



*Mayor Sylvia Ballin • Mayor Pro Tem Robert C. Gonzales  
Councilmember Jesse H. Avila • Councilmember Joel Fajardo • Councilmember Antonio Lopez  
City Manager Brian Saeki*

**SAN FERNANDO CITY COUNCIL**  
**REGULAR MEETING NOTICE & AGENDA**  
**SEPTEMBER 15, 2014 – 6:00 PM**

**COUNCIL CHAMBERS**  
**117 MACNEIL STREET**  
**SAN FERNANDO, CA 91340**

**CALL TO ORDER/ROLL CALL**

**PLEDGE OF ALLEGIANCE**

Police Explorer Michael Hernandez

**APPROVAL OF AGENDA**

**PUBLIC STATEMENTS – WRITTEN/ORAL**

There will be a three (3) minute limitation per each member of the audience who wishes to make comments relating to City Business. Anyone wishing to speak, please fill out the blue form located at the Council Chambers entrance and submit it to the City Clerk. When addressing the City Council please speak into the microphone and voluntarily state your name and address.

**CONSENT CALENDAR**

Items on the Consent Calendar are considered routine and may be disposed of by a single motion to adopt staff recommendation. If the City Council wishes to discuss any item, it should first be removed from the Consent Calendar.

- 1) REQUEST TO APPROVE WARRANT REGISTER NO 14-092**
- 2) CONFLICT OF INTEREST CODE – BIENNIAL REVIEW**

Recommend that the City Council receive and file the 2014 Local Agency Biennial Notice.



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**3) CONSIDERATION TO APPROVE A THREE-YEAR AGREEMENT WITH WINDSTREAM TO PROVIDE T1 VOICE SERVICES**

Recommend that the City Council approve a three-year Service Agreement with Windstream to provide T1 voice services for a base monthly rate of \$3,300 plus applicable taxes, long-distance charges, and additional services as requested by staff.

**4) CONSIDERATION TO ADOPT RESOLUTION NO. 7632 APPOINTING CITY'S REPRESENTATIVES TO THE INDEPENDENT CITIES FINANCE AUTHORITY (ICFA) BOARD OF DIRECTORS**

Recommend that the City Council adopt Resolution No. 7632 re-appointing Mayor Sylvia Ballin as the primary representative, and appointing Finance Director Nick Kimball as the alternate representative to the ICFA Board of Directors.

**5) CONSIDERATION TO ACCEPT A NATIONAL ENDOWMENT FOR THE ARTS GRANT AWARD TO SUPPORT THE CITY OF SAN FERNANDO MARIACHI MASTER APPRENTICE PROGRAM (MMAP)**

Recommend that the City Council accept the \$57,000 grant award by the National Endowment for the Arts (NEA) to support the City of San Fernando MMAP.

**6) CONSIDERATION TO AWARD A PROFESSIONAL SERVICES CONTRACT FOR RADIO COMMUNICATION SYSTEM AND WIRELESS BROADBAND NETWORK MAINTENANCE SERVICES**

Recommend that the City Council:

- a. Approve a five-year Professional Services Agreement (Contract No. 1759) with Advanced Electronics, Inc. for Radio Communication System and Wireless Broadband Network Maintenance Contract Services for a not-to-exceed amount of \$418,230.15 for the duration of the Agreement; and
- b. Authorize the City Manager to execute the contract with Advanced Electronics, Inc.





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**PUBLIC HEARING**

**7) PUBLIC HEARING TO CONSIDER AND APPROVE THE SALE OF SURPLUS CITY-OWNED REAL PROPERTY LOCATED AT 1211 FIRST STREET, SAN FERNANDO, CALIFORNIA SUBJECT TO THE TERM AND CONDITIONS OF A PURCHASE AND SALE AGREEMENT WHICH WILL ALSO BE CONSIDERED FOR APPROVAL AS PART OF THE DISPOSITION OF THE SUBJECT PROPERTY**

Recommend that the City Council:

- a. Open the Public Hearing to Consider the Sale of Real Property Located at 1211 First Street, San Fernando, California and receive the brief introduction of City staff;
- b. Pose questions to City staff and next given persons who submitted proposals for the acquisition of the property an opportunity to address the City Council;
- c. Pose questions to City staff and the various purchaser candidates;
- d. Allow all other members of the public to provide comment and testimony
- e. Pose closing questions to City staff and the various purchaser candidates based on comments or questions raised by the public or any other questions or comments posed by members of the City Council;
- f. Close Public Hearing and commence deliberations. Except as the City Council may otherwise find or determine following the conclusion of the Public Hearing it is preliminarily recommended that the City Council:
  - i. Adopt Resolution No. 7636 designating the property at 1211 First Street (Los Angeles County Assessor's Parcel Number 2520-024-902) as City surplus property;
  - ii. Approve the sale of City-owned property located at 1211 First Street from the City of San Fernando to Aszkenazy Development, Inc. for a sale amount of \$590,000, subject to the terms and conditions of the proposed Purchase and Sale Agreement (Contract No. 1761); and
  - iii. Find that the sale is exempt under California Environmental Quality Act (CEQA) for the reasons stated in this staff report and in the corresponding resolutions; and
  - iv. Direct the City Manager in conjunction with the City Attorney to take all actions necessary to execute the Purchase and Sale Agreement and associated documents.



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**8) PUBLIC HEARING TO CONSIDER AND APPROVE THE SALE OF SURPLUS CITY-OWNED REAL PROPERTY LOCATED AT 519 SOUTH BRAND BOULEVARD, SAN FERNANDO, CALIFORNIA SUBJECT TO THE TERM AND CONDITIONS OF A PURCHASE AND SALE AGREEMENT WHICH WILL ALSO BE CONSIDERED FOR APPROVAL AS PART OF THE DISPOSITION OF THE SUBJECT PROPERTY**

Recommend that the City Council:

- a. Open the Public Hearing to Consider the Sale of Real Property Located at 519 South Brand Boulevard, San Fernando, California and receive the brief introduction of City staff;
- b. Pose questions to City staff and next given persons who submitted proposals for the acquisition of the property an opportunity to address the City Council;
- c. Pose questions to City staff and the various purchaser candidates;
- d. Allow all other members of the public to provide comment and testimony;
- e. Pose closing questions to City staff and the various purchaser candidates based on comments or questions raised by the public or any other questions or comments posed by members of the City Council;
- f. Close Public Hearing and commence deliberations. Except as the City Council may otherwise find or determine following the conclusion of the Public Hearing, it is preliminarily recommended that the City Council:
  - i. Adopt Resolution No. 7635 designating the property at 519 South Brand Boulevard (Los Angeles County Assessor's Parcel Number 2522-012-900) as City surplus property;
  - ii. Approve the sale of City-owned property located at 519 South Brand Boulevard from the City of San Fernando to Kim Segel for a sale amount of \$490,000, subject to the terms and conditions of the proposed Purchase and Sale Agreement (Contract No. 1760);
  - iii. Find that the sale is exempt under California Environmental Quality Act (CEQA) for the reasons stated in this staff report and in the corresponding resolutions; and
  - iv. Direct the City Manager in conjunction with the City Attorney to take all actions necessary to execute the Purchase and Sale Agreement and associated documents.



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**9) CONSIDERATION TO APPROVE A RESOLUTION APPROVING AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA) AND A RESOLUTION APPROVING THE ISSUANCE OF BONDS BY THE CSCDA OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE PENNY'S APARTMENTS AT 1150 SAN FERNANDO ROAD**

Recommend that the City Council:

- a. Conduct a Public Hearing;
- b. Pending public testimony, adopt Resolution No. 7633 approving the CSCDA Amended and Restated Joint Exercise of Power Agreement;
- c. Adopt Resolution No. 7634 approving the proposed issuance of multifamily housing revenue obligations bonds by the CSCDA in an amount not to exceed \$12,000,000 for the benefit of Aszkenazy Development, Inc. (the Borrower); and
- d. Direct the City Manager to take all actions necessary to execute the Joint Exercise of Power Agreement and bond documents.

**ADMINISTRATIVE REPORTS**

**10) CONSIDERATION TO ADOPT A RESOLUTION SUPPORTING COMMERCIAL PROPERTY TAX REFORM**

Recommend that the City Council review, discuss, and provide staff with direction.

**11) PRESENTATION OF MEASURE "A" ANNUAL REPORT**

Recommend that the City Council receive and file this report.

**12) CONSIDERATION TO APPROVE AN AMENDED AGREEMENT FOR COMPREHENSIVE FIRE AND EMERGENCY MEDICAL SERVICES WITH THE CITY OF LOS ANGELES FIRE DEPARTMENT (LAFD)**

Recommend that the City Council:

- a. Void the Agreement for Comprehensive Fire and Emergency Medical Services (Contract No. 1717) with the LAFD, approved by the San Fernando City Council on August 5, 2013;
- b. Approve an Agreement for Comprehensive Fire and Emergency Medical Services (Contract No. 1757) between the City of San Fernando and LAFD;



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- c. Approve Amendment No. 1 (Contract No 1757(a)) to the Agreement for Comprehensive Fire and Emergency Medical Services between the City of San Fernando and LAFD;
- d. Authorize the Mayor to execute said Agreements between the City of San Fernando and LAFD; and
- e. Authorize the City Manager to undertake any activities necessary in order to implement said Agreements.

### COMMITTEE/COMMISSION LIAISON UPDATES

### GENERAL COUNCIL COMMENTS

### STAFF COMMUNICATION

### ADJOURNMENT

*I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting.*

*Julie M. Fernandez, Deputy City Clerk  
Signed and Posted: September 12, 2014 (10:00 am)*

*Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the City's Internet Web site ([www.sfcity.org](http://www.sfcity.org)). These are also available for public reviewing prior to a meeting in the City Clerk's Office. Any public writings distributed by the City Council to at least a majority of the Councilmembers regarding any item on this regular meeting agenda will also be made available at the City Clerk's Office at City Hall located at 117 Macneil Street, San Fernando, CA, 91340 during normal business hours. In addition, the City may also post such documents on the City's Web Site at [www.sfcity.org](http://www.sfcity.org). In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the City Clerk's Office at (818) 898-1204 at least 48 hours prior to the meeting.*

# **Regular Meeting**

# **San Fernando City Council**

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**FINANCE DEPARTMENT****MEMORANDUM**

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Nick Kimball, Finance Director

**DATE:** September 15, 2014

**SUBJECT:** Warrant Register

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**RECOMMENDATION:**

It is recommended that the City Council adopt a Resolution (Attachment "A") approving the Warrant Register.

**BACKGROUND:**

For each City Council meeting the Finance Department prepares a Warrant Register for Council approval. The Register includes all recommended payments for the City. Checks, other than handwritten checks, generally are not released until after the Council approves the Register. The exceptions are for early releases to avoid penalties and interest, excessive delays and in all other circumstances favorable to the City to do so. Handwritten checks are those payments required to be issued between Council meetings such as insurance premiums and tax deposits. Staff reviews requests for expenditures for budgetary approval and then prepares a Warrant Register for Council approval and or ratification. Items such as payroll withholding tax deposits do not require budget approval.

The Finance Director hereby certifies that all requests for expenditures have been signed by the department head, or designee, receiving the merchandise or services thereby stating that the items or services have been received and that the resulting expenditure is appropriate. The Finance Director hereby certifies that each warrant has been reviewed for completeness and that sufficient funds are available for payment of the warrant register.

**ATTACHMENT:**

A. Warrant Register Resolution

**ATTACHMENT "A"****RESOLUTION NO. 14-092****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO ALLOWING AND APPROVING FOR  
PAYMENT DEMANDS PRESENTED ON DEMAND/  
WARRANT REGISTER NO. 14-092****THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY  
RESOLVE, FIND, DETERMINE AND ORDER AS FOLLOWS:**

1. That the demands (EXHIBIT "A") as presented, having been duly audited, for completeness, are hereby allowed and approved for payment in the amounts as shown to designated payees and charged to the appropriate funds as indicated.

2. That the City Clerk shall certify to the adoption of this Resolution and deliver it to the City Treasurer.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

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Sylvia Ballin, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO       )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk

**EXHIBIT "A"**

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09/11/2014 10:34:57AM

**Voucher List**  
**CITY OF SAN FERNANDO**

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Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107183	9/15/2014	100074 AEGIS COMPUTERS INC.	207918		EXCHANGE SERVER UPGRADE FOR N 001-190-0241-4260	6,500.00
					<b>Total :</b>	<b>6,500.00</b>
107184	9/15/2014	100101 VERIZON WIRELESS-LA	270693253		PLANNING CELL PHONES 001-140-0000-4220	5.37
			460851202		001-150-0000-4220	40.49
			561407019		PD CELL PHONES 001-222-0000-4220	208.65
					CITY YARD CELL PHONE & USB MODEM 070-384-0000-4220	35.75
					001-390-0000-4220	21.02
					001-320-0000-4220	21.01
					072-360-0000-4220	0.18
			660629692		001-130-0000-4220	33.86
					VARIOUS CELL PHONES 001-106-0000-4220	36.33
					070-384-0000-4220	24.40
					001-420-0000-4220	47.71
			870422920		PD CELL PHONES AND MDT MODEMS 001-222-0000-4220	953.49
					001-152-0000-4220	114.03
					<b>Total :</b>	<b>1,542.29</b>
107185	9/15/2014	100143 ALONSO, SERGIO	AUG 2014		MMAP INSTRUCTOR 109-424-3656-4260	1,475.00
					<b>Total :</b>	<b>1,475.00</b>
107186	9/15/2014	100221 ORTEGA, SYLVIA	TRAVEL		TRI TECH CONFERENCE ON 09/28-10/0 001-222-0000-4360	231.00
					<b>Total :</b>	<b>231.00</b>
107187	9/15/2014	100222 ARROYO BUILDING MATERIALS, INC	123362		SIDEWALK REPAIR - 1600 CELIS 070-383-0000-4300	58.02
			123771		SIDEWALK REPAIR - 1600 SF RD 070-383-0000-4260	95.95

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107187	9/15/2014	100222 100222 ARROYO BUILDING MATERIALS, INC	(Continued)		<b>Total :</b>	<b>153.97</b>
107188	9/15/2014	100405 BONANZA CONCRETE, INC.	45571		1616 FOURTH - SIDEWALK & DRIVE AP 001-311-0000-4600	534.36
					<b>Total :</b>	<b>534.36</b>
107189	9/15/2014	100562 CALIFORNIA PARK & RECREATION	090214		MEMBERSHIP DUES 001-420-0000-4380	145.00
					<b>Total :</b>	<b>145.00</b>
107190	9/15/2014	100636 CASSELL'S MUSIC	10054		MIC, STAND AND CABLE 001-430-0000-4260	94.01
					<b>Total :</b>	<b>94.01</b>
107191	9/15/2014	100676 R. E. CHARLES PLUMBING, INC.	17044		CLEAR STOPPAGE @ LP PARK 001-390-0460-4330	201.13
			17045		CLEAR STOPPAGE @ PD 001-390-0222-4330	99.00
					<b>Total :</b>	<b>300.13</b>
107192	9/15/2014	100731 CITY OF LOS ANGELES	74WP150000027	11100	FY 14-15 O&M PORTION OF AMALGAM 072-360-0000-4260	156,243.00
			74WP150000028	11099	CAPITAL PORTION OF AMALGAMATED 072-360-0000-4600	82,718.00
					<b>Total :</b>	<b>238,961.00</b>
107193	9/15/2014	100805 COOPER HARDWARE INC.	92946		BACKFLOW REPAIR - 116 SF MISSION 070-383-0301-4300	40.76
			92948		MISC CONCRETE TOOLS 070-383-0000-4340	29.93
			93028		WELL 2A TUBING STRAP & CUALK 070-384-0301-4300	8.01
					<b>Total :</b>	<b>78.70</b>
107194	9/15/2014	100886 LOS ANGELES DAILY NEWS	0010539085		PUBLIC NOTICE - ZONE MAP AMENDM 001-150-0000-4230	358.60
			0010542218		PUBLIC NOTICE OF VARIANCE 201305 001-2205	545.65

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Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107194	9/15/2014	100886 LOS ANGELES DAILY NEWS	(Continued) 0010544393		PUBLIC NOTICE OF CMP PUBLICATION 001-150-0000-4230	339.25
					Total :	1,243.50
107195	9/15/2014	101089 ESCOBAR, MARCO	082714		L P SENIOR PETTY CASH REIMB. 004-2380	126.66
					Total :	126.66
107196	9/15/2014	101302 VERIZON	8181811070		POLICE PAGING 001-222-0000-4220	39.98
			8181811075		CITY HALL PAGING 001-190-0000-4220	39.98
			8181811380		MWD METER 070-384-0000-4220	43.91
			8181973209		PARKS MAJOR PHONE LINES 001-420-0000-4220	1,538.22
			8181973210		PD MAJOR PHONE LINES 001-222-0000-4220	2,517.00
			8181973211		PHONE BILL 001-190-0000-4220	2,585.58
			8183612385		MTA PHONE LINE 007-440-0441-4220	98.26
					001-190-0000-4220	48.39
			8183616728		ENGINEERING FAX LINE 001-310-0000-4220	25.68
			8183617825		HERITAGE PARK IRRIGATION SYSTEM 001-420-0000-4220	48.89
			8183655097		PD NARCOTICS VAULT 001-222-0000-4220	25.71
			8188371509		ANIMAL CONTROL & PW PHONE LINE 001-190-0000-4220	51.58
			8188384969		PD ALARM PANEL 001-222-0000-4220	102.90
			8188981027		POOL FACILITY PHONE LINES 001-430-0000-4220	152.34
			8188987385		LP FAX LINE	

