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, MARCH 1, 2016 – 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.

1
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): -3- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279
2. Li v. City of El Segundo, et all, LAXC Case No. BC605728
3. Fowler v. City of El Segundo, WCAB Adj. No9487616

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matter.


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

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

PUBLIC EMPLOYMENT (Gov’t Code § 54957) -0- matter
CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -6- matters

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group).

   Agency Designated Representative: Steve Filarsky and City Manager

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, MARCH 1, 2016 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Pastor Wes Harding, The Bridge

PLEDGE OF ALLEGIANCE – Council Member Atkinson
PRESENTATIONS

a) Proclamation – Tree Musketeer’s Arbor Day, March 5, 2016.


ROLL CALL

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CITY COUNCIL COMMENTS – (Related to Public Communications)

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)

C. UNFINISHED BUSINESS
1. Consideration and possible action to award a 1) standard Public Works Contract to Sully-Miller Contracting for construction of the Richmond Street Rehabilitation Arterial Improvement Project and 2) Professional Services Agreement to AndersonPenna, Inc. for Construction Inspection Services. Project No. PW 15-01.  
(Fiscal Impact: Up to $1,691,343.00)

Recommendation – 1) Authorize the City Manager to execute a standard Public Works Contract in a form approved by the City Attorney with Sully-Miller in the amount of $1,335,335.00 for the Richmond Street Rehabilitation Improvement Project; 2) Authorize the City Manager to execute a Professional Services Agreement in a form as approved by the City Attorney with AndersonPenna, Inc., in the amount of $51,920.00 for construction inspection services; 3) Authorize an additional contingency of $112,745.00 for unforeseen conditions; 4) Alternatively, discuss and take other action related to this item.

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.

2. Warrant Numbers 3009803 through 3010016 on Register No. 10 in the total amount of $1,529,827.69 and Wire Transfers from 2/8/2016 through 2/21/2016 in the total amount of $3,167,525.39.

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.


Recommendation – Approval.
4. Consideration and possible action to receive and file this report regarding emergency work to repair dwelling units at the Park Vista Senior Housing Facility due to water intrusion without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4.
(Fiscal Impact: $50,000.00)
Recommendation – 1) Receive and file this report regarding emergency work to repair dwelling units at the Park Vista Senior Housing Facility due to water intrusion without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code (“ESMC”) §§ 1-7-12 and 1-7A-4; 2) Alternatively, discuss and take other action related to this item.

5. Consideration and possible action to accept as complete the 2014-2015 Furnishing and Application of Slurry Seal on Various Streets, Project No. PW 15-02.
(Fiscal Impact: $386,084.49)
Recommendation – 1) Accept the work as complete; 2) Authorize the City Clerk to file a Notice of Completion in the County Recorder's Office; 2) Alternatively, discuss and take other action related to this item.

6. Consideration and possible action to authorize the City Manager to a) transfer $420,073 of funds budgeted for Fiscal Year FY 2015/16 for employee salaries and benefits to professional/technical service charges; and b) increase contract amounts with the following consultants: Michael Baker International, Tina Gall, J Lee Engineering, and Hayer Consultants, Inc. by the same amount.
(Fiscal Impact: $0)
Recommendation – 1) Authorize the City Manager to transfer $420,073 of funds budgeted in Fiscal Year FY 2015/16 for the “employee salaries and benefits” budget category to the “professional/technical service charges” budget category; 2) Waive the request for proposal process and authorize the City Manager to amend the existing agreements with the following consultants: Michael Baker International, Tina Gall, J Lee Engineering, and Hayer Consultants, Inc., to increase the respective contract amounts by a total amount not to exceed $420,073; 3) Alternatively, discuss and take other action related to this item.
7. Consideration and possible action to authorize an amendment with Chevron USA, Inc. granting a 10-year extension for Ordinance No. 1396 to maintain oil pipeline in the public right-of-way in the western area of El Segundo.  
(Fiscal Impact: annual revenue of approximately $3,700.00)  
Recommendation – 1) Authorize the City Manager to approve an amendment, in a form approved by the City Attorney, with Chevron USA, Inc. to extend the terms of Ordinance No. 1396 for an additional 10 years to maintain oil pipelines in the public right-of-way in the western area of El Segundo; 2) Alternatively, discuss and take other action related to this item.

8. Consideration and possible action to adopt Ordinance No. 1518 for an Environmental Assessment (EA-1140) and a Zone Text Amendment (ZTA 15-02) adding Chapter 11 to Title 7 and Chapter 13B to Title 15 of the El Segundo Municipal Code (ESMC) to clarify that commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensaries, and medical marijuana collectives are prohibited in all zones and specific plan areas of the City.  
(Fiscal Impact: None)  
Recommendation – 1) Waive second reading and adopt Ordinance No. 1518 for Environmental Assessment No. EA-1140 and Zone Text Amendment No. 15-02; 2) Alternatively, discuss and take other action related to this item.

F. NEW BUSINESS

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK

J. REPORTS – CITY TREASURER

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer –
9. Consideration and possible action to direct staff to return with a report on the impact of the changes to the city’s R-1 Ordinance from 2006. (Fiscal Impact: None)

Recommendation – 1) Direct staff to initiate the study and provide a report; 2) Alternatively, discuss and take other action related to this item.

Council Member Atkinson –

Council Member Dugan –

Mayor Pro Tem Jacobson –

Mayor Fuentes –

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MEMORIALS –

CLOSED SESSION

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REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT
POSTED:

DATE: 2.24.14
TIME: 3:40 PM
NAME: [signature redacted]
Proclamation

City of El Segundo, California

WHEREAS, Arbor Day was founded by J. Sterling Morton and first celebrated in the United States in 1872 as a special day for the planting of trees. In the State of California, Arbor Day has been observed since 1911 to enhance appreciation and knowledge of the State’s natural wonders; and

WHEREAS, El Segundo Arbor Day celebrations have been presented annually since 1988 by local youth of TREE MUSKETEERS, and as a result of our City’s commitment to its community forest, El Segundo has been named a Tree City USA since 2003; and

WHEREAS, Arbor Day is a time to recognize the value of our community’s trees that clean the air, reduce noise, absorb smells, produce life sustaining oxygen, prevent erosion, help conserve energy and water, increase property values, enhance the economic vitality of business areas, beautify our community, and wherever trees are planted, they are a source of joy and spiritual renewal that bring people together as neighbors; and

WHEREAS, TREE MUSKETEERS in partnership with the City of El Segundo, its conscientious business citizens, service clubs and residents tall or small will plant and care for trees in Memory Row and Trees to the Sea along Imperial Highway on March 5, 2016 at 9:30 AM in observance of California Arbor Day; and

WHEREAS, This Arbor Day project further signifies the City of El Segundo’s commitment to the community, the environment, and the fight against global warming.

NOW, THEREFORE, the Mayor and members of the City Council of the City of El Segundo, California, join with communities across the State of California in proclaiming March 5, 2016 as California Arbor Day and invite all citizens to join TREE MUSKETEERS or to otherwise honor all trees and the young people of our community for the important roles they play in improving our hometown quality of life.

Mayor Suzanne Fuentes
Mayor Pro Tem Carl Jacobson
Council Member Marie Fellhauer
Council Member Dave Atkinson
Council Member Michael Pugan
Presentation

EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT

MEETING DATE: March 1, 2016
AGENDA HEADING: Unfinished Business

AGENDA DESCRIPTION:
Consideration and possible action to award a 1) standard Public Works Contract to Sully-Miller Contracting for construction of the Richmond Street Rehabilitation Arterial Improvement Project and 2) Professional Services Agreement to AndersonPenna, Inc. for Construction Inspection Services. Project No. PW 15-01 (Fiscal Impact: up to $1,691,343.00)

RECOMMENDED COUNCIL ACTION:
1. Authorize the City Manager to execute a standard Public Works Contract in a form approved by the City Attorney with Sully-Miller in the amount of $1,335,335.00 for the Richmond Street Rehabilitation Improvement Project.
2. Authorize the City Manager to execute a Professional Services Agreement in a form as approved by the City Attorney with AndersonPenna, Inc., in the amount of $51,920.00 for construction inspection services.
3. Authorize an additional contingency of $112,745.00 for unforeseen conditions.
4. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Construction Inspection Services Scope of Work
Unit Pricing Comparison Table

FISCAL IMPACT: Additional Appropriation Needed

| Amount Budgeted: | $735,000 |
| Additional Appropriation: | Yes, Up to $956,343 |
| Account Number(s): | 301-400-8203-8703 (Capital Improvement Program) |

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

BACKGROUND AND DISCUSSION:
During FY 2013/14, staff studied and presented various alternatives to City Council that would enhance parking availability in the downtown area of El Segundo. The study concluded that additional parking could be achieved in the 100-300 blocks of Richmond Street if the street was widened to accommodate angled parking on the west side of the street and parallel parking on the east side. Because Richmond Street had previously been recommended for rehabilitation by the Capital Improvement Program Advisory Committee (CIPAC) and subsequently approved by City Council, it was determined that the two goals could be combined into a single project. In FY 2014/15 City Council approved $800,000 in funding for Richmond Street rehabilitation during its first Strategic Planning Session, although, only $735,000 was allocated to the project during budget adoption the following September (to achieve a balanced budget) with the intent
that future funding would be allocated once we knew the final amount. The possibility of utilizing Parking-in-Lieu fund was also raised and deferred until bids were received. Lastly, at that time, staff was directed to incorporate the enhanced parking features studied into the Richmond Street project now moving forward.

In 2015, staff solicited proposals and ultimately selected AndersonPenna, Inc. to finalize the design and develop construction documents for Richmond Street which would address the roadway, sidewalks, landscaping and lighting. The final roadway and sidewalk design was approved by City Council on July 21, 2015; the final landscaping design was approved October 6, 2016; and the final lighting design was approved on November 3, 2015. The approved plans call for the following improvements:

- Remove damaging Ficus trees and replace them with alternating Strawberry Trees and King Palm Trees
- Reduce sidewalk widths from 10’ to 7’, while maintaining ADA access throughout
- Increase the roadway width from 40’ to 46’ to accommodate a combination of angled and parallel parking and wider drive aisles
- Maintain two-way traffic throughout all three blocks
- Install pedestrian solar lighting throughout all three blocks

As part of its scope of work, AndersonPenna, Inc. also prepared an Engineer’s Estimate of probable construction costs, which valued the construction Project at $1.121 million.

**Bid Results**

On December 15, 2015, Council approved the complete set of plans and specifications for the project, declared the project categorically exempt under Title 14 of the California Code of Regulations, Chapter 3, Article 19, Section 15301 Existing Facilities, and authorized staff to advertise the project for receipt of construction bids. On February 8, 2016, the City Clerk received and opened six (6) bids, as follows:

1. Sully-Miller Contracting Company $1,335,335.00
2. All American Asphalt $1,387,000.00
3. Palp. Inc $1,448,209.90
4. Hardy & Harper $1,683,428.13
5. Sequel Contractors, Inc $1,714,130.50
6. Griffith Company $1,717,997.00

The lowest responsible bidder was Sully-Miller Contracting Company. Staff checked the contractor’s references and license status and has concluded that Sully-Miller has satisfactorily completed similar projects for other public agencies, and its license is in good standing.

Nevertheless, the lowest bid is more than the Engineer’s Estimate of $1,121,000 by approximately $214,000 (or 16%). The fact that three of the six bidders were within 10% of each other shows that the rates are both competitive and representative of construction market conditions for a project of this scale. A closer evaluation/comparison between the Engineer’s estimate and bids received for the 53 project line items shows that approximately 80% of the bid item estimates are within the range of bids received from one or more contractors. However, for 20% of the bid items, the Engineer’s estimate was under by approximately $168,000 from the lowest line item bids received, with nearly half of that attributed to mobilization costs. For
example, the Engineer’s Estimate allocated $40,000 to mobilization, while the lowest bid received for mobilization was $122,000. The attached spreadsheet summarizes the Engineer’s unit pricing estimate along with the range of line item bids received by the contractors listed above. The "yellow" boxes highlight where the Engineer’s Estimate exceed or was within 20% of the unit bid price (e.g. below but within an acceptable range).

After receiving the bids, staff polled the lowest bidder about the pricing impact of the 3-phase staging requirement; recall that the project was staged to be completed one block at a time to minimize impacts on businesses, effectively making this three stand-alone construction projects rather than one large project. The low bidder estimated that the three stages effectively added approximately $100,000 to the overall costs due to multiple remobilization of various trades for each block.

Construction Inspection Services
Additionally, staff requested and received proposals from four (4) qualified firms for construction inspection services in order to provide meticulous oversight of construction activities, as well as to supplement staff efforts for information sharing and providing construction schedule updates to affected businesses and residents. Staff members reviewed each of the proposals and evaluated them in terms of project scope and understanding, proposed methodology to carry out the scope, and overall cost. Overall, the proposals were substantially similar in quality, and three of the four firms proposed the same hourly rate for inspection services. However, AndersonPenna, Inc. demonstrated the most comprehensive understanding of the City’s needs and the project scope based on its hourly allocation, and has extensive expertise in providing construction inspection services for street rehabilitation projects. The services AndersonPenna, Inc. will provide for $51,920.00 are included in the attached scope.

Project Implementation Options
As mentioned in the December 15, 2015 staff report, the $800,000 project estimate has been a placeholder estimate since 2008, when it was originally funded, and did not account for the expanded project. However, as anticipated, expansion of the project to include 3-phase staging, street widening, alternative striping, structured soil, irrigation, enhanced pedestrian lighting and undergrounding of power lines has impacted estimated project costs by a substantial margin when considering both the design work needed and construction.

Still, the lowest bid price received is substantially more than the original $735,000 budget allocated. To date, a total of $192,000 has been spent on design services, leaving a balance of $543,000 available for construction and oversight/inspection services, and a shortfall of $957,000 (summarized below). City Council has several funding options in consideration of the Richmond St. Project, which are as follows:

1. Proceed with the project as planned and bid; supplement the project budget using a combination of general funds, parking-in-lieu funds, and possibly by reallocating CIP funds from “pending” projects. The current parking-in-lieu balance is $244,588. Pending CIP projects include the Finance Software Upgrade for $350,000 and a new City Website for $150,000.

2. Reduce the scope of the project for savings of up to $459,000, depending on the options chosen (below). This approach will still require additional funding from one or more of the sources listed above.
a. Eliminate the staging requirement (this will require that the project be rebid)
b. Limit structured soil use to Strawberry Trees only or eliminate it altogether
c. Reduce or eliminate irrigation (none currently exists today)
d. Reduce or eliminate pedestrian lighting
e. Eliminate underground conduit for pedestrian lighting
f. Eliminate concrete paver trim around tree wells (see diagram)

Staff contacted Landscape Engineer to better understand the impact of eliminating structured soil from the bid package. His recommendation is that structured soil is desirable but not critical to the project given the trees selected for planting.

<table>
<thead>
<tr>
<th>Options</th>
<th>Estimated Value</th>
<th>Benefits of the Option</th>
<th>Drawbacks of the Option</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Staging $100,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate 3-Phase Staging Requirement</td>
<td>$100,000</td>
<td>Significant savings realized. The total project is completed sooner (up to one month sooner);</td>
<td><strong>REQUIRES REBIDDING</strong> Greater impact on businesses and residents during construction; limited access for motorist.</td>
</tr>
<tr>
<td><strong>REQUIRES REBIDDING</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Landscaping: Up to $210,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limit Structured Soil Use OR Eliminate Structured Soil</td>
<td>$70,000, $135,000</td>
<td>Moderate savings realized, Significant savings realized</td>
<td>No substantial drawbacks</td>
</tr>
<tr>
<td>Eliminate Irrigation</td>
<td>$25,000</td>
<td>No significant savings because the line item is not substantial</td>
<td>Requires mandatory watering during establishment period, which can be labor intensive</td>
</tr>
<tr>
<td>Eliminate Tree Well Paver Trim</td>
<td>$50,000</td>
<td>Moderate cost savings</td>
<td>No significant impact; only aesthetic in nature</td>
</tr>
<tr>
<td><strong>Lighting: Up to $149,000</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eliminate Pedestrian Lighting Fixtures, Poles and Foundation</td>
<td>$90,000</td>
<td>Significant savings realized,</td>
<td>SCE lighting will need to be planned for; overall lighting will be reduced.</td>
</tr>
<tr>
<td>Eliminate Pedestrian Lighting Conduit and Pull Boxes</td>
<td>$59,000</td>
<td>Moderate savings realized. It is a good option to consider if Council is not concerned with future undergrounding and conversion to LED instead of solar.</td>
<td>Future undergrounding of electrical wires will be significantly more expensive should the Council decide at some future date to replace the solar lighting demonstration project with LED (wired) lighting.</td>
</tr>
<tr>
<td><strong>Total Value of All Options</strong></td>
<td>Up to $459,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Funding Summary

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$735,000</td>
<td>Current Project Budget</td>
</tr>
<tr>
<td>$170,343</td>
<td>Design Services for roadway improvements</td>
</tr>
<tr>
<td>$21,000</td>
<td>Traffic control, lighting and utility undergrounding</td>
</tr>
<tr>
<td>$191,343</td>
<td>Total Encumbered/Spent</td>
</tr>
<tr>
<td>$1,335,335</td>
<td>Construction Costs</td>
</tr>
<tr>
<td>$51,920</td>
<td>Inspection Services</td>
</tr>
<tr>
<td>$112,745</td>
<td>Contingency</td>
</tr>
<tr>
<td>$1,500,000</td>
<td>Total Upcoming Need</td>
</tr>
<tr>
<td>$1,691,343</td>
<td>Total Project Need</td>
</tr>
<tr>
<td>$735,000</td>
<td>Previously Allocated by City Council</td>
</tr>
<tr>
<td>$956,343</td>
<td>Shortfall</td>
</tr>
</tbody>
</table>

Potential Funding Sources to Cover Shortfall

<table>
<thead>
<tr>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>$244,000</td>
<td>Parking-in Lieu</td>
</tr>
<tr>
<td>$350,000</td>
<td>Finance Software Upgrades</td>
</tr>
<tr>
<td>$150,000</td>
<td>City Website</td>
</tr>
<tr>
<td>$500,000</td>
<td>Raytheon Payment</td>
</tr>
<tr>
<td>$459,000</td>
<td>Project Modification Options</td>
</tr>
<tr>
<td>$100,000</td>
<td>Staging (requires rebidding)</td>
</tr>
<tr>
<td>$210,000</td>
<td>Various Landscaping Options</td>
</tr>
<tr>
<td>$149,000</td>
<td>Various Lighting Options</td>
</tr>
<tr>
<td>Unknown</td>
<td>General Fund</td>
</tr>
<tr>
<td>$1,703,000</td>
<td>Sum of All Options Excluding General Fund</td>
</tr>
</tbody>
</table>

Please also recall that at its August 31, 2015 Strategic Planning Session, City Council discussed reallocating parking-in-lieu fees toward the Richmond Street project, with the goal of freeing up at least $200,000 for the FY 15/16 Annual Curb, Gutter and Sidewalk Restoration program. Given the bids received for the Richmond Street Project, staff recommends that this issue be deferred until presentation of the mid-year budget this spring.

