIRED CONTROLLED DRUG  
PHARMACY REPORTING FORM  
Reference No. 702.1

1. Provider Agency __________________________ Unit number ________

2. Request for exchange of EXPIRED drugs:

<table>
<thead>
<tr>
<th>Drug</th>
<th># of syringes or equivalent</th>
<th>Strength</th>
<th>Total mg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midazolam</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Morphine Sulfate</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Request for replacement. Item is: (CIRCLE ONE) Missing/Broken

<table>
<thead>
<tr>
<th>Drug</th>
<th># of syringes or equivalent</th>
<th>Strength</th>
<th>Total mg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Midazolam</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Morphine Sulfate</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Date and time narcotic and/or inventory form loss was discovered: __/__/__ @ __:__

5. Print name and title of individual(s) who discovered the narcotic or inventory form loss:

________________________________________________________________________

________________________________________________________________________

6. If missing, provide a brief description of the incident:

________________________________________________________________________

________________________________________________________________________

7. Print name/title of person completing this form

________________________________________________________________________

Signature __________________________ Date completed: __/__/__

8. Paramedic Coordinator's signature

________________________________________________________________________

FOR PHARMACY USE ONLY

Replaced: Midazolam # of syringes or equivalent: _____ Total mg: ______

Morphine Sulfate # of syringes or equivalent: _____ Total mg: ______

Pharmacist: _______________ Date: _______ Time: ______________

Lost narcotic number: _______________

Revised 4-1-2010
**DEPARTMENT OF HEALTH SERVICES**
**COUNTY OF LOS ANGELES**

**SUBJECT:** DAILY CONTROLLED DRUG AND KEY INVENTORY FORM

**REFERENCE NO. 702.2**

Provider Agency: _____________________________  ALS Unit: ______________

<table>
<thead>
<tr>
<th>DATE</th>
<th>TIME</th>
<th>MIDAZOLAM 5 mg/1 ml</th>
<th>MORPHINE SULFATE 4 mg/1 ml</th>
<th>SIGNATURE/LICENSE # RELINQUISING PERSONNEL</th>
<th>SIGNATURE/LICENSE # RECEIVING PERSONNEL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Start (−) Out (+) In (+) Total</td>
<td>Start (−) Out (+) In (+) Total</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Revised 4-1-10
DEPARTMENT OF HEALTH SERVICES  
COUNTY OF LOS ANGELES  

SUBJECT: MONTHLY DRUG STORAGE INSPECTION FORM  

Provider Agency: ___________________________  
ALS Unit: ___________________________  
Date/Time Monthly Drug Storage Inspection Form conducted: ___________________________

<table>
<thead>
<tr>
<th>Verify the following Items:</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Controlled substances are adequately locked and secured.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 2. Expiration dates were verified.  
  Indicate any expired medications: ___________________________ | | |
| 3. Controlled substance physical inventory count matches documentation. | | |
| 4. All forms are complete and legible including: | | |
| a. RN printed name and signatures and clearly displayed. | | |
| b. Paramedic signatures and license numbers clearly displayed. | | |
| c. Name of drug and amount wasted clearly noted. | | |

Other Findings:

Recommendations:

Actions Taken:

Comments:

INSPECTOR'S NAME/TITLE:

INSPECTOR'S SIGNATURE
DEPARTMENT OF HEALTH SERVICES
COUNTY OF LOS ANGELES

SUBJECT: COUNTY-OPERATED PHARMACY CONTACT NUMBERS FOR REPORTING LOST CONTROLLED DRUGS

Harbor-UCLA Medical Center
1000 W. Carson Street
Torrance, California 90502
Narcotic Pharmacist – (310) 222-2357

LAC + USC Medical Center
1200 N. State Street
Los Angeles, California 90033
Narcotic Pharmacist – (323) 226-6763

Olive View Medical Center
14445 Olive View Drive
Sylmar, California 91342
Monday – Friday: 8:00–16:30: (818) 364-3225
Narcotic Pharmacist – (818) 364-3059 or (818) 364-1555 Ext. 5956 or 6152

NOTE: Telephone reporting should be conducted during business hours.
I ___________________________ am a physician licensed by the State of California to practice medicine, and authorized by the U.S. Department of Justice - Drug Enforcement Administration to purchase schedule II - IV controlled substances. My DEA registration number is ___________________________. I have current knowledge of all Federal, State and County Regulations governing controlled substance procurement and administration and will assume total responsibility for the controlled substance “program” at ___________________________, Fire Department/Approved ALS Provider Agency, including but not limited to, procurement, storage, control, safeguards, recordkeeping, disposal, and inventory.

Physician

Signature

Printed Name

Date

Fire Chief/CEO/President

Signature

Printed Name

Date

Effective: 08-01-10
<table>
<thead>
<tr>
<th>Substance</th>
<th>Unit Dose</th>
<th>Maximum Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Morphine Sulfate</td>
<td>4 mg</td>
<td>60 mg</td>
</tr>
<tr>
<td>2. Midazolam (Versed®)</td>
<td>5 mg</td>
<td>40 mg</td>
</tr>
</tbody>
</table>
# Controlled Substances Supply for Paramedic Provider Agencies Fee Schedule

<table>
<thead>
<tr>
<th>Controlled Substance</th>
<th>Dosage</th>
<th>Cost¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morphine Sulfate</td>
<td>4 mg unit</td>
<td>$9</td>
</tr>
<tr>
<td>Midazolam (Versed®)</td>
<td>5 mg unit</td>
<td>$9</td>
</tr>
</tbody>
</table>

¹Cost includes actual purchase price of the drug, plus additional incidental and administrative expenses incurred in procuring and dispensing the controlled substances.

## Expired Controlled Substances

<table>
<thead>
<tr>
<th>Controlled Substance</th>
<th>Dosage</th>
<th>Ingredient Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Morphine Sulfate</td>
<td>4 mg unit</td>
<td>Actual Cost</td>
</tr>
<tr>
<td>Midazolam (Versed®)</td>
<td>5 mg unit</td>
<td>Actual Cost</td>
</tr>
</tbody>
</table>

## Recalled Controlled Substances

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restocking Fee</td>
<td>$9 Per Lot</td>
</tr>
</tbody>
</table>

## Other

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tampering/Diversion Testing Fee</td>
<td>Actual Cost</td>
</tr>
<tr>
<td>Board of Pharmacy Fines</td>
<td>Actual Cost</td>
</tr>
</tbody>
</table>

Above fees may be adjusted annually each July 1, as stated in Paragraph 5.0, Agreement Sum, of the Agreement.
1. **Application Type: Novation Affiliate Purchasing Program Agreement**  
   An Affiliate is any entity that is sponsored by a UHC Member or Associate Member, and is making purchases independent of the UHC Member or Associate Member.