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Bank code :		bank					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
107196	9/15/2014	101302 VERIZON	(Continued)		001-420-0000-4220	18.50	
					Total :	7,336.92	
107197	9/15/2014	101376 GRAINGER, INC.	9521088428		SMALL TOOLS		
					001-320-0000-4340	64.04	
					Total :	64.04	
107198	9/15/2014	101434 GUZMAN, JESUS ALBERTO	AUG 2014		MMAP INSTRUCTOR		
					109-424-3656-4260	2,600.00	
					Total :	2,600.00	
107199	9/15/2014	101512 HDL, COREN & CONE	0020786-IN		CAFR SERVICES-2013-14 CAFR STATIS		
					001-130-0000-4270	695.00	
					Total :	695.00	
107200	9/15/2014	101528 THE HOME DEPOT CRC, ACCT#603532202490	1581268		ELEVATOR FABRICATION FOR CITY HA		
			1581270		001-390-0310-4300	4.69	
			2970806		HARD HATS & GLOVES		
					001-222-0000-4300	67.58	
			6091893		BLINDS		
					001-390-0222-4300	62.20	
			6272041		BIKEWAY MAINT		
					001-390-0470-4300	29.30	
			7530434		FLASHLIGHT, BATTERIES, RIGID CORD		
					070-383-0000-4340	264.87	
			8021447		MAINT SUPPLIES FOR ALL PARKS		
					001-390-0410-4300	51.62	
			8271965		GRAFITTI ABATEMENT SUPPLIES		
					001-152-0000-4300	87.50	
			8271967		SALT		
					070-384-0301-4300	1,105.47	
					TOOLS FOR VAN SAMPLES		
					070-384-0000-4340	124.83	
					070-384-0000-4320	148.03	
					070-383-0000-4340	43.38	
					029-335-0000-4320	39.94	
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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107200	9/15/2014	101528 THE HOME DEPOT CRC, ACCT#603532202490	(Continued) 8271969		RIGID PUMP FOR SHOP VAC 070-384-0000-4320	41.58
			83559		ANCHORS TO HANG FIRST AID KIT BO:	
			9566151		001-390-0222-4300 GRAFITTI ABATEMENT SUPPLIES	17.48
					001-152-0000-4300	282.43
					<b>Total :</b>	<b>2,370.90</b>
107201	9/15/2014	101599 IMAGE 2000 CORPORATION	VN394473		SHARP MX-4111N EQ20799 @ LP PARK	
			VN400618		001-420-0000-4260	108.96
					AFTERSCHOOL PROGRAM CONTRAC1	
					103-420-0000-4260	21.09
					104-420-0000-4260	21.09
			VN401990		COPIERS CONTRACT USAGE 07/19/14	
					103-420-0000-4260	57.59
					104-420-0000-4260	57.60
					001-420-0000-4260	72.93
					001-190-0000-4320	479.46
					072-360-0000-4450	54.73
					001-190-0000-4320	238.05
					<b>Total :</b>	<b>1,111.50</b>
107202	9/15/2014	101605 INDEPENDENT CITIES ASSOCIATION	082214		INSTALLATION CEREMONY	
					001-105-0000-4370	40.00
					001-101-0109-4370	40.00
					001-101-0111-4370	40.00
					<b>Total :</b>	<b>120.00</b>
107203	9/15/2014	101647 INTERSTATE BATTERY	30058838		BATTERY - PD8863	
					001-320-0225-4400	102.88
					<b>Total :</b>	<b>102.88</b>
107204	9/15/2014	101649 INTER-VALLEY POOL SUPPLY, INC	68038		POOL CHEMICALS	
					001-430-0000-4300	1,048.48
			68069		POOL CHEMICALS	
					001-430-0000-4300	705.78
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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107204	9/15/2014	101649 101649 INTER-VALLEY POOL SUPPLY, INC	(Continued)		<b>Total :</b>	<b>1,754.26</b>
107205	9/15/2014	101688 J & R AUDIO	2366		SOUND & TECHNICIANS FOR 08/31/14	
					001-420-0000-4260	1,200.00
					<b>Total :</b>	<b>1,200.00</b>
107206	9/15/2014	101852 LARRY & JOE'S PLUMBING	2606503-0001-02		WELL 2A SOFTNER PARTS	
					070-384-0301-4300	103.36
					<b>Total :</b>	<b>103.36</b>
107207	9/15/2014	102063 MACKAY METERS, INC.	1038140		PARTS FOR NEW MODEL 4000 PARKIN	
					029-335-0301-4300	2,407.07
					<b>Total :</b>	<b>2,407.07</b>
107208	9/15/2014	102226 MISSION LINEN & UNIFORM	140158260		LAUNDRY	
			140158983		001-225-0000-4350	228.57
					LAUNDRY	
			140159552		001-225-0000-4350	262.60
					LAUNDRY	
			140160307		001-225-0000-4350	258.21
					LAUNDRY	
					001-225-0000-4350	262.60
					<b>Total :</b>	<b>1,011.98</b>
107209	9/15/2014	102303 NACHO'S ORNAMENTAL SUPPLY	INV023490		ELEVATOR FABRICATION FOR CITY HA	
			INV023770		001-390-0310-4300	124.41
					ELEVATOR FABRICATION FOR CITY HA	
			INV024032		001-390-0310-4300	23.88
					LINKS TO SECURE BARRELS - EARTH	
					070-384-0000-4320	17.67
					<b>Total :</b>	<b>165.96</b>
107210	9/15/2014	102324 NEGRETE, CONNIE	REIMB		REIMB FOR PURCHASE OF 8GB STOR	
					001-222-0000-4300	54.48
					<b>Total :</b>	<b>54.48</b>
107211	9/15/2014	102410 NORTHRIDGE HOSPITAL MEDICAL	151011530		SART EXAM	
					001-224-0000-4270	730.00
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107211	9/15/2014	102410	102410 NORTHEDGE HOSPITAL MEDICAL	(Continued)		Total : 730.00	
107212	9/15/2014	102432	OFFICE DEPOT		1708008519	LABELS USED FOR MARIJUANA GROW	
					706059944001	001-222-0000-4300	44.08
						FILE STORAGE, TAPE, WIPES, MARKER	61.00
					709512705001	001-150-0000-4300	60.35
						COPY PAPER	
					709512706001	001-420-0000-4300	60.35
						RETURNED ITEM	
					722123088001	001-420-0000-4300	-4.92
						CALCULATOR, RECEIPT BOOK, ERASE	
					725184858001	001-420-0000-4300	49.94
						FILES, PLAQUE, RUBBER BANDS, ETC	
					725184948001	001-310-0000-4300	119.05
						PLOTTER PAPER	
					725651559001	001-310-0000-4300	52.52
						ISOPROPYL ALCOHOL	
					725651676001	001-152-0000-4300	6.00
						COPY PAPER, CARTRIDGE HP LJ	
					725898951001	001-150-0000-4300	164.07
						SUPPLIES	
						001-420-0000-4300	64.57
						004-2359	555.31
						Total :	1,171.97
107213	9/15/2014	102666	PREFERRED DELIVERY SYSTEMS INC		549-93	COURIER SERVICE	
						001-222-0000-4260	206.00
					549-96	COURIER SERVICE	
						001-222-0000-4260	206.00
						Total :	412.00
107214	9/15/2014	102773	RAMIREZ, FEDERICO		REIMB.	REIMB OF CONFERENCE REGISTRATI	
						001-150-0000-4370	500.00
						Total :	500.00
107215	9/15/2014	102800	RED STAR CHARTER & TOURS		216	SR CLUB TRIP - 2ND DEPOSIT FOR EN	
						004-2384	3,825.00

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107215	9/15/2014	102800 102800 RED STAR CHARTER & TOURS	(Continued)			Total :	3,825.00	
107216	9/15/2014	102855 RIO HONDO REGIONAL	F14-17-ZSFN		TRAINING FEE		27.60	
					001-225-0000-4360	Total :	27.60	
107217	9/15/2014	102930 ROYAL WHOLESALE ELECTRIC	8901-702711		EXTERIOR LIGHT FOR WELL 3		774.99	
					070-384-0000-4330	Total :	774.99	
107218	9/15/2014	102967 SCOTT FAZEKAS & ASSOCIATES INC	17683		PLAN CHECK FEES FOR 500 SF RD		2,081.19	
					001-2698	Total :	2,081.19	
107219	9/15/2014	103010 SAM'S CLUB DIRECT, #0402465855179	4185		CAKES		113.97	
			4739		001-424-0000-4300		166.81	
			9266		COFFEE, WATER & PLATES		67.23	
					001-222-0000-4300	Total :	348.01	
107220	9/15/2014	103057 SAN FERNANDO VALLEY SUN	9045		PUBLIC NOTICE OF CITY PROPERTIES		356.25	
					001-150-0000-4230		134.38	
					001-2205		96.88	
					001-150-0000-4230	Total :	587.51	
107221	9/15/2014	103090 SUSAN SAXE-CLIFFORD, PH.D.	14-0826-2		PYSCH EVALUATION		450.00	
					001-222-0000-4260	Total :	450.00	
107222	9/15/2014	103184 SMART & FINAL	103645		WATER		12.57	
			107228		004-2359		103.96	
			112375		SNACKS & BEVERAGES		25.77	
					001-222-0000-4300			
					MOCHA MIX & NEW THERMOMETERS I			
					001-222-0000-4300			

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107222	9/15/2014	103184 SMART & FINAL	(Continued) 116515		MILK & OJ FOR PRISONER MEALS 001-225-0000-4350	4.68
					<b>Total :</b>	<b>146.98</b>
107223	9/15/2014	103206 SOUTHERN CALIFORNIA GAS CO.	176-827-9753		NATURAL GAS FOR CNG STATION 001-320-3661-4402	8,449.98
					<b>Total :</b>	<b>8,449.98</b>
107224	9/15/2014	103349 THE HOUSE OF PRINTING, INC.	148245		BUSINESS CARDS 001-310-0000-4300	140.82
					<b>Total :</b>	<b>140.82</b>
107225	9/15/2014	103445 UNDERGROUND SERVICE ALERT	820140670		(104) NEW USA DIGALERT TICKETS 070-381-0000-4260	156.00
					<b>Total :</b>	<b>156.00</b>
107226	9/15/2014	103449 USA BLUE BOOK	418080		4" WATER LEVEL GAUGE FOR ARROYO 070-384-0000-4320	188.23
					<b>Total :</b>	<b>188.23</b>
107227	9/15/2014	103463 U.S. POSTMASTER	DEMAND		PRESORTED FIRST CLASS POSTAGE - 070-382-0000-4300 072-360-0000-4300	621.23 621.23
					<b>Total :</b>	<b>1,242.46</b>
107228	9/15/2014	103503 UNITED STATES POSTAL SERVICE	15122187		REIMBURSEMENT OF POSTAGE MACH 001-190-0000-4280	1,500.00
					<b>Total :</b>	<b>1,500.00</b>
107229	9/15/2014	103510 V & V MANUFACTURING, INC.	39716		POLICE BADGES & ID CASES 001-222-0000-4300	625.94
					<b>Total :</b>	<b>625.94</b>
107230	9/15/2014	103516 VAIRO, TONY	TRAVEL		TRI TECH CONFERENCE ON 09/28-10/0 001-225-0000-4360	135.00
					<b>Total :</b>	<b>135.00</b>
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107231	9/15/2014	103738 YOSEF AMZALAG SUPPLY	12120678		MAT'LS FOR BACKFLOW REPAIR - 112 : 070-383-0301-4300	68.61
			12120781		MACLAY STREETSCAPE IRRIGATION R 011-311-7510-4300	89.55
			12120796		WELL 2A PARTS FOR SOFTNER 070-384-0301-4300	171.67
			12121078		BIKEWAY PARTS FOR IRRIGATION REF 001-390-0470-4300	13.59
			12121516		CITY HALL WATER IRRIGATION MAIN L 001-390-0310-4300	88.87
					<b>Total :</b>	<b>432.29</b>
107232	9/15/2014	103903 TIME WARNER CABLE	8448200540010328		CABLE - 09/05/14-10/04/14 001-190-0000-4220	64.02
			8448200540010518		CABLE 8/29/14-9/28/14 REC PARK 001-420-0000-4260	197.33
					<b>Total :</b>	<b>261.35</b>
107233	9/15/2014	887121 DELL MARKETING L.P.	XJJ5CW3X7	11093	OFFICE 365 EXCHANGE PLAN 2 001-190-0000-4260	14,229.10
			XJJ5TM8K9	11112	PURCHASE OF A NEW CPU AND SOFT 001-140-0000-4500	82.48
				11112	001-150-0000-4500	164.95
				11112	001-152-0000-4500	82.47
			XJJ5WCF25	11112	PURCHASE OF A NEW CPU AND SOFT 001-140-0000-4500	180.24
				11112	001-150-0000-4500	360.48
				11112	001-152-0000-4500	180.23
			XJT3PXN7		MICROSOFT OFFICE 2013 001-390-0450-4330	241.56
					<b>Total :</b>	<b>15,521.51</b>
107234	9/15/2014	887249 GALLS, LLC	002298954		BULLET PROOF VEST 001-222-0000-4300	501.39
			002354907		CARRIER FOR VEST 001-222-0000-4300	108.99
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107234	9/15/2014	887249 887249 GALLS, LLC	(Continued)			Total : 610.38
107235	9/15/2014	887305 CHAVEZ, JUAN	08/12/14 & 08/16/14		SPORTS OFFICIAL 017-420-1328-4260	176.00
			08/20/14 & 08/23/14		SPORTS OFFICIAL 017-420-1328-4260	160.00
			080914		SPORTS OFFICIAL 017-420-1327-4260	144.00
					Total :	480.00
107236	9/15/2014	887575 SAN FERNANDO EXPLORER POST 521	REIMB		SNACKS & REFRESHMENTS FOR EXPI 001-226-0230-4430	41.17
					Total :	41.17
107237	9/15/2014	887591 TOM BROHARD & ASSOCIATES	2014-31		ON CALL TRAFFIC ENGINEERING & TR 001-346-0000-4260	1,500.00
			2014-35	11117	PROF SERVICES - STOP SIGN REQUE 012-310-0000-4270	3,980.00
					Total :	5,480.00
107238	9/15/2014	887695 AL'S KUBOTA TRACTOR	341402		EQUIP MAINT 001-390-0410-4320	34.34
					Total :	34.34
107239	9/15/2014	887918 MARISCAL JR, MARIO	TRAVEL		TRI TECH CONFERENCE ON 09/28-10/1 001-225-0000-4360	135.00
					Total :	135.00
107240	9/15/2014	887952 J. Z. LAWNMOWER SHOP	10709		REPLACEMENT BLOWER 001-346-0000-4340	184.21
			10716		OIL, CHAINS, SHARPENING, SPRINKLE 001-346-0000-4320	84.93
			10717		EQUIP MAINT 001-390-0410-4320	8.00
			10718		EQUIP MAINT 001-390-0410-4320	60.52
			10719		EQUIP MAINT 001-390-0410-4320	50.00
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107240	9/15/2014	887952 J. Z. LAWNMOWER SHOP	(Continued) 10720		EQUIP MAINT 001-390-0410-4320	25.00
					Total :	412.66
107241	9/15/2014	888075 DATAMATIC, INC.	CA-0000026103		HANDHELD METER READING MAINT - I 070-381-0000-4320	359.16
			IN-0000018464		HANDHELD POWER SUPPLY 070-381-0000-4320	109.61
					Total :	468.77
107242	9/15/2014	888241 UNITED SITE SERVICES OF CA INC	114-2233993		PORTABLE RESTROOM REC PARK 001-420-0000-4260	143.90
					Total :	143.90
107243	9/15/2014	888242 MCI COMM SERVICE	7DK54968		MTA PHONE LINE 007-440-0441-4220	31.58
					Total :	31.58
107244	9/15/2014	888442 WESTERN EXTERMINATOR COMPANY	1934494		PEST CONTROL @ REC PARK 001-390-0410-4260	69.00
					Total :	69.00
107245	9/15/2014	888443 BAVCO	679109		BACKFLOW REPAIR PARTS 001-390-0410-4300	235.00
					070-384-0000-4300	415.04
					Total :	650.04
107246	9/15/2014	888468 MAJOR METROPOLITAN SECURITY	1908		PHONE LINE TROUBLE, CUSTOMER TC 001-390-0450-4330	85.00
					Total :	85.00
107247	9/15/2014	888646 HD SUPPLY WATER WORKS, LTD	C761350		BRASS SADDLES, BALLS, ANGLES & T 070-383-0301-4300	1,344.23
			C797378		SOFT COPPER TUBING 070-383-0301-4300	809.22
			C814395		90 DEGREE ELL 070-383-0301-4300	16.65
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107247	9/15/2014	888646 888646 HD SUPPLY WATER WORKS, LTD	(Continued)			Total : 2,170.10	
107248	9/15/2014	888707 AMERICAN SOCIETY OF COMPOSERS,	500623477		MUSIC LICENSING 001-424-0000-4260	330.25 Total : 330.25	
107249	9/15/2014	888743 COUNTY OF LOS ANGELES	IN0049325		COUNTY HEALTH LICENSE - SF REGIO 001-430-0000-4260	1,190.00 Total : 1,190.00	
107250	9/15/2014	888762 COMMAND CONCRETE CUTTING	11945		TRENCH SAW CUT FOR SERVICE REP 070-383-0000-4260	515.00 Total : 515.00	
107251	9/15/2014	888800 BUSINESS CARD	080714-2 082814 082814 082914 090114		INTERNATIONAL CHARGE FOR PRINT 001-222-0000-4300 ADVERTISEMENT FOR CITY PROGRAM 001-105-0000-4270 001-420-0000-4260 NARCOTICS DISPOSAL 001-224-0000-4270 EXCISE TAX PAYMENT (2013) 001-320-3661-4450 ANNUAL MEMBERSHIP FEE 001-190-0000-4435	2.97 336.00 336.00 148.80 97.64 18.00 Total : 939.41	
107252	9/15/2014	889037 AT&T MOBILITY	875587443		MODEM FOR MESSAGE BOARD 001-310-0000-4220	63.78 Total : 63.78	
107253	9/15/2014	889043 ALADIN JUMPERS	082914		RENTAL OF CHAIRS & TABLES 001-420-0000-4260	100.00 Total : 100.00	
107254	9/15/2014	889114 SEVEN ELK RANCH DESIGN, INC	2370 2392		JULY TREE COMM & ARBORICULUTRA 001-310-0000-4270 AUG TREE COMM & ARBORICULTURAL	200.00 200.00	
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107254	9/15/2014	889114 SEVEN ELK RANCH DESIGN, INC	(Continued)		001-310-0000-4270	300.00
					Total :	500.00
107255	9/15/2014	889118 LDI COLOR TOOLBOX	196864		COPIER MAINTANCE - 07/07/14-08/07/14-001-222-0000-4260	714.36
					Total :	714.36
107256	9/15/2014	889149 STAPLES BUSINESS ADVANTAGE	8030782177		GLOSSY PAPER LASER 001-420-0000-4300	81.01
					Total :	81.01
107257	9/15/2014	889467 YOUNGBLOOD & ASSOCIATES	1429A		POLYGRAPH EXAMINATION 001-222-0000-4260	200.00
					Total :	200.00
107258	9/15/2014	889503 JTB SUPPLY COMPANY, INC.	98028		L.E.D. REPLACEMENT 001-370-0301-4300	464.28
					Total :	464.28
107259	9/15/2014	889532 GILMORE, REVA A.	08/23/14 - 09/05/14		FOOD SERVICE MANAGER 115-422-3750-4270 115-422-3752-4270	500.50 78.00
					Total :	578.50
107260	9/15/2014	889533 MARTINEZ, ANITA	08/23/14 - 09/05/14		ASSISTANT FOOD MANAGER 115-422-3750-4270	162.00
					Total :	162.00
107261	9/15/2014	889534 RAMIREZ, FRANCISCO	08/23/14 - 09/05/14		HDM DRIVER 115-422-3752-4270 115-422-3752-4390	162.00 46.80
					Total :	208.80
107262	9/15/2014	889535 GOMEZ, GILBERT	08/23/14 - 09/05/14		HDM DRIVER 115-422-3752-4270 115-422-3752-4390	162.00 51.48
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107276	9/15/2014	890970 WEX BANK	(Continued)			
					001-320-0152-4402	684.56
					001-320-0221-4402	68.40
					001-320-0222-4402	427.88
					001-320-0225-4402	5,859.98
					001-320-0226-4402	2.00
					001-320-0311-4402	703.46
					001-320-0312-4402	108.10
					001-320-0320-4402	144.70
					001-320-0346-4402	49.73
					001-320-0370-4402	250.26
					001-320-0371-4402	445.15
					001-320-0390-4402	1,300.56
					001-320-0420-4402	4.00
					007-313-3630-4402	2,118.23
					027-344-0000-4402	114.60
					029-335-0000-4402	324.64
					070-381-0000-4402	51.19
					070-382-0000-4402	121.20
					070-383-0000-4402	1,258.54
					070-384-0000-4402	294.61
					072-360-0000-4402	547.93
					001-320-0224-4402	1,040.88
					Total :	15,920.60
107277	9/15/2014	891000 ADEX CORPORATION	54945		4G STYLE BLACK HANDSET	
					001-190-0000-4320	172.20
					Total :	172.20
107278	9/15/2014	891100 GBEWOUYO, PATRICK	080914		SPORTS OFFICIAL	
			081614		017-420-1328-4260	64.00
			082314		SPORTS OFFICIAL	
					017-420-1328-4260	64.00
			082714		SPORTS OFFICIAL	
					017-420-1328-4260	128.00
					SPORTS OFFICIAL	
					017-420-1328-4260	32.00