Summary and Recommendations
City Council has several funding and implementation issues to consider in proceeding with the Richmond Street Project. Given all the options available, staff recommends the following approach to close the $957,000 shortfall without the need to rebid the project:

1. Proceed with the project and award a standard public works contract to Sully-Miller in the amount of $1,335,335 for construction of Richmond Street Rehabilitation Arterial Improvement Project, Project No. PW 15-01.
2. Direct staff to immediately amend the contract and issue change orders for the following:
   a. Eliminate the work associated with structured soil, including over excavation, materials and associated labor ($135,000 reduction)
b. Eliminate concrete paver trim edge detail ($50,000)
c. Eliminate pedestrian lighting materials and installation, and associated underground conduit ($149,000 reduction)
d. Authorize the transfer of Parking-in-Lieu funds toward this project ($244,000 additional revenue)
e. Reallocate the Finance Software budget to this project ($350,000 additional revenue)
f. Appropriate $29,000 from the General Fund. Please note that this amount is within the proposed contingency, and if not spent will be returned to the general fund.

3. Award a professional services agreement in the amount of $51,920 to AndersonPenna, Inc. for construction inspection services for the Richmond Street Project.

4. Authorize $112,745 for project construction-related contingencies.

Should additional funding become available in the near future, then Council may wish to reconsider any project items removed (assuming the project schedule can reincorporate those items without affecting project progress or critical path items).
Proposal to Provide

Professional Construction Inspection Services for the

Richmond Street

Improvements Project

February 8, 2016

Submitted by:

ANDERSON PENNA

PARTNERS IN PROJECT DELIVERY

1225 W. 190th Street, Suite 255
Gardena, CA 99247
(310) 359-1203
WWW.ANDPEN.COM
February 8, 2016

Floriza Rivera, PE
Project Manager
City of El Segundo
Public Works Department
350 Main Street
El Segundo, CA 90245

Subject: Proposal to Provide Professional Inspection Services for the Richmond Street Improvements Project

Dear Ms. Rivera:

AndersonPenna Partners, Inc. (APP) understands the City of El Segundo’s priority is to obtain inspection services for this important project that reflect not only technical excellence but are proactive and responsive to the community. APP offers the City an inspection team with extensive experience in roadway widening, rehabilitation and beautification and a clear understanding of the extensive public relations efforts required on such projects.

By selecting the exceptionally qualified APP team, the City will gain access to:

- An extremely knowledgeable inspection services manager who has overseen inspection services for the County of Los Angeles and the Cities of Irvine, Lake Forest, Newport Beach, Tustin and other public agency clients. He has toured the Richmond Street Improvements project area, understands the project’s objectives and the importance of being sensitive and responsive to the interests of residents and business owners affected by the construction.

- Construction inspectors who have extensive, relevant experience successfully delivering very similar projects for Southern California public agencies. The primary inspection candidate, Todd Garner, CPPII, has performed construction management and inspection for school districts, public facilities, a senior residential community and other similar capital and maintenance improvements projects. He is a certified ICC commercial building inspector as well as an American Public Works Assn.-Certified Public Infrastructure Inspector (CPII) with a deep understanding of the standard specifications for public works construction (Greenbook). The alternate inspector, Al Aguilera has more than 45 years of experience performing inspections on public works infrastructure, roadway, building facility and parks projects. In addition, Al has prior experience as an arborist. Both Al and Todd are scheduled to complete their Qualified Stormwater Practitioner (QSP) training and obtain their certifications within the next two months.

- A firm with an exceptional track record in cities throughout Southern California.

AndersonPenna’s contractual contact during the proposal period is:

Dino D’Emilia, PE, QSP
Vice President, Construction Services
AndersonPenna Partners, Inc.
1225 W. 190th Street, Suite 255, Gardena, CA 90248
Phone: (949) 428-1500, Email: ddemilia@andpen.com
The contact information for AndersonPenna's project manager is as follows:

Gary Heinbuch  
Supervisor of Inspection Services  
AndersonPenna Partners, Inc.  
1225 W. 190th Street, Suite 255, Gardena, CA 90248  
Cell: (951) 840-5920, Email: gheinbuch@andpen.com

If selected for this contract, APP agrees to execute the City of El Segundo's City-Consultant agreement, to provide the necessary proof of insurance as stated in the agreement and to obtain the required City business license.

The APP team is excited about this opportunity to provide construction inspection services to the City of El Segundo. If you have any questions about this proposal, please feel free to contact me at ddemilia@andpen.com or at (310) 359-1203, or contact Gary Heinbuch at gheinbuch@andpen.com or at (949) 428-1500.

Respectfully submitted,

AndersonPenna Partners, Inc.

Dino P. D'Emilia, PE, QSD  
Vice President, Construction Services
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Firm Overview

AndersonPenna Partners, Inc.

AndersonPenna Partners, Inc. (APP) specializes in project delivery through project management and construction management for local and regional public agencies and special districts throughout the western United States. With an emphasis on practical, experienced and cost effective solutions, APP capabilities range from local agency public works improvements, to major transportation projects and public building facility projects, as well as managing multi-project capital improvement programs for public agencies. Our clients range from various cities and counties to transportation agencies and special districts. Our team of professionals provides construction oversight and inspection, project and construction management, grant application and management, and civil engineering planning and design. APP also provides staff augmentation for public works and planning departments, federal compliance for ARRA and other federally funded projects, railroad bridge inspection and rating, and peer plan review/plan check services.

We are a California corporation that has been in business since 2005, and are a woman-owned DBE and Certified SBE. We are headquartered in Newport Beach, CA with more than 70 employees operating out of Southern California. We recently opened a South Bay office in Gardena to better serve our Los Angeles County clients, as well as support satellite and/or project/client offices for several field operations employees.

Our construction management and inspection team has worked throughout California and includes experienced construction managers, construction inspectors, resident engineers, structures representatives, office engineers, labor compliance specialists, public works and structural inspectors, utility coordinators, and project and documents control support staff. We specialize in the successful delivery and audit-proof reimbursement of local agency projects that utilize all types of funding.

Key staff assigned to projects are experienced in providing construction management services on public projects for many local agencies and transportation authorities. The APP Team consists of qualified staff that will undertake the construction management services for the proposed improvements using a highly qualified and responsive team. By design, our staff is comprised of professionals with extensive experience working directly for public agencies. Our familiarity and know-how gained by working side-by-side with local agency staff, in developing collaborative relationships with community and business stakeholders, and by partnering effectively with state and federal regulatory agencies, delivers successfully completed projects and services, well-managed budgets, and thoroughly satisfied stakeholders and clients.

APP tailors its management approach to carefully monitor program effectiveness, and closely track work quality, quantity, and cost. Delivering projects under aggressive schedules requires careful management, administration, and oversight of project development teams from inception to completion with committed, complete ownership of all aspects. A summary of APP professional services include:

- Program management, construction management and inspection services
- Project management and staff augmentation for public works/planning
- Civil engineering design services
- Financial consulting, assessment district formation and grants administration
- Energy efficiency
Project Understanding

APP understands that the City of El Segundo is requesting the services of a public works inspector for regular, full-time services for the Richmond Street Improvements project commencing in April 2016 and continuing over the project's 59 working day schedule. As indicated in the City’s Addendum No. 1 Supplement issued Feb. 4, 2016, payment of Prevailing Wages to the consultant's inspector employee is required.

This is a street widening project to create improved parking and accessibility. Proposed improvements include extensive tree removals, curb, gutter and sidewalk removals and asphalt removal. The project will include the construction of new curb and gutter, tree wells, tree planting, accessibility ramps, sidewalks, driveways and new street pavement, pedestrian and vehicle traffic controls. The project extends three City blocks and the contractor is required to construct each block sequentially such that each block is completed before the next is allowed to commence. Within the project limits are mixed-use commercial businesses, residences and a school affected by the construction. This is a highly visible and neighborhood-sensitive project. Accordingly, it is imperative that the inspector be highly competent and experienced in public relations and communication with business owners, residents and school officials. Pedestrian safety will be key, along with continuous communication to keep the constituents notified of project-related issues affecting the roadway sections actively in construction.

The engineer's opinion of probable construction costs is just over $1.2 million. The project is currently in the bidding phase, with bids due to be opened on Monday, February 8, 2016.

Project Approach

APP firmly believes the key to a successful project is more than just performing tasks outlined in a scope of work. Any competent team can follow a set of written guidelines. The key to a successful project is performing each task with a realistic and clear understanding of what the real intent of the project is and constructing the final product with a "win-win" attitude.

All of our inspectors have extensive experience in roadway and paving construction, dealing with business owners in commercial areas, local schools and residents in residential areas. They understand scheduling and traffic control challenges, plus understanding public convenience and safety are of utmost importance.

Our inspection approach begins with the end in mind, that is, a quality project delivered on time and within budget. This starts with our review of the key project elements to gain a complete understanding of the project schedule, budget, and comprehensive scopes of work for all project stakeholders. Our proposed project team has specific, relevant experience on multiple roadway rehabilitation projects, and we are ready to put this experience to work for you to successfully complete any City infrastructure improvement project.

Our team is well-versed in the successful completion of arterial roadway rehabilitation projects on roadways just like the City's and will proactively assist the City in managing and coordinating access to all business driveways to minimize impact to them. The project team will need to intensify the public relations effort as the start of construction nears and continue throughout the duration of any project. Pedestrian safety measures must be addressed in high pedestrian locations.
Scope of Services

APP will provide inspection services for the Richmond Street Improvements project. The APP team will perform as part of the City’s staff, in the City’s best interest as an extension of City staff. The estimated project duration should be between three and four months. The inspector will be full-time (40 hours per week) working eight hours per day, five days per week. The inspector will work under the direct supervision of City’s project manager or designee. The inspector shall perform all tasks related to the performance of inspection on a project. These tasks include but are not limited to the tasks listed below. These tasks may be required to be performed on the project on a daily basis or as the need arises:

- Maintain constant communication with business owners and residents of Richmond Street regarding potential conflicts with schedule and contractor production rates, pedestrian safety and business customer accessibility.
- Act as liaison between residents and business owners with the City of El Segundo project manager.
- Maintain constant public relations in the field.
- Review plans, specifications, shop drawings and all other contract- and construction-related documents.
- Attend pre-construction meeting and address special concerns.
- Review traffic control plans and enforce the same in the field.
- Maintain records in the form of daily inspection reports, photographs, videos and daily reports.
- Evaluate contractor’s operation and production with respect to quality and progress.
- Issue field correction notices and respond to requests for information.
- Coordinate and monitor activities between contractor, subcontractors, utility companies, survey and geotechnical consultants on the project.
- Closely monitor testing results and require contractor to take corrective actions if results are unsatisfactory.
- Coordinate inspection activities with other jurisdiction if applicable.
- Strictly enforce requirements for health and public safety on the project.
- Ensure contractor and subcontractors comply with the requirements of contract documents and performs all the work in accordance with plans and specifications.
- Perform material inspection in accordance with plans and specifications.
- Perform inspection for line and grade, earthwork, grading, excavation, backfilling of utility trenches, asphalt paving, concrete form work reinforcement and other related work.
- Maintain a redline set of as-built (record) information.
- Prepare project punch list at substantial completion and follow up.
- Collect tickets and tags from material suppliers for compliance with contract specifications.
- Execute good judgment in the field.
- Review progress payments for quantity verification according to field progress.
Team Organization

Floriza Rivera, PE
Project Manager

Inspection Services
Manager
Gary Heinbuch

Public Works Inspector
Todd Garner, CPII
Alternate Inspector
Al Aguilera

Principal-in-charge
Dino D'Emilia, PE, QSD

ANDERSON PENNA
PARTNERS IN PROJECT DELIVERY
Resumes and Qualifications of Key Personnel

**Dino P. D’Emilia, PE, QSD**
Principal-in-Charge

**Education**
BS/1991/Civil Engineering, Northeastern University

**Professional Registrations**
1996/PE/CA #55453
Qualified SWPPP Developer (QSD)/Qualified SWPPP Practitioner (QSP): Certification #C55453

**Professional Affiliations**
APWA So. CA Chapter
2011 President and 2012 Congress Finance Chair
City and County Engineer’s Association
CMAA and ASCE
Chi Epsilon, 1990-present

**Honors and Awards**
Top Leader - Private Sector, APWA So. CA Chapter, 2004
President’s Chapter Service Award, APWA So. CA Chapter, December, 2004

**Years of Experience**
Entered the profession in 1983

Dino P. D’Emilia, PE, QSD brings 30 years of project and construction management experience as well as civil engineering on a wide array of public works projects including construction management of roadways, railroads, bridges, public building facilities, police and fire facilities, parks, landscape, utilities, drainage and flood control, highway, and toll facilities.

During his career, Dino has participated in both the detailed aspects of project controls management and the oversight of construction management teams responsible for delivering of over $0.75-billion in public improvements for local agencies. Dino is well known in Southern California as a “hands on” CM with knowledge of public contract administration, federally funded construction contract administration and Caltrans Local Assistance Procedures Manual expertise.

**RELEVANT EXPERIENCE**

**Flower Street Pavement Rehabilitation Project, City of Bellflower, CA.**
Principal-in-charge for construction management, inspection services and labor compliance oversight for the Flower Street Rehabilitation Project that spans from 130’ west of Hayter Avenue to Woodruff Avenue. The improvements include pavement rehabilitation, sidewalk, curb and gutter, traffic loops and signing and striping. The project is federally funded project and will adhere to reporting, labor compliance, and Buy America requirements. The construction management processes and contract administration procedures closely adhered to Chapter 16 of the Caltrans Local Assistance Procedures Manual.

**Carson Street Master Plan, Carson Successor Agency, City of Carson, CA.**
Principal-in-charge for construction management services for the Carson Street Master Plan. The project extends from the San Diego (I-405) Freeway to the westerly terminus boundary of Carson, near Harbor (I-110) Freeway. The proposed construction contract time allows 425 calendar days and the engineer’s estimate of probable construction costs is $17,000,000. The project is funded by an Agency bond. The project improvements include extensive colorful, drought-tolerant landscaping in parkways and medians, street furniture (benches, bike racks, and pedestrian lights), public art, entry monuments, a new traffic signal, reconfiguration of turn lanes, reconstruction of driveways for ADA compliance, and retrofitting median lights with LED lights.

**La Cienega Boulevard and Fairview Boulevard, City of Inglewood, CA.** Resident engineer responsible for this $600,000 project providing construction management and inspection services for the La Cienega Boulevard and Fairview Boulevard Improvement Project is to improve traffic safety and ease congestion. This project involves the widening of Fairview Boulevard between La Cienega Boulevard and La Tijera Boulevard, the construction of dedicated right and left turn pockets at Fairview Boulevard and La Cienega Boulevard, traffic signal improvements and modifications at the intersection of La Cienega and Fairview Boulevard. Project improvements also include masonry retaining walls supported by concrete footings, concrete sidewalk and driveway, ramps, cross gutters, curb and gutters, pavement resurfacing, striping. The geotechnical aspects of this project consist of rough grading, road excavation and compaction, asphalt paving over compacted base, and subgrade preparation. The project is funded by the American Reinvestment Act (ARRA).
Gary Heinbuch, APP's Supervisor of Inspection Services, has 35 years of construction management, construction administration, and inspection experience associated with public works, roadway, landscape, recreational facility, and building facility projects throughout Southern California. He has managed construction projects totaling more than $600 million. He is knowledgeable in federal, state and local codes and standards such as Caltrans, ICC, ADA, and OSHA safety requirements.