2. **Identification**

   | Name of Affiliate |  
   | Address of Affiliate | Main Phone |  
   | City | State | Zipcode |  

3. **Primary Materials Management Contact at Affiliate**

   | First and Last Name | Phone |  
   | Address (if different from section 2) | Fax |  
   | City | State | ZIP Code | E-mail |  

   | First and Last Name of Primary Pharmacy Contact | Phone |  
   | Address (if different from section 2) | Fax |  
   | City | State | ZIP Code | E-mail |
4. Facility Type

<table>
<thead>
<tr>
<th>Ambulatory Care Center/ Closed Rx</th>
<th>Home Health Care/ Closed Rx</th>
<th>Long Term Care/ Closed Rx</th>
<th>Non Caregiving/Closed Rx</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Ambulatory Care Center</em></td>
<td><em>Home Health Care</em></td>
<td><em>Long Term Care</em></td>
<td><em>Non Caregiving/Closed Rx</em></td>
</tr>
<tr>
<td><em>Student Health Service</em></td>
<td><em>Home Infusion</em></td>
<td><em>Nursing Home</em></td>
<td><em>Fitness Center</em></td>
</tr>
<tr>
<td><em>Cancer Center</em></td>
<td><em>Hospice</em></td>
<td><em>Retirement Center</em></td>
<td><em>Foundation</em></td>
</tr>
<tr>
<td><em>Diabetes Center</em></td>
<td><em>Durable Medical Equipment</em></td>
<td><em>Skilled Nursing Facility</em></td>
<td><em>Laundry</em></td>
</tr>
<tr>
<td><em>Surgery Center</em></td>
<td>(non-resaler)</td>
<td><em>Sub-Acute Facility</em></td>
<td><em>Warehouse</em></td>
</tr>
<tr>
<td><em>Dental</em></td>
<td></td>
<td><em>Assisted Living</em></td>
<td><em>Management Service</em></td>
</tr>
<tr>
<td><em>Diagnostic Imaging Center</em></td>
<td><em>Physician/Practices</em></td>
<td></td>
<td><em>Pharmacy</em></td>
</tr>
<tr>
<td><em>Outpatient</em></td>
<td><em>Closed Rx</em></td>
<td></td>
<td><em>Pharmacy Closed</em></td>
</tr>
<tr>
<td><em>Immediate Care Center</em></td>
<td><em>Clinical or Medical Group</em></td>
<td></td>
<td><em>Pharmacy Retail</em></td>
</tr>
<tr>
<td></td>
<td><em>Physician’s Office</em></td>
<td></td>
<td><em>Pharmacy Retail &amp; Closed</em></td>
</tr>
</tbody>
</table>

You can add additional or alternate shipping locations (ASLs) as part of this application. An ASL is an entity in which the Member makes purchases on behalf of the ASL. This includes warehouses and entities that send purchase orders to the Participant to purchase on their behalf.

To add additional shipping locations, attach spreadsheet containing the following information:
- Facility name, address (including city, state, zip), phone, fax
- Facility DEA number
- Facility Type (from section above)
- Material director/manager name, job title, phone, fax, email, and address (if different from facility address)
- Pharmacy director/manager name, job title, phone, fax, email, and address (if different from facility address)

5. Group Purchasing Participation Information

Participate in:

- Medical-Surgical & Pharmacy*
- Capital Equipment
- Purchased Services

<table>
<thead>
<tr>
<th>Medical-Surgical &amp; Pharmacy*</th>
<th>MedSurg Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacy Start Date:</td>
<td></td>
</tr>
<tr>
<td>Start Date:</td>
<td></td>
</tr>
<tr>
<td>Start Date:</td>
<td></td>
</tr>
</tbody>
</table>

*For Pharmacy participation: DEA Number must be supplied in table below. Also requires the member to fill out a Pharmacy Program Participation Agreement.

Standard Terms & Conditions may require 30-45 days notice to the suppliers to add a new participant to a purchasing agreement.
6. Distribution Declaration

Distribution Declaration (Please indicate Start Date and select one or none from each category)

Acute distributors can be selected if this facility is owned/managed/controlled by sponsoring hospital.

<table>
<thead>
<tr>
<th>Medical-Surgical Distribution (Acute)</th>
<th>Pharmaceutical Distribution (Acute) **</th>
<th>Laboratory Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start Date</td>
<td>Start Date</td>
<td>Start Date</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>_Cardinal Healthcare</td>
<td>_Amerisource Bergen</td>
<td>_Cardinal Healthcare</td>
</tr>
<tr>
<td>_Medline Industries</td>
<td>_Cardinal Drug</td>
<td>_Capital X-Ray</td>
</tr>
<tr>
<td>_Owens &amp; Minor</td>
<td>_McKesson Drug</td>
<td>_Evans-Sherratt Company</td>
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<tr>
<td>_*American Medical Depot</td>
<td>_Burlington Drug</td>
<td>_Jefferson Medical &amp; Imaging, Inc.</td>
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<tr>
<td>_*Buffalo Hospital Supply</td>
<td>_*Morris &amp; Dickson</td>
<td>_Merry X-Ray Medical Enterprise, LLC</td>
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<tr>
<td>_*Claihn Company</td>
<td></td>
<td>_NHD, Inc.</td>
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<tr>
<td>_*Kreiser Inc.</td>
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<td>_*Midland Medical Supply</td>
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<td>_*N.S. Low</td>
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<tr>
<td>_*Professional Hospital Supply</td>
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<tr>
<td>_*Seneca medical</td>
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<tr>
<td>_*Shared Service Systems</td>
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<thead>
<tr>
<th>Medical-Surgical Distribution (Non-Acute)</th>
<th>Office Products Distribution</th>
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<tbody>
<tr>
<td>Start Date</td>
<td>Start Date</td>
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<tr>
<td>_Cardinal Healthcare (P, A)</td>
<td>_OfficeMax</td>
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<tr>
<td>_McKesson Corp. (P, A)</td>
<td>_Corporate Express</td>
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<tr>
<td>_Physician Sales &amp; Services (P, A)</td>
<td></td>
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<tr>
<td>_Gulf South Medical Supply (L, H, HP)</td>
<td></td>
</tr>
<tr>
<td>_Medical Specialties (L, H, HP)</td>
<td>Class of Tender: P=Physician, A=Ambulatory Care, L=LongTerm Care, H=Home Healthcare, HP=Home Healthcare Patient Specific</td>
</tr>
<tr>
<td>_Independence Medical (L, H, HP)</td>
<td>*Regional – See individual launch packages for awarded states **DEA # Required</td>
</tr>
<tr>
<td>_Home Healthcare Solutions (HP)</td>
<td></td>
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<tr>
<td>_Activus (P, A, L)</td>
<td></td>
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<tr>
<td>_Kreisers Inc. (P, A, H)</td>
<td></td>
</tr>
<tr>
<td>_National Distribution &amp; Contracting (P, A, L, H)</td>
<td></td>
</tr>
</tbody>
</table>

** (may choose one from each group)
- Cardinal Healthcare (P, A)
- McKesson Corp. (P, A)
- Physician Sales & Services (P, A)
- Besse Medical (P, A, L, H, HP)
- CuraScript (P, A, L, H, HP)
- Seacoast Medical (P, A, L, H, HP)

Office Products Distribution:
- OfficeMax
- Corporate Express

Laboratory Distribution:
- Start Date
- Cardinal Healthcare

Imaging Distribution:
- Start Date
- Capital X-Ray
- Evans-Sherratt Company
- Jefferson Medical & Imaging, Inc.
- Merry X-Ray Medical Enterprise, LLC
- NHD, Inc.

Food & Nutrition Distribution:
- Start Date
- US Foodservice
- Maintenance, Repair, Operation Distribution
- Start Date
- Controlled Environmental Products
- Grainger Industrial Supply
- Graybar Electrical Co. Inc.

Housekeeping Distribution:
- Start Date
- AFFLINK
- Network Services
- Xpexx

Dental Distribution:
- Start Date
- American Dental Cooperative

The applications for the specific Novation distribution agreements referenced prior will be hand delivered by your Novation Service Delivery Account Executive.