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107278	9/15/2014	891100 891100 GBEWOUYO, PATRICK	(Continued)			Total :	288.00	
107279	9/15/2014	891102 CERVANTES, BIANCA	080214		SCORE KEEPER			
			080914		017-420-1328-4260	80.00		
					SCORE KEEPER			
					017-420-1328-4260	80.00		
					Total :	160.00		
107280	9/15/2014	891103 TRITECH	IVC4003483	11105	SERVICE AGREEMENT FOR CAD, RMS			
					001-222-0000-4320	25,876.75		
					Total :	25,876.75		
107281	9/15/2014	891121 RIVERA, NICOLE	AUG 2014		MMAP MENTOR/INSTRUCTOR			
			JULY 2014		109-424-3656-4260	180.00		
					MARIACHI MASTER APPRENTICE PRO			
					109-424-3656-4260	255.00		
					Total :	435.00		
107282	9/15/2014	891141 OLIVAREZ MADRUGA, P.C.	12304		LEGAL SERVICES			
					073-110-0000-4270	160.00		
					001-110-0000-4270	11,825.21		
					Total :	11,985.21		
107283	9/15/2014	891220 VAN LANT & FANKHANEL, LLP	082014	11122 11122	FY2013/204 - CITY AUDIT AND RELATEI			
					001-130-0000-4270	7,000.00		
					098-190-0000-4270	5,000.00		
					Total :	12,000.00		
107284	9/15/2014	891234 BOADA, EDDY	072614		SPORTS OFFICIAL			
					017-420-1328-4260	52.00		
					Total :	52.00		
107285	9/15/2014	891311 TORRES, RITA	08/23/14 - 09/05/14		ENP SUBSTITUTE			
					115-422-3750-4270	40.50		
					115-422-3752-4270	4.50		
					Total :	45.00		
107286	9/15/2014	891338 NESTLE PURE LIFE DIRECT	04H0033013574		WATER			

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107286	9/15/2014	891338 NESTLE PURE LIFE DIRECT	(Continued)		001-430-0000-4300	158.96
					Total :	158.96
107287	9/15/2014	891484 BERLOC SIGN CO.	8284		DOOR SIGNS 001-390-0310-4300	152.21
					Total :	152.21
107288	9/15/2014	891533 DEXMEDIA	490003218406		DOMAIN REGISTRATION & E-MAIL HOS 001-190-0000-4220	50.95
					Total :	50.95
107289	9/15/2014	891534 NAVARRO, JUSTINO A	082314		SPORTS OFFICIAL 017-420-1328-4260	80.00
					Total :	80.00
107290	9/15/2014	891549 MONZON, JORGE ALBERTO	073114		SPORTS OFFICIAL 017-420-1328-4260	32.00
			080914		SPORTS OFFICIAL 017-420-1328-4260	80.00
					Total :	112.00
107291	9/15/2014	891587 ABLE MAILING INC.	21015	11123 11123	UTILITY BILLING MAILING SERVICE - S 070-382-0000-4300 072-360-0000-4300	80.78 80.77
					Total :	161.55
107292	9/15/2014	891588 DICKEY, ROBERT T.	09214		SERVICES FOR SCADA PROJECT 070-384-0000-4260	1,620.00
					Total :	1,620.00
107293	9/15/2014	891590 WEH TECHNOLOGIES, INC.	USA005109		NOZZLE UPGRADE (MFR SOLE SOURC 001-320-3661-4500	2,330.00
					Total :	2,330.00
107294	9/15/2014	891591 CRISTALES, CRYSTAL	081614		SPORTS OFFICIAL 017-420-1328-4260	54.00
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107294	9/15/2014	891591 891591 CRISTALES, CRYSTAL	(Continued)			Total : 54.00
107295	9/15/2014	891592 HERNANDEZ, MICHELLE	2000146.001		JUNIOR LIFEGUARD REFUND 001-3733-0000	70.00
					Total :	70.00
107296	9/15/2014	891593 PARRA, GINA	2000147.001		AQUA AEROBICS REFUND 001-3734-0000	20.00
					Total :	20.00
107297	9/15/2014	891594 THR CALIFORNIA LP	52-3702-03		WATER ACCT REFUND - 863 N WORKM 070-2010	83.32
					Total :	83.32
107298	9/15/2014	891595 MEDINA, MARIA	52-4322-03		WATER ACCT REFUND - 1807 GLENOA 070-2010	2.47
					Total :	2.47
107299	9/15/2014	891596 NAJAR, MYRNA	54-2442-12		WATER ACCT REFUND - 920 LUCAS 070-2010	31.42
					Total :	31.42
107300	9/15/2014	891597 EA, KEVIN	62-2772-10		WATER ACCT REFUND - 439 N WORKM 070-2010	33.36
					Total :	33.36
107301	9/15/2014	891598 VILLELA, ROSA MARIA	33-2805-06		WATER ACCT REFUND - 1120 PICO 070-2010	130.13
					Total :	130.13
107302	9/15/2014	891599 THR CALIFORNIA LP	54-1932-03		WATER ACCT REFUND - 814 ALEXANDI 070-2010	120.20
					Total :	120.20
107303	9/15/2014	891600 SANZANA, IVAN	54-1012-05		WATER ACCT REFUND - 1128 SEVENTH 070-2010	83.32
					Total :	83.32
						Page: 20

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CITY OF SAN FERNANDO

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107304	9/15/2014	891601 DAVID LAMONICA, LAW OFFICE OF	37-2505-03		WATER ACCT REFUND - 313 1/2 S BRAI 070-2010	68.54
					<b>Total :</b>	<b>68.54</b>
107305	9/15/2014	891602 MH CAPITAL VENTURES LLC	35-1045-06		WATER ACCT REFUND - 1309 CORONE 070-2010	44.70
					<b>Total :</b>	<b>44.70</b>
107306	9/15/2014	891603 NELSON, JUDITH	43-3250-01		WATER ACCT REFUND - 1707 SECOND 070-2010	80.32
					<b>Total :</b>	<b>80.32</b>
107307	9/15/2014	891604 CASILLAS, EDWARD	43-0970-04		WATER ACCT REFUND - 520 N MEYER 070-2010	16.26
					<b>Total :</b>	<b>16.26</b>
107308	9/15/2014	891605 PEREZ, ADRIAN	31-2670-08		WATER ACCT REFUND - 231 HARDING 070-2010	24.22
					<b>Total :</b>	<b>24.22</b>
107309	9/15/2014	891606 LARRANAGA, EVA	54-2442-13		WATER ACCT REFUND - 920 LUCAS 070-2010	63.60
					<b>Total :</b>	<b>63.60</b>
107310	9/15/2014	891607 VEGA DE NUNO, MARIA	54-2152-04		WATER ACCT REFUND - 824 HAGAR 070-2010	11.57
					<b>Total :</b>	<b>11.57</b>
107311	9/15/2014	891608 ISRAEL, JUSTIN	50-1275-05		WATER ACCT REFUND - 1531 EIGHTH 070-2010	18.07
					<b>Total :</b>	<b>18.07</b>
107312	9/15/2014	891609 SHERATON SAN DIEGO HOTEL	TRAVEL		TRI TECH CONFERENCE ON 09/28-10/C 001-222-0000-4360	896.00
					<b>Total :</b>	<b>896.00</b>
107313	9/15/2014	891609 SHERATON SAN DIEGO HOTEL	TRAVEL		TRI TECH CONFERENCE ON 09/28-10/C 001-225-0000-4360	896.00

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CITY OF SAN FERNANDO

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
107313	9/15/2014	891609 891609 SHERATON SAN DIEGO HOTEL	(Continued)			896.00
					<b>Total :</b>	<b>896.00</b>
131	Vouchers for bank code : bank					<b>Bank total :</b> 420,955.54
131	Vouchers in this report					<b>Total vouchers :</b> 420,955.54

Voucher Registers are not final until approved by Council.

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## HANDWRITTEN CHECKS

vchlist		Voucher List				Page: 1	
09/04/2014 4:27:09PM		CITY OF SAN FERNANDO					
Bank code :		bank					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
106650	8/1/2014	102519 P.E.R.S.	DEMAND		HEALTH INSURANCE BENEFITS - AUGU 001-1160	172,189.52	
					Total :	172,189.52	
106854	8/7/2014	887627 STANDARD INSURANCE	DEMAND		LIFE INSURANCE BENEFIT - AUGUST 2 001-1160	2,718.19	
					Total :	2,718.19	
106855	8/7/2014	890907 DELTA DENTAL OF CALIFORNIA	DEMAND		DENTAL INSURANCE BENEFIT - AUGU 001-1160	11,616.41	
					Total :	11,616.41	
106856	8/7/2014	100940 DELTA CARE USA	DEMAND		DENTAL INSURANCE BENEFIT - AUGU 001-1160	381.81	
					Total :	381.81	
106857	8/7/2014	103596 CALIFORNIA VISION SERVICE PLAN	DEMAND		OPTICAL INSURANCE BENEFIT - AUGU 001-1160	2,466.88	
					Total :	2,466.88	
106858	8/14/2014	103648 CITY OF SAN FERNANDO	PR 08-15-14		REIMBURSEMENT FOR PAYROLL W/E 001-1003	338,201.72	
					007-1003	918.87	
					008-1003	2,755.16	
					010-1003	432.29	
					011-1003	2,289.95	
					012-1003	265.39	
					017-1003	12,903.65	
					018-1003	92,582.90	
					027-1003	2,904.14	
					029-1003	2,317.75	
					070-1003	41,696.55	
					072-1003	13,255.81	
					101-1003	580.63	
					103-1003	738.86	
					104-1003	300.66	
						Page: 1	

vchlist		Voucher List				Page: 2	
09/04/2014 4:27:09PM		CITY OF SAN FERNANDO					
Bank code :		bank					
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount	
106858	8/14/2014	103648 CITY OF SAN FERNANDO	(Continued)			Total :	512,144.33
107002	8/21/2014	103206 SOUTHERN CALIFORNIA GAS CO.	176-827-9753		NATURAL GAS FOR CNG STATION 001-320-3661-4402	7,708.52	
					Total :	7,708.52	
107003	8/21/2014	891571 WESTERN STAMP, INC	31407		3 FAST STAMP SELF-INK FOR PD (RAP 001-222-0000-4300	97.79	
					Total :	97.79	
107004	8/21/2014	891571 WESTERN STAMP, INC	31417		2 PLATE SELF INK STAMP FOR PERSO 001-106-0000-4300	87.65	
					Total :	87.65	
107005	8/28/2014	103648 CITY OF SAN FERNANDO	PR 8-29-14		REIMBURSEMENT FOR PAYROLL W/E 011-1003 012-1003 017-1003 001-1003 007-1003 008-1003 010-1003 018-1003 027-1003 029-1003 070-1003 072-1003 101-1003 103-1003 104-1003	2,351.25 265.40 1,448.83 329,243.06 1,062.86 2,767.99 2,668.09 91,778.29 2,939.39 2,085.51 37,195.82 13,082.74 710.19 4,322.26 4,537.13	
					Total :	496,458.81	
107131	8/29/2014	102930 ROYAL WHOLESALE ELECTRIC	8901-701848	11115	RETROFIT LED FIXTURES W/NEW MAS 029-335-0301-4300 029-335-0301-4300	2,786.40 233.28	
					Total :	3,019.68	
11 Vouchers for bank code :		bank				Bank total :	1,208,889.59
						Page: 2	

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Voucher List

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CITY OF SAN FERNANDO

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
11		Vouchers in this report				
					Total vouchers :	1,208,889.59

Voucher Registers are not final until approved by Council.

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## HANDWRITTEN CHECKS

vchlist Voucher List Page: 1  
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Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
106836	8/4/2014	100916 DEIBEL, PAUL	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	29.15
					Total :	29.15
106837	8/4/2014	101466 HARVEY, DEVERY MICHAEL	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	285.23
					Total :	285.23
106838	8/4/2014	101926 LILES, RICHARD	AUGUST 2014		CALPERS HEALTH INS. REIMB. 070-180-0000-4127 072-180-0000-4127	236.49 236.49
					Total :	472.98
106839	8/4/2014	102126 MARTINEZ, MIGUEL	AUGUST 2014		CALPERS HEALTH INS. REIMB. 070-180-0000-4127	186.88
					Total :	186.88
106840	8/4/2014	102473 ORDELHEIDE, ROBERT	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	402.16
					Total :	402.16
106841	8/4/2014	102864 RIVETTI, DOMINICK	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	180.88
					Total :	180.88
106842	8/4/2014	103175 SKOBIN, ROMELIA	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	246.18
					Total :	246.18
106843	8/4/2014	891013 BRUNWIN, HERBERT	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	29.15
					Total :	29.15
106844	8/4/2014	891021 GUIZA, JENNIE	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	29.15
					Total :	29.15

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vchlist Voucher List Page: 2  
 08/04/2014 3:36:43PM CITY OF SAN FERNANDO

Bank code :		bank				
Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
106845	8/4/2014	891027 LOCKETT, JOANN	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	29.15
					Total :	29.15
106846	8/4/2014	891028 MANTHEY, DONALD	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	183.83
					Total :	183.83
106847	8/4/2014	891031 ORTEGA, JIMMIE	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	58.30
					Total :	58.30
106848	8/4/2014	891032 OTREMBA, EUGENE	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	40.26
					Total :	40.26
106849	8/4/2014	891351 GARCIA, DEBRA	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	274.26
					Total :	274.26
106850	8/4/2014	891352 HADEN, SUSANNA	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	143.76
					Total :	143.76
106851	8/4/2014	891353 PEAVY, JOSEPH	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	186.88
					Total :	186.88
106852	8/4/2014	891354 RAMIREZ, ROSALINDA	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	71.88
					Total :	71.88
106853	8/4/2014	891504 POLLOCK, CHRISTINE	AUGUST 2014		CALPERS HEALTH INS. REIMB. 001-180-0000-4127	34.81
					Total :	34.81
18 Vouchers for bank code : bank						Bank total : 2,884.89

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vchlist

Voucher List

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CITY OF SAN FERNANDO

Bank code : bank

<u>Voucher</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice</u>	<u>PO #</u>	<u>Description/Account</u>	<u>Amount</u>
18		Vouchers in this report			Total vouchers :	2,884.89

Voucher Registers are not final until approved by Council.

