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, AUGUST 2, 2011 – 5:00 P.M.

Next Resolution # 4727
Next Ordinance # 1462

5:00 P.M. SESSION

CALL TO ORDER

ROLL CALL

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

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

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -2- matters

1. City of El Segundo vs. City of Los Angeles, et. al. LASC Case No. BS094279
2. NSA Construction vs. City of El Segundo, LASC Case No. BC438182

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Government Code §54956.9(b):
-1- matter

1. Wyle Claim re Residential Sound Insulation Program

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

2. Wiseburn School District

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

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

CONFERENCE WITH CITY’S LABOR NEGOTIATOR (Gov’t Code §54957.6): -5-
matters

1. Represented Group: Police Support Services Employees Association (PSSEA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

2. Represented Group: City Employees Association (CEA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler
3. Represented Group: Firefighters Association (FFA)
   Negotiators: Doug Willmore, City Manager
               Deborah Cullen, Finance Director
               Richard Kreisler

4. Represented Group: Police Officers Association (POA)
   Negotiators: Doug Willmore, City Manager
               Deborah Cullen, Finance Director
               Richard Kreisler

5. Represented Group: Police Managers Association (PMA)
   Negotiators: Doug Willmore, City Manager
               Deborah Cullen, Finance Director
               Richard Kreisler

CONFERENCE WITH REAL PROPERTY NEGOTIATOR (Gov't Code §54956.8): -0-matters
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REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, AUGUST 2, 2011 - 7:00 P.M.

Next Resolution # 4727
Next Ordinance # 1462

7:00 P.M. SESSION

CALL TO ORDER

INVOCATION – Pastor Lee Carlile, United Methodist Church

PLEDGE OF ALLEGIANCE – Council Member Dr. Don Brann
PRESENTATIONS

(a) Proclamation – National 811 Day, August 11, 2011 – Identification of the Nation’s pipeline infrastructure by making one simple phone call to 811 in advance of any project to identify pipeline locations.

ROLL CALL

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A. PROCEDURAL MOTIONS

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

Recommendation – Approval.

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

1. Consideration and possible action regarding a request to modify Condition 12(A) set forth in Ordinance No. 1345 regulating the hours of alcohol sales for hotels in the Corporate Campus Specific Plan area. Applicant: Michael Gallen, OTO Development. (Fiscal Impact: N/A)

Recommendation – (1) Open Public Hearing; (2) Discussion; (3) Introduce and waive first reading of an Ordinance amending Ordinance No. 1345 to change the permissible hours for alcohol sales set forth in Condition No. 12(A); (4) Schedule second reading and adoption of the Ordinance on August 16, 2011; and/or; (5) Alternatively, discuss and take other possible action related to this item.

2. Consideration and possible action to open a Public Hearing, consider testimony, and adopt a Resolution finding that the City conforms with the annual Congestion Management Program (CMP) and adopting the annual CMP Local Development Report, in accordance with California Government Code § 65089. (Fiscal Impact: None).

Recommendation – (1) Open Public Hearing; (2) Discussion; (3) Adopt Resolution; and/or; (4) Alternatively, discuss and take other possible related action to this item.
3. Consideration and possible action to open a public hearing and receive testimony regarding: 1) an Environmental Assessment for a proposed Categorical Exemption; and 2) a Precise Plan Amendment removing the 2,500 square-foot limit on the maximum permitted outdoor dining area in the Beach Cities Plaza Precise Plan. Applicant: Continental Rosecrans, Nash (Fiscal Impact: N/A)

Recommendation – (1) Open the public hearing; (2) Discussion; (3) Introduce and waive first reading of an Ordinance for Precise Plan Amendment No. 11-01; (4) Schedule second reading and adoption of the Ordinance on August 16, 2011 or on the first regularly scheduled meeting thereafter; and/or; (5) Alternatively, discuss and take other possible action related to this item.

C. UNFINISHED BUSINESS

4. Consideration and possible action to (1) accept the Trash Subcommittee’s recommendation to award a new, 7-year waste hauling contract to Consolidated Disposal Services, the City’s current waste hauling provider for the collection of single and multi-family residential and municipal solid waste and (2) direct the City Attorney to finalize the contract with Consolidated Disposal Services according to the bid submitted for $482,350 annually. (Fiscal Impact: None)

Recommendation – (1) Accept the Trash Subcommittee’s recommendation to award a new, 7-year waste hauling contract to Consolidated Disposal Services, the City’s current waste hauling provider for the collection of single and multi-family residential and municipal solid waste; (2) Direct the City Attorney to finalize the new 7-year waste hauling contract with Consolidated Disposal Services based on the bid submitted and the form contract included with the request for proposals; or; (3) Alternatively, discuss and take other action related to this item.

D. REPORTS OF COMMITTEES, COMMISSIONS AND BOARDS

5. Consideration and possible action regarding a recommendation by the Investment Advisory Committee to adopt the City’s Investment Policy (Fiscal Impact: None)

Recommendation - 1) Adopt City’s Investment Policy as submitted; (2) Alternatively, discuss and take other action related to this item.
E. CONSENT AGENDA

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

6. Warrant Numbers 2583362 to 2583537 on Register No. 20 in the total amount of $485,892.03 and Wire Transfers from 07/08/11 through 07/21/11 in the total amount of $2,308,762.54.

Recommendation – Approve Warrant Demand Registers 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.

8. Consideration and possible action regarding adoption of a resolution authorizing the annual destruction of identified records in accordance with the provisions of Section 34090 of the Government Code of the State of California. (Fiscal Impact: Not to exceed $1,000.00)

Recommendation – (1) Adopt Resolution authorizing the destruction of certain records; (2) Alternatively, discuss and take other action related to this item.

9. Consideration and possible action to (1) authorize the City Manager to terminate EMAE International Inc.’s control over construction of El Segundo’s new Beach Bathroom Facility and Lifeguard Station at El Segundo Beach, (2) direct EMAE International Inc.’s surety, First National Insurance Company of America, to complete the project in accordance with Specification No. PW 10-09, and (3) authorize the City Manager to execute a Takeover Agreement with First National Insurance Company of America in a form approved by the City Attorney to complete construction of the Beach Bathroom Facility and Lifeguard Station at El Segundo Beach Project PW 10-09. (Fiscal Impact: None)

Recommendation – (1) Authorize the City Manager to terminate the EMAE International Inc.’s control over the construction of the Beach Bathroom Facility and Lifeguard Station at El Segundo Beach Project; (2) Direct EMAE International Inc.’s surety, First National Insurance Company of America, to complete the project in accordance with Specification No. PW 10-09; (3) Authorize the City Manager to execute a Takeover Agreement with First National Insurance Company of America, in a form approved by the City Attorney, to complete construction of Beach Bathroom Facility and Lifeguard Station at El Segundo Beach; (4) Alternatively, discuss and take other action related to this item.
10. Consideration and possible action to grant C.T.&F., Inc. and JFL Electric, Inc. requests to withdraw their bids because of mathematical mistakes in accordance with Public Contract Code Section 5101 and award a standard public works contract to Steiny and Company, Inc. for the installation of Computer Network Equipment (conduits and appurtenances for future I-Net connection) for non-City Hall City facilities. Project No.: PW 10-08. (Fiscal Impact: $280,000.00)

Recommendation – (1) Grant C.T.&F., Inc. and JFL Electric, Inc. requests to withdraw their bids because of mathematical mistakes in accordance with Public Contract Code Section 5101.; (2) Authorize the City Manager to execute a standard public works contract in a form as approved by the City Attorney to Steiny and Company, Inc. in the amount of $255,156.00.; (3) Authorize a construction contingency in the amount of $24,844.00 for unforeseen additional work.; (4) Alternatively, discuss and take other action related to this item.

11. Consideration and possible action regarding a thirty (30) day provisional appointment extension for the position of Interim Battalion Chief. (Fiscal Impact: None)

Recommendation – (1) Approve the thirty (30) day provisional appointment extension for the position of Interim Battalion Chief; (2) Alternatively, discuss and take other action related to this item.

CALL ITEMS FROM CONSENT AGENDA

F. NEW BUSINESS

12. Consideration and possible action regarding the Funding Agreement extending financial assistance to the El Segundo Unified School District (ESUSD) for the purpose of school facilities and programs. (Fiscal Impact: $250,000 annual contribution)

Recommendation - (1) Direct staff as to funding for ESUSD in the Fiscal Year 2011-2012 preliminary budget; (2) Alternatively discuss and take other action related to this item

G. REPORTS – CITY MANAGER

H. REPORTS – CITY ATTORNEY

I. REPORTS – CITY CLERK

J. REPORTS – CITY TREASURER
K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fuentes –

Council Member Brann –

Council Member Jacobson –

Mayor Pro Tem Fisher –

Mayor Busch –

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MEMORIALS –

CLOSED SESSION

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

REPORT OF ACTION TAKEN IN CLOSED SESSION (if required)

ADJOURNMENT

POSTED:

DATE: ________________

TIME: ________________

NAME: __________________
PRESENTATIONS

(a) Proclamation – National 811 Day, August 11, 2011 – Identification of the Nation’s pipeline infrastructure by making one simple phone call to 811 in advance of any project to identify pipeline locations.
AGENDA DESCRIPTION:
Consideration and possible action regarding a request to modify Condition 12(A) set forth in Ordinance No. 1345 regulating the hours of alcohol sales for hotels in the Corporate Campus Specific Plan area. Applicant: Michael Gallen, OTO Development. (Fiscal Impact: N/A)

RECOMMENDED COUNCIL ACTION:
1. Open Public Hearing;
2. Discussion;
3. Introduce and waive first reading of an Ordinance amending Ordinance No. 1345 to change the permissible hours for alcohol sales set forth in Condition No. 12(A);
4. Schedule second reading and adoption of the Ordinance on August 16, 2011; and/or
5. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Ordinance
2. Planning Commission Staff Report and attachments, dated June 23, 2011

FISCAL IMPACT: None

Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager
REVIEWED BY: Greg Carpenter, Planning and Building Safety Director
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:

I. Background

The proposed project involves a modification to Condition of Approval No. 12(A) for EA-548 as adopted by Ordinance No. 1345 which limits the hours when alcohol can be sold within the Corporate Campus Specific Plan (CCSP) area. Condition of Approval No. 12(A) allows alcohol sales from 10:00 a.m. to 2:00 a.m. in the CCSP for restaurants, coffee shops, delicatessens, cafes and hotels.

The present proposal is to extend the time for selling alcohol in hotels by three hours in the morning. Instead of allowing sales between 10:00 a.m. and 2:00 a.m., the new hours would
allow alcohol sales between 7:00 a.m. and 2:00 a.m. The request does not include modification to the hours of alcohol sales for restaurants, coffee shops, delicatessens, and cafes within the CCSP.

The Corporate Campus Specific Plan area is a 46.5 acre portion of the City bounded by Atwood Way and the MTA green line to the north, Douglas Street to the east, Mariposa to the south, and Nash Street and the MTA green line to the west.

II. Analysis

OTO Development is requesting the modification to Condition of Approval No. 12(A). OTO Development is currently in the process of developing the 5-story 83,855 square feet Hyatt Place hotel located in the CCSP at 750 North Nash Street on the southeast corner of Maple Avenue and Nash Street. The Corporate Campus Specific Plan Final Environmental Impact Report (FEIR) contained a project description anticipating one hotel (up to 87,000 square feet) in the CCSP area. Any additional hotels in the CCSP area could trigger the need for additional CEQA environmental review since multiple hotels were not evaluated under the adopted FEIR. Although the condition modification affects the entire Corporate Campus Specific Plan Area, it is unlikely that more than the proposed Hyatt Place hotel will be affected by the requested regulatory change in alcohol service hours.

The attached Planning Commission staff report provides analysis and discussion of the proposed action in greater detail. The Planning Commission staff report also discusses the zoning and General Plan consistency of the proposed action, summarizes the inter-departmental review of the proposed action and discusses the compliance of the proposed action with the California Environmental Quality Act (CEQA).

Staff believes that the proposed modification to Condition No. 12(A) will help improve the economic performance of a hotel use in the Corporate Campus Specific Plan area and thus contribute to the maintenance of a stable source of tax revenue for the City of El Segundo. The proposed modification is a compatible activity within a hotel and is not anticipated to have significant negative impacts on other activities within the Corporate Campus Specific Plan area and vicinity.

III. Recommendation

Planning Division Staff recommends that the City Council introduce the attached draft Ordinance to approve Environmental Assessment No. 924 and to modify Condition of Approval No. 12(A) in Ordinance No. 1345. Second reading and adoption of the Ordinance would occur on August 16, 2011.
ORDINANCE NO. _____

AN ORDINANCE AMENDING CONDITION NO. 12A TO RESOLUTION NO. 4241 AND ORDINANCE NO. 1345 FOR THE CORPORATE CAMPUS SPECIFIC PLAN.

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

SECTION 1: The City Council finds and declares that:

A. On January 2, 2002, the City Council approved General Plan Amendment No. 01-02, Specific Plan No. 01-01, Zone Change No. 01-01, Zone Text Amendment No. 01-01, Development Agreement No. 01-01, Administrative Use Permit No. 01-01, Subdivision No. 01-05 and certified the final environmental impact report for Environmental Assessment No. 548 for the Corporate Campus Specific Plan Project (City Council Resolution No. 4241 and Ordinance No. 1345);

B. On June 1, 2011, the applicant filed an application (Environmental Assessment No. EA-924) to modify Condition No. 12A of Resolution No. 4241 and Ordinance No. 1345;

C. The application was reviewed by the City’s Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code (“ESMC”);

D. In addition, the City reviewed the project’s environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., “CEQA”), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the “CEQA Guidelines”), and the City’s Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993);

E. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for June 23, 2011;

F. On June 23, 2011, the Planning Commission opened the public hearing to receive public testimony and other evidence regarding the application including, without limitation, information provided to the Commission by City Staff, public testimony, and representatives of the applicant;

G. Following the public hearing, the Planning Commission adopted Resolution No. 2697 recommending that the City Council, among other things, modify Condition of Approval No. 12A for the Corporate Campus Specific Plan;
H. On August 2, 2011, the City Council held a public hearing and considered the information provided by City staff, public testimony and the applicant; and

I. This Ordinance and its findings are made based upon the entire administrative record including, without limitation, testimony and evidence presented to the Council at its August 2, 2011 hearing including, without limitation, the staff report submitted by the Planning and Building Safety Department.

SECTION 2: Factual Findings and Conclusions. The City Council finds that the following facts exist:

A. The Corporate Campus Specific Plan was approved to allow the development of up to 87,000 gross square feet of hotel/conference facilities;

B. On June 6, 2011, OTO Development submitted a building permit application to the City for a 83,855 square-foot hotel at 750 North Nash Street in the Corporate Campus Specific Plan area;

C. The proposed modification to Condition of Approval No. 12A is unlikely to apply to any site other than the proposed hotel at 750 North Nash because construction of the hotel would meet the anticipated size of hotel development identified in the Corporate Campus Specific Plan and Development Agreement No. 01-01. Any additional hotel in the Corporate Campus Specific Plan area would require modification to Specific Plan No. 01-01, Development Agreement No. 01-01 and additional environmental review in compliance with CEQA;

D. The proposed modification to Condition of Approval No. 12A would allow alcohol service in a hotel to start three hours earlier than currently allowed in the Corporate Campus Specific Plan. Alcohol service would begin at 7 a.m. instead of 10 a.m.;

E. Alcohol service is a compatible activity within a hotel use. All hotels in California serving alcohol are required to obtain and Alcoholic Beverage Control license and comply with State of California Business and Professions Code §25631 which prohibits sale of on or off site sales of alcohol between the hours of 2 a.m. and 6 a.m. The requested modification to Condition of Approval 12A is compliant with Business and Professions Code §25631; and
F. The City of El Segundo Police Department reviewed the modification request and had no comment. It is not anticipated that the approval of the request would have a detrimental effect on public safety.

SECTION 3: Environmental Assessment. The City Council previously certified a Final Environmental Impact Report ("FEIR") for this project on January 2, 2002. In accordance with CEQA Guidelines §15168(C)(2), a new environmental document is not required for the proposed modification to a condition of approval of the Corporate Campus Specific Plan since the proposed change would not result in a significant impact to the environmental or require new mitigation measures.

SECTION 4: General Plan and Corporate Campus Specific Plan. The proposed project conforms with the City’s General Plan and the Corporate Campus Specific Plan as follows:

A. The General Plan contains relevant Goals, Objectives, and Policies in the Land Use Element. The goal stated in Goal LU4 is to “provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The proposed modification to Condition No. 12A will contribute to the economic performance of the hotel use within the Corporate Campus Specific Plan area which will contribute to the maintenance of a stable source of tax revenue for the City.

B. The General Plan contains a number of relevant Goals, Objectives, and Policies in the Economic Development Element. Goal ED1 aims “to create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit.” The proposed modification to condition of approval 12A will contribute to the economic health of the hotel use going in to the Corporate Campus Specific Plan Area. As much of the specific plan area has yet to be developed the health of the hotel as one of the first businesses in the Specific Plan area will contribute to successful development of the rest of the Specific Plan area.

C. Objective ED2-1 is “to strengthen the partnerships between local government, the residential community, and El Segundo’s business community.” Modifying the regulatory framework for the Specific Plan area to facilitate the operational needs of the hotel is consistent with this objective as it strengthens the partnership between the City of El Segundo and a business operator in the City.

D. The Corporate Campus Specific Plan contains a number of relevant Goals. Corporate Campus Specific Plan (CCSP) Goal No. 1 facilitates economic development. More specifically, the requested amendment to Condition of Approval No. 12A is consistent with Goal No. 1a that states “Enhance the City’s economic base through the addition of a variety of
uses such as (but not limited to) office, hotel, retail, restaurant, recreation, office, light industrial, research and development, and technology/web hosting/telecommunications."

E. CCSP Goal No. 2 promotes compatible land uses. The requested amendment to Condition No. 12A is consistent with both Goal No. 2a and Goal No. 2b that state respectively "Retain and attract economically viable, environmentally safe uses that provide a stable tax base and minimize and negative impact on the City" and "Provide a combination of standards and incentives that will stimulate quality development."

F. CCSP Goal No. 4 accentuates the overall positive identity of the community. The requested amendment to Condition No. 12A is consistent with Goal No. 4a that states "Enhance services and convenience while respecting the immediate surrounding uses."

SECTION 5: Amendment. Condition No. 12A to Ordinance No. 1345 and Resolution No. 4241 is amended to read as follows:

"A. The on-site sale of alcoholic beverages in restaurants, coffee shops, deli-cate-sens, and cafes is permitted between the hours of 10:00 a.m. and 2:00 a.m., seven days a week. The on-site sale of alcoholic beverages in hotel(s) is permitted between the hours of 7:00 a.m. to 2 a.m., seven days a week."

SECTION 6: Reliance on Record. Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 7: Limitations. The City Council's analysis and evaluation of the project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of the project is the City Council's lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the City's ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 8: Summaries of Information. All summaries of information in the findings, which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.
SECTION 9: 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 10: Enforceability. Repeal of any provision of the ESMC 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 11: Validity of Previous Code Sections. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 12: 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 13: This Ordinance will remain effective until superseded by a subsequent ordinance.

SECTION 14: 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 15: This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED AND ADOPTED this ___ day of _______ 2011.

________________________________________
Eric Busch, Mayor

ATTEST:

STATE OF CALIFORNIA   )
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 said City is five; that the foregoing Ordinance No. ___ was duly introduced by said City Council at a regular meeting held on the ___ day of _______, 2011, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ___ day of ________, 2011, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

______________________________
Cindy Mortesen, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

______________________________
Karl H. Berger, Assistant City Attorney
CITY OF EL SEGUNDO

PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: June 23, 2011

SUBJECT: Environmental Assessment No. 924

APPLICANT: OTO Development – Michael Gallen

PROPERTY OWNER: TPG – El Segundo Partners, LLC.

REQUEST: Modification to City Council Resolution No. 4241 and Ordinance No. 1345 Condition of Approval No. 12A Regarding the Hours of Alcohol Sales for Hotels.

PROPERTY INVOLVED: Corporate Campus Specific Plan area bounded by Atwood Way, Douglas Street, Mariposa Avenue and Nash Street.

I. INTRODUCTION

The proposed project involves a modification to Condition of Approval No. 12A for EA-548 as adopted in City Council Resolution No. 4241 and Ordinance No. 1345, which limits the hours when alcohol can be sold within the Corporate Campus Specific Plan (CCSP) area. The request is to extend the allowable hours for alcoholic beverage sales in hotels in the CCSP by three hours. Condition of Approval No. 12A allows alcohol sales from 10 a.m. to 2 a.m. in the CCSP for restaurants, coffee shops, delicatessens, cafes and hotels. The proposed hours for alcohol sales in hotels are from 7 a.m. to 2 a.m. The request does not include modification to the hours of alcohol sales for restaurants, coffee shops, delicatessens, and cafes within the CCSP.

The Corporate Campus Specific Plan area is a 46.5 acre portion of the City bounded by Atwood Way and the MTA green line to the north, Douglas Street to the East, Mariposa Avenue to the south, and Nash Street and the MTA green line to the west.

II. BACKGROUND AND ANALYSIS

OTO development is requesting the modification to Condition of Approval No. 12A of Resolution No. 4241 and Ordinance No. 1345 which approved the Corporate Campus Specific Plan. OTO Development is currently in the process of developing the 5-story 83,855 square feet Hyatt Place hotel located in the CCSP at 750 North Nash Street on the southeast corner of Maple Avenue and Nash Street. The Corporate Campus Specific Plan Final Environmental Impact Report (FEIR) contained a project description anticipating one hotel (up to 87,000 square feet) in the CCSP area. Any additional hotels in the CCSP area could trigger the need for additional CEQA
environmental review since they were not evaluated under the adopted FEIR. Although the condition modification affects the entire Corporate Campus Specific Plan Area, it is unlikely that more than the proposed Hyatt Place hotel will be affected by the requested regulatory change in alcohol service hours.

The Planning Commission heard the Administrative Use Permit (EA-906 and AUP No. 11-01) for on-site sale and consumption of alcohol at the Hyatt Place hotel as a 'receive and file' item on April 28, 2011. The applicant has made this condition modification request before AUP No. 11-01 was placed on the City Council agenda as a 'receive and file' item. The reason for the modification request is the applicant’s desired hours of operation vary from the CCSP conditions, and the applicant is requesting that the CCSP be modified to match the desired hours of operation for alcohol service at the hotel. The applicant’s requested hours of alcohol serve are 7 a.m. to 12 a.m.

The applicant supported the modification request with the statement that beginning alcohol service three hours earlier than currently permitted in the CCSP would allow for alcohol service hours that are comparable to other hotels in El Segundo. All hotels in the City are required to comply with State of California Business and Professions Code §25631 which prohibits sale of on or off site sales of alcohol between the hours of 2 a.m. and 6 a.m. In general, any hotel in El Segundo could obtain an AUP to sell alcohol between the hours of 6 a.m. and 2 a.m. if the hours of operation are not further restricted by an AUP condition of approval. Additionally, the hotels not located adjacent to any residential uses or other sensitive uses.

III. ZONING AND GENERAL PLAN CONSISTENCY

The zoning designation of the subject area is Corporate Campus Specific Plan. The condition of approval modification request does not conflict with the CCSP Zoning designation as hotels with alcohol service are permitted in the zone subject to approval of an Administrative Use Permit. The condition modification request involves no physical changes to the subject area and is thus consistent with the CCSP development standards.

The El Segundo General Plan land use designation for the subject area is Corporate Campus Specific Plan. The request is consistent with the Goals and Polices of the General Plan and the Corporate Campus Specific Plan as specified in the attached Resolution.

IV. INTER-DEPARTMENTAL COMMENTS

The project application was circulated to the Police Department which had no comment on the proposed action.

V. ENVIRONMENTAL REVIEW

CEQA Guidelines § 15166(c)(2) states that if a project is proposed which has been the subject of a prior certified EIR or adopted Negative Declaration, and “[i]f the [City] finds that pursuant to Guidelines § 15162, no new effects could occur or new mitigation
measures would be required, the [City] can approve the activity as being within the scope of the project covered by the program EIR, and no new environmental document would be required."

The proposed modification to the conditions of approval is consistent with the FEIR, entitled El Segundo Corporate Campus Project Final Environmental Impact Report (State Clearinghouse No. 2001051074), certified by the City Council on January 2, 2002 and the Statement of Overriding Considerations adopted as Section III of City Council Resolution No. 4241. None of the elements set forth in Public Resources Code § 21166 or CEQA Guidelines § 15162 exists since the proposed condition modification would not result in a new significant impact to the environment or require new mitigation measures. Accordingly, no subsequent or supplemental Environmental Impact Report, Mitigated Negative Declaration or Addendum is required to be prepared before adopting the draft Resolution containing the modified condition of approval.

VI. RECOMMENDATION

Staff believes that the proposed modification to Condition No. 12A of Resolution No. 4241 and Ordinance No. 1345 will help improve the economic performance of a hotel use in the Corporate Campus Specific Plan area and thus contribute to the maintenance of a stable source of tax revenue for the City of El Segundo. The proposed modification is a compatible activity within a hotel and is not anticipated to have significant negative impacts on other activities within the Corporate Campus Specific Plan area and vicinity.

Therefore, staff recommends that the Planning Commission review the facts as contained within this report, conduct a public hearing, and adopt Resolution No. 2697 (Exhibit 1) which recommends that the City Council approve the modification to Resolution No. 4241 and Ordinance No. 1345 Condition of Approval No. 12A.

VIII Exhibits

1. Draft Planning Commission Resolution No. 2697
2. Application

Kimberly Christensen, AICP, Planning Manager
Planning and Building Safety Department

Greg Carpenter, Director
Planning and Building Safety Department
RESOLUTION NO. 2697

A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE A MODIFICATION TO CITY COUNCIL RESOLUTION NO. 4241 AND ORDINANCE NO. 1345 CONDITION OF APPROVAL NO. 12A FOR THE CORPORATE CAMPUS SPECIFIC PLAN.

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. On January 2, 2002, the City Council of the City of El Segundo approved General Plan Amendment No. 01-02, Specific Plan No. 01-01, Zone Change No. 01-01, Zone Text Amendment No. 01-01, Development Agreement No. 01-01, Administrative Use Permit No. 01-01, Subdivision No. 01-05 and certified the final environmental impact report for Environmental Assessment No. 548 for the Corporate Campus Specific Plan Project (City Council Resolution No. 4241 and Ordinance No. 1345);

B. On June 1, 2011, the applicant filed an application (Environmental Assessment No. EA-924) to modify Condition No. 12A of City Council Resolution No. 4241 and Ordinance No. 1345 for Environmental Assessment No. EA-548;

C. The application was reviewed by the City's Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code ("ESMC");

D. In addition, the City reviewed the project's environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., "CEQA"), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the "CEQA Guidelines"), and the City's Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993);

E. The Planning and Building Safety Department completed its review and scheduled a public hearing regarding the application before the Planning Commission for June 23, 2011;

F. On June 23, 2011, the Commission opened the public hearing to receive public testimony and other evidence regarding the application including, without limitation, information provided to the Commission by City Staff, public testimony, and representatives of the applicant; and

G. This Resolution and its findings are made based upon the testimony and evidence presented to the Commission at its June 23, 2011, public
hearing including, without limitation, the staff report submitted by the
Planning and Building Safety Department.

SECTION 2: Factual Findings and Conclusions. The Commission finds that the
following facts exist:

A. The Corporate Campus Specific Plan was approved to allow the
development of up to 87,000 gross square feet of hotel/conference
facilities;

B. On June 6, 2011, OTO Development submitted a building permit
application to the City for a 83,855 square-foot hotel at 750 North Nash
Street in the Corporate Campus Specific Plan area;

C. The proposed modification to Condition of Approval No. 12A is unlikely to
apply to any site other than the proposed hotel at 750 North Nash
because construction of the hotel would meet the anticipated size of hotel
development identified in the Corporate Campus Specific Plan and
Development Agreement No. 01-01. Any additional hotel in the Corporate
Campus Specific Plan area would require modification to Specific Plan No.
01-01, Development Agreement No. 01-01 and additional environmental
review in compliance with CEQA;

D. The proposed modification to Condition of Approval No. 12A would allow
alcohol service in a hotel to start three hours earlier than currently allowed
in the Corporate Campus Specific Plan. Alcohol service would begin at 7
a.m. instead of 10 a.m.;

E. Alcohol service is a compatible activity within a hotel use. All hotels in
California serving alcohol are required to obtain and Alcoholic Beverage
Control license and comply with State of California Business and
Professions Code §25631 which prohibits sale of on or off site sales of
alcohol between the hours of 2 a.m. and 6 a.m. The requested
modification to Condition of Approval 12A is compliant with Business and
Professions Code §25631; and

F. The City of El Segundo Police Department reviewed the modification
request and had no comment. It is not anticipated that the approval of the
request would have a detrimental effect on public safety.

SECTION 3: Environmental Assessment. The City Council previously certified a Final
Environmental Impact Report ("FEIR") for this project on January 2, 2002. In
accordance with CEQA Guidelines §15168(C)(2), a new environmental document is not
required for the proposed modification to a condition of approval of the Corporate
Campus Specific Plan since the proposed change would not result in a significant
impact to the environmental or require new mitigation measures.
SECTION 4: General Plan and Corporate Campus Specific Plan. The proposed project conforms with the City’s General Plan and the Corporate Campus Specific Plan as follows:

A. The General Plan contains relevant Goals, Objectives, and Policies in the Land Use Element. The goal stated in Goal LU4 is to “provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The proposed modification to condition of approval 12A will contribute to the economic performance of the hotel use within the Corporate Campus Specific Plan area which will contribute to the maintenance of a stable source of tax revenue for the City.

B. The General Plan contains a number of relevant Goals, Objectives, and Policies in the Economic Development Element. Goal ED1 aims “to create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit.” The proposed modification to condition of approval 12A will contribute to the economic health of the hotel use going in to the Corporate Campus Specific Plan Area. As much of the specific plan area has yet to be developed the health of the hotel as one of the first businesses in the Specific Plan area will contribute to successful development of the rest of the Specific Plan area.

C. Objective ED2-1 is “to strengthen the partnerships between local government, the residential community, and El Segundo’s business community.” Modifying the regulatory framework for the Specific Plan area to facilitate the operational needs of the hotel is consistent with this objective as it strengthens the partnership between the City of El Segundo and a business operator in the City.

D. The Corporate Campus Specific Plan contains a number of relevant Goals. Corporate Campus Specific Plan (CCSP) Goal No. 1 facilitates economic development. More specifically, the requested amendment to Condition of Approval No. 12A is consistent with Goal No. 1a that states “Enhance the City’s economic base through the addition of a variety of uses such as (but not limited to) office, hotel, retail, restaurant, recreation, office, light industrial, research and development, and technology/web hosting/telecommunications.”

E. CCSP Goal No. 2 promotes compatible land uses. The requested amendment to Condition of Approval No. 12A is consistent with both Goal No. 2a and Goal No. 2b that state respectively “Retain and attract economically viable, environmentally safe uses that provide a stable tax base and minimize and negative impact on the City” and “Provide a
combination of standards and incentives that will stimulate quality development."

F. CCSP Goal No. 4 accentuates the overall positive identity of the community. The requested amendment to Condition of Approval No. 12A is consistent with Goal No. 4a that states "Enhance services and convenience while respecting the immediate surrounding uses."

SECTION 5: Recommendation. Condition No. 12A of City Council Resolution No. 4241 and Ordinance No. 1345 currently states as follows:

A. *The on-site sale of alcoholic beverage is permitted between the hours of 10:00 a.m. to 2:00 a.m., seven days a week;*

The Planning Commission recommends that the City Council adopt the following modified language for Condition No. 12A of City Council Resolution No. 4241 and Ordinance No. 1345:

A. *The on-site sale of alcoholic beverages in restaurants, coffee shops, delicatessens, and cafes is permitted between the hours of 10:00 a.m. and 2:00 a.m., seven days a week. The on-site sale of alcoholic beverages in hotel(s) is permitted between the hours of 7:00 a.m. to 2 a.m., seven days a week.*

SECTION 6: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 7: The Commission Secretary is directed to mail a copy of this Resolution to OTO Development, TPG-El Segundo Partners, LLC, and to any other person requesting a copy.

SECTION 8: This Resolution may be appealed within ten (10) calendar days after its adoption. All appeals must be in writing and filed with the City Clerk within this time period. Failure to file a timely written appeal will constitute a waiver of any right of appeal.
SECTION 9. Except as provided in Section 8, this Resolution is the Planning Commission's final decision and will become effective immediately upon adoption.

PASSED, APPROVED AND ADOPTED this 23th day of June 2011.

David Wagner, Chairperson
City of El Segundo Planning Commission

ATTEST:

Greg Carpenter, Secretary

Wagner -
Feihauer -
Baldino -
Barbee -
Newman -

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

By: __________________________
Karl H. Berger, Assistant City Attorney
City of El Segundo

APPLICATION FOR A MODIFICATION
TO A DISCRETIONARY APPROVAL

Environmental Assessment No: EA-924
Modification to Project EA No: EA-548

Applicant:

OTO DEVELOPMENT 804-321-4030 804-594-8331
340 E. MAIN ST. #300
SPARTANBURG, SC 29302

Check One: Owner □ Lessee □ Agent □

Property Owner:

TFI - EL SEGUNDO PARTNERS, LLC 431900 633.4700
115 S. FLOWER ST. L1011
L.A. CA 90071

Date: 5/23/11

RECEIVED
JUN 26 2011
PLANNING DIVISION
1. Describe the proposed modification with this application. (Attach additional sheets if necessary).

2. Provide a description to justify the modification: (Attach additional sheets, if necessary).

3. Describe the existing development on the site, include square footages, and uses of each building.
NOTE: Separate Affidavits must be submitted if there are multiple owners.

OWNER'S AFFIDAVIT

I, We _______________ being duly sworn depose and say that I/we am the OWNER of the property involved in this application and that I/we have familiarized myself (ourselves) with the rules and regulation of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

Signature _______________ Date May 31, 2011

STATE OF CALIFORNIA, )
County of Los Angeles )ss.

On this 31st day of MAY 2011, before me, the undersigned Notary Public in and for said County and State, personally appeared THOMAS S. RICCI, known to me to be the person whose name THOMAS S. RICCI subscribe to the within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

KATHIE J. PRESAS
Notary Public in and for said County and State
AGENT AUTHORIZATION

I hereby authorize [Name of Agent] to act for me/us in all matters relevant to this application.

I understand that this person will be the exclusive contact on the project and will be sent all information and correspondence.

[Owner's Signature]

[Date: May 31, 2011]

AGENT AFFIDAVIT

I, We [Name of Agent], being duly sworn deposite and say that I/we am the AGENT of the property involved in this application and that I/we have familiarized myself (ourselves) with the rules and regulation of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

[Signature]

[Date: May 31, 2011]

STATE OF CALIFORNIA, )
County of Los Angeles )ss.

On this [31] day of May 2011, before me, the undersigned Notary Public in and for said County and State, personally appeared [Name of Witness] known to me to be the person whose name [Name of Agent] subscribe to the within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

[Notary Seal]

Kathie J. Presas
Notary Public in and for said County and State
APPLICATION FOR A MODIFICATION TO A DISCRETIONARY APPROVAL
for
Hyatt Place
750 North Nash Street - El Segundo, CA 90245
Dated: 5.23.11

1. Describe the proposed modification with this application:

To modify Condition of Approval No. 12A as adopted in Resolution No. 4241 for EA-548 that approved the Corporate Campus Specific Plan and Corporate Campus project in order to extend the sale of alcoholic beverages hours from 10 am to 2 am to 7 am to 2 am.

The proposed modification to Condition No. 12A should read as follows:

ALCOHOL

12. The sale of a full line of alcoholic beverages for on-site consumption at the proposed restaurants, coffee shops, delis, cafes, and hotel(s) within the Project Site is permitted, subject to the following conditions:

A. The on-site sale of alcoholic beverages in hotel(s) is permitted between the hours of 10:00 a.m. to 2:00 a.m., seven days a week. The on-site sale of alcoholic beverages in restaurants, coffee shops, delis, cafes is permitted between the hours of 10:00 a.m. to 2:00 a.m., seven days a week.

2. Provide a description to justify the modification:

Since the Modification is to only permit the sale of alcoholic beverages 3 hours earlier than currently permitted in the Specific Plan (moving the time up from 10 am to 7 am) to allow guests the option to have an alcoholic beverage as early as typically permitted in other hotels in El Segundo.

3. Describe the existing development on the site, include square footages, and uses of each building:

Site is currently vacant. A proposed +/- 87,950 SF Hyatt Place hotel, with 143 guest rooms and associated restaurant, indoor and outdoor dining areas, patios, pool, whirlpool spa, and sundeck, and related hotel facilities.
AGENDA DESCRIPTION:
Consideration and possible action to open a Public Hearing, consider testimony, and adopt a Resolution finding that the City conforms with the annual Congestion Management Program (CMP) and adopting the annual CMP Local Development Report, in accordance with California Government Code § 65089. (Fiscal Impact: None).