As a participant of UHC, each participant is eligible to access UHC's contract solutions agreements. There is no additional participation fee for this service. By signing this application, you acknowledge your understanding of the following information as it pertains to access of contracts negotiated by UHC Contract Solutions, Novation, and/or the Academic Medical Research Center Purchasing Program.
7. Agreement

This section applies to each Affiliate that has elected to participate in UHC's Group Purchasing Program (through UHC Contract Solutions, Novation and the Academic Medical Research Center Purchasing Program) and is intended to maintain UHC and Novation's compliance with both the Medicare Anti-Kickback Statute's GPO Safe Harbor (42 CFR 1001.952(j)) and the Stark Law's GPO Exception (42 USC 1320-7b(3)(C)). By executing this purchasing profile form, Participant:

- Authorizes UHC (and its agents, including Novation) to act as a group purchasing organization (GPO) on behalf of the Affiliate.
- Understands and agrees that UHC will receive administrative fees (“Fees”) from suppliers and distributors (“Vendors”) based on Affiliate’s purchases under UHC or Novation contracts (“Contracts”) and may furnish certain administrative and promotional services to such Vendors.
- Understands and agrees that except as noted herein, each Contract provides for Fees that are fixed at three percent or less of the purchase price of the goods or services covered by the Contract; and that with respect to Contracts providing for Fees that are not so fixed, Affiliate:
  (1) Will have access to a web-based report on the UHC Marketplace website indicating the Fees that UHC may receive from each Vendor under each such Contract (“Fee Report”); and
  (2) Will have access to timely updates to the Fee Report (“Fee Report Updates”) for all such Contracts that are executed after the Fee Report is generated.
- Understands and agrees that UHC shall provide the Affiliate’s sponsoring Member with an annual report (“Sales and Revenue Report”) listing: (1) Affiliate’s purchases under each Contract; and (2) the Fees received from Vendors based on such purchases, unless sponsoring Member directs UHC otherwise in writing.
- Understands and agrees to a three (3) year term (“Initial Term”) of participation in the UHC/Novation group purchasing program, which shall automatically extend for additional 1-year terms (“Renewal Terms”), unless Affiliate provides UHC ninety (90) days Notice of Termination from the group purchasing program.
- Understands that the Fee Report, the Annual Sales and Revenue Report and all Fee Report Updates shall be automatically incorporated herein by reference. If Affiliate is considering purchasing under a Contract that is not listed on the Fee Report or a Fee Report Update, or if Affiliate otherwise needs any Fee or other information relating to any Contract, Affiliate may contact UHC's Vice President of Finance at 630/954-1700.

Affiliate hereby authorizes UHC to send the Fee Report, all Fee Report Updates, and all annual Sales and Revenue Reports to Affiliate’s Chief Financial Officer.

Please note that to the extent Affiliate receives or earns discounts, rebates, incentives or any other price reductions (such as manufacturer incentives or patronage dividends) as a result of purchases made under UHC’s Group Purchasing Program, Affiliate may have an obligation to disclose such price reductions (as part of the cost reporting process, for example) to federal or state health care programs or other payers.

Affiliate understands and agrees to keep strictly confidential all UHC/Novation trade secrets, proprietary and other Confidential Information (especially pricing schedules), and shall not disclose such Confidential Information to any third party, and shall not use the Confidential Information for
any purpose other than group purchasing through UHC/Novation, without the prior written consent of Novation and UHC. "Confidential Information" includes, but is not limited to: the information of UHC, its member organizations ("Members"), or Novation, LLC, ("Novation"), encompassed in all technology, plans, designs, concepts, financial information, costs, pricing, spend and fee data, computer programs, contract portfolios, videos, animation and designs; computer codes, including but not limited to, .NET, ASP, HTML, SQL, JAVA or JavaScript; formulas, websites, including UHC Marketplace, and equations; databases; customer information, vendors, business partners or suppliers; business and marketing plans or strategies; financial performance and projections; and all concepts, know-how, or ideas in or directly related to UHC’s business, the business of its Members, and the business of Novation that have not previously been publicly released by duly authorized representatives of UHC, its Members, or Novation.

UHC has instituted corporate policies and procedures for the business operations of its group purchasing business. Such policies may be updated from time to time and are hereby incorporated herein by reference. Affiliate acknowledges and agrees that it shall comply with all such policies, including but not limited to the Notice of Termination requirement, as well as those policies detailing certain consequences for an Affiliate who terminates participation in the UHC/Novation purchasing program. Contact the UHC Senior Vice President of Supply Chain for UHC’s current policies at 630.954.1700.

I verify that, to the best of my knowledge, the above listed organizations purchases pharmaceuticals within the meaning of the Nonprofit Institutions Act (NIA) as interpreted by the U.S. Supreme Court in Abbott Laboratories vs. Portland Retail Druggist Association, Inc., 425 U.S. 1 (1976).

Information submitted by:

Name

Authorized Signature

Title Date

Name of Sponsoring Member or Associate Member

Sponsor First Name Sponsor Last Name

Sponsor Title Sponsor Phone

Sponsor Fax Sponsor Email

Sponsor Signature Date
8. Mailing / Fax Instructions
Please return completed form to:

Christine Santos, Membership Specialist
UHC
155 North Wacker Drive
Chicago, Illinois 60606
Phone: (312) 775-4320
Fax: (312) 775-4580
CONTRACT FOR
CONTROLLED SUBSTANCES SUPPLY FOR PARAMEDIC PROVIDER AGENCIES

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STANDARD EXHIBITS

A STATEMENT OF WORK
B PREHOSPITAL CARE POLICY MANUAL (REFERENCE NO. 702)
C CONTROLLED SUBSTANCES INVENTORY
C-1 CONTROLLED SUBSTANCES PRICING SCHEDULE
D PROVIDER'S EEO CERTIFICATION (Intentionally Omitted)
E COUNTY'S ADMINISTRATION
F PROVIDER'S ADMINISTRATION
G-1 PROVIDER ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
H JURY SERVICE ORDINANCE (Intentionally Omitted)
I SAFELY SURRENDERED BABY LAW (Intentionally Omitted)

UNIQUE EXHIBITS

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) AGREEMENT

J PROVIDER'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION AND TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)
PROVIDER'S EEO CERTIFICATION

INTENTIONALLY OMITTED
COUNTY’S ADMINISTRATION

CONTRACT NO. ________________

COUNTY PROJECT DIRECTOR:

Name: ____________________________________________________
Title: ____________________________________________________
Address: ________________________________________________
__________________________________________________________________________
Telephone: ___________________________ Facsimile: ________________
E-Mail Address: ____________________________________________

COUNTY PROJECT MANAGER:

Name: ____________________________________________________
Title: ____________________________________________________
Address: ________________________________________________
__________________________________________________________________________
Telephone: ___________________________ Facsimile: ________________
E-Mail Address: ____________________________________________

COUNTY CONTRACT PROJECT MONITOR:

Name: ____________________________________________________
Title: ____________________________________________________
Address: ________________________________________________
__________________________________________________________________________
Telephone: ___________________________ Facsimile: ________________
E-Mail Address: ____________________________________________
PROVIDER’S ADMINISTRATION

PROVIDER’S NAME: ____________________________

CONTRACT NO: ____________

PROVIDER’S PROJECT MANAGER:

Name: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: ____________________________
Facsimile: ____________________________
E-Mail Address: ____________________________

PROVIDER’S AUTHORIZED OFFICIAL(S)

Name: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: ____________________________
Facsimile: ____________________________
E-Mail Address: ____________________________

Name: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: ____________________________
Facsimile: ____________________________
E-Mail Address: ____________________________

Name: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: ____________________________
Facsimile: ____________________________
E-Mail Address: ____________________________

Notices to Provider shall be sent to the following:

Name: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: ____________________________
Facsimile: ____________________________
E-Mail Address: ____________________________
EXHIBIT G-1

PROVIDER ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

PROVIDER NAME _______________________________ Contract No.____________________

GENERAL INFORMATION:
The Provider referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Provider Acknowledgement and Confidentiality Agreement.