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vchlist  
08/04/2014 10:25:00AM

Voucher List  
CITY OF SAN FERNANDO

Page: 3

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
106827	8/4/2014	891017 891017 ELDRIDGE, WANDA	(Continued)			Total : 29.15
106828	8/4/2014	891020 GLASGOW, ROBERT	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	89.77 Total : 89.77
106829	8/4/2014	891023 HATFIELD, JAMES	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	40.26 Total : 40.26
106830	8/4/2014	891024 HOOKER, RAYMOND	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	25.40 Total : 25.40
106831	8/4/2014	891034 RAMSEY, JAMES	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	274.26 Total : 274.26
106832	8/4/2014	891035 SHERWOOD, NINA	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	20.13 Total : 20.13
106833	8/4/2014	891036 WATT, DAVID	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	58.30 Total : 58.30
106834	8/4/2014	891037 WEBB, NANCY	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	137.13 Total : 137.13
106835	8/4/2014	891038 WAITE, CURTIS	AUGUST 2014		CALPERS HEALTH INS REIMB 001-180-0000-4127	45.53 Total : 45.53
27 Vouchers for bank code : bank						Bank total : 3,229.15
27 Vouchers in this report						Total vouchers : 3,229.15

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vchlist  
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Voucher List  
CITY OF SAN FERNANDO

Page: 4

Bank code : bank

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
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Voucher Registers are not final until approved by Council.

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**PLEASE REFER TO  
SUCCESSOR AGENCY  
ITEM #2  
FOR FULL REPORT**

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## FINANCE DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Nick Kimball, Finance Director

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Approve a Three-Year Agreement with Windstream to Provide T1 Voice Services

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#### **RECOMMENDATION:**

It is recommended that the City Council approve a three-year Service Agreement (Attachment “A” – Contract No. 1758) with Windstream to provide T1 voice services for a base monthly rate of \$3,300 plus applicable taxes, long-distance charges, and additional services as requested by staff.

#### **BACKGROUND:**

1. On December 26, 2012, the City Council approved a three-year service agreement with Verizon to provide digital and analog telecommunications services to the City through their CentraNet Services. CentraNet is an arrangement whereby certain basic and optional features are provided from central office switching equipment located on Verizon’s property. The term of the contract was January 29, 2013 through January 29, 2016.
2. Per the Service Continuation provision in the contract, which allows either party to terminate the Agreement by providing 30 days’ notice, Verizon provided notice in early 2014 that, effective June 30, 2014, they would be discontinuing CentraNet Services for all users. To continue receiving digital telecommunications services with Verizon, the City would be required to use Verizon’s Internet Protocol (IP) Integrated Access Services, which is significantly more expensive.
3. Subsequent to receiving notice from Verizon, staff began contacting alternate carriers to receive quotes. Due to the wide variation in service level and the convoluted and technical nature of the quotes received from the various carriers, staff realized it was necessary to engage a consultant to provide professional and technical support through this process.
4. In June 2014, the City engaged the services of Blue Violet Networks through an Administrative

## Consideration to Approve a Three-Year Agreement with Windstream to Provide T1 Voice Services

Page 2

Professional Services Contract to audit all of the City's telecom services, define an optimized telecom specification, determine the carrier best suited to supply that specification, and negotiate pricing for that specification on behalf of the City.

5. Since the City was still evaluating options as the initial June 30, 2014 deadline approached, Verizon agreed to extend the current digital voice services under the existing agreement through September 30, 2014.

**ANALYSIS:**

The telecommunication industry is currently moving away from delivering traditional copper/analog/Primary Rate Interface (PRI) services, which is most likely the impetus for Verizon's decision to discontinue CentraNet Service and migrate those users to IP Integrated Access Services. This industry-wide movement can also be evidenced by AT&T's petition to (and acceptance by) the Federal Communications Commission (FCC) to begin dismantling their nationwide copper/analog/PRI network in favor of a new fiber/digital/IP network.

Unfortunately, there is not yet a truly standardized, universal digital/IP product that can be adequately compared across all carriers. Each carrier has their own proprietary designs, protocols, and features for digital voice products with their own branded name and identity. Consequently, it has become outside the ability of staff to clearly interpret the proposals between carriers to ensure all of the City's needs will be met and only necessary services are purchased.

In June 2014, the City engaged the services of Blue Violet Networks. Blue Violet Networks has the experience and technical expertise required to properly assess the City's current service level, recommend an appropriate service level, evaluate carrier service proposals, manage service transition, and provide on-going support to the City.

Blue Violet Networks conducted a comprehensive review of the City's current service, existing infrastructure and equipment, and telecommunications needs. From this review, Blue Violet Networks produced a Telecommunications Audit Report (Report) and developed a set of specifications that was tailored specifically for San Fernando. These specifications were used to secure competitive quotes from TW Telecom and Windstream. Verizon also submitted a quote based on the City's current service level.

The completed Report (excerpts included as Attachment "B") was presented to staff on August 18, 2014. The Report concluded, through optimizing the use of existing telecommunications resources, the City could save up to \$4,200 per month by switching to Windstream for digital voice service and keeping Verizon for analog voice service.

Due to the unique nature of the telecommunications service market, staff determined that it would be both impossible (extreme and unreasonable difficulty or expense) and incongruous (not suitable to the bid procedure) to release a formal Request for Proposal.

Consideration to Approve a Three-Year Agreement with Windstream to Provide T1 Voice Services  
Page 3

As previously mentioned, each carrier has their own proprietary designs, protocols, and features for digital voice products with their own branded name and identity. The proprietary nature of these networks makes development of standard specifications and apples-to-apples comparisons between carriers extremely and unreasonably difficult (impossible) and un-suitable to typical bid procedures (incongruous).

Additionally, the telecommunications industry is highly regulated and there are a limited number of carriers that have the infrastructure and equipment in place to provide digital and/or analog service within the San Fernando city limits. Due to these regulatory and infrastructure barriers, there are a very limited number of carriers that possess the capability to provide the requested services.

Per Chapter 2, Article VI, Division 6, Subdivision II, Section 2-806(b) titled "Bidding exceptions," which states "... Bidding shall be dispensed with where bidding would be impossible, impractical or incongruous..." and Section 2-806(a), which defines impossible as "actual impossibility or extreme and unreasonable difficulty or expenses," and incongruous as "not suitable to the bid procedure," staff determined this procurement to be excepted from bidding.

Although this procurement was determined to be excepted from bidding, Blue Violet Networks did secure quotes from the primary vendors that have the capability to provide the required services in San Fernando.

**CONCLUSION:**

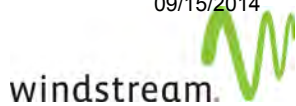
It is recommended that the City Council approve a three-year service agreement with Windstream to provide T1 voice services. By optimizing the City's use of resources, it is estimated that the City could save up to \$4,200 per month.

**BUDGET IMPACT:**

Sufficient funds are included in the Fiscal Year 2014-2015 Adopted Budget (Adopted Budget) to cover the cost of the proposed contract. Approval of this contract will result in savings from the amount projected in the Adopted Budget.

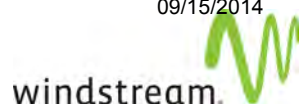
**ATTACHMENTS:**

- A. Contract No. 1758
- B. Excerpts from Telecommunications Audit Report (account numbers redacted)

**PROPOSAL SUMMARY****ATTACHMENT "A"  
CONTRACT NO. 1758****Service Location Listing - Monthly Recurring Charges**

Primary Billing Account City of San Fernando, #5726123  
Quote # 2287285  
Sales ID 507843  
Effective Date 08/21/2014  
MMF \$3,302.90

Location Name & Service Address	Access	Voice	Integrated Voice & Data	Data	Equipment	Value Added Services	Total
City of San Fernando 117 N MACNEIL ST, SAN FERNANDO, CA 91340-2911	\$160.00	\$3.48	\$310.15	\$10.00	\$32.51	\$0.00	<b>\$516.14</b>
City of San Fernando - Police 910 1ST ST, SAN FERNANDO, CA 91340-2928	\$400.00	\$3.48	\$320.15	\$220.00	\$67.51		<b>\$1,011.14</b>
City of San Fernando - Senior Center 208 PARK AVE, SAN FERNANDO, CA 91340-3009	\$0.00	\$391.23					<b>\$391.23</b>
City of San Fernando - Park Gym 505 S Huntington St, SAN FERNANDO, CA 91340-3917	\$0.00	\$387.23					<b>\$387.23</b>
City of San Fernando - Public Works 120 N Macneil St, SAN FERNANDO, CA 91340-2912	\$0.00	\$391.23					<b>\$391.23</b>
City of San Fernando - Westlawn 5549 Westlawn Ave, LOS ANGELES, CA 90066-7010	\$160.00			\$210.00	\$35.00		<b>\$405.00</b>
City of San Fernando - North Hills 9053 Sepulveda Blvd, WESTCHESTER, CA 90045	\$80.00			\$130.00	\$37.32		<b>\$247.32</b>
<b>Total</b>	<b>\$800.00</b>	<b>\$1,176.65</b>	<b>\$630.30</b>	<b>\$570.00</b>	<b>\$172.34</b>	<b>\$0.00</b>	<b>\$3,349.29</b>



# PROPOSAL

## Customer Name

Customer Name	City of San Fernando	EAN (Account Number)	5726123
Install Street Address	117 N MACNEIL ST	City, State, Zip	SAN FERNANDO, CA, 91340-2911
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
Dynamic IP T1	--	2	\$80.00	\$160.00
<b>Dynamic IP Services</b>				
20 DID Station Numbers *	--	5	\$4.00	\$20.00
ADTRAN-TA908E Charge	--	1	\$32.51	\$32.51
Advanced Managed Router Charge	--	1	\$10.00	\$10.00
3 Mb Dynamic IP PortT1 TDM-CAS 0	--	1	\$200.00	\$200.00
FSLC Charge	--	6	\$9.20	\$55.20
IP Direct Trunk Overflow Charge *	--	1	\$34.95	\$34.95
<b>Switched 1+</b>				
National Access Charge - Multi-Line Business *	--	1	\$3.48	\$3.48
<b>Total Features</b>				<b>\$516.14</b>

Usage Rates	Dedicated Rate	Switched Rate	Initial Increment	Additional Increment	Call Rounding
Usage Type					
Regional Long Distance Charges (D)	0.0200 <sup>1</sup>		6 sec	6 sec	2 digit †
Regional Long Distance Charges (S)		0.0200 <sup>1</sup>	6 sec	6 sec	2 digit †
In State Long Distance Charges (D)	0.0200 <sup>1</sup>		6 sec	6 sec	2 digit †
In State Long Distance Charges (S)		0.0200 <sup>1</sup>	6 sec	6 sec	2 digit †
Out of State Long Distance Charges (D)	0.0200 <sup>1</sup>		6 sec	6 sec	2 digit †
Out of State Long Distance Charges (S)		0.0200 <sup>1</sup>	6 sec	6 sec	2 digit †
International Long Distance Charges (D)	Standard International <sup>1</sup>		30 sec	6 sec	2 digit †
Caribbean Long Distance Charges	Standard International <sup>1</sup>	Standard International <sup>1</sup>	30 sec	6 sec	2 digit †
Canadian Long Distance Charge (D)	Standard International <sup>1</sup>		30 sec	6 sec	2 digit †
International Long Distance Charges (S)		Standard International <sup>1</sup>	30 sec	6 sec	2 digit †
Canadian Long Distance Charges (S)		Standard International <sup>1</sup>	30 sec	6 sec	2 digit †
Long Distance Directory Assistance Charges (D)	1.9900 <sup>2</sup>				
Local Measured Service Zone 1 Charges					
Local Measured Service Zone 2 Charges					
Local Measured Service Zone 3 Charges					
Long Distance Directory Assistance Charges (S)		1.9900 <sup>2</sup>			

Promotion Product	Credit Amount	Duration of Credit
Promotional Credit	-1,670.00	1

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
Dynamic IP T1	--	2	\$0.00	\$0.00
<b>Common Voice Features</b>				
LNP	--	20	\$1.25	\$25.00
<b>Dynamic IP Services</b>				
Dynamic IP Port Install	--	1	\$0.00	\$0.00
Data Accessories kit 2 Charge	--	1	\$0.00	\$0.00
Advanced Managed Router Install Charge	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$25.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$516.14</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$25.00</b>

Rates listed within the Usage Rates section are applicable for all locations, unless otherwise noted on the individual Service Location listing in the Usage Rates sub-section.

**Notes:** 1 - Per Minute 2 - Per Call 3 - Per Minute per Participant

\* Rates are subject to change on 30 days notice via bill message on customer's invoice.

\*\* Additional charges apply for all local, long distance and 8XX features, network access charge, router maintenance, CPE maintenance and directory listings. For the current features pricing, go to <http://www.paetec.com/about-us/notice>.

\*\*\* Amounts listed are reasonable approximations based on initial proposal. Actual amounts shall depend on final lease amount set forth in the Customer's Lease Agreement.

† Each call is billed to two decimal places and rounds the billed amount for each call up to the nearest whole cent.

Customer Name			
Customer Name	City of San Fernando - Police	EAN (Account Number)	5726133
Install Street Address	910 1ST ST	City, State, Zip	SAN FERNANDO, CA, 91340-2928
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

Bundled Services	Total Qty	Price/Unit	Total Price
<b>MPLS VPN Bundle</b>			
Bandwidth	4.5(3xT1) Mbps	--	--
Transport NxT1	3	--	--
MPLS VPN	Yes	--	--
<b>Total Services</b>			<b>\$440.00</b>

	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
Dynamic IP T1	--	2	\$80.00	\$160.00
<b>Dynamic IP Services</b>				
20 DID Station Numbers *	--	5	\$4.00	\$20.00
ADTRAN-TA908E Charge	--	1	\$32.51	\$32.51
Advanced Managed Router Charge	--	1	\$10.00	\$10.00
3 Mb Dynamic IP PortT1 TDM-CAS 0	--	1	\$200.00	\$200.00
Expanded Rate Centers Charge *	--	1	\$10.00	\$10.00
FSLC Charge	--	6	\$9.20	\$55.20
IP Direct Trunk Overflow Charge *	--	1	\$34.95	\$34.95
<b>Switched 1+</b>				
National Access Charge - Multi-Line Business *	--	1	\$3.48	\$3.48
<b>VPN</b>				
ADTRAN-4305 Charge	--	1	\$35.00	\$35.00
Advanced Managed Router Charge	--	1	\$10.00	\$10.00
<b>Total Features</b>				<b>\$571.14</b>

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
Dynamic IP T1	--	2	\$0.00	\$0.00
<b>Access Loop</b>				
On Net T1	--	3	\$0.00	\$0.00
<b>Common Voice Features</b>				
LNP	--	1	\$0.00	\$0.00
<b>Dynamic IP Services</b>				
Dynamic IP Port Install	--	1	\$0.00	\$0.00
Data Accessories kit 2 Charge	--	1	\$0.00	\$0.00
Advanced Managed Router Install Charge	--	1	\$0.00	\$0.00
Expanded Rate Centers (DID) Install Charge	--	1	\$0.00	\$0.00
<b>VPN</b>				
Data Accessories kit 1 Charge	--	1	\$0.00	\$0.00
Advanced Managed Router Install Charge	--	1	\$0.00	\$0.00
Data Installation Charge	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$0.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$1,011.14</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$0.00</b>

Customer Name			
Customer Name	City of San Fernando - Senior Center	EAN (Account Number)	5726136
Install Street Address	208 PARK AVE	City, State, Zip	SAN FERNANDO, CA, 91340-3009
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Switched 1+</b>				
National Access Charge - Multi-Line Business *	--	1	\$3.48	\$3.48
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$120.00	\$120.00
20 DID Station Numbers *	--	3	\$4.00	\$12.00
Direct Trunk Overflow Charge *	--	1	\$34.95	\$34.95
FSLC Charge *	--	24	\$9.20	\$220.80
<b>Total Features</b>				<b>\$391.23</b>

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Common Voice Features</b>				
LNP	--	20	\$1.25	\$25.00
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$0.00	\$0.00
Direct Trunk Overflow (DTO)	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$25.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$391.23</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$25.00</b>

Customer Name			
Customer Name	City of San Fernando - Park Gym	EAN (Account Number)	5726138
Install Street Address	505 S Huntington St	City, State, Zip	SAN FERNANDO, CA, 91340-3917
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Switched 1+</b>				
National Access Charge - Multi-Line Business *	--	1	\$3.48	\$3.48
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$120.00	\$120.00
20 DID Station Numbers *	--	2	\$4.00	\$8.00
Direct Trunk Overflow Charge *	--	1	\$34.95	\$34.95
FSLC Charge *	--	24	\$9.20	\$220.80
<b>Total Features</b>				<b>\$387.23</b>



Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Common Voice Features</b>				
LNP	--	1	\$0.00	\$0.00
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$0.00	\$0.00
Direct Trunk Overflow (DTO)	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$0.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$387.23</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$0.00</b>

Customer Name			
Customer Name	City of San Fernando - Public Works	EAN (Account Number)	5727352
Install Street Address	120 N Macneil St	City, State, Zip	SAN FERNANDO, CA, 91340-2912
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Switched 1+</b>				
National Access Charge - Multi-Line Business *	--	1	\$3.48	\$3.48
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$120.00	\$120.00
20 DID Station Numbers *	--	3	\$4.00	\$12.00
Direct Trunk Overflow Charge *	--	1	\$34.95	\$34.95
FSLC Charge *	--	24	\$9.20	\$220.80
<b>Total Features</b>				<b>\$391.23</b>

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>Common Voice Features</b>				
LNP	--	1	\$0.00	\$0.00
<b>Trunks</b>				
2 Way Trunk Port	--	1	\$0.00	\$0.00
Direct Trunk Overflow (DTO)	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$0.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$391.23</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$0.00</b>

**Customer Name**

Customer Name	City of San Fernando - Westlawn	EAN (Account Number)	5756718
Install Street Address	5549 Westlawn Ave	City, State, Zip	LOS ANGELES, CA, 90066-7010
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