RECOMMENDED COUNCIL ACTION:
1. Open Public Hearing;
2. Discussion;
3. Adopt Resolution; and/or
4. Alternatively, discuss and take other possible related action to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Resolution
2. 2011 Local Development Report

FISCAL IMPACT: None

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ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager

REVIEWED BY: Greg Carpenter, Director Planning and Building Safety

APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:

1. Background

The Congestion Management Program (CMP) became effective with voter approval of Proposition 111 in June 1990. The CMP is a tool to facilitate coordination between transportation and land use decisions. It requires agencies to weigh the impacts of traffic generated by developments and requires the mitigation of additional congestion. In accordance with State law the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board has adopted the CMP for Los Angeles County. Cities within the County are required to comply with the adopted CMP or risk the loss of Gas tax revenues received pursuant to Proposition 111. The City received $193,856.00 of tax revenue last year.
The LACMTA requires that by September 1st of each year, local agencies submit a self-certification Resolution and a Local Development Report pursuant to a noticed public hearing as required by State law.

The self-certification Resolution consists of the following:

1. A finding that the City is in conformance with the CMP.

2. Certification that the City will continue to implement the Transportation Demand Management Ordinance. (ESMC Chapter 15-16).

3. Certification that the City will continue to implement a Land Use Analysis Program. (City Council Resolution No. 3805).


In previous years, the CMP required the City to calculate the total debits and credits accruing from building and demolition permits and transportation improvement strategies and to maintain a positive credit balance. The City's credit balance as of May 31, 2003 was 6,642. On February 18, 2004, MTA suspended the requirement that cities maintain a positive credit balance and suspended the requirement to calculate credits and debits resulting from construction activity and transportation improvements strategies while it prepares a nexus study to explore the feasibility of implementing a congestion mitigation fee to meet CMP Deficiency Plan requirements. The City's current credit balance remains frozen until MTA completes its study.

On October 28, 2010 the Metro Board adopted the 2010 CMP for Los Angeles County. The 2010 CMP summarizes the results of 18 years of CMP highway and transit monitoring and 15 years of monitoring local growth. CMP implementation guidelines for local jurisdictions are also contained in the 2010 CMP. Metro staff and their consultants are continuing work on a proposed Congestion Mitigation Fee. The Congestion Mitigation Fee would be a one time fee applied to all types of new development. Metro staff is scheduled to complete the project identification portion of the Congestion Mitigation Fee Pilot Study for the South Bay Cities by July 29, 2011. The Nexus Analysis and Economic Impact Analysis of enacting a Congestion Mitigation Fee Program will be conducted during the months of August and September 2011. Metro anticipates presenting the Nexus Analysis Preliminary Findings to the South Bay Cities Council of Governments and to local cites individually during the months of September and October 2011.

If authorized by the LACMTA, locally adopted Congestion Mitigation Fee Programs that meet the CMP compliance requirements would replace the currently suspended Debit-Credit Methodology of the CMP Deficiency Plan. Cities that complied would retain their annual Section 2105 gas tax revenue and would ensure their eligibility for the Metro Call-For-Projects eligibility. El Segundo has a locally adopted traffic mitigation fee that is a one time fee applied to new development. Planning and Public Works staff have been coordinating with LACMTA staff to ensure the eligibility and CMP compliance of its existing traffic mitigation fees. The LACMTA Board of Directors anticipates completion of CMP conformance review will be at its February 2012 meeting. Local implementation would follow completion of the nexus study and adoption of the study by the LACMTA Board.
The City is required to report the number of new dwelling units permitted and the floor area of new non-residential buildings and demolitions every year. The attached Local Development Report summarized the development activity for the June 1, 2010 to May 31, 2011 reporting year.

There were no major commercial development projects for this year's reporting period. The projects for the year included a 1,300 square-foot City lifeguard facility, one small commercial building addition, an eight (8) unit multi-family project, and two (2) net new single-family residential dwelling units (after deducting demolitions and reconstruction).

The City will also be submitting traffic count data for one selected City arterial intersection at Sepulveda and El Segundo Boulevards, which is required only in odd-numbered years.
RESOLUTION NO. ______

A RESOLUTION FINDING THE CITY TO BE IN COMPLIANCE WITH THE CONGESTION MANAGEMENT PROGRAM (CMP) AND ADOPTING THE LOCAL DEVELOPMENT REPORT IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE § 65089.

The City Council of the city of El Segundo does resolve as follows:

SECTION 1: The City Council finds that:

A. The Los Angeles County Metropolitan Transportation Authority ("LACMTA"), acting as the Congestion Management Agency for Los Angeles County, adopted the 2004 Congestion Management Program ("CMP") on July 22, 2004;

B. As adopted, the CMP statute requires that LACMTA annually determine that Los Angeles County and cities within the County conform with all CMP requirements;

C. The CMP requires municipalities within Los Angeles County to submit Local Development Reports to the LACMTA by September 1 of each year;

D. The City Council held a noticed public hearing on August 2, 2011 during which it considered the evidence presented by staff and the public regarding how the City has implemented measures designed to mitigate the impacts of traffic congestion resulting from new development;

E. Based upon the August 2, 2011 public hearing, the City Council determined that:

1. The City has taken actions in conformance with all applicable requirements of the 2010 CMP adopted by the LACMTA Board on October 28, 2010;

2. By June 15 of odd-numbered years the City conducts annual traffic counts and calculated levels of service for selected arterial intersections, consistent with the requirements identified in the CMP Highway and Roadway System Chapter;

3. The City adopted and continues to implement a transportation demand management ordinance consistent with the minimum requirements identified in the CMP Transportation Demand Management Chapter;

4. The City adopted and continues to implement a land use analysis program consistent with the minimum requirements identified in the CMP Land Use Analysis Program Chapter; and

5. The City adopted a Local Development Report, which is attached as Exhibit "A," and incorporated by reference, consistent with the
requirements identified in the 2010 CMP. This report balances traffic congestion impacts due to growth within the City with transportation improvements, and demonstrates that the City meets its responsibilities under the County-wide Deficiency Plan consistent with the LACMTA Board adopted 2003 Short Range Transportation Plan.

SECTION 2: In accordance with its findings, the City Council determines that the City of El Segundo is in compliance with all requirements of the CMP adopted by the LACMTA Board on October 28, 2010.

SECTION 3: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 4: This Resolution will take effect immediately upon adoption.

PASSED AND ADOPTED this 2nd day of August, 2011.

________________________
Eric Busch, Mayor
City of El Segundo

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

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

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

I, 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 said City is five; that the foregoing Resolution No. _________ was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested to by the City Clerk of said City, all at a regular meeting of said Council held on the 2nd day of August 2011, and the same was so passed and adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

______________________________
Cindy Mortesen, City Clerk
# 2011 DEFICIENCY PLAN SUMMARY

*IMPORTANT: All "#value!" cells on this page are automatically calculated. Please do not enter data in these cells.*

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**EXEMPTED DEVELOPMENT TOTALS**

- Exempted Dwelling Units: 0
- Exempted Non-residential sq. ft. (in 1,000s): 0

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2. Net square feet is the difference between new development and adjustments entered on pages 2 and 3.
## PART 1: NEW DEVELOPMENT ACTIVITY

### RESIDENTIAL DEVELOPMENT ACTIVITY

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<th>Category</th>
<th>Dwelling Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Residential</td>
<td>7.00</td>
</tr>
<tr>
<td>Multi-Family Residential</td>
<td>8.00</td>
</tr>
<tr>
<td>Group Quarters</td>
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</tr>
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</table>

### COMMERCIAL DEVELOPMENT ACTIVITY

<table>
<thead>
<tr>
<th>Category</th>
<th>1,000 Gross Square Feet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial (less than 300,000 sq.ft.)</td>
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</tr>
<tr>
<td>Commercial (300,000 sq.ft. or more)</td>
<td>0.00</td>
</tr>
<tr>
<td>Freestanding Eating &amp; Drinking</td>
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</tr>
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</table>

### NON-RETAIL DEVELOPMENT ACTIVITY

<table>
<thead>
<tr>
<th>Category</th>
<th>1,000 Gross Square Feet</th>
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<tr>
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</tr>
<tr>
<td>Office (50,000-299,999 sq.ft.)</td>
<td>0.00</td>
</tr>
<tr>
<td>Office (300,000 sq.ft. or more)</td>
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<td>Government</td>
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<tr>
<td>Institutional/Educational</td>
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</tr>
<tr>
<td>University (# of students)</td>
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</tr>
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### OTHER DEVELOPMENT ACTIVITY

<table>
<thead>
<tr>
<th>Description</th>
<th>Daily Trips (Enter &quot;0&quot; if none)</th>
</tr>
</thead>
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<td>ENTER IF APPLICABLE</td>
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<td>ENTER IF APPLICABLE</td>
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</tbody>
</table>
CITY OF EL SEGUNDO

2011 CMP Local Development Report
Reporting Period: JUNE 1, 2010 - MAY 31, 2011

Enter data for all cells labeled "Enter." If there are no data for that category, enter "0."

PART 2: NEW DEVELOPMENT ADJUSTMENTS

IMPORTANT: Adjustments may be claimed only for 1) development permits that were both issued and revoked, expired or withdrawn during the reporting period, and 2) demolition of any structure with the reporting period.

### RESIDENTIAL DEVELOPMENT ADJUSTMENTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Dwelling Units</th>
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</thead>
<tbody>
<tr>
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<td>Multi-Family Residential</td>
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<td>Group Quarters</td>
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### COMMERCIAL DEVELOPMENT ACTIVITY

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</thead>
<tbody>
<tr>
<td>Commercial (less than 300,000 sq.ft.)</td>
<td>0.86</td>
</tr>
<tr>
<td>Commercial (300,000 sq.ft. or more)</td>
<td>0.00</td>
</tr>
<tr>
<td>Freestanding Eating &amp; Drinking</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### NON-RETAIL DEVELOPMENT ACTIVITY

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<tbody>
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<td>Lodging</td>
<td>0.00</td>
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<td>Industrial</td>
<td>0.00</td>
</tr>
<tr>
<td>Office (less than 50,000 sq.ft.)</td>
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<td>0.00</td>
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<td>0.00</td>
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<tr>
<td>University (# of students)</td>
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<td>0.00</td>
</tr>
<tr>
<td>ENTER IF APPLICABLE</td>
<td>0.00</td>
</tr>
</tbody>
</table>
## Exempted Development Definitions:

1. **Low/Very Low Income Housing:** As defined by the California Department of Housing and Community Development as follows:
   - Low-Income: equal to or less than 80% of the County median income, with adjustments for family size.
   - Very Low-Income: equal to or less than 50% of the County median income, with adjustments for family size.

2. **High Density Residential Near Rail Stations:** Development located within 1/4 mile of a fixed rail passenger station and that is equal to or greater than 120 percent of the maximum residential density allowed under the local general plan and zoning ordinance. A project providing a minimum of 75 dwelling units per acre is automatically considered high density.

3. **Mixed Uses Near Rail Stations:** Mixed-use development located within 1/4 mile of a fixed rail passenger station, if more than half of the land area, or floor area, of the mixed use development is used for high density residential housing.

4. **Development Agreements:** Projects that entered into a development agreement (as specified under Section 65864 of the California Government Code) with a local jurisdiction prior to July 10, 1989.

5. **Reconstruction or Replacement:** Any residential or non-residential structure which is damaged or destroyed, to the extent of > or = to 50% of its reasonable value, by fire, flood, earthquake or other similar calamity.

6. **Federally Exempt Projects:** Any project of a federal, state or county agency that is exempt from local jurisdiction zoning regulations and where the local jurisdiction is precluded from exercising any approval/disapproval authority. These locally precluded projects do not have to be reported in the LDR.
AGENDA DESCRIPTION:
Consideration and possible action to open a public hearing and receive testimony regarding: 1) an Environmental Assessment for a proposed Categorical Exemption; and 2) a Precise Plan Amendment removing the 2,500 square-foot limit on the maximum permitted outdoor dining area in the Beach Cities Plaza Precise Plan. Applicant: Continental Rosecrans, Nash (Fiscal Impact: N/A)

RECOMMENDED COUNCIL ACTION:
1. Open the public hearing;
2. Discussion;
3. Introduce and waive first reading of an Ordinance for Precise Plan Amendment No. 11-01;
4. Schedule second reading and adoption of the Ordinance on August 16, 2011 or on the first regularly scheduled meeting thereafter; and/or;
5. Alternatively, discuss and take other possible action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
1. Draft Ordinance and Exhibits
2. Draft Ordinance and Exhibits (Strike-out/Underline Version)
3. Planning Commission staff report dated July 14, 2011 and attachments

FISCAL IMPACT: N/A
Amount Budgeted: N/A
Additional Appropriation: N/A
Account Number(s): N/A

ORIGINATED BY: Kimberly Christensen, AICP, Planning Manager
REVIEWED BY: Greg Carpenter, Director of Planning and Building Safety
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
On July 14, 2011, the Planning Commission held a public hearing on the proposed Precise Plan Amendment. After receiving testimony and documentary evidence, the Commission adopted Resolution No. 2698, recommending that the City Council approve Environmental Assessment No. 921 and Precise Plan Amendment No. 11-01.

I. Introduction

The proposed Precise Plan Amendment consists of a change in the Development Plan of the Beach Cities Plaza Precise Plan (PP No. 12-72) to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area in the common area of the Beach Cities Plaza. In addition, the proposed amendment would update references to old sections of the El Segundo Municipal Code ("ESMC") before its recodification.
Project Applications

The applications include the following:

1) **Environmental Assessment (EA) No. 921 California Environmental Quality Act (CEQA)** – A Categorical Exemption (CE) for Environmental Assessment No. 921 is proposed pursuant to the Public Resources Code and the CEQA Guidelines.

2) **Precise Plan Amendment (PPA) No. 11-01** – to amend section 2.0 (Development Plan) of the Beach Cities Plaza Precise Plan.

II. **Background**

On May 4, 2011 the applicant, Continental Rosecrans, Nash, LLC, submitted the subject request for amendments to the Beach Cities Plaza Precise Plan. City staff reviewed and evaluated the proposed amendments and prepared a draft Ordinance.

On July 14, 2011, the Planning Commission recommended City Council approval of Environmental Assessment No. 921 and Precise Plan Amendment No. 11-01 to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area in the common area of the Beach Cities Plaza. A draft ordinance including the recommended changes to the Beach Cities Plaza Precise Plan is attached to this report (see Exhibit Nos. 1 and 2). Exhibit 2 provides a strikeout-underline format for all modified Precise Plan sections.

III. **Analysis**

The Beach Cities Plaza Precise Plan has been amended seven times. Three of the amendments related to the maximum permitted outdoor dining area, including the seventh amendment, which increased the maximum outdoor dining area to 2,500 square feet. Currently, the common area at Beach Cities Plaza has 2,458 square feet of outdoor dining and the applicant would like to increase the outdoor dining area above 2,500 square feet for a new tenant that will be moving to the site. The goal of the proposed Precise Plan Amendment (PPA) is to give the applicant flexibility to accommodate additional outdoor dining areas for new or existing tenants without having to modify the Precise Plan in the future.

However, future expansions of outdoor dining areas would be limited by the following factors:

1. The physical constraints of the property. The available areas for expansion of outdoor dining are limited by the existing development on the property. The site is developed with three main structures, two surface parking lots, and driveways provide access to them. The main area where outdoor dining could be provided is the common area between the buildings. That area is developed primarily with landscape planters, trellis structures, and bench seating. The area also has pedestrian walkways providing access between buildings. As a result, the available area for outdoor dining is limited.

2. The development standards of the Precise Plan. The Precise Plan requires significant landscaped setbacks along Rosecrans Avenue, Nash Street, and the interior property lines, which would preclude placing outdoor dining at those locations.
3. The discretion of the Director of Planning and Building Safety. The permitted uses section of the Precise Plan includes outdoor dining uses subject to the review and approval of the Director of Planning and Building Safety.

4. Planning Commission review. Although outdoor dining areas are a permitted use, the existing uses with outdoor dining also provide alcohol service for on-site consumption, which is subject to an Administrative Use Permit (AUP). Any expansion of these existing outdoor dining areas or establishment of new outdoor dining areas where alcohol is served would be subject to an AUP. AUPs for onsite consumption of alcohol are reviewed and approved by the Director of Planning and Building Safety and must be reviewed and filed by the Planning Commission.

Due to these factors, staff does not anticipate outdoor dining areas to expand significantly, and most such expansions will be subject to Director or Planning Commission review.

**General Plan and Municipal Code Consistency**

On July 14, 2011, the Planning Commission determined that the City Council can make the necessary findings to adopt the draft Ordinance. The findings are discussed in Planning Commission Resolution No. 2698 (See Exhibit No. 3).

**IV. Environmental Review**

The proposed project is within the development limits of the Mitigated Negative Declaration adopted for the site as part of Environmental Assessment EA 350 and Precise Plan PP No. 94-1 (3rd Amendment to PP No. 12-72). In addition, the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) and § 15311 as a Class 11 categorical exemption (Accessory Structures). The existing uses within the Precise Plan include commercial retail stores, restaurants with outdoor dining, offices, and a theater. The proposed amendment will not significantly change or expand the Precise Plan’s uses. Outdoor dining areas would continue to be subject to the development standards of the Precise Plan. Minor improvements on the site will include railings, tables, and seats for any new outdoor dining areas. The project is not anticipated to have any significant impacts with regard to traffic, noise, air quality, or water quality. The project site is located in a commercial area that has no known value as habitat for endangered, rare or threatened species. There are adequate utilities and public services to serve the project.

**V. Recommendation**

Planning staff recommends that the City Council introduce and waive first reading of the attached draft Ordinance to approve Environmental Assessment No. EA-921 and amend the Beach Cities Plaza Precise Plan to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area in the common area of the Beach Cities Plaza. Second reading and adoption of the Ordinance would occur on August 16, 2011.
ORDINANCE NO. ______

AN ORDINANCE APPROVING A PRECISE PLAN AMENDMENT TO AMEND THE BEACH CITIES PLAZA PRECISE PLAN TO REMOVE THE 2,500 SQUARE-FOOT LIMIT ON THE MAXIMUM PERMITTED OUTDOOR DINING AREA.

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

SECTION 1: The City Council incorporates by reference all of the findings and conclusions set forth in Planning Commission Resolution No. 2698 as if fully set forth.

SECTION 2: Environmental Assessment. Because of the facts identified in Planning Commission Resolution No. 2698, the proposed project conforms with the Mitigated Negative Declaration adopted for the site as part of Environmental Assessment EA 350 and Precise Plan PP No. 94-1 (3rd Amendment to PP No. 12-72). In addition, the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) and § 15311 as a Class 11 categorical exemption (Accessory Structures).

SECTION 3: General Plan. The proposed project conforms to the City’s General Plan as follows:

A. The General Plan Land Use designation of the project site, as well as the underlying zoning, is Urban Mixed-Use South (MU-S). This designation allows a mixture of uses including office, hotels, and retail. Light industrial uses are allowed with discretionary approval.

B. The project is consistent with several General Plan Land Use Element Goals, Policies, and Objectives. Goal LU4 states: “Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The project is consistent with this goal, in that any additional outdoor dining area within the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the immediate vicinity. In addition, the distance of the subject site from the Downtown will minimize any potential impact on the Downtown businesses.

C. The project is also consistent with Goal LU5, which states: “Retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City.” The additional outdoor dining area at the Beach Cities Plaza will be an additional amenity available to all the industrial uses in the Continental Park development and the immediate vicinity.
D. The project is also consistent with several General Plan Economic Development Element Goals, Policies, and Objectives. Specifically, Goal ED1 – Economic Base states: "To create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit." The additional outdoor dining area in the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the Plaza, the Continental Development Park by providing an additional amenity for employees and patrons of those businesses. As a result, the City's economic tax base will be strengthened (Policy ED1-2.2).

SECTION 4: Zoning Consistency. The proposed project is consistent with the zoning regulations of the ESMC as follows:

A. The project is consistent with the purpose of the zoning regulations in that the Beach Cities Plaza Precise Plan and the underlying Urban Mixed-Use South (MU-S) Zone permit outdoor dining uses.

B. Any new or expanded outdoor dining areas at the Beach Cities Plaza must comply with the development standards of the Precise Plan and the Urban Mixed-Use South (MU-S) Zone.

C. There is adequate parking capacity on and offsite to accommodate new or expanded outdoor dining areas in that the current uses at Beach Cities Plaza require 955 parking spaces and the development provides 1,416 parking spaces in two parking structures and two surface parking lots.

SECTION 5: Section 2.0 of the Beach Cities Plaza Precise Plan (Development Plan) is amended to read as follows:

"INTRODUCTION

The Beach Cities Plaza Development Plan provides for the development of approximately 6.03 acres. The Development Plan is provided as Exhibit 3, Elevations Exhibit 4, and the Circulation Plan as Exhibit 5, and as detailed in the full scale drawings on file in the Planning Division.

DEVELOPMENT PLAN

Permitted Uses

Permitted Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone (ESMC § 15-5F-2). Additionally, the following uses are permitted subject to review and approval of the Director of Planning and Building Safety:
1. Incidental uses such as permanent tables, chairs, signs outdoor retail operations, push carts, kiosks, and other similar outdoor amenities, provided each use is located in the area designated for incidental uses on the Development Plan (Exhibit 3).

2. Additional uses such as outdoor dining.

SECTION 6: Sections 2.0 (Development Plan), 3.0 (Development Standards), and 4.0 (Administration) of the Beach Cities Plaza Precise Plan are amended to read as follows:

“All references in the Beach Cities Plaza Precise Plan to ESMC Sections in Chapter 20.38 – Urban Mixed-Use South (MU-S) Zone, Chapter 20.72 - Administrative Determinations, and Chapter 20.80 – Adult Use Zoning Regulations are amended to refer to the corresponding Sections in ESMC Title 15 Chapter 5 – Commercial Zones, Article F – Urban Mixed Use South (MU-S) Zone, Chapter 13 – Adult Use Zoning Regulations, and Chapter 22 – Administrative Determinations.”

SECTION 7: Reliance On Record. Each and every one of the findings and determinations in this Ordinance are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the City Council in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 8: Limitations. The City Council’s analysis and evaluation of the project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of the project is the City Council’s lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the city’s ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it exists and with the limitations inherent in that framework.

SECTION 9: Summaries of Information. All summaries of information in the findings which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.

SECTION 10: 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 11: Enforceability. Repeal of any provision of the ESMC 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 12: Validity of Previous Code Sections. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 13: 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 14: 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 15: This Ordinance will remain effective until superseded by a subsequent ordinance.
SECTION 16: This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED AND ADOPTED this ____ day of __________, 2011.

__________________________
Eric Busch, Mayor

ATTEST:

STATE OF CALIFORNIA  )
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 said City is five; that the foregoing Ordinance No. ____ was duly introduced by said City Council at a regular meeting held on the ____ day of __________, 2011, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ____ day of __________, 2011, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

__________________________
Cindy Mortesen, City Clerk

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

By: _______________________
Karl H. Berger, Assistant City Attorney
ORDINANCE NO. ____

AN ORDINANCE APPROVING A PRECISE PLAN AMENDMENT TO AMEND THE BEACH CITIES PLAZA PRECISE PLAN TO REMOVE THE 2,500 SQUARE-FOOT LIMIT ON THE MAXIMUM PERMITTED OUTDOOR DINING AREA.

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

SECTION 1: The City Council incorporates by reference all of the findings and conclusions set forth in Planning Commission Resolution No. 2698 as if fully set forth.

SECTION 2: Environmental Assessment. Because of the facts identified in Planning Commission Resolution No. 2698, the proposed project conforms with the Mitigated Negative Declaration adopted for the site as part of Environmental Assessment EA 350 and Precise Plan PP No. 94-1 (3rd Amendment to PP No. 12-72). In addition, the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) and § 15311 as a Class 11 categorical exemption (Accessory Structures).

SECTION 3: General Plan. The proposed project conforms to the City’s General Plan as follows:

A. The General Plan Land Use designation of the project site, as well as the underlying zoning, is Urban Mixed-Use South (MU-S). This designation allows a mixture of uses including office, hotels, and retail. Light industrial uses are allowed with discretionary approval.

B. The project is consistent with several General Plan Land Use Element Goals, Policies, and Objectives. Goal LU4 states: “Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The project is consistent with this goal, in that any additional outdoor dining area within the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the immediate vicinity. In addition, the distance of the subject site from the Downtown will minimize any potential impact on the Downtown businesses.

C. The project is also consistent with Goal LU5, which states: “Retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City.” The additional outdoor dining area at the Beach Cities Plaza will be an additional amenity available to all the industrial uses in the Continental Park development and the immediate vicinity.
D. The project is also consistent with several General Plan Economic Development Element Goals, Policies, and Objectives. Specifically, Goal ED1 – Economic Base states: "To create in El Segundo a strong, healthy economic community in which all diverse stakeholders may benefit." The additional outdoor dining area in the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the Plaza, the Continental Development Park by providing an additional amenity for employees and patrons of those businesses. As a result, the City’s economic tax base will be strengthened (Policy ED1-2.2).

SECTION 4: Zoning Consistency. The proposed project is consistent with the zoning regulations of the ESMC as follows:

A. The project is consistent with the purpose of the zoning regulations in that the Beach Cities Plaza Precise Plan and the underlying Urban Mixed-Use South (MU-S) Zone permit outdoor dining uses.

B. Any new or expanded outdoor dining areas at the Beach Cities Plaza must comply with the development standards of the Precise Plan and the Urban Mixed-Use South (MU-S) Zone.

C. There is adequate parking capacity on and onsite to accommodate new or expanded outdoor dining areas in that the current uses at Beach Cities Plaza require 955 parking spaces and the development provides 1,416 parking spaces in two parking structures and two surface parking lots.

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DEVELOPMENT PLAN

Permitted Uses

Permitted Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.020 of the El Segundo Municipal Code (ESMC § 15-5F-2). Additionally, the following uses are permitted
subject to the review and approval of the Director of Planning and Building Safety:

1. Incidental uses such as permanent tables, chairs, signs outdoor retail operations, push carts, kiosks, and other similar outdoor amenities, provided each use is located in the area designated for incidental uses on the Development Plan (Exhibit 3).

2. Additional uses such as outdoor dining in accordance with Resolution 4034.

SECTION 6: Sections 2.0 (Development Plan), 3.0 (Development Standards), and 4.0 (Administration) of the Beach Cities Plaza Precise Plan are amended to read as follows:

“All references in the Beach Cities Plaza Precise Plan to ESMC Sections in Chapter 20.38 – Urban Mixed-Use South (MU-S) Zone, Chapter 20.72 - Administrative Determinations, and Chapter 20.80 – Adult Use Zoning Regulations are amended to refer to the corresponding Sections in ESMC Title 15 Chapter 5 - Commercial Zones, Article F - Urban Mixed Use South (MU-S) Zone, Chapter 13 - Adult Use Zoning Regulations, and Chapter 22 – Administrative Determinations.”

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SECTION 9: Summaries of Information. All summaries of information in the findings which precede this section, are based on the substantial evidence in the record. The absence of any particular fact from any such summary is not an indication that a particular finding is not based in part on that fact.
SECTION 10: 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 11: Enforceability. Repeal of any provision of the ESMC 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 12: Validity of Previous Code Sections. If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the ESMC or other city ordinance by this Ordinance will be rendered void and cause such previous ESMC provision or other the city ordinance to remain in full force and effect for all purposes.

SECTION 13: 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 14: 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 15: This Ordinance will remain effective until superseded by a subsequent ordinance.
SECTION 16: This Ordinance will become effective on the thirty-first (31st) day following its passage and adoption.

PASSED AND ADOPTED this _____ day of __________, 2011.

____________________________________
Eric Busch, Mayor

ATTEST:

STATE OF CALIFORNIA )
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 said City is five; that the foregoing Ordinance No. ___ was duly introduced by said City Council at a regular meeting held on the ___ day of __________, 2011, and was duly passed and adopted by said City Council, approved and signed by the Mayor, and attested to by the City Clerk, all at a regular meeting of said Council held on the ___ day of __________, 2011, and the same was so passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

____________________________________
Cindy Mortesen, City Clerk

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

By: _________________________________
Karl H. Berger, Assistant City Attorney
CITY OF EL SEGUNDO

PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: July 14, 2011

SUBJECT: Environmental Assessment No. EA-921 and Precise Plan Amendment No. PP 11-01

APPLICANT: Continental Rosecrans Nash, LLC

PROPERTY OWNER: Continental Rosecrans Nash, LLC

REQUEST: A request for a Precise Plan Amendment to increase the permitted outdoor dining area within the Beach Cities Plaza Precise Plan (PP 72-12).

PROPERTY INVOLVED: 2041 Rosecrans Avenue, 831 and 871 South Nash Street

I. INTRODUCTION

The proposed project is a request to modify the Beach Cities Plaza Precise Plan (PP 12-72) to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area. The purpose of the request is to accommodate a potential tenant's need for additional outdoor dining space in the common plaza area of the Precise Plan. The requested amendment (PP 11-01) is the eighth amendment of Precise Plan PP 12-72. Outdoor dining is currently a permitted use, subject to a 2,500 square-foot maximum in accordance with Resolution No. 4034 (Precise Plan No. 99-1 (7th Amendment)).

II. RECOMMENDATION

Planning Staff recommends that the Planning Commission review the facts and findings contained within this report, and adopt Resolution No. 2698 recommending City Council approval of Environmental Assessment No. EA-921 and Precise Plan Amendment No. PP 11-01, with conditions.
III. BACKGROUND

The Beach Cities Plaza Precise Plan (PP 12-72) was originally adopted in 1972 to allow office, service-type facilities, and parking on the subject property. Since the original adoption, the Precise Plan has been amended seven times. The fourth, sixth, and seventh amendments include provisions for outdoor dinning with restrictions. The following is a list of the amendments to the Precise Plan with a brief description for each:

Precise Plan 73-3 (1st Amendment)

The Precise Plan was amended on May 29, 1973. The amendment increased the floor area and altered the design of the parking facilities.

Precise Plan 74-10 (2nd Amendment)

The Precise Plan was amended on January 7, 1974. The 1974 amendment eliminated the requirement for a deceleration lane on Rosecrans Avenue. The action accommodated a drive-thru teller for a bank in the 2041 East Rosecrans Avenue building.

Precise Plan 94-1 (3rd Amendment)

The Precise Plan was amended on May 2, 1995. The 1995 amendment allowed theaters as a permitted use, conversion of an office building to retail/office, and provided for joint use parking at 870 South Nash Street. Additionally, the Precise Plan was amended to allow the construction of a theater building within the street side yard setback normally required for the Urban Mixed-Use (MU) Zone (the MU Zone in this area is now the Urban Mixed-Use South (MU-S) Zone).

Precise Plan 96-1 (4th Amendment)

The Precise Plan was amended on September 16, 1997. The 1997 amendment related to the parking structure stairway at 870 South Nash Street, the parking structure stairway directional signage at 870 South Nash Street, revisions to the approved Traffic Circulation Plan, and an approval to allow outdoor dining that exceeds 200 square feet for the P. F. Chang’s China Bistro and other future restaurants.

Precise Plan 96-1A (Fifth Amendment)

The Precise Plan was amended on June 2, 1998. This amendment related to the relocation of the passenger drop-off area for the movie theaters, management of parking in the parking structure and surface parking lots on the property, and
permitting the installation of amenities in the plaza area between the theater building and the retail, office restaurant building at 2041

**Precise Plan 96-1B (Sixth Amendment)**

The Precise Plan was amended on November 4, 1998. This amendment related to the following:

1. An amendment of the Precise Plan land uses to conform to the current Zoning Code for the underlying zone; the “Urban Mixed Use South (MU-S) Zone.”

2. An amendment of the Precise Plan to clarify that any (then current) codified development standards for the underlying Urban Mixed Use South (MU-S) Zone that are not specifically modified by the Precise Plan will be incorporated by reference and may be applied to improvements (uses and development standards) covered by the Precise Plan.

3. An amendment of the Precise Plan to permit the Director of Planning and Building Safety to approve minor modifications to the requirements of the Precise Plan.

4. Created the current Beach Cities Plaza Precise Plan document that included a 1,200 square-foot limit to outdoor dining.

**Precise Plan 99-1 (Seventh Amendment)**

The Precise Plan was amended on November 3, 1999. The amendment related to the following:

1. An amendment of the Precise Plan (PP12-72), as subsequently modified, to increase the total amount of permitted outdoor dining area from 1,200 square feet to 2,500 square feet.

2. An amendment of the Precise Plan to reduce the total required parking for the Beach Cities Plaza from 1,330 parking spaces to 1,066.

The site currently has 2,458 square feet of outdoor dining area, which is 42 square feet less than the maximum permitted by the Precise Plan. The applicant is requesting an 8th amendment to the Precise Plan (PP 11-01) to eliminate the existing 2,500 square-foot limit.
Site Location

The project site (Beach Cities Plaza) is located within the southeast portion of the City of El Segundo. The site is in the western portion of Continental Park, which is a large office and industrial park containing approximately 2 million square feet of office, research and development, hotel, health club, restaurant, retail, and movie theater uses. It is generally bounded on the north by vacant land, on the south by Rosecrans Avenue, on the east by Nash Street, and on the west by heavy industrial uses.

Surrounding Land Uses

The following table lists the uses surrounding the subject site.

<table>
<thead>
<tr>
<th>Direction</th>
<th>Land Use</th>
<th>Zone</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>Vacant Land</td>
<td>Commercial Center (C-4)</td>
</tr>
<tr>
<td>East</td>
<td>Office and Parking</td>
<td>Urban Mixed-Use South (MU-S)</td>
</tr>
<tr>
<td>South</td>
<td>Office/Retail</td>
<td>Planned Development (PD)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>City of Manhattan Beach</td>
</tr>
<tr>
<td>West</td>
<td>Heavy Industrial</td>
<td>Commercial Center (C-4)</td>
</tr>
</tbody>
</table>

Site Description

The Beach Cities Plaza project area is approximately 6.03 acres (262,737 square feet). The development consists of an office/retail building at 2041 Rosecrans Avenue, a 15-screen movie theater at 831 South Nash Street, and a parking structure at 871 South Nash Street. The office/retail building contains 71,792 square feet of retail and office area, 8,872 square feet of indoor restaurant area and 1,733 square feet of outdoor dining area divided between two restaurants. The movie theater is approximately 65,000 square feet and contains a 760-square-foot café with 725 square feet of outdoor dining area. The outdoor dining areas for the restaurants and café total 2,458 square feet and are located in an open plaza between the office/retail building and the theater. The plaza area has other amenities such as landscaping, benches, and trellis structures.
IV. ANALYSIS

Precise Plan

The existing building, uses and development standards were approved under a Precise Plan (PP 12-72) in 1972. A “Precise Plan” is a term previously used for what are now defined as “Specific Plans” under applicable law.

When approving a Precise Plan or Precise Plan amendment, the City Council must make findings related to the following three (3) areas:

1. A finding that the action is necessary to carry out the general purpose of the zoning regulations;

2. The consistency of the action with the City’s General Plan; and,

3. Adherence with the California Environmental Quality Act.

Zoning Code Purpose/Consistency

The general purpose of the zoning regulations in the El Segundo Municipal Code is to “serve the public health, safety, and general welfare and to provide the economic and social advantages resulting from an orderly planned use of land resources.” The proposed amendment to the Beach Cities Plaza Precise Plan to increase the permitted outdoor dining area is consistent with this purpose, in that the Precise Plan allows outdoor dining uses by right. New or expanded outdoor dining uses that include service of alcohol require review and approval of an Administrative Use Permit (AUP). In addition, any expansion to existing outdoor dining or construction of new outdoor dining areas in the Precise Plan area will be subject to the development standards of the Precise Plan and the Urban Mixed Use South (MU-S) Zone Facts in support of this finding are further outlined in the attached resolution of approval.

Parking

The El Segundo Municipal Code (ESMC) requires 955 parking spaces for the existing uses at the Beach Cities Plaza. The parking structure at 871 South Nash Street and two surface parking lots onsite provide 572 spaces, and an additional 844 parking spaces are provided offsite in a parking structure at 870 South Nash Street. The total number of parking spaces provided for the site is 1,416. There is a surplus of 461 parking spaces in excess of code requirements. As a result, there is an adequate amount of parking available for additional outdoor dining uses. The following table lists the required and provided parking spaces at the site.
<table>
<thead>
<tr>
<th>Use</th>
<th>Net Floor Area (Square Feet)</th>
<th>ESMC Parking Ratio (Ord. No. 1444)</th>
<th>Parking Spaces Required</th>
<th>Parking Spaces Provided</th>
<th>Surplus Parking Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail / Office</td>
<td>25,000</td>
<td>1 space per 300 square feet for the 1st 25,000 square feet</td>
<td>83.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>25,000</td>
<td>1 space per 350 square feet for the second 25,000 square feet</td>
<td>71.42</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>21,792</td>
<td>1 space per 400 square feet above 50,000 square feet</td>
<td>54.48</td>
<td></td>
</tr>
<tr>
<td>Total Retail/Office</td>
<td>71,792</td>
<td></td>
<td>209.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurant</td>
<td>8,872</td>
<td>1 space per 75 square feet</td>
<td>118.29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Theater café</td>
<td>760</td>
<td>1 space per 75 square feet</td>
<td>10.13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor dining</td>
<td>2,458</td>
<td>1 space per 75 square feet (200 square feet allowed by right)</td>
<td>30.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ArcLight Theater Remodeled Auditorium</td>
<td>2,349 seats</td>
<td>1 space for every 4 fixed seats</td>
<td>587.25</td>
<td></td>
<td></td>
</tr>
<tr>
<td>831 Nash surface parking lot</td>
<td></td>
<td></td>
<td></td>
<td>177</td>
<td></td>
</tr>
<tr>
<td>871 Nash Parking Structure &amp; surface parking</td>
<td></td>
<td></td>
<td></td>
<td>395</td>
<td></td>
</tr>
<tr>
<td>870 Nash Parking Structure (joint use)</td>
<td></td>
<td></td>
<td></td>
<td>844</td>
<td></td>
</tr>
<tr>
<td>Current Parking Demand &amp; Capacity Totals</td>
<td></td>
<td></td>
<td>955</td>
<td>1,416</td>
<td>461</td>
</tr>
</tbody>
</table>

V. **GENERAL PLAN CONSISTENCY**

The General Plan land use designation for the site is Urban Mixed Use South, which allows for office and retail uses. The proposed expansion of outdoor dining uses is consistent with this designation and is consistent with the permitted uses in the
Beach Cities Plaza Precise Plan and the Urban Mixed Use South (MU-S) Zone. The project is consistent with the General Plan as specified in the attached draft resolution. Facts in support of this finding are further outlined in the attached resolution of approval.