PROVIDER ACKNOWLEDGEMENT:
Provider understands and agrees that the Provider employees, consultants, Outsourced Vendors and independent providers (Provider’s Staff) that will provide services in the above referenced agreement are Provider’s sole responsibility. Provider understands and agrees that Provider’s Staff must rely exclusively upon Provider for payment of salary and any and all other benefits payable by virtue of Provider’s Staff’s performance of work under the above-referenced contract.

Provider understands and agrees that Provider’s Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Provider’s Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Provider understands and agrees that Provider’s Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:
Provider and Provider’s Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Provider and Provider’s Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Provider and Provider’s Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Provider and Provider’s Staff understand that if they are involved in County work, the County must ensure that Provider and Provider’s Staff, will protect the confidentiality of such data and information. Consequently, Provider must sign this Confidentiality Agreement as a condition of work to be provided by Provider’s Staff for the County.

Provider and Provider’s Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Provider and the County of Los Angeles. Provider and Provider’s Staff agree to forward all requests for the release of any data or information received to County’s Project Manager.

Provider and Provider’s Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Provider proprietary information and all other original materials produced, created, or provided to Provider and Provider’s Staff under the above-referenced contract. Provider and Provider’s Staff agree to protect these confidential materials against disclosure to other than Provider or County employees who have a need to know the information. Provider and Provider’s Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Provider and Provider’s Staff shall keep such information confidential.

Provider and Provider’s Staff agree to report any and all violations of this agreement by Provider and Provider’s Staff and/or by any other person of whom Provider and Provider’s Staff become aware.

Provider and Provider’s Staff acknowledge that violation of this agreement may subject Provider and Provider’s Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _______________________________ DATE: ______/_____/_____

PRINTED NAME: _______________________________

POSITION: _______________________________
JURY SERVICE ORDINANCE

INTENTIONALLY OMITTED
SAFELY SURRENDERED BABY LAW

INTENTIONALLY OMITTED
 AGREEMENT  
PROVIDER'S OBLIGATIONS AS A  
"BUSINESS ASSOCIATE" UNDER THE HEALTH INSURANCE  
PORTABILITY AND ACCOUNTABILITY ACT OF 1996  
AND THE HEALTH CARE INFORMATION TECHNOLOGY  
FOR ECONOMIC AND CLINICAL HEALTH ACT  
(BUSINESS ASSOCIATE AGREEMENT)  

Under this Agreement, Provider ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to or creates Protected Health Information in order to provide those Services.  

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards ("the Security Regulations") at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (together, the "Privacy and Security Regulations"). The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate ("Business Associate Agreement") in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place.  

Further, pursuant to the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005, title XIII and title IV of Division B, ("HITECH Act"), effective February 17, 2010, certain provisions of the HIPAA Privacy and Security Regulations apply to Business Associates in the same manner as they apply to Covered Entity and such provisions must be incorporated into the Business Associate Agreement.  

This Business Associate Agreement and the following provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Business Associate in compliance with HIPAA's Privacy and Security Regulations and the HITECH Act, as they now exist or may hereafter be amended.  

Therefore, the parties agree as follows:  

**DEFINITIONS**  

1.1 "Breach" has the same meaning as the term "breach" in 45 C.F.R. § 164.402.  

1.2 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.
1.3 "Electronic Health Record" has the same meaning as the term "electronic health record" in the HITECH Act, 42 U.S.C. section 17921. Electronic Health Record means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.

1.4 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

1.5 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

1.6 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.7 "Minimum Necessary" refers to the minimum necessary standard in 45 C.F.R. § 162.502 (b) as in effect or as amended.

1.8 "Privacy Rule" means the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164, also referred to as the Privacy Regulations.

1.9 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which
there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Health Information.

1.10 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

1.11 "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.


1.13 "Services" has the same meaning as in the body of this Agreement.

1.14 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.

1.15 "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations.

1.16 Terms used, but not otherwise defined in this Business Associate Agreement shall have the same meaning as those terms in the HIPAA Regulations and HITECH Act.

**OBLIGATIONS OF BUSINESS ASSOCIATE**

2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:
(a) shall Use and Disclose Protected Health Information only as necessary to perform the Services, and as provided in Sections 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 4.3 and 5.2 of this Agreement;

(b) shall Disclose Protected Health Information to Covered Entity upon request;

(c) may, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

   (i) Use Protected Health Information; and

   (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose or in any manner that would constitute a violation of the Privacy Regulations or the HITECH Act if so Used or Disclosed by Covered Entity.

2.2 Prohibited Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall not Use or Disclose Protected Health Information for fundraising or marketing purposes.

(b) shall not disclose Protected Health Information to a health plan for payment or health care operations purposes.

(c) shall not directly or indirectly receive payment in exchange for Protected Health Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act. This prohibition shall not affect payment by Covered Entity to Business Associate. Covered Entity shall not provide such written consent except upon express approval of the departmental privacy officer and only to the extent permitted by law, including HIPAA and the HITECH Act.

2.3 Adequate Safeguards for Protected Health Information. Business Associate:

(a) shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Business Associate Agreement. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the Minimum Necessary in accordance with the Privacy Regulation’s minimum necessary standard as in effect or as amended.
(b) as to Electronic Protected Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information; effective February 17, 2010, said safeguards shall be in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312, and shall comply with the Security Rule's policies and procedure and documentation requirements.

2.4 Reporting Non-Permitted Use or Disclosure and Security Incidents and Breaches of Unsecured Protected Health Information. Business Associate

(a) shall report to Covered Entity each Use or Disclosure of Protected Health Information that is made by Business Associate, its employees, representatives, Agents, subcontractors, or other parties under Business Associate's control with access to Protected Health Information but which is not specifically permitted by this Business Associate Agreement or otherwise required by law.

(b) shall report to Covered Entity each Security Incident of which Business Associate becomes aware.

(c) shall notify Covered Entity of each Breach by Business Associate, its employees, representatives, agents or subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the Business Associate as determined in accordance with the federal common law of agency.

2.4.1 Immediate Telephonic Report. Except as provided in Section 2.4.3, notification shall be made immediately upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information by telephone call to [To Be Determined], telephone number 1(800) XXX-XXXX.