**Bundled Services****Total Qty****Price/Unit****Total Price****MPLS VPN Bundle**

Bandwidth	3.0(2xT1) Mbps	--	--
Transport NxT1	2	--	--
MPLS VPN	Yes	--	--
<b>Total Services</b>			<b>\$360.00</b>

	Included	Total Qty	Price/Unit	Total Price
<b>VPN</b>				
ADTRAN-NET 3448-2T1 Charge	--	1	\$35.00	\$35.00
Advanced Managed Router Charge	--	1	\$10.00	\$10.00
<b>Total Features</b>				<b>\$45.00</b>

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	2	\$0.00	\$0.00
<b>VPN</b>				
Data Accessories kit 1 Charge	--	1	\$0.00	\$0.00
Advanced Managed Router Install Charge	--	1	\$0.00	\$0.00
Data Installation Charge	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$0.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$405.00</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$0.00</b>

**Customer Name**

Customer Name	City of San Fernando - North Hills	EAN (Account Number)	5756733
Install Street Address	9053 Sepulveda Blvd	City, State, Zip	WESTCHESTER, CA, 90045
Opportunity ID	857276	Proposal / Quote ID	2287285
Contract Term	36	Service Order Type	New
Effective Date	08/21/2014		

**Bundled Services****Total Qty****Price/Unit****Total Price****MPLS VPN Bundle**

Bandwidth	1.5 Mbps	--	--
Transport T1	1	--	--
MPLS VPN	Yes	--	--
<b>Total Services</b>			<b>\$200.00</b>

	Included	Total Qty	Price/Unit	Total Price
<b>VPN</b>				
ADTRAN-NET 3448-1T1 Charge	--	1	\$37.32	\$37.32
Advanced Managed Router Charge	--	1	\$10.00	\$10.00
<b>Total Features</b>				<b>\$47.32</b>

Other Charges (Non-Recurring)	Included	Total Qty	Price/Unit	Total Price
<b>Access Loop</b>				
On Net T1	--	1	\$0.00	\$0.00
<b>VPN</b>				
Data Accessories kit 1 Charge	--	1	\$0.00	\$0.00
Advanced Managed Router Install Charge	--	1	\$0.00	\$0.00
Data Installation Charge	--	1	\$0.00	\$0.00
<b>Total Other Charges (Non-Recurring)</b>				<b>\$0.00</b>

Total Location Solution	Total Price
<b>Total Location Monthly Recurring Charges</b>	<b>\$247.32</b>
<b>Total Location Non-Recurring Charges</b>	<b>\$0.00</b>

Total Solution	Total Price
<b>Total Monthly Recurring Charges</b>	<b>\$3,349.29</b>
<b>Total Non-Recurring Charges</b>	<b>\$50.00</b>
<b>Minimum Monthly Fee</b>	<b>\$3,302.90</b>

### Service Information

This Proposal is subject to and controlled by the Windstream Service Terms and Conditions, which are incorporated herein by reference and attached hereto. Your signature constitutes your acceptance of the Proposal and your agreement to Windstream's Service Terms and Conditions.

CUSTOMER	
Signature:	
Printed Name:	
Title:	
Date:	

WINDSTREAM	
Signature:	
Printed Name:	
Title:	
Date:	



## WINDSTREAM SERVICE TERMS AND CONDITIONS

These terms and conditions apply to the provision of all telecommunications and related services ("Services") by Windstream<sup>1</sup> ("Windstream") to Customer under the proposal to which these terms and conditions are a part. These terms and conditions and Customer's proposal/sales order, and any service specific schedules form the agreement ("Agreement"). The Services will be offered in each area to the Customer by the Windstream affiliated entity authorized to provide the Services in the applicable jurisdiction.

1. **Term and Renewal.** This Agreement is effective on the date identified on the proposal ("Effective Date") and will continue for the term set forth in the proposal from the date that Services are installed until either terminated pursuant to the provisions below or replaced with a new agreement (the "Term"). Upon expiration of the Term, **this Agreement will automatically renew for successive one-year terms** (each, a "Renewal Term") until terminated or cancelled pursuant to its terms. In the event a Customer provides written notice of its intent not to renew but does not terminate Services hereunder, Windstream shall have the option of continuing to provide such Services on a month-to-month basis, priced at Windstream's then current monthly rates.
2. **Charges for Services; Billing and Payment.** Customer is responsible for paying all charges that apply to the Services ordered on a proposal or used on a per-use basis by Customer, including items such as features, installation, labor, repair, long distance, and directory or operator assistance as specified on the proposal or set forth in Windstream's Price Lists or Tariffs. Customer is responsible for taxes, surcharges, fees, and assessments that apply to the sale and use of Services, including how those may change in the future and regardless of whether such charges are identified in the Agreement. Windstream will bill Customer monthly for the Service, and all bills are due and payable upon receipt. Payment will be considered late if not paid within thirty (30) days from the date of invoice. All amounts payable by Customer shall be made without setoff or counterclaim and without deduction. Billing at a location will begin upon the earlier of (i) the installation date (which may be the date administrative access to certain software-based Services is granted to Customer); (ii) thirty (30) days after delivery of the applicable facility and/or equipment to the Customer premises (if the delay in connection of the facility and/or equipment is due to Customer or its agent); (iii) the date the Company notifies a Customer that Service is available for use by Customer; (iv) the date that Service would have been available for use by Customer if Customer had fulfilled its performance obligations required to provision the Service; or (v) the date that installation of MPLS services is complete at the second site in an MPLS network; however, Windstream may choose to bill in full monthly increments with no proration for partial service periods when Service either starts or ends in the middle of a billing cycle. If installation of off-net Services is delayed due to action or inaction by Customer, then Customer shall be responsible for all associated third-party provider charges. In certain service areas, paper bills are available only upon request and for a monthly charge and billing for usage will round up to the next cent. If Customer authorizes payment by credit or debit card, then Windstream will not obtain further consent or provide additional notice before invoicing the credit or debit card for all amounts due and owing. **WINDSTREAM RESERVES THE RIGHT TO INCREASE OR DECREASE MONTHLY RECURRING CHARGES ("MRCS") ON AT LEAST THIRTY 30 DAYS' NOTICE AND OTHER RATES AT ANY TIME.**
3. **Service Outage Credits.** For Windstream's business-grade local and long distance voice telecommunications services, T1 and higher facility network Internet access and private networking services, Customer will receive a credit of 1/30th of the MRC for that month for each day that Customer has a Service Outage, defined below. Only the Service affected by the Service Outage will be eligible for a credit. Credit is based upon the length of time Customer is without Service. Credits in any single month cannot exceed the MRCs for Service that was affected by a Service Outage in that month. For purposes of this Agreement, a "Service Outage" is defined as the complete inability to: (i) make or receive calls; (ii) access the Internet for the purpose of sending or receiving Internet traffic; or (iii) send or receive data across a Windstream supported private network. In the event Customer rents equipment from Windstream, such equipment shall not be considered "Services" for purposes of service credits under this Agreement.
4. **Disputes.** To dispute a bill, Customer must do so in good faith and deliver to Windstream in writing the specific basis for such dispute within sixty (60) days after the date on the bill. If Customer does not follow this dispute process, the dispute shall be deemed waived.
5. **Partial Payments; Late Payments.** Windstream may accept any payments Customer marks as being "payment in full" or as being settlement of any dispute without waiving any rights Windstream has to collect the full payments from Customer. Customer is responsible for paying all costs and fees Windstream incurs as a result of collecting Customer's unpaid charges. If Windstream does not receive full payment when due or does not receive payment in immediately available funds, Windstream will add a late payment fee to the amounts owed and will calculate such fee as the total owed times interest at the maximum rate allowable by law.
6. **Credit and Deposits.** Customer authorizes Windstream to ask credit-reporting agencies for Customer's credit information. Windstream may require Customer to submit an initial security deposit and/or advance payment and an additional deposit and/or advance payment if Customer increases Services, Customer is late on payment, or Customer's credit rating changes. The deposit will be refunded if satisfactory credit has been established or upon termination of this Agreement for any reason, except that Windstream at its discretion may apply the deposit to any amount due and unpaid by Customer.
7. **Services Location; Moves.** Customer is responsible for providing an environment that is suitable for the Services, including equipment that is compatible with Windstream's network. Customer shall provide Windstream with the correct address to obtain Services, because Windstream relies on such information to determine which taxes, fees, surcharges and assessments apply to the Services. If Customer does not provide a valid address, Customer will be responsible for any resulting taxes, fees, surcharges, assessments and penalties related thereto. Customer will notify Windstream if Customer's address changes, in which case Windstream may either (a) terminate the affected Services, or (b) allow Customer to provide sixty (60) days' advance notice to Windstream to move Services to a new location and pay any applicable installation charges. Customer will enter into a new agreement for such new location, or Windstream will apply the liquidated damages set forth in Section 15 for the terminated location. Charges, including reasonable administrative costs and fees incurred by Windstream may apply as a result of Customer's move, in addition to a change in MRCs.
8. **Windstream-Provided and Owned Equipment.** Any equipment installed by Windstream on Customer's premises that is not the subject of a sale to Customer (such as the CSU/DSU, interface cards, Channel Bank and routers, if applicable) shall remain at all times the property of Windstream. Equipment shall remain in good condition, less normal wear and tear. Windstream shall be responsible for the maintenance and repair of the equipment unless it is damaged as a result of the action or inaction of Customer or its employees or agents, in which case Customer shall reimburse Windstream for the cost of any necessary repairs. Customer shall provide Windstream reasonable access to the equipment for purposes of repair, maintenance, removal or otherwise. If Windstream does not have access to Customer's premises within thirty (30) days after Customer terminates this Agreement, or if Windstream requests Customer return the equipment and Customer does not return the equipment to Windstream within thirty (30) days of termination, Customer shall reimburse Windstream for the full purchase price of the equipment as well as any attorney's fees and costs. Customer shall pack and ship the equipment in such a way so as to limit and/or avoid damage to the equipment. In the event the equipment is damaged in shipping, Customer shall be responsible for the cost to replace the equipment.

<sup>1</sup>Windstream is defined for purposes of this Agreement to mean Windstream Communications, Inc. or such authorized Windstream affiliated entity providing Services to Customer as identified on Customer's bill.

- 9. Disconnection of Current Provider; Special Construction; Third Party Charges.** Customer is solely responsible for disconnecting Services with its current service provider. Windstream is not responsible for any charges assessed against Customer by such provider. Customer shall pay all charges if Windstream or a third party provider is required to extend the demarcation point or undertake special construction for Customer. Unless Windstream specifically agrees in writing to undertake equipment installation and maintenance work, Customer is responsible for all charges assessed by its phone system vendor and other third parties in connection with the installation of the Services and Windstream shall have no responsibility for maintenance or repair of same.
- 10. Third Party Software.** As part of the Services, Customer may be allowed to use certain software and related documentation developed and owned by Windstream's third-party software licensors (collectively, the "Software"). This Software is neither sold nor distributed to Customer and Customer may use it solely as part of the Services and for no other purpose. Customer may not and agrees not to: (i) transfer such Software outside the Services or to any other person or entity; (ii) make copies of the Software, either through a virtual snapshot of the server containing the Software or otherwise; or (iii) transfer the Software outside of Windstream's infrastructure and/or premises. Further, Customer agrees to provide Windstream with evidence that its use of the Software is in compliance with the Agreement and/or third-party software licensor's terms from time to time during the Term as requested by Windstream. If Customer fails to provide such evidence when requested, or is otherwise not in compliance with the Agreement and/or third-party software licensor's terms, Windstream may, at its sole option suspend or terminate the Services that include the Software. For the avoidance of doubt, Windstream's Software licensors are not responsible for providing any support in connection with the Services or the Software.
- 11. Google. IF CUSTOMER SUBSCRIBES TO GOOGLE SERVICES THROUGH WINDSTREAM, CUSTOMER WILL BE REQUIRED TO COMPLETE A CLICK-THROUGH AGREEMENT FOR THE GOOGLE LICENSE POSTED AT [http://www.windstream.com/legal/Google\\_Apps\\_Premier\\_Edition\\_License.pdf](http://www.windstream.com/legal/Google_Apps_Premier_Edition_License.pdf) PRIOR TO USING THE RELEVANT SERVICES.** Windstream may cancel Google Services at any time on thirty (30) days' notice and, at Windstream's option, may either terminate such Google Services altogether or move Customer to a similar platform. In the event that Windstream or Customer terminates the Google Services or downgrades or cancels Google Services, Customer is solely responsible for downloading all of its information to its computer within thirty (30) days.
- 12. Government Funding.** Customer must notify Windstream of all restrictions, requirements and reporting obligations to which Windstream could become subject pursuant to any government program before Windstream provisions Services to Customer. Customer will not use such funds, including stimulus funds, grants or loans, in whole or in part, to support its performance under this Agreement without Windstream's prior written consent regarding any specifically applicable terms. If Customer fails to provide such prior written notice to Windstream of government funding or if Windstream does not consent to the use of such funding, then Windstream has the right, in its sole discretion, to reject any order or terminate this Agreement and/or any applicable Services, without liability or obligation to Windstream. If Customer requests government funds for payment of Services under this Agreement and such funding request is denied, Customer shall remain responsible for one-hundred percent (100%) of the cost of Services.
- 13. Documents Incorporated by Reference; Entire Agreement; Counterparts; Execution. THIS AGREEMENT IS SUBJECT TO AND INCORPORATES THE FOLLOWING BY REFERENCE, AS THEY MAY CHANGE FROM TIME TO TIME: (I) THE TERMS AND CONDITIONS OF THE TARIFFS FILED WITH STATE PUBLIC SERVICE COMMISSIONS; (II) THE FCC OR STATE WEB-POSTED PRICE LISTS OR TERMS AND CONDITIONS (EITHER "PRICE LISTS") POSTED AT <http://windstream.com/documents/detariffedservices.pdf>; (III) FOR INTERNET, THE "ACCEPTABLE USE POLICY" POSTED AT <http://www2.windstream.net/customersupport/usersguide/accept/accept.html> AND THE "PRIVACY POLICY" POSTED AT <http://www.windstream.com/privacy.aspx>; (IV) IF CUSTOMER IS OBTAINING CERTAIN VALUE-ADDED SERVICES (I.E., ONLINE BACK UP SERVICES, TECH HELP, ETC), CUSTOMER WILL BE REQUIRED TO CLICK-THROUGH AGREEMENTS RELATED TO THOSE SERVICES (CLICK-THROUGHS) PRIOR TO ACCESSING SUCH SERVICE, WHICH SHALL BE DEEMED PART OF THIS AGREEMENT; AND (V) THIRD PARTY SOFTWARE TERMS, IF APPLICABLE.** This Agreement, the documents incorporated by reference and any addendums entered between the parties constitute the parties' entire Agreement. This Agreement may be amended only in a writing signed by authorized representatives of each party. This Agreement and its incorporated documents supersede any and all statements or promises made to Customer by any Windstream employee or agent. In the event of any conflict between the provisions of this Agreement and any of the documents incorporated by reference, the provisions of the Google License shall control for Google Services, followed by the Tariffs and Price Lists or Value-Added Services click-through agreements for applicable Services, this Agreement and then the Acceptable Use and Privacy policies. This Agreement may be signed in counterparts, and facsimile or electronic scanned copies may be treated as original signatures. Windstream also may execute this Agreement via a verifiable electronic signature.
- 14. Termination.** Either party may terminate this Agreement by providing at least thirty (30) days' notice prior to the end of the initial Term or a Renewal Term, or if the other party is in breach of any material provision of this Agreement and such other party fails to cure within thirty (30) days after written notice. Notwithstanding, unless prohibited by law, in the event of nonpayment, the breaching party shall have ten (10) days to cure after written notice. Customer's right to terminate for cause is limited to termination of the affected Services at the affected location only. In the event Customer rents equipment from Windstream and Customer terminates network Services pursuant to this section, Customer shall remain obligated to fulfill the remainder of the applicable equipment schedule term. Windstream may limit, interrupt or terminate Services immediately if: (a) after any required notice, Customer has not paid for Services; or (b) Customer uses the Services in an adverse manner that affects Windstream's network or other customers; or (c) Customer or others have used the Services fraudulently or unlawfully while on Customer's premises or while the Services are under Customer's control; or (d) Customer or others use the Services in an excessive, abusive, or unreasonable manner that is not customary for the type of Services; or (e) Customer resells any Services or uses the Services to aggregate other persons' traffic; or (f) Customer uses the Services for its own end users and/or customers as a telecommunications provider or any other kind of provider. In addition to the termination rights of Windstream set forth above, if Customer or others use the Services in an excessive, abusive, or unreasonable manner that is not customary for the type of Services (including, but not limited to, circumstances in which Windstream is receiving traffic from Customer that originates from a location other than the local calling area associated with the customer's service location, when ten percent (10%) or more of Customer's calls are six (6) seconds or less, and/or when more than forty percent (40%) of call attempts are uncompleted per trunk group and DS0/DS0 equivalent), Windstream may: (v) charge long-distance charges for such traffic and any additional charges necessary to recoup its administrative costs and any charges from other carriers; (w) charge an additional price per minute in Windstream's discretion for each call that violates this provision; (x) restrict or cancel use or convert customer to another plan; (y) require customer to pay for the excessive use immediately and make a deposit; and/or (z) void any applicable price guarantee. Windstream may restore service if customer corrects the violation and pays all outstanding amounts owed, including restoration charges. For Ethernet Internet Access services and MPLS - Virtual Private Network/Virtual LAN Services, Windstream shall verify the availability of facilities, and in the event that Windstream determines in its sole discretion that facilities are not economically or technically feasible, Windstream has the right to terminate this Agreement without liability.
- 15. Effect of Termination.**
- a. Pre-Installation- If Customer terminates this Agreement after the Effective Date but prior to the installation of Service(s), Customer will pay Windstream a Pre-Installation Cancellation Charge ("Cancellation Charge") equal to three (3) months of MRCs except that if Windstream's costs to other providers are greater than this amount, Customer shall also reimburse Windstream for such costs. Customer agrees that the Cancellation Charge is a reasonable measure of the administrative costs and other fees incurred by Windstream to prepare for installation. The Cancellation Charge set forth in this Section 15(a) is in lieu of the charges set forth in 15(b) below for post-installation cancellations.