RELEVANT EXPERIENCE

On-call Building Inspection Service, Los Angeles County, CA. Construction manager and inspector responsible for the $3-million oversight of a wide variety of projects. These include as-needed building-related inspection services for the Department of Public Works. Manages field personnel inspecting more than 60 projects, including parks, sheriff's stations, detention facilities, courthouses, beach structures, parking lots and four new fire stations in Santa Clarita. Upon notification from Los Angeles County that consultant inspection assistance is required, works closely with the County's Project Manager, Art Sandoval, to clarify scope, schedule, budget, deliverables, and performance expectations. Assigns staff with applicable expertise and training necessary to handle the duties and responsibilities to protect the County's interests. Before inspectors begin working on the project site, they perform a constructability review. Each inspector reports directly to the County's project manager at the end of each day, informing on the progress of the project and any challenges faced that day (verbally and through the delivery of daily inspection reports and photos). If there are any project challenges, they are discussed and a solution is reached prior to the start of the next working day. Projects have included: Marina Del Rey Seawall Restoration Crack Repair, Tie Rod End Repair, and CP System Repair ($3.5 million); Marina Del Rey Stormwater Best Management Practices Parking Lot 5 and 7 ($0.5 million); Burton Chase Park Transient Dock ($7 million); Martin Luther King Multi-Service Ambulatory Care Center Orchid/Humphrey Facility ($5 million); LA Sheriff's Department Bicentennial Regional Training Campus ($13 million); and Eastern Ave. Hill, Area-2 Landscaping ($2.5 million).

Angeleno Avenue Improvements, City of Burbank, CA. Inspection manager responsible for the street improvement project that extended from 1st Street to Glenoaks Boulevard. The $600,000, one-mile long project was a high profile project because of its close proximity to both City Hall and the police station. This street rehabilitation project consisted of the removal and replacement of asphalt, installation of new PCC curb, curb and gutter, sidewalk, ADA ramps, installation of traffic signal equipment and associated traffic and bicycle loops. The project was completed on time and within budget.

Pacific Park Drive Rehabilitation, City of Aliso Viejo, CA. Construction inspector responsible for overseeing the rehabilitation of Pacific Park Drive, from Cheyenne to Aliso Viejo Parkway. This project includes grinding the existing asphalt pavement (35,500 sf), placing ARHM pavement (3,100 tons), installing 35 traffic loops, thermoplastic striping and markings, ADA-compliant ramps, traffic control, and raising manholes and utility valve covers.

Towne Center Pedestrian Loop, City of Aliso Viejo, CA. Construction manager responsible for overseeing this project to remove the original crosswalk and install pavers, as well as provide ADA ramps, pavement rehabilitation, and community outreach to answer questions and explain the sequence of events to the public.

Citywide Slurry Seal and Various Street Rehabilitation Projects, City of Torrance, CA. Manager and coordinate inspector of construction during major street rehabilitation projects, including pavement rehabilitation, such as Sepulveda Boulevard, a total reconstruction ($3.2-million construction cost) of one mile of roadway, including storm drain relocation (catch basins), retaining walls, installation of standardized ADA ramps, water line, and utility relocation (e.g., power transmission lines, telephone poles). Construction manager for the slurry seal for the Western Avenue Median Beautification project; the Wilson Park project, which was particularly challenging because the work had to be coordinated around the
Farmers' Market's schedule, which occurred twice weekly; and the Torrance Police Department parking lot and adjacent streets project.

**Western Avenue Median Beautification, City of Torrance, CA.** Managed construction management during this project to revive the Western Avenue median, between Western Avenue and 19th Street. This project comprised landscaping, decorative fencing, curb and gutter work, traffic control, and liaising with Caltrans.

**CIP Projects, City of Fontana, CA.** Managed inspection of major CIP projects, including pavement rehabilitation. Projects included the pavement rehabilitation of approximately two miles of Sierra ($9-million construction fee); installation of underground utilities, drainage, water, and sewer; traffic control; and stakeholder/utility coordination. Coordinated construction management oversight and daily issues with inspectors for the following projects:

- South Highland Avenue
- Mango and Baseline
- Subdivision Inspection
- Pacific Electric Inland Empire Trail - Segment 5A
- Fontana Fire Station No. 79

**Various Roadway and CIP Projects, City of Laguna Hills, CA.** Managed and coordinated inspection of park rehabilitation projects as well as pavement rehabilitation and road widening projects, such as El Toro Road Widening, a $3.5-million widening from Paseo de Valencia to 1-5, and Moulton Parkway Rehabilitation.

**On-Call Construction Management and Inspection, City of Indio, CA.** Managed this on-call construction management and inspection contract for the City, which included inspecting the development of more than 30,000 units within the City, traffic signal installation, 10 miles of water main, citywide house and business water services, 100 miles of new roadway, 15 miles of road rehabilitation, and NPDES/AQMD compliance projects.

**On-call Inspection, City of Lake Forest, CA.** Inspection manager responsible for oversight of a multi-year contract with the City to provide inspection for construction projects for CIP projects citywide. Work includes inspection for ADA ramps, street lighting installations, all encroachment permit projects, grading, storm drain, wet and dry utilities, curb and gutter projects, sidewalk projects and all restoration projects within an encroachment permit. Inspection of the Baker Water Treatment project involved working in conjunction with the Irvine Ranch Water District and installation of 36" CMCL pipe.

**On-call Public Works Inspection Services, City of Tustin, CA.** Project manager responsible for consultant inspection assistance required for infrastructure projects such as grading, streets, curb and gutter, ADA ramps, storm drain, bike paths, storm water, and sewer projects. Gary works closely with the City's project manager to clarify scope, schedule, budget, deliverables, and performance expectations. Gary assigned staff with applicable expertise and training necessary to handle the duties and responsibilities to protect the City's interests.

**On-call Public Works Inspection, City of Irvine, CA.** Inspection manager responsible for providing oversight for a three-year, $3-million contract for developer and City constructed improvements within the City of Irvine.
Todd Garner, CPII
Senior Public Works Inspector

Certifications
APWA Certified Public Infrastructure Inspector (CPII)
ICC Residential Building Inspector #8032064
ICC Commercial Building Inspector #8032064

Years of Experience
Entered the profession in 1984

Todd Garner, CPI is a project and construction manager and inspector with a general contracting and owner’s representative background. Todd has extensive experience managing the construction of public improvements as a general contractor, project/construction manager, inspector and owner’s representative.

Flower Street Pavement Rehabilitation Project, City of Bellflower, CA.
Inspector for this roadway improvement project consisting of 2" grind and Asphalt Rubber Hot Mix (ARHM) overlay, along with localized digouts/full pavement reconstruction sections, and removal and replacement of existing concrete sidewalks, curb and gutter, ADA curb ramps, driveway and alley approaches. The project has also required extensive coordination with utility companies with facilities within the project limits. The project is a fully federally funded Surface Transportation Program (STP) project.

Arterial Roads Rehabilitation Project - Palos Verdes Drive East, City of Rancho Palos Verdes, CA. Construction manager responsible for this $3.2-million, five-mile road rehabilitation project which involved providing traffic control, construction survey, saw cutting, unclassified excavation, PCC curb and gutter, curb access ramps, bus pads, drainage modifications, asphalt pavement road widening and repairs, AC berms, gravity block walls, roadway signing, asphalt pavement milling and overlay, crack routing and sealing, micro-surface paving, traffic striping and markings, raised pavement markers, and other work.

Westminster Avenue Bicycle Lane Resurfacing Improvements Project, City of Seal Beach, CA. Inspection oversight for this $1.4-million, federally funded resurfacing and class II bike path striping on Westminster Avenue between Seal Beach Blvd. and east City limits. The project involves, cold milling, removal and replacement of A.C. pavement patching, crack sealing, Asphalt Rubber Hot Mix paving, P.C.C. ADA ramp construction, bus pads, traffic and bike lane striping, utility adjustments, signing improvements, traffic signal loops, traffic control, storm water pollution prevention and other miscellaneous improvements as required to complete the work.

Fiscal Year 2012 -2013 Street Rehabilitation, City of Laguna Beach, CA. Construction manager for the $1.1-million compilation of bid documents, assistance with bid, contract execution, weekly construction meetings, submittals, RFI’s, change orders, pay applications and contract administration for this residential street rehabilitation project. The project involved, saw cutting, cold milling, removal and replacement of A.C. pavement patching, localized and full depth pavement reconstruction, Type I slurry seal, weed killing and crack sealing, P.C.C. curb and gutter, sidewalk, gutter and ramp construction, storm drain catch basins, A.C. berm and wedges, traffic control, storm water pollution prevention, traffic striping and utility adjustments.

Williams and Oris Alleys Paving Improvements -Compton Alleys, City of Compton, CA. Construction manager for this $515,370 alley improvement project. Work involved unimproved alley full depth pavement construction, P.C.C. curb and gutter, drainage swales, alley approaches, handicap ramps, sidewalk replacement, adjustment of utility covers, valve and meter boxes and related construction work in addition to signage and pavement markings to complete the project.

Leisure World - 2013 Trust Street Paving Project, City of Seal Beach, CA. Construction manager responsible for the $1.4-million overseeing of the initial project scoping, design management, bidding, contract administration, inspection and quality assurance. The project involved lime treatment of unstable subgrade prior to full depth pavement reconstruction with new P.C.C. curb and gutter replacement on Golden Rain Road and club house 6, administration Building, medical center and amphitheater parking lots.
AI Aguilera offers more than 45 years of experience performing inspection for public works, Caltrans and federally funded projects. AI has extensive experience with Caltrans specifications and standards, the "Standard Specifications for Public Works Construction" (SSPWC, also known as the "Greenbook"). AI’s experience includes roadway construction and rehabilitation, concrete curb, gutter, sidewalk, driveways, retaining walls, sound walls, traffic signals, earthwork and grading, water, sewer, force mains, landscape and irrigation, highway and bridge and residential/commercial developments projects. His strong organizational, scheduling, documentation, and bookkeeping skills are complemented by his fluency and communication skills in both written and verbal Spanish and English.

**RELEVANT EXPERIENCE**

**2014 HUD Street Improvements, Various Locations, City of Alhambra, CA.**

Construction inspector responsible for HUD/CDBG funded street improvements. This $1.3-million project utilized HUD/CDBG funds, requiring compliance with Section 3, DBE and typical federal contract compliance requirements. APP provided construction inspection services for street improvements implemented by the contractor that included traffic control, survey and monumentation, installation of BMPs, removal of existing curb and gutter, removal of sidewalk, removal of existing pavement, six curb drain outlets, new alley improvements, sidewalk, ramps, curb, gutter replacements, full depth pavement repairs, tapered cold milling, installation of 1-inch leveling course, installation of conventional pavement overlay, adjustment of utility accesses, adjustment to manholes, striping restoration, installation of traffic detector loops.

**Midwick Tract Street Improvement Project, City of Alhambra, CA.**

Inspector responsible for $3.2-million pavement rehabilitation projects for the City of Alhambra located over the Midwick Tract and on the streets of: Commonwealth Avenue from Chapel to Garfield avenues, Commonwealth from Raymond to Fremont avenues, Garvey Avenue from south city limit to Ramona Road South, Marengo Avenue from Main Street to Mission Road, Palm Avenue from Main to Mission, Pine Street from Monterey Street to west city boundary west, Poplar Boulevard from Main Street to Fremont Avenue, Ramona Road South from East End to city boundary south; Raymond from Main to Commonwealth, Woodward Avenue from Almansor Street to Marguerita Avenue.

Improvements included traffic control, survey and monumentation, installation of BMPs, removal of existing curb and gutter, removal of sidewalk, removal of existing pavement, installation of new base course over 6" CMB, tapered cold milling, installation of a 1-inch leveling course, installation of a 2-inch ARM-M-GG pavement overlay, adjustment of utility access, adjustment to manholes, striping restoration, installation of traffic detector loops, removal and replacement of full depth AC pavement, installation of crack seal and the application of slurry seal.

**Inspection of 2013 City-wide Street Improvement Project, City of Alhambra, CA.** Inspector for project consisting of removal and replacement of ADA handicap ramps, removal and replacement of curb and gutter, 1½ miles of asphalt grind and overlay, application of approximately 100,000 Type II slurry seal.

**Crenshaw Boulevard Rehabilitation (182nd Street to 190th Street), City of Torrance, CA.** Inspector for $1.6-million, federally funded roadway rehabilitation and landscape improvement project. Work generally involved removal
and replacement of deep lift paving sections, grind and overlay of the street limits using asphalt rubber hot mix (ARHM), hardscape and landscape improvements. The project utilized federal funds, requiring contract administration and project / documents controls in strict adherence with the Caltrans Local Assistance Procedures Manual.

**North Beachwood Drive 18-inch Sewer Force Main Repair, City of Burbank, CA.** Inspector for 18-inch sewer force main pipeline emergency repair located on the 400 block of North Beachwood Drive in Burbank.

**Angeleno Avenue Improvements, City of Burbank, CA.** Inspector responsible for the recently completed (2014) street improvement project that extended from 1st Street to Glenoaks Boulevard. The $600,000, one-mile-long endeavor was a high profile project because of its close proximity to both City Hall and the police station. This street rehabilitation project consisted of the removal and replacement of asphalt, installation of new PCC curb, curb and gutter, sidewalk, ADA ramps, installation of traffic signal equipment and associated traffic and bicycle loops. The project was completed on time and within budget.

**Residential Slurry Seal, City of Torrance, CA.** Inspector responsible for this $380,000 slurry seal program on residential streets and parking lots at a city park and water pump station facility. The Slurry Seal Program provides ongoing preservation treatment to asphalt paved roadways throughout the city. The project included crack sealing, 1.4-million square feet type II slurry seal, removal and replacement of 600 feet of curb and gutter, and 50 parking lot wheel stops, as well as appurtenant traffic striping, traffic control and public relations. Responsibilities included quality assurance, project documentation, public relations and assistance with contract administration duties.

**Beaumont Boulevard Bridge Widening, City of Beaumont, CA.** Inspector responsible for this federally funded widening of Beaumont Boulevard Bridge over the I-10 freeway. The project widened an existing structure from two to four lanes, and involved coordination with and oversight by Caltrans via an encroachment permit. Duties included contract administration, inspection of falsework, cast-in-place concrete beams, daily reports, quantity verification, SWPPP compliance, contract labor compliance and all documents control.

**Indian Wells Village Improvements, City of Indian Wells, CA.** Inspector responsible for the construction of Mile Avenue and Warner Trail Roadway improvements. A major portion of the project included a CVWD sewer lift station with open trench and pipe jacking installation of 26,973 linear-feet of storm drain, sewer, water, waste water and sewer force main piping to depths as much as 30 feet below finished surface. Also responsible for the extensive landscaping and irrigation construction inspection associated with the project.

**Rosecrans Boulevard Slurry Seal, City of Paramount, CA.** Inspector responsible for $1.5-million Types 1 and 2 Slurry Seal of eight miles of Rosecrans Boulevard from Summerson Avenue to the I-405.

**Dove Canyon Roadway Rehabilitation and Drainage Improvements, City of Santa Margarita, CA.** Private community inspector responsible for $800,000 storm drain filter, street overlay and slurry seal project. The project included installation of storm drain filters upstream of city catch basins, roadway grinding, installation of petromat, A/C paving overlay and Type 1 Slurry Seal.
Relevant Experience

APP has a proven track record in providing construction inspection and related services on road projects for cities throughout Southern California. In many cases, these projects posed a potentially significant impact on residents and businesses near the roadways being constructed or rehabilitated. APP inspectors Gary Heinbuch, inspection manager for this contract, and Todd Garner, CPII, senior inspector, believe that providing respectful, responsive communication and public relations is a critically important part of their jobs. In addition to communication, APP inspectors pay close attention to measures being taken on projects for public safety, in particular clearly delineating construction zones and detours for redirected traffic.