2.4.2 Written Report. Except as provided in Section 2.4.3, the initial telephonic notification shall be followed by written notification made without unreasonable delay and in no event later than three (3) business days from the date of discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach by the Business Associate to the Chief Privacy Officer at:
Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 525
Los Angeles, California 90012
HIPAA@auditor.lacounty.gov
(213) 974-2166

(a) The notification required by section 2.4 shall include, to the extent possible, the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used, or Disclosed; and

(b) The notification required by section 2.4 shall include, to the extent possible, all information required to provide notification to the Individual under 45 C.F.R. 164.404(c), including:

(i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

(ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

(iii) Any other details necessary to conduct an assessment of whether there is a risk of harm to the Individual;

(iv) Any steps Business Associate believes that the Individual could take to protect him or herself from potential harm resulting from the breach;

(v) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to the Individual, and to protect against any further Breaches; and

(vi) The name and contact information for the person most knowledge regarding the facts and circumstances of the Breach.

If Business Associate is not able to provide the information specified in section 2.3.2 (a) or (b) at the time of the notification required by section 2.4.2, Business Associate
shall provide such information promptly thereafter as such information becomes available.

2.4.3 Request for Delay by Law Enforcement. Business Associate may delay the notification required by section 2.4 if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security. If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay notification, notice, or posting for the time period specified by the official; if the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay notification, notice, or posting temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in paragraph (a) of this section is submitted during that time.

2.5 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

2.6 Breach Notification. Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information, provide Breach notification for each and every Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or subcontractors, in a manner that permits Covered Entity to comply with its obligations under Subpart D, Notification in the Case of Breach of Unsecured PHI, of the Privacy and Security Regulations, including:

(a) Notifying each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of such Breach;

(b) The notification required by paragraph (a) of this Section 2.6 shall include, to the extent possible:

(i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

(ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

(iii) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
(iv) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further Breaches; and

(v) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

(vi) The notification required by paragraph (a) of this section shall be written in plain language

Covered Entity, in its sole discretion, may elect to provide the notification required by this Section 2.6, and Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, including costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information.

2.7 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

2.8 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

2.9 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business
days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

2.10 Accounting of Disclosures. Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors, in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528 and/or the HITECH Act which requires an Accounting of Disclosures of Protected Health Information maintained in an Electronic Health Record for treatment, payment, and health care operations.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity's payment or health care operations activities: However, Business Associate is not required to provide an Accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Section 2.10 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.10, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.10 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

2.11 Indemnification. Business Associate shall indemnify, defend, and hold harmless Covered Entity, including its elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, penalties and fines (including regulatory penalties and/or fines), and expenses (including attorney and expert witness fees), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement; Business Associate's obligations under this provision extend to compliance and/or enforcement actions and/or activities, whether formal or informal, of Secretary of
the federal Department of Health and Human Services and/or Office for Civil Rights.

3.0 OBLIGATION OF COVERED ENTITY

3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate’s performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

4.0 TERM AND TERMINATION

4.1 Term. The term of this Business Associate Agreement shall be the same as the term of this Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.

4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in this Agreement, upon either party’s knowledge of a material breach by the other party, the party with knowledge of the other party's breach shall:

(a) Provide an opportunity for the breaching party to cure the breach or end the violation and terminate this Agreement if the breaching party does not cure the breach or end the violation within the time specified by the non-breaching party;

(b) Immediately terminate this Agreement if a party has breached a material term of this Agreement and cure is not possible; or

(c) If neither termination nor cure is feasible, report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration.

(a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall
provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

5.0 MISCELLANEOUS

5.1 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Business Associate Agreement.

5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Business Associate Agreement is contrary to another provision of this Agreement, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of this Agreement.

5.4 Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy or Security Regulations means the section as in effect or as amended.

5.5 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

5.6 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations and other privacy laws governing Protected Health Information.
EL SEGUNDO CITY COUNCIL  
AGENDA STATEMENT  
AGENDA DESCRIPTION:  
Consideration and possible action to update the El Segundo Municipal Code regulating general penalties and administrative citations. These changes are desirable to ensure effective code enforcement by the El Segundo Police, Fire, Public Works, and Planning and Building Safety Departments. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:


3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Two (2) Ordinances amending the Municipal Code

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $0  
Additional Appropriation: No  
Account Number(s):

ORIGINATED BY: Brian Evanski, Police Captain  
REVIEWED BY: Mitch Tavera, Chief of Police  
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

The City previous adopted regulations allowing staff to issue administrative citations for stormwater permit violations. Such administrative citations are permitted by Government Code § 53069.4. Expanding the authority to allow staff to issue administrative citations for all violations of the El Segundo Municipal Code ("ESMC") would help facilitate effective code enforcement activity. These citations are particularly useful when dealing with violations of the Uniform Codes including, without limitation, the California Fire Code; California Plumbing Code; California Mechanical Code; California Electrical Code; and California Building Code; as well as Zoning and Public Works regulation violations.

The City’s current protocol for citing ESMC violations is for the code enforcement officer to initiate contact with the violator and follow-up with a letter identifying the specific ESMC violation. Under
the current protocol the City code enforcement officer can issue up to 4 or 5 letters requesting code compliance for a specific violation. If the violation has not been resolved, the code enforcement officer will then work with the City Attorney’s office to initiate action to prosecute the violation. The current protocol lacks incentives to quickly resolve outstanding violations. The current protocol is also costly for long outstanding ESMC violations as the City must incur legal costs to prosecute a violation as a criminal case.

The draft ordinance would amend the existing regulations by allowing code enforcement officers to issue an administrative citation for all ESMC violations. If an individual does not contest the citation or pay the fine within 30 days, the City may seek to recover the fine amount in small claims court or (for certain violations) by placing a lien on the property. In practice, it is anticipated that the Code Enforcement Officer will issue two letters requesting rectification of violation by a date certain. If compliance is not achieved through these letters, then the code enforcement officer will issue the administrative citation.

If a person contests the citation, there is a two-step process by which the citation is reviewed. At the first stage, the citation is reviewed for accuracy by the Department Head, or designee. Here, the reviewer would determine whether the ESMC sections listed in the citation are correct and, based upon the evidence collected, that those sections regulate the activity allegedly in violation of the Code.

Should the citee disagree with the findings of the initial review, he or she may appeal that decision to an evidentiary administrative hearing. Such an appeal would require the citee to deposit the fine amount with the City (absent a legitimate financial hardship). At the hearing, a neutral third-party hearing officer would listen to the case, collect evidence, and render a decision regarding whether the citation was properly issued. The hearing officer’s decision may be appealed to the Superior Court.

The process described above is substantially similar to the procedures implemented by the Vehicle Code for parking citations.

There are three primary advantages to the Administrative Citations process. First, almost the entire procedure is administered by city employees without the need for court appearances (unless a hearing officer’s decision is appealed to Superior Court). This helps shorten the time in which code enforcement cases are resolved – cases involving administrative review could be resolved (absent an appeal to the court) within sixty days.

Second, the process would be less costly for the City than criminal prosecutions. Unless a case came before a hearing officer, there would be little need for the City Attorney’s office to be involved with cases. This would reduce the City’s legal costs. Moreover, the revenue generated by fines collected from violators would help offset the costs of code enforcement.

Finally, there is a greater incentive for scofflaws to voluntarily comply with the ESMC. Each day that a person violates the ESMC constitutes a new violation and, consequently, justification for an additional citation. Since the fine amounts are compounded, the violator should eventually find it more cost effective to comply with the ESMC rather than pay his or her fine.
Staff also recommends the City Council consider an additional amendment to the ESMC as to general penalties and the process for prosecuting criminal violations of the ESMC. With the downturn in the economy, and shrinking budgets, the Los Angeles County District Attorney's office is declining to prosecute ESMC violations more frequently. To ensure that the City continues its vigorous code enforcement activities, the Police Department believes that many ESMC violations can be enforced by police officers as infractions. This is similar to the process for enforcing vehicle citations.