b. **CUSTOMER UNDERSTANDS THAT ITS RATES ARE BASED UPON ITS COMMITMENT TO PURCHASE SERVICES FOR THE TERM OR RENEWAL TERM. AS SUCH, IF CUSTOMER TERMINATES THIS AGREEMENT OR ANY SERVICES PROVIDED HEREUNDER AFTER INSTALLATION DURING THE INITIAL OR RENEWAL TERM FOR ANY REASON OTHER THAN FOR CAUSE, OR AS A RESULT OF WINDSTREAM'S TERMINATION FOR CUSTOMER'S BREACH, CUSTOMER SHALL PAY TO WINDSTREAM AS LIQUIDATED DAMAGES, AND NOT AS A PENALTY, AN AMOUNT EQUAL TO ONE HUNDRED PERCENT (100%) OF THE MRCS APPLICABLE TO THE TERMINATED SERVICES MULTIPLIED BY THE NUMBER OF MONTHS REMAINING IN THE THEN-CURRENT TERM OR RENEWAL TERM ("LIQUIDATED DAMAGES"). CUSTOMER ACKNOWLEDGES THAT ACTUAL DAMAGES WOULD BE DIFFICULT TO DETERMINE AND SUCH LIQUIDATED DAMAGES REPRESENT A FAIR AND REASONABLE ESTIMATE OF THE DAMAGES WHICH MAY BE INCURRED BY WINDSTREAM, INCLUDING BUT NOT LIMITED TO ACTUAL EXPENSES INCURRED BY WINDSTREAM TO INITIATE OR TERMINATE THE SERVICES, THIRD PARTY COSTS, USE OF LIMITED NETWORK RESOURCES, INSTALLATION CHARGES WAIVED AND ANY DISCOUNTS OR CREDITS GRANTED.** If Customer's proposal includes Monthly Minimum Charges or Fees ("MMCs" or "MMFs") and Customer terminates or disconnects less than the entirety of its Services such that its actual usage at a location falls below the MMC or MMF for that location, Customer will pay the MMC or MMF every month in lieu of the Liquidated Damages set forth above. If Customer's proposal *does not* include MMCs or MMFs and Customer terminates or disconnects less than the entirety of its Services such that its actual usage at a location falls below fifty percent (50%) of its original contracted rate for that location, Customer will pay fifty percent (50%) of the MRCs every month in lieu of the Liquidated Damages set forth above. Additionally, if Customer received a bundled rate for the disconnected Service(s), then Customer's charges may be adjusted by Windstream to the unbundled service rates.

16. **Limitation of Liability. FOR PURPOSES OF THIS SECTION, AND THE FOLLOWING SECTIONS DESCRIBING INDEMNITY, DISCLAIMER OF WARRANTIES, AND EMERGENCY. CRITICAL LINES SECTIONS, "WINDSTREAM" INCLUDES ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUBCONTRACTORS, VENDORS, AND ANY ENTITY ON WHICH BEHALF WINDSTREAM RESELLS SERVICES.**

A. **WINDSTREAM'S LIABILITY FOR SERVICES PROVIDED UNDER THIS AGREEMENT WILL NOT EXCEED THE LESSER OF: (I) CUSTOMER'S MRCS DURING THE PERIOD IN WHICH THE DAMAGE OCCURS, OR (II) CUSTOMER'S MRCS MULTIPLIED BY SIX (6). IF CUSTOMER'S SERVICE IS INTERRUPTED, WINDSTREAM'S LIABILITY WILL BE LIMITED TO A PRO-RATA CREDIT FOR THE PERIOD OF INTERRUPTION. CUSTOMER AGREES THAT THE PRICING OF SERVICES REFLECTS THE INTENT OF THE PARTIES TO LIMIT WINDSTREAM'S LIABILITY AS PROVIDED HEREIN. UNDER NO CIRCUMSTANCES WILL WINDSTREAM BE LIABLE FOR ANY ACCIDENT OR INJURY CAUSED BY SERVICES, ANY INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES (SUCH AS LOST PROFITS, LOST BUSINESS OPPORTUNITIES, BUSINESS INTERRUPTION, LOSS OF BUSINESS DATA), ANY PUNITIVE OR EXEMPLARY DAMAGES, THE COST OF ALTERNATIVE SERVICE, OR ATTORNEY'S FEES OR FOR ANY DELAY OR FAILURE TO PERFORM UNDER THIS AGREEMENT (INCLUDING BUT NOT LIMITED TO SERVICE INTERRUPTIONS) DUE TO CAUSES BEYOND WINDSTREAM'S REASONABLE CONTROL. WINDSTREAM IS NOT RESPONSIBLE OR LIABLE IF SERVICES ARE LOST, STOLEN OR MISUSED, EXCEPT WHEN DUE SOLELY TO WINDSTREAM'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. CUSTOMER IS RESPONSIBLE FOR ALL USAGE, CHARGES, AND LIABILITY INCURRED FOR SUCH LOSS, MISUSE, OR THEFT OF SERVICES WHILE IN CUSTOMER'S CONTROL, REGARDLESS OF WHETHER/WHEN WINDSTREAM NOTIFIES CUSTOMER OF INCREASED USAGE.**

B. **ENTRY ONTO WINDSTREAM'S PREMISES IS AT CUSTOMER'S OWN RISK, AND WINDSTREAM ASSUMES NO LIABILITY WHATSOEVER FOR ANY HARM ARISING FROM ANY CAUSE OTHER THAN WINDSTREAM'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT RESULTING IN PERSONAL INJURY TO CUSTOMER DURING SUCH VISIT. WINDSTREAM IS NOT RESPONSIBLE IF EQUIPMENT IS LOST, STOLEN OR MISUSED, EXCEPT WHEN DUE SOLELY TO WINDSTREAM'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. CUSTOMER IS RESPONSIBLE FOR ALL LOSS INCURRED FOR MISUSE, MISHANDLING OR PROVISIONING OF CUSTOMER EQUIPMENT INCOMPATIBLE WITH THE SERVICES, CHANGES MADE TO THE SERVICES BY CUSTOMER OR A THIRD PARTY NOT AUTHORIZED TO MAKE CHANGES, OR BY WINDSTREAM AT THE DIRECTION OF CUSTOMER. IN NO EVENT SHALL WINDSTREAM BE RESPONSIBLE FOR ANY THIRD-PARTY EQUIPMENT, INCLUDING ANY DAMAGES THAT MAY ARISE AS A RESULT OF DEFECTS OR ISSUES RELATED TO THE THIRD-PARTY EQUIPMENT. TO THE EXTENT WINDSTREAM IS LIABLE FOR DAMAGE TO, OR LOSS OF, CUSTOMER EQUIPMENT, SUCH LIABILITY WILL BE LIMITED TO THE THEN-CURRENT BOOK VALUE OF THE DAMAGED EQUIPMENT. EACH PARTY IS RESPONSIBLE FOR INSURING THE EQUIPMENT AND PROPERTY IT OWNS WITH COVERAGE CONSISTENT WITH INDUSTRY STANDARDS.**

17. **Indemnity. EACH PARTY WILL DEFEND, INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY, AND ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL THIRD-PARTY CLAIMS ARISING OUT OF THE INDEMNIFYING PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT. FURTHER, CUSTOMER WILL DEFEND, INDEMNIFY AND HOLD HARMLESS WINDSTREAM FROM AND AGAINST ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH (I) ANY FAILURE BY CUSTOMER OR CUSTOMER'S END USERS TO COMPLY WITH WINDSTREAM'S ACCEPTABLE USE POLICY OR APPLICABLE LAW, OR (II) CLAIMS OF OWNERSHIP OR SUPERIOR RIGHTS TO CUSTOMER EQUIPMENT OR OTHER INTELLECTUAL PROPERTY BY A THIRD PARTY.**

18. **Force Majeure.** Windstream shall be excused from, and shall have no liability, including service credits, with respect to, any delay or failure to perform hereunder caused by any event beyond its reasonable control, including but not limited to, (i) cable cuts or common carrier delays; (ii) actions, failures to act or delays by Customer or others authorized by the Customer to use the Service; (iii) failure of power, equipment, services or systems not provided by Windstream including but not limited to other providers' networks and interconnections to or from and connectivity with other Internet Service Providers' networks; (iv) Customer owned or leased equipment or facilities (i.e., Customer's PBX, Local Area Network (LAN)); (v) during any period in which Windstream or its agents are not afforded access to the premises where access lines associated with the Services are terminated or the Customer elects not to release the Services for testing and/or repair and the Customer continues to use Services; (vi) maintenance (planned or emergency) or implementation of a Customer order that requires a Services interruption (Windstream reserves the right to schedule maintenance and upgrades to the network seven (7) days a week from 12a.m. to 6a.m. in the local time zone of the area being worked on without prior notice to Customer or upon reasonable advance notice outside these time frames); (vii) when a Service Outage has not been reported to Windstream or where there is a trouble reported, but no trouble found; and (viii) labor difficulties, governmental orders, civil commotion, acts of God and other circumstances beyond Windstream's reasonable control.

19. **Disclaimer of Warranties. EXCEPT AS OTHERWISE PROVIDED HEREIN, SERVICES, EQUIPMENT, AND THE DESIGNATED CUSTOMER AREA ON WINDSTREAM'S PREMISES, IF APPLICABLE, ARE PROVIDED ON AN "AS IS" AND "AS-AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF TITLE OR NON-INFRINGEMENT OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WARRANTY ARISING BY COURSE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE. ANY WARRANTY THAT THE SERVICES WILL MEET CUSTOMER'S requirements OR ANY WARRANTY REGARDING THE QUALITY, CONTENT, ACCURACY OR VALIDITY OF THE INFORMATION OR DATA RESIDING ON OR PASSING THROUGH OR OVER THE NETWORK AND ALL SUCH WARRANTIES ARE HEREBY DISCLAIMED. WITHOUT LIMITING THE FOREGOING, BROADBAND SPEEDS, UNINTERRUPTED OR ERROR-FREE SERVICE, TRANSMISSION QUALITY, AND ACCURACY OF ANY DIRECTORY LISTINGS ARE NOT GUARANTEED. EXCEPT AS EXPRESSLY PROVIDED IN WINDSTREAM'S PRIVACY POLICY, WINDSTREAM HAS NO OBLIGATION TO PROVIDE SECURITY OR PROTECTION FOR CUSTOMER'S PRIVACY, CONFIDENTIAL INFORMATION OR DATA. NO ORAL OR WRITTEN ADVICE OR INFORMATION BY WINDSTREAM'S EMPLOYEES, AGENTS OR CONTRACTORS SHALL CREATE A WARRANTY, AND CUSTOMER MAY NOT RELY ON ANY SUCH INFORMATION.**



- 20. Emergency. Critical Lines. CUSTOMER ACKNOWLEDGES THAT CERTAIN SERVICES MAY NOT, IN CERTAIN CIRCUMSTANCES, PROVIDE ACCESS TO 911 OR TRANSMIT THE MOST ACCURATE LOCATION OR EXTENSION INFORMATION IN A TIMELY MANNER, IF CUSTOMER ATTEMPTS TO ACCESS 911 IN AN EMERGENCY.** Examples include voice over Internet protocol ("VoIP"), Centrex, Allworx Reach™ Application ("Allworx Reach™"), and private branch exchange. Additionally, because T1s and VoIP can cease operating during a power outage, Customer should have a basic business or copper line for elevator, alarm, E911 and other critical functions. When using VoIP service or Allworx Reach™, Customer must timely update changes to their registered location for 911 services. By signing this Agreement, Customer acknowledges that Customer has read this disclosure. By proceeding with use of Services, Customer assumes all responsibility and risk of harm, loss, or damage in the event that 911 access fails, is not possible, or does not provide the address, correct address, extension or other information to emergency authorities.
- 21. Miscellaneous. (a) Notices and Electronic Communications:** Any notice pursuant to this Agreement must be in writing and will be deemed properly given if hand delivered or mailed to Customer at the address populated on Customer's proposal or to Windstream at Windstream, Attn: Correspondence Division, 1720 Galleria Blvd., Charlotte, NC 28270, [windstream.business.support@windstream.com](mailto:windstream.business.support@windstream.com) or at such other address provided to the other party. CUSTOMER AGREES THAT WINDSTREAM MAY SEND ELECTRONIC MESSAGES TO CUSTOMER CONCERNING WINDSTREAM'S SERVICES; **(b) Applicable Law: Venue:** This Agreement is subject to applicable federal law and the laws of the state in which the Services are provided, without regard to that state's conflict of laws principles. If this Agreement covers multiple states, then it is subject to Nebraska law, without regard to its conflict of law principles. The parties agree to submit to the exclusive jurisdiction of federal courts in the state in which the Services are provided (or federal courts in Nebraska, if the Agreement covers multiple states) so long as diversity and the amount in controversy requirements are met, or a federal question is at issue; **(c) Waiver of Jury Trial.** EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT; **(d) Statute of Limitations:** No claim may be asserted by either party against the other with respect to any event, act or omission for which a claim accrued more than two (2) years prior to such claim being asserted; the foregoing statute of limitations is not applicable to billing disputes, which are governed by the timeframe for disputes described in Section 4; **(e) Assignment:** Either party may assign this Agreement to an affiliate or acquirer of all or substantially all of its assets without any advance consent from the other party, but Customer shall provide Windstream with notice and complete all paperwork necessary to effectuate any change in ownership or other account changes. Otherwise, Customer may not assign its rights and obligations under this Agreement without Windstream's advance written consent. Any attempted assignment in violation of this provision is void; **(f) Third Party Beneficiaries:** No third party shall be deemed a beneficiary of this Agreement; **(g) Publicity:** Customer agrees that Windstream may publicly disclose that Windstream is providing Services to Customer and may include Customer's name in promotional materials, including press releases; **(h) Waiver:** Either party's failure to enforce any right or remedy available under this Agreement is not a waiver; **(i) Severability:** If any part of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect; **(j) Survival:** Sections 16 through 21 survive after this Agreement ends; **(k) Handwritten Changes:** Handwritten changes are not binding on either party; **(l) Use of Products in U.S.** Customer acknowledges that the transfer and use of products, services and technical information outside the United States are subject to U.S. export laws and regulations. Customer shall not use, distribute, transfer, or transmit the products, services or technical information (even if incorporated into other products) except in compliance with U.S. export laws and regulations. At Windstream's request, Customer shall sign written assurances and other export-related documents as may be required for Windstream to comply with U.S. export regulations; **(m) Representation on Authority of Parties/Signatories:** Each person signing this Agreement represents and warrants that he or she is duly authorized in accordance with its corporate governance documents and has legal capacity to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized in accordance with its corporate governance documents and that the Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms; **(n) Confidentiality:** Except when this Agreement is required to be filed with a governmental authority or as may otherwise be required by local, state or federal freedom of information laws, the parties agree that this Agreement contains proprietary and confidential information and shall not be disclosed publicly to any third party except the such dealer(s) or agent(s) of Windstream that are negotiating with Customer in order to execute this Agreement.

## 22. Service Specific Provisions:

### ***For Dynamic IP Services only:***

Customer represents and warrants that it will immediately notify and post alternative dialing instructions to its end-users if any restrictions or limitations to access emergency 911 services a result from its actions including but not limited to: (a) Extending the origination of outbound calling capabilities of the Dynamic IP service outside of the Windstream Dynamic IP-serviceable area by means of private circuits, wireless service, public networks, the public Internet or other means; (b) Implementing call routing schemes within its applications, systems or networks which may prevent access to emergency services; or (c) Implementing call routing schemes within its applications, systems or networks which may route outbound emergency 911 calls to Public Service Answering Points (PSAPs) other than the PSAP servicing the calling party end-user location. Customer agrees to indemnify and hold Windstream harmless from all claims, causes of action, damages and judgments arising from restrictions or limitations to access emergency 911 services as a result of customer's actions or inactions in ensuring that all 911 dialed calls are routed to the proper PSAP using Windstream's dynamic IP service.

### ***For Managed CPE Firewall Services only:***

**Authorization to Perform Testing.** Certain laws and regulations prohibit the unauthorized penetration of computer networks and systems. Customer hereby grants Windstream the authority to access Customer's networks and computer systems solely for the purpose of providing the Managed CPE Firewall Service. Customer acknowledges that the Managed CPE Firewall Service constitutes permitted access to Customer networks and computer systems. In the event one or more of the IP Addresses Customer gives to Windstream are associated with computer systems that are owned, managed, and/or hosted by a third party service provider ("Host"), Customer agrees to: (i) notify Windstream of such Host arrangement prior to the commencement of any Managed CPE Firewall Service; (ii) obtain Host's written consent for Windstream to provide the Managed CPE Firewall Service on Host's computer systems, which includes acknowledgement of the risks and acceptance of the conditions set forth herein; (iii) provide Windstream with a copy of such consent, acknowledgement and acceptance; and (iv) facilitate any necessary communications and exchanges of information between Windstream and Host in connection with the Managed CPE Firewall Service. Customer agrees to indemnify, defend and hold Windstream and its suppliers harmless from and against any and all claims, losses, liabilities and damages, including reasonable attorney's fees that arise out of Customer's failure to comply with this section. Customer will indemnify and hold Windstream and its suppliers harmless from any and all third party claims that arise out of the testing and evaluation of the security risks, exposures, and vulnerabilities of the IP Addresses that Customer provides. Customer acknowledges that the Managed CPE Firewall Service entail certain risks including the following possible negative impacts: (i) excessive log file disk space may be consumed due to the excessive number of log messages generated by the Managed CPE Firewall Service; (ii) performance and throughput of networks and associated routers and firewalls may be temporarily degraded; (iii) degradation of bandwidth; and (iv) Customer computer systems may hang or crash resulting in temporary system unavailability and/or loss of data.