VI. **INTER-DEPARTMENTAL COMMENTS**

The project applications and plans were circulated to all City Departments for review. The comments received for the project are attached to this report have been incorporated in the conditions of approval for the project.

VII. **ENVIRONMENTAL REVIEW**

The proposed project is within the development limits of the Mitigated Negative Declaration adopted for the site as part of Environmental Assessment EA 350 and Precise Plan PP 94-1 (3rd Amendment to PP 12-72). In addition, the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) and § 15311 as a Class 11 categorical exemption (Accessory Structures). The existing uses within the Precise Plan include commercial retail stores, restaurants with outdoor dining, offices, and a theater. The proposed amendment will not significantly change or expand the Precise Plan's uses. Outdoor dining areas would continue to be subject to the development standards of the Precise Plan. Minor improvements on the site will include railings, tables, and seats for any new outdoor dining areas. The project is not anticipated to have any significant impacts with regard to traffic, noise, air quality, or water quality. The project site is located in a commercial area that has no known value as habitat for endangered, rare or threatened species. There are adequate utilities and public services to serve the project.

VIII. **CONCLUSION**

Planning staff believes that the proposed expansion of outdoor dining uses in the Beach Cities Plaza will be beneficial to neighboring uses, which include the theater complex, office uses, commercial retail uses, and industrial uses. The site has adequate parking to accommodate expansions to the existing outdoor dining area, it is sufficiently removed from any sensitive uses, and thus would have no noise or traffic impacts on those uses. Therefore, planning staff recommends that the Planning Commission adopt Resolution No. 2698 recommending City Council approval of Environmental Assessment No. EA-921 and Precise Plan Amendment PP 11-01, with conditions based upon the findings as contained in this report.
IX. EXHIBITS

A. Draft Resolution No. 2698
B. Applications
C. Beach Cities Plaza Precise Plan
D. Plans

Prepared by: Paul Samaras, Principal Planner

[Signature]
Kimberly Christensen, AICP, Planning Manager
Department of Planning & Building Safety

[Signature]
Greg Carpenter, Director
Department of Planning & Building Safety
RESOLUTION NO. 2698

A RESOLUTION RECOMMENDING THAT THE CITY COUNCIL APPROVE ENVIRONMENTAL ASSESSMENT EA-921 AND ADOPT AN ORDINANCE AMENDING THE BEACH CITIES PLAZA PRECISE PLAN (PP 12-72).

The Planning Commission of the City of El Segundo does resolve as follows:

SECTION 1: The Planning Commission finds and declares that:

A. On May 4, 2011, Continental Rosecrans Nash, LLC, filed an application for an Environmental Assessment (EA No. 921) to modify the Beach Cities Plaza Precise Plan (PP 12-72) to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area;

B. The application was reviewed by the City’s Planning and Building Safety Department for, in part, consistency with the General Plan and conformity with the El Segundo Municipal Code (“ESMC”);

C. In addition, the City reviewed the project’s environmental impacts under the California Environmental Quality Act (Public Resources Code §§ 21000, et seq., “CEQA”), the regulations promulgated thereunder (14 Cal. Code of Regulations §§15000, et seq., the “CEQA Guidelines”), and the City’s Environmental Guidelines (City Council Resolution No. 3805, adopted March 16, 1993); A Mitigated Negative Declaration was previously adopted by the City Council on May 2, 1995 for the Beach Cities Plaza Precise Plan;

D. The Department of Planning and Building Safety completed its review and scheduled a public hearing regarding the application before this Commission for July 14, 2011;

E. On July 14, 2011, the Commission held a public hearing to receive public testimony and other evidence regarding the applications including, without limitation, information provided to the Commission by City staff, public testimony, and representatives of Continental Rosecrans Nash, LLC; and

F. This Resolution, and its findings, are made based upon the evidence presented to the Commission at its July 14, 2011 hearing including, without limitation, the staff report submitted by the Planning and Building Safety Department.
SECTION 2: Factual Findings and Conclusions. The Commission finds that the following facts exist:

A. The subject site is located within the southeast portion of the City of El Segundo approximately 6.035 acres (262,900 square feet);

B. The subject site is located at 2041 Rosecrans Avenue, and 831 and 871 South Nash Street in the Beach Cities Plaza Precise Plan;

C. The surrounding land uses are vacant land to the north, office and parking uses to the east, heavy industrial uses to the west, and office and retail uses to the south;

D. The site is in the western portion of Continental Park. Continental Park is a large office and industrial park containing approximately 2 million square feet of office, research and development, hotel, health club, restaurant, retail, movie theater uses;

E. The Beach Cities Plaza currently consists of 71,792 (net) square feet of retail/office area and 3,872 square feet of indoor restaurant area in the 2041 Rosecrans Avenue building, 2,458 square feet of outdoor dining area in and common plaza area, and 65,000 square feet of movie theater area in the 831 South Nash Street building;

F. The current uses in the Beach Cities Plaza require a total of 955 parking spaces and the site currently provides 1,416 parking spaces onsite and in a parking structure offsite at 870 South Nash Street. The Beach Cities Plaza currently has a surplus of 461 parking spaces;

G. The applicant is requesting to modify the Precise Plan (PP 12-72) to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area;

H. Any new or expanded outdoor dining areas onsite are subject to the development standards of the Beach Cities Plaza Precise Plan and the underlying Urban Mixed Use South (MU-S) Zone;

I. The subject site is located in an urbanized area developed with industrial, office, commercial, restaurant, and movie theater uses;

J. The project site has no known value as a habitat for endangered, rare, or threatened species;
K. The project will result in minor improvements on the site, such as low railings or walls, tables, and seats for outdoor dining areas, and;

L. Any new or expanded outdoor dining areas on the site are anticipated to have less than significant impacts with regard to traffic, noise, air quality, or water quality.

SECTION 3: Environmental Assessment. Because of the facts identified in Section 2 of this Resolution, the proposed project conforms with the Mitigated Negative Declaration adopted for the site as part of Environmental Assessment EA 350 and Precise Plan PP 94-1 (3rd Amendment to PP 12-72). In addition, the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 California Code of Regulations § 15301 as a Class 1 categorical exemption (Existing Facilities) and § 15311 as a Class 11 categorical exemption (Accessory Structures).

SECTION 4: General Plan. The proposed project conforms to the City’s General Plan as follows:

A. The General Plan Land Use designation of the project site, as well as the underlying zoning, is Urban Mixed-Use South (MU-S). This designation allows a mixture of uses including office, hotels, and retail. Light industrial uses are allowed with discretionary approval.

B. The project is consistent with several General Plan Land Use Element Goals, Policies, and Objectives. Goal LU4 states: “Provide a stable tax base for the City through development of new commercial uses, primarily within a mixed-use environment, without adversely affecting the viability of Downtown.” The project is consistent with this goal, in that any additional outdoor dining area within the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the immediate vicinity. In addition, the distance of the subject site from the Downtown will minimize any potential impact on the Downtown businesses.

C. The project is also consistent with Goal LU5, which states: “Retain and attract clean and environmentally safe industrial uses that provide a stable tax base and minimize any negative impact on the City.” The additional outdoor dining area at the Beach Cities Plaza will be an additional amenity available to all the industrial uses in the Continental Park development and the immediate vicinity.

D. The project is also consistent with several General Plan Economic Development Element Goals, Policies, and Objectives. Specifically, Goal ED1 – Economic Base states: “To create in El Segundo a strong, healthy
economic community in which all diverse stakeholders may benefit.” The additional outdoor dining area in the mixed use environmental of the Beach Cities Plaza will benefit all the businesses in the Plaza, the Continental Development Park by providing an additional amenity for employees and patrons of those businesses. As a result, the City’s economic tax base will be strengthened (Policy ED1-2.2).

SECTION 5: Zoning Consistency. The proposed project is consistent with the zoning regulations of the ESMC as follows:

A. The project is consistent with the purpose of the zoning regulations in that the Beach Cities Plaza Precise Plan and the underlying Urban Mixed-Use South (MU-S) Zone permit outdoor dining uses.

B. Any new or expanded outdoor dining areas at the Beach Cities Plaza must comply with the development standards of the Precise Plan and the Urban Mixed-Use South (MU-S) Zone.

C. There is adequate parking capacity on and offsite to accommodate new or expanded outdoor dining areas in that the current uses at Beach Cities Plaza require 955 parking spaces and the development provides 1,416 parking spaces in two parking structures and two surface parking lots.

SECTION 6: Recommendations. The Planning Commission recommends that the City Council approve Environmental Assessment EA 921 and adopt an Ordinance to amend the Beach Cities Plaza Precise Plan (PP 12-72) to remove the 2,500 square-foot limit on the maximum permitted outdoor dining area, subject to the conditions listed on the attached Exhibit “A,” which are incorporated by reference (PP11-01).

SECTION 7: Reliance On Record. Each and every one of the findings and determinations in this Resolution are based on the competent and substantial evidence, both oral and written, contained in the entire record relating to the project. The findings and determinations constitute the independent findings and determinations of the Planning Commission in all respects and are fully and completely supported by substantial evidence in the record as a whole.

SECTION 8: Limitations. The Planning Commission's analysis and evaluation of the project is based on the best information currently available. It is inevitable that in evaluating a project that absolute and perfect knowledge of all possible aspects of the project will not exist. One of the major limitations on analysis of the project is the Planning Commission’s lack of knowledge of future events. In all instances, best efforts have been made to form accurate assumptions. Somewhat related to this are the limitations on the city’s ability to solve what are in effect regional, state, and national problems and issues. The City must work within the political framework within which it
exists and with the limitations inherent in that framework.

SECTION 9: This Resolution will remain effective until superseded by a subsequent resolution.

SECTION 10: The Commission secretary is directed to mail a copy of this Resolution to any person requesting a copy.

SECTION 11: This Resolution may be appealed within ten (10) calendar days after its adoption. All appeals must be in writing and filed with the City Clerk within this time period. Failure to file a timely written appeal will constitute a waiver of any right of appeal.

PASSED AND ADOPTED this 14th day of July, 2011.

__________________________________________________________________________
David Wagner, Chairperson
City of El Segundo Planning Commission

ATTEST:

__________________________________________________________________________
Greg Carpenter, Secretary

Wagner -
Fellhauer -
Baldino -
Barbee -
Newman -

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

By: ___________________________________
    Karl H. Berger, Assistant City Attorney
PLANNING COMMISSION RESOLUTION NO. 2698

Exhibit A

CONDITIONS OF APPROVAL

In addition to all applicable provisions of the El Segundo Municipal Code ("ESMC"), Continental Rosecrans Company agrees to comply with the following provisions as conditions for the City of El Segundo’s approval of Environmental Assessment EA 899 and Precise Plan PP 11-01 ("Project Conditions").

Planning and Building Safety Department

1. Section 2.0 of the Beach Cities Plaza Precise Plan (Development Plan) is amended to read as follows:

"INTRODUCTION

The Beach Cities Plaza Development Plan provides for the development of approximately 6.03 acres. The Development Plan is provided as Exhibit 3, Elevations Exhibit 4, and the Circulation Plan as Exhibit 5, and as detailed in the full scale drawings on file in the Planning Division.

DEVELOPMENT PLAN

Permitted Uses

Permitted Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.020 of the El Segundo Municipal Code (ESMC § 15-5F-2). Additionally, the following uses are permitted subject to the review and approval of the Director of Planning and Building Safety:

1. Incidental uses such as permanent tables, chairs, signs outdoor retail operations, push carts, kiosks, and other similar outdoor amenities, provided each use is located in the area designated for incidental uses on the Development Plan (Exhibit 3).

2. Additional uses such as outdoor dining in accordance with Resolution 4034.

* * *

2. All references in the Beach Cities Plaza Precise Plan to ESMC Sections 20.38.020 through 20.38.060 (Chapter 20.38 - Urban Mixed-Use South (MU-S)
Zone) and 20.72.020 through 20.72.020 (Chapter 20.72 - Administrative Determinations) are amended to refer to the corresponding Sections in ESMC Title 15 Chapter 5 – Commercial Zones, Article F – Urban Mixed Use South (MU-S) Zone and Chapter 22 – Administrative Determinations.

3. Before building permits are issued, the applicant must obtain all the necessary approvals, licenses and permits and pay all the appropriate fees as required by the City.

Miscellaneous

4. Continental Rosecrans Nash, LLC, agrees to indemnify and hold the City harmless from and against any claim, action, damages, costs (including, without limitation, attorney's fees), injuries, or liability, arising from the City's approval of Environmental Assessment No. 921 or Precise Plan PP 11-01, except for such loss or damage arising from the City's sole negligence or willful misconduct. 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 the City approval of Environmental Assessment No. 899 or Precise Plan PP 11-01 Continental Rosecrans Nash, LLC, agrees to 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, except for such loss or damage arising from the City's sole negligence or willful misconduct. For purposes of this section “the City” includes the City of El Segundo’s elected officials, appointed officials, officers, and employees.

By signing this document, Alex J. Rose on behalf of Continental Rosecrans Nash, LLC, certifies that it read, understands, and agrees to the Project Conditions listed in this document.

Alex J. Rose
Continental Rosecrans Nash, LLC

P:\Planning & Building Safety\0 Planning - Old\PROJECTS (Planning)\901-925\EA-921\EA-921; PP 11-01 PC reso 07062011.doc
City of El Segundo

APPLICATION FOR A PRECISE PLAN AMENDMENT

Environmental Assessment No: 921 Precise Plan No: 11-01
(Eighth Amendment PP 12-72)

Date: May 3, 2011

Applicant:
Continental Rosecrans Nash, LLC
Name (print or type) 2041 Rosecrans Avenue, Suite 200
Address El Segundo, CA 90245
City/St/Zip

Check One: Owner [x] Lessee [ ]

Property Owner:
Continental Rosecrans Nash, LLC
Name (print or type) 2041 Rosecrans Avenue, Suite 200
Address El Segundo, CA 90245
City/St/Zip

Representative of applicant: (i.e., attorney, expeditor, etc.)
Toni Reina, Planning Manager Continental Development Corporation
Name (print or type) 2041 Rosecrans Avenue, Suite 200
Address El Segundo, CA 90245
City/St/Zip

Phone 310-640-1520 310-524-0864
Fax
Email
Signature
Alex J. Rose, Senior Vice President

Phone 310-640-1520 310-524-0864
Fax
Email
Signature
Alex J. Rose, Senior Vice President

Phone 310-640-1520 310-524-0864
Fax
Email
Signature
Toni Reina, Planning Manager
Architect/Engineer: N/A

Name (print or type) ___________________________ Phone ___________________________

Address ___________________________ Fax ___________________________

City/State/Zip ___________________________ Email ___________________________

Signature ___________________________

Property Situated at: Northwest corner Rosecrans Avenue and Nash Street

See attached legal description

(Exact legal description. Provide attachment, if necessary).

General Location:

2041 Rosecrans Avenue between Rosecrans Avenue and Park Place

Address Street, Avenue Street/Avenue

Zoning: MU-S General Plan Land Use Designation: Urban Mixed Use South

El Segundo Municipal Code Section(s) Relating to Request: Title 15, Chapter 26 Amendments

Request: Under the provisions of Chapter 15 26 of the El Segundo Municipal Code, application for consideration of an amendment to a Precise Plan for the above described property.

1. Describe in detail the entire proposed project (type of construction and materials to be used), uses involved (e.g. bank, general office, industrial, restaurant, etc.) including buildings and other equipment necessary to the project.

   See Attachment "A", Item 1, attached hereto and incorporated herein by reference.

2. Describe the existing development on the site. Include the square footages, height, number of stories, and uses of each building on the site.

   See Attachment "A" Item 2, attached hereto and incorporated herein by reference.
3. Explain in detail why this particular site is especially suited for the proposed development.

See Attachment "A", Item 3, attached hereto and incorporated herein by reference.

4. Describe how the proposed project will compare/contrast to the development on adjacent properties and the immediate area and will not have detrimental effects on adjacent properties or neighborhood. How will potential impacts be mitigated?

See Attachment "A", Item 4, attached hereto and incorporated herein by reference.

5. Describe the technological processes and equipment employed on-site and their compatibility with existing and potential land uses within the general area.

See Attachment "A", Item 5, attached hereto and incorporated herein by reference.
NOTE: Separate Affidavits must be submitted if there are multiple owners.

OWNER’S AFFIDAVIT

I, We ________________________ Continental Rosecrans Nash, LLC being duly sworn depose and say that I/we am the OWNER(S) of the property involved in this application and that I/we have familiarized myself (ourselves) with the rules and regulation of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

Signature
Alex J. Rose, Senior Vice President

Date: May 8, 2011

STATE OF CALIFORNIA, )
County of Los Angeles )ss.

On this ___________ day of __________________________, 20 __ before me, the undersigned Notary Public in and for said County and State, personally __________________________ appeared known to me to be the __________________________ subscribe to the Person whose name within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

Notary Public in and for said County and State
AGENT AUTHORIZATION

Continental Development Corporation and

I hereby authorize Toni Reina to act for me/us in all matters relevant to this application.

I understand that this person will be the exclusive contact on the project and will be sent all information and correspondence.

Owner's Signature
Alex J. Rose, Senior Vice President

May 3, 2011

AGENT AFFIDAVIT

I, Toni Reina, am being duly sworn deposes and say that i/we am the AGENT of the property involved in this application and that i/we have familiarized myself (ourselves) with the rules and regulations of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

Signature
Toni Reina, Planning Manager

Date
May 3, 2011

STATE OF CALIFORNIA,
County of Los Angeles

On this __________ day of __________, 20__, before me, the undersigned Notary Public in and for said County and State, personally appeared known to me to be the ______________________________ subscribe to the Person whose name within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

Notary Public in and for said County and State
Procedures for Filing application

1. Submit the properly completed application to the office of the Planning Division. Signature of the owner, owners, lessee, and/or agent shall be notarized before a Notary Public.

2. File application property completed in the office of the Planning and Building Safety Dept. along with completed Initial Study Applicant Questionnaire. Signature of the owner/owners, lessee (if applicant), and/or agent shall be required on all applications.

3. Applicant shall provide all information, drawings, and other materials as requested by the Planning Department as indicated.

4. Pay filing fee. (see fee schedule)

5. Applicant and affected property owners will be notified of time of hearing.

6. Applicant must be present at the hearing and may offer additional evidence to support his/her support.

7. There shall be an additional fee for filing an appeal.

8. A map of all properties within a 300-foot radius of the subject property, keyed to a list of names and address of the current property owner(s). Planning Staff can assist in the preparation of the radius map. The names and addresses of the property owner(s) can be obtained by contacting: Los Angeles County Assessors Office, 6120 Bristol Parkway, Culver City, CA 90230. Telephone Number: (310) 665-5300.

9. Certification that the names and addresses provided are those of the property owner(s) currently listed in the latest available Tax Assessor's records. (Your hearing may be delayed if an excessive number of notices are returned).

10. Unaddressed business envelopes with no return address, stamped with first class postage, of sufficient number to contact every property owner within the 300-foot radius. The subject property owner(s), the applicant(s), and any other interested party which the applicant wants notified (sufficient for two mailings).

11. Two sets of adhesive mailing labels and one copy of a list of names and addresses, both keyed into the radius map in item #1 with the names and addresses of every person indicated in item #3.

12. Provide eight (8) sets of plans (site plans, floor plans, and elevations), preliminary title report (new construction only), and all other information request by the Planning Division. All plans must be folded to a maximum of 8 ¼" x 11".

13. Signature page of application must be notarized, as noted on the fee schedule.

14. Fish and Game Document Handling fee - $50.00 (all projects). County of Los Angeles Public Hearing Notice posting fee - $50.00 (for projects with an Initial Study and Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report. Not required for projects which are exempt from CEQA). Two separate checks, each made payable to the County of Los Angeles.

15. Any other information as determined necessary by the Director of Planning and Building Safety.

16. Applicant will be notified within five (5) working days as to the completeness of application.

17. Applicant must be present at the hearing and may offer additional evidence to support his/her request.
18. There shall be an additional fee for filing an appeal.

19. The Director of Planning and Building Safety will approve or deny the application within ten (10) working days from the date the application is deemed complete.

20. The Director's decision will be set for the next available agenda of the Planning Commission meeting as a receive and file item, and noticed through the Public Notice process. Any Planning Commission may request that an item be discussed. The decision of the Director is not final until received and filed or acted upon by the Planning Commission or upheld on appeal. filed or acted upon by the Planning Commission or upheld on appeal.

<table>
<thead>
<tr>
<th>Planning Staff to complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Received:</td>
</tr>
<tr>
<td>Planner (print name):</td>
</tr>
<tr>
<td>Signature:</td>
</tr>
</tbody>
</table>

Rev: 03-01-07
P:\PBS\Forms-Planning\Precise Plan Amendment.doc
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles

On May 3, 2011 before me,_____________________, Notary Public

personally appeared ________________________

ALEX J. ROSE
Toni Reina

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

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

WITNESS my hand and official seal.

Signature __________________________

Signature of Notary Public __________________________

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document:

Title or Type of Document: Application for Precise Plan Amendment

Document Date: May 3, 2011 Number of Pages: 14 plus Notary

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer’s Name: Alex J. Rose

Signer’s Name: Toni Reina

□ Individual
□ Corporate Officer — Title(s):
□ Partner — Limited □ General
□ Attorney in Fact
□ Trustee
□ Guardian or Conservator
□ Other:

Signer Is Representing:

□ Individual
□ Corporate Officer — Title(s):
□ Partner — Limited □ General
□ Attorney in Fact
□ Trustee
□ Guardian or Conservator
□ Other:

Signer Is Representing:
Legal Description

(2041 Rosecrans Avenue)

Parcel 2 of Parcel Map No. 7057, in the City of El Segundo, County of Los Angeles, State of California, as shown on map filed in Book 72, page 36 of Parcel Maps in the office of the County Recorder of said County of Los Angeles, State of California.

(831 - 871 S. Nash Street)

Parcel 1 together with that portion of Parcel 2 of Parcel Map No. 7057, in the City of El Segundo, County of Los Angeles, State of California, as shown on map filed in Book 72, page 36, of Parcel Maps in the office of the County Recorder of said County of Los Angeles, State of California.
Attachment “A”
Application for a Precise Plan Amendment
(Eighth Amendment PP 12-72)
May 3, 2011

1. DESCRIBE IN DETAIL THE ENTIRE PROPOSED PROJECT (TYPE OF CONSTRUCTION AND MATERIALS TO BE USED), USES INVOLVED (e.g. BANK, GENERAL OFFICE, INDUSTRIAL, RESTAURANT, ETC.) INCLUDING BUILDINGS AND OTHER EQUIPMENT NECESSARY TO THE PROJECT.

The proposed project is a request to amend Precise Plan 12-72 to eliminate the current 2,500 square foot Precise Plan restriction on outdoor dining area within Beach Cities Plaza. Outdoor dining is a permitted use in the Precise Plan. The Applicant desires that outdoor dining area in Beach Cities Plaza be subject to all the other development standards of the MU-S zone but not be subject to the current requirement to seek approval of a Precise Plan Amendment for increases in the amount of allowable outdoor dining area for the property.

Precise Plan 99-1, the Seventh Amendment to the original Precise Plan (PP 12-72) was adopted on November 3, 1999 (City Council Resolution No. 4139). This amendment increased the total amount of permitted outdoor dining area from 1,200 square feet to 2,500 square feet and reduced the total required parking for the Beach Cities Plaza from 1,330 parking spaces to 1,066 parking spaces based on actual counts contained in the Final Status Report on traffic and parking.

The following supporting project exhibits attached hereto and incorporated herein by reference are submitted herewith:

Exhibit “A”: Site Plan 5/25/99 (Exhibit A - Resolution No. 4139)
Exhibit “B”: Beach Cities Plaza Outdoor Dining Focused Site Plan 4/26/11

The “type of construction materials to be used” is not deemed applicable to this application.

2. DESCRIBE THE EXISTING DEVELOPMENT ON THE SITE. INCLUDE THE SQUARE FOOTAGE, HEIGHT, NUMBER OF STORIES, AND USES OF EACH BUILDING ON THE SITE.

Existing development on the site consists of one 3-story commercial building, one multiplex theater building, a common area plaza, and related parking facilities.
<table>
<thead>
<tr>
<th>Building Address</th>
<th>Net Floor Area</th>
<th>Uses</th>
</tr>
</thead>
</table>
| 2041 Rosecrans Avenue | 71,792 SF  
8,872 SF  
1,733 SF | Office, retail  
Restaurant excluding outdoor dining  
Outdoor dining |
| 831 S. Nash Street | 65,000 sf | 16-screen multiplex theater with a café and outdoor dining. |

3. **EXPLAIN IN DETAIL WHY THIS PARTICULAR SITE IS ESPECIALLY SUITED FOR THE PROPOSED DEVELOPMENT.**

It has previously been determined that the site is suitable for outdoor dining. Our Southern California climate makes outdoor dining possible year round, and the existing outdoor dining areas at Beach Cities Plaza are popular with diners. There is high foot traffic at the site due to the multiplex theater (ArcLight Cinemas) the two existing restaurants, and an existing dry goods retailer. The theater and the common area plaza underwent a major renovation in 2010. This renovation included an increase in landscaped area, with the addition of many new trees and a water feature transforming the plaza into a garden-like environment. With these recent enhancements the Applicant is experiencing demand for additional outdoor dining area. Elimination of the existing 2,500 square foot cap on allowable outdoor dining area will provide flexibility for the Applicant to meet market changes without the necessity of amending the Precise Plan each time there is a desire to increase outdoor dining.

4. **DESCRIBE HOW THE PROPOSED PROJECT WILL COMPARE / CONTRAST TO THE DEVELOPMENT ON ADJACENT PROPERTIES AND THE IMMEDIATE AREA AND WILL NOT HAVE DETRIMENTAL EFFECTS ON ADJACENT PROPERTIES OR NEIGHBORHOOD. HOW WILL POTENTIAL IMPACTS BE MITIGATED?**

The physical changes associated with the proposed project (increase authorized outdoor dining area) are minor modifications to the previously approved and environmentally assessed Beach Cities Plaza retail / entertainment complex and do not alter the basic configuration of the development. The future expansion of outdoor dining area will be consistent with the look, feel, operation, and size of existing approved outdoor dining areas at Beach Cities Plaza. Therefore, it is not anticipated that the proposed project will have any significant impact on the environment or adjacent properties.

The proposed project may increase future parking demand, but this increase is deemed insignificant. The attached Exhibit “C” Beach Cities Plaza Parking
Summary incorporated herein by reference indicates current code required parking for Beach Cities Plaza is 955 parking spaces while the total parking provided for the project is 1,416 spaces, leaving a surplus of 461 spaces. Existing development on the 6.03 acre site is also well under the 1.3:1 allowable FAR under the MU-S zone.

5. DESCRIBE THE TECHNOLOGICAL PROCESSES AND EQUIPMENT EMPLOYED ON-SITE AND THEIR COMPATIBILITY WITH EXISTING AND POTENTIAL LAND USES WITHIN THE GENERAL AREA.

It is not anticipated that the proposed uses will employ any technological processes or equipment that will be incompatible with existing and potential land uses within the general area.

SUMMARY

The proposed Precise Plan Amendment is consistent with the purposes of a Precise Plan which allow for flexibility in site design and development standards to achieve more efficient use of land and a better community environment. The proposed project is in accord with the purposes of the zone in which the site is located (Urban Mixed-Use South) and is consistent with the intent of the MU-S zone which allows a broad mix of uses. The proposed project is also in conformance with many General Plan goals, policies and objectives related to Economic Development, Land Use, and Circulation.

TR Rev. 6/23/11
<table>
<thead>
<tr>
<th>Building Address &amp; Use</th>
<th>Net Floor Area Square Feet</th>
<th>S.F. Proposed</th>
<th>ESMC Parking Ratio (Ord. No. 1444)</th>
<th>Parking Spaces Required</th>
<th>Parking Spaces Provided</th>
<th>Surplus Parking Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>2041 Rosecrans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail / Office</td>
<td>25,000</td>
<td>1 space per 300 s.f.</td>
<td></td>
<td>83.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25,000</td>
<td>1 space per 350 s.f.</td>
<td></td>
<td>71.42</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>21,792</td>
<td>1 space per 400 s.f.</td>
<td></td>
<td>54.48</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>71,792</td>
<td>1 space per 75 s.f.</td>
<td></td>
<td>209.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restaurant excluding existing outdoor dining</td>
<td>8,872</td>
<td>1 space per 75 s.f.</td>
<td></td>
<td>118.29</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Net Building Area</td>
<td>80,664</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outdoor dining area</td>
<td>1,733</td>
<td>1 space per 75 s.f.</td>
<td></td>
<td>23.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>831 Nash Street</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Theater café including outdoor dining</td>
<td>760</td>
<td>1 space per 75 s.f.</td>
<td>17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>725</td>
<td>1 space per 75 s.f.</td>
<td>(-200 s.f. allowed by right)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ArcLight Theater Remodeled Auditorium</td>
<td>2,349 seats</td>
<td>1 space for every 4 fixed seats</td>
<td>587.25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>831 Nash surface parking lot 871 Nash Parking Structure &amp; surface parking</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>870 Nash Parking Structure (joint use)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Parking Demand &amp; Capacity Totals</td>
<td></td>
<td></td>
<td>954.88</td>
<td>1,416</td>
<td>461.12</td>
<td></td>
</tr>
</tbody>
</table>

Note: City Council Resolution No. 4139 adopted 11/3/99 increased the total amount of permitted outdoor dining area from 1,200 s.f. to 2,500 s.f. and revised the required parking from 1,330 parking spaces to 1,066 parking spaces with a theater capacity of 3,391 seats @ 1 parking space per 3 seats.
**ENVIRONMENTAL CHECKLIST**

**Environmental Assessment No:** 921

**Date:** May 3, 2011

### BACKGROUND

<table>
<thead>
<tr>
<th><strong>1. Project Title:</strong></th>
<th>Eighth Amendment to Beach Cities Plaza Precise Plan (PP 12-72)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2. Project Location:</strong></td>
<td>2041 Rosecrans Ave and 831 and 871 Nash Street</td>
</tr>
</tbody>
</table>

### Applicant

| **Name (print or type):** | Continental Rosecrans Nash, LLC  
Alex J. Rose, Sr. Vice President |
|---------------------------|--------------------------------|
| **Address:** | 2041 Rosecrans Avenue  
Suite 200 |
| **City/State/Zip:** | El Segundo, CA 90245 |
| **Phone:** | 310-640-1520  
310-524-0864 |
| **Fax:** | Email: arose@continentaldevelopment.com |
| **Email:** | Signature |

### Property Owner

<table>
<thead>
<tr>
<th><strong>Name (print or type):</strong></th>
<th>Continental Rosecrans Nash, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Address:</strong></td>
<td>2041 Rosecrans Avenue, Suite 200</td>
</tr>
<tr>
<td><strong>City/State/Zip:</strong></td>
<td>El Segundo, CA 90245</td>
</tr>
</tbody>
</table>
| **Phone:** | 310-640-1520  
310-524-0864 |
| **Fax:** | Email: arose@continentaldevelopment.com |
| **Email:** | Signature |
5. **Representative of applicant:** (i.e., attorney, expeditor, etc.)
   Toni Reina, Planning Manager
   Continental Development Corporation
   310-640-1520
   Phone
   310-524-0864
   Fax
treina@continentaldevelopment.com
   Email

   **Name (print or type)**
   2041 Rosecrans Avenue, Suite 200
   Address
   El Segundo, CA 90245
   City/Zip
   Signature

   **City/State/Zip**

   **6. Architect/Engineer:**
   N/A
   Name (print or type)
   Address
   City/State/Zip
   Signature

   **Property situated at:**
   See attached legal description.
   (Exact legal description including Assessor Parcel Information. Provide
   attachment, if necessary).
   2041 Rosecrans Avenue and
   831 and 871 South Nash Street
   Address (Street/Avenue)
   between Rosecrans Avenue and Park Place
   (Street/Avenue)

   **General location:**
   831 and 871 South Nash Street
   Address
   between
   Rosecrans Avenue and Park Place
   (Street/Avenue)

   **Existing Zoning:**
   MU-S
   General Plan Land Use Designation: Urban Mixed Use

II. **PROJECT INFORMATION**

   *2041 Rosecrans: 146'-9"
   *831 & 871 Nash: varies 36' - 58'-0"

   **1. Site Area:** 6.035 acres  Bldg Area: 147,397 SF  Bldg. Height: *
   No. Floors: 3
   Floor Area Ratio (FAR): 0.56
   coverage by structures: 45%
   Percent of lot
   coverage by structures: 45%

   **2. Total no. employees:** N/A  Max. per shift: N/A  Days/Hours of operation: N/A

   **3. Number of on-site parking spaces provided:** 572

   **4. Proposed construction scheduling:** N/A

   **5. Will any permits (including a Hazardous Materials Business Plan) be required from agencies other than the City? (please explain)**
   No

   **6. Will the project use, store, or dispose of potentially hazardous chemicals, materials, toxic substances, flammables or explosives? (please explain)**
   No

   If yes to either 5 or 6 please describe in detail on a separate sheet.

City of El Segundo Initial Study Applicant Questionnaire
7. Existing land uses of the subject site and surrounding properties:

Subject property: Office, retail service-type facilities including restaurants, multiplex theater, parking
North: RR/vacant land / retail - Plaza El Segundo shopping center
East: Office / restaurant / parking
South: Office / retail /hotel
West: Industrial

8. Physical Site:

Will the project modify existing natural features? No
Estimated cubic yards of grading involved in the project: Cut= N/a Fill= N/A

9. Other public agencies whose approval is required: (e.g., permits, financing, approval or participation agreement, etc.) N/A

III. ENVIRONMENTAL SETTING

1. Describe the project site as it exists before the project, including information on topography, soil stability, plants and animals, and any cultural, historical, or scenic aspects. Describe any existing structures on the site, and the use of the structures. Attach and label photographs of the site and surrounding area. The site is in a highly urbanized area. Existing structures consist of a 3-story office/retail building, a 4-level parking structure, a 16-screen multiplex theater and surface parking. The theater was renovated in 2010. Renovation included replacement of theater seats with new larger seats resulting in a reduction of seats from 3,235 to 2,349 seats, a total reduction of 886 seats. The theater remodel also included a new cafe and bar/lounge within the theater and a outdoor dining area. During 2010 the decorative plaza between the buildings was renovated with new landscaping, a water feature, and a trellis with outdoor seating.

2. Describe the surrounding properties, including information on plants and animals and any cultural, historical, or scenic aspects. Indicate the type of land use (residential, commercial, etc.), intensity of land use (one-family, apartment houses, shops, department stores, etc.), and scale of development (height, frontage, setback, rear yard, etc.). Attach and label photographs of the site and surrounding area.

The surrounding properties consist of office, commercial, theater, restaurant, and retail uses. The Manhattan Marketplace Retail Center and a 5-story office building occupied by a credit union are located to the south across Rosecrans. Beyond the credit union is the Marriott Hotel. Land uses to the east consist of medium scale office and parking. The ATSF railroad, vacant land, and the Plaza El Segundo Shopping Center lie to the north. The applicant is not aware of any cultural, historical or scenic aspects. The surrounding area is highly urbanized.
IV. ENVIRONMENTAL IMPACTS

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics ☐ Agricultural Resources ☐ Air Quality
☐ Biological Resources ☐ Cultural Resources ☐ Geology/Soils
☐ Hazards & Hazardous Materials ☐ Hydrology/Water Quality ☐ Land Use/Planning
☐ Mineral Resources ☐ Noise ☐ Population/Housing
☐ Public Services ☐ Recreation ☐ Transportation/Traffic
☐ Utilities/Service Systems ☐ Mandatory Findings of Significance

EVALUATION OF IMPACTS

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g. the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g. the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. The checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less than Significant Impact." You must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level.

5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
   a. Earlier Analyses Used. Identify and state where they are available for review.
   b. Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
   c. Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
7. Supporting Information Sources. A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8. The explanation of each issue should identify:
   a. the significance criteria or threshold, if any, used to evaluate each question; and
   b. the mitigation measure identified, if any, to reduce the impact to less than significance.