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<thead>
<tr>
<th>Leisure World 2012 Trust Street Paving Project, City of Seal Beach, CA</th>
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<tbody>
<tr>
<td><strong>Client/Reference:</strong> Golden Rain Foundation</td>
</tr>
<tr>
<td>Carlos Martinez</td>
</tr>
<tr>
<td>(626) 241-0754</td>
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<tr>
<td><a href="mailto:maxmartz@sbcglobal.net">maxmartz@sbcglobal.net</a></td>
</tr>
<tr>
<td>(714) 791-6706</td>
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<tr>
<td><strong>Project Dates:</strong></td>
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<tr>
<td>Start: 2012 Complete: 2014</td>
</tr>
<tr>
<td><strong>Services:</strong></td>
</tr>
<tr>
<td>Inspection, Quality Assurance, Testing and</td>
</tr>
<tr>
<td>Contract Administration Services</td>
</tr>
<tr>
<td><strong>Project Value:</strong></td>
</tr>
<tr>
<td>Construction Cost: $1.4 million</td>
</tr>
<tr>
<td>Fee: $137,000</td>
</tr>
<tr>
<td><strong>Team Members:</strong></td>
</tr>
<tr>
<td>Gary Heinbuch – Project Engineer</td>
</tr>
<tr>
<td>Todd Garner, CPII – Construction Manager</td>
</tr>
<tr>
<td>Al Aguilera – Inspector</td>
</tr>
</tbody>
</table>

APP provided inspection, quality assurance, testing and contract administration services for this $1.4-million project in a gated senior community. This project required sensitivity to the project’s numerous stakeholders, including elderly residents and leadership of the Golden Rain Foundation. The project involved typical concrete and AC overlay/rehabilitation work on Golden Rain Road and the Club House Parking Lot of this housing complex. Inspection for Phase 1, 2, 3 and 4 of the Leisure World pavement rehabilitation project. Scope of work included monitoring traffic control, monitoring the SWPPP, inspection of removal and replacement of AC pavement, the cement treatment of the soils, sidewalk R&R, installation of traffic signal loops, curb and gutter R&R, 1” overlay, plus slurry seal and striping. Also, coordination with the Soils Technician for the compaction and density testing. This five-month assignment also included preparation of Daily Logs with photographs, meeting with both the client and contractor regarding project work schedule and budget, assisting the client with change orders, and the generation of punch lists.
Richmond Street Arterial Improvements, City of El Segundo, CA

Client/Reference: City of El Segundo
Stephanie Katsouleas, Public Works Director
(310) 524-2356
skatsouleas@elsegundo.org


Services: Engineering Design

Project Value: Construction Cost: $735,000 Fee: $180,000

Status: Design in progress

Team Members: Matt Stepie, PE – Project Manager
Joe Buckner, PE, PLS, QSD – Project Engineer
Bob Merrell, PE – QA/QC

APP is providing engineering services for Richmond Street arterial improvements located between El Segundo Blvd. and Holly Ave. within the downtown area for 1,600 lineal feet with 60 feet of street and sidewalk width. Design work includes street, sidewalk, parking, survey, traffic and landscape improvements. A critical issue is solving the impacted downtown parking problem by engaging the community in outreach meetings and providing street, sidewalk, and parking design solutions.

“A review panel, including two City staff members as well Mayor Pro Tem Carl Jacobson and Dave Atkinson, unanimously chose AndersonPenna as the “hands down number one selection” after receiving bids from six consultants and interviewing the top three candidates. Jacobson noted that the firm “stood out” in its preparation. “They came out with parking ideas better than what we have now,” he said.” El Segundo Herald, March 19, 2015

2012-2013 Street Rehabilitation Project, City of Laguna Beach, CA

Client/Reference: City of Laguna Beach
Mark Trestik, Asst. City Engineer
(949) 497-0300
mtrestik@lagunabeachcity.net

Project Dates: Start: 10/2014 Complete: 2/2015

Services: CM and Inspection Oversight

Project Value: Construction Cost: $1.1-million Fee: $38,000

Status: Successfully completed

Team Members: Todd Garner, CPI – Construction Manager

APP provided construction management and inspection services oversight for this residential street rehabilitation project. The scope of work involved clearing and grubbing, saw cutting, cold milling, removal and replacement of A.C. pavement patching, localized and full depth pavement reconstruction, Type I slurry seal, crack sealing, P.C.C. curb and gutter, sidewalk, gutter and ramp construction, storm drain catch basins, A.C. berm and wedges, traffic control, storm water pollution prevention, traffic striping, utility adjustments and other miscellaneous improvements as required.
### Arterial Roads Rehabilitation Project, City of Rancho Palos Verdes, CA

| Client/Reference | City of Rancho Palos Verdes Department of Public Works  
Nicolette Jules, Senior Engineer  
(310) 544-5275  
NicoletteJ@rpvca.gov |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>Construction Management, Project Inspection, Materials Testing and Quality Assurance</td>
</tr>
</tbody>
</table>
| Project Value    | Construction Cost: $2,768,000  
Fee: $226,760  |
| Team Members     | Dino D'Emilia, PE, QSD - Principal-in-charge  
Todd Garner, CPII - Construction Manager  
Ali Aguilar - Public Works Inspector |

APP was responsible for construction management, inspection and materials testing and quality assurance for this $3.2-million, five-mile road rehabilitation project which involved providing traffic control, construction survey, saw cutting, unclassified excavation, PCC curb and gutter, curb access ramps, bus pads, drainage modifications, asphalt pavement road widening and repairs, AC berms, gravity block walls, roadway signing, asphalt pavement milling and overlay, crack routing and sealing, micro-surface paving, traffic striping and markings, raised pavement markers, and other work.

### On-call Public Works Inspection, Westminster Avenue Bicycle Lane Resurfacing Improvements Project, City of Seal Beach, CA

| Client/Reference | City of Seal Beach  
Cesar Rangel, Assistant Engineer  
(562) 432-2527 Ext. 1328  
crangel@sealbeachca.gov |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Dates</td>
<td>Start: March 2015  Complete: April 2015</td>
</tr>
</tbody>
</table>
| Services         | Construction Inspection  
Pre-construction |
| Project Value    | Construction Cost: $1.4-million  
Fee: $27,636  |
| Status           | Successfully completed  
Team Members      | Todd Garner, CPII - Inspector |

APP provided inspection oversight during resurfacing and class II bike path striping on Westminster Avenue between Seal Beach Blvd. and East City Limits. This $1.4-million Caltrans project was funded by a grant from the Orange County Transportation Authority. Scope involved mobilization, surveying and construction staking, cold milling, removal and replacement of A.C. pavement patching, crack sealing, Asphalt Rubber Hot Mix paving, P.C.C. ADA ramp construction, bus pads, traffic and bike lane striping, utility adjustments, signing improvements, traffic signal loops, traffic control, storm water pollution prevention and other miscellaneous improvements as required to complete the work.
### 2013 Street Rehabilitation Project and Midwick Tract Street Improvements Project, City of Alhambra, CA

| Client/Reference: | City of Alhambra  
| Amanda Eltel, Project Manager  
| (626) 570-5062  
| aeltele@cityofalhambra.org |
| Project Dates: | Start: 11/2012  
| Complete: 10/2013 |
| Services: | Construction Inspection |
| Project Value: | Construction Cost: $3.2-million  
| Fee: 2013 Street Rehab - $38,000;  
| Midwick Tract - $35,000 |
| Team Members: | Dino D’Emilia, PE, QSD – Principal-in-charge  
| Gary Heinbuch – Project Manager  
| Al Aguilera – Inspector |

APP provided inspection services for $3.2-million pavement rehabilitation projects for the City of Alhambra located over the Midwick Tract and on numerous streets. Improvements consisted of traffic control, survey and monumentation, installation of BMPs, removal of existing curb and gutter, removal of sidewalk, removal of existing pavement, installation of new base course over 6” CMB, tapered cold milling, installation of 1” leveling course, installation of 2” ARM-M-GG pavement overlay, adjustment of utility accesses, adjustment to manholes, striping restoration, installation of traffic detector loops, removal and replacement of full depth AC pavement, installation of crack seal and the application of slurry seal.

### Oso Creek Multi-Use Trail Project, City of Laguna Niguel, CA

| Client/Reference: | City of Laguna Niguel  
| Ati Eskandari, Interim Director of PW  
| (949) 212-7927  
| ae@s-ces.com  
| npalmer@cityoflagunaniguel.org |
| Project Dates: | Start: 03/2015  
| Complete: 12/2015 |
| Services: | Construction Management and Inspection |
| Project Value: | Construction Cost: $3,000,000  
| Fee: $305,000 |
| Team Members: | Dino D’Emilia, PE, QSD – QA/QC Manager  
| Al Aguilera- Landscaping Inspector |

APP is providing construction management and inspection services for this project. The project includes new contiguous bicycle and pedestrian/equestrian trails, stormwater control and treatment BMPs, landscaping, lighting street improvements. The project runs along Oso Creek Channel between the Laguna Niguel Metrolink station. The Three Flags commercial center and is partially located on the city street right-of-way and partially on the Orange County Flood Control District right-of-way for the Oso Creek flood control channel. APP is providing grant funding services for the project primarily utilizing two grants: an OCTA Tier 2 Environmental Cleanup Program grant and an SWRCB Proposition 84 Stormwater grant.
Line Item Fee/Hourly Rates

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<tr>
<th>TITLE</th>
<th>Total Hours</th>
<th>Hourly Rate</th>
<th>Extended Fee</th>
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<tbody>
<tr>
<td>Inspector (Prevailing Wage)</td>
<td>472.00</td>
<td>$110.00</td>
<td>$51,920.00</td>
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<tr>
<td>GRAND TOTAL ESTIMATE</td>
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<td></td>
<td>$51,920.00</td>
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</table>

The estimated fee detailed above is based on the following:

- All inspection services are performed during regular time hours (maximum 8 hours per day, Monday-Friday)
- Payment of Prevailing Wages to inspection personnel is required pursuant to the City Addendum No. 1 Supplement issued Feb. 4, 2016.
- All services are performed within the 59 Working Day Contract Time stipulated in the construction bid documents for the project

**Inspector Prevailing Wage Rate:** Billing Rate indicated above is based on wages to be paid to inspectors pursuant to Prevailing Wage Determination No. SC-23-63-2-2015-1D, including pre-determined increases after August 22, 2015.

**Inspection Overtime:** No weekday, Saturday, holiday or Sunday overtime work is assumed or included. Should any weekday or Saturday overtime inspection be required, it is charged at 1.4 times the rate shown. For Sundays and holidays, Inspection billing rates are 1.8 times the above rate, upon the City’s prior written approval therefore.

**Minimum Inspection Call Out:** A 4-hour minimum callout charge applies for inspection services.

**Other Direct Costs:** Ordinary identifiable non-salary costs directly attributable to the project such as reproduction, regular vehicular travel costs, overnight postage/couriers, are included in the fee above. Extraordinary expenses, such as oversized and/or color reproduction costs, site facility hard phone line and/or internet service charges, non-commuter project miles and/or other travel expenses to remote (over 50 miles one-way) fabrication yards/batch plants, overnight postage/couriers, etc., are billed at actual cost plus 10 percent to cover overhead and administration. Travel charges to a casting/fabrication yard or batch plant will include the hourly billing rate plus travel expenses as in the Caltrans Travel Guide (State rates). Extraordinary charges will not be billed to the Client unless specifically requested and approved by the Client in writing prior to incurring the expense.

**Fees for expert witness services:** Charged at $300.00 per hour with a 4-hour minimum per day.

**Fees for subconsultant services:** None anticipated or included in the fee above. Any required subconsultant services are billed at cost plus 10%.

**NOTES / LIMITATIONS:** At the time this proposal was prepared, the contractor’s CPM schedule was not available. The estimated fee is based on a number of working days stipulated by the City in its RFP and quantities and/or scales shown in the project specifications. The estimate may be affected by:

- Working time duration in excess of the duration indicated above;
- Contractor and subcontractor’s efficiency and sequencing of events;
- Unexpected subsurface conditions;
- Unforeseen delays beyond APP’s control
EXCLUSIONS TO SCOPE AND FEE: The following items are specifically excluded:

- Legal advice
- Design engineering
- Cost estimating and scheduling
- Project / Construction Management, Contract Administration (By City)
- Federal Fund Compliance, Project / Document Controls, etc.
- Labor Compliance Monitoring
- Temporary field office facilities, equipment, furniture, utilities and/or services
- Special, deputy inspection
- Materials and/or soils testing
- Hazardous materials monitoring and/or testing
- Specialized Software (other than MS Office Suite)
<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description</th>
<th>Unit</th>
<th>Est. Qty</th>
<th>Engineer's Estimate Unit Price</th>
<th>Within Range of at least one bids?</th>
<th>Unit Price (in figures)</th>
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</thead>
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<tr>
<td>1</td>
<td>Mobilization</td>
<td>Lump</td>
<td>1</td>
<td>$5,000.00</td>
<td>Yes</td>
<td>$5,000.00</td>
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<tr>
<td>2</td>
<td>Clearing &amp; Grubbing</td>
<td>Lump</td>
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<td>$25,000.00</td>
<td>Yes</td>
<td>$11,365.22</td>
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<td>3</td>
<td>3PP/ESP/SPWP Requirements</td>
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<td>1</td>
<td>$4,000.00</td>
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<td>$4,000.00</td>
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</table>

**Bidder 1**

- Unit Price (in figures)
- Dollars/Cents

- **Bidder 2**
- Unit Price (in figures)
- Dollars/Cents

- **Bidder 3**
- Unit Price (in figures)
- Dollars/Cents

- **Bidder 4**
- Unit Price (in figures)
- Dollars/Cents

- **Bidder 5**
- Unit Price (in figures)
- Dollars/Cents

**Sully Miller Contracting**

- Unit Price (in figures)
- Dollars/Cents

---

**Total**

- **$1,335,335.00**

---

**Land**

- **$653,256.00**

---

**Street**

- **$316,196.00**

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<td>703</td>
<td>26,692.26</td>
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<td>708</td>
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<tr>
<td>TOTAL WARRANTS</td>
<td>$ 1,529,627.69</td>
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</tbody>
</table>

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Information on actual expenditures is available in the Director of Finance's 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/urgency payments for materials, supplies and services in support of City Operations

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, instances where prompt payment discounts can be obtained or late payment penalties can be avoided 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

DATE: 2-22-16

CITY MANAGER

DATE: 2-23-16
### CITY OF EL SEGUNDO
### PAYMENTS BY WIRE TRANSFER
### 2/8/16 THROUGH 2/21/16

<table>
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<th>Date</th>
<th>Payee</th>
<th>Amount</th>
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<td>2/12/2016</td>
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<td>Liability Trust - Claims</td>
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<td>Claim checks issued</td>
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**DATE OF RATIFICATION: 2/18/16**

**TOTAL PAYMENTS BY WIRE:** 3,167,525.39

Certified as to the accuracy of the wire transfers by:

Deputy City Treasurer II [Signature] [Date]

Director of Finance [Signature] [Date]

City Manager [Signature] [Date]

Information on actual expenditures is available in the City Treasurer's Office of the City of El Segundo.
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, FEBRUARY 16, 2016 – 5:00 PM

5:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 5:00 PM

ROLL CALL

Mayor Fuentes - Present
Mayor Pro Temp Jacobson - Present
Council Member Atkinson - Present
Council Member Fellhauer - Present
Council Member Dagun - Present

PUBLIC COMMUNICATION – (Related to City Business Only – 5 minute limit per person, 30 minute limit total) None

Mayor Fuentes announced that Council would be meeting in closed session pursuant to the items listed on the Agenda.

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): -1- matter

1. City of El Segundo vs. City of Los Angeles, et.al. LASC Case No. BS094279

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(d)(2): -1- matter.


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

3
APPOINTMENT OF PUBLIC EMPLOYEE (Gov't. Code § 54957): -0- matter

PUBLIC EMPLOYMENT (Gov't Code § 54957) -0- matter

CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -6- matters

1. Employee Organizations: Police Management Association; Police Officers Association; Police Support Services Employees Association; Supervisory and Professional Employees Association; City Employees Association; Executive Management Group (Unrepresented Group).

   Agency Designated Representative: Steve Filarsky and City Manager

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

Adjourned at 6:47 PM
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL  
TUESDAY, FEBRUARY 16, 2016 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Fuentes at 7:00 PM

INVOCATION – Pastor Rob McKenna, The Bridge

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Jacobson

PRESENTATIONS

a) Presentation by Chief Tavera, introducing new El Segundo Police Officer, Brian Slover.

ROLL CALL

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

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)

Utsa Parikh, Tree Musketeers Youth Manager, invited the Community to Arbor Day on Saturday, March 5, 2016.

Dr. Antonio Mendez, resident, commented on articles concerning the proposed desalination plant and commented on an experience he had while dinning in Hermosa Beach.

CITY COUNCIL COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

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

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fellhauer to read all ordinances and resolutions on the Agenda by title only. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

F. NEW BUSINESS – MOVED FORWARD ON AGENDA
8. Consideration and possible action regarding acceptance of the terms and conditions from a grant award by Chevron U.S.A., Inc. in the amount of $200,000.00 to assist in Economic and Business Development within the City of El Segundo over the next two fiscal years.

Greg Carpenter, City Manager, introduced the item.

Rod Spackman and Lily Craig, Chevron USA, Inc., presented the Council with a check.

Council Discussion

MOTION by Mayor Pro Tem Jacobson, SECONDED by Council Member Fellhauer to accept the terms and conditions from a grant award by Chevron U.S.A., Inc. in the amount of $200,000.00 to assist in Economic and Business Development within the City of El Segundo over the next two fiscal years and authorize the City Manager to execute the Grant Agreement No. 4986. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action to adopt an Ordinance for an Environmental Assessment (EA-1140), a Zone Text Amendment (ZTA 15-02) adding Chapter 11 to Title 7 and Chapter 13B to Title 15 of the El Segundo Municipal Code (ESMC) to clarify that commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensaries, and medical marijuana collectives are prohibited in all zones and specific plan areas of the City. Applicant: City of El Segundo
   (Fiscal Impact: None)

Mayor Fuentes stated this was the time and place to adopt an Ordinance for an Environmental Assessment (EA-1140), a Zone Text Amendment (ZTA 15-02) adding Chapter 11 to Title 7 and Chapter 13B to Title 15 of the El Segundo Municipal Code (ESMC) to clarify that commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensaries, and medical marijuana collectives are prohibited in all zones and specific plan areas of the City. Applicant: City of El Segundo

City Clerk Weaver stated that proper notice had been given in a timely manner and that written communication had not been received in the City Clerk’s office.

Greg Carpenter, City Manager, introduced the item.

Sam Lee, Director of Planning and Building Safety, gave a presentation on the item.