With regard to any software components of the Firewall Device, Customer agrees it will not: (i) use or make any copies of the software; (ii) reverse engineer, decompile, or disassemble the software; (iii) sell, resell, transfer, license, sublicense, or distribute the software; or (iv) create, write, or develop any derivative software or other software program that is based on such software. Customer agrees to indemnify, defend and hold Windstream and its suppliers harmless from and against any and all claims, losses, liabilities and damages, including reasonable attorney's fees, which arise out of Customer's failure to comply with the foregoing.

Windstream is subject to an FCC requirement to provide notification of any E911 limitations that may be associated with the service provided to your company. There are critical differences between traditional telephone service and Windstream VoIP service:

- 911 emergency services will not be available in the event of a power failure.
- 911 emergency services will not be available in the event of an internet failure.
- There are severe limitations (details below) to 911 emergency services if you move your phone from its registered location.

**Loss of 911 services due to power failure or Internet connection failure:**

Historically, telephone service has been powered by electrical power within the telephone network. If you subscribe to Windstream VoIP service, power is supplied directly from the premise in which you are operating the telephone.

- In the event of a commercial power outage, and if your building does not have a back-up power system, your telephone service, including 911, will not function until power is restored.
- Loss of power to your broadband gateway (through which your service is provided) will cause a loss of telephone and 911 services.
- Any Internet connection failure will cause a loss of telephone and 911 services.

Windstream recommends that you always have an alternative means of accessing 911 during a power failure or Internet connection failure.

**To ensure that 911 calls are properly routed:**

- **Do not move the equipment installed at your premise to another location.** Use of the telephone service at another location will prevent E911 service (the ability of the 911 operator to automatically determine your location) from working.
- **If you have users that will be using devices such as Software telephones that are installed on mobile personal computers, Laptops, Smart Phones, Netbooks and any other mobile VoIP supported device that is intended to be mobile with Windstream service,** you must update your service address prior to using the service from a different location by contacting Windstream Customer Service at 1-855-361-7792 in order for your current location to be transmitted automatically and accurately to emergency services.
- **Always state the telephone number and address that you are calling from to the 911 operator.** The 911 operator receiving the emergency call may not be able to automatically identify your phone number and physical location and be able to call you back if the call is disconnected, therefore you must specify the exact location of the emergency and the telephone number from which you are calling.
- **Contact the Windstream Business Center at 800-600-5050 when you plan to move your service address.** Since your Windstream VoIP service will not provide 911 services from another location, you must notify Windstream before you move the registered location of your service.

To help remind you about the availability of 911 emergency service, we have provided stickers to be placed on or near your telephones and devices.

**Customer Affirmation of Notification**

I have read the above notice and understand that there are critical differences between 911 service with Windstream VoIP and traditional telephone service.

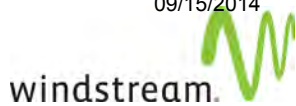
Printed name

Account number

Signature

Date



**APPLICATION FOR CREDIT**

Representative: Avaiusini, Kirk J  
 Representative Phone: 702-749-1216

**CUSTOMER INFORMATION**

Customer Name: City of San Fernando Tax Exempt Status: \_\_\_\_\_  
 Federal Tax ID or SS Number: \_\_\_\_\_ EMR: \$3,302.90  
 Billing Address: 117 N MACNEIL ST Years In Operation: \_\_\_\_\_  
 Number Of Employees: \_\_\_\_\_  
 City: SAN FERNANDO  
 State: CA Zip: 91340-2911 Business Structure: \_\_\_\_\_  
 Nature Of Business: \_\_\_\_\_

**PARENT COMPANY (If Applicable)**

Company Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**CUSTOMER CONTACT INFORMATION**

Contact Name: Sandra Franco-Rivas AP Contact Name: \_\_\_\_\_  
 Contact Phone: 818-898-7345 AP Contact Phone: \_\_\_\_\_  
 Contact Fax: \_\_\_\_\_ AP Contact Fax: \_\_\_\_\_  
 Contact Email: \_\_\_\_\_ AP Contact Email: \_\_\_\_\_  
 Principal/Partner/Officer Full Name: \_\_\_\_\_ Title: \_\_\_\_\_

**BANK REFERENCE**

Bank Name: \_\_\_\_\_  
 Address: \_\_\_\_\_ Bank Contact Name: \_\_\_\_\_  
 City: \_\_\_\_\_ Bank Contact Phone: \_\_\_\_\_  
 State: \_\_\_\_\_ Bank Contact Fax: \_\_\_\_\_  
 Zip: \_\_\_\_\_ Account Number: \_\_\_\_\_

**TRADE REFERENCES**

	<u>Vendor</u>	<u>Account Number</u>	<u>Phone</u>	<u>Fax</u>	<u>Contact</u>
1.	_____	_____	_____	_____	_____
Address:	_____				
2.	_____	_____	_____	_____	_____
Address:	_____				
3.	_____	_____	_____	_____	_____
Address:	_____				
Current Local Telco:	_____		Current LD Carrier:	_____	

**Authorization**

I hereby represent that I am authorized to submit this application on behalf of the Customer named above, and the information provided is for the purpose of obtaining credit and is warranted to be true. I/We hereby authorize Company, and its affiliates to investigate the references listed pertaining to my/our credit and financial responsibility sold. I further represent that the customer applying for credit has the financial ability and willingness to pay for all invoices with established terms.

**Accepted By Customer**

Signature: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_



### LETTER OF AUTHORIZATION

I am the Customer of Record or the Authorized Representative responsible for payment for each of the telephone numbers listed herein. I appoint PAETEC Communications, Inc., on behalf of itself and its affiliates\* ("PAETEC") a Windstream company to act as my agent for the purpose of collecting account information (including service records and equipment listings) and implementing the change(s) authorized on this document and to investigate my credit history to the full extent permitted by applicable law. I understand that I may only select one local exchange carrier and one primary interexchange carrier for any one telephone number for the services selected below. Further, I understand that my current local exchange provider may charge a per-line fee for changing long distance carriers. Other charges for switching local exchange carriers may apply.

When accompanied by a signed service agreement, I authorize PAETEC to act as my agent for the purposes of coordinating, ordering, and/or converting of the specific telecommunications service(s) that my existing telecommunications carrier(s) provide to me. I hereby authorize the change of my telecommunications carrier(s) from that/those which I am currently using to PAETEC for each of the service types that I have designated below and in my service agreement. This includes without limitation the removal, addition, rearrangement or conversion of those telecommunications services to PAETEC. I acknowledge that I must not cancel service with my current provider until the port process to PAETEC is complete. To the extent I have any duplication of service with my current provider, I understand that I am responsible for canceling such service with my current provider upon completion of service activation with PAETEC.

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**INSTRUCTIONS: LIST ALL APPLICABLE BILLING TELEPHONE NUMBERS ("BTN" and all associated telephone numbers") IN TABLE 2 BELOW OR LIST THE MAIN BILLING TELEPHONE NUMBER BELOW AND ATTACH A DOCUMENT IDENTIFYING ALL ASSOCIATED TELEPHONE NUMBERS SUBJECT TO THIS LOA; THEN MARK EITHER TABLE 1 OR COMPLETE THE REMAINDER OF THE BLOCKS IN TABLE 2.**

I hereby select PAETEC as my primary provider of:

(1) ALL of the services selected in Table 1 below for all the BTNs listed in Table 2 below:

Table 1

Local Service	IntraLata Toll Service	In-State Long Distance	Domestic Long Distance	International
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

OR

(2) on a per line basis, only the selected services for the following BTNs:

Table 2

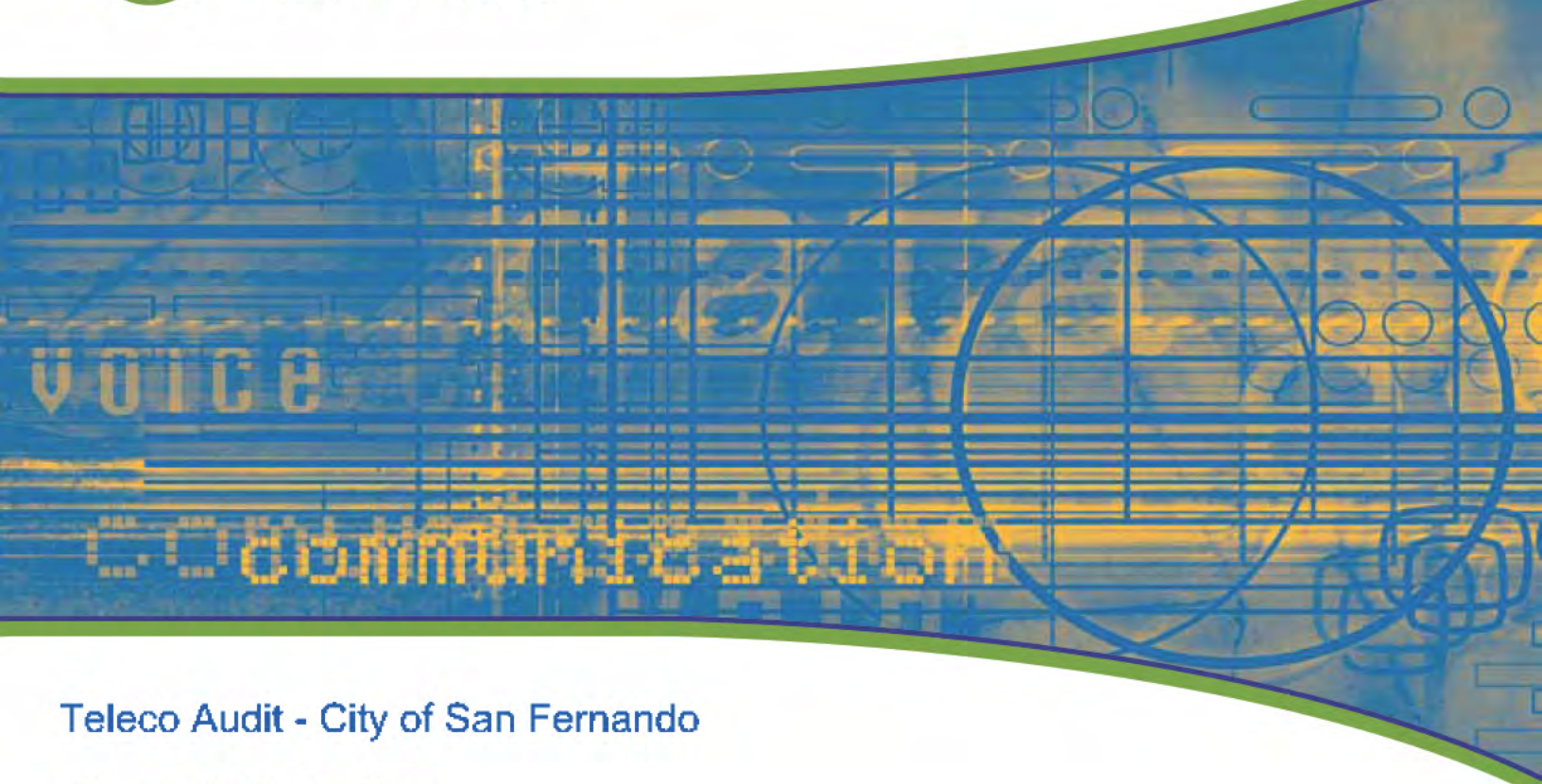
BTN (Billed Telephone Number) (use additional sheets for more BTNs)	Local Service	IntraLata Toll Service	In-State Long Distance	Domestic Long Distance	International
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THIS AGREEMENT WILL REMAIN IN EFFECT UNTIL REVOKED IN WRITING BY THE CUSTOMER.

<b>Authorized Customer Signature:</b> _____		<b>Date:</b> _____
<b>Customer Name:</b>	City of San Fernando	<b>Telephone Number:</b> _____
<b>Customer Address:</b>	117 N MACNEIL ST	<b>Federal Tax ID Number:</b> _____
<b>City, State, Zip:</b>	SAN FERNANDO, CA 91340-2911	<b>D.B.A (if applicable):</b> _____

\*or the following Windstream companies: US LEC CORP. d/b/a PAETEC Business Services; US LEC COMMUNICATIONS L.L.C.. d/b/a PAETEC Business Services; US LEC OF ALABAMA LLC d/b/a PAETEC Business Services; US LEC OF FLORIDA LLC d/b/a PAETEC Business Services; US LEC OF GEORGIA LLC d/b/a PAETEC Business Services; US LEC OF MARYLAND LLC d/b/a PAETEC Business Services; US LEC OF NORTH CAROLINA L.L.C. d/b/a PAETEC Business Services; US LEC OF PENNSYLVANIA L.L.C. d/b/a PAETEC Business Services; US LEC OF SOUTH CAROLINA L.L.C. d/b/a PAETEC Business Services; US LEC OF TENNESSEE L.L.C. d/b/a PAETEC Business Services; US LEC OF VIRGINIA L.L.C. d/b/a PAETEC Business Services, PAETEC Communications of Virginia, Inc., McLeodUSA Telecommunications Services, L.L.C. d/b/a PAETEC Business Services and McLeodUSA Information Services, L.L.C.; Intellifiber Networks, Inc.; Cavalier Telephone L.L.C. d/b/a PAETEC Business Services; Cavalier Telephone Mid-Atlantic L.L.C. d/b/a PATEC Business Services; Talk America, Inc. d/b/a Cavalier Telephone and PAETEC Business Services; Talk America of Virginia, Inc., d/b/a Cavalier Telephone and PAETEC Business Services; LDMI Telecommunications, Inc. d/b/a Cavalier Telephone and PAETEC Business Services; Network Telephone Corporation d/b/a PAETEC Business Services; The Other Phone Company, Inc d/b/a PAETEC Business Services.

Attachment B



## Teleco Audit - City of San Fernando

Prepared for Sandra Rivas  
Prepared by Samuel Singer  
August 14, 2014





# Discover Hidden Cost. Discover Hidden Savings

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Many companies feel vulnerable to large carriers and their complex billing practices. Expecting telcos to police themselves or go out of their way to help you is probably not realistic. If you want greater control over telecom expenses and utilization, you need an experienced partner.

Through our Carrier Management process, we provide comprehensive end-to-end support and management of carriers to keep them accountable for every cost, fee and service. Our proprietary, five-part audit uncovers how you buy telecom services and where money is being wasted or spent wisely.

## Areas of focus include:

- *Oversubscription - unused or underutilized circuits*
- *Voice-data convergence potential*
- *Carrier billing errors*
- *Redundant and unused features*
- *Non-aggregated bills that increase fees*
- *Multi-location cost assessment*
- *Mismatched calling plans*
- *Promotions for which you're not taking advantage*
- *Enterprise VOIP solutions*
- *Improper phone system configuration*

## Major benefits at a glance.

**Greater cost-cutting power.** By scrutinizing and exposing every telecom expense, Carrier Management enables us to consolidate network services and recommend the ideal fit among carriers and available service plans.

**Reliability and reduced risk of disruption.** Report four sets a foundation for quality. Rest assured, Carrier Management is the answer to insure a seamless transition. Quality control is built-in. It is powerfully simple and effective.

**Simplified telecom management.** Our unique, online Web Portal provides managers and technicians with secure, anytime access to your entire inventory of circuits and their configuration. With these tools, you'll receive the highest levels of ongoing support and problem resolution.

**Peace of mind from single-source accountability.** When you combine Carrier Management with ongoing support of your phone system, there is no finger-pointing. In short, we take care of everything.

# Description and Purpose of Reports

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## Accounts Summary

Summarizes all data into the six primary categories listed in the Account Detail Reports.

It identifies services provided under each carrier account.

## Aggregate Accounts

Executive Summary Overview derived from account Detail Reports. Provides a powerful view of every cost category aggregated across ALL accounts and all carriers. You simply cannot optimize without this report.

This report provides a first indication of over-subscription and it helps to illuminate whether fees and "additional charges" are appropriate and proportionate.

## Financial Analysis

Financial impact statement showing current status versus recommended changes.

Recommendations incorporate not only rate reductions, but also TEN other common sources of telecom waste.

## Telcom Inventory

Basis of a due-diligence process that protects from hidden costs and unwelcome surprises.

80% of Telcom problems - from billing to reliability - can be traced to bad information. The Inventory Report functions as a built-in error checking system, utilizing a check and balance structure analogous to business accounting. This approach is enormously effective at revealing hidden and potential problems on paper, prior to going live. The Inventory Report is imperative to ensuring a smooth transition when relocating, consolidating or making changes.

## Account Detail

Drills down to capture every detail of telcom cost for each current account. The report details 34 cost items organized into 6 categories as follows:

- Cost of Minutes
- Cost of Voice Circuits (physical lines)
- Cost of Associated Voice FFS (Features, Fees and Services)
- Cost of Data Circuits
- Cost of Associated Data FFS (Features, Fees and Services)
- Cost of Carrier Equipment Rental (where applicable)

The Account Detail Report is the basis for all of the other reports and is crucial to uncovering waste and unnecessary charges.





## Accounts Summary



"Over 14 years with us,  
and a flawless performance  
for over 40 sites. I don't give  
references lightly, but using  
**Carrier Management** has  
given me the expertise, the  
processes and the people, so  
I know there is one area of  
my business I don't have  
to worry about."

**TYSON MURPHY**

MIS Manager, Orange County Head Start Inc.