ISSUES

A brief written explanation is required for all of your responses to the following questions except those checked "No Impact". Your responses must be keyed to the corresponding question (e.g. a response to the first question should begin with "Ia" followed by your narrative response).
<table>
<thead>
<tr>
<th>Issues:</th>
<th>Potentially Significant Impact</th>
<th>Less than Significant With Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. AESTHETICS. Would the project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a). Have a substantial adverse effect on a scenic vista?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>b). Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>c). Substantially degrade the existing visual character or quality of the site and surroundings?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>d). Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>II. AGRICULTURAL RESOURCES. In determining whether impacts to agricultural resources are significant environmental Effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. Would the project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a). Convert Prime Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>b). Conflict with existing zoning or agricultural use, or a Williamson Act contract?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>c). Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>III. AIR QUALITY. Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a). Conflict with or obstruct implementation of the applicable air quality plan?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>b). Violate any air quality standard or contribute substantially to an existing or projected air quality violation?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
</tbody>
</table>
Issues:

<table>
<thead>
<tr>
<th>c)</th>
<th>Result in a cumulatively considerable net increase of any criteria pollutant for which the project region nonattainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?</th>
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<tr>
<th>d)</th>
<th>Expose sensitive receptors to substantial pollutant concentrations?</th>
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<th>e)</th>
<th>Create objectionable odors affecting a substantial number of people?</th>
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</table>

IV. BIOLOGICAL RESOURCES. Would the project:

<table>
<thead>
<tr>
<th>a)</th>
<th>Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?</th>
</tr>
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<tbody>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>b)</th>
<th>Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?</th>
</tr>
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<tbody>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>c)</th>
<th>Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological Interruption, or other means?</th>
</tr>
</thead>
<tbody>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>d)</th>
<th>Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?</th>
</tr>
</thead>
<tbody>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>e)</th>
<th>Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?</th>
</tr>
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<tbody>
<tr>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>f)</th>
<th>Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat Conservation plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ ☐ ☐ ☒</td>
</tr>
<tr>
<td>Issues:</td>
<td>Potentially Significant Impact</td>
</tr>
<tr>
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<td>--------------------------------</td>
</tr>
<tr>
<td>V. CULTURAL RESOURCES. Would the project:</td>
<td></td>
</tr>
<tr>
<td>a). Cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5 of the Public Resources Code?</td>
<td>☐</td>
</tr>
<tr>
<td>b). Cause a substantial adverse change in the significance of an archeological resource pursuant to Section 15064.5 of the Public Resources Code?</td>
<td>☐</td>
</tr>
<tr>
<td>c). Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?</td>
<td>☐</td>
</tr>
<tr>
<td>d). Disturb any human remains, including those interred outside of formal cemeteries?</td>
<td>☐</td>
</tr>
<tr>
<td>VI. GEOLOGY AND SOILS. Would the project:</td>
<td></td>
</tr>
<tr>
<td>a). Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving:</td>
<td></td>
</tr>
<tr>
<td>i). Rupture of a known earthquake fault, as defined on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.</td>
<td>☐</td>
</tr>
<tr>
<td>ii). Strong seismic ground shaking?</td>
<td>☐</td>
</tr>
<tr>
<td>iii). Seismic-related ground failure, including liquefaction?</td>
<td>☐</td>
</tr>
<tr>
<td>iv). Landslides?</td>
<td>☐</td>
</tr>
<tr>
<td>b). Result in substantial soil erosion or the loss of topsoil?</td>
<td>☐</td>
</tr>
<tr>
<td>c). Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on-or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?</td>
<td>☐</td>
</tr>
<tr>
<td>d). Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?</td>
<td>☐</td>
</tr>
<tr>
<td>e). Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?</td>
<td>☐</td>
</tr>
</tbody>
</table>
VII. HAZARDS AND HAZARDOUS MATERIALS. Would the project:

a). Create a significant hazard to the public or the environment through the routine transport, use or disposal of hazardous materials? □ □ □ ✗

b). Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous material into the environment? □ □ □ ✗

c). Emit hazardous emissions or handle or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? □ □ □ ✗

d). Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? □ □ □ ✗

e). For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people working in the project area? □ □ □ ✗

f). For a project within the vicinity of a private air strip, would the project result in a safety hazard for people residing or working in the project area? □ □ □ ✗

g). Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? □ □ □ ✗

h). Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? □ □ □ ✗

VIII. HYDROLOGY AND WATER QUALITY. Would the project:

a). Violate any water quality standards or waste discharge requirements? □ □ □ ✗

b). Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land use or planned uses for which permits have been granted? □ □ □ ✗
<table>
<thead>
<tr>
<th>Issues:</th>
<th>Potentially Significant Impact</th>
<th>Less than Significant With Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>c). Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>d). Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in flooding on- or off-site?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>e). Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage system or provide substantial additional sources or polluted runoff?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>f). Otherwise substantially degrade water quality?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>g). Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>h). Place within a 100-year flood hazard area structures which would impede or redirect flood water?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>i). Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>j). Inundation by seiche, tsunami, or mudflow?</td>
<td>☐</td>
<td>☐</td>
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</tr>
</tbody>
</table>

IX. LAND USE AND PLANNING. Would the project:

a). Physically divide an established community? | ☐                             | ☐                                               | ☐                             | ☒         |

b). Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? | ☐                             | ☐                                               | ☐                             | ☒         |

c). Conflict with any applicable habitat conservation plan or natural community conservation plan? | ☐                             | ☐                                               | ☐                             | ☒         |

X. MINERAL RESOURCES. Would the project:

a). Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state? | ☐                             | ☐                                               | ☐                             | ☒         |
<table>
<thead>
<tr>
<th>Issues:</th>
<th>Potentially Significant Impact</th>
<th>Less than Significant Impact</th>
<th>Mitigated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>b). Result in the loss of availability of locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?</td>
<td>☐</td>
<td>☐</td>
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<tr>
<td>XI. NOISE. Would the project result in:</td>
<td></td>
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</tr>
<tr>
<td>a). Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standard of other agencies?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<td></td>
</tr>
<tr>
<td>b). Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<td></td>
</tr>
<tr>
<td>c). A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?</td>
<td>☐</td>
<td>☐</td>
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<td>☒</td>
<td></td>
</tr>
<tr>
<td>d). A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td></td>
</tr>
<tr>
<td>e). For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td></td>
</tr>
<tr>
<td>f). For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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<td></td>
</tr>
<tr>
<td>XII. POPULATION AND HOUSING. Would the project:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a). Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of road or other infrastructure)?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
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</tr>
<tr>
<td>b). Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?</td>
<td>☐</td>
<td>☐</td>
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<td></td>
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<tr>
<td>c). Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?</td>
<td>☐</td>
<td>☐</td>
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</tbody>
</table>
XIII. PUBLIC SERVICES. Would the project:

a). Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

- Fire protection?
- Police protection?
- Schools?
- Parks?
- Other public facilities?

XIV. RECREATION. Would the project:

a). Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

b). Does the project include recreation facilities or require the construction or expansion of recreational facilities which have an adverse physical effect on the environment?

XV. TRANSPORTATION/TRAFFIC. Would the project:

a). Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections?

b). Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?

c). Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?
### Issues:

<table>
<thead>
<tr>
<th>d)</th>
<th>Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?</th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>e)</td>
<td>Result in inadequate emergency access?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f)</td>
<td>Result in inadequate parking capacity?</td>
<td></td>
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<tr>
<td>g)</td>
<td>Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?</td>
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</tbody>
</table>

### XVI. UTILITIES AND SERVICE SYSTEMS.
Would the project:

<table>
<thead>
<tr>
<th>a)</th>
<th>Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>b)</td>
<td>Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td>Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>d)</td>
<td>Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>e)</td>
<td>Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?</td>
<td></td>
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</tr>
<tr>
<td>f)</td>
<td>Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?</td>
<td></td>
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<tr>
<td>g)</td>
<td>Comply with federal, state, and local statutes and regulations related to solid waste?</td>
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</tbody>
</table>
### XVII. MANDATORY FINDINGS OF SIGNIFICANCE

<table>
<thead>
<tr>
<th>Issues:</th>
<th>Potentially Significant Impact</th>
<th>Less than Significant Impact With Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>a). Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>b). Does the project have impacts that are individually limited, but cumulatively considerable? (&quot;Cumulatively considerable&quot; means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
</tr>
<tr>
<td>c). Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?</td>
<td>☐</td>
<td>☐</td>
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</tbody>
</table>
OWNER'S AFFIDAVIT

I, We ________________________ being duly sworn depose and say that I/We am the OWNER of the property involved in this application and that I/We have familiarized myself (ourselves) with the rules and regulation of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information on documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

__________________________  May 3, 20__
Signature                    Date

STATE OF CALIFORNIA, )
County of Los Angeles       )ss.

On this ___________________________ 20____, before me, the undersigned Notary Public in and for said County and State, personally appeared __________________________ known to me to be the person whose name __________________________ subscribed to the within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

__________________________
Notary Public in and for said County and State
AGENT AUTHORIZATION

I hereby authorize Toni Reina to act for me/us in all matters relevant to this application. I understand that this person will be the exclusive contact on the project and will be sent all information and correspondence.

[Signature]

Owner's Signature

AGENT AFFIDAVIT

I, We Toni Reina being duly sworn deposes and say that I/We am the AGENT of the property involved in this application and that I/We have familiarized myself (ourselves) with the rules and regulation of the City of El Segundo with respect to preparing and filing this application and that the foregoing statements herein contained and the information on documents and all plans attached hereto are in all respects true and correct to the best of my/our knowledge and belief.

[Signature]  [May 3]  [2011]

STATE OF CALIFORNIA,
County of Los Angeles

On this ____________ day of ___________ 20__, before me, the undersigned Notary Public in and for said County and State, personally appeared ______________________ known to me to be the person whose name ______________________ subscribed to the within instrument, and acknowledged to me that he/she executed the same.

WITNESS my hand and official seal.

[Seal]

Notary Public in and for said County and State
<table>
<thead>
<tr>
<th>Planning Staff to complete</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Received:</td>
<td></td>
</tr>
<tr>
<td>EA No:</td>
<td></td>
</tr>
<tr>
<td>Planner: (print name)</td>
<td>Related Application Nos.</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Signature:</td>
<td>Fee Paid:</td>
</tr>
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</tbody>
</table>
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles

On May 3, 2011 before me, Ester M. Fungladda, Notary Public, here inserted Name and Title of Officer personally appeared

Alex J. Rose

Toni Reina

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

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

WITNESS my hand and official seal.

Signature

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document: Environmental Checklist
Document Date: May 3, 2011
Number of Pages: 1

Signer(s) Other Than Named Above:

Capacity(ies) Claimed by Signer(s)

Signer's Name: Alex J. Rose

Signer's Name: Toni Reina

Signer Is Representing:

Signer Is Representing:

©2007 National Notary Association • 9150 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91313-2402 • www.NationalNotary.org Item #5907 Recoder: Call Toll-Free 1-800-876-6827
Legal Description

(2041 Rosecrans Avenue)

Parcel 2 of Parcel Map No. 7057, in the City of El Segundo, County of Los Angeles, State of California, as shown on map filed in Book 72, page 36 of Parcel Maps in the office of the County Recorder of said County of Los Angeles, State of California.

(831-871 S. Nash Street)

Parcel 1 together with that portion of Parcel 2 of Parcel Map No. 7057, in the City of El Segundo, County of Los Angeles, State of California, as shown on map filed in Book 72, page 36, of Parcel Maps in the office of the County Recorder of said County of Los Angeles, State of California.
View looking east renovated Bench Cities Plaza Courtyard
PRECISE PLAN
DEVELOPMENT PLAN AND STANDARDS
[PRECISE PLAN 96-1B (PP 96-1B) AND ENVIRONMENTAL ASSESSMENT-401B (EA-401B)]

CONTINENTAL DEVELOPMENT CORPORATION’S
BEACH CITIES PLAZA
EL SEGUNDO, CALIFORNIA

PREPARED FOR:

CITY OF EL SEGUNDO
350 MAIN STREET
EL SEGUNDO, CALIFORNIA 90245

PREPARED BY:

VISTA
1278 GLENBEYRE STREET, SUITE 110
LAGUNA BEACH, CALIFORNIA 92561

ADOPTED: NOVEMBER 4, 1998

EXHIBIT "A"
RESOLUTION NO. 4095
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1.0 INTRODUCTION

BACKGROUND

The Beach Cities Plaza Precise Plan Development Plan and Standards 96-1B (PP 96-1B) are intended to provide for a more efficient use of land and a better community environment by utilizing more imaginative and innovative planning concepts than are possible under conventional zoning. The precise plan was established to provide specific land uses, and density and intensity limitations on this property. The precise plan takes advantage of the conventional zoning in the establishment of development standards that are based on the City of El Segundo Urban Mixed-Use South (MU-S) District.

PROJECT LOCATION AND SETTING

Beach Cities Plaza is located within the southeast portion of the City of El Segundo approximately one (1) mile to the west of the San Diego Freeway [Interstate-405 (I-405)]. Beach Cities Plaza is approximately 6.03 acres (262,900 square feet). The regional location of Beach Cities Plaza is provided on Exhibit 1, and Exhibit 2 provides a local vicinity map. Beach Cities Plaza is a portion of Continental Park.

Continental Park is bounded by Rosecrans Avenue on the south, Nash Street on the east, an industrial facility (Air Products) on the west, and railroad tracks on the north. Local jurisdictions bordering or near the precise plan include the City of Manhattan Beach located immediately south of Rosecrans Avenue and the City of Hawthorne located to the east of Aviation Boulevard.

The precise plan is in the southwestern portion of Continental Park. Continental Park is a large office and industrial park containing approximately 2 million square feet of office, research and development, hotel, health club, restaurant, retail, and movie theater uses.

Beach Cities Plaza has been historically used for general commercial uses since 1972. The City’s General Plan designates the site for mixed use (Urban Mixed Use - South) development. Continental Plaza is located within a highly urbanized environment. The topography of the site is fairly level and contains no unique geologic features. Landscaping is limited to the areas adjacent to South Nash Street on the east, the rear yard setback on the north, and along Rosecrans Avenue to the south.

EXHIBIT "A"
RESOLUTION NO. 4095
1.0 INTRODUCTION

**TABLE A**
**KEY CONTACT PERSONS**

| The Lead Agency Contact: | Mr. Bret B. Bernard, AICP  
Director of Planning and Building Safety  
Planning and Building Safety Department  
City of El Segundo  
350 Main Street  
El Segundo, California 90245 |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone</td>
<td>(310) 322-4670, ext. 211</td>
</tr>
<tr>
<td>Facsimile</td>
<td>(310) 322-4167</td>
</tr>
</tbody>
</table>

| Project Sponsor: | Mr. Jerry Saunders  
Vice President - Planning  
Continental Development Corporation  
2041 Rosecrans Avenue  
El Segundo, California 90245 |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone</td>
<td>(310) 640-1520</td>
</tr>
<tr>
<td>Facsimile</td>
<td>(310) 414-9279</td>
</tr>
</tbody>
</table>

| Consultant: | Mr. Fred Talarico  
Principal Planner  
VISTA  
1278 Glenneyre Street, Suite 110  
Laguna Beach, California 92651 |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Phone</td>
<td>(949) 494-6562</td>
</tr>
<tr>
<td>Facsimile</td>
<td>(949) 494-3150</td>
</tr>
</tbody>
</table>

Source: VISTA

EXHIBIT "A"  
RESOLUTION NO. 4095
### 1.0 Introduction

**TABLE B**  
**PROPERTY OWNER**

Continental Development Corporation  
2041 Rosecrans Avenue  
El Segundo, California 90245

Source: VISTA
1.0 INTRODUCTION

**TABLE C**

**OBJECTIVES**

<table>
<thead>
<tr>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.  To clarify permitted land uses in the Beach Cities Plaza Development Plan area.</td>
</tr>
<tr>
<td>2.  Clarification and predictability of development standards that were not modified by the Precise Plan.</td>
</tr>
<tr>
<td>3.  Establishment of procedures that will allow future development under the Precise Plan to be competitive, in terms of cost and timing, with similar development elsewhere in the MU-S Zone.</td>
</tr>
</tbody>
</table>

Source: Continental Development Corporation

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- **EXHIBIT "A"**
  - RESOLUTION NO. 4095
2.0 DEVELOPMENT PLAN

INTRODUCTION

The Beach Cities Plaza Development Plan provides for the development of approximately 6.03 acres. The Development Plan is provided as Exhibit 3, Elevations as Exhibit 4, and the Circulation Plan as Exhibit 5, and as detailed in the full scale drawings on file in the Planning Division.

DEVELOPMENT PLAN

Permitted Uses

Permitted Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.020 of the El Segundo Municipal Code. Additionally, the following uses are permitted subject to the review and approval of the Director of Planning and Building Safety:

1. Incidental uses such as permanent tables, chairs, signs, outdoor retail operations, push carts, kiosks, and other similar outdoor amenities, provided each use is located in the area designated for incidental uses on the Development Plan (Exhibit 3).

2. Additional uses such as outdoor dining in accordance with Resolution 4034.

Permitted Accessory Uses

Permitted Accessory Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.025 of the El Segundo Municipal Code.

Uses Subject to an Administrative Use Permit

Uses Subject to an Administrative Use Permit in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.030 of the El Segundo Municipal Code.

Uses Subject to a Conditional Use Permit

Uses Subject to a Conditional Use Permit in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.040 of the El Segundo Municipal Code.

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Adult Business Permits

Adult Business Permits in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.045 and Chapter 20.80 of the El Segundo Municipal Code.

Prohibited Uses

The Prohibited Uses in the Beach Cities Plaza Precise Plan are as established by the Urban Mixed-Use South (MU-S) Zone, Section 20.38.050 of the El Segundo Municipal Code.
## TABLE D
### PROJECT STATISTICS

<table>
<thead>
<tr>
<th>Description</th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project Site Size</td>
<td>6.03 Acres (262,900 Square Feet)</td>
</tr>
<tr>
<td>Structure at 831 South Nash Street (Theater)</td>
<td>65,000 Square Feet</td>
</tr>
<tr>
<td>Structure at 2041 Rosecrans Avenue</td>
<td>83,000 Square Feet</td>
</tr>
</tbody>
</table>

Source: Continental Development Corporation and City of El Segundo (Exhibit 3)
### TABLE E

**OFF-STREET PARKING SUMMARY**

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>17TH SOUTH</th>
<th>14TH SOUTH</th>
<th>12TH SOUTH</th>
<th>TOTAL STATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>177</td>
<td>47</td>
<td>0</td>
<td>224</td>
</tr>
<tr>
<td>Parking Structure</td>
<td>0</td>
<td>348</td>
<td>844</td>
<td>1,192</td>
</tr>
<tr>
<td>Total Parking Spaces</td>
<td>177</td>
<td>395</td>
<td>844</td>
<td>1,416</td>
</tr>
</tbody>
</table>

Source: Continental Development Corporation (Exhibit 3)
3.0 DEVELOPMENT STANDARDS

INTRODUCTION

The Beach Cities Plaza Precise Plan Development Standards apply to all uses in the Precise Plan. Except as noted below, all uses within the Precise Plan shall comply with the Site Development Standards in Section 20.38.060 of the El Segundo Municipal Code, or the current comparable Zoning Code section.

SITE DEVELOPMENT STANDARDS - 20.38.060

A. General Provisions

All uses shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

B. Lot Area

The minimum lot area shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

C. Height

Buildings and structures shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

D. Setbacks

All setbacks shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code, except as modified by the Development Plan (Exhibit 3).

E. Lot Frontage

Each lot in the Precise Plan shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

F. Building Area

The total floor area shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.
3.0 DEVELOPMENT STANDARDS

G. Walls/Fences

All walls and fences shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

H. Access

All access shall comply with the provisions of Section 20.38.060 of the El Segundo Municipal Code.

LANDSCAPING - 20.38.070

All landscaping shall comply with the provisions of Section 20.38.070 of the El Segundo Municipal Code, except as modified by the Development Plan (Exhibit 3).

OFF-STREET PARKING AND LOADING SPACES - 20.38.080

All off-street parking and loading spaces shall comply with the provisions of Section 20.38.080 of the El Segundo Municipal Code. Additionally, the following provisions shall apply:

1. Valet parking for any use shall be permitted and encouraged.

SIGNS - 20.38.090

All signs shall comply with the provisions of Section 20.38.090 of the El Segundo Municipal Code, except as shown in the approved Master Sign Plan.
4.0 ADMINISTRATION

INTRODUCTION

The Beach Cities Plaza Precise Plan shall be administrated in accordance with the City Municipal Code except as noted herein.

PRECISE PLAN ADMINISTRATION

Administrative Determinations

Administrative Determinations shall comply with Section 20.72.020 of the El Segundo Municipal Code.

A. Land Use Determinations

The Director of Planning and Building Safety may grant administrative determinations related to uses in accordance with Section 20.72.020 of the El Segundo Municipal Code.

B. Development Standards Determinations

The Director of Planning and Building Safety may grant administrative determinations related to development standards, provided any administrative relief shall not exceed 10% of any development standard.

Administrative Use Permit Filing and Review Process


Decision

Decision shall comply with Section 20.72.040 of the El Segundo Municipal Code.

Findings for Approval

Findings for Approval shall comply with Section 20.72.045 of the El Segundo Municipal Code.

Expeditious Review Process


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RESOLUTION NO. 4095
Planning Commission Review


Appeals

Appeals shall comply with Section 20.72.070 of the El Segundo Municipal Code.

CALIFORNIA ENVIRONMENTAL QUALITY ACT COMPLIANCE

The Precise Plan (as previously amended) was approved in accordance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines (Guidelines), and City policies adopted to implement the CEQA and the Guidelines.

CEQA clearance has been granted by the City as follows:

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Maximum Allowable Development under CEQA Clearance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail/Office/Restaurant and other land uses permitted in the MU-S Zone.</td>
<td>80,000 square feet net floor area</td>
</tr>
<tr>
<td>Theater</td>
<td>18-screens (3,550 seats)</td>
</tr>
</tbody>
</table>

Source: City of El Segundo

The CEQA clearance indicated above is not reflective of the maximum square feet permitted by the Precise Plan, which is 341,770 square feet (262,900 square feet of lot area times 1.3 FAR = 341,770 square feet).

Additional CEQA clearance may be granted in one (1) of the following two (2) methods.

1. Exceed Clearance: Approval of an amendment to this Precise Plan in accordance with CEQA and City requirements to exceed the thresholds indicated in Table F.
2. **Within Clearance:** Approval of an administrative finding by the Director of Planning and Building Safety in accordance with Section 4.0 of this Precise Plan. The Director of Planning and Building Safety must find that the proposed use and density/intensity does not exceed the CEQA clearance established in Table F.
AGENDA DESCRIPTION:
Consideration and possible action to (1) accept the Trash Subcommittee's recommendation to award a new, 7-year waste hauling contract to Consolidated Disposal Services, the City's current waste hauling provider for the collection of single and multi-family residential and municipal solid waste and (2) direct the City Attorney to finalize the contract with Consolidated Disposal Services according to the bid submitted for $482,350 annually. (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Accept the Trash Subcommittee's recommendation to award a new, 7-year waste hauling contract to Consolidated Disposal Services, the City's current waste hauling provider for the collection of single and multi-family residential and municipal solid waste;
2. Direct the City Attorney to finalize the new 7-year waste hauling contract with Consolidated Disposal Services based on the bid submitted and the form contract included with the request for proposals; or
3. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Draft contract for residential and municipal waste hauling services
Consolidated Disposal Services bid sheet

FISCAL IMPACT: None
Amount Budgeted: $595,000.00
Additional Appropriation: No
Account Number(s): 001-400-4206-6206

ORIGINATED BY: Stephanie Katsouleas, Public Works Director
REVIEWED BY: Mark Hensley, City Attorney
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
The City has for the last 17 years contracted with Consolidated Disposal Services to provide residential and municipal solid waste collection services. The current five-year contract allowed for a three-year extension of the contract. However, on February 1, 2011, City Council accepted the Trash Committee’s recommendation to seek new bids for solid waste collection services and directed staff to initiate the Request for Proposals (RFP) process seeking bids for the same services currently provided. City Council also stated its desire to have bidders submit both three
and seven year quotes so that the bids could be compared to Consolidated’s verbal offer to hold prices flat for the next three years under the 3-year extension option.

Subsequently, staff wrote and released an RFP and draft contract in May 2011. On June 20, 2011 the City received four high quality proposals from the following companies with these 3-year and 7-year extrapolated bid prices:

<table>
<thead>
<tr>
<th>Waste Hauling Company</th>
<th>3-Year Bid</th>
<th>7-Year Bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athens Services</td>
<td>$2,248,455</td>
<td>$5,246,395</td>
</tr>
<tr>
<td>Crown Disposal Services</td>
<td>$2,167,402</td>
<td>$5,335,400</td>
</tr>
<tr>
<td>Consolidated Disposal Services</td>
<td>$1,447,050</td>
<td>$3,512,257</td>
</tr>
<tr>
<td>Waste Management</td>
<td>$1,685,670</td>
<td>$4,106,922</td>
</tr>
</tbody>
</table>

The prices submitted were for exactly the same services the City and its residents currently receive (except the City will no longer provide service to properties with more than four dwelling units), which among other things includes unlimited, manual, curbside collection of solid waste and recyclables, unlimited bulky item collection and centralized collection of recyclables and green waste. The committee felt that because no one proposal stood out relative to the others in terms of service level (they were all exceptional), then the only other factor to consider was price. Here, Consolidated Disposal Services was the clear low bidder both annually and over the contract terms requested. As presented, Consolidated’s bid would save the City’s general fund approximately $1,016,176 over seven years when compared to the rate the City is currently paying.

For this reason, the Trash Committee recommends that City Council direct staff and the City Attorney to finalize the contract with Consolidated Disposal Services according to the bid sheet submitted and the form contract attached to the request for proposals. After the contract has been executed, Consolidated will initiate the 30-day public education campaign required prior to actual implementation of the new service. Residential and City services under the new contract are tentatively expected to take effect no later than November 1st of this year, which allows Consolidated time to meet the outreach requirements identified in the new contract. It also allows the City time to notify multi-family unit property owners with more than four units on their property that the City will no longer be providing free collection services to them and they will need to make alternative arrangements to have their trash collected starting in November.
FRANCHISE

FOR RESIDENTIAL, MULTI-FAMILY RESIDENTIAL AND MUNICIPAL

SOLID WASTE COLLECTION

BETWEEN

THE CITY OF EL SEGUNDO

AND

PURSUANT TO

EL SEGUNDO MUNICIPAL CODE CHAPTER 5-2
SOLID WASTE FRANCHISE

THIS AGREEMENT is entered into on ____, 2012 by and between CITY OF EL SEGUNDO, a general law CITY and municipal corporation ("CITY") and ______, a California corporation ("FRANCHISEE").

ARTICLE I. RECITALS.

Section 1.01 The Parties enter into this Agreement with reference to the following facts, objectives, and understandings:

A. Pursuant to Article XI, § 7 of the California Constitution, CITY has the duty and authority of matters of public sanitation;

B. The California Integrated Waste Management Act of 1989 (Public Resources Code §§ 40000, et seq.; the “Act”) establishes a solid waste management process which requires cities and other local jurisdictions to implement plans for source reduction, reuse and recycling as integrated waste management practices and to meet the goals and objectives of the Act;

C. The Act provides that aspects of solid waste handling of local concern include, without limitation, frequency of collection, means of collection and transportation, level of services, charges and fees, and nature, location and extent of providing solid waste services, and whether the services are to be provided by means of nonexclusive, partially exclusive or wholly exclusive franchise, contract, license or otherwise which may be granted by local government under terms and conditions prescribed by the governing body of the local agency;

D. CITY is obligated to protect the public health and safety of CITY’s residents and arrangements made by solid waste enterprises and recyclers for the collection of Solid Wastes should be made in a manner consistent with the exercise of CITY’s police power for the protection of public health and safety;

E. CITY and FRANCHISEE are mindful of the provisions of the laws governing the safe collection, transport, recycling and disposal of Solid Waste, including the Act, the

F. CITY and FRANCHISEE desire to leave no doubts as to their respective roles and to make it clear that by entering into this Agreement, CITY is not thereby becoming a "generator" or an "arranger" as those terms are used in the context of CERCLA § 107 (a)(3) and that it is FRANCHISEE, an independent entity, not CITY, which will arrange to collect from Premises in CITY's jurisdiction, transport for disposal and dispose of Solid Wastes which may contain small amounts of products with the characteristics of hazardous wastes, collect and compost Green Waste and collect and recycle Recyclable Solid Wastes from Premises in CITY;

G. There are no places within CITY's limits where landfills are located, or which are suitable for the siting of a landfill and therefore Solid Waste must be exported from CITY;

H. CITY and FRANCHISEE agree that, subject to City's exercise of its right to require the use of specific facilities as provided in Section 4.03 of this Agreement and FRANCHISEE's right to additional compensation by reason thereof as provided in Section 4.03 of this Agreement, it is FRANCHISEE, and not CITY, which will select the landfill or transformation facility destination of the non-recyclable Solid Waste which FRANCHISEE will arrange to collect, that CITY has not and, by this Agreement does not, instruct FRANCHISEE on its collection methods, nor supervise FRANCHISEE in the collection of waste and nothing in this Agreement or other action of CITY must be construed to give rise to any inference that CITY has any title, ownership or right of possession of such Solid Waste;

I. FRANCHISEE represents, and warrants to CITY that FRANCHISEE has the experience, responsibility and qualifications to conduct recycling programs, to provide CITY with information sufficient to meet CITY's reporting requirements under the Act, to meet CITY's other requirements under the Act, to arrange with residents of Premises in CITY for the collection, safe transport and disposal of Solid Wastes which may contain small
amounts of household products with the characteristics of Hazardous Wastes, in a safe manner which must minimize the adverse effects of collection vehicles on air quality and traffic, and that FRANCHISEE has the ability to indemnify CITY in accordance with this Agreement;

J. CITY’s City Council determines and finds pursuant to Public Resources Code § 40059(a) (1) that the public interest, health, safety and well-being, including the minimization of adverse impacts on air quality and traffic from excessive numbers of collection vehicles, the implementation of measures consistent with CITY’s Source Reduction and Recycling Component, and the protection of CITY against potential CERCLA liability, would be served if FRANCHISEE were to be awarded a non-exclusive franchise for collection, recycling and disposal of Commercial Solid Waste from Commercial Premises in CITY; and

IN CONSIDERATION of the mutual terms, conditions and covenants herein contained, the Parties agree as follows:

ARTICLE II. 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 Agreement. Words and phrases not defined by this chapter have the meanings stated in the El Segundo Municipal Code (“ESMC”) or the Public Resources Code, and any successor statutes or regulations.

Section 2.01 “Act” means the California Integrated Waste Management Act of 1989 (Public Resources Code §§ 40000, et seq.), as it may be amended from time to time.

Section 2.02 “Agreement” or “Franchise Agreement” means this written agreement between CITY and FRANCHISEE, and all Exhibits and documents incorporated by reference, governing provision of Solid Waste Services.

Section 2.03 “Bins” or “Solid Waste Bins” means those containers provided for the temporary accumulation and collection of Solid Waste or recycling from Premises. Bins are usually two or three cubic yards in size, or larger.
Section 2.04 "CalRecycle" means the California Department of Resources Recovery and Recycling.

Section 2.05 "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.

Section 2.06 "Construction and Demolition Waste" means used or discarded construction materials removed from premises during the construction or demolition of a structure. This includes, without limitation, building waste materials, asphalt, concrete, drywall, metals, roofing materials, soils, wood, packaging, and rubble resulting from construction, remodeling, repair and demolition operations on driveways, residential houses, and multi-family residential and commercial properties.

Section 2.07 "Disposal Site" means any solid waste handling facility or facilities used for the final disposal of solid waste collected by the Franchisee.


Section 2.09 "E-waste" includes the wastes set forth in 22 California Code of Regulations § 66273.9 for consumer electronic devices, including CRT Devices, that exhibit characteristics of toxicity.
Section 2.10 "FRANCHISEE" means _____, a corporation organized and existing under and by virtue of the laws of the State of California, and its lawful successors or assigns.

Section 2.11 "Franchise Area" means the area depicted on attached Exhibit "A" which is incorporated by reference and which may be changed in accordance with this Agreement as set forth below.

Section 2.12 "Green Waste" means organic wastes generated from residential and commercial residential premises associated with landscaping and no longer useful or wanted. Items include, without limitation, leaves, grass, weeds, and wood materials from trees and shrubs, and similar materials that fit within a cart and are generated at any premises. Yucca leaves, palm fronds, tree stumps and tree roots are not considered green waste.

Section 2.13 "Green Waste Containers" typically means containers of twenty to forty (20-40) cubic yard capacity (at the option of the Green Waste service recipient) for the temporary accumulation and collection of Green Waste, delivered by FRANCHISEE to CITY locations covered by this Agreement, when requested by the person in charge of day to day activities at the premises. The term "Green Waste Container" also includes any other containers designated by FRANCHISEE to be used for temporary accumulation and collection of Green Waste. Each Green Waste Container provided by FRANCHISEE will have a "hot stamp" or decal on the cover, describing what materials may, and may not, be placed in the container for collection. Title to Green Waste Containers provided by FRANCHISEE remains with FRANCHISEE.

Section 2.14 "Hazardous Waste" or "HW" 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 (Government. 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

Section 2.15 "Household Hazardous Waste" or "HHW" "Household hazardous waste" means any Hazardous Waste generated incidental to owning or maintaining a residence including, without limitation, E-waste. Household hazardous waste does not include any waste generated in the course of operating a business at a residence (see 22 Cal. Code of Regs. § 66260.10).

Section 2.16 "Recycling Materials" means the following materials generated in or emanating from residential or commercial premises and no longer useful or wanted: glass jars and bottles; steel, bi-metal, and tin cans; empty aerosol containers; PET plastic; HDPE plastic; plastics types 3 – 7; plastic bags, shrink wrap, plastic toys and tools, and other plastic materials (if readily identifiable as being recyclable and delivered to a drop-off center); juice boxes and milk cartons (aseptic packaging, Tetra Pak® and waxed cardboard); scrap metal, coat hangers and metal foil; newspaper; mixed paper (e.g., ledger, computer, junk mail, magazines, paperback books, cereal boxes, envelopes, paper shopping bags and non-metallic wrapping paper); and telephone books, and such additional materials as the City Council may designate from time to time.

Section 2.17 "Recycling Container Commercial," means any cart of three (3) cubic yard capacity (at the option of the solid waste service recipient) for the temporary accumulation and collection of source-separated Recyclable Solid Wastes delivered by FRANCHISEE to Multi-Family Units covered by this Agreement. The term "Recycling Container" also includes any other containers designated by FRANCHISEE to be used for temporary accumulation and collection of Recyclable Solid Wastes. Each Recycling Container provided by FRANCHISEE will have a "hot stamp" or decal on the cover, describing what materials may, and may not, be placed in the container for collection. Title to Recycling Containers provided by FRANCHISEE remains with FRANCHISEE.

Section 2.18 "Recycling Materials Container," means a container provided by the Franchisee for use in collecting and moving recyclable materials to curbside for collection by Franchisee.
The recycling containers provided must have a minimum capacity 18 gallons and a maximum capacity of 65 gallons so long as collection occurs not less than weekly. The container must indicate the type of material that can be placed in the container and be identified as a recycling container with a recycling logo.

Section 2.19 “Recycling” means any process by which materials that would otherwise become solid waste are collected (whether source-separated, co-mingled, or as mixed waste), separated or processed and returned to the economic mainstream in the form of raw materials or products or materials that are salvaged or recovered for reuse.

Section 2.20 “Residential Account” means an account for solid waste collection and recycling services provided to any Residential Premises.

Section 2.21 “Residential Householder” means any person holding and/or occupying residential premises, whether or not the owner, singly, or with his or her family, in the City.

Section 2.22 “Residential Premises” means all property which is used for residential purposes within the City, including single-family premises, multi-family premises, apartment houses, condominiums, mixed condominiums and rental housing, senior citizen housing complexes, mobile home parks, and trailer parks.

Section 2.23 “Scavenging” means the unauthorized removal of Recyclable Solid Wastes. Scavenging is prohibited by Public Resources Code § 41950.

Section 2.24 “ESMC” means the El Segundo Municipal Code, as amended, including, without limitation, Chapter 5-2 of the ESMC which regulates solid waste within CITY’s jurisdiction.

Section 2.25 “Solid Waste” has the meaning defined in Public Resources Code § 40191, including all putrescible and nonputrescible solid and semi solid waste, generated in or upon, related to the occupancy or, remaining in or emanating from residential premises or commercial premises, including recyclable materials, garbage, trash, refuse, paper, rubbish, ashes, industrial waste, demolition and construction wastes, discarded home and industrial appliances, manure,
vegetable or animal solid wastes, other solid and semisolid waste, excluding liquid wastes, abandoned vehicles, hazardous and medical waste.

Section 2.26 "Solid Waste Container" means a cart made of metal, hard rubber or plastic with handles and with a capacity no less than thirty five (35) gallons and no greater than sixty-five (65) gallons that is serviced by a truck for standard, manual curbside residential collection. Cart size is plus/minus 10% depending on manufacturer. The foregoing standards are not necessarily be applicable to carts which are acquired by FRANCHISEE from CITY at the inception of this Agreement, but are applicable to other carts acquired and provided by FRANCHISEE.

Section 2.27 "Solid Waste Handling" or "Handling" means the collection, transportation, storage, transfer, or processing of solid wastes.

Section 2.28 "Special Waste" means solid waste that is a "designated waste" under applicable law, is required to be accompanied by a written manifest or shipping document describing the waste under applicable law, or requires special handling at any processing facility or disposal site.

Section 2.29 "Streets" means the public streets, ways, alleys and places within CITY as the same now or may hereafter exist, and in which CITY has the authority to grant a Franchise.

Section 2.30 "Universal Waste" means waste materials that are conditionally exempt from classification as hazardous waste pursuant to 22 California Code of Regulations § 66261.9, including without limitation batteries, computers and peripherals, printers, CRT monitors, televisions, electronic equipment, and cathode ray tubes.