Mayor Fuentes announced the Public Hearing is now open for public comment.

Mayor Fuentes closed the Public Hearing.
Karl Berger, Assistant City Attorney, read by title only:

ORDINANCE NO. 1518

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO ADDING CHAPTER 11 TO TITLE 7 AND CHAPTER 13B TO TITLE 15 OF THE EL SEGUNDO MUNICIPAL CODE TO CLARIFY THAT COMMERCIAL CANNABIS ACTIVITIES, CULTIVATION OF MEDICAL CANNABIS, DELIVERY OF MEDICAL CANNABIS, MEDICAL MARIJUANA DISPENSARIES, AND MEDICAL MARIJUANA COLLECTIVES ARE PROHIBITED IN ALL ZONES AND SPECIFIC PLAN AREAS OF THE CITY.

Council Member Fellhauer introduced the Ordinance. The second reading and adoption of the Ordinance is scheduled for the March 1, 2016 Council Meeting.

C. UNFINISHED BUSINESS

2. Consideration and possible action to authorize the City Manager to execute a contract amendment No. 4716B with Michael Baker International, Inc. (formerly RBF) for additional alternatives analysis and environmental review of the Park Place Grade Separation and Gap Closure Project. (Fiscal Impact: $108,745.00 in additional grant fund expenditures)

Greg Carpenter, City Manager, introduced and presented the item.

Council Discussion

MOTION by Council Member Atkinson, SECONDED by Council Member Fellhauer to authorize the City Manager to execute a contract amendment No. 4716B with Michael Baker International, Inc. (formerly RBF) for additional alternatives analysis and environmental review of the Park Place Grade Separation and Gap Closure Project. 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.

3. Approve Warrant Numbers 3009613 through 3009802 on Register No. 9 in the total amount of $874,348.76 and Wire Transfers from 1/25/2016 through 2/7/2016 in the total amount of $1,016,001.10. 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.

5. Receive and file this report regarding emergency work to repair dwelling units at the Park Vista Senior Housing Facility due to water intrusion without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC") §§ 1-7-12 and 1-7A-4.
   (Fiscal Impact: $50,000.00)

6. Adopt Plans and Specifications for the FY 15-16 Slurry Seal Project in the area bounded by the north City boundary, Sheldon Street, Mariposa Avenue, and Sepulveda Boulevard, Resolution No. 4969. Project No.: PW 16-09
   (Fiscal Impact: $400,000.00)

7. Accept grant funding from the U.S. Department of Homeland Security, through the Office of Grants and Training, under Fiscal Year 2014 State Homeland Security Grant Program (SHSGP) and authorize the City Manager to sign an Agreement No. 4985 with the County of Los Angeles who will serve as the grant administrator for the grant.
   (Fiscal Impact: $4,932.00)

   MOTION by Council Member Fellhauer, SECONDED by Council Member Dugan to approve Consent Agenda items 3, 4, 5, 6, and 7. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

F. NEW BUSINESS –

8. MOVED FORWARD ON AGENDA: Consideration and possible action regarding acceptance of the terms and conditions from a grant award by Chevron U.S.A., Inc. in the amount of $200,000.00 to assist in Economic and Business Development within the City of El Segundo over the next two fiscal years.

G. REPORTS – CITY MANAGER - None

H. REPORTS – CITY ATTORNEY - None

I. REPORTS – CITY CLERK - None

J. REPORTS – CITY TREASURER – Not present

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fellhauer – None

Council Member Atkinson – None
Council Member Dugan – None

Mayor Pro Tem Jacobson – None

Mayor Fuentes – Attended the El Segundo Air Force Base Annual Awards Banquet and attended Harland Deeter’s 95th birthday.

PUBLIC COMMUNICATIONS – (Related to City Business Only – 5 minute limit per person, 30 minute limit total)

MEMORIALS – None

ADJOURNMENT at 7:41 PM

Tracy Weaver, City Clerk
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT
MEETING DATE: March 1, 2016
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:

Consideration and possible action to receive and file this report regarding emergency work to repair dwelling units at the Park Vista Senior Housing Facility due to water intrusion without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4. (Fiscal Impact: $50,000.00)

RECOMMENDED COUNCIL ACTION:

(1) Receive and file this report regarding emergency work to repair dwelling units at the Park Vista Senior Housing Facility due to water intrusion without the need for bidding in accordance with Public Contracts Code §§ 20168 and 22050 and El Segundo Municipal Code ("ESMC")§ 1-7-12 and 1-7A-4.

(2) Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

None

FISCAL IMPACT: Included in Adopted Budget

Amount Budgeted: $50,000.00
Additional Appropriation: No
Account Number(s): 405-400-0000-6215 (Facilities Maintenance: Repairs and Maintenance)

ORIGINATED BY: Stephanie Katsouleas, Director of Public Works
REVIEWED BY: Gregg Kovacevich, Assistant City Attorney
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Engineering staff scheduled a pre-construction meeting with Bino Construction the week of February 8th to modify the door openings, which includes installing new sliding glass doors and raising both the thresholds and headers. Construction is tentatively planned to commence on February 29, 2016 pending notification of and approval from the Park Vista tenants. The project is expected to take between three and four weeks to complete when considering framing, drywall, stucco patch and painting for all three units.

Public Contracts Code § 22050 (c) requires that the City Council receive updates at every regularly scheduled meeting until the emergency repair is completed. Therefore, staff recommends that City Council receive and file this report on the status of the emergency repair to address the water intrusion issues at Park Vista Senior Housing Facility.
AGENDA DESCRIPTION:
Consideration and possible action to accept as complete the 2014-2015 Furnishing and Application of Slurry Seal on Various Streets, Project No. PW 15-02 (Fiscal Impact: $386,084.49)

RECOMMENDED COUNCIL ACTION:
1. Accept the work as complete.
2. Authorize the City Clerk to file a Notice of Completion in the County Recorder’s Office.
3. Alternatively, discuss and take other possible actions related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Notice of Completion

FISCAL IMPACT: Included in Adopted Budget
Amount Budgeted: $500,000.00
Additional Appropriation: N/A
Account Number(s): 106-400-8206-8943 (Gas Tax)

ORIGINATED BY: Cheryl Ebert, Senior Civil Engineer
REVIEWED BY: Stephanie Katsouleas, Public Works Director
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
On August 18, 2015, City Council awarded a Public Works contract to American Asphalt South, Inc. for slurry sealing of the streets bounded by the west City boundary, the north City boundary, Sheldon Street, and Mariposa Avenue.

Slurry Seal construction began on September 28, 2015, and was completed by American Asphalt South, Inc. on February 10, 2016. A final inspection for American Asphalt South’s work has been performed and it was determined that the project was completed per the plans and specifications and to the satisfaction of the Public Works Department.

Due to sewer and water projects within the project area, slurry application was reduced from its original scope. In addition, a segment of roadway on El Segundo Boulevard, between Main Street and Richmond Street, was added to the scope of work which included slurry sealing the road and adding 8 new parking stalls on El Segundo Boulevard. These net changes resulted in a decrease of the total final budget cost.
The final project costs are as follows:

**Budget**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$420,104.80</td>
<td>Original Contract Amount</td>
</tr>
<tr>
<td>$79,895.20</td>
<td>Contingency (not utilized)</td>
</tr>
<tr>
<td>-$17,600.00</td>
<td>Bid Item 4 not used</td>
</tr>
<tr>
<td>-$16,420.31</td>
<td>Scope of Work Reduction and Change Order Addition</td>
</tr>
<tr>
<td><strong>$386,084.49</strong></td>
<td><strong>Total Final Project Budget Cost</strong></td>
</tr>
</tbody>
</table>

The remaining $113,915.51 will be disencumbered and returned to the Gas Tax Fund for future projects. Staff recommends that City Council accept the work performed by American Asphalt South, Inc. as complete and authorize the City Clerk to file a Notice of Completion with the County Recorder’s Office.
NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

Project Name: 2014-2015 Furnishing and Application of Slurry Seal on Various Streets Project

Project No.: PW 15-02 Contract No. 4320

Notice is hereby given pursuant to State of California Civil Code Section 3093 et seq that:

1. The undersigned is an officer of the owner of the interest stated below in the property hereinafter described.

2. The full name of the owner is: City of El Segundo

3. The full address of the owner is: City Hall, 350 Main Street, El Segundo, CA, 90245

4. The nature of the interest of the owner is: Public Facilities

5. A work of improvement on the property hereinafter described was field reviewed by the City Engineer on February 10, 2016. The work done was: Slurry Seal Resurfacing

6. On March 1, 2016, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: American Asphalt South, Inc.

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: City streets in the area bounded by the west City boundary, the north City boundary, Sheldon Street, and Mariposa Avenue.

9. The street address of said property is: None

Dated: ____________________________

Stephanie Katsouleas
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on ________________________, 2016 at El Segundo, California.

Stephanie Katsouleas
Public Works Director
NOTICE OF COMPLETION OF CONSTRUCTION PROJECT

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6. On March 1, 2016, City Council of the City of El Segundo accepted the work of this contract as being complete and directed the recording of this Notice of Completion in the Office of the County Recorder.

7. The name of the Contractor for such work of improvement was: American Asphalt South, Inc.

8. The property on which said work of improvement was completed is in the City of El Segundo, County of Los Angeles, State of California, and is described as follows: City streets in the area bounded by the west City boundary, the north City boundary, Sheldon Street, and Mariposa Avenue.

9. The street address of said property is: None

Dated: 3-2-16

Stephanie Katsouleas
Public Works Director

VERIFICATION

I, the undersigned, say: I am the Director of Public Works/City Engineer of the City El Segundo, the declarant of the foregoing Notice of Completion; I have read said Notice of Completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury the foregoing is true and correct.

Executed on 3-2-2016, 2016 at El Segundo, California.

Stephanie Katsouleas
Public Works Director
AGENDA DESCRIPTION:

Consideration and possible action to authorize the City Manager to a) transfer $420,073 of funds budgeted for Fiscal Year FY 2015/16 for employee salaries and benefits to professional/technical service charges; and b) increase contract amounts with the following consultants: Michael Baker International, Tina Gall, J Lee Engineering, and Hayer Consultants, Inc. by the same amount (Fiscal Impact: $0)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to transfer $420,073 of funds budgeted in Fiscal Year FY 2015/16 for the “employee salaries and benefits” budget category to the “professional/technical service charges” budget category;

2. Waive the request for proposal process and authorize the City Manager to amend the existing agreements with the following consultants: Michael Baker International, Tina Gall, J Lee Engineering, and Hayer Consultants, Inc., to increase the respective contract amounts by a total amount not to exceed $420,073;

3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS: None

FISCAL IMPACT: None

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): Planning and Building Safety – Planning #001-400-2402-6214
Planning and Building Safety – Building Safety #001-400-2403-6214

ORIGINATED BY: Paul Samaras, Acting Planning Manager
Paige Vaughan, Building Safety Manager

REVIEWED BY: Sam Lee, Planning and Building Safety Director
Misty Cheng, Finance Director

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:
The approved budget for the Planning and Building Safety Department for Fiscal Year 2015/16 includes a total of $900,900 for employee salaries and benefits for the Planning Division and $1,045,100 for the Building Safety Division. Due to vacancies in both the Planning and Building Safety Divisions, staff has identified cost savings in employee salaries and benefits over the next few months of approximately $420,073 ($225,651 in Planning and $194,422 in Building Safety).
Planning Division
The Planning Division’s 2015/16 budget includes the following positions where cost savings have been identified: the Planning Manager, Principal Planner, and Assistant Planner. In December 2015, the Planning Division sustained two vacancies with the departure of the Planning Manager and one of the Division’s two Principal Planners. In addition, one of the Division’s two Assistant Planner positions was not filled until early December 2015, which resulted in additional cost savings. Recruitment for the two vacant positions has not occurred yet, but is anticipated to be completed by the end of the third quarter of the fiscal year (June 30, 2016). The anticipated cost savings due to these vacancies are approximately $225,651 for the current fiscal year.

Building Safety Division
The Building Safety Division’s 2015/16 budget includes the following positions where cost savings have been identified: License/permit Specialist I, License Permit Specialist II, Senior Plan Check Engineer and Code Compliance Inspector. The Senior Plan Check Engineer position was filled in early December 2016, while others have yet to be filled. As a result, the City has had to rely on consultant services. J. Lee Engineering, and Hayer Consultants, Inc. who are currently under contract with the City to provide plan check, inspection and license permit specialist consulting services and can provide the City with the necessary services until the positions are filled. The anticipated cost savings due to these vacancies are approximately $194,422 for the current fiscal year.

Current Consultants for Planning and Building Safety Department
Currently, the City utilizes consultants to perform certain services for the Planning and Building Safety Department:

- **Michael Baker International:** Michael Baker International provides professional planning and interim staffing services for the Planning Division. These services are utilized when workload exceeds the level that would preclude City staff from meeting customer service expectations. The City has utilized Michael Baker International (former RBF Consulting) since 2003. The current contract amount is for $58,000. Currently, the following Michael Baker employees / contractors assist the City: Trayci Nelson (Principal Pl’anner), Eduardo Schonborn (Senior Planner), Russell Toler (Planning Technician). If the City Council approves amending the agreement, it is expected that these individuals will continue assisting the City in providing planning and staffing services.

- **Tina Gall:** The City has retained the professional consulting services of Tina Gall since 1993 primarily to assist with grant administration (CDBG). Ms. Gall previously also assisted in the preparation of the City’s most recent General Plan Housing Element update in 2013/14. If the City Council approves amending the agreement, it is expected that Ms. Gall will provide project management services for the Smoky Hollow Specific Plan update process.

- **J Lee Engineering Inc.:** J. Lee Engineering provides plan check and inspection consulting services for the Building Safety Division. The City has utilized J. Lee Engineering since 2008. The current contract amount is for $140,000. Currently, the following J Lee Engineering, Inc. employees / contractors assist the City: Ed Alexanian (Plan reviewer), Ocean Kwon (Plan reviewer), Jack Snyder (Mechanical and Plumbing plan reviewer), and Mostafa Kashe (electrical reviewer). These services are utilized when workload exceeds the level that would preclude City staff from meeting customer service expectations.
- **Hayer Consultants, Inc.**: Hayer provides code enforcement, plan check and inspection consulting services for the Building Safety Division. The City has utilized Hayer Consultants since 2015. The current contract amount is for $25,000. These services are utilized when workload exceeds the level that would preclude City staff from meeting customer service expectations.

The contracts with these consultants are proposed to increase (see table below), in order to temporarily fill vacancies and handle an increasing building permit activity and ongoing major department projects. Some of the major department projects include:

- the Springhill Suites by Marriott project (Corporate Campus Specific Plan)
- Lakers
- EVA Airways project (Corporate Campus Specific Plan)
- The ALOFT and Fairfield Inn hotels (Old Hacienda Hotel site)
- Trisonic
- The Cambria Suites hotel project
- Top Golf project
- The Boeing S50 addition project
- The Continental Development Zone Text Amendment and redevelopment project (2171 Rosecrans Avenue)
- The Mattel Specific Plan project
- The Park Place Extension project
- Downtown Specific Plan amendments project
- Smokey Hollow Specific Plan update project
- the Raytheon project (El Segundo South Campus Specific Plan)

City staff are recommending that the existing contracts for the above-referenced consultants be amended to cover the City’s immediate needs in the City’s Planning and Building Department until new employees can be hired to fill the vacant positions. Staff estimate that most positions will be filled by the end of June 2016. A summary of staff’s recommended increases is as follows:

<table>
<thead>
<tr>
<th>Consultants</th>
<th>Services</th>
<th>Current contract amount (10/1/15)</th>
<th>Recommended increases to current contract amount</th>
<th>Total Contract Amount with recommended increases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael Baker International</td>
<td>Planning and staffing</td>
<td>$58,000</td>
<td>$215,651</td>
<td>$273,651</td>
</tr>
<tr>
<td>Tina Gall</td>
<td>Planning and staffing</td>
<td>$14,000</td>
<td>$10,000</td>
<td>$24,000</td>
</tr>
<tr>
<td>JLee Engineering, Inc.</td>
<td>Plan check and staffing</td>
<td>$140,000</td>
<td>$144,422</td>
<td>$284,422</td>
</tr>
<tr>
<td>Hayer Consultants, Inc.</td>
<td>Inspection staffing</td>
<td>$25,000</td>
<td>$50,000</td>
<td>$75,000</td>
</tr>
<tr>
<td>TOTAL (for the above consultants)</td>
<td></td>
<td>$237,000 (current total amount of contracts)</td>
<td>$420,073 (total amount of recommended increases)</td>
<td>$657,073 (total amount of contracts including recommended increases)</td>
</tr>
</tbody>
</table>
RECOMMENDATION
Accordingly, staff recommends the City Council authorize the transfer of funds from the “employee salaries and benefits” budget category to “professional/technical service charges” budget category, in order to temporarily retain the services of additional professional/technical consultants in the Planning and Building Safety Divisions, until the vacant positions can be filled. This reallocation of funds will reduce the funds budgeted for employee salaries and benefits from $900,900 to $675,249 for the Planning Division and from $1,045,100 to $850,678 for the Building Division for Fiscal Year 2015/16, while increasing the funds budgeted for professional/technical services charges for each Division by the corresponding amounts.