In order to facilitate such process, staff believes that several changes need to be made to the ESMC: (1) change several "low risk" ESMC violations from misdemeanors to infractions; (2) clarify the City Attorney's authority to prosecute misdemeanors and also exercise prosecutorial discretion to reduce misdemeanors to infractions when the need arises; and (3) to clarify the bail schedule for many of the ESMC violations.

As to the latter item, staff identified and noted in the ordinance numerous ESMC sections that should be reduced to infractions and therefore can be prosecuted at the Inglewood Superior Court. The general bail schedule for these identified sections is as follows:

1. A fine not exceeding $100.00 for the first violation;

2. A fine not exceeding $200.00 for a second violation of the same provision within one (1) year;

3. A fine not exceeding $500.00 for each additional violation of the same provision within one (1) year of the first violation.

In order to improve the City's quality of life, aesthetics, property values, and economic development, it is important that the City have all the tools it needs for enforcement. By adopting ordinances such as these, the City is able to both effectively enforce the ESMC and provide a deterrence for potential violators.
ORDINANCE NO. 1479

AN ORDINANCE AMENDING CHAPTER 1-2 OF THE EL SEGUNDO MUNICIPAL CODE IN ITS ENTIRETY ESTABLISHING GENERAL PENALTIES FOR VIOLATING THE EL SEGUNDO MUNICIPAL CODE; PROCEDURES FOR ISSUING CITATIONS; AND AUTHORIZING PROSECUTIONS.

The Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and declares as follows:

A. Since the City’s incorporation, the community has expanded both in population and development;

B. The City’s role in protecting public health and safety becomes more complex as the community’s expansion leads to greater a greater population, more structures, and aging infrastructure;

C. To help ensure that the public is informed regarding the City’s health and safety regulations, and to assist with the City’s compliance efforts, it is vital that the El Segundo Municipal Code (“ESMC”) be both clear and comprehensive;

D. It is in the public interest to consolidate code enforcement regulations into a single title within the ESMC so that the public, and City staff, can easily refer to the various means by which the City can obtain compliance with the ESMC;

E. The Council believes that voluntarily compliance with the ESMC is a hallmark of good citizenship and helps protect public health, safety, and welfare. It also recognizes, however, that there are instances where compliance must be obtained through civil proceedings or criminal prosecution;

F. This Ordinance will help implement the City’s goals in protecting public health, safety, and welfare by consolidating various enforcement options into one Title; clarifying the processes by which such enforcement may be conducted; and establishing sufficient safeguards to ensure fair and equitable treatment.

SECTION 2: Chapter 1-2 of the ESMC is amended in its entirety to read as follows:
"CHAPTER 1-2

GENERAL PENALTIES

1-2-1 GENERAL PROHIBITION.
1-2-2 GENERAL PENALTY.
1-2-3 PENALTIES FOR INFRACTIONS.
1-2-4 PROVISIONS PUNISHABLE AS INFRACTIONS:
1-2-5 CODE ENFORCEMENT.
1-2-6 CITATION PROCEDURE FOR VIOLATIONS.
1-2-7 FAILURE TO APPEAR.
1-2-8 PROSECUTORIAL DUTIES OF THE CITY ATTORNEY.

1-2-1 GENERAL PROHIBITION.

A. It is unlawful for any person to violate, or fail to comply with, any provision of the El Segundo Municipal Code. Each and every violation of any part of this Code including, without limitation, any franchise or permit issued pursuant to this Code, is a misdemeanor unless otherwise specified.

B. Every person violating the Code is guilty of a separate offense for each and every day during any portion of which any violation of any provision of this Code is committed, continued, or permitted by such person.

C. In addition to these criminal penalties, any condition caused or permitted to exist in violation of any of the provisions of this Code is a public nuisance and may be abated in accordance with this Code.

1-2-2 GENERAL PENALTY.

A. Persons convicted of a misdemeanor, the penalty for which is not otherwise prescribed, will be punished by a fine not to exceed one thousand dollars ($1,000.00); by imprisonment for not more than six (6) months; or by both a fine and imprisonment for each violation of this Code.

B. The City Council may establish lesser fines for specific misdemeanor violations by resolution.

1-2-3 PENALTIES FOR INFRACTIONS.

A. Each infraction is punishable as follows:

1. A fine not exceeding $100.00 for the first violation;
2. A fine not exceeding $200.00 for a second violation of the same provision within one (1) year;

3. A fine not exceeding $500.00 for each additional violation of the same provision within one (1) year of the first violation.

B. Any offense which would otherwise be an infraction may be prosecuted as a misdemeanor if a defendant was convicted for the same violation two (2) or more times within the twelve (12) month period immediately preceding the commission of the offense;

C. A fourth violation of the same Code provision regardless of the time of occurrence must be prosecuted as a misdemeanor.

D. The City Council may establish lesser fines for specific infractions by resolution.

1-2-4 PROVISIONS PUNISHABLE AS INFRACTIONS:

The following sections of this Code are punishable as infractions and not as misdemeanors:
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1-2-5  CODE ENFORCEMENT.

A. Authorization. The Police Department, Fire Department, and Building Official, and other persons designated by the City Manager are authorized to enforce the various provisions of this Code under their respective authority or as is specifically assigned to them by the City Manager or City Council.

B. Powers of Arrest. Officials and employees designated to enforce provisions of this Code have authority to arrest persons pursuant to Penal Code § 836.5 for purposes of issuing citations for violations of provisions of this Code. Police officers have full authority to arrest persons for violations of the provision of this Code pursuant to any applicable provision of the Penal Code.

1-2-6  CITATION PROCEDURE FOR VIOLATIONS.

A. Any city officer or employee arresting any person for a violation of any provision of this Code, who does not immediately take such arrested person before a magistrate, as prescribed in the Penal Code of the State, must prepare in duplicate a written notice to appear in court.

B. The notice must contain:

1. The name and address of the person arrested;

2. The offense charged, the time and place of the alleged violation;

3. Where and when such person must appear in court. The time specified in the notice for appearance must be at least ten (10) days after such arrest. The place specified in the notice to appear and the notice must conform with all applicable provisions of the Penal Code.

4. The arresting city officer or employee must deliver one copy of the notice to appear to the alleged violator. In order to secure immediate release, the violator must give a written promise to appear in court at the time and place indicated on the notice by signing the duplicate notice. That signed copy must be retained by the city officer or employee. Thereafter, the arresting city officer and employee must release the alleged violator from custody. The duplicate copy of the notice to appear must be filed in the manner prescribed in the Penal Code.

1-2-7  FAILURE TO APPEAR.

Any person who willfully violates a written promise to appear in court by failing to appear at
the time and place stated is guilty of a misdemeanor regardless of the disposition of the charge upon which the person was originally arrested.

1-2-8 PROSECUTORIAL DUTIES OF THE CITY ATTORNEY.

A. In addition to any other general functions, powers, and duties given to the City Attorney by this Code or California law, the City Attorney will:

1. Prosecute on behalf of the people all criminal and civil cases for violations of this Code; any franchises or permits issued pursuant to this Code; city ordinances; and any state misdemeanors that the city council elects to enforce.