ARTICLE III. GRANT OF FRANCHISE

Section 3.01 Grant. The City Council grants to FRANCHISEE a non-exclusive solid waste franchise for collecting, transferring, recycling, composting, and disposing solid wastes, including recyclable solid wastes and/or green waste from residential premises and municipal locations within CITY's jurisdiction as set forth in the attached Exhibit A, which is incorporated by reference.
Section 3.02  Agreement Subject to ESMC. In addition to the terms and conditions set forth in this Agreement, this Agreement is subject to the terms, conditions, and limitations set forth in Chapter 5-2 of the ESMC.

Section 3.03  CITY’s prior rights. All privileges set forth in this Agreement are subordinate to any prior lawful use and occupancy of CITY’s streets. However, City represents that there are and will be no material restrictions on FRANCHISEE’s ability to utilize CITY’s streets to carry out its obligations pursuant to this Agreement.

Section 3.04  Cost of operating franchise. Any act permitted by this Agreement must be performed at FRANCHISEE’s own expense, unless expressly provided otherwise in this franchise or applicable law.

Section 3.05  Waiver of rights. FRANCHISEE waives any right it may have to challenge the terms of this Agreement under federal, state or local law, or administrative regulation, except as provided in the dispute resolution provisions in this Agreement. FRANCHISEE waives any right or claim to serve Commercial Premises within its jurisdictional boundaries under any prior grant of franchise, contract, license or permit issued or granted by CITY relating to the waste stream covered by this Agreement and including whatever, if any, rights FRANCHISEE may have under the Public Resources Code or prior law.

Section 3.06  Annexation. Nothing in this franchise extends FRANCHISEE’s rights under this Agreement to territory that may be annexed to CITY’s jurisdiction after this Agreement becomes effective. The parties may, but are not required to, negotiate for extending FRANCHISEE’s franchise to any such annexed territory.

Section 3.07  The effectiveness of this Agreement, and the performance of the City’s obligations, are subject to the satisfaction of all conditions set out below, any of which may be waived by the City in whole or in part:

A.  Accuracy of Representations. Representations and warranties made by the Franchisee in this Agreement are true and correct as of the Operative Date.
B. Furnishing of Insurance and Bonds. FRANCHISEE has furnished evidence satisfactory to the City Manager of the insurance and bonds required by the ESMC and this Agreement.

C. Effectiveness of City Council Action. The City’s ordinance approving this Agreement becomes effective under California law before the Operative Date of this Agreement.

Section 3.08 Delegation of Authority. Administration of this Agreement by CITY will be under the supervision and direction of the City Manager. Any and all actions specified in this Agreement, unless otherwise stated, will be taken by the City Manager.

Section 3.09 General. CITY may direct FRANCHISEE to perform additional services (including new diversion programs, etc.), or to modify the manner in which it performs existing services or bills for services. Pilot programs and innovative services that may entail new collection methods, different kinds of services or new requirements for customers, are included among the kinds of changes that CITY may direct. FRANCHISEE is entitled to an equitable adjustment in its compensation for providing such additional or modified services. FRANCHISEE is not required to perform additional services or to modify the manner in which it performs existing services or bills for services in any manner which materially and adversely alters FRANCHISEE’s rights and obligations pursuant to this Agreement, or which increases the cost to FRANCHISEE of providing such services, without the written consent of FRANCHISEE.

Section 3.10 City’s Right to Acquire Other Services.

A. CITY will not renew any existing contracts or franchises with respect to the collection of solid waste, recycling materials or green waste which are provided for in this Agreement, subject only to such rights as such franchisees or contracting parties may have pursuant to existing agreements. Upon expiration of any existing contracts or franchises, in the event that any person or entity continues to provide services, CITY will promptly notify any such person or entity that such contract or franchise has terminated by its own terms and has not been renewed, and that such person or entity may not continue to provide such services. Likewise, upon request of FRANCHISEE, CITY will notify any commercial and/or residential customer that the contract or franchise of such person or entity has expired.
B. FRANCHISEE acknowledges that CITY may permit other persons to provide additional solid waste services which are not otherwise provided for in this Agreement, including specific niche services such as collection of water heaters. If CITY proposes to grant any such rights, CITY agrees to notify FRANCHISEE in writing at least ninety (90) days in advance. FRANCHISEE has the first right of negotiation and to present a proposal to CITY with respect to provision of such additional services, whereupon CITY and FRANCHISEE agree to negotiate in good faith with respect to provision of such additional services. If FRANCHISEE and CITY cannot agree on terms and conditions for additional or expanded diversion services within 90 days from the date when CITY first requests a proposal from FRANCHISEE to perform those services, CITY may authorize persons other than FRANCHISEE to provide those services; provided, however, CITY will not enter into an agreement with such other persons on terms less favorable to CITY than the last and best proposal made by FRANCHISEE to provide such services. If CITY exercises its right to authorize third parties to provide those services, and if that decision either reduces or eliminates FRANCHISEE’s collection services as contemplated under FRANCHISEE’s proposal and Article 3 of this Agreement, FRANCHISEE is entitled to an adjustment to cover nonavoidable costs and to a sum equivalent to anticipated lost profits based on such reduction of services.

ARTICLE IV. FRANCHISE EXCLUSIONS

Section 4.01 Gardeners and Landscapers. This Agreement does not prohibit gardeners and landscapers from collecting, transporting and composting or disposing of Green Waste, as long as they transport such Green Waste to a Compostable Materials Handling Facility or a Green Material Composting Facility, as defined in 14 Cal. Code of Regs. § 17852, or other site permitted (or exempt from permitting) by CalRecycle in accordance with all governing laws and regulations.

Section 4.02 Sale or Gift of Recyclable Materials. This Agreement does not prohibit any person from selling Recyclable Materials or giving Recyclable Materials away to persons or entities other than FRANCHISEE.
Section 4.03 Flow Control - Reservation of Rights. Subject to the provisions of Section 9.14 of this Agreement, FRANCHISEE agrees to deliver to the solid waste disposal facilities designated by CITY all solid waste collected pursuant to this Agreement which cannot be recycled or otherwise diverted from landfills. The Parties agree to exercise good faith efforts to negotiate reasonable compensation to FRANCHISEE in the event such diversion results in actual increased expenses to FRANCHISEE.

Section 4.04 Prohibitions. FRANCHISEE is prohibited from commingling waste collected from within CITY’s limits with other wastes such as that from the unincorporated area or other cities. However, nothing herein prohibits commingling of residual waste after diversion of recyclable materials, unless such commingling violates rules or regulations of landfills to which FRANCHISEE transports such residual waste.

ARTICLE V. TERM

Section 5.01 The term of this Agreement is a base period of three (3) years, commencing on February 1, 2012 and ending January 31, 2015. At City’s sole option, the period during which collection services are to be provided pursuant to this Agreement may be extended for a maximum of one (1) additional four (4) year extension, i.e., for up to one (1) four (4) year period beginning February 1, 2015 and ending on January 31, 2019. CITY must give notice of its intent to exercise such option not later than six months before the expiration of the term of this Agreement (i.e., on or before August 1, 2014).

Section 5.02 FRANCHISEE is also required to cooperate with CITY and any successor operator (by providing, e.g., access to landfill destination information, insurance and indemnification and an insurance policy repository) beyond the period during which collection services are to be pursuant to this Agreement.

ARTICLE VI. LIABILITY AND INDEMNIFICATION.

Section 6.01 FRANCHISEE agrees to the following:

A. FRANCHISEE indemnifies and holds 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 FRANCHISEE’s removal, remediation, response or other plan concerning any Hazardous Waste resulting in the release of any Hazardous Waste into the environment, except for such loss or damage arising from CITY’s sole negligence or willful misconduct, and except for such loss or damage arising primarily out of acts or omissions of third parties not under the control of FRANCHISEE, its affiliates, officers, directors, employees or agents. Should 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 by FRANCHISEE, FRANCHISEE will defend CITY (at CITY’s request and with counsel reasonably satisfactory to CITY) and will indemnify (including, without limitation, insurance to the extent applicable) CITY for any judgment rendered against it or any sums paid out in settlement or otherwise, except as to acts or omissions of CITY, its officers and agents, and except as to acts or omissions of third parties not under the control of FRANCHISEE, its, affiliates, officers, directors, employees or agents.

B. Without limiting the foregoing, FRANCHISEE must indemnify, defend, protect and hold harmless CITY from and against all claims, actual damages (including, without limitation, special and consequential damages), natural resources damages, punitive damages, injuries, costs, response, remediation and removal costs, losses, demands, debts, liens, liabilities, causes of action, suits, legal or administrative proceedings, including, without limitation, cleanup and abatement orders of the United States Environmental Protection Agency, the California Integrated Waste Management Board, the California Department of Toxic Substances Control, the State Water Resources Control Board, a Regional Water Quality Control Board, and any Local Enforcement Agency with jurisdiction; other administrative agencies, interest, fines, charges, penalties and expenses (including without limitation attorneys’ and expert witness fees and costs incurred in connection with defending against any of the foregoing or in enforcing this indemnity) of any kind whatsoever paid, incurred or suffered by, or asserted against, CITY arising from or attributable to any repair, cleanup or detoxification, or preparation and implementation of any removal, remedial, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any Hazardous Waste in
any Solid Waste collected by FRANCHISEE pursuant to this Agreement, which is or has been transported, transferred, processed, stored, disposed of or which has otherwise come to be located by FRANCHISEE, or its activities pursuant to this Agreement result in a release of a Hazardous Waste into the environment, except for such loss or damage arising from CITY’s sole negligence or willful misconduct.

C. 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 CITY from all forms of liability under CERCLA, or other applicable law, for any and all matters addressed in this Agreement.

D. For purposes of this section “CITY” includes CITY’s officers; elected and appointed officials; employees; agents; representatives; and volunteers.

E. FRANCHISEE expressly agrees that this release, waiver, and indemnity agreement is intended to be as broad and inclusive as is permitted by the law of the State of California and that if any portion is held invalid, it is agreed that the balance will, notwithstanding, continue in full legal force and effect.

F. It is expressly understood and agreed that the foregoing provisions will survive termination of this Agreement.
Section 6.02 The requirements as to the types and limits of insurance coverage to be maintained by FRANCHISEE as required by this Agreement, and any approval of said insurance by CITY, are not intended to and will not in any manner limit or qualify the liabilities and obligations otherwise assumed by FRANCHISEE pursuant to this Agreement, including, without limitation, to the provisions concerning indemnification.

ARTICLE VII. INSURANCE

Section 7.01 Before commencing performance under this Agreement, and at all other times this Agreement is effective, FRANCHISEE will 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>$5,000,000</td>
</tr>
<tr>
<td>Business automobile liability</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Workers compensation</td>
<td>Statutory requirement.</td>
</tr>
</tbody>
</table>

Section 7.02 Commercial general liability insurance must meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88, or equivalent. 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 CITY, its officials, and employees as “additional insured’s” 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 CITY.

Section 7.03 Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto). The Automobile Liability policy must be endorsed to delete the Pollution exclusion and add the Motor Carrier Act endorsement (MCS-90), TL 1005, TL 1007 and/or other endorsements required by federal or state authorities.
Section 7.04  FRANCHISEE will furnish to CITY duly authenticated endorsements and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with admitted insurers with a current A.M. Best 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. FRANCHISEE 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.

Section 7.05  Should FRANCHISEE, for any reason, fail to obtain and maintain the insurance required by this Agreement, CITY may obtain such coverage at FRANCHISEE's expense and deduct the cost of such insurance from payments due to FRANCHISEE under this Agreement or terminate.

Section 7.06  Self-Insurance. To the extent provided by law, all or any part of any required insurance may be provided under a plan of self-insurance approved by the State of California.

ARTICLE VIII. DIVERSION STANDARDS

Section 8.01  FRANCHISEE agrees to work with CITY in order to facilitate compliance with the Act and subsequent State legislation including, without limitation, Public Resources Code §41780, on an annual basis from January 1 through December 31. In the event of a determination by CalRecycle that CITY has failed or will fail to meet its diversion goals because the waste stream under the control of FRANCHISEE is found to be non-compliant with such goals, FRANCHISEE and CITY agree to negotiate in good faith any additional programs or services that may be required to facilitate such compliance.

Section 8.02  If FRANCHISEE does not meet any of the above diversion standards in any given year, then FRANCHISEE must document to CITY the reason for not meeting the applicable diversion standard. If the deficiency is due to diversion of materials from the waste stream before FRANCHISEE takes possession (for example, commercial enterprises within the Franchise Area sell recyclable materials to third parties as permitted pursuant to this Agreement), and such third-party diversion is documented to CITY's commercially reasonable satisfaction,
the diversion from other sources, then and only then will CITY waive the applicable diversion rate for such year.

Section 8.03 The parties desire that FRANCHISEE achieve the greatest diversion possible under this Agreement. In evaluating the diversion programs and diversion rates CITY may consider, without limitation, actual tons of diversion, program effectiveness, comparison to other jurisdictions programs and diversion rates, exercise by CITY of rights to designate facilities to be used by FRANCHISEE pursuant to Sections 4.03 and 9.14 of this Agreement, third-party diversion prior to FRANCHISEE collection of solid waste materials, changes in the industry and/or state laws, and other reasonably relevant factors. The parties may execute an amendment to this Agreement reflecting any changes in the diversion rates hereunder.

ARTICLE IX. TYPES AND FREQUENCY OF SERVICE
Section 9.01 Public Health and Safety - General. FRANCHISEE must arrange for collecting residential solid waste and recyclable materials at least once per week, on the regular collection day, or more frequently as FRANCHISEE and its customers may agree. FRANCHISEE must also arrange for collecting municipal solid waste, recyclable materials, green waste and other waste as defined in the Scope of Work (Exhibit "B") according to the collection schedule established in the Scope of Work. FRANCHISEE agrees to consider and implement CITY's suggestions to mitigate adverse effects on traffic and air quality that FRANCHISEE's routes and scheduling may cause.

Section 9.02 FRANCHISEE must take all routing, emission, and other measures reasonably necessary to ensure CITY's compliance with the Los Angeles County Air Pollution Control District, the South Central Coast Air Quality Management District, and the California Air Resources Board regulations, as applicable.

Section 9.03 FRANCHISEE must collect and remove all Solid Waste placed in Solid Waste containers from all Premises within CITY in conformance with the minimum frequency set forth in applicable law to prevent overflows and spillage from Bins.

Section 9.04 FRANCHISEE agrees to provide recycling containers or bins to customers two weeks prior to commencement of service. Recycling containers must have a minimum
capacity 18 gallons and a maximum capacity of 65 gallons, with size chosen by the residential customer being serviced. FRANCHISEE will mark each of its containers or bins placed in CITY’s jurisdiction with conspicuous notices that the disposal of hazardous materials and hazardous wastes is prohibited. FRANCHISEE will reasonably maintain all of its bins placed within CITY’s jurisdiction free of “tagging” or “graffiti” within the time periods specified in Section 9.02 of this Agreement.”

Section 9.05 The work to be performed by FRANCHISEE includes, without limitation, furnishing of all labor, supervision, equipment, materials, supplies, and other items necessary to perform the services required. The designation of, and specification of requirements for, particular items of labor or equipment does not relieve FRANCHISEE of the duty to furnish all others, as may be required, whether or not identified elsewhere in this Agreement.

Section 9.06 The work to be performed by FRANCHISEE will be performed in a thorough and professional manner so that customers within CITY are provided with reliable, courteous, and high-quality solid waste, recyclable materials and green waste collection services at all times during the term of this Agreement.

Section 9.07 Manual Cart Service. Franchisee must collect Solid Waste delivered for collection at the curbside by residential accounts not less than once each calendar week. Not more than seven (7) days must elapse between collections (except for one-day adjustments during weeks in which a holiday occurs). FRANCHISEE must offer residential householders service levels as defined in the Scope of Work. The designated collection location of carts, if disputed by the customer or FRANCHISEE, will be determined by CITY. Additionally, if in CITY’s opinion the existing collection location is inappropriate, CITY may require the customer or FRANCHISEE to relocate the collection location.

Section 9.08 Bulky Goods Pick-Up. FRANCHISEE must provide unlimited, weekly curbside Bulky Goods pick-up for each service recipient as part of the basic Solid Waste service. Such service must be provided to all residential service addresses covered under this contract. FRANCHISEE is not required to remove automobile bodies or any other items which may not be safely handled by two persons. Bulky Goods may also include white goods such as large domestic appliances, which include but are not limited to refrigerators, freezers, stoves, ranges,
trash compactors, washers, dryers, dishwashers, furnaces, hot water heaters, air conditioners, and microwaves. FRANCHISEE must comply with all applicable regulations governing the recovery of ozone-depleting refrigerants during the disposal of air conditioning or refrigeration equipment, including, without limitation 40 C.F.R, Part 82. To ensure implementation of this provision, FRANCHISEE must provide details of its proposed bulky item pick-up schedule and promotional campaign, and provide CITY an annual report on the number of items collected per customer location.

A. FRANCHISEE will use its best efforts to reuse, recycle or dispose of Bulky Goods in the following order:

1. Reuse as is (if energy efficient);

2. Disassemble for reuse or Recycling;

3. Recycle; or

4. Disposal.

Section 9.09 Semi Annual Community Drop-off Events. Franchisee must promote and conduct two Community Drop-off Events for collecting bulky items and E-waste from the residents of CITY. This program must comply with all applicable regulatory requirements, be scheduled on a date mutually acceptable to FRANCHISEE and CITY, and impose no additional cost upon CITY or service recipients, provided however, that FRANCHISEE may at its discretion limit eligibility solely to residents of CITY. FRANCHISEE is responsible for all aspects of the program, including without limitation, selecting the location, obtaining all applicable permits, traffic control, on-site security, and public information, as well as collection, packing, transportation, and safe disposal of all waste collected. The term “On-site security” refers to traffic control and verification of eligibility within the off-street premises utilized for such events, but does not include traffic control on CITY streets or providing security that is customarily provided by law enforcement. Neither CITY nor CITY’s residents will be designated as the generator.

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Section 9.10 Container Service for City/Community Events/Project. At the request of CITY, FRANCHISEE must provide reasonable amounts of solid waste and/or recycling container service at no cost for City and/or Community events, as set forth in the Scope of Work to this Agreement. FRANCHISEE is only required to provide containers in commercially reasonable amounts, and is not responsible for picking up litter not placed into containers.

Section 9.11 At the request of CITY, Franchisee must provide solid waste containers for City construction projects not to exceed four (4) forty yard boxes in a given year. Boxes can be used either separately or as a one time combination.

Section 9.12 Recycling Services: Manual Cart Collection. FRANCHISEE must provide manual residential recycling collection to all residential accounts on the same day as solid waste collection. Materials to be collected are as defined in this Agreement. FRANCHISEE must provide each solid waste cart customer one recycling cart, with size to be determined by the customer, with a minimum size of 18 gallons and a maximum size of 65 gallons. FRANCHISEE must make available additional recycling carts as requested by the customer. FRANCHISEE must collect and remove all recyclable materials placed in recycling carts at the curbside.

Section 9.13 Recycling Bin Service. FRANCHISEE agrees to provide recycling waste collection service to all CITY facilities receiving bin service. FRANCHISEE, at FRANCHISEE’s sole expense, must deliver Recycling Containers, to be used exclusively for accumulation, separation and collection of Recyclable Solid Wastes to each CITY facility as identified by the CITY in the Scope of Work. FRANCHISEE must collect, remove and recycle all Recyclable Solid Waste placed in Recycling Bins. FRANCHISEE agrees to use its best efforts to process Recyclable Solid Waste through the Designated Recycling Facility or any facility permitted pursuant to this Agreement in order to maximize the diversion of Solid Waste from landfills.

Section 9.14 Construction and Demolition Waste Recycling. FRANCHISEE must make reasonable efforts to prevent construction and demolition waste that is suitable for recycling from being taken to a landfill by transporting it to an alternate facility where it will be processed for reuse. Such efforts must include, but must not be limited to, contacting and educating residential accounts about available recycling services.
Section 9.15  Warning Notice. FRANCHISEE must notify customers who have non-
Recyclable Materials in their recycling container, in accordance with procedures to be agreed
upon between CITY and FRANCHISEE. If, after following this procedure, the container
continues to be contaminated, FRANCHISEE may remove the recycling container from
customers who fail to sort properly and who fail to segregate recyclable materials in accordance
with City-approved policy. FRANCHISEE must report to CITY on all warning notices that have
been issued of issuing the notice by the next business day. Sending a copy of the notice(s) to
City Manager’s designee via facsimile or electronic mail will satisfy this requirement.

Section 9.16  Marketing and Sale of Recyclable Materials. FRANCHISEE is responsible
for the marketing and sale of all recyclable materials collected under this Agreement.

Section 9.17  Green Waste Program

A.  Green Waste Bin Collection. FRANCHISEE, at FRANCHISEE’s sole expense, must
deliver Green Waste Containers, to be used exclusively for accumulation, separation and
collection of Green Wastes to each municipal location designated by CITY as identified
in the Scope of Work. FRANCHISEE must collect, remove and recycle all Green Waste
placed in Green Waste Containers. FRANCHISEE must use its best efforts to obtain
maximum diversion credit, if available, for Green Waste, including Holiday Trees.

B.  Holiday Tree Collection Program. FRANCHISEE must conduct an annual holiday tree
collection program. The program will include collection from all single and multi-family
residential accounts. The curbside collection period must commence on the first
collection day after December 25 and will conclude on the second Friday of January.
FRANCHISEE must cooperate with CITY in the scheduling and operation of the holiday
tree collection program. Additionally, FRANCHISEE will provide one or more large bins
for centralized holiday tree collection at a CITY facility, and one large bin for residents to
place excess packaging for the first week after December 25th annually. This bin is for
cardboard, wrapping paper and all excess holiday packaging.

Section 9.18  Collection from City Facilities. FRANCHISEE must collect and dispose of
all solid waste placed solid waste containers and recyclable material containers from the
following CITY-owned facilities: City Hall Complex, Community Center(s), Police
Department(s), Fire Department(s), Main Street Receptacles, Library, Maintenance Yard, Water
Yard, from parks owned and operated by CITY, street-side solid locations such as the downtown area, Grand Ave. and Imperial Ave., and from any other CITY facility not designated herein. Such services must be provided at no cost to CITY. Bins must be placed in areas reasonably designated by FRANCHISEE and accessible to FRANCHISEE’s front-loading vehicles. FRANCHISEE is only obligated to pick up materials in bins provided by FRANCHISEE, and is not be obligated to clean up litter or to pick up containers other than those provided by FRANCHISEE. Collection must occur in accordance with a schedule provided by FRANCHISEE and which has been approved by the City Manager, which approval cannot be unreasonably withheld or delayed. Not more than seven (7) days may elapse between collections within any one site.

Section 9.19 End Uses for Green Waste. FRANCHISEE will use reasonable efforts to divert from disposal all green waste materials collected through municipal collection and through holiday tree collections. FRANCHISEE will also use reasonable efforts to provide end uses for green waste that maximize diversion credits for CITY in accordance with regulations established by CalRecycle.

Section 9.20 Abandoned Items in the Public Right-of-Way. FRANCHISEE will make reasonable efforts to collect abandoned items left in the Public Right-of-Way when notified by the City. FRANCHISEE is not required to remove items which cannot be safely handled by two persons.

ARTICLE X. OPERATIONS

Section 10.01 Operations

A. Hours of Collection. FRANCHISEE’s arrangements for collecting Solid Waste must provide that collections cannot start before 7 a.m. or continue after 5 p.m., Monday through Friday, nor before 7 a.m. nor after 6 p.m. for collections on Saturdays following holidays. This time may be extended occasionally in the event that collection is delayed due to unanticipated mechanical breakdown of equipment, unanticipated illnesses of designated drivers, rain, flood, earthquake, or other forces majeure beyond the reasonable control of FRANCHISEE. Commercial collections that are beyond three hundred (300) feet from residential
areas cannot start before 6 a.m. nor continue after 7 p.m., on any day, subject to occasional extension for the same reasons set forth in the preceding sentence.

B. Collection on Holidays. Notwithstanding any other provision of this Agreement to the contrary, collections need not occur if the regularly scheduled day of collection on any route in CITY falls on a day on which a legal holiday is observed by the landfill, transformation, materials recovery facility, or Compostable Materials Handling Facility destination of the Solid Waste to be collected by FRANCHISEE (presently New Year’s Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day). FRANCHISEE will provide collection service on the day following the day on which the holiday is observed. Regular collection days falling later in the same week must be delayed one day, except that routes scheduled to be collected on a Friday following the observation of a holiday must be collected on Saturday. Regular collection schedules must be resumed the following week. FRANCHISEE must advertise changes in its collection schedules in a newspaper of general circulation adjudicated for CITY.

C. Schedules. FRANCHISEE must review annually with CITY its operation plan outlining the collection routes, intervals of collection, and collection times for all materials collected under this Agreement, upon 30-days written notice by CITY requesting such review. More frequent reviews may be required if operations are not satisfactory, based on documented observations or reports of complaints. If the plan is determined by CITY to be inadequate, FRANCHISEE must modify its plan by incorporating changes into a revised plan and reviewing that revised plan with CITY within 30 calendar days. City may request that collection routes be coordinated with City operations (e.g., Street Sweeping).

Section 10.02 Containers. Cart Ownership and Maintenance Responsibilities.
FRANCHISEE is responsible for recycling cart repair and maintenance, graffiti removal, and replacing lost, stolen or damaged carts within five (5) business days at no additional charge to the customer or to CITY. FRANCHISEE may, however, charge the customer for repairing or
replacing a cart if the damage is due to the customer’s willful negligence or abuse. In no event may this charge be greater than the lesser of FRANCHISEE’s actual cost for replacement parts or a new cart, or $50. All carts provided under this Agreement are FRANCHISEE’s property and CITY may direct FRANCHISEE to remove the carts at the end of the Agreement at no charge, should CITY so desire.

Section 10.03 Bins. FRANCHISEE must maintain its containers in a clean and sound condition, free from putrescible residue. Containers must be equipped with reflectors or reflective tape to enhance visibility. Containers must be constructed of heavy metal, or other durable material, and must be watertight and well painted. Wheels, forklift slots, and other appurtenances, which are designed for movement, loading, or unloading of the container, must be maintained in good repair. FRANCHISEE must inspect, and if necessary, clean or replace all containers once each year at no charge. FRANCHISEE must perform cleaning or replacement of containers more frequently, if necessary, for an additional fee, to prevent a nuisance caused by odors or vector harborage. Customers may request additional cleanings at price designated between FRANCHISEE and the customer. FRANCHISEE must remove graffiti from any container within five (5) business days of request by CITY or customers. Each bin placed in CITY by FRANCHISEE must have the name and phone number of FRANCHISEE in letters not less than three inches high on the exterior of the container so as to be visible when the container is placed for use. FRANCHISEE must identify the bin or bins that are assigned to each residential account using a method that is acceptable to CITY. Each container must be labeled with a conspicuous warning: “Not to be used for the disposal of hazardous, electronic or universal waste.” The foregoing notwithstanding, FRANCHISEE may, but is not required to modify bins and carts which are purchased from CITY at the commencement of this Agreement, and such standards apply only to new bins supplied by FRANCHISEE.

Section 10.04 Rolloff Boxes. FRANCHISEE must provide clean rolloff boxes, free from graffiti and equipped with reflectors. FRANCHISEE must properly cover all open rolloff boxes during transport to and from the disposal site.

Section 10.05 Litter Abatement

A. Minimization of Spills. FRANCHISEE must use due care to prevent solid waste or fluids from leaking or being spilled or scattered during the collection or transportation process.
If any solid waste or fluids leak, or are spilled during collection, FRANCHISEE must promptly clean up those materials. Each collection vehicle must carry a broom and shovel at all times for this purpose. FRANCHISEE may not, without CITY’s prior written consent, transfer loads from one vehicle to another on any public street, unless it is necessary to do so because of mechanical failure, accidental damage to a vehicle, or a pre-approved method of solid waste transfer between vehicles.

B. Clean Up. During the collection or transportation process, FRANCHISEE must clean up litter in the immediate vicinity of any solid waste storage or collection area under its control or as a result of FRANCHISEE actions. If FRANCHISEE arrives at a residential collection area with existing litter, FRANCHISEE must photo document the pre-existing condition and report the condition to the City Manager, or designee. FRANCHISEE must identify instances of repeated spillage caused by customers and must report those instances to the City Manager, or designee. CITY must attempt to rectify such situations directly with the customer, if FRANCHISEE has already attempted to do so without success.

Section 10.06 Personnel

A. FRANCHISEE must furnish qualified drivers, mechanical, supervisory, clerical, management and other personnel as may be necessary to provide the services required by this Agreement in a satisfactory, safe, economical, and efficient manner. All drivers must be trained and qualified in the operation of vehicles they operate and must possess a valid license, of the appropriate class, issued by the California Department of Motor Vehicles.

B. FRANCHISEE must establish and vigorously enforce an educational program to train FRANCHISEE’s employees in the identification of hazardous waste. FRANCHISEE’s employees must not knowingly place any hazardous waste in the collection vehicles, nor knowingly dispose of any hazardous wastes at a processing facility or disposal site.

C. FRANCHISEE must train its employees in customer courtesy, prohibit the use of loud or profane language, and instruct collection crews to perform all work quietly. FRANCHISEE must use its best efforts to ensure that all employees present a neat
appearance and conduct themselves in a courteous manner. If any employee is found to be discourteous or not to be performing services in the manner required by this Agreement, FRANCHISEE must take all necessary corrective measures including, without limitation, transfer, discipline, or termination. If CITY notified FRANCHISEE of a complaint related to discourteous or improper behavior, FRANCHISEE must consider reassigning the employee to duties not involving contact with the public in CITY of while FRANCHISEE is pursuing its investigation and corrective actions.

D. FRANCHISEE must provide suitable operations, health, and safety training for all of its employees who use or operate equipment or who are otherwise directly involved in collection or related operations.

Section 10.07 Identification Required. FRANCHISEE must provide its employees, subsidiaries, and subcontractors with identification for all individuals who may have personal contact with residential accounts in CITY. CITY may require FRANCHISEE to notify customers annually of the form of that identification. FRANCHISEE must provide a list of current employees, subsidiaries, and subcontractors to the City Manager, or designee, upon request. CITY may, at its sole discretion, conduct through law enforcement agencies a security and identification check of FRANCHISEE, and its present and future employees, in accordance with accepted procedures established by CITY.

Section 10.08 Fees and Gratuities. FRANCHISEE may not, nor may it permit any agent, employee, or subcontractor employed by it, to request, solicit, demand, or accept, either directly or indirectly, any compensation or gratuity for the collection, transportation, recycling, processing, or disposal of solid waste other than FRANCHISEE compensation that is normally paid.

Section 10.09 Non-Discrimination. FRANCHISEE may not discriminate in the provision of service or the employment of persons engaged in the performance of this Agreement on account of race, color, religion, sex, age, physical handicap or medical condition in violation of any applicable federal or state law, except to the extent that any physical handicap or medical condition directly affects the ability of an employee to carry out the essential functions of his or her employment as provided by applicable federal or state law.
Section 10.10 Change in Collection Schedule. FRANCHISEE must notify CITY 45 days before, and residential accounts not later than 14 days before, any change in collection operations that results in a change in the day on which residential solid waste collection occurs. FRANCHISEE cannot allow any customer to be without service for more than 7 calendar days in connection with a collection schedule change. CITY's approval of any change in residential collection is required before such change. This approval cannot be unreasonably withheld. Any changes in the route map or collection schedule require the prior approval of the City Manager, or designee. CITY may request changes in the route map or collection schedule to improve service, to resolve complaints, or for other reasons, and FRANCHISEE agrees to implement such requests unless such requests unreasonably interfere with the orderly and economical provision of services as provided in this Agreement. In the event of any disagreements, CITY and FRANCHISEE agree to meet and confer in good faith in an attempt to resolve such disagreements. Route maps to be submitted with the Annual Report.

Section 10.11 Report of Accumulation of Solid Waste; Unauthorized Dumping. FRANCHISEE must direct its drivers to note the addresses of any premises at which they observe that solid waste is accumulating and is not being delivered for collection, and the address, or other location description, at which solid waste has been dumped in an apparently unauthorized manner. FRANCHISEE must deliver the address or description to CITY within five working days of such observation. FRANCHISEE must cooperate with City in the investigation and prosecution of any violations of the ESMC.

Section 10.12 Transportation of Solid Waste. FRANCHISEE must transport all Solid Waste collected in CITY to a properly permitted transfer station, MRF, transformation facility, or disposal site. In addition, CITY may designate the use of a particular transfer station, MRF, transformation facility, or disposal site. FRANCHISEE agrees to make commercially reasonable efforts to utilize the transfer station and disposal site designated by CITY and to divert single stream Recyclable Materials, source-separated Recyclable Materials, and green waste from landfill disposal to such locations designated by CITY. However, FRANCHISEE is entitled to reimbursement by CITY, or to increase rates, to reflect any increased costs arising from CITY's designation of a transfer station, MRF, transformation facility, or disposal site other than a site proposed by FRANCHISEE. FRANCHISEE must maintain complete, accurate and up-to-date records of the quantities of solid waste transported to the transfer station, MRF, transformation
facility or disposal site and must cooperate with CITY in any audits or investigations of those quantities.

Section 10.13 Disposal of Solid Waste and Processing Facilities. FRANCHISEE must ensure that all Solid Waste collected under pursuant to this Agreement is disposed of at a permitted disposal site.

A. FRANCHISEE designates ________ as the primary Designated Disposal Sites. FRANCHISEE covenants that it will use its commercially reasonable best efforts to determine whether landfills to be utilized by FRANCHISEE are properly permitted, are classified as a Class 3 landfill (permitted to receive only municipal Solid Waste), are in compliance with all Applicable Law, and are not on or being considered for inclusion on a State or federal Superfund list, or CalRecycle list of Solid Waste facilities failing to meet State minimum standards. Except as otherwise set forth in this Agreement, FRANCHISEE must dispose of all Solid Waste collected in CITY at the Designated Disposal Sites, at Franchisee’s expense and in accordance with all Applicable Law.

B. FRANCHISEE designates ________ as the Designated Recycling Facility. FRANCHISEE covenants that the Designated Recycling Facility is properly permitted and in compliance with all Applicable Law. FRANCHISEE must deliver all Recyclable Materials collected in CITY to the Designated Recycling Facility, at FRANCHISEE’s expense and in accordance with all Applicable Law. FRANCHISEE must ensure that, after Processing, residue material cannot exceed the amount permitted by Applicable Law. FRANCHISEE must ensure that Recyclable Materials are used in a manner that is classified as Diversion pursuant to applicable California law. Franchisee must contact CITY if changes in the recycling facility designation are made.

C. FRANCHISEE designates ________ as the Designated Green Waste Facilities. FRANCHISEE covenants that these facilities are properly permitted for the composting of Green Waste, and are in compliance with all Applicable Law. FRANCHISEE must deliver all Green Waste collected in CITY to the Designated Green Waste Facilities for composting. If any such delivery to the Designated Green Waste Facilities would not result in CITY receiving credit in calculating its Diversion Rate for having diverted the
Green Waste from Disposal in a landfill or transformation facility, another facility must be selected. FRANCHISEE must ensure that Green Waste is processed into Compost in accordance with Applicable Law, and used in a manner that is classified as Diversion.

D. FRANCHISEE must use its commercially reasonable best efforts to ensure that the Designated Disposal Sites, Designated Recycling Facility, and Designated Green Waste Facilities are properly permitted and in compliance with Applicable Law at all times during the term. FRANCHISEE must immediately inform the City Manager in writing in the event of any non-compliance, and CITY, in its sole discretion, has the right to require the use of a different Disposal or Processing Facility, to be selected by FRANCHISEE. The City Council may also, in its sole discretion, require the use of a different site at any time during the term if the Designated Disposal Site, Recycling Facilities, or Green Waste Facility (as the case may be) is found to not be in compliance with the provisions of this Section and City Council reasonably determines, after written notice to FRANCHISEE and the opportunity for a hearing if requested, that the Designated Disposal Site, Recycling Facilities, or Green Waste Facility (as the case may be) is not acceptable due to a failure to materially comply with the terms of this Agreement or a finding by State or federal regulatory agencies that it is not in material compliance with Applicable Law, including the Environmental Laws, and is unable to accept City’s Solid Waste, Green Waste or Recyclable Materials (as the case may be). Under no circumstances, however, can a change in one or more of the Designated Disposal Site, Recycling Facilities, or Green Waste Facility due to a failure of compliance as set forth above provide a basis for an increase in the Rates.

Section 10.14 Annual Route Audit. At least once annually, FRANCHISEE must conduct an internal audit of its collection routes in CITY. The annual route audit must be prepared in form and content reasonably acceptable to the City Manager, or designee, and must include the truck identity, number of accounts serviced, number and size of containers, and the weight of the solid waste delivered to the transfer station or disposal site. Results of the annual route audit will be available for review by CITY.

Section 10.15 Service Description. Franchisee must, within 15 days before the effective date of a service change, prepare and distribute, subject to the direction of CITY, a notice to each
account setting forth the annual holiday schedule, recycling programs offered, and a general summary of services required to be provided under this Agreement and optional services that may be furnished by FRANCHISEE. This notice must be in a form that is subject to the reasonable approval of the City Manager before its distribution. The notice may also be included as part of FRANCHISEE’s public education plan.

Section 10.16 Scavenging - Discouragement. FRANCHISEE will take whatever reasonable actions that are commercially practicable (e.g., actions seeking to enjoin organized scavengers) which may be appropriate and effective to discourage scavenging of Recyclable Solid Waste from the Solid Waste Stream.