Additionally, staff recommends that the City Council authorize the City Manager to amend the existing agreements with the following consultants to increase the total contract amounts by the amount of $420,073. This will cause the total amount of all the above contracts (i.e., existing, approved contracts plus the recommended increases) to be $ 657,073.

While professional service agreements typically go through a request for proposal process, given the immediate need to fill multiple positions in the Planning and Building Safety Department, staff recommends that the City Council waive the request for proposal process. If approved by the City Council, staff will prepare amendments with the above-referenced consultants, in a form approved by the City Attorney. If approved, all of the amendments would take effect on or about March 1, 2016.
EL SEGUNDO CITY COUNCIL
AGENDA STATEMENT

MEETING DATE: March 1, 2016
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:

Consideration and possible action to authorize an amendment with Chevron USA, Inc. granting a 10-year extension for Ordinance No. 1396 to maintain oil pipeline in the public right-of-way in the western area of El Segundo. (Fiscal Impact: annual revenue of approximately $3,700.00)

RECOMMENDED COUNCIL ACTION:

1. Authorize the City Manager to approve an amendment, in a form approved by the City Attorney, with Chevron USA, Inc. to extend the terms of Ordinance No. 1396 for an additional 10 years to maintain oil pipelines in the public right-of-way in the western area of El Segundo.

2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Ordinance 1396

FISCAL IMPACT: Included in Adopted Budget

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$3,700 approximate annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>N/A</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Stephanie Katsouleas, Public Works Director

REVIEWED BY: Stephanie Katsouleas, Public Works Director

APPROVED BY: Greg Carpenter, City Manager

BACKGROUND AND DISCUSSION:

Ordinance No. 1396, which was adopted following a public hearing process held on June 20, 2006, granted Chevron USA, Inc. a franchise agreement to maintain oil pipelines within the public right-of-way for a duration of 10 years. The ordinance also provides for a 10-year extension of the ordinance if requested by Chevron and approved by City Council. Chevron has formally requested to extend the terms of Ordinance No. 1396 prior to its expiration this coming June, with no other modifications to the document’s language. A copy of the original ordinance, along with relevant exhibits, is attached to this staff report. It is worth noting that Chevron pays the City an annual franchise fee for the right to install and use the oil pipeline. The annual franchise payment is calculated on the 2006 base amount with an annual escalation in accordance with Section 62315 of the Franchise Act of 1937, which is based on the Consumer Price Index for the Los Angeles-Anaheim-Riverside area. In 2006, the annual payment was $3,236. It has escalated to $3,730 as of 2015.

Therefore, staff recommends that City Council approve an amendment, in a form approved by the City Attorney, granting a 10-year extension to Ordinance No. 1396 to Chevron USA, Inc. for installing and maintaining oil pipelines in the El Segundo public right-of-way.
ORDINANCE NO. 1396

AN ORDINANCE GRANTING TO CHEVRON USA, INC. AN OIL PIPELINE FRANCHISE WITHIN THE CITY OF EL SEGUNDO.

The city council of the city of El Segundo does ordain as follows

SECTION 1. The City Council finds and determines as follows

A The city of El Segundo ("City") received an application from Chevron U.S.A. Inc. ("Chevron") for a franchise to lay and use pipes and appurtenances for transmitting and distributing oil or products thereof (as defined below), for any and all purposes in, under, along, across or upon the public streets, ways, alleys and places within the city of El Segundo

B Chevron had a 10-year oil pipeline franchise agreement with the City which expired on May 12, 2005, but which franchise agreement Chevron maintained in a holdover status by annually submitting payment of franchise fees calculated pursuant to the terms of such franchise agreement and the City's acceptance thereof. Chevron seeks to be granted by the City a new franchise agreement for ten (10) years, for the same pipelines

C In accordance with state law, the City Council, at a regular meeting held on May 16, 2006 declared its intention to grant said franchise agreement to Chevron by adopting Resolution No. 4465

D The City Council also conducted a duly noticed public hearing on June 20, 2006, and after considering all oral and written testimony at said hearing, approved the granting of this franchise agreement to Chevron in accordance with the terms and conditions of this Ordinance

SECTION 2. Definitions. Unless the contrary is stated or clearly appears from the context, the following definitions will govern the construction of the words and phrases used in this chapter

A "City" or "Grantor" means the city of El Segundo, a general law city and municipal corporation of the State of California, in its present incorporated form or in any later reorganized, consolidated, enlarged or reincorporated form

B "Director" means the Director of Public Works of the City

C "Engineer" means the City Engineer of the City, or designee
"Facilities" means "Pipes and Appurtenances" as defined below.

"Franchise" means this Ordinance, including its terms and conditions, and includes the authorization by the City to transmit and distribute oil or petroleum products for any and all purposes under, along, across or upon the public streets, ways, alleys and places in the City by means of pipes and appurtenances.

"Grantee" means Chevron U.S.A. Inc. a Pennsylvania corporation and its lawful successors or assigns.

"Hazardous Materials" means any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, local law or regulation or which, even if not so regulated, may or could pose a hazard to public health and safety, including, without limitation, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the California Solid Waste Management, Resource Recovery and Recycling Act (Gov't Code §§ 66700 et seq); the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq), California Health & Safety Code §§ 25117 or 25316, including the regulations promulgated thereto (see 22 Cal. Code of Regs. § 662613), any substances or mixture regulated under the Toxic Substance Control Act of 1976 (15 U.S.C. §§ 2601 et seq), any "toxic pollutant" under the Clean Water Act (33 U.S.C. §§ 1251 et seq), and any hazardous air pollutant under the Clean Air Act (42 U.S.C. §§ 7401 et seq).

"Lay and use" means to lay, construct, erect, install, operate, maintain, use, repair, replace, or remove.

"Oil or petroleum products" means oil, gas, gasoline, petroleum, wet gas, hydrocarbon substances, nitrogen and other industrial gases, water, waste water, mud, steam and other liquid substances not more hazardous than the aforesaid substances.

"Pipes and appurtenances" means pipes, pipelines, manholes, valves, appurtenances and service connections necessary or convenient for the operation of said pipes or pipelines, including conduits, cathodic protection devices, wires, cables, other appurtenances and fiber optic communications systems necessary or convenient for the exercise of the Grantee's business in, upon, along, across, under or over those streets of.
the City which are described in the attached Exhibit “A” which is incorporated by reference.

K. "ESMC" means the El Segundo Municipal Code, as amended.

L. “Streets” means the public streets, ways, alleys and places within the City as the same now or may hereafter exist, and in which the City has the authority to grant a Franchise.

SECTION 3: Granting clause/Rights to Grantee; Term of Franchise

A. Pursuant to, and subject to, the Franchise Act of 1937 (California Public Utilities Code §§ 6201-6302, "Act"), City grants to Grantee a franchise to use, or to lay and use pipes and appurtenances for transmitting and distributing oil or petroleum products for any and all purposes, under, along, across or upon the public streets within the City as described in Exhibit "A" and identified on the maps attached as Exhibit "B" and incorporated by reference.

B. As part of this Franchise, Grantee may install, operate, maintain, replace, repair, abandon in place and/or remove such scraper traps, manholes, flanges, conduits, culverts, vaults, valves, appliances, cathodic protection systems, attachments and other appurtenances (collectively, "appurtenances") as may be necessary or convenient for the proper maintenance and operation of the pipelines under this franchise, provided, however, that Grantee must first secure the requisite permits and/or approvals from City for construction or excavation.

C. This Franchise is granted in lieu of all other franchises for pipelines held by the Grantee, or by any predecessor of the Grantee, for transmitting and distributing oil or petroleum products within the City's present or future jurisdictional limits. Acceptance of this franchise constitutes Grantee's abandonment of all such franchises within the City's present or future jurisdictional limits in lieu of which this franchise is granted, and as Grantee's agreement to comply with all of the Franchise's terms and conditions.

D. This Franchise has a term of ten (10) years from and after the effective date of this Ordinance ("initial term"), unless the following occurs.

1. Grantee voluntarily surrenders or abandons the Franchise, or

2. The property affected by this Franchise is purchased, condemned, or otherwise taken by a public entity rendering the Franchise useless, or
3 The Grantee forfeits the Franchise by violating its terms and
conditions or that of the Act

E Grantee has an option to extend this Franchise for an additional ten (10)
year period of time before the end of the initial term of this Franchise,
upon the City's written approval, which approval will not be unreasonably
withheld or conditioned. The parties must commence good faith
negotiations on such extension upon notification from Grantee to the City
of its election to renew this Franchise, which notice must be given not later
than twelve (12) months before the initial term expires

SECTION 4: Compensation In consideration of City's granting this Franchise, in
addition to complying with the Franchise's terms and conditions, Grantee must pay to
the City the following

A Base Annual Fee

1 During the term of this Franchise, Grantee agrees to pay the City a
base annual fee for this Franchise as set forth in § 6231 5 of the
Act. The base fee is subject to increase to the maximum rate
established in subsequent amendments of the Act. The Franchise
fee will be prorated for the remainder of the calendar year based on
a 360-day year, with the first payment of the Franchise fee accruing
from May 13, 2005

2 Should Grantee partially abandon pipelines or should Grantee
partially remove such pipelines payments otherwise due the City for
occupancy of the streets by such pipelines will be reduced by the
length and diameter of pipeline abandoned or the actual pipeline
removed, beginning with the first day of the next succeeding
Franchise year, and for each subsequent franchise year. The base
rate, however, will be modified to reflect the increase (as provided
below) applicable to such abandoned or removed pipeline at the
beginning of the next succeeding Franchise year following
abandonment or removal

3 The base annual fee is due and payable annually on January 2,
during the term of the Franchise for the preceding annual period,
without demand and upon filing of the report required by this
Section. Any fees or expenses charged to Grantee by City pursuant
to this Section, or any other provision of this Franchise, unless
disputed in good faith, must be paid when due or are deemed
delinquent. Any undisputed delinquent amounts will accrue interest
commencing thirty (30) days after the due date, at the rate of one
and one-half percent (1.5%) per month (based upon a 30-day
calendar month) or any lesser amount if required by law. Any
neglect, omission or refusal by Grantee to pay any undisputed delinquent fee with any late charges, within thirty (30) days of written demand for payment is grounds for the City to declare the Franchise forfeited

4 Payments must be made to the Office of Treasurer, City of El Segundo, or at such place as the City may, from time to time, designate in writing. The base annual fee must be paid annually during the term of the Franchise, including the year of granting the Franchise.

B Annual Increase

1 The amount of each annual payment of the base annual fee is subject to an increase after the first year of the Franchise and each subsequent year during the term of this Franchise, based on § 6231.5 of the Act, as amended.

2 The increase is based on the Consumer Price Index (CPI), All Urban Consumers, for the Los Angeles-Anaheim-Riverside area (1982-84 = 100), as published by the United States Bureau of Labor Statistics, Department of Labor, for the month of September immediately preceding the month in which payment is due and payable, divided by the Consumer Price Index, All Urban Consumers, for the Los Angeles-Anaheim-Riverside area, for June 30, 1989, which equals 100. (Note: This was revised to reflect what is in the Cal. Public Utilities Code Section 6231.5.) If the Index is discontinued or revised during the term of this Franchise, such other governmental price index or computation with which it is replaced chosen by the City will be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

3 The City will determine the adjustment in CPI and will provide the Grantee with the correct schedule before December 1 preceding the month of January in which payment is due and payable.

C Reports Required

1 The Grantee must file with the City Clerk and City’s Finance Director, on or before January 2nd after the expiration of the calendar year, or fractional calendar year, following the date of the granting of this Franchise and on or before January 2nd. (Note: These revisions were made to reflect the requirements set forth in Section 4(A)(3)) after the expiration of each calendar year thereafter, two copies of a report duly verified by the oath of the
Grantee or by the oath of a duly authorized representative of the Grantee, showing for the immediately preceding franchise period

(a) The length of pipelines in lineal feet covered by this Franchise,

(b) The nominal internal diameter of such pipelines expressed in inches,

(c) The rate per foot per year, and

(d) The total amount due the City

SECTION 5 Rights of the City.

A This Franchise does not impair or affect any right of the City to acquire the property of the Grantee, either by purchase or through the exercise of the right of eminent domain, subject to Grantee's rights, remedies and defenses, and nothing in this Franchise may be construed to contract away, or to modify or to abridge, either for a term or in perpetuity, the City's right of eminent domain in respect to the Grantee, nor will this Franchise be given any value before any court or other public authority in any proceeding of any character in excess of the necessary publication costs and any other sums paid by Grantee to the City at the time this Franchise was acquired

B In connection with any change in grade, alignment or width of any public street, way, alley or place ("the Streets"), or the construction of any subway or viaduct, or any other street improvement of any kind by the City, where Grantee's rights to occupy the Streets do not supersede the City's rights, Grantee must, at the City's direction and at Grantee's sole cost and expense, comply with all of the following provisions, as applicable

1 Within ninety (90) days after Grantee receives written notice from the City that work is to be done pursuant to any reserved right and specifying the general nature of the work and the area in which the same is to be performed, the Grantee must commence to do all things necessary to protect and support its franchise property during the progress of such work. If so ordered by the City, Grantee must relocate those pipes and appurtenances installed, used and maintained within the street to such extent, in such manner, and for such period as is necessary to permit the performance of such work in an economical manner, and to permit the maintenance, operation and use of such street improvement
2 Grantee must pay to the City the full amount of any increase in cost for the construction, installation or repair of any bridge, or any artificial support in or underlying any street in which any pipes or appurtenances of the Grantee are located, if such increase in cost is required in order to provide for the installation, maintenance or operation of Grantee’s pipes or appurtenances in or on the street area which the bridge or other artificial support covers or underlies.

3 Grantee must cooperate with the City to take all actions reasonably necessary in order to accomplish the completion of any City street improvement project within a reasonable period of time. After Grantee receives written notice from the City that work is to be done, the Grantee must diligently prosecute such work to completion.

4 In the decision process necessary to determine if Grantee’s pipelines and/or appurtenances are required to be relocated, the City will also consider all known future projects that, if done separately, may cause multiple relocation of the pipelines and/or appurtenances. If such known future projects can be identified, full consideration of concurrent projects will be given by City. If the City requires the relocation within the public street, way, alley or place more than once within a period of ten (10) years, the City will pay the cost of the second and all subsequent relocations within such ten (10) year period.

5 In the event that the City changes the planned rearrangement of pipelines, or the notice given to Grantee, the Grantee will be given an additional period of not less than sixty (60) days to accomplish such work. When Grantee’s rights to occupy the Streets predate or supersede the City’s rights, such relocations will be performed by Grantee as set forth above with the costs reimbursed to Grantee by City.

6 Except as otherwise provided above, when City requires a rearrangement of Grantee’s facilities and such rearrangement is done for the accommodation of any person, firm, corporation or public agency other than the City, the cost of such rearrangement will be borne by the accommodated party. Such accommodated party, in advance of such rearrangement, must (a) deposit with the Grantee either cash or a corporate surety bond in an amount, as in the reasonable discretion of the Grantee, to pay the costs of such rearrangement, and (b) execute an instrument agreeing to indemnify, defend and hold harmless Grantee from any and all damages or claims caused by such rearrangement. This provision will not be construed to require Grantee to rearrange its facilities.
Any accommodation for rearrangement of Grantee’s facilities will be made at the Grantee’s sole discretion.

7 Nothing in this Agreement may be construed to require the City to move, alter, or relocate any of its pipelines upon public streets at its own expense, for the convenience, accommodation or necessity of any other public utility, person, firm or corporation, now or hereafter owning a public utility system of any type or nature, or to move, alter, or relocate any part of its pipelines upon said streets for the convenience, accommodation or necessity of the Grantee.

SECTION 6. Other obligations of Grantee; Indemnification. The Grantee must comply with all of the following provisions:

A Within sixty (60) days after the City Council adopts this Ordinance, Grantee must file with the Director improvement plans relating to all of Grantee’s facilities located within the City, and a map or maps showing the location, length and size of all such facilities which have been installed, relocated, removed or abandoned by Grantee.

B Within six (6) months after the installation of any new pipelines under this franchise, Grantee must file with the Director an “as built” map or maps showing the approximate location, length and size of all of Grantee’s pipelines so installed.

C Grantee must construct, install and maintain all pipes and appurtenances in a good and workmanlike manner, and of good materials, and operate in conformity with all applicable federal, state, and local laws including, without limitation, the El Segundo Municipal Code (ESMC). In case of public utilities subject to the jurisdiction of the Public Utilities Commission of the State of California, the rules, regulations and orders of the Public Utilities Commission will govern whenever any conflict may exist between them and the applicable ordinances, codes, rules and regulations adopted or prescribed by the City. To the extent required by applicable law, the Grantee must obtain and maintain a permit from the City of El Segundo Fire Department to construct, install, use, operate, repair or modify a pipeline for the transportation of flammable or combustible liquids.

D Grantee must pay the City, on demand, the cost of all repairs to public property made necessary by any operations of the Grantee under this Franchise, provided Grantee fails to make such repairs after notice and reasonable opportunity to complete such repairs.