2. Draft complaints for such cases and prosecute all recognizances and bail bonds forfeited arising from or resulting from the commission of such offenses.

3. Prosecute all actions for the recovery of fines, penalties, forfeitures, and other money accruing to the City under this Code or otherwise.

4. Represent the City in all appeals arising as a consequence of the City Attorney’s prosecutions.

B. Notwithstanding any other provision of this Code, the city attorney is the only officer that may file misdemeanor charges in accordance with this Code. The city attorney may, in his or her discretion, prosecute misdemeanor violations of this Code as infractions.

C. Nothing contained in this section will interfere with the authority of public safety officials to arrest persons pursuant to any applicable provision of this Code and/or the California Penal Code.”

SECTION 6: Repeal or amendment of any provision of the ESMC will not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 7: If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.
SECTION 8: The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo’s book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 9: This Ordinance will become effective thirty days following its passage and adoption.

PASSED AND ADOPTED this 4th day of June, 2013.

ATTEST:

Bill Fisher, Mayor

Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

By: Karl H. Berger, Assistant City Attorney
ATTEST

STATE OF CALIFORNIA  )
COUNTY OF LOS ANGELES  ) ss.
CITY OF EL SEGUNDO  )

I, Tracy Weaver, CMC, City Clerk of the City of El Segundo, do hereby certify that the foregoing Ordinance No 1480 was regularly introduced and placed upon its first reading at a regular meeting of the City Council on the 21st day of May, 2013. That thereafter, said Ordinance was duly passed and adopted at a regular meeting of the City Council on the 4th day of June, 2013, by the following vote, to wit:

AYES:  COUNCILMEMBERS:

NOES  COUNCILMEMBERS:

ABSENT:  COUNCILMEMBERS:

________________________
Tracy Weaver, City Clerk
ORDINANCE NO. 1480
AN ORDINANCE AMENDING EL SEGUNDO MUNICIPAL CODE
MAKE ANY VIOLATION OF THE EL SEGUNDO MUNICIPAL
CODE SUBJECT TO AN ADMINISTRATIVE CITATION.

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: El Segundo Municipal Code ("ESMC") § 1-2A-1 is amended to read as follows:

"1-2A-1: PURPOSE:

This chapter is adopted pursuant to the city's police powers and Government Code § 53069.4 for the purpose of making any violations of this code subject to an administrative fine and to set forth the procedures for the imposition and collection of such fines."

SECTION 2: ESMC §1-2A-2 is amended to read as follows:

"1-2A-2 APPLICABILITY:

This chapter provides for administrative citations that are in addition to all other legal remedies, criminal or civil, which the city may pursue to address any violation of this code. The use of this chapter is at the sole discretion of the code enforcement officer."

SECTION 3: ESMC §1-2A-3 is amended to read as follows:

"1-2A-3: DEFINITIONS:

Unless the contrary is stated or clearly appears from the context, the following definitions govern the construction of the words and phrases used in this chapter:

CITEE: The person(s) to whom a code enforcement officer issued an administrative citation pursuant to this chapter.

CODE ENFORCEMENT OFFICER: City employees from the public works department, planning and building safety department, or fire department with the authority to enforce this code."

SECTION 4: ESMC §1-2A-9 is amended to read as follows:
“1-2A-9: ISSUANCE OF PERMITS OR LICENSES:

Should a code enforcement officer issue a citation because the citee lacks a required permit or license and the fine is delinquent, the city will not issue such permit or license until the delinquent fine, and any applicable penalties and interest, is paid.”

SECTION 5: ESMC §1-2A-10 is amended to read as follows:

“1-2A-10: COMPLIANCE ORDERS:

Before issuing an administrative citation for any violation of building, plumbing, electrical, or similar regulation set forth in this code or incorporated by reference, or any violation of title 15 of this code, the code enforcement officer must first issue a written compliance order to the person(s) responsible for the violation unless the violation constitutes an immediate threat to public health or safety. The code enforcement officer may, but is not required to, issue a compliance order for any other violation of this code. Any compliance order issued by a code enforcement officer must contain all of the following:

A. The date on which, and geographic location where, the violation was observed;

B. The section of this code violated;

C. A description of the conditions causing the code violation;

D. Actions required to correct the violation;

E. A reasonable time period for the correction of the violation;

F. Notice that if the violation is not corrected by the date specified in the compliance order, that an administrative citation may be issued and administrative fines imposed for failure to correct violations by the date specified.”

SECTION 6: This ordinance is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.) because it does not involve any commitment to a specific project which could result in a potentially significant physical impact on the environment; and establishes rules and procedures to implement an organizational or administrative activity that will not result in direct or indirect physical changes in
the environment. Accordingly, this Ordinance does not constitute a “project” that requires environmental review. (See specifically 14 CCR § 15373(b) (2, 5).)

SECTION 7: If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

SECTION 8: Repeal or amendment of any provision of the El Segundo Municipal Code does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

SECTION 9: The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of El Segundo’s book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

SECTION 10: This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED AND ADOPTED this 4th day of June, 2013.

Bill Fisher, Mayor
ATTEST:

STATE OF CALIFORNIA  )
COUNTY OF LOS ANGELES  )   SS
CITY OF EL SEGUNDO  )

I, Tracy Weaver, City Clerk of the City of El Segundo, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Ordinance No. 1481 was duly introduced by said City Council at a regular meeting held on the 21st day of May, 2013, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the 4th day of June, 2013, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

______________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:
Mark D. Hensley, City Attorney

By: ____________________________
Karl H. Berger, Assistant City Attorney
EL SEGUNDO CITY COUNCIL

MEETING DATE: June 4, 2013

AGENDA STATEMENT

AGENDA DESCRIPTION:

Consideration and possible action to adopt a Resolution approving Plans and Specifications for Park Vista Senior Housing Roof Repairs. Project No. PW 13-20 (Fiscal Impact: To Be Determined)

RECOMMENDED COUNCIL ACTION:

1. Adopt attached resolution approving Plans and Specifications for the Park Vista roof repairs.

2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Resolution

FISCAL IMPACT: To Be Determined

Amount Budgeted: $300,000
Additional Appropriation: No
Account Number(s): Park Vista Enterprise Fund (to be assigned)

ORIGINATED BY: Floriza Rivera, Principal Engineer

REVIEWED BY: Stephanie Katsouleas, Public Works Director

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Park Vista

The Senior Citizen Housing Corporation Board is a non-profit corporation that actively oversees the management, operation, maintenance, and finances of a low-income housing facility for seniors, known as the Park Vista Senior Housing facility or “Park Vista,” located at 615 East Holly Avenue. The building was originally constructed in the mid 1980s had has not had a roof replacement since its original construction. The typical life of a roof depends on the materials used, maintenance and outside conditions (trees, weather, etc.). Several cost estimates, which identified varying degrees of repair, were presented to the Board on February 27, 2013. After the Board discussed the range of recommended repair/replacement options and bid solicitation process for the Park Vista roofing project, it decided to move forward with bidding to replace the entire roof in lieu of spending funds for temporary fixes. Staff committed to obtain bids for a complete roof repair and bring the low bid results back to the Board for approval or denial prior to being presented to City Council. Funding for this project comes from the Park Vista Enterprise Fund and must be approved by the Senior Citizen Housing Corporation Board prior to City Council’s actions to award the construction project.
The project was originally bid in April, with the apparent lowest bid being $398,000. On May 9, 2013 the Park Vista Senior Housing Board meeting voted to reject the bid because it was well over their $300,000 budget. City Council subsequently formally rejected the bid at their meeting on May 21, 2013. The Senior Housing Board also requested that Public Works staff re-bid the roof replacement with new plans and specifications that did not identify a Tremco equivalent roofing system. The scope of the project will be less complex than the first bid, and no brand-name roofing material for the waterproofing layers will be specified.