Section 10.17 Telephone Book Collection. FRANCHISEE agrees to develop a cooperative program with distributors of telephone books for the collection of outdated telephone books from customers as part of the Commercial recycling program.

Section 10.18 Public Awareness Programs. FRANCHISEE will develop and implement a “Promotional Plan” for the Solid Waste and recycling programs, with goals, strategies and timetables (at no additional cost to CITY or Customers). At a minimum, the Promotional Plan must include the following:

A. Information regarding to CITY’s requirements under the Act, Bulky Goods pick-ups, Green Waste programs and the importance of the safe disposal of Household Hazardous Waste, Quarterly collection and Holiday programs.

B. FRANCHISEE will provide and distribute literature in the form of newsletters, fliers, door hangers, cards, stickers or otherwise as FRANCHISEE determines to be most effective. All material to be reviewed by CITY in advance of publication and must be written in English and Spanish.

C. Newsletters or similar outreach materials must be published at least two times the first year and then annually thereafter (and be provided to new customers within seven days) with the information set forth above. Newsletter must be published in English and Spanish. All material to be reviewed by CITY in advance of publication.
D. Production and distribution (within seven days to new customers) of a newsletter for all customers.

E. Other promotional activities to achieve the goals of this Agreement, including participation in local activities, cleanup days, parades and civic events including, without limitation, those listed in the Scope of Work, which is incorporated by reference.

Section 10.19 Change in Size or Number of Containers. By written or telephonic request Customers may request to exchange Recycling Containers without charge for different sizes, add extra Containers or reduce the number of their Containers. FRANCHISEE must exchange, deliver and/or remove Container(s) in accordance with Customers’ requests.

Section 10.20 Cleaning, Painting, Maintenance. FRANCHISEE agrees to clean (including steam cleaning) and repaint, at its cost, all containers (or bins) upon request without charge once per year. All containers must be maintained in a functional condition. At all times, containers must be labeled with FRANCHISEE’s name, telephone number and instructions for disposal and/or sorting of trash and recyclables; provided, however, FRANCHISEE is not required to modify containers which are purchased from CITY at the commencement of this Agreement, and such requirement applies only to new or bins supplied by FRANCHISEE.

Section 10.21 FRANCHISEE must repaint and relabel, to the extent necessary, any bin which is impacted by graffiti within two (2) business days after FRANCHISEE receives notice of any such graffiti.

ARTICLE XI. COLLECTION EQUIPMENT

Section 11.01 FRANCHISEE warrants that it will provide adequate numbers of vehicles and equipment, as described in its proposal, for the collection, transportation, recycling and disposal services for which it is responsible under this Agreement. FRANCHISEE must comply with ESMC Chapter 7-2 regulating noise. FRANCHISEE must submit to CITY, a certificate of vehicle noise level testing by an independent testing entity of any collection vehicles used by FRANCHISEE in CITY’s jurisdiction which has been the subject of more than one noise complaint within any twelve (12) month period.
Section 11.02 FRANCHISEE warrants that it will comply with all measures and procedures promulgated by all agencies with jurisdiction over the safe and sanitary operation of all its equipment.

Section 11.03 FRANCHISEE agrees to use its best efforts to prevent damage to private streets over which its collection equipment may be operated, to obtain all required approvals for operation of its collection vehicles on private streets, and to use lighter-weight collection vehicles on the streets of private areas when requested, at the rates shown in attached Exhibit C, attached hereto and incorporated by reference.

ARTICLE XII. PRIVACY

Section 12.01 General. FRANCHISEE must strictly observe and protect the rights of privacy of customers. Information identifying individual customers, or the composition or contents of a service recipient’s Solid Waste must not be revealed to any person, governmental unit, private agency or FRANCHISEE, unless upon the authority of a court of law, by statute, or upon valid authorization of the service recipient. This provision will not be construed to preclude FRANCHISEE from preparing, participating in, or assisting in the preparation of waste characterization studies or waste stream analyses which may be required by the Act, or preparing and distributing public awareness materials to customers.

Section 12.02 Mailing Lists. FRANCHISEE must not market or distribute mailing lists with the names and addresses of customers.

Section 12.03 Privacy Rights Cumulative. The rights accorded customers pursuant to this Section are in addition to any other privacy rights accorded customers pursuant to federal or state law.
ARTICLE XIII. SERVICE EXCEPTIONS; HAZARDOUS WASTE NOTIFICATIONS

Section 13.01 Failure or Refusal to Collect. When Solid Waste is not collected from any Solid Waste Service Recipient, FRANCHISEE must notify that Service Recipient in writing, at the time collection is not made, by use of a tag or otherwise, why the collection was not made.

Section 13.02 Hazardous Waste Reporting. FRANCHISEE reserves the right and has the duty under law, to inspect Solid Waste put out for collection and to reject Solid Waste observed to be contaminated with Hazardous Waste. Should FRANCHISEE find or observe reportable quantities of Hazardous Waste put out for collection with Solid Waste, FRANCHISEE must notify all agencies with jurisdiction, including the California Department of Toxic Substances Control and Local Emergency Response Providers and, if appropriate, the National Response Center, of reportable quantities of Hazardous Waste, found or observed in solid waste observed or collected anywhere within CITY’s jurisdiction. In addition to other required notifications, if FRANCHISEE observes any substances which it or its employees reasonably believe or suspect to contain Hazardous Wastes unlawfully disposed of or released on CITY property, including storm drains, streets or other public rights of way, FRANCHISEE must immediately notify CITY Manager, or designee. CITY in cooperation with FRANCHISEE will determine the method of disposal in accordance with applicable including, without limitation, the Act.

Section 13.03 Hazardous Waste Diversion Records. FRANCHISEE must maintain records showing the types and quantities, if any, of Hazardous Waste found in Solid Waste and which was inadvertently collected from customers within CITY, but diverted from landfills.

ARTICLE XIV. CUSTOMER SERVICE

Section 14.01 Office Hours. FRANCHISEE agrees to have office hours from 8:00 a.m. to 5:00 p.m. daily, except Saturdays, Sundays and holidays. In addition, FRANCHISEE’s employees must be reachable by telephone for emergencies. At FRANCHISEE’s expense, its regular telephone numbers must be listed in El Segundo area telephone directories under both FRANCHISEE’s name and CITY’s name. FRANCHISEE must have the capability of responding to Customers in English, and Spanish where reasonably necessary for communication with customers. In the event that there are Customers who are able to communicate only in other languages, CITY and FRANCHISEE will work cooperatively together to attempt to identify
reasonably available third-party resources; however, FRANCHISEE is not obligated to incur any financial obligation to provide services in such other languages.

Section 14.02 Emergency Telephone Number. FRANCHISEE must maintain an emergency telephone number for use outside normal business hours. FRANCHISEE must have a representative, or an answering or call-forwarding service to enable customers to contact such representative, during all hours other than normal office hours. At FRANCHISEE’s expense, the emergency telephone number must be listed in El Segundo-area telephone directories under both FRANCHISEE’s name and CITY’s name. FRANCHISEE must be able to respond to emergency calls in English, Spanish, and Telecommunications Device for the Deaf Service necessary for emergency communication with customers. FRANCHISEE must also provide CITY with an emergency contact list that need not be published, but will allow CITY’s representatives to contact FRANCHISEE’s representatives in an emergency including, without limitation, events such as fallen trees, flooding and vehicle accidents.

Section 14.03 Service Complaints. CITY and FRANCHISEE agree that the protection of public health, safety and well-being require that service complaints be acted on promptly and that a record be maintained in order to permit CITY and FRANCHISEE to identify potential public health and safety problems. Accordingly, FRANCHISEE must inform all Solid Waste Customers that all service recipient complaints be directed to FRANCHISEE. During office hours, FRANCHISEE must maintain a complaint service and a telephone answering system capable of accepting at least five (5) incoming calls at one time. FRANCHISEE must record all complaints, including date, time, complainant’s name and address (if the complainant is willing to give this information) and the nature and date and manner of resolution of complaint, in a computerized daily Service Complaint Log. Any such calls received via FRANCHISEE’s answering service must be recorded in the log and responded to not later than the next collection day on that route. The Service Complaint Log must be available for review by CITY representatives during FRANCHISEE’s office hours and be available for transmission as an attachment to e-mail. FRANCHISEE must provide a copy of this Service Complaint Log on computer disc to CITY with the Quarterly Reports.
Section 14.04 In the case of a complaint of a missed collection, FRANCHISEE must make
the collection on the date of the call if the call is received before 12:00 noon and on the next
collection day if the complaint is received after 12:00 noon.

A. Residential Cart. When notified of a missed pick-up before 12:00 noon, FRANCHISEE
must collect the Solid Waste or recyclable materials that same day. If notified after 12:00
noon, FRANCHISEE must collect the solid waste no later than the next business day.

B. Residential Bin. When notified of a missed pick-up before 12:00 noon, FRANCHISEE
must collect the Solid Waste or recyclable materials that same day, except in cases where
access to containers is blocked on the customer’s property. Otherwise, FRANCHISEE
must collect the solid waste no later than the next business day.

Section 14.05 All customer service records and logs kept by FRANCHISEE will be
available to CITY upon request and at no cost to CITY. CITY must, at any time during regular
FRANCHISEE business hours, have access to FRANCHISEE’s customer service department for
purposes that may include monitoring the quality of customer service or researching customer
complaints.

Section 14.06 Resolution of Customer Complaints

A. Disputes between FRANCHISEE and its customers regarding the services provided
under this Agreement may be resolved by the City Manager, or designee.

B. Intervention by CITY is not a condition precedent to any rights or remedies third parties
might otherwise have in any dispute with FRANCHISEE. Nothing in this section is
intended to affect the remedies of third parties against FRANCHISEE.

Section 14.07 Government Liaison. FRANCHISEE must designate in writing a
“Government Liaison” who is responsible for working with CITY’s designated representatives to
resolve customer complaints. CITY may approve FRANCHISEE’s choice of a liaison.
ARTICLE XV. EMERGENCY SERVICE

Section 15.01 CITY may contract with another solid waste enterprise to collect and transport Solid Waste in the event FRANCHISEE for any reason (except as provided below regarding Force Majeure) refuses or is unable to collect Solid Waste for a period of more than forty-eight (48) hours. CITY must provide twenty-four (24) hours prior written notice to FRANCHISEE during such time before contracting with another solid waste enterprise. In such event FRANCHISEE must identify sources from which such substitute solid waste services are immediately available and reimburse CITY for all of its expenses for such substitute services during period in which FRANCHISEE does not provide collection and transportation services required by this Agreement.

Section 15.02 FRANCHISEE must assist City in the event of major disaster, such as an earthquake, storm, tidal wave (tsunami) riot or civil disturbance, or acts of terrorism, by providing collection vehicles and drivers normally assigned to CITY (to the extent reasonably possible under the circumstances), at FRANCHISEE ’s actual costs. Disputes with respect to FRANCHISEE ’s emergency services or the costs of those services must be resolved according to the dispute resolution provisions in this Agreement. FRANCHISEE must cooperate with CITY, county, state and federal officials in filing information related to a regional, state or federally-declared state of emergency or disaster as to which FRANCHISEE has provided equipment and drivers pursuant to this Agreement.

Section 15.03 Fees and Gratuities. FRANCHISEE must not permit any officer, agent or employee to request, solicit, demand or accept, either directly or indirectly, any gratuity for collecting Solid Waste otherwise required to be collected under this Agreement.

ARTICLE XVI. OWNERSHIP OF SOLID WASTE

Section 16.01 Ownership and the right to possession of Solid Waste placed for collection transfers directly from the service recipient to FRANCHISEE, by operation of law and not by virtue of this Agreement. At no time does CITY obtain any right of ownership or possession of Solid Waste or Hazardous Waste placed for collection and nothing in this Agreement may be construed as giving rise to any inference that CITY has any such rights.
ARTICLE XVII. RATES AND BILLING

Section 17.01 Rates. FRANCHISEE may impose and collect fees for solid waste collection, transportation, recycling, and disposal as defined in Exhibit C, attached hereto and incorporated by reference.

Section 17.02 Delinquent Accounts. FRANCHISEE may discontinue service as set forth in the ESMC. Upon receipt of the delinquent payment, FRANCHISEE must resume collection on the next regularly scheduled collection day.

Section 17.03 Refunds. FRANCHISEE must refund to CITY, on a pro rata basis, any advance service payments made by CITY for service not yet provided when service is discontinued by the CITY.

ARTICLE XVIII. FUTURE ADJUSTMENTS

Section 18.01 Solid Waste Rate Adjustments. In addition to the annual escalation provided in this Agreement, FRANCHISEE may apply to CITY for an increase in the solid waste rates if FRANCHISEE can demonstrate upon substantial evidence that FRANCHISEE’s operational costs substantially increased. For the purpose of this section, operational costs are defined as: motor vehicle fuel, insurance, FRANCHISEE’s personnel costs (salaries and benefits), equipment repair costs, landfill and processing fee tipping fees, and equipment purchases. When applying for an increase, FRANCHISEE must submit to CITY, by March 1 of the year in which such increase is requested, information in support of the adjustment. Additional factors to be taken into consideration in connection with the adjustment request will include, without limitation:

A. Overall customer satisfaction;

B. Satisfactory compliance with all provisions of this Agreement; and

C. Franchisee has complied with solid waste diversion requirements as defined and mandated by the State of California and implemented by the City of El Segundo.

Section 18.02 FRANCHISEE must submit any and all data requested in the format prescribed by the City Manager, or designee. The City Manager, or designee, may review the
information submitted by FRANCHISEE and, in the City Manager’s reasonable judgment, make the final determination on the appropriate amount of the adjustment, if any. A requested adjustment cannot be denied in the case of changed or additional services requested by CITY, additional reporting required by CITY, CITY’s designation of a disposal site or processing facility, any change in the ESMC affecting FRANCHISEE’s operations, or changes in state or local government solid waste fees and charges. Any such rate adjustment approved by the City Manager becomes effective on October 1. An adverse decision by the City Manager may be appealed to the City Council.

Section 18.03 Notice of Rate Increase. FRANCHISEE must provide CITY with advance written notice of rate increases, in the form of a bill insert at least fifteen (15) days before the effective date of such increases.

ARTICLE XIX. FRANCHISEE’S BOOKS AND RECORDS; AUDITS

Section 19.01 In addition to the requirements in ESMC Chapter 5-2, FRANCHISEE must maintain all records relating to this Agreement not less than three (3) years, or any longer period required by law.

Section 19.02 Should any examination or audit of FRANCHISEE records reveal an underpayment of any fee required to be paid to CITY under this Agreement, the amount of such underpayment, plus interest at the maximum rate permitted under California law, is due and payable to CITY not later than thirty (30) days after written notice of such underpayment is provided to FRANCHISEE. Should an underpayment of more than one percent (1%) but less than three percent (3%) be discovered, FRANCHISEE agrees to pay fifty percent (50%) of CITY’s cost for examining or auditing FRANCHISEE’s records. Should an underpayment of three percent (3%) or more be discovered, FRANCHISEE bears the entire cost of the examination or audit.

ARTICLE XX. THE ACT; REPORTING REQUIREMENTS

Section 20.01 FRANCHISEE-CITY Cooperation. FRANCHISEE must cooperate with CITY in Solid Waste Disposal Characterization Studies and waste stream audits and must
implement measures adequate to achieve CITY's source reduction, recycling and waste stream diversion goals for the Solid Waste stream covered by this Agreement. During the period during which collection services are to be provided pursuant to this Agreement, FRANCHISEE, at no expense to CITY, must submit all relevant information and reports required to meet the reporting obligations imposed by the CalRecycle under the Act. FRANCHISEE agrees to submit such reports and information by email or on computer discs, in a format acceptable to CITY at no additional charge, if requested by CITY.

Section 20.02 Changes in the Act, RCRA, CERCLA and Related Laws. This Agreement is part of CITY's efforts to comply with the provisions of the Act and CITY's Source Reduction and Recycling Component. Should the Act or other state or federal laws or regulations enacted or amended after this Agreement is executed, prevent or preclude compliance with one or more provisions of this Agreement, or significantly increase FRANCHISEE's costs, such provisions of this Agreement will be modified or suspended as may be necessary to comply with such state or federal laws or regulations. Should an amendment to the laws have the effect of eliminating or reducing the need for a service provided for in this Agreement and CITY informs FRANCHISEE that CITY seeks to discontinue the service, CITY and FRANCHISEE will negotiate a reduction in rates.

Section 20.03 Changes in Other Laws. In the case of changes in Environmental Laws, which increase the cost of FRANCHISEE's service, FRANCHISEE may seek a rate increase to offset the costs directly attributable to the amended or newly enacted provision of law or regulations, specifying, in writing, the law to which the additional costs are attributed, and how they would result in increased costs.

ARTICLE XXI. ACTIVITIES AND FINANCIAL REPORTS; ADVERSE INFORMATION

Section 21.01 Reports. FRANCHISEE, at no additional expense, must submit to CITY such information or reports in such forms and at such times as CITY reasonably may request or require, including, without limitation the reports set forth below beginning with the month of ___.
Section 21.02 Quarterly Reports. Quarterly Reports must be submitted to CITY, transmitted in a format acceptable to City, as an attachment to e-mail or by disc, at City’s option. Quarterly Reports must be submitted not later than thirty (30) days after the quarter ends and include the following:

A. Solid Waste Tonnage and Complaints. The quarterly report must show the number of tons collected each month and the tonnage delivered to disposal facilities, itemized by disposal facility. A copy of the customer complaint log must be submitted with the quarterly report.

B. Recyclable Solid Waste. The quarterly report must include information regarding recyclable solid waste including:

1. A statement showing, by type of material, tons received during the month and tons marketed during each month.
2. A report providing recycling information, the total number of customers, and the number of Customers participating.
3. A narrative description of problems encountered and actions taken, including efforts to deter and prevent Scavenging.
4. A report of recycling program promotional activities, including materials distributed by FRANCHISEE to its customers.

Section 21.03 Annual Report. By March 1, beginning in 2013 and each year thereafter that collection services are provided pursuant to this Agreement, FRANCHISEE must submit to CITY a written year-end Annual Report in a form approved by CITY. The Annual Report must include the following information for the year ending on the preceding December 31st:

A. General Information. General information about FRANCHISEE, including a list of FRANCHISEE’s officers and members of its board of directors. A copy of FRANCHISEE’s most recent annual and other periodic financial reports and those of each of its subsidiaries and affiliated corporations and other entities if any, performing
services under this Agreement, which are required to be publicly filed under applicable
law, as CITY, following consultation with FRANCHISEE, may request.

B. Prior Year's Activities. A cumulative summary of the Quarterly Reports and information
and statistics with respect to CITY's compliance with the Act.

C. Recommendations. Changes in integrated waste management, including projections and
proposed implementation dates and costs, recommended by FRANCHISEE and
recommended amendments to CITY's Source Reduction and Recycling Component or
this Agreement, based on developments in applicable law or technology. FRANCHISEE
's recommendations with respect to compliance with the Act must state the specific
requirement of the Act that the implementation of the recommendation is intended to
satisfy.

Section 21.04 Certification. All reports must include a certification statement, under penalty
of perjury, by the responsible corporate official, that the report is true and correct.

Section 21.05 Reporting Additional Matters. FRANCHISEE must provide CITY two copies
(one to CITY Manager, one to CITY Attorney) of all written reports, pleadings, applications,
written notifications, Notices of Violation, communications or other material relating specifically
to FRANCHISEE's performance of services pursuant to this Agreement, submitted by
FRANCHISEE to, or received by FRANCHISEE from, the United States or California
Environmental Protection Agency, the California Integrated Waste Management Board, the
Securities and Exchange Commission or any other federal, state or county agency, including any
federal or state court. Copies must be submitted to City simultaneously with FRANCHISEE's
filing or submission of such matters with said agencies. FRANCHISEE's routine
 correspondence to said agencies need not be routinely submitted to City, but must be made
available to City upon written request.

Section 21.06 Failure to Report. The refusal or failure of FRANCHISEE to file any required
reports; to provide required information to CITY; or the inclusion of any materially false or
misleading statement or representation by FRANCHISEE in such report is a material breach of
this Agreement and subjects FRANCHISEE to all remedies which are available to the CITY under this Agreement.

Section 21.07 CITY’s Review of FRANCHISEE’s Performance. Annually, within ninety days of CITY’s receipt of the Annual Report, CITY will review the Annual Report and other available information and may, but is not required to, hold a public hearing to determine whether FRANCHISEE’s performance for the year reported on was satisfactory and whether to implement changes, if any, recommended by FRANCHISEE. Factors to be considered in the hearing include, without limitation, quality of services provided, service recipient complaints, rights of privacy, FRANCHISEE’s adherence to developments in the law, FRANCHISEE’s performance in meeting or exceeding CITY’s goals and reporting requirements under the Act and costs. The reports required by this Agreement will be utilized as the primary basis for review. In addition, any service recipient comments or complaints and any other relevant information may be considered. FRANCHISEE must be present and must participate at any public hearing held by CITY to review FRANCHISEE’s performance. If any noncompliance with the Agreement is found, CITY will offer FRANCHISEE the opportunity to comment and offer information in rebuttal, and to correct any deficiencies. CITY may direct FRANCHISEE to correct any inadequacies and CITY may pursue all other legal and equitable remedies.

Section 21.08 Costs. All reports and records required under this Agreement must be furnished at FRANCHISEE’s sole expense.

Section 21.09 CITY’s Right to Request Information. CITY believes and FRANCHISEE agrees that cooperation between CITY and FRANCHISEE is critical to the success of this program. CITY may request, and FRANCHISEE agrees to provide, additional information reasonably and directly pertaining to this Agreement on an “as-needed” basis.

Section 21.10 CERCLA Defense Records. CITY views the ability to defend against CERCLA and related litigation as a matter of great importance. For this reason, the CITY regards the ability to prove where its solid waste was taken, as well as where it was not taken, to be matters of concern. FRANCHISEE must maintain data retention and preservation systems, which can establish where solid waste collected in the CITY was landfilled (and therefore establish where it was not landfilled) and a copy or summary of the reports required, for fifty...
(50) years after the term during which collection services are to be provided pursuant to this Agreement and to notify CITY’s risk manager and city attorney before destroying such records. This provision will survive the expiration of the period during which collection services are to be provided under this Agreement.

Section 21.11 Collection Route Ride-Along. FRANCHISEE will allow a CITY Representative to ride with Recycling and Solid Waste collection vehicles on any route or routes. The CITY will inform FRANCHISEE at least one (1) working day before date(s) of ride-alongs.

ARTICLE XXII. SECURITY

Section 22.01 Concurrently with the execution of this Agreement, FRANCHISEE must furnish a surety bond in an amount equal to at least one hundred thousand dollars ($100,000) as security for the faithful performance of this Agreement (“Security”). Such Security must be maintained in effect throughout the period during which collection services are to be provided pursuant to this Agreement.

Section 22.02 Surety bond to include letter of credit. The term “surety bond” also includes such other acceptable security, such as letters of credit or cash deposit agreements issued by responsible financial institutions which are approved by CITY’s city attorney. The term “surety” includes the issuer of any letter of credit or cash deposit agreement which is acceptable to CITY as security for the performance of this Agreement. Sureties must be admitted to do business in California.

Section 22.03 Upon FRANCHISEE’s failure to pay CITY an amount owing under this Agreement, the Security may be assessed by CITY, for any purpose including, without limitation:

A. Failure of FRANCHISEE to pay CITY sums due under the terms of the Agreement

B. Reimbursement of costs borne by CITY to correct Agreement violations not corrected by FRANCHISEE, after due notice

C. Monetary remedies or damages assessed against FRANCHISEE due to breach of this Agreement; or
D. To satisfy an order of the referee

Section 22.04 FRANCHISEE must deposit a sum of money or a replacement instrument sufficient to restore the Security to the original amount within thirty (30) days after notice from CITY that any amount has been withdrawn from the Security.

Section 22.05 All of CITY’s costs of collection and enforcement of the provisions relating to the Security, including attorneys’ fees and costs, must be paid by FRANCHISEE.

ARTICLE XXIII. CITY’S ADDITIONAL REMEDIES

Section 23.01 In addition to any other legal remedies, CITY has these additional remedies in the event of a material default by FRANCHISEE which is not cured after reasonable written notice:

A. The right to contract with others to perform the services otherwise to be performed by FRANCHISEE;

B. The right to obtain damages and/or injunctive relief. Both parties recognize and agree that in the event of a breach under the terms of this Agreement by FRANCHISEE, CITY may suffer irreparable injury and incalculable damages sufficient to support injunctive relief to enforce the provisions of this Agreement and to enjoin the breach thereof.

Section 23.02 CITY’s Damages for Failure to Achieve Diversion Goals. FRANCHISEE agrees that its failure to achieve a compliance with the Act, as set forth in this Agreement for the waste stream collected under this Agreement, arising from failure to maximize diversion in accordance with the terms and conditions of this Agreement would constitute a material breach of this Agreement. If the CalRecycle were to impose administrative civil penalties against CITY, then CITY’s damages for FRANCHISEE’s material breach in its failure to achieve the diversion goals for CITY within its Franchise Area as required by this Agreement, would include, without limitation, such administrative civil penalties, attorneys’ costs and fees and CITY’s staff time devoted to the resolution of the administrative civil penalties against CITY. FRANCHISEE acknowledges that the matters addressed in this Section are damages which would result in the event of a material breach by FRANCHISEE, and not an indemnification, and
therefore are not within the ambit of Public Resources Code § 40059.1. In addition, in the event CITY exercises its right to terminate this Agreement for FRANCHISEE’s Failure to Achieve Diversion Goals, CITY’s damages would include CITY’s unreimbursed attorneys’ fees and costs, advertising and other expenses in the procurement of a replacement solid waste enterprise to provide the services called for in this Agreement. In addition, CITY’s damages would include any increase in rates to be charged by the replacement solid waste enterprise, for the unexpired term of the Agreement.

Section 23.03 Rights of City in Event of Certain Misconduct. Notwithstanding any other provision in this Agreement to the contrary, CITY may terminate this Agreement if any official of FRANCHISEE, or any associated firm or entity, including without limitation, any parent or subsidiary Franchisee involved with the performance or administration of the Agreement is convicted of, or pleads guilty or nolo contendere to a felony relating to this Agreement or any other agreement for the provision of solid waste services within the jurisdiction of another public entity.

ARTICLE XXIV. FRANCHISE TRANSFER; CITY CONSENT; FEES

Section 24.01 FRANCHISEE may not convey, assign, sublet, license, hypothecate, encumber of otherwise transfer or dispose of (collectively “Transfer”), this Agreement, the franchise granted under it or any rights or duties under it, in whole or in part, whether voluntarily or involuntarily, without CITY’s prior written consent, which will not be unreasonably withheld, as expressed by written resolution of CITY Council. Except as otherwise provided, any dissolution, merger, consolidation, or other reorganization of FRANCHISEE; any sale or other transfer or change in ownership or control of any of the capital stock or other capital or equity interests; or any sale or transfer of fifty percent (50%) or more of the value of the assets; is a Transfer of this Agreement, the franchise granted under it or any rights or duties under it. Any Transfer or attempted Transfer of this Agreement, the franchise granted under it or any rights or duties under it made without CITY consent is a material breach of this Agreement and, at CITY’s option, may be voided.

Section 24.02 CITY has no obligation to give its consent to a Transfer of the franchise granted by this Agreement, except as provided by Section 26.01. The prospective transferee has

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the burden of demonstrating that it has the financial and technical ability to provide the services required under this Agreement. CITY may also require the prospective transferee to demonstrate that it, and its officers and managers do not have criminal records for environmental or public integrity offenses. If CITY gives its consent, it may impose conditions, including, without limitation, requiring acceptance of amendments to this Agreement. Without obligating CITY to give its consent, the proposed transferee of Transfer must demonstrate to CITY’s satisfaction that it has the operational and financial ability to perform the terms of this Agreement.

Section 24.03 FRANCHISEE’s internal reorganization does not constitute a Transfer provided that CITY consent to the reorganization is sought and received before any internal reorganization. An internal reorganization includes any change in control of any of the voting stock through its conveyance to an affiliate of FRANCHISEE, or by operation of law. Any request for an internal reorganization must be submitted in writing to the city manager, not less than one hundred and twenty (120) days before the proposed effective date of the internal reorganization. FRANCHISEE must reimburse CITY for all of its costs to review the request and to determine if it is an internal reorganization. CITY expenses may include, without limitation, staff, city attorney and accountant fees and costs. Determination by the city manager is final. Any attempt to implement an internal reorganization without CITY’s consent constitutes a material breach of this Agreement. A reorganization resulting from a transfer or transfers to family members, family trusts, family partnerships, or other entities primarily for estate planning purposes which does not result in a change in beneficial ownership outside of the family of the shareholders of FRANCHISEE, does not constitute a reorganization requiring consent of CITY.

Section 24.04 Fees. Any application for a franchise Transfer must be made in a manner prescribed by the city manager. The application must include a deposit of $50,000, to cover the estimated cost of all direct and indirect expenses, including CITY staff, consultants’ and attorneys’ fees, incurred by CITY to adequately analyze the application and the qualifications of the prospective transferee. Any costs incurred by CITY in excess of $50,000 must be reimbursed by the FRANCHISEE before submission of the proposed Transfer to CITY Council. Should CITY’s costs be less than $50,000, CITY must refund remaining deposit to FRANCHISEE with thirty (30) days after a Transfer is approved. Upon approved Transfer of

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this Agreement, the transferee must pay to CITY a Transfer fee in the amount of $50,000 or five percent (5%) of Gross Revenues for the first twelve (12) months, whichever is greater.

ARTICLE XXV. MISCELLANEOUS PROVISIONS

Section 25.01 Upon submission of this Agreement to CITY for approval, FRANCHISEE must reimburse CITY for expenses, including staff time, consultants’ and attorneys’ fees and expenses associated with granting this Agreement. The reimbursement for this Agreement is $10,000. Should CITY Council fail to approve this Agreement, the funds submitted to CITY by FRANCHISEE will be returned by CITY to FRANCHISEE within thirty (30) days after CITY Council denial.

Section 25.02 FRANCHISEE warrants that it will comply with all applicable laws, including implementing regulations, as they may be amended, specifically including, without limitation RCRA, CERCLA, the Act and all other applicable laws of the United States, the State of California, the County of Los Angeles, ordinances of CITY, the requirements of Local Enforcement Agencies and all other agencies with jurisdiction.

Section 25.03 Assignment. The Parties agree that they will not assign or transfer any portion of or interest in this Agreement. Any attempt to assign or transfer any portion of this Agreement without the prior written permission of all Parties will be void.

Section 25.04 Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

Section 25.05 Successors. All the terms, conditions and covenants of this Agreement will inure to the benefit of and be binding upon the Parties’ successors and assigns. The provisions of this Section will not be deemed as a waiver of any of the conditions against assignment as set forth herein.
Section 25.06   Notices and Reports. All notices reports provided for herein will be in writing. Any notice permitted or required to be served upon party may be served upon that party by registered or certified mail, return receipt requested, at:

City Manager
City of El Segundo
350 Main Street
El Segundo, California

And to: City Clerk
City of El Segundo
350 Main Street
El Segundo, California

And to: City Attorney
City of El Segundo
350 Main Street
El Segundo, California
And by email to: KBerger@localgovlaw.com
And by email to: Skatsouleas@elsegundo.org

And to FRANCHISEE at:

And by e-mail to:

And to: And by e-mail to:

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States Mail, registered or certified, return receipt requested, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

Section 25.07   Governing Law. This Agreement was executed in and will be construed in accordance with the laws of the state of California and exclusive venue for any action involving this Agreement will be in Los Angeles County. In the event of litigation in a U.S. District Court exclusive venue is the Central District of California. FRANCHISEE waives its right to jury trial.
Section 25.08  Headings. The headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provisions of this Agreement.

Section 25.09  Rules Of Construction. This Agreement has not been drafted or prepared by either party hereto, the same being a fully negotiated Agreement. Thus, the parties expressly agree that any rule of construction regarding interpretation in favor of one or the other party by reason of the party drafting the Agreement will not apply.

Section 25.10  Records. The Parties will maintain full and accurate records with respect to all services and matters covered under this Agreement. Each Party will have free access at all reasonable times to such records, and the right to examine and audit the same and to make transcript therefrom, and to inspect all program data, documents, proceedings and activities. The Parties will retain such financial and program service records for at least three (3) years after termination or final payment under this Agreement.

Section 25.11  Consistency. In interpreting this Agreement and resolving any ambiguities or inconsistencies between the ESMC, this Agreement, and its Exhibits, ESMC Chapter 5-2 takes precedence over any ambiguities or inconsistencies. Any other inconsistencies or ambiguities will be resolved in the following order:

1. The main body of this Agreement;
2. Exhibits to This Agreement
3. FRANCHISEE’s Best and Final Offer dated _______.

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Section 25.12 Acceptance Of Facsimile Signatures/Counterparts.

A. The Parties agree that agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile or by e-mail/PDF transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.

B. This Agreement may be executed in any number or counterparts, each of which will be an original, but all of which together will constitute one instrument executed on the same date.

SECTION 25.13 Force Majeure. FRANCHISEE will not be in default of this Agreement in the event that the collection, transportation and/or disposal services of FRANCHISEE are interrupted temporarily or permanently for any of the following reasons: riots; war or national emergency declared by the President or Congress and affecting the City of El Segundo; sabotage; civil disturbance; insurrection; explosion; terrorist attack in any form, including, without limitation bombs, airplane crashes or any chemical, biological or radiological weapon or device; natural disasters such as floods, earthquakes, landslides and fires; or other catastrophic events which are beyond the reasonable control of FRANCHISEE. "Other catastrophic events" does not include the financial inability of FRANCHISEE to perform or failure of FRANCHISEE to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public agency where such failure occurs despite the exercise of reasonable diligence by FRANCHISEE.

Section 25.14 Pavement Damage. Normal wear and tear on CITY’s streets resulting from general vehicular traffic excepted, FRANCHISEE is responsible for damage to CITY’s driving surfaces, whether or not paved, resulting from the operation of FRANCHISEE’s vehicles providing Solid Waste Services within CITY, willful or negligent. FRANCHISEE understands that the exercise of this franchise may involve operation of its collection vehicles over private roads and streets. Disputes between FRANCHISEE and its customers as to damage to private pavement are civil matters and complaints of damage will be referred to FRANCHISEE as a matter within its sole responsibility.
Section 25.15 Property Damage. Any physical damage caused by the negligent or willful acts or omissions of employees of FRANCHISEE to CITY or private property must be repaired or replaced by FRANCHISEE, at FRANCHISEE’s sole expense.

Section 25.16 Transition to Next Solid Waste Enterprise. If in the final twelve (12) months of the period during which FRANCHISEE is to provide collection services under this Agreement, FRANCHISEE and CITY have not entered into a succeeding agreement, FRANCHISEE must cooperate fully with CITY and the subsequent Solid waste enterprise(s), franchisee(s), licensee(s), permittee(s) or other Person providing services similar to the Services so as to assure an efficient, orderly, timely and effective transition. In that regard, FRANCHISEE agrees to make available to CITY and to prospective proposers in any competitive process used by CITY to select a successor, route maps, customer lists, and all other records requested by CITY.

Section 26.17 Exhibits. Attached Exhibits A to C are incorporated into this Agreement as if fully set forth herein, as follows:

- Exhibit A  Residential Franchise Area
- Exhibit B  Scope of Work
- Exhibit C  Rates and Adjustments
IN WITNESS WHEREOF the parties hereto have executed this contract the day and year first hereinabove written.

CITY OF EL SEGUNDO

_________________________  _________________________
Title: Mayor               Title: Vice President

ATTEST:

_________________________
Cindy Mortesen, City Clerk

APPROVED AS TO FORM:
MARK D. HENSLEY, City Attorney

By: _______________________
    Karl H. Berger,        
    Assistant City Attorney
9. Bid Sheet (This Bid Sheet may not be altered to include additional services)

**Unit-Based Pricing**
The proposal shall separately indicate the contractor's fees for each of the residential and municipal services identified in this RFP's Scope of Work. The price structure for residential collection services shall be flat-rate based on the total number of service addresses to be served and shall include the cost for removal of both trash and recycled materials. The price structure for municipal service shall be submitted according to the table below. All prices quoted shall be inclusive of all expected service fees, charges, surcharges, etc.