E Grantee agrees to indemnify, defend and hold harmless the City, its elected and appointed officials, officers, and employees, from and against any and all claims, losses, liabilities, damages to persons or property,
demands, actions, judgments, causes of action, assessments, penalties, costs and expenses (including, without limitation, reasonable fees of legal counsel, expert witnesses and accountants) arising out of or resulting from Grantee’s operations under this franchise, except to the extent caused by City’s sole active negligence, and for all damages proximately resulting from the failure of Grantee to faithfully observe and perform each and every provision of this franchise and of the Act. Grantee is solely responsible for complying with all laws, regulations, and other orders which are applicable to the installation, repair, relocation or removal of its facilities, whether federal, state or local. City’s approval of such installation, repair, relocation or removal will not relieve Grantee of any liability. Grantee may have for contaminated soils or other environmental liability attributable to or arising from Grantee’s pipes, appurtenances and other facilities. Any fee paid by Grantee pursuant to this Agreement will in no way limit Grantee’s obligation to compensate City for any damage, claim, expense or loss whatsoever, as set forth in this paragraph.

F. In addition, Grantee indemnifies and holds the City harmless from and against any claim, action, damages, costs (including, without limitation, reasonable attorney’s fees and penalties), injuries, or liability, arising out of this Agreement, or its performance including, without limitation, damages or penalties arising from Grantee’s removal, remediation, response or other plan concerning any Hazardous Materials resulting in the release of any hazardous substance into the environment. Should the City be named in any suit, or should any claim be brought against it by suit or otherwise, whether the same be groundless or not, arising out of this Agreement, or its performance, Grantee will defend the City (at the City’s request and with counsel satisfactory to the City) and will indemnify the City for any judgment rendered against it or any sums paid out in settlement or otherwise.

1. The foregoing indemnity is intended to operate as an agreement pursuant to 42 USC § 9607(e) (the Comprehensive Environmental Response, Compensation and Liability Act; "CERCLA") and Health & Safety Code § 25364 to defend, protect, hold harmless, and indemnify the City from all forms of liability under CERCLA, or other applicable law, for any and all matters addressed in this Franchise.

G. In no event will Grantee’s indemnity obligation under this Franchise include indemnification for the City’s gross negligence or willful misconduct.

SECTION 7: INSURANCE

A. Before commencing performance under this Franchise, and at all other times this Agreement is effective, Grantee must procure and maintain the following types of insurance with coverage limits complying, at a minimum,
with the limits set forth below

<table>
<thead>
<tr>
<th>Type of Insurance</th>
<th>Limits (combined single)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial general liability</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Workers compensation</td>
<td>Statutory requirement</td>
</tr>
</tbody>
</table>

B Commercial general liability insurance must meet or exceed the requirements of ISO-CGL Form No CG 00 01 11 85 or 88. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name the City, its officials, and employees as “additional insureds” under said insurance coverage and to state that such insurance will be deemed “primary” such that any other insurance that may be carried by CITY will be excess thereto. Such insurance must be on an “occurrence,” not a “claims made,” basis and will not be cancelable or subject to reduction except upon thirty (30) days prior written notice to the City.

C Grantee will furnish to the City duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement, endorsements as required herein, and such other evidence of insurance or copies of policies as may be reasonably required by the City from time to time. Insurance must be placed with admitted insurers with a current A.M. Best Company Rating equivalent to at least a Rating of “A.VII.” Certificate(s) must reflect that the insurer will provide thirty (30) day notice of any cancellation of coverage. Grantee will require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word “endeavor” with regard to any notice provisions.

D Should Grantee, for any reason, fail to obtain and maintain the insurance required by this Agreement, the City may obtain such coverage at Grantee’s expense or terminate this Franchise.

E Grantee must deliver to City, in the manner provided for notices, copies or endorsements of all insurance certificates and endorsements required by this Ordinance, within the following time limits:

1. For insurance required at commencement of this Ordinance, within thirty (30) days after this Ordinance becomes effective;

2. For insurance becoming required at a later date, at least ten (10) days before the requirement becomes effective, or as soon thereafter the requirement, if new, becomes effective, and...
For any renewal or replacement of a policy already in existence, at least twenty (20) days after expiration or other termination of the existing policy

B Notwithstanding anything to the contrary, Grantee may provide a program of self-insurance provided it can demonstrate that it had a net worth of $10,000,000.00 within the preceding year. The City, at its sole discretion, may allow Grantee to self-insure provided the self-insurance program complies with the provisions and specified limits contained herein, and is approved by the City Manager and City Attorney. If such approval for self-insurance is granted, the City will be precluded from exercising the remedies afforded to it pursuant to subsection D of this Section 7.

SECTION 8 PRESENCE OF HAZARDOUS MATERIALS: Except as otherwise provided below, Grantee may not or permit any Hazardous Materials to be discharged or released in, under, or about the streets or adjacent properties at any time. Grantee must, at its expense, procure, maintain in effect and comply with all conditions of any and all applicable permits, licenses, and other governmental and regulatory approvals required of Grantee for Grantee’s use of the streets or adjacent properties. Upon expiration or earlier termination of the franchise term, Grantee must cause all Hazardous Materials released by Grantee in or under the Streets or adjacent properties, if any, to be removed from the streets or adjacent properties in accordance with and in compliance with all applicable laws. Grantee may not take any remedial action in response to the presence of any Hazardous Materials in or about the streets or adjacent properties, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Materials in any way connected with the streets or adjacent properties, without first notifying City of Grantee’s intention to do so and affording City ample opportunity to appear, intervene or otherwise appropriately assess and protect City’s interests.

SECTION 9 NOTICE TO GRANTOR Grantee must immediately notify City in writing of (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any applicable laws relative to the streets or adjacent properties, (ii) any claim made or threatened by any person against Grantee or the streets or adjacent properties relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials, and (iii) any reports made to any governmental agency arising out of or in connection with any Hazardous Materials in or removed from the streets or adjacent properties, including any complaints, warnings or asserted violations in connection therewith. Grantee must also supply to City as promptly as possible copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the streets or adjacent properties, or Grantee’s use of the streets. Grantee must promptly deliver to City copies of manifests reflecting the legal and proper disposal of all Hazardous Materials removed by the Grantee from the streets or adjacent properties.
SECTION 10  Assignability  Grantee may sell, transfer or assign this Franchise or any interest therein directly or indirectly, or any of the rights or privileges hereby granted, with the City’s prior written consent, which will not be unreasonably withheld. Notwithstanding the above statement, Grantee may transfer or assign this Franchise to any parent, subsidiary or affiliate without obtaining the consent of City, provided Grantee provides written notification within thirty (30) days of said transfer or assignment and submits written evidence of the same, including a certification executed by a duly authorized officer of the Grantee. Upon compliance with the foregoing, this Franchise will be binding on the successors and assigns of the parties hereto, and inure to the benefit of the successors and assigns of the parties hereto.

SECTION 11:  Excavations.

A  Grantee must obtain an excavation permit in accordance with the ESMC, and pay the applicable fee therefor, before commencing any excavation in any street or public right of way, or before disturbing the earth beneath the surface of the street, except in the case of an emergency. Before any excavation permit is issued for the construction or installation of a pipeline for the transmission of flammable or combustible liquids, gases or hazardous materials, Grantee must obtain the applicable permits from the City. If the proposed location of the excavation does not, or will not, unreasonably interfere with the use of the streets by the City or if Grantee holds rights to occupy the area of the Streets which supersedes the City’s rights, and Grantee complies with all applicable laws, the Public Works Director will issue the appropriate permit(s).

B  Where it is necessary to lay any underground pipes through, under or across any portion of a paved or macadamized street, such work, where deemed by Grantee in its sole discretion to be a safe method of installation, as well as practicable and economically feasible, may be done by a tunnel or bore so as not to disturb the foundation of such paved or macadamized street. If the same cannot be done, or if it is necessary to cut the street in order to access existing pipes and appurtenances, such work will be done pursuant to an excavation permit.

C  All work is subject to the City’s inspection. All street coverings or openings, valves, vaults and manholes must at all times be kept flush with the surface of the streets, provided, however, that vents for underground vaults and manholes as well as cathodic protection devices, including pole-mounted rectifiers may, subject to the City’s prior approval, extend above the surface of the streets when such vents and cathodic protection devices, including pole-mounted rectifiers, are located in parkways, between the curb and the property line. The Grantee must provide adequate traffic safety barriers, signs, devices and traffic safety warning equipment in accordance with the ESMC and comply with such additional

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safety measures as the City may direct

D In emergencies, Grantee may commence excavation of streets without prior permit; provided, however, Grantee acts in a reasonable and diligent manner as soon as practicable after the onset of said emergency to obtain a permit authorizing such work

E Grantee acknowledges that the City's records may not be complete and that pipes and appurtenances previously unknown to City are frequently discovered Consequently, by granting this franchise or by approving any excavation permit requested by Grantee, the City does not warrant the accuracy of information supplied to the Grantee by the City regarding the location or existence of other facilities Nothing herein will make the City, or any officer, agent or employee of the City, responsible or liable to the Grantee or to any other person by virtue of the City's approval of excavation permit plans, regardless of whether any information is supplied by the City to the Grantee pertaining to the location of existing pipes, facilities or other improvements on, in or under any street or other public property

SECTION 12: Grantee's Emergency Response Plan; Pipeline Accidents

A The Grantee must develop and maintain an emergency response plan, reasonably satisfactory to the City, which covers all franchise operations within the City In general, an emergency response plan meeting the requirements of Federal and State law and containing the information contained in this section is acceptable The emergency response plan must include a 24-hour notification program and proof of arrangements capable of providing emergency response services, including without limitation to traffic control, street excavation pipeline repair, and supplies and services as necessary, within two (2) hours of notification of any problem, and such other information as the City may reasonably require Repairs to a public street, alley or parkway must be completed within 72 hours of Grantee completing repairs to its facilities and clean up of any materials released from its facilities, if reasonably possible, unless otherwise authorized by the City The City must be notified ten (10) days in advance of any proposed change in such arrangements Any changes in or revisions to Grantee's emergency response plan must be submitted to the City on the first working day of the subsequent calendar year

B Whenever any pipeline or appurtenance breaks or leaks so as to cause the release of oil or petroleum products into or under the public right-of-way, Grantee, and any other person using or controlling the pipeline or appurtenance, must immediately notify the City's Police Department and Public Works Department and implement precautionary safety measures including traffic control, system shutdown, valve closures, and public
notification In the event of an emergency which threatens life, health, safety, or property, and where it is not possible to obtain an excavation permit before commencing the work, the Grantee may commence such work; provided, however, that within seventy-two (72) hours thereafter the Grantee must apply for an excavation permit Adequate traffic safety barriers must be maintained at all times, and any damaged portion of the street must be restored to at least the condition that existed immediately before the damage.

C If any portion of any City street is damaged by reason of defects, breaks or leaks in any of the pipes and appurtenances maintained or constructed by Grantee, or by reason of any other cause attributable to or arising from the operation of any pipes and appurtenances constructed or maintained by Grantee, the Grantee must, at its sole cost and expense, immediately repair all damage and restore the street to the condition existing before such damage occurred. All such work must be done under the City’s direction, and to the City’s reasonable satisfaction. Grantee must repair such damage and restore the street within three (3) working days after receiving a written demand from the City or such other reasonable period as the Director may authorize when required for the protection of the public health and safety.

D Should Grantee, after reasonable notice, fail or refuse to pave, surface, grade, repave, resurface or regrade any damaged street as required by the provisions of this franchise, the City may cause the work to be done after written notice is given to Grantee and will keep an itemized account of all costs incurred. The Grantee agrees to, and must, reimburse the City for all such costs, including reasonable administrative overhead expenses, within thirty (30) days after presentation to Grantee of an itemized account of such costs.

SECTION 13: Abandonment Should Grantee abandon all or any part of the pipes and appurtenances which encompass this Franchise, such abandonment must be accomplished by Grantee as required by the State of California Pipeline Safety Act, or other governing State or Federal laws or statutes. Grantee will not owe the City any compensation for the privilege of said abandonment. The ownership of all franchised property so abandoned in place, immediately vest in the City except that Grantee will retain all liability for the installation or construction of those facilities, and any liability for Hazardous Materials, as those liabilities exist as of the date of the Abandonment.

SECTION 14: Default.

A Effect of Default Should Grantee default in the performance of any of the terms, covenants and conditions herein, and such default is curable, the City may give written notice to Grantee of such default. Should Grantee not commence the work necessary to cure such default within sixty (60)
days after such notice is received by Grantee, or prosecute such work
diligently to completion, the City may declare this Franchise forfeited
Upon giving written notice of forfeiture to Grantee, this Franchise will
terminate and Grantee’s rights will terminate. Should the Franchise be
forfeited, Grantee must execute an instrument of surrender and deliver
same to City. In the event of noncompliance by the Grantee with any of
these conditions, the City may, in addition to all other remedies, bring suit
for the forfeiture or termination of this Franchise.

B  Force Majeure  Should Grantee's performance of this Franchise be
prevented due to fire, flood, explosion, war, embargo, government action,
civil or military authority, the natural elements, or other similar causes
beyond Grantee’s control, then Grantee will not be deemed to be in
default or forfeit its Franchise rights if it commences and prosecutes
performance with all due diligence and promptness upon being able to do
so.

C  Cumulative Remedies  No provision of this Franchise for enforcing the
terms and conditions of this Franchise is an exclusive remedy or
procedure for enforcement. These remedies and procedures are in
addition to those provided by law and are cumulative.

SECTION 15  Dispute Resolution. If a dispute arises between the parties
relating to this Franchise, the parties agree to use the following procedure before either
party pursuing other available legal remedies, except when doing so would cause the
expiration of an applicable statute of limitations. A meeting will be held promptly
between the parties, attended by individuals with decision-making authority regarding
the dispute, to attempt in good faith to negotiate a resolution of the dispute. If, within
thirty (30) days after such meeting the parties have not succeeded in negotiating a
resolution of the dispute, they agree to submit the dispute to mediation. City and
Grantee will equally advance a proportionate share of the costs of mediation. The
parties will jointly appoint a mutually acceptable mediator within thirty (30) days from the
conclusion of the negotiation period. The parties agree to participate in good faith in the
mediation and related negotiations for a period of sixty (60) days. Any decision of the
mediator must be supported by written findings of facts and conclusions of law. If the
parties are not successful in resolving the dispute through the mediation, the matter
may be submitted to a court of law.

SECTION 16:  Notice.

Any notice required to be given under the terms of this Franchise, the manner of
services of which is not specifically provided for here, may be served to the
following identified addresses, or to such other address as may from time to time
be furnished in writing by one party to the other, and by depositing said notice in
the United States mail, postage prepaid. When the services of any such notice is
made by mail, the time such notice will begin with and run from, is the date of deposit of the same in the United States mail

Upon City
City of El Segundo
Public Works Department
Attn. Director of Public Works
350 Main Street
El Segundo, CA

Upon Grantee
Chevron U S A Inc
c/o Chevron Pipe Line Company
16301 Trojan Way
La Mirada, CA 90638
Fax (714) 228-1524
Attn: Team Leader

SECTION 17. **Grantee’s Acceptance of Franchise.** Except as otherwise stated herein, Grantee must within thirty (30) days after this Franchise is adopted, file with the officers of the City designated herein the following instruments or documents:

A. File with the City Clerk Grantee’s written acceptance of the terms and conditions of this ordinance.

B. File with the City Clerk certified copies of the policies of liability insurance and workers’ compensation insurance, or, in lieu thereof, certificates evidencing such insurance, which policies must be in accordance with the terms and conditions of this ordinance. Notwithstanding anything to the contrary, Grantee may provide a program of self-insurance provided it can demonstrate that it had a net worth of $10 million within the preceding year. The City, at its sole discretion, may allow Grantee to self-insure provided the self-insurance program complies with the provision and specified limits contained herein, and is approved by the City Administrator and City Attorney.

C. File with the City Clerk, within ten (10) business days after the City Council adopts and passes the ordinance granting this franchise and thereafter at all times during the life of the Franchise keep on file with the City Clerk, a bond issued by an admitted surety insurer, and in a form approved by the City Attorney, in the penal sum of One Hundred Thousand Dollars ($100,000), conditioned that the Grantee will well and truly observe, fulfill, and perform each condition of the Franchise and that in case of any breach of condition of the bond, the whole amount of the penal sum
therein specified will be recoverable from the principal and surety upon
said bond. If said bond is not filed, or if it does not receive the approval of
the City Attorney, the Franchise may be revoked or forfeited and any
money paid to the City in connection therewith will be retained by the City

SECTION 18. Reimbursement for City's posting and publication expenses.
The Grantee will pay the City a sum of money sufficient to reimburse the City for all
posting and publication expenses incurred in connection with the granting of this
Franchise. Such payment must be made by Grantee within thirty (30) days after the City
provides to the Grantee a written statement of such expenses.

SECTION 19. Venue. The Parties agree that all actions or proceedings arising in
connection with the ordinance will be tried and litigated in the State courts located in the
County of Los Angeles, State of California. The Parties intend that this choice of venue
be mandatory and not permissive in nature, thereby precluding the possibility of
litigation between the parties with respect to or arising out of this Ordinance in any
jurisdiction other than that specified in this Section. Each party waives any right it may
have to assert the doctrine of forum non conveniens or similar doctrine or to object to
venue with respect to any proceeding brought in accordance with this Section, and
stipulates that the State courts located in the County of Los Angeles, State of California
have in person jurisdiction and venue over each of them for the purpose of litigating any
dispute, controversy, or proceeding arising out of or related to this Agreement.