# 1 - Accounts Summary

Prepared For City of San Fernando  
Prepared By Analyst Jared Jones

#	Site	Carrier	BTN #	Account #	Service Code	Voice Channels	Bandwidth	Invoice Total	Description/Comments
1	Park	Verizon				1			1 Voice-Only T1
2	Park	Verizon				2			2 Analog Lines
3	Harding	Verizon				1			1 Analog Line
4	Huntington	Verizon				1			1 Partitioned T1 (11x840K)
5	Huntington	Verizon				1			1 Analog Line
6	Huntington	Verizon				1			1 Analog Line
7	Police Department	Verizon				3M			3M Point-to-Point T1
8	Police Department	Verizon				1			1 BRI
9	Police Department	Verizon				1			1 Analog Line
10	Police Department	Verizon				1			1 Analog Line
11	Police Department	Verizon				2			2 Analog Lines
12	Police Department	Verizon				2			2 Analog Lines
13	Police Department	Verizon				65			65 Analog Lines
14	Police Department	Verizon				3rd			3rd Party Billing (Collect Calls)
15	Police Department	Verizon				1			1 Analog Line
16	City Hall	Verizon				2			2 Analog Lines
17	City Hall	Verizon				1			1 Analog Line
18	City Hall	Verizon				1			1 Analog Line
19	City Hall	Verizon				2			2 Analog Lines, 3M/768K DSL
20	City Hall	Verizon				1			1 Analog Line
21	City Hall	Verizon				20			20 Analog Lines
22	City Hall	Verizon				2			2 Voice-Only T1s & 1 Analog Line
23	Public Works	Verizon				1			1 Partitioned T1 (12x768K) & 3 Analog Lines
24	City Hall	Time Warner Cable				10M			10M Fiber
25	Huntington	Time Warner Cable				3M			3M Cable Internet and 1 Cable TV





#	Site	Carrier	BTN #	Account #	Service Code	Voice Channels	Bandwidth	Invoice Total	Description/Comments
56	City Hall	Verizon							Long Distance Bill
57	City Hall	Verizon							Long Distance Bill
58	City Hall	Verizon							Long Distance Bill
59	Park	Verizon							Long Distance Bill
60	Police Department	Verizon							Long Distance Bill
<b>Sites</b>		<b>Accounts</b>		<b>Channels</b>		<b>Invoice</b>			
<b>Totals</b>		<b>60</b>		<b>225</b>		<b>\$11,443.50</b>			

Type of Service Key: D=Dial Tone, U=Voice Usage, I=Internet, W=WAN, S=Services, E=Equipment



## Executive Summary



"Our **Carrier Manager** quickly and painlessly audited our environment (24 locations). It was extremely revealing and powerful. They designed the solution that was perfect for us... They seamlessly managed the whole thing which saved our organization tens of thousands of dollars."

**ALAN BAY**

IT DIRECTOR, A&A ASSOCIATED READY MIXED CONCRETE, INC.

## 2 - Executive Summary

Prepared for City of San Fernando  
 Prepared By Analyst Jared Jones

This Report Summarizes Each Field Of Data Across All Accounts Listed In Accounts Summary

Voice Fixed Cost				
Circuits (Physical Lines)				
	<u>Channels</u>	<u>Qty</u>	<u>Average Rate</u>	<u>Total \$</u>
Analog Line	128	128	\$12.46	\$1,595
Circuit(BRI)	2	1	\$61.05	\$61
Voice-Only T1	72	3	\$427.00	\$1,281
Partitioned T1 (11x840K)	11	1	\$336.00	\$336
Partitioned T1 (12x768K)	12	1	\$343.00	\$343
<b>Sub Total</b>	<b>225</b>	<b>134</b>	<b>\$27</b>	<b>\$3,616</b>
Associated FFS (Features Fees & Services)				
Access Recovery		232	\$0.47	\$110
Admin. Fee		11	\$56.86	\$625
Caller ID		2	\$7.00	\$14
Directory Listing		83	\$4.00	\$332
EUCL		223	\$8.71	\$1,942
Inside Wire		1	\$10.50	\$11
Late Fee		12	\$4.68	\$56
Line Features		203	\$2.46	\$500
Non-Published Number		2	\$2.25	\$5
Paging		2	\$26.85	\$54
Remote Call Forward		1	\$32.50	\$33
Voice Messaging		17	\$5.15	\$88
<b>Sub Total</b>		<b>789</b>	<b>\$5</b>	<b>\$3,768</b>
<b>Total</b>				<b>\$7,384</b>
<b>Average Cost Per Channel</b>				<b>\$32.82</b>
<b>Ratio of FFS To Circuit Cost</b>				<b>104%</b>

Data Fixed Cost			
Data Circuits			
	<u>Qty</u>	<u>Average Rate</u>	<u>Total \$</u>
1.5M Point-to-Point T1	1	\$488.98	\$489
3M Point-to-Point T1	1	\$593.04	\$593
3Mx384K Cable Internet	2	\$63.43	\$127
3M/768K DSL	1	\$62.99	\$63
10M Fiber	1	\$1,100.00	\$1,100
Special Access Line	11	\$26.14	\$287
Cable TV	9	\$27.66	\$249
<b>Sub Total</b>	<b>26</b>	<b>\$112</b>	<b>\$2,908</b>
Associated FFS (Features Fees & Services)			
<b>Sub Total</b>			
<b>Total</b>			<b>\$2,908</b>
<b>Ratio of FFS &amp; CCE To Circuit Cost</b>			

Voice Usage (Variable Cost)			
<u>Area</u>	<u>Qty</u>	<u>Ave Rate</u>	<u>Total \$</u>
1. Local	63	0.081	\$5
1. Zone 1&2	3419	0.033	\$113
2. Zone 3	69.5	0.102	\$7
3. LATA	552	0.190	\$105
4. LD	2623.8	0.041	\$108
Collect Calls	9	0.138	\$1
Dir. Asst.	5	2.490	\$12
<b>Total</b>	<b>6,741</b>		<b>\$352</b>

Non-Toll Free Inbound	
<b>Total Traffic</b>	<b>6,741</b>

<b>Total Channels</b>	<b>225</b>
<b>Average Minutes Per Channel</b>	<b>30</b>
<b>Percent of Channel Utilization</b>	<b>1%</b>

<b>Fixed Cost</b>	<b>\$10,293</b>
<b>Variable Cost</b>	<b>\$352</b>
<b>Grand Total</b>	<b>\$10,644</b>

<b>Voice</b>	<b>\$7,736</b>
<b>Data</b>	<b>\$2,908</b>
<b>Additional Costs</b>	
<b>Grand Total</b>	<b>\$10,644</b>





## Financial Analysis



Our Carrier Manager delivered at every step. They designed it, led the way for all parties and overcame several obstacles (such as specification changes, internal wiring needs and new sites being added to the mix) to ensure it was implemented the right way.

GARY ARMSTRONG  
IT DIRECTOR, GANAHL LUMBER



## 3 - Financial Analysis

Option 1:

Prepared for City of San Fernando

Prepared By Analyst Jared Jones

### TW Telecom & Verizon - T1 Voice & Analog Lines

All Sites

CATEGORY	EXISTING CONFIGURATION			PROPOSED CONFIGURATION		
	Quantity	Rate	Cost	Quantity	Rate	Cost
<b>Voice Lines &amp; Circuits</b>						
Analog Line	128	12.46	1,595.05	33	14.93	492.57
Circuit(BRI)	1	61.05	61.05			
Voice-Only T1	3	427.00	1,281.00			
Partitioned T1 (11x840K)	1	336.00	336.00			
Partitioned T1 (12x768K)	1	343.00	343.00			
T1 Dyanamic T1 (12x1.5M)				2	357.40	714.79
T1 Dynamic T1 (23x3M)				1	690.38	690.38
T1 Dynamic T1 (48x6M) w/ MPLS				1	1,342.44	1,342.44
T1 Dynamic T1 (48x6M)				1	1,295.24	1,295.24
<b>Voice Features Fees &amp; Services (FFS)</b>						
Vz Access Recovery	232	0.47	110.03	33	0.56	18.54
Admin. Fee	11	56.86	625.45	3	70.11	210.34
Caller ID	2	7.00	14.00	Included		
DIDs	?			360	Included	
Directory Listing	83	4.00	332.00			
EUCL	223	8.71	1,942.33	33	8.71	287.43
Inside Wire	1	10.50	10.50			
Late Fee	12	4.68	56.16			
Line Features	203	2.46	499.50	33	2.24	74.03
Non-Published Number	2	2.25	4.50			
OORC DIDs				1	15.00	15.00
Paging	2	26.85	53.70	2	26.85	53.70
Remote Call Forward	1	32.50	32.50			
Voice Messaging	17	5.15	87.50	4	6.95	27.80
Failover/Redundancy				5	20.00	100.00
<b>Voice Usage</b>						
1. Local	63	0.081	5.08	Unlimited	Included	
1. Zone 1&2	3,419	0.033	112.78	Unlimited	Included	
2. Zone 3	70	0.102	7.08	Unlimited	Included	
3. LATA	552	0.190	104.88	Unlimited	Included	
4. LD	2,624	0.041	108.22		0.030	
Collect Calls	9	0.138	1.24	9	0.138	1.24
Free LD Minutes				45,500	Included	
1. Local @ Harding				24	0.032	0.77
Dir. Asst.	5	2.490	12.45	5	1.990	9.95
<b>Data Lines &amp; Circuits</b>						
1.5M Point-to-Point T1	1	488.98	488.98			
3M Point-to-Point T1	1	593.04	593.04			
3Mx384K Cable Internet	2	63.43	126.84	2	63.43	126.84
3M/768K DSL	1	62.99	62.99	1	62.99	62.99
10M Fiber	1	1,100.00	1,100.00	1	1,100.00	1,100.00
Special Access Line	11	26.14	287.49	11	26.14	287.49
3M T1 MPLS				1	432.68	432.68
1.5M T1 MPLS				1	278.29	278.29
<b>Additional Costs</b>						
Cable TV	9	27.66	248.95	9	27.66	248.95
<b>Current Spending</b>	<b>\$10,644.29</b>			<b>Proposed Spending</b>	<b>\$7,871.46</b>	
Monthly Cost Reduction	\$2,772.83			Additional Capabilities/ Services		
Annual Cost Reduction	\$33,273.90			Monthly Grand Total	\$7,871.46	
Percentage Savings	26%			Non-Recurring Fees		
Total Billed Usage	6,741					
Total Traffic				Term	60 Months	
Capture Ratio	93.02%					





## 3 - Financial Analysis

### Option 2:

Prepared for City of San Fernando  
Prepared By Analyst Jared Jones

### Windstream & Verizon - T1 Voice & Analog Lines

All Sites

CATEGORY	EXISTING CONFIGURATION			PROPOSED CONFIGURATION		
	Quantity	Rate	Cost	Quantity	Rate	Cost
Voice Lines & Circuits						
Analog Line	128	12.46	1,595.05	33	14.93	492.57
Circuit(BRI)	1	61.05	61.05			
Voice-Only T1	3	427.00	1,281.00	3	120.00	360.00
Partitioned T1 (11x840K)	1	336.00	336.00			
Partitioned T1 (12x768K)	1	343.00	343.00			
T1 Dynamic T1 (48x3M)				2	402.51	805.02
Voice Features Fees & Services (FFS)						
Vz Access Recovery	232	0.47	110.03	33	0.56	18.54
Windstream Access Recovery				2	3.48	6.96
Admin. Fee	11	56.86	625.45	3	70.11	210.34
Caller ID	2	7.00	14.00	Included		
DIDs	?			360	0.20	72.00
Directory Listing	83	4.00	332.00			
EUCC				84	9.20	772.80
EUCL	223	8.71	1,942.33	33	8.71	287.43
Inside Wire	1	10.50	10.50			
Late Fee	12	4.68	56.16			
Line Features	203	2.46	499.50	30	2.58	77.51
Non-Published Number	2	2.25	4.50			
OORC DIDs				1	10.00	10.00
Paging	2	26.85	53.70	2	26.85	53.70
Remote Call Forward	1	32.50	32.50			
Voice Messaging	17	5.15	87.50			
Failover/Redundancy				5	34.95	174.75
Voice Usage						
1. Local	63	0.081	5.08	63	0.012	0.76
1. Zone 1&2	3,419	0.033	112.78	3,419	0.010	34.59
2. Zone 3	70	0.102	7.08	70	0.010	0.70
3. LATA	552	0.190	104.88	552	0.020	11.04
4. LD	2,624	0.041	108.22	2,624	0.020	52.48
Collect Calls	9	0.138	1.24	9	0.138	1.24
Dir. Asst.	5	2.490	12.45	5	1.990	9.95
Data Lines & Circuits						
1.5M Point-to-Point T1	1	488.98	488.98			
3M Point-to-Point T1	1	593.04	593.04			
3Mx384K Cable Internet	2	63.43	126.84	2	63.43	126.84
3M/768K DSL	1	62.99	62.99	1	62.99	62.99
10M Fiber	1	1,100.00	1,100.00	1	1,100.00	1,100.00
Special Access Line	11	26.14	287.49	11	26.14	287.49
4.5M T1 MPLS				1	485.00	485.00
3M T1 MPLS				1	405.00	405.00
1.5M T1 MPLS				1	247.32	247.32
Additional Costs						
Cable TV	9	27.66	248.95	9	27.66	248.95
Current Spending	\$10,644.29			Proposed Spending	\$6,415.96	
Monthly Cost Reduction	\$4,228.32			Additional Capabilities/ Services		
Annual Cost Reduction	\$50,739.89			Monthly Grand Total	\$6,415.96	
Percentage Savings	40%			Non-Recurring Fees		
Total Billed Usage	6,741					
Total Traffic				Term	36 Months	
Capture Ratio	93.02%					





## 3 - Financial Analysis

Option 3:

Prepared for City of San Fernando

Prepared By Analyst Jared Jones

### Telepacific - Dynamic T1s & Analog Lines

All Sites

CATEGORY	EXISTING CONFIGURATION			PROPOSED CONFIGURATION		
	Quantity	Rate	Cost	Quantity	Rate	Cost
<b>Voice Lines &amp; Circuits</b>						
Analog Line	128	12.46	1,595.05	33	25.50	841.50
Circuit(BRI)	1	61.05	61.05			
Voice-Only T1	3	427.00	1,281.00	4	300.00	1,200.00
Partitioned T1 (11x840K)	1	336.00	336.00			
Partitioned T1 (12x768K)	1	343.00	343.00			
T1 SmartVoice T1 (12x1.5M)				1	413.50	413.50
T1 SmartVoice Analog (48x3M)				1	927.00	927.00
<b>Voice Features Fees &amp; Services (FFS)</b>						
Access Recovery	232	0.47	110.03			
Admin. Fee	11	56.86	625.45	5	30.00	150.00
Caller ID	2	7.00	14.00	Included		
DIDs	?			340		
Directory Listing	83	4.00	332.00			
EUCC				60	2.37	142.20
EUCL	223	8.71	1,942.33	33	7.50	247.50
Inside Wire	1	10.50	10.50			
Late Fee	12	4.68	56.16			
LDAC				33	4.00	132.00
Line Features	203	2.46	499.50			
Non-Published Number	2	2.25	4.50			
OORC DIDs				5	Included	
Paging	2	26.85	53.70			
Remote Call Forward	1	32.50	32.50			
Voice Messaging	17	5.15	87.50	13	9.23	120.00
Failover/Redundancy				5	Included	
<b>Voice Usage</b>						
1. Local	63	0.081	5.08	63	0.029	1.85
1. Zone 1&2	3,419	0.033	112.78	616	0.026	16.22
2. Zone 3	70	0.102	7.08	1	0.030	0.03
3. LATA	552	0.190	104.88	197	0.030	5.91
4. LD	2,624	0.041	108.22	661	0.030	19.85
Collect Calls	9	0.138	1.24	9	0.138	1.24
Dir. Asst.	5	2.490	12.45	5	1.990	9.95
Free LD Minutes				4,000		
<b>Data Lines &amp; Circuits</b>						
1.5M Point-to-Point T1	1	488.98	488.98			
3M Point-to-Point T1	1	593.04	593.04			
3Mx384K Cable Internet	2	63.43	126.84	2	63.43	126.84
3M/768K DSL	1	62.99	62.99	1	62.99	62.99
10M Fiber	1	1,100.00	1,100.00	1	1,100.00	1,100.00
Special Access Line	11	26.14	287.49	11	26.14	287.49
4.5M T1 MPLS				1	772.50	772.50
3M EoC MPLS				1	49.00	449.00
1.5M T1 MPLS				1	367.50	367.50
<b>Additional Costs</b>						
Cable TV	9	27.66	248.95	9	27.66	248.95
<b>Current Spending</b>	<b>\$10,644.29</b>			<b>Proposed Spending</b>	<b>\$7,644.02</b>	
Monthly Cost Reduction	\$3,000.27			Additional Capabilities/ Services		
Annual Cost Reduction	\$36,003.18			Monthly Grand Total	\$7,644.02	
Percentage Savings	28%			Non-Recurring Fees		
Total Billed Usage	6,741					
Total Traffic				Term	36 Months	
Capture Ratio	93.02%					



## 3 - Financial Analysis

Notes for Specification

Prepared for City of San Fernando

Prepared By Analyst Jared Jones

1. Special Access Lines - There are a total of 11 "Special Access Lines." We need to dig into them further to see what they are used for and if they can be replaced with a newer technology.
2. We see 2 Point-to-points originating from the Police Department. We have moved these to an MPLS network to reduce costs, but we are unsure what the purpose of these connections are.
3. Windstream does not offer voicemail as one of their product offerings. All voicemail would have to be performed by the phone system.
4. Windstream and TW Telecom are unable to provide analog lines in San Fernando. All analog lines and associated fees on those options are retained from Verizon.
5. The quantity of analog lines and other ancillary features is determined based on conversations with representatives for each location. This is intended to represent our best educated estimation. Actual quantities of these services will likely be altered during implementation, as further details are discovered.





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## ADMINISTRATION DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Elena G. Chávez, City Clerk

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Adopt Resolution No. 7632 Appointing City's Representatives to the Independent Cities Finance Authority (