<table>
<thead>
<tr>
<th>Collection Activity (Approximately 4600 Service Addresses and Various Municipal Facilities)</th>
<th>Frequency of Collection</th>
<th>Three (3) Year Rate: 2012 - 2014</th>
<th>Seven (7) Year Rate: 2015 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unlimited residential solid waste collection</td>
<td>Weekly</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Unlimited residential commingled recyclables collection</td>
<td>Weekly</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Unlimited residential bulky item collection, including white goods</td>
<td>Weekly</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Collection of municipal waste and recyclables as follows:

- **Street-side solid waste containers, at various locations throughout the City**
  - Weekly or more to ensure no more than 80% capacity
  - On Demand
  - $100/Haul plus $20.00/Ton
  - Based on # of Pulls & Tons
  - $107/Haul plus $21.40/Ton
  - Based on # of Pulls & Tons

- **19 3-cubic yard hinged bins at 12 locations throughout the City for solid waste collections**
  - 3 times per week
  - No Charge
  - No Charge
  - No Charge

- **10 3-cubic yard hinged bins at 10 locations throughout the City for recyclable collection**
  - 3 times per week
  - No Charge
  - No Charge
  - No Charge

- **1 3-cubic yard hinged bin at one location in the City for green waste collection**
  - 3 times per week
  - No Charge
  - No Charge
  - No Charge

- **One 10-cubic yard bin for asphalt**
  - On Demand
  - $100/Haul plus $20.00/Ton
  - Based on # of Pulls & Tons
  - $107/Haul plus $21.40/Ton
  - Based on # of Pulls & Tons

- **One 20-cubic yard bin for street sweeper debris**
  - 2 times per week
  - $100/Haul plus $30 per Ton
  - $107/Haul plus $32.10 per Ton

- **Two 40-cubic yard bins for green waste collection at City yard**
  - On Demand
  - No Charge
  - No Charge

- **Two 40-cubic yard bins for centralized collection of residential recyclables at City yard**
  - Weekly or more to ensure no more than 80% capacity
  - No Charge
  - No Charge

- **Coordinated bulky item collection**
  - Twice annually
  - No Charge

- **Curbside and centralized holiday tree collection**
  - Annually for three weeks
  - No Charge

1 "Per event" and "On Demand" services shall be bid on a unit basis.
<table>
<thead>
<tr>
<th>Collection Activity</th>
<th>Frequency of Collection</th>
<th>Three (3) Year Rate: 2012 - 2014</th>
<th>Seven (7) Year Rate: 2015 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(Approximately 4000 Service Addresses and Various Municipal Facilities)</strong></td>
<td></td>
<td>On Demand/ Per Event</td>
<td>Weekly Rate</td>
</tr>
<tr>
<td>Abandoned item collection in the public right-of-way</td>
<td>Dec. 25th - Jan. 15th</td>
<td>On demand, as needed</td>
<td>No Charge</td>
</tr>
<tr>
<td>Responding to irregularities in waste collection or City-requested special pick-ups within 24 hours</td>
<td>On demand, as needed</td>
<td>No Charge</td>
<td>No Charge</td>
</tr>
<tr>
<td>Solid waste and recycling receptacles and collection for a minimum of 5 City-sponsored events, or more if requested</td>
<td>Per event</td>
<td>No Charge</td>
<td>No Charge</td>
</tr>
</tbody>
</table>

Any proposed services not specifically identified in this RFP must be submitted on a separate bid sheet and clearly labeled as "Alternative Bid Sheet." Any modifications or voids to the bid sheet above may be deemed "Non-responsive" and disqualify the Contractor for consideration.
AGENDA DESCRIPTION:

Consideration and possible action regarding a recommendation by the Investment Advisory Committee to adopt the City's Investment Policy (Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1) Adopt City's Investment Policy as submitted; (2) Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

Draft copy of the City of El Segundo Investment Policy with attachments.

FISCAL IMPACT: Included in Adopted Budget

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

ORIGINATED BY: Ralph E. Lanphere, City Treasurer
REVIEWED BY: Deborah Cullen, Director of Finance
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:

Section 53646(a) of the California Government Code requires that the investment policy of a local agency be adopted annually by its legislative body. On June 21, 2011, the City's Investment Advisory Committee met and reviewed the attached policy for coming year. The Committee voted unanimously to recommend the attached policy to the City Council for review and approval. It should be noted that the Committee is recommending no changes to the current policy.
City of El Segundo
Investment Policy

1.0 Policy:

It is the policy of the City of El Segundo to invest public funds in a prudent manner with the primary objectives of, in priority order, safety, liquidity and yield, and in conformance with all state and local statutes governing the investment of public funds.

2.0 Scope:

This investment policy applies to all funds invested on behalf of the City of El Segundo. These funds are accounted for in the City of El Segundo's Comprehensive Annual Financial Report and include:

2.1 Funds:

2.1.1 General Fund
2.1.2 Special Revenue Funds
2.1.3 Capital Project Funds
2.1.4 Enterprise Funds
2.1.5 Trust and Agency Funds
2.1.6 Debt Service Fund

3.0 Prudence:

When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing public funds, the City Council, Treasurer and other persons authorized to make investment decisions on behalf of the City, shall act with the care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.

3.1 The standard of prudence to be used by investment officers shall be the "prudent investor" standard and shall be applied in the context of managing an overall portfolio of money and investments that belong to the public. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.
4.0 **Objective:**

The primary objectives, in priority order, of the City of El Segundo's investment activities shall be:

4.1 **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City of El Segundo shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City shall only invest in high quality securities and it shall diversify its investments in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio so as not to harm the City's cash flow and principal. The City shall also structure its portfolio so as to prevent the need to sell securities prior to maturity and it shall not take short positions, that is, selling securities that the City does not own.

4.2 **Liquidity:** The City of El Segundo's investment portfolio will remain sufficiently liquid to enable the City of El Segundo to meet all operating requirements which might be reasonably anticipated.

4.3 **Returns on investment:** The City of El Segundo's investment portfolio shall be designed with the objective of attaining a return throughout budgetary and economic cycles, taking into account the City of El Segundo's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 **Delegation of Authority:**

Authority to manage the City of El Segundo's investment program is derived from the following: State of California Government Code Section 53600 et seq. Management responsibility for the investment program is therefore delegated to the City Treasurer, who shall establish written procedures for the operation of the investment program consistent with this investment policy. Procedures should include reference to: safekeeping, wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

6.0 **Authorized Financial Dealers and Institutions:**

The City Treasurer shall transact business only with banks, savings and loans, state and federal credit unions, and securities dealers. The Treasurer shall select and maintain a current list of broker/dealers, as defined by Corporations Code Section 25004, authorized to provide the City investment services. This list of broker/dealers shall be included in the Treasurer's monthly investment report to the City Council. The broker/dealers shall meet the requirements of Government Code Section 53635.5 and Securities & Exchange
Commission Rule 240.15c3-1 (uniform net capital rule). The Treasurer shall keep on file with the City an audited financial statement for each authorized broker/dealer’s last complete fiscal year. Each authorized broker/dealer shall execute an acknowledgement that it has read the City’s current Investment Policy and that it will abide by the terms and conditions of the Policy. Additionally, each such broker/dealer shall complete the questionnaire attached hereto. City funds shall only be placed in and invested with depositories that meet the requirements of Government Code Sections 53630 et seq.

7.0 Authorized & Suitable Investments:

The City of El Segundo is empowered by California Government Code Section 53600 et seq. to invest in the following types of securities pursuant to the limits imposed by said statute. (A copy of Government Code Sections 53601 and 53601.6 are attached and by reference herein incorporated). Of such permitted investments, City funds may be invested, subject to the maturity and percentage restrictions contained in Government Code Section 53601 and 53601.6, as amended from time to time, as set forth below:

7.1 Permitted Investments/Deposits.

7.1.1. Securities of the U.S. Government
7.1.2. Certificates of Deposits
7.1.3. Negotiable Certificates of Deposit
7.1.4. Bankers Acceptances
7.1.5. Commercial Paper
7.1.6. Local Agency Investment Fund (LAIF)
7.1.7. Time deposits
7.1.8. Mutual Funds
7.1.9. Medium Term Notes
7.1.10. County Pooled Funds

8.0 Collateralization:

Collateralization will be required on certificates of deposit pursuant to Government Code Sections 53652 through 53667.

Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

9.0 Safekeeping and Custody:

All security transactions entered into by the City of El Segundo shall be conducted on a delivery-versus-payment (DVP) basis pursuant to Government Code Section 53601. Except for certificates of deposit, securities shall be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts pursuant to Government Code Section 53608.
10.0 **Diversification:**

The City of El Segundo will diversify its investment by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no investment shall be made in contravention of Government Code Sections 53601 and 53601.6 or which will cause more than 50% of the entity's total investment portfolio to be invested in a single security type or with a single financial institution.

11.0 **Maximum Maturities:**

To the extent possible, the City of El Segundo will attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five (5) years from the date of purchase pursuant to Government Code Section 53601.

12.0 **Internal and External Control:**

The Treasurer shall establish internal control procedures such that daily investment activity is being reviewed by the Director of Finance. These procedures shall provide adequate internal controls to insure compliance with this Investment Policy and state law. The procedures shall be reviewed annually by an independent external auditor.

If the City deposits funds in County Treasuries for investment by County Treasurers, the City Treasurer shall review the statements and reports generated pursuant to Government Code Sections 16481.2, 27133, 27134 and 53684 for each County in which the City has deposited funds. Based upon the review process, the Treasurer shall on a quarterly basis provide a written report to the City Council summarizing any failure by the County Treasuries to comply with state law or their own investment policies and any significant investment activity by the County Treasuries.

If any particular investment is downgraded, the Treasurer and Director of Finance will review and determine if a change in that particular investment must be made.

The City Council shall establish a periodic independent external audit of the City's compliance with this Investment Policy.

13.0 **Reporting:**

The Treasurer shall file a monthly report, which states its relationship to the Statement of Investment Policy. This report must be filed with the City Manager and the City Council and comply with Government Code Sections 53607, 53646 and 53684. The General elements of the monthly reports include, but are not limited to, the following:

a. Type of investments.
b. Issues.
c. Date of maturity.
d. Par and dollar amount invested

e. Current market value of securities with maturity in excess of twelve months

f. Rate of interest.

g. Statement relating the report to the Statement of Investment Policy

Statement that there are sufficient funds to meet the next 6 month's obligations

County pool investment report

List of current authorized broker/dealers

List of all investments not held by a third party custodian and the reason they are not placed with a third party custodian.

The Treasurer shall provide the California Debt and Investment Advisory Commission (CDIAC) with second and forth quarter investment portfolio reports in order to comply with Assembly Bill 943 (AB943.) These reports must state the financial assets of the City and contain the information detailed in Government Code section 53646(b). The reports must be filed with the CIDAC within 60 days after the close of the second and forth quarters of each calendar year.

14.0 Investment Advisory Committee:

The City has established an Investment Advisory Committee (IAC) comprised of the City Treasurer, the Administrative Services Director, an El Segundo Resident (Council appointed) and a member of the investment community (Council appointed). The IAC shall be provided with copies of the monthly reports identified in Section 13. The IAC shall meet the third Tuesday at the end of each quarter to discuss the City’s investments and shall communicate in writing any concerns or comments it has with respect to the City’s investments or this Investment Policy to the City Council.

15.0 Ethics and Conflicts of Interest:

All participants in the City’s investment process shall seek to act responsibly as custodians of the public trust. The City Treasurer, or when appropriate the Deputy City Treasurer, shall avoid any transaction that might impair public confidence in the City’s ability to govern and manage the investment of public funds in an effective manner. The City Treasurer, Deputy City Treasurer, or other official charged with the responsibility of making investment decisions shall have no vested interest in any investment being made involving public funds of the City, and shall gain no financial benefit from such investment decisions.
Glossary

Agency. A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of an FSA is the Federal National Mortgage Association (FNMA).

Basis point. A basis point equals one one-hundredth of 1% (.01%).

Book value. The value at which a security is carried on the inventory lists or other financial records of an investor. This value may be the original cost of acquisition of the security, or original cost adjusted by the amortization of a premium or accretion of a discount. The book value may differ significantly from the security’s current value in the market.

Broker. A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not position or take ownership of the security.

Certificate of Deposit (CD). A deposit of funds, in a bank or savings and loan association, for a specified term that earns interest at a specified rate or rate formula.

Collateralization. Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Coupon rate. Interest rate, expressed as a percentage of par or face value, that issuer promises to pay over lifetime of debt security.

Current yield (Current Return). A measure of the simple interest annual yield for interest-bearing investments with maturities of one year or more. To calculate the current yield, the annual coupon interest income is divided by the amount paid to acquire the investment. It is important to note that the current yield is only accurate for investments purchased at par. The current yield calculation includes just one income cash flow – the annual interest income. It ignores the profit or loss resulting from discounts and premiums.

Custody. The service of an organization, usually a financial institution, of holding (and reporting) a customer’s securities for safekeeping. The financial institution is known as the custodian.

Delivery versus payment (DVP). A settlement procedure where payment for a securities purchase is made simultaneously with the transfer of the purchased securities. The same procedure applies for a securities sale; the securities are transferred as payment is made.

Discount. The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale
also is considered to be at a discount.

**Discount securities.** Securities that do not pay periodic interest. Investors earn the difference between the discount issue price and the full face value paid at maturity. Treasury bills, bankers’ acceptances and most commercial paper are issued at a discount.

**Diversification.** Dividing investment funds among a variety of securities, offering independent returns, to reduce risk inherent in particular securities.

**Federal Agency Securities.** A variety of securities issued by several Federally sponsored agencies. Some are issued on a discount basis and some are issued with coupons. Several have the full faith and credit guarantee of the U.S. government, although others do not.

**Federal Deposit Insurance Corporation (FDIC).** A federal agency that insures bank deposits, currently up to $250,000 per deposit.

**Federal funds (Fed Funds).** Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

**Fed Funds Rate.** Interest rate charged by one institution lending federal funds to another.

**Federal Home Loan Bank (FHLB).** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

**Federal Home Loan Mortgage Corporation (FHLMC).** A U.S. Corporation and instrumentality of the U.S. government. Through its purchases of conventional mortgages, it provides liquidity to the mortgage markets, much like FNMA. FHLMC’s securities are highly liquid and widely accepted. FHLMC assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal National Mortgage Association (FNMA).** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation’s purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**Federal Reserve System.** The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.
**Government National Mortgage Association (GNMA or Ginnie Mae).** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loans associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term pass-through is often used to describe Ginnie Maes.

**Liquidity.** The quality of an asset that permits it to be converted quickly into cash without a significant loss of value.

**Local Agency Investment Fund (LAIF).** A special fund in the State Treasury which local agencies may use to deposit funds for investment and for reinvestment. It offers high liquidity can be converted to cash in 24 hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share determined by the amounts deposited and the length of time they are deposited.

**Market Value.** The price at which a security is currently being sold in the market.

**Maturity Date.** The specified day on which the issuer of a debt security is obligated to repay the principal amount, or face value, a security.

**Par Value.** The stated or face value of a security expressed as a specific dollar amount marked on the face of the security; the amount of money due at maturity. Par value should not be confused with market value.

**Primary Dealer.** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC), registered securities broker-dealers, banks, and a few unregulated firms.

**Prudent Person Rule.** A standard of conduct where a person acts with care, skill, prudence, and diligence when investing, reinvesting, purchasing, acquiring, exchanging, selling and managing funds. The test of whether the standard is being met is if a prudent person acting in a similar situation would engage in similar conduct to ensure that investments safeguard principal and maintain liquidity.

**Rate of Return.** The amount of income received from an investment, expressed as a percentage.

A market rate of return is the yield that an investor can expect to receive in the current interest-rate environment utilizing a buy-and-hold to maturity investment strategy.

**Safekeeping.** A procedure where a third party acting as custodian for a fee holds securities.

**Secondary Market.** Markets for the purchase and sale of any previously issued financial instrument. The first sale of a financial instrument by the original issuer is said to be done a primary market. All subsequent trades are said to be secondary market.
**Settlement Date.** The date on which a trade is cleared by delivery of securities against funds. The date may be the same date as the trade date or later.

**Total return.** Interest income paid on the invested principal, plus interest income earned from the successive reinvestment of that income, plus projected capital gains (or minus losses) on the investment. Differs from yield to maturity because (1) it can include gains or losses from sales prior to maturity, and (2) it permits the assumption of a reinvestment rate different from the yield earned on the underlying principal.

**Trade Date.** The date on which a transaction is initiated or entered into by the buyer and seller.

**Treasury Bills.** Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auction of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes.** Intermediate U.S. government debt securities with maturities of one to 7 years.

**Treasury Bonds.** Long-term U.S. government debt securities with maturities of 10 years or longer. Currently, the longest outstanding maturity is 30 years.

**Yield.** Loosely refers to the annual return on an investment expressed as a percentage on an annual basis. For interest-bearing securities, the yield is a function of the rate, the purchase price, the income that can be earned from the reinvestment of income received prior to maturity, call or sale and the time from purchase to maturity, call or sale. Different formulas or methods are used to calculate yield. See Yield to Maturity and Total Return Analysis.

**Yield-to-maturity.** The rate of return yielded by a debt security held to maturity when both the interest payments and investor's potential capital gain or loss are included in the calculation of the return.
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<th>Description</th>
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<td>State Gas Tax Fund</td>
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<td>Associated Recreation Activities Fund</td>
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<td>109</td>
<td>Asset Foreclosure Fund</td>
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<td>116</td>
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<td>Hyperion Mitigation Fund</td>
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<td>TDA Article 3 SB 621 Bikeway Fund</td>
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<td>L.A.W.A. Fund</td>
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<td>Expendable Trust Fund - Other</td>
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<td>Total Warrants</td>
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**STATE OF CALIFORNIA**  
**COUNTY OF LOS ANGELES**

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

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

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

**CODES:**

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<th>Code</th>
<th>Description</th>
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<tr>
<td>R</td>
<td>Computer generated checks for all non-emergency/urgency payments for materials, supplies and services in support of City Operations</td>
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For Ratification:

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<th>Description</th>
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<tr>
<td>A</td>
<td>Payroll and Employee Benefit checks</td>
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<tr>
<td>B-F</td>
<td>Computer generated Early Release disbursements and/or adjustments approved by the City Manager. These include payments for utility services, petty cash and employee travel expenses, reimbursement of various refunds, contract and employee services consistent with current contractual agreements, instances where prompt payment discounts can be obtained or late payment penalties can be avoided or in situations where the City Manager approves.</td>
</tr>
<tr>
<td>H</td>
<td>Handwritten Early Release disbursements and/or adjustments approved by the City Manager.</td>
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**FINANCE DIRECTOR:**  
**CITY MANAGER:**

**DATE:**  
**DATE:**

**VOID CHECKS DUE TO ALIGNMENT:**  
**VOID CHECKS DUE TO INCORRECT CHECK DATE:**  
**VOID CHECKS DUE TO COMPUTER SOFTWARE ERROR:**

**NOTES:**

**Signature:**  
**Signature:**

7/25/11  
7/25/11
CITY OF EL SEGUNDO  
PAYMENTS BY WIRE TRANSFER  
7/08/11 THROUGH 07/21/11

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<th>Payee</th>
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<td>Nationwide EFT</td>
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<td>7/8/2010</td>
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<td>7/10/2010</td>
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<td>7/13/2011</td>
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<td>7/13/2011</td>
<td>Lane Donovan Golf Ptr</td>
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<td>Payroll Transfer</td>
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<td>7/20/2010</td>
<td>La Salle</td>
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<td>7/20/2011</td>
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<td>7/21/2011</td>
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<td>7/8-7/21/11</td>
<td>Workers Comp Activity</td>
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<td>SCRMA checks issued</td>
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2,308,762.54

DATE OF RATIFICATION: 08/02/11  
TOTAL PAYMENTS BY WIRE: 2,308,762.54

Certified as to the accuracy of the wire transfers by:

\[\text{Mary M. Kobres}\]
Deputy City Treasurer  
\[\text{Deborah J.}\]
Director of Finance  
\[\text{City Manager}\]

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, JULY 19, 2011 – 5:00 P.M.

5:00 P.M. SESSION

CALL TO ORDER – Mayor Busch at 5:00 p.m.

ROLL CALL

Mayor Busch - Present
Mayor Pro Tem Fisher - Present
Council Member Brann - Present
Council Member Fuentes - Present
Council Member Jacobson - Present

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

Mark Hensley, City Attorney, announced that Council would be meeting in closed session pursuant to the items listed on the agenda.

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

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Gov’t Code §54956.9(a) -2- matters

City of El Segundo vs. City of Los Angeles, et. al. LASC Case No. BS094279
NSA Construction vs. City of El Segundo, LASC Case No. BC438182

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to Government Code §54956.9(b): -0- Initiation of litigation pursuant to Government Code §54956.9(c): -1- matter.

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

APPOINTMENT OF PUBLIC EMPLOYEE (Gov’t. Code § 54957) -0- matter
CONFERENCE WITH CITY'S LABOR NEGOTIATOR (Gov't Code §54957.6): -5-
matters

Represented Group: Police Support Services Employees Association (PSSEA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

Represented Group: City Employees Association (CEA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

Represented Group: Firefighters Association (FFA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

Represented Group: Police Officers Association (POA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

Represented Group: Police Managers Association (PMA)
   Negotiators: Doug Willmore, City Manager
                Deborah Cullen, Finance Director
                Richard Kreisler

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

Council moved to open session at 6:10 p.m.
SPECIAL ORDER OF BUSINESS:

1. Interviews of Candidates for the Planning Commission, Library Board of Trustees, Environmental Committee, and the Capital Improvement Program Advisory Committee. Note Interviews will commence at approximately 6:00 p.m. and will take place in the West Conference Room.

Council consensus to re-appoint Laura Verouden and Penny Armstrong to the Library Board of Trustees for full terms to expire 6/30/14; to re-appoint Jim Boulgardies and appoint Scott Nicol to the Environmental Committee to full terms to expire 6/30/15; re-appoint Dave Wagner to the Planning Commission for a full term to expire 6/30/15; and re-appoint Crista Binder to the Capital Improvement Program Advisory Committee for a full term to expire 10/30/14.

Council recessed at 8:50 p.m.
REGULAR MEETING OF THE EL SEGUNDO CITY COUNCIL
TUESDAY, JULY 19, 2011 - 7:00 P.M.

7:00 P.M. SESSION

CALL TO ORDER – Mayor Busch at 7:00 p.m.

INVOCATION – Pastor Rob McKenna, El Segundo Foursquare Church

PLEDGE OF ALLEGIANCE – Mayor Pro Tem Bill Fisher

PRESENTATIONS

(a) Council Member Fuentes presented a Proclamation to Jeff Cason proclaiming July 28, 2011 as Broadway in the Park Day and invite the community to partake in this joyous event.

(b) Mayor Pro Tem Fisher announced a Presentation by Jackie Bacharach, representing the South Bay Cities Council of Governments and the South Bay Environmental Services Center recognizing the City for obtaining the “South Bay Energy Leader Program Achievement of Silver Status.”

(c) Presentation of a check by Ed Little of West Basin Municipal Water District to the El Segundo Kiwanis Club for their participation in this year’s Free High-Efficiency Toilet Distribution Event.

ROLL CALL

Mayor Busch - Present
Mayor Pro Tem Fisher - Present
Council Member Brann - Present
Council Member Fuentes - Present
Council Member Jacobson - Present

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

Melissa Alpers, President of the El Segundo Rotary Club, invited everyone to the “Movie in the Park”, on August 6, 2011.

Linda Cohen, El Segundo Concert Band, invited everyone to the concert Saturday, July 23, 2011 at 7:00 p.m. in the El Segundo High School Quad.

Mike Rotolo, El Segundo Chamber of Commerce; spoke regarding the El Segundo Beer and Wine Festival, and stated the Chamber is in full support of the event.

Mike Robbins, Resident; spoke against the El Segundo Beer and Wine Festival and labor negotiations.

1. Consideration and possible action to approve or deny a request by Nickel Productions to allow a beer and wine festival to be located on the 300 block of Main Street and El Segundo City Hall Plaza on Saturday, October 8, 2011, which will serve as a charitable platform to raise funds and support for the El Segundo Education Foundation.

John McCullough, Nickel Productions gave a brief presentation.

Adam Aberman, Executive Director of the Education Foundation, supported the event and stated it will be an up-scale event.

MOTION by Mayor Busch, SECONDED by Mayor Pro Tem Fisher to approve in theory the request by Nickel Productions to allow a beer and wine festival to be located on the 300 block of Main Street and El Segundo City Hall Plaza on Saturday, October 8, 2011, which will serve as a charitable platform to raise funds and support for the El Segundo Education Foundation, and return to the City Council for final approval. MOTION FAILED BY THE FOLLOWING VOICE VOTE: AYES: BUSCH, FISHER; NOES: JACOBSON, FUENTES, AND BRANN. 2/3

A. PROCEDURAL MOTIONS

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

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

B. SPECIAL ORDERS OF BUSINESS (PUBLIC HEARING)

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

2. Consideration and possible action regarding (1) the appointment of a member of the City Council to serve on the City's Disaster Council for a period of one year; (2) the appointment of a member of the City Council to the South Bay Cities Council of Governments; and (3) announce the appointments to the Planning Commission, Library Board of Trustees, Environmental Committee, and Capital Improvement Program Advisory Committee (CIPAC). (Fiscal Impact: None)

Council consensus to appoint Mayor Pro Tem Fisher to serve as a member of the Disaster Council for a period of one year and appoint Council Member Don Brann to serve as a member of the South Bay Cities Council of Governments.

Mayor Busch announced the re-appointment of Laura Verouden and Penny Armstrong to the Library Board of Trustees for full terms to expire 6/30/14; the re-appointment of Jim Boulgarides and appointment of Scott Nicol to the Environmental Committee to full terms to expire 6/50/15; the re-appointment of Dave Wagner to the Planning Commission for a full term to expire 6/30/15; and the re-appointment of Crista Bender to the Capital Improvement Program Advisory Committee for a full term to expire 10/30/14.

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. Approved Warrant Numbers 2582834 to 2583178 on Register No. 18 in the total amount of $871,068.26 and Wire Transfers from 06/09/11 through 06/23/11 in the total amount of $1,937,402.73 and Warrant Numbers 2583179 to 258361 on Register No. 19 in the total amount of $343,820.56 and Wire Transfers from 06/24/11 through 07/07/11 in the total amount of $8,538,148.97. Approved Warrant Demand Registers and 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. Accepted the work as complete for the Cleaning and Closed Circuit Television (CCTV) inspection of sewer lines citywide (Aviation Boulevard to Rosecrans Avenue to Imperial Highway) Project No.: PW 10-02. (Fiscal Impact: $205,466.18) Authorized the City Clerk to file a Notice of Completion in the County Recorder's Office.

6. Awarded a standard Public Works Contract No. 4171 to Trueline for Recreation Park racquetball courts refurbishment (339 Sheldon Street). Project No. PW 11-08. (Fiscal Impact: $28,700.00) Authorized the City Manager to execute the standard Public Works Contract in a form as approved by the City Attorney.
7. Approved License Agreement No. 4172 to award the lease of 953 acre feet of the City of El Segundo ground water rights to the City of Manhattan Beach. (Fiscal Impact: $101,018.00 Revenue to the Water Enterprise Funds) Authorized the City Manager to execute the water right license and agreement.

8. Authorized the City Manager to apply for and accept a non-matching grant of $30,000.00 in funding from the California Environmental Protection Agency (CalEPA) to implement an electronic information collection and reporting system for hazardous materials pursuant to Assembly Bill 2286. The legislation requires the electronic collection of virtual chemical data through a California Environmental Reporting System (CERS) and provides grants to Certified Unified Program Agencies (CUPA) to manage data for emergency responders or exchanged through a public access website. There is no match requirement for the grant, however, the City's system must be operational by January 2013. (Fiscal Impact: $30,000.00)

9. Authorized the City Manager to execute Professional Service Agreement No. 4173 with the West Covina Service Group (WCSG) in the amount of $57,000.00 to allow continued access to El Segundo data located on their Records Management System (RMS) hardware through July 31, 2014. (Fiscal Impact: $57,000.00)

10. Received and filed a correction to the calculations for the amendment to the 5-year contract with Nationwide Environmental Services for Street Sweeping services performed citywide. (Fiscal Impact: $25,568.00)

11. PULLED FOR DISCUSSION BY MAYOR BUSCH

12. PULLED FOR DISCUSSION BY COUNCIL MEMBER FUENTES

MOTION by Mayor Pro Tem Fisher, SECONDED by Council Member Fuentes to approve Consent Agenda Items 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

CALL ITEMS FROM CONSENT AGENDA

11. Approve Amendment No. 4 to extend the residential solid waste collection contract for a period of up to 6 months (while the City completes its current request for proposal services) between the City of El Segundo and Consolidated Disposal Services, LLC. (Fiscal Impact: $300,000.00) Authorized the City Manager to execute Amendment No. 4.
MOTION by Mayor Busch, SECONDED by Council Member Jacobson to approve Amendment No. 4 to extend the residential solid waste collection contract for a period of up to 6 months (while the City completes its current request for proposal services) between the City of El Segundo and Consolidated Disposal Services, LLC. (Fiscal Impact: $300,000.00) Authorized the City Manager to execute Amendment No. 4. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

12. Approve a full time Administrative Specialist position in the Water Division of the Department of Public Works. (Fiscal Impact: $81,800.00)

MOTION by Council Member Brann, SECONDED by Mayor Pro Tem Fisher to approve a full-time Administrative Specialist position in the Water Division of the Department of Public Works. MOTION PASSED BY THE FOLLOWING VOICE VOTE. AYES: BUSCH, FISHER, BRANN; NOES: JACOBSON AND FUENTES. 3/2

F. NEW BUSINESS

G. REPORTS – CITY MANAGER – Announced discussions currently taking place with the bargaining units.

H. REPORTS – CITY ATTORNEY – None

I. REPORTS – CITY CLERK – None

J. REPORTS – CITY TREASURER – None

K. REPORTS – CITY COUNCIL MEMBERS

Council Member Fuentes – Announced the success of the July 4th event; the Junior Drama Productions; and Independent Cities Conference.

Council Member Brann – Announced Friends of the Library search for a new President and Vice-President and congratulated Margie Randall for her two decades of service on the Recreation and Parks Commission.

Council Member Jacobson – None

Mayor Pro Tem Fisher – Thanked the sponsors and Staff for the fine 4th of July event.

Mayor Busch –

Requested a brief report on the Beach facilities. Emae Construction Group filed for bankruptcy and is unable to complete the project. A new contractor is now being transitioned.
13. Consideration and possible action to reconsider the Council’s prior resolution regarding the redistricting of the Congressional territorial boundaries and potentially adopt a resolution revising and/or restating the Council’s position on the boundaries. (Fiscal Impact: None)

MOTION by Mayor Busch, SECONDED by Council Member Jacobson to adopt Resolution No. 4726 revising and/or restating the Council’s position on the boundaries. A Council Member Fuentes to personally deliver the Resolution to the Re-districting body. MOTION PASSED BY UNANIMOUS VOICE VOTE. 5/0

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Mike Robbins, Resident; spoke against the Beer and Wine Festival. He also spoke on the negotiation policies.

Liz Garnholz, Resident; spoke regarding the closure of the Downtown post office and made suggestions for locations where it could be located.

Mark Hensley, City Attorney, announced that the law provides for closed session negotiations with labor groups and that final contracts get approved at an open meeting. If negotiations were done in open session is might jeopardize the ability to strategize.

MEMORIALS – None

CLOSED SESSION

ADJOURNMENT at 9:06 p.m.

__________________________________________
Cindy Mortesen
City Clerk
AGENDA DESCRIPTION:
Consideration and possible action regarding adoption of a resolution authorizing the annual destruction of identified records in accordance with the provisions of Section 34090 of the Government Code of the State of California. (Fiscal Impact: Not to exceed $1,000)

RECOMMENDED COUNCIL ACTION:
1. Adopt Resolution authorizing the destruction of certain records;
2. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:
Resolution with Attachments

FISCAL IMPACT: Included in Adopted Budget

<table>
<thead>
<tr>
<th>Amount Budgeted:</th>
<th>$1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Appropriation:</td>
<td>N/A</td>
</tr>
<tr>
<td>Account Number(s):</td>
<td>001-400-1302-6214</td>
</tr>
</tbody>
</table>

ORIGINATED BY: Cathy Domann, Deputy City Clerk
REVIEWED BY: Cindy Mortesen, City Clerk
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
Each year various Departments need to transition older documents to storage or destruction and make space for new records. By reviewing the older records and inventorying the current ones, available storage space is used more efficiently.

Documents from the City Clerk’s Office (unsuccessful bids and requests for proposals, election material, closed contracts and agreements, agenda packets archived in document imaging database, and miscellaneous administrative and duplicate records) are proposed to be destroyed.

In addition, documents from the Fire Department (emergency medical service reports, copies of invoices and purchase orders), Library (copies of invoices and miscellaneous administrative records), Police Department (Vehicle Impounds, Traffic Citations, Records Checks, Live Scan Fingerprints, Parking Citations, miscellaneous correspondence, and Daily Report Logs), Public Works (copies of bid documents), and the Treasury (cancelled checks, deposit slips, bank statements and wires, miscellaneous investments, and credit card backup) are proposed to be destroyed in accordance with Government Code Section 34090.

CONTINUED ON NEXT PAGE
BACKGROUND AND DISCUSSION CONTINUED:

All listed records meet the required retention schedule adopted by City Council, Resolution No. 4471, and the City Attorney has given approval for the destruction of these records.
RESOLUTION NO.

A RESOLUTION AUTHORIZING THE DESTRUCTION OF PUBLIC RECORDS IN ACCORDANCE WITH THE CALIFORNIA GOVERNMENT CODE.

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

SECTION 1: The City Council finds as follows:

A. Certain documents from the City Clerk’s Office, Fire Department, Library, Police Department, Public Works, and Treasury are proposed to be destroyed in accord with Government Code § 34090;

B. The City Attorney gave written approval for the destruction of these records pursuant to Government Code § 34090;

C. Based upon the documents presented to it for destruction, it does not appear to the City Council that these records need be retained and are occupying valuable storage space.

SECTION 2: Pursuant to Government Code § 34090, the City Council approves the destruction of the records referred to in attached Exhibit “A,” which is incorporated by reference, and authorizes the City Clerk to dispose of the records in any lawful manner.

SECTION 3: Upon destroying these documents, the City Clerk is directed to complete a certificate verifying the destruction of these records and file the certificate with the City’s official records.

SECTION 4: The City Clerk is directed to certify the adoption of this Resolution; record this Resolution in the book of the City’s original resolutions; and make a minute of the adoption of the Resolution in the City Council’s records and the minutes of this meeting.

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

PASSED AND ADOPTED this 2nd day of August 2011.