SECTION 20. No Waiver. Grantee is not excused from complying with any of the
terms and conditions of this Ordinance by any failure of the City upon any one (1) or
more occasions to insist upon or to seek compliance with any such terms or conditions.
No City waiver of any provision or consent to any action constitutes a waiver of any
other provision or consent to any other action, whether or not similar. No waiver or
consent constitutes a continuing waiver or consent or commit a party to provide a
waiver in the future except to the extent specifically set forth in writing. Any waiver
given by a party will be null and void if the party requesting such waiver has not
provided full and complete disclosure of all material facts relevant to the waiver
requested.

SECTION 21. Binding Effect. Each and all of the provisions hereof are binding
on and inure to the benefit of the Parties and their respective heirs, successors, and
permitted transferees and assigns.

SECTION 22. Amendment. No amendment, modification, or supplement to this
ordinance is binding on any of the parties unless it is in writing, signed by the parties,
and approved through legislative action.

SECTION 23. Entire Agreement. This ordinance constitutes the entire
agreement between the parties with regard to this subject matter. This ordinance
supersedes all previous agreements between or among the parties. There are no
agreements, representations, or warranties between or among the parties other than
those set forth in this Agreement or the documents and agreements referred to in this agreement

SECTION 24: Construction. Each party has been represented by counsel in the negotiation and execution of this ordinance. The terms of this ordinance were negotiated by the Parties and the language used in this Franchise is deemed to be the language chosen by the Parties to express their mutual intent. This Franchise will be construed without regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted, or in favor of the party receiving a particular benefit under this Agreement. No rule or strict construction will be applied against any Person.


A  Captions. The captions here are for convenience and reference only, and are not part of this Franchise, and do not in any way limit, define or amplify the terms and provisions hereof.

B  Governing Law. This Franchise has been made and will be construed and interpreted in accordance with the laws of the State of California.

C  Execution. The Mayor of the City will approve and sign and the City Clerk will attest to the passage of this Ordinance. This Ordinance will take effect thirty (30) days from the date of its adoption. Once this Ordinance becomes effective, it will be deemed to be applicable as of May 13, 2005.

SECTION 26. Repeal of any provision of the El Segundo Municipal Code 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 of prosecuting violations occurring before the effective date of this Ordinance.

SECTION 27. Severability. 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 28. 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 29. This Ordinance becomes effective thirty (30) days after adoption.
PASSED AND ADOPTED this 18th day of July, 2006

Kelly McDowell, Mayor

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

By
Karl H. Berger, Assistant City Attorney

CERTIFICATION

STATE OF CALIFORNIA  )  SS
COUNTY OF LOS ANGELES  )  SS
CITY OF EL SEGUNDO  )

I, Cindy Mortesen, City Clerk of the City of El Segundo, California, DO HEREBY CERTIFY that the whole number of members of the City Council of the said City is five, that the foregoing resolution, being ' ORDINANCE NO 1396 was duly passed and adopted by the said City Council, approved and signed by the Mayor of said City, and attested by the City Clerk of said City, all at a regular meeting of the said Council held on the 18th day of July, 2006, and the same was so passed and adopted by the following vote:

AYES.               McDowell, Busch, Boulgarides, Fisher, Jacobson
NOES                NONE
ABSENT              NONE
ABSTENTION          NONE
NOT PARTICIPATING   NONE

WITNESS MY HAND THE OFFICIAL SEAL OF SAID CITY this 18th day of
July, 2006

Cindy Mortesen, City Clerk
Of the City of El Segundo,
California
(SEAL)
Location of pipeline in the City particularly described as follows:

BEGINNING at a point in the South line of El Segundo Boulevard 20.00 feet easterly of the center line of Whiting Street; THENCE northerly across El Segundo Boulevard to a point 7.00 feet South of the center line of El Segundo Boulevard; THENCE easterly parallel to the center line of El Segundo Boulevard to a point 12.50 feet westerly of the center line of Virginia Street; THENCE northerly parallel to the center line of Virginia Street and its extension to a point in Imperial Avenue lying 16.00 feet South of the center line of Imperial Avenue; THENCE easterly parallel to the center line of Imperial Avenue to a point 150.00 feet easterly of the center line of Virginia Street; THENCE northerly parallel to the center line of Virginia Street to the North City boundary.

This Franchise is hereby granted to Grantee, and its lawful successors and assigns subject to the terms of this Franchise. This Franchise shall include the right, for the period and subject to the terms of this Agreement, to so maintain, operate, repair, and renew the pipeline system of Grantee authorized hereunder as already laid and constructed in said Streets, if any.

Exhibit “A”
Pipelines installed and maintained by Chevron under Franchise Ordinance 1246
EL SEGUNDO CITY COUNCIL

AGENDA STATEMENT

MEETING DATE: March 1, 2016
AGENDA HEADING: Consent Agenda

AGENDA DESCRIPTION:
Consideration and possible action to adopt Ordinance No. 1518 for an Environmental Assessment (EA-1140) and a Zone Text Amendment (ZTA 15-02) adding Chapter 11 to Title 7 and Chapter 13B to Title 15 of the El Segundo Municipal Code (ESMC) to clarify that commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensaries, and medical marijuana collectives are prohibited in all zones and specific plan areas of the City. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Waive second reading and adopt Ordinance No. 1518 for Environmental Assessment No. EA-1140 and Zone Text Amendment No. 15-02; and/or
2. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

1. Ordinance No. 1518

FISCAL IMPACT: None

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ORIGINATED BY: Paul Samaras, Acting Planning Manager

REVIEWED BY: Sam Lee, Director of Planning and Building Safety

APPROVED BY: Greg Carpenter, City Manager

I. Background and Discussion

On February 16, 2016, the City Council introduced an Ordinance to approve Zone Text Amendment No. 15-02. The Council may waive second reading and adopt the Ordinance. If adopted, Ordinance No. 1518 will become effective in 30 days.

P:\Planning & Building Safety\0 Planning - Old\PROJECTS (Planning)\1126-1150\EA-1140\City Council 03012016\EA 1140 - CC sr 2ndreading.docx
ORDINANCE NO. 1518

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL SEGUNDO ADDING CHAPTER 11 TO TITLE 7 AND CHAPTER 13B TO TITLE 15 OF THE EL SEGUNDO MUNICIPAL CODE TO CLARIFY THAT COMMERCIAL CANNABIS ACTIVITIES, CULTIVATION OF MEDICAL CANNABIS, DELIVERY OF MEDICAL CANNABIS, MEDICAL MARIJUANA DISPENSARIES, AND MEDICAL MARIJUANA COLLECTIVES ARE PROHIBITED IN ALL ZONES AND SPECIFIC PLAN AREAS OF THE CITY

The City Council of the City of El Segundo does ordain as follows:

SECTION 1: The City Council finds and determines as follows:

A. On November 5, 1996, the voters of the State of California approved Proposition 215, codified as Health and Safety Code Section 11362.5 et seq., and entitled the Compassionate Use Act of 1996 ("CUA"). The CUA exempts qualified patients and their primary caregivers from criminal liability under state law for the possession and cultivation of marijuana for personal medical use.

B. The intent of the CUA was to enable persons in the State of California who are in need of marijuana for medicinal purposes to obtain it and use it under limited, specified circumstances.

C. The State enacted Senate Bill 420 in October 2003, codified a Health and Safety Section 11362.7, et seq., ("Medical Marijuana Program Act," or "MMPA") to clarify the scope of the Compassionate Use Act of 1996 and to allow cities and other governing bodies to adopt and enforce rules and regulations consistent with SB 420. The MMPA created a state-approved voluntary medical marijuana identification card program and provided for certain additional immunities from state marijuana laws. Assembly Bill 2650 (2010) and Assembly Bill 1300 (2011) amended the Medical Marijuana Program to expressly recognize the authority of counties and cities to "[a]dopt local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective" and to civilly and criminally enforce such ordinances.

D. The CUA and MMPA do not "legalize" marijuana, but provide limited defenses to certain categories of individuals with respect to certain conduct and certain state criminal offenses.

E. In City of Riverside v. Inland Empire Patients Health and Wellness Center, Inc. (2013) 56 Cal.4th 729, the California Supreme Court held that "[n]othing in the CUA or the MMP expressly or impliedly limits the inherent authority of a local jurisdiction, by its own ordinances, to regulate the use of its land. . . .” Additionally, in Maral v. City of Live Oak (2013) 221 Cal.App.4th 975, the Court of Appeal held that "there is no right — and
certainly no constitutional right – to cultivate medical marijuana. . . . . The Court in Maral affirmed the ability of a local governmental entity to prohibit the cultivation of marijuana under its land use authority.

F. The Federal Controlled Substances Act, 21 U.S.C. § 801 et seq., classifies marijuana as a Schedule 1 Drug, which is defined as a drug or other substance that has a high potential for abuse, that has no currently accepted medical use in treatment in the United State, and that has not been accepted as safe for use under medical supervision. The Federal Controlled Substances Act makes it unlawful under federal law for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute or dispense, marijuana. The Federal Controlled Substances Act contains no exemption for medical purposes.

G. On October 9, 2015 Governor Brown signed three bills into law (AB 266, AB 243, and SB 643) which collectively are known as the Medical Marijuana Regulation and Safety Act ("MMRSA"). MMRSA established a State licensing scheme for commercial medical marijuana uses while protecting local control by requiring that all such businesses must have a local license or permit to operate in addition to a State license. MMRSA allows a City to completely prohibit commercial medical marijuana activities.

H. The City Council finds that commercial medical marijuana activities, as well as cultivation for personal medical use as allowed by the CUA and MMP can adversely affect the health, safety, and well-being of City residents. Citywide prohibition is proper and necessary to avoid the risks of criminal activity, degradation of the natural environment, malodorous smells and indoor electrical fire hazards that may result from such activities. Further, as recognized by the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Marijuana Grown for Medical Use, marijuana cultivation or other concentration of marijuana in any location or premises without adequate security increases the risk that surrounding homes or businesses may be negatively impacted by nuisance activity such as loitering or crime.

I. The limited immunity from specified state marijuana laws provided by the Compassionate Use Act and Medical Marijuana Program does not confer a land use right or the right to create or maintain a public nuisance.

J. MMRSA contains language that requires the city to prohibit cultivation uses by March 1, 2016 either expressly or otherwise under the principles of permissive zoning, or the State will become the sole licensing authority. The MMRSA also contains language that requires delivery services to be expressly prohibited by local ordinance, if the City wishes to do so. MMRSA is silent as to how the City must prohibit other type of commercial medical marijuana activities.

K. While the City Council believes that cultivation and all commercial medical marijuana uses are already prohibited under the City's permissive zoning regulations, it desires to enact this ordinance to expressly make clear that all such uses are prohibited
in all zones throughout the City. This ordinance is intended to clarify the City’s longstanding position on medical marijuana cultivation and distribution and does not state a new or different rule of law.

L. The Planning Commission held a duly-noticed public hearing on January 28, 2016, at which time it considered all evidence presented, both written and oral, and voted to adopt a resolution recommending the City Council adopt this Ordinance.

M. The proposed amendments to the Zoning Ordinance are consistent with the General Plan. The General Plan’s goals, objectives, and policies do not permit or contemplate the establishment or operation of medical marijuana dispensaries or collectives, nor do they contemplate the cultivation or delivery of medical marijuana. This ordinance does not create new law; rather, it clarifies the City’s existing prohibitions on the distribution and cultivation of medical marijuana.

SECTION 2: Authority. This ordinance is adopted pursuant to the authority granted by the California Constitution and State law, including but not limited to Article XI, Section 7 of the California Constitution, the Compassionate use Act, the Medical Marijuana Program Act, and the Medical Marijuana Regulation and Safety Act.

SECTION 3: A new Chapter 11 entitled “Medical Marijuana” is added to Title 7 of the El Segundo Municipal Code to read as follows:

“Chapter 11

MEDICAL MARIJUANA

7-11-1: For regulations regarding medical marijuana and medical cannabis cultivation and distribution, see Title 15, Chapter 13B.”

SECTION 4: A new Chapter 13B entitled “Medical Cannabis Cultivation and Distribution” is added to Title 15 of the El Segundo Municipal Code to read as follows:

“Chapter 13B

MEDICAL CANNABIS CULTIVATION AND DISTRIBUTION

15-13B-1: Definitions
15-13B-2: Prohibition

15-13B-1: DEFINITIONS

“Cannabis” has the same meaning as set forth in Business & Professions Code § 19300.5(f), as the same may be amended from time to time.
“Commercial cannabis activity” has the same meaning as that set forth in Business & Professions Code § 19300.5(k), as the same may be amended from time to time.

“Cultivation” has the same meaning as that set forth in Business & Professions Code § 19300.5(l), as the same may be amended from time to time.

“Delivery” has the same meaning as that set forth in Business & Professions Code § 19300.5(m), as the same may be amended from time to time.

“Dispensary” and “medical marijuana dispensary” have the same meaning as that set forth in Business & Professions Code § 19300.5(n), as the same may be amended from time to time.

“Medical marijuana collective” means a collective, cooperative, association, dispensary or similar entity that cultivates, distributes, dispenses, stores, exchanges, processes, delivers, makes available or gives away cannabis in the city for medical purposes to qualified patients, or primary caregivers of qualified patients pursuant to Health and Safety Code Section 11362.5 (adopted as Proposition 215, the “Compassionate Use Act of 1996”) or any State regulations adopted in furtherance thereof, including Health and Safety Code Section 11362.7 et seq., (adopted as the “Medical Marijuana Program Act”). Medical Marijuana Collective does not include the following uses, so long as such uses comply with this Code, the Health and Safety Code Section 11362.5, et seq., and other applicable law:

1. A clinic licensed pursuant to Chapter 1 (Section 1200 et seq.) of Division 2 of the Health and Safety Code.
2. A health care facility licensed pursuant to Chapter 2 (Section 1250 et seq.) of Division 2 of the Health and Safety Code.
3. A residential care facility for persons with chronic life-threatening illness licensed pursuant to Chapter 3.01 (Section 1568.01 et seq.) of Division 2 of the Health and Safety Code.
4. A residential care facility for the elderly licensed pursuant to Chapter 3.2 (Section 1569 et seq.) of Division 2 of the Health and Safety Code.
5. A hospice or a home health agency, licensed pursuant to Chapter 8 (Section 1725 et seq.) of Division 2 of the Health and Safety Code.

“Medical cannabis,” medical cannabis product,” or “cannabis product” has the same meaning as set forth in Business & Professions Code § 19300.5(ag), as the same may be amended from time to time.

15-13B-2: PROHIBITION

Commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensaries (whether fixed or mobile in
nature), and medical marijuana collectives are prohibited in all zones and all specific plan areas in the City of El Segundo. No use permit, variance, building permit, or any other entitlement, license, or permit, whether ministerial or discretionary, can be issued or approved for any commercial cannabis activity, cultivation of medical cannabis, delivery of medical cannabis, medical marijuana dispensary (whether fixed or mobile in nature), or medical marijuana collective in the City, and it is unlawful for any person to establish or conduct such activities in the City."

SECTION 5: Environmental Review. The City Council finds that this ordinance does not have the potential to cause significant effects on the environment and, therefore, the project is exempt from the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code Regs. § 15061(b)(3). The ordinance amends the El Segundo Municipal Code to make clear that commercial cannabis activities, cultivation of medical cannabis, delivery of medical cannabis, and medical marijuana dispensaries and collectives are not permitted in the City. The ordinance does not portend any development or changes to the physical environment. Following an evaluation of possible adverse impacts, it can be seen with certainty that there is no possibility that the ordinance will have a significant effect on the environment. In addition to the foregoing general exemption, the following categorical exemption applies: 14 Cal. Code Regs. § 15308 (actions taken for protection of the environment).

SECTION 6: Construction. This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council's intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

SECTION 7: Enforceability. Repeal 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 8: Severability. 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 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 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 take effect on the 31st day following its final passage and adoption.

PASSED AND ADOPTED this _____ day of ____________________, 2016

Suzanne Fuentes, Mayor

ATTEST:

Tracy Sherrill Weaver, City Clerk

APPROVED AS TO FORM
MARK D. HENSLEY, City Attorney

By: ____________________________
AGENDA DESCRIPTION:

Consideration and possible action to direct staff to return with a report on the impact of the changes to the city’s R-1 Ordinance from 2006. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Direct staff to initiate the study and provide a report.
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

None

FISCAL IMPACT: None

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PREPARED BY: Marie Fellhauer, Council Member
REVIEWED BY:
APPROVED BY: Greg Carpenter, City Manager

BACKGROUND & DISCUSSION:

In 2006, the City Council adopted a comprehensive update of the El Segundo Municipal Code regulating the single family residential zone (R-1). With real estate and construction activity increasing in El Segundo and the southbay region as a whole, residents and potential developers are raising questions about the impact of the changes from a decade ago and feels that it may be time to evaluate the history and consider modifications moving forward.

I would request that staff return with a report on the impact of the changes. Examples of items to report are as follows:

- Number of new homes built in the past 10 years in El Segundo.
- Number of new homes built in the 10 years prior to the R-1 Ordinance.
- Number of major remodels and substantial additions in the past 10 years in El Segundo.
- Floor area ratio requirement in El Segundo compared to other nearby cities.
- Lot coverage requirement in El Segundo compared to other nearby cities.

I would also like to direct staff to hold a community meeting with residents and local developers to receive feedback and recommendations and include their responses in the report back to council.