Staff now recommends that City Council adopt new plans and specifications for the replacement of the Park Vista Senior Housing Facility, approve the attached resolution, and authorize the project for receipt of construction bids. Staff anticipates advertising the project in June and coming back to the Senior Housing Board and City Council in July for award of the project. If approved, staff anticipates that construction would commence in September and be completed in October prior to the start of the rainy season.
RESOLUTION NO. __

A RESOLUTION APPROVING THE DESIGN AND PLANS FOR THE PARK VISTA SENIOR HOUSING ROOF REPAIRS. PURSUANT TO GOVERNMENT CODE SECTION 830.6 AND ESTABLISHING A PROJECT PAYMENT ACCOUNT.

The City Council of the City of El Segundo does resolve as follows:

SECTION 1: The City Council finds and declares as follows:

A. The City Engineer prepared specifications and plans repairing or replacing the Park Vista Senior Housing roof (the "Project"). These plans are complete. Bidding for construction of the Project may begin;

B. The City Council wishes to obtain the immunities set forth in Government Code § 830.6 with regard to the plans and construction of the Project.

SECTION 2: Design Immunity; Authorization.

A. The design and plans for the Project are determined to be consistent with the City's standards and are approved.

B. The design approval set forth in this Resolution occurred before actual work on the Project construction commenced.

C. The approval granted by this Resolution conforms with the City's General Plan.

D. The City Engineer, or designee, is authorized to act on the City's behalf in approving any alterations or modifications of the design and plans approved by this Resolution.

E. The approval and authorization granted by this Resolution is intended to avail the City of the immunities set forth in Government Code § 830.6.

SECTION 3: Project Payment Account. For purposes of the Contract Documents administering the Project, the City Council directs the City Manager, or designee, to establish a fund containing sufficient monies from the current fiscal year budget to pay for the Project ("Project Payment Account") following receipt of construction bids. The Project Payment Account will be the sole source of funds available for the Contract Sum, as defined in the Contract Document administering the Project.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution.

SECTION 5: This Resolution will become effective immediately upon adoption.
PASSED AND ADOPTED this 4th day of June, 2013.

________________________________________
Bill Fisher, Mayor

ATTEST:

________________________________________
Tracy Weaver, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

By: ______________________________________
    Karl H. Berger, Assistant City Attorney
AGENDA DESCRIPTION:

Consideration and possible action regarding a change to the Self-Insured Retention (SIR) limits from $400,000 to $750,000 in the General Liability Program with Independent Cities Risk Management Authority (ICRMA) beginning for the policy period 7/1/13. (Fiscal Impact: none)

RECOMMENDED COUNCIL ACTION:

1.) Approving a change to the Self-Insured Retention (SIR) limits from $400,000 to $750,000 in the General Liability Program beginning for the policy period 7/1/13.

2.) Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

N/A - None

FISCAL IMPACT: N/A

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): None

ORIGINATED BY: Angelina Garcia, Fiscal Services Manager

REVIEWED BY: Deborah Cullen, Director of Finance

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

On July 17, 1990, the City became a member of the ICRMA, a joint powers authority of 24 participating members, for the purpose of pooling the City's risk for general liability and workers' compensation losses with those of other member cities. ICRMA was originally founded by a group of Southern California Cities to address the rising cost of commercial insurance and to enhance risk management practices. We also have the advantage of choosing our own retentions. The Governing Board of ICRMA is comprised of one elected official or alternate from each member city, selected by each member city's City Council. Each governing Board member has one vote regarding all financial and management issues coming before the governing Board.

The City is self-insured for the first $400,000 on each general liability claim against the City. The insurance coverage in excess of the Self-Insured Retention (SIR) amount is provided by Independent Cities Risk Management Authority (ICRMA) up to a limit of $19,600,000.

Staff was recently provided with the estimated insurance premiums for the 2013-2014 policy year. Based on the current SIR, the City's General Liability insurance premium has risen from $465,357 to $748,183. This is an increase of $282,826, or approximately 60% over the 2012-2013 premium, which is not within the normal range experienced by the City in prior years.
There are two main reasons for the increase: the increase in the global insurance market rates, and the Experience Modification Factor (EMF) applied by ICRMA to allocate the premium cost to all members. This EMF is calculated based on the individual City’s claims loss experience.

In the current year, the City was presented with a claim that not only exceeded our SIR, but also came close to exceeding the pool’s excess insurance. The City has not experienced a single loss of this magnitude in the last 10 years, and has benefitted from relatively low changes in the premiums. However, because of this single claim, our EMF went from .75 to 1.12. As stated above, this impact equates to approximately $150,000 of the total increase. City Staff has requested ICRMA to re-visit the methodology for the EMF in an effort to address the excessive increase that seems to be related to one loss.

Staff reviewed the claims for the past 10 years and noted that the City has not experienced claims losses greater than the City’s SIR (other than the loss experienced in the current year). The average annual amount was $272,200.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>ICRMA Claims Paid Out</th>
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<tr>
<td>2003</td>
<td>478,342</td>
<td>*</td>
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<tr>
<td>2004</td>
<td>429,738</td>
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<td>427,440</td>
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<td>2011</td>
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<tr>
<td>2012</td>
<td>187,378</td>
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</tr>
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</table>

* Staff verified no single claim exceeded the SIR. However, there may be settlement payments included in these totals that were not covered under the ICRMA policy.

Given this analysis, staff then asked ICRMA to calculate alternate premiums based on higher SIR limits. One the benefits of being with ICRMA is that the City can select its SIR, which allows the flexibility to balance our individual City’s needs and the financial ability while self-insuring risk. The results of the premiums are as follows:

**Alternative 1:** Increase the City’s SIR limit to: $500,000
- 2013-2014 Premium: $681,412
- Increase over Prior Year: $116,000

**Alternative 2:** Increase the City’s SIR limit to: $750,000
- 2013-2014 Premium: $560,305
- Increase over Prior Year: $95,000

**Alternative 3:** Increase the City’s SIR limit to: $1,000,000
- 2013-2014 Premium: $463,889
- Decrease over Prior Year: $(1,468)
By changing the City’s SIR, the City will take on more risk, but will be able to keep the value of
the decrease in the premium and therefore enable us to maintain an adequate reserve balance in
the General Liability Fund. The $400,000 SIR will still be applicable for all claims occurring
prior to July 1, 2013. The increase in the SIR limit would apply to any claim occurring on or
after July 1, 2013.
AGENDA DESCRIPTION:
Consideration and possible action regarding Council consensus to cancel the July 2, 2013 City Council Meeting.
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Approve cancellation of the July 2, 2013 City Council Meeting;
2. Alternatively discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS: None

FISCAL IMPACT: None

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<td>Additional Appropriation:</td>
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ORIGINATED BY: Tracy Weaver, City Clerk
REVIEWED BY:
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
In the past, the City Council has cancelled the first meeting in July due to conflicts in schedules.

It is therefore requested that Council approve the cancellation of the July 2, 2013 regularly scheduled meeting.