Eric K. Busch, Mayor
ATTEST:

Cindy Mortesen,
City Clerk

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

By:
Karl H. Berger
Assistant City Attorney
CITY OF EL SEGUNDO

RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

<table>
<thead>
<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracts (See Attached)</td>
<td>1994</td>
<td>2001</td>
<td>1</td>
<td>10 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>Unsuccessful Elected Official Candidates FPPC 400 Series Filings</td>
<td>2002</td>
<td>2002</td>
<td>1</td>
<td>5 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>Political Action Committee 400 Series Filings</td>
<td>2002</td>
<td>2002</td>
<td>1</td>
<td>7 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>Unsuccessful Bid: PW 03-16 Community Center Bid Package and Drawings (re-bid)</td>
<td>2003</td>
<td>2003</td>
<td>2</td>
<td>Bid Opening + 2 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>Statements of Economic Interest FPPC Filers (copies) and Designated Employees (Originals)</td>
<td>1999</td>
<td>2000</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Council Agenda Packets</td>
<td>2000</td>
<td>2000</td>
<td>4, 5</td>
<td>5 Years</td>
<td>City Clerk</td>
</tr>
</tbody>
</table>

APPROVED FOR DESTRUCTION:

Department Head

6-27-11

APPROVED FOR DESTRUCTION:

City Attorney

7-6-2011

I HEREBY CERTIFY that the items listed above are approved for destruction on ________________ in accordance with City policies and procedures:

Cindy Mortesen, City Clerk
<table>
<thead>
<tr>
<th>Contract #</th>
<th>Completion Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2893</td>
<td>VOID</td>
<td>Incorporated into Contract 2097</td>
</tr>
<tr>
<td>2803</td>
<td>9-30-00</td>
<td>Main Street America Event Production</td>
</tr>
<tr>
<td>2783</td>
<td>12/31/00</td>
<td>McDermott, Will &amp; Emery</td>
</tr>
<tr>
<td>2781</td>
<td>7/31/00</td>
<td>Pyro Spectaculars</td>
</tr>
<tr>
<td>2777</td>
<td>VOID</td>
<td>Now Contract 2830</td>
</tr>
<tr>
<td>2769</td>
<td>6/30/00</td>
<td>Franklin Haynes Marionettes</td>
</tr>
<tr>
<td>2767</td>
<td>12/31/00</td>
<td>Public Sector Personnel Consultants</td>
</tr>
<tr>
<td>2759</td>
<td>9/19/00</td>
<td>Arter &amp; Haddens</td>
</tr>
<tr>
<td>2758</td>
<td>VOID</td>
<td>See Contract 2776</td>
</tr>
<tr>
<td>2757</td>
<td>12/31/00</td>
<td>Complete Count Committee Census</td>
</tr>
<tr>
<td>2745</td>
<td>6/30/00</td>
<td>South Bay Youth Project (CDBG)</td>
</tr>
<tr>
<td>2736</td>
<td>6/30/00</td>
<td>The Concept Factory</td>
</tr>
<tr>
<td>2730</td>
<td>6/2/00</td>
<td>LA County – Reimb for Deflection Testing</td>
</tr>
<tr>
<td>2727</td>
<td>1/18/00</td>
<td>Douglas St Pavement Rehab – All American Asphalt</td>
</tr>
<tr>
<td>2722</td>
<td>3/30/00</td>
<td>State of Calif – Y2K Haz Mat Assessment</td>
</tr>
<tr>
<td>2715</td>
<td>6/30/00</td>
<td>Hayer Consultants, Inc.</td>
</tr>
<tr>
<td>2714</td>
<td>4/1/00</td>
<td>Ralphs Grocery Co. Parking Lot Agreement</td>
</tr>
<tr>
<td>2713</td>
<td>5/30/00</td>
<td>Perez Electric, Inc.</td>
</tr>
<tr>
<td>2710</td>
<td>6/30/00</td>
<td>ABC Grant</td>
</tr>
<tr>
<td>2708</td>
<td>3/13/00</td>
<td>Public Sector Personnel Consultants</td>
</tr>
<tr>
<td>2707</td>
<td>12/31/00</td>
<td>Classy Characters</td>
</tr>
<tr>
<td>2704</td>
<td>4/3/00</td>
<td>LA Co. Animal Control – never executed</td>
</tr>
<tr>
<td>2700</td>
<td>12/31/00</td>
<td>EIP Associates</td>
</tr>
<tr>
<td>2688</td>
<td>11/1/00</td>
<td>Kerry Consulting</td>
</tr>
<tr>
<td>2669</td>
<td>9/30/00</td>
<td>Willdan Associates</td>
</tr>
<tr>
<td>2608</td>
<td>6/30/99</td>
<td>The Dial Group</td>
</tr>
<tr>
<td>2601</td>
<td>6/30/00</td>
<td>WMM Associates</td>
</tr>
<tr>
<td>2535</td>
<td>10/17/00</td>
<td>Azteca Landscape</td>
</tr>
<tr>
<td>2527</td>
<td>9/12/00</td>
<td>Hartzog &amp; Crabill, Inc.</td>
</tr>
<tr>
<td>2523</td>
<td>9/30/00</td>
<td>Tina Gall – Consultant</td>
</tr>
<tr>
<td>2519</td>
<td>6/30/00</td>
<td>South Bay Youth Project CDBG</td>
</tr>
<tr>
<td>2518</td>
<td>6/30/00</td>
<td>Daniel Freeman Marina Hospital CDBG</td>
</tr>
<tr>
<td>2517</td>
<td>6/30/00</td>
<td>Just Right Help, II, Inc. CDBG</td>
</tr>
<tr>
<td>2510</td>
<td>6/30/00</td>
<td>Diana Cho &amp; Assoc. Consultant</td>
</tr>
<tr>
<td>2499</td>
<td>6/30/00</td>
<td>LDM Associates</td>
</tr>
<tr>
<td>2496</td>
<td>6/30/00</td>
<td>LA County CDBG</td>
</tr>
<tr>
<td>2494</td>
<td>3/18/00</td>
<td>JCM Facilities</td>
</tr>
<tr>
<td>2493</td>
<td>3/18/00</td>
<td>Jim &amp; Jacks Auto Body</td>
</tr>
<tr>
<td>2492</td>
<td>7/31/00</td>
<td>Warner Group</td>
</tr>
</tbody>
</table>

211
<table>
<thead>
<tr>
<th>Contract No.</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2470</td>
<td>3/31/00</td>
<td>Midway Janitorial</td>
</tr>
<tr>
<td>2469</td>
<td>3/31/00</td>
<td>El Segundo Janitorial</td>
</tr>
<tr>
<td>2465</td>
<td>8/30/00</td>
<td>governmental financial services</td>
</tr>
<tr>
<td>2447</td>
<td>6/30/00</td>
<td>LA Co. CDBG</td>
</tr>
<tr>
<td>2431</td>
<td>1/7/00</td>
<td>Hayer Consultants</td>
</tr>
<tr>
<td>2411</td>
<td>9/30/00</td>
<td>Burke Williams &amp; Sorensen</td>
</tr>
<tr>
<td>2401</td>
<td>2/26/96</td>
<td>Robert Bein, William Frost &amp; Assoc. Consultant</td>
</tr>
<tr>
<td>2311</td>
<td>3/15/00</td>
<td>LA County Community Development Com CDBG</td>
</tr>
<tr>
<td>2300</td>
<td>8/21/00</td>
<td>Wyle Consultant Services</td>
</tr>
<tr>
<td>2282</td>
<td>3/11/00</td>
<td>Inglewood Software License &amp; Maint (from 1992)</td>
</tr>
<tr>
<td>2269</td>
<td>6/30/94</td>
<td>CHP Academy Training</td>
</tr>
<tr>
<td>2264</td>
<td>9/30/99</td>
<td>Progressive Solutions Inc.</td>
</tr>
<tr>
<td>2248</td>
<td>2/29/00</td>
<td>FAA Agreement 1993 RSI Program</td>
</tr>
<tr>
<td>2245</td>
<td>4/14/94</td>
<td>Stephen Woolley - Architect</td>
</tr>
<tr>
<td>2239</td>
<td>4/27/00</td>
<td>Robert Bein, William Frost, Engr. Consultants</td>
</tr>
<tr>
<td>2119</td>
<td>4/19/00</td>
<td>Metropolitan Water District 1991 Critical Needs Purch</td>
</tr>
<tr>
<td>1968</td>
<td>4/14/00</td>
<td>Progressive Solutions</td>
</tr>
<tr>
<td>1930</td>
<td>6/6/00</td>
<td>Knowles-McNiff</td>
</tr>
<tr>
<td>1831</td>
<td>6/22/01</td>
<td>Public Library Video – contract missing</td>
</tr>
<tr>
<td>Job Number</td>
<td>Date</td>
<td>Description</td>
</tr>
<tr>
<td>------------</td>
<td>---------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2755</td>
<td>6/20/00</td>
<td>Green Giant – Chain Link Fencing PW 99-78</td>
</tr>
<tr>
<td>2667</td>
<td>4/7/99</td>
<td>Sturgen General, Air Cond. Duct Work PW 98-9</td>
</tr>
<tr>
<td>2660</td>
<td>3/11/99</td>
<td>R.G. Simpson Construction – Lease</td>
</tr>
<tr>
<td>2657</td>
<td>1/26/99</td>
<td>Howard Ridley Co. Flooring Fire Station No. 1</td>
</tr>
<tr>
<td>2656</td>
<td>5/5/99</td>
<td>Coast Roof Co. PW 98-7 Re-roof Joslyn Center</td>
</tr>
<tr>
<td>2638</td>
<td>8/16/00</td>
<td>C.J. Construction, Curb and Gutter Minor Imp.</td>
</tr>
<tr>
<td>2626</td>
<td>4/7/99</td>
<td>Hi Tech Pro Const. Sidewalk Replacement PW 97-26</td>
</tr>
<tr>
<td>2790</td>
<td>10/18/00</td>
<td>Best Roofing, Re-roof buildings at Rec Park PW 00-7</td>
</tr>
<tr>
<td>2778</td>
<td>9/6/00</td>
<td>Green Landscape, Court resurface PW 00-5</td>
</tr>
<tr>
<td>2806</td>
<td>10/2/00</td>
<td>All American Asphalt, Grand Av Pavement PW 99-06</td>
</tr>
</tbody>
</table>
# CITY OF EL SEGUNDO

## RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

<table>
<thead>
<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed Public Records Requests</td>
<td>2008</td>
<td>2008</td>
<td>6</td>
<td>Closure + 2 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>Miscellaneous Correspondence</td>
<td>2008</td>
<td>2008</td>
<td>6</td>
<td>2 Years</td>
<td>City Clerk</td>
</tr>
<tr>
<td>April 13, 2010 Election items (voted ballots, unused ballots, VBM Applications, return envelopes – does not include rosters)</td>
<td>2010</td>
<td>2010</td>
<td></td>
<td>8 Months</td>
<td>City Clerk</td>
</tr>
<tr>
<td>April 13, 2010 Election – Unused Ballots</td>
<td>2010</td>
<td>2010</td>
<td>n/a</td>
<td>6 months</td>
<td>City Clerk</td>
</tr>
</tbody>
</table>

## APPROVED FOR DESTRUCTION:

[Signature]

Department Head

6-27-11

Date

## APPROVED FOR DESTRUCTION:

[Signature]

City Attorney

7/6/2011

Date

I HEREBY CERTIFY that the items listed above are approved for destruction on

_____________________________

in accordance with City policies and procedures:

_____________________________

Cindy Mortesen, City Clerk

Date
CITY OF EL SEGUNDO

RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

<table>
<thead>
<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll</td>
<td>Jan 2007</td>
<td>Dec 2008</td>
<td>28</td>
<td>Copies n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Billing</td>
<td>Jan 2007</td>
<td>Dec 2007</td>
<td>37</td>
<td>Copies n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Billing</td>
<td>Jan 2008</td>
<td>Dec 2008</td>
<td>29</td>
<td>Copies n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Public Request</td>
<td>Jan 1999</td>
<td>Dec 2007</td>
<td>30</td>
<td>n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Haz. Mitigation Surveys</td>
<td>Jan 2007</td>
<td>Dec 2007</td>
<td>31</td>
<td>n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Invoice/PO</td>
<td>2003</td>
<td>2004</td>
<td>32</td>
<td>Copies n/a</td>
<td>FIRE</td>
</tr>
<tr>
<td>Dispatch Summaries</td>
<td>Jan 2004</td>
<td>June 2004</td>
<td>33</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>Dispatch Printouts</td>
<td>Jan 2004</td>
<td>June 2004</td>
<td>33</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>EMS Reports</td>
<td>Jan 2004</td>
<td>June 2004</td>
<td>34</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>Dispatch Summaries</td>
<td>July 2004</td>
<td>Dec 2004</td>
<td>35</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>Dispatch Printouts</td>
<td>July 2004</td>
<td>Dec 2004</td>
<td>35</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>EMS Reports</td>
<td>July 2004</td>
<td>Dec 2004</td>
<td>36</td>
<td>7 Years</td>
<td>FIRE</td>
</tr>
<tr>
<td>Transports</td>
<td>Jan 2003</td>
<td>Dec 2003</td>
<td>30</td>
<td>7 YEAR</td>
<td>FIRE</td>
</tr>
</tbody>
</table>

APPROVED FOR DESTRUCTION:

Department Head

Date

APPROVED FOR DESTRUCTION:

City Attorney

Date

I HEREBY CERTIFY that the items listed above are approved for destruction on _7-19-11_ in accordance with City policies and procedures:

Cindy Mortensen, City Clerk

Date
CITY OF EL SEGUNDO

RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

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<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baker &amp; Taylor Invoices</td>
<td>2002</td>
<td>2003</td>
<td>1</td>
<td>3 years</td>
<td>Library</td>
</tr>
<tr>
<td>Baker &amp; Taylor Invoices</td>
<td>2004</td>
<td>2004</td>
<td>2</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Baker &amp; Taylor Invoices</td>
<td>2005</td>
<td>2006</td>
<td>3</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Baker &amp; Taylor Invoices</td>
<td>2007</td>
<td>2007</td>
<td>4</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Friends Misc Records</td>
<td>2001</td>
<td>2007</td>
<td>5</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>AT&amp;T Invoices</td>
<td>2002</td>
<td>2007</td>
<td>6</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Office Depot Invoices</td>
<td>2004</td>
<td>2007</td>
<td>7</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Recorded Books Invoices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBSCO Invoices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midwest Tapes Invoices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Action Form</td>
<td>2000</td>
<td>2007</td>
<td>8</td>
<td></td>
<td>Library</td>
</tr>
<tr>
<td>Timesheets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meeting Room Application</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IFR Report</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D Brighton Cal Card Trans Log</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

APPROVED FOR DESTRUCTION:

[Signature]
Department Head

Date 7/24/11

APPROVED FOR DESTRUCTION:

[Signature]
City/Attorney

Date 7/25/11

I HEREBY CERTIFY that the items listed above are approved for destruction on ____________ in accordance with City policies and procedures:

[Signature]
Cindy Mortesen, City Clerk

Date
# CITY OF EL SEGUNDO

## RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

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<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006 Impound Vehicle Reports</td>
<td>01/01/06</td>
<td>12/31/06</td>
<td>1</td>
<td>Traffic Vehicle Impounds – 2 Years</td>
<td>Police</td>
</tr>
<tr>
<td>2005 Impound Vehicle Reports</td>
<td>01/01/05</td>
<td>12/31/06</td>
<td>1</td>
<td>Traffic Vehicle Impounds – 2 Years</td>
<td>Police</td>
</tr>
<tr>
<td>2001-2004 Field Interview Cards</td>
<td>01/01/01</td>
<td>12/31/04</td>
<td>1</td>
<td>After data entry, no longer required</td>
<td>Police</td>
</tr>
<tr>
<td>2004 Traffic Citations # 474601-476399</td>
<td>03/01/04</td>
<td>08/31/04</td>
<td>1 of 2</td>
<td>2 Years GC §34090, PC §802</td>
<td>Police</td>
</tr>
<tr>
<td>2004 Traffic Citations # 476400-478699</td>
<td>09/01/04</td>
<td>12/31/04</td>
<td>2 of 2</td>
<td>2 Years GC §34090, PC §802</td>
<td>Police</td>
</tr>
<tr>
<td>2005 Applicant Records Checks</td>
<td>01/01/05</td>
<td>12/31/05</td>
<td>1</td>
<td>2 Years No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>2008 Applicants Request for Live Scan Fingerprint</td>
<td>01/01/08</td>
<td>12/31/08</td>
<td>1</td>
<td>2 Years No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>2006 Parking Citations # 460983-498415</td>
<td>01/01/06</td>
<td>12/31/06</td>
<td>1</td>
<td>2 Years GC §34090, PC §802</td>
<td>Police</td>
</tr>
<tr>
<td>2008 Correspondence, Letters, Notes, Draft</td>
<td>01/01/08</td>
<td>12/31/08</td>
<td>1</td>
<td>2 Years GC §34090</td>
<td>Police</td>
</tr>
<tr>
<td>2008 Daily Report Log</td>
<td>01/01/08</td>
<td>12/31/08</td>
<td>1</td>
<td>2 Years GC §34090</td>
<td>Police</td>
</tr>
</tbody>
</table>

The following are original Records converted into a Document Imaging Format sorted by Daily Report Number:

- 02-2397/02-2527 #17 08/01/02 08/06/02 1 of 9 No longer required Police
- 02-2530/02-2680 #18 08/07/02 08/13/02 2 of 9 No longer required Police
- 02-2685/02-2800 #19 08/14/02 08/28/02 3 of 9 No longer required Police
- 02-2803/02-2940 #20 08/29/02 09/09/02 4 of 9 No longer required Police
- 02-2950/02-3080 #21 09/10/02 09/18/02 5 of 9 No longer required Police
- 02-3090/02-3311 #22 09/19/02 09/27/02 6 of 9 No longer required Police
- 02-3320/02-3460 #23 09/28/02 10/05/02 7 of 9 No longer required Police
- 02-3467/02-3590 #24 10/06/02 10/13/02 8 of 9 No longer required Police
- 02-3596/02-3660 #25 10/14/02 10/31/02 9 of 9 No longer required Police
<table>
<thead>
<tr>
<th>Invoice Number</th>
<th>Issue Date</th>
<th>Expiry Date</th>
<th>Status</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>03-0000/03-0120 #1</td>
<td>01/01/03</td>
<td>01/09/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0130/03-0269 #2</td>
<td>01/10/03</td>
<td>01/19/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0270/03-0425 #3</td>
<td>01/20/03</td>
<td>01/28/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0430/03-0600 #4</td>
<td>01/29/03</td>
<td>02/11/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0607/03-0741 #5</td>
<td>02/12/03</td>
<td>02/20/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0750/03-0922 #6</td>
<td>02/21/03</td>
<td>02/29/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-0930/03-1107 #7</td>
<td>02/30/03</td>
<td>03/07/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1110/03-1322 #8</td>
<td>03/08/03</td>
<td>03/16/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1330/03-1461 #9</td>
<td>03/17/03</td>
<td>03/24/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1470/03-1669 #10</td>
<td>04/25/03</td>
<td>05/02/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1670/03-1804 #11</td>
<td>05/03/03</td>
<td>05/17/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1806/03-1979 #12</td>
<td>05/18/03</td>
<td>05/26/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-1980/03-2127 #13</td>
<td>05/27/03</td>
<td>06/13/03</td>
<td>No longer required</td>
<td>Police</td>
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<tr>
<td>03-2130/03-2300 #14</td>
<td>06/14/03</td>
<td>06/29/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-2310/03-2470 #15</td>
<td>06/30/03</td>
<td>07/15/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-2476/03-2630 #16</td>
<td>07/16/03</td>
<td>07/28/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-2631/03-2778 #17</td>
<td>07/29/03</td>
<td>08/14/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-2780/03-2923 #18</td>
<td>08/15/03</td>
<td>08/29/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-2930/03-3074 #19</td>
<td>08/30/03</td>
<td>09/07/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3080/03-3228 #20</td>
<td>09/18/03</td>
<td>09/26/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3230/03-3354 #21</td>
<td>09/27/03</td>
<td>10/08/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3360/03-3515 #22</td>
<td>10/09/03</td>
<td>10/21/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3520/03-3634 #23</td>
<td>10/22/03</td>
<td>11/01/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3640/03-3745 #24</td>
<td>11/02/03</td>
<td>11/16/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3750/03-3832 #25</td>
<td>11/17/03</td>
<td>11/23/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3840/03-3938 #26</td>
<td>11/24/03</td>
<td>12/03/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-3940/03-4040 #27</td>
<td>12/04/03</td>
<td>12/20/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>03-4043/03-4121 #28</td>
<td>12/21/03</td>
<td>12/31/03</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0000/04-0109 #1</td>
<td>01/01/04</td>
<td>01/13/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0110/04-0250 #2</td>
<td>01/14/04</td>
<td>01/28/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0260/04-0400 #3</td>
<td>01/29/04</td>
<td>02/11/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0410/04-0546 #4</td>
<td>02/12/04</td>
<td>02/21/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0550/04-0690 #5</td>
<td>02/22/04</td>
<td>03/01/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0700/04-0822 #6</td>
<td>03/02/04</td>
<td>03/14/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0830/04-0959 #7</td>
<td>03/15/04</td>
<td>03/26/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-0960/04-1115 #8</td>
<td>03/27/04</td>
<td>04/06/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-1330/04-1461 #9</td>
<td>04/07/04</td>
<td>04/18/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-1280/04-1459 #10</td>
<td>04/19/04</td>
<td>04/29/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-1600/04-1760 #12</td>
<td>05/11/04</td>
<td>05/25/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-1770/04-1875 #13</td>
<td>05/26/04</td>
<td>06/08/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-1880/04-2026 #14</td>
<td>06/09/04</td>
<td>06/19/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
<tr>
<td>04-2850/04-3030 #20</td>
<td>08/26/04</td>
<td>09/11/04</td>
<td>No longer required</td>
<td>Police</td>
</tr>
</tbody>
</table>
APPROVED FOR DESTRUCTION:

[Signature] 205

Department Head

7-22-11

Date

APPROVED FOR DESTRUCTION:

______________________________

City Attorney

Date

I HEREBY CERTIFY that the items listed above are approved for destruction on

______________________________ in accordance with City policies and procedures:

______________________________

Cindy Mortesen, City Clerk

Date
# CITY OF EL SEGUNDO

## RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

<table>
<thead>
<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
</tr>
</thead>
<tbody>
<tr>
<td>PW 85-2 Construction of Imperial Hwy Storm Drain</td>
<td>1985</td>
<td>2010</td>
<td>1</td>
<td>Bid Opening</td>
<td>Public Works</td>
</tr>
<tr>
<td>PW 86-7a Storm Drain Laterals 1A &amp; 3G-Geotechnical Services</td>
<td>1986</td>
<td>2010</td>
<td>1</td>
<td>2 Years</td>
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</tr>
<tr>
<td>PW 92-8 Lining of sewer lines at high school</td>
<td>1992</td>
<td>2010</td>
<td>1</td>
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<tr>
<td>PW 93-1 24” Storm Drain Washington St., Oak Ave. to Maple, Ave.</td>
<td>1993</td>
<td>2010</td>
<td>1</td>
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<tr>
<td>PW 79-2a Installation of 3rd pump and engine for City of El Segundo</td>
<td>1979</td>
<td>2010</td>
<td>1</td>
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<td>PW 81-11 Modification to sanitation pump plant no. 5</td>
<td>1981</td>
<td>2010</td>
<td>1</td>
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<td>PW 81-6 Shoring Specialties</td>
<td>1981</td>
<td>2010</td>
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<td>PW 82-24 Sanitary Sewer System Master plan update</td>
<td>1982</td>
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<td>PW 95-11 Resurfacing of game courts @ recreation park</td>
<td>1995</td>
<td>2010</td>
<td>2</td>
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<td>PW 95-3 Storm drain in alley north of El Segundo Blvd.</td>
<td>1995</td>
<td>2010</td>
<td>2</td>
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<tr>
<td>PW 95-1 Repair of sewer lines</td>
<td>1995</td>
<td>2010</td>
<td>2</td>
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<td>PW 94-7 Sports lighting recreation park/middle school inspection reports</td>
<td>1994</td>
<td>2010</td>
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<td>PW 00-11 1999-2000 Slurry seal of various streets</td>
<td>2000</td>
<td>2010</td>
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<td>Project Code</td>
<td>Description</td>
<td>Start Year</td>
<td>End Year</td>
<td>Duration</td>
<td>Status</td>
</tr>
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<td>--------------</td>
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<td>------------</td>
<td>----------</td>
<td>----------</td>
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<tr>
<td>PW 97-11</td>
<td>1996-1997 Slurry seal of various streets</td>
<td>1997</td>
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<td>PW 94-1</td>
<td>1993-1994 Slurry seal of various streets</td>
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<td>PW 96-2</td>
<td>Lining of sewer line</td>
<td>1996</td>
<td>2010</td>
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<td>PW 96-7</td>
<td>ADA upgrades for City facilities</td>
<td>1996</td>
<td>2010</td>
<td>4</td>
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<td>PW 96-11</td>
<td>Retaining wall recreation park north side</td>
<td>1996</td>
<td>2010</td>
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<td>PW 97-13</td>
<td>Trenchless rehabilitation of sewer lines</td>
<td>1997</td>
<td>2010</td>
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<tr>
<td>PW 97-20</td>
<td>Racquetball court drainage and roofing</td>
<td>1997</td>
<td>2010</td>
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<td>PW 98-11</td>
<td>Roller hockey rink Phase II</td>
<td>1998</td>
<td>2010</td>
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<td>PW 01-20</td>
<td>2001-2002 Slurry seal of various streets</td>
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<td>2010</td>
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<td>PW 01-04</td>
<td>2000-2001 Slurry seal of various streets</td>
<td>2001</td>
<td>2010</td>
<td>4</td>
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<tr>
<td>PW 98-8</td>
<td>Skid resistant flooring install at Fire Station No. 1</td>
<td>1998</td>
<td>2010</td>
<td>5</td>
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<td>PW 00-3</td>
<td>Refurbishment of recreation park restrooms</td>
<td>2000</td>
<td>2010</td>
<td>5</td>
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<td>Re-Roofing joslyn center community center</td>
<td>1998</td>
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<td>5</td>
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<td>PW 99-5</td>
<td>Douglas St. pavement rehab</td>
<td>1999</td>
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<td>PW 03-06</td>
<td>2002-2003 Slurry seal of various streets</td>
<td>2003</td>
<td>2010</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>
APPROVED FOR DESTRUCTION:

\[\text{Stephan Katerleas}\]
Department Head

\[\text{9-22-10}\]
Date

APPROVED FOR DESTRUCTION:

\[\text{Sara}\]
Deputy City Attorney

\[\text{7-20-2011}\]
Date

I HEREBY CERTIFY that the items listed above are approved for destruction on 

\[\text{____________________}\]
in accordance with City policies and procedures:

\[\text{Cindy Mortesen, City Clerk}\]

\[\text{____________________}\]
Date
CITY OF EL SEGUNDO

RECORDS DESTRUCTION FORM

The records listed below are scheduled to be destroyed, as indicated on the Retention Schedule adopted by the City Council (Resolution 4291 adopted 12/17/02, Amended 06/07/06 by Resolution 4471):

<table>
<thead>
<tr>
<th>Records Description</th>
<th>Start Date</th>
<th>End Date</th>
<th>Box #</th>
<th>Retention Period</th>
<th>Dept</th>
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<tbody>
<tr>
<td>The Lake Cancelled cks</td>
<td>11/2000</td>
<td>04/2004</td>
<td>244516223</td>
<td>7 years</td>
<td>Treasury</td>
</tr>
<tr>
<td>Paramedic</td>
<td>01/2002</td>
<td>09/2003</td>
<td>244516207</td>
<td>7 years</td>
<td>Treasury</td>
</tr>
<tr>
<td>UBOC Deposit Slips</td>
<td>02/2002</td>
<td>09/2002</td>
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</tr>
<tr>
<td>Worker Comp Check Register</td>
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<td>04/2004</td>
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<td>Treasury</td>
</tr>
<tr>
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<td>09/2003</td>
<td>244516208</td>
<td>7 years</td>
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</tr>
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<td>12/2003</td>
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</tr>
<tr>
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<td>12/2003</td>
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<td>UBOC Deposit Slips</td>
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<td>03/2004</td>
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<td>7 years</td>
<td>Treasury</td>
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<td>Union Bank Statement / Wires</td>
<td>10/2003</td>
<td>09/2004</td>
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<td>The Lake - Cancelled check</td>
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<td>04/2004</td>
<td>244516223</td>
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<td>Treasury</td>
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<tr>
<td>Credit Card Rec &amp; Park</td>
<td>03/2003</td>
<td>12/2003</td>
<td>244516206</td>
<td>7 years</td>
<td>Treasury</td>
</tr>
<tr>
<td>Paramedic</td>
<td>01/2002</td>
<td>09/2003</td>
<td>244516207</td>
<td>7 years</td>
<td>Treasury</td>
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<td>UBOC Sweep - Bank Analysis</td>
<td>10/2002</td>
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<td>03/2004</td>
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<td>Treasury</td>
</tr>
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<td>04/2004</td>
<td>09/2004</td>
<td>244516204</td>
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<td>Treasury</td>
</tr>
<tr>
<td>Worker Comp Check Register</td>
<td>10/2002</td>
<td>12/2003</td>
<td>244516253</td>
<td>7 years</td>
<td>Treasury</td>
</tr>
</tbody>
</table>

APPROVED FOR DESTRUCTION:

Ralph E. Laugher
Department Head

7/14/2011

APPROVED FOR DESTRUCTION:

Date

City Attorney

2/20/11

Date

I HEREBY CERTIFY that the items listed above are approved for destruction on

Date

in accordance with City policies and procedures:

Cindy Mortesen, City Clerk

Date
AGENDA DESCRIPTION:
Consideration and possible action to (1) authorize the City Manager to terminate EMAE International Inc.'s control over construction of El Segundo's new Beach Bathroom Facility and Lifeguard Station at El Segundo Beach, (2) direct EMAE International Inc.'s surety, First National Insurance Company of America, to complete the project in accordance with Specification No. PW 10-09, and (3) authorize the City Manager to execute a Takeover Agreement with First National Insurance Company of America in a form approved by the City Attorney to complete construction of the Beach Bathroom Facility and Lifeguard Station at El Segundo Beach Project PW 10-09.
(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:
1. Authorized the City Manager to terminate the EMAE International Inc.'s control over the construction of the Beach Bathroom Facility and Lifeguard Station at El Segundo Beach Project.
2. Direct EMAE International Inc.'s surety, First National Insurance Company of America, to complete the project in accordance with Specification No. PW 10-09.
3. Authorize the City Manager to execute a Takeover Agreement with First National Insurance Company of America, in a form approved by the City Attorney, to complete construction of Beach Bathroom Facility and Lifeguard Station at El Segundo Beach.
4. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: Within Existing Resources

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

ORIGINATED BY: Maryam M. Jonas, Principal Engineer

REVIEWED BY: Stephanie Katsouleas, Public Works Director

APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
On December 7, 2010, City Council awarded a contract for the construction of a new El Segundo beach bathroom facility and lifeguard station to EMAE International, Inc. of Santa Fe Springs,
California for $1,111,000. A Notice to Proceed was issued on January 20, 2011 following submittal and confirmation of proper insurance requirements and other documentation.

On July 5, 2011, public works staff was contacted by an attorney representing EMAE International, stating that EMAE had filed for Chapter 7 bankruptcy. The attorney also indicated that the surety company, First National Insurance Company of America ("Surety"), had been notified and would undertake efforts to complete the project. Subsequently, staff contacted Surety informing them of the bankruptcy and its role in assuming the completion of the project in accordance with Project Specifications and notified and instructed EMAE International, Inc. to return all documentation related to the project to the City.

On July 13th, the city received word from the attorney representing the Surety Company that it had accepted responsibility and requested initiating the takeover process of the contract. The Takeover Agreement between the City and the Surety transfers the responsibility for completing the project from EMAE to First National Insurance Company of America and allows the Surety Company to complete the project using a different contractor. The Surety is required to complete the project for the original contract amount.
AGENDA DESCRIPTION:
Consideration and possible action to grant C.T.&F., Inc. and JFL Electric, Inc. requests to withdraw their bids because of mathematical mistakes in accordance with Public Contract Code Section 5101 and award a standard public works contract to Steiny and Company, Inc. for the installation of Computer Network Equipment (conduits and appurtenances for future I-Net connection) for non-City Hall City facilities. Project No.: PW 10-08
(Fiscal Impact: $280,000.00)

RECOMMENDED COUNCIL ACTION:
1. Grant C.T.&F., Inc. and JFL Electric, Inc. requests to withdraw their bids because of mathematical mistakes in accordance with Public Contract Code Section 5101.
2. Authorize the City Manager to execute a standard public works contract in a form as approved by the City Attorney to Steiny and Company, Inc. in the amount of $255,156.00.
3. Authorize a construction contingency in the amount of $24,844.00 for unforeseen additional work.
4. Alternatively, discuss and take other action related to this item.

ATTACHED SUPPORTING DOCUMENTS:

FISCAL IMPACT: Included in Adopted Budget
Amount Requested: $280,000.00
Additional Appropriation: No
Account Number(s): 301-400-8202-8497

ORIGINATED BY: Maryam M. Jonas, Principal Engineer
REVIEWED BY: Stephanie Katsouelas, Public Works Director
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
On June 7, 2011, the City Council authorized staff to advertise for a project to identify and install 2 and 4 inch PVC conduits to close the gaps in anticipation of fiber optically connecting all City facilities.
On July 12, 2011, the City Clerk received and opened eleven (11) bids as follows:

1. C. T. &F., Inc. $185,219.00
2. J.F.L. Electric, Inc. $185,444.51
3. Steiny and Company, Inc. $255,156.00
4. Garcia Juarez Construction Inc. $295,732.00
5. Hot Line Construction Inc. $297,169.00
6. Freeway Electric Inc. $325,025.00
7. WAR W.A. Rasic Construction $347,948.45
8. Henkels & McCoy $379,166.11
9. VCI Telcom Inc. $381,371.30
10. Northwest Excavating $389,737.33
11. Unitek $557,033.97

Shortly after the public bid opening on July 12, 2011, C.T.&F. Inc. and JFL Electric, Inc. requested that they be relieved from their bid citing that there was a mathematical error in calculating their bids. Staff notified the third lowest responsible bidder, Steiny and Company, Inc. They were in agreement to perform the work and honor their bid amount of $255,156.00. Steiny and Company, Inc. references were verified to confirm their successful experience with similar projects. Staff recommends awarding the contract to the lowest responsible bidder, for $255,156.00.

The total amount of $280,000.00 requested includes the construction contract amount, and an additional $24,844.00 for contingencies.
AGENDA DESCRIPTION:

Consideration and possible action regarding a thirty (30) day provisional appointment extension for the position of Interim Battalion Chief.  

(Fiscal Impact: None)

RECOMMENDED COUNCIL ACTION:

1. Approve the thirty (30) day provisional appointment extension for the position of Interim Battalion Chief;
2. 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):

ORIGINATED BY: Kevin S. Smith, Fire Chief
REVIEWED BY: Kevin S. Smith, Fire Chief
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:

A vacancy for the position of Battalion Chief was created in the Fire Department at the end of 2010 due to a retirement. A permanent appointment to the position could not be made at the time due to an ongoing personnel matter. In an effort to reduce overtime expenditures and to provide a career development opportunity, Fire Captain Richard Guyer was appointed Interim Battalion Chief. Mr. Guyer has been performing the responsibilities of Battalion Chief since February 5, 2011. Staff recommends that Mr. Guyer be approved to continue in the interim position for another thirty (30) days or until a permanent appointment to the position can be made.

In accordance with El Segundo Municipal Code Section 1-6-13(c), no person shall be employed by the City under provisional appointment for more than six (6) months in any fiscal year. The Code further states the provisional appointment may be extended for not more than thirty (30) days with Council approval. Therefore, staff is requesting a thirty (30) day extension through August 31, 2011.
AGENDA DESCRIPTION:
Consideration and possible action regarding the Funding Agreement extending financial assistance to the El Segundo Unified School District (ESUSD) for the purpose of school facilities and programs. (Fiscal Impact: $250,000 annual contribution)

RECOMMENDED COUNCIL ACTION:
1. Direct staff as to funding for ESUSD in the Fiscal Year 2011-2012 preliminary budget
2. Alternatively discuss and take other action related to this item

ATTACHED SUPPORTING DOCUMENTS:
1. In-kind support contribution - Attachment A

FISCAL IMPACT: To be Included in the FY 2011-2012 Adopted Budget

| Amount Budgeted: | $ N/A |
| Additional Appropriation: | N/A |
| Account Number(s): |

ORIGINATED BY: Council Member, Dr. Don Brann
REVIEWED BY: Deborah Cullen, Director of Finance
APPROVED BY: Doug Willmore, City Manager

BACKGROUND AND DISCUSSION:
The City entered into a Funding Agreement with the El Segundo Unified School District on June 19, 2001 to provide annual payments to the District beginning October 1, 2001 and for four years thereafter, in the amount of $250,000. The timetable for the City’s commitment was for a period not to exceed five years and for an amount not to exceed $250,000 per year. Annual extensions to the agreement have been approved by Council in each fiscal year to date.
In FY 2008-2009, the District requested additional funding of $277,000 for the following:

- $45,000 For crossing guards at Richmond Street, Center Street, El Segundo Middle School
- $23,000 to cover the Consolidated Waste solid waste disposal contract
- $59,000 to support custodial services and the transfer of materials between libraries
- $150,000 to offset the cost of TruGreen for landscape maintenance.

Of the requested amount, the City authorized the $250,000 annual payment and an additional one-time payment of $150,000 to offset the cost of TruGreen for landscape maintenance. Also, the City entered into an agreement with ACMS for crossing guard services to be provided to ESUSD schools. The contract amount was not to exceed $100,000 for FY 2009. The City continued funding the crossing guard services totaling approximately $80,000 in FY 2011 and $80,000 will be included in the FY 2011-2012 Preliminary Budget.

In addition to the cash contribution each year, the City has a long standing history of providing in-kind support from the Police Department, Recreation and Parks, Fire Department, Library and Public Works. The in-kind support costs to the City ranges from $427,000 to $800,000 per year.
### CITY OF EL SEGUNDO
#### IN-KIND & OTHER CONTRIBUTIONS TO SCHOOL DISTRICT
"Projected" FISCAL YEAR 2011-12

<table>
<thead>
<tr>
<th>Department</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Department:</td>
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</tr>
<tr>
<td>School Resource Officer</td>
<td>$197,970</td>
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<tr>
<td>100 overtime hours of donated time from Police Depart (football, prom, etc)</td>
<td>35,000</td>
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<td><strong>Police Department Total</strong></td>
<td><strong>232,970</strong></td>
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<tr>
<td>Fire Department - <strong>STILL NEED UPDATE FROM FD</strong></td>
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<td>45 hours of donated straight time from Fire Dept for football games</td>
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<tr>
<td>50 hours of donated straight time from Fire Prevention Inspections (Annual Inspections, sprinklers, etc)</td>
<td>1,980</td>
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<tr>
<td>56 Fire Department emergency responses</td>
<td>5,445</td>
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<tr>
<td>100 hours donated time for Workability Program - Student Worker at Fire Dept.</td>
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<td><strong>Fire Department Total</strong></td>
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<tr>
<td>Recreation and Parks</td>
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<tr>
<td>Maintenance, preparation, utilities at Richmond St. School field</td>
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<td>Maintenance and preparation of Recreation Park Stevenson Field</td>
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<td>Maintenance and preparation of Recreation Park Softball Field</td>
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<td>Lifeguards for Facility Use and Facility Maintenance</td>
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<tr>
<td>Utilities and supplies for Urho Saari Swim Stadium</td>
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<td>Fees waived for Stevenson Field</td>
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<td>Fees waived for George Brett Field</td>
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<td>Fees waived for Aquatics (Urho Saari Swim Stadium)</td>
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<td>Fees waived for Campus El Segundo</td>
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<td>Fees waived for Recreation Parks (Basketball &amp; Tennis Courts)</td>
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<td><strong>Recreation and Parks Total</strong></td>
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<td>Library</td>
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<td>Administration of school libraries</td>
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<td><strong>Library Total</strong></td>
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<td>Community Cable</td>
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<td>School Board Meetings - Live broadcast, replays, and 2 DVD's per meeting</td>
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<tr>
<td>Graduations - ESHS, ESMS and Arena</td>
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<td>ESHS Independent Study Video Class</td>
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<td>ESHS Sports Coverage</td>
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<td>Education Foundation Event Promotion &amp; Event Coverage</td>
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<tr>
<td>Concerts, Plays &amp; Misc events - ESHS, ESMS, Richmond St., and Cester St</td>
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<td><strong>Community Cable Total</strong></td>
<td><strong>27,639</strong></td>
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<tr>
<td>Fuel and maintenance of City vehicles</td>
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<tr>
<td>Total in-kind contributions to School District</td>
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<tr>
<td>Cash contribution</td>
<td>250,000</td>
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<tr>
<td><strong>Grand total contributions</strong></td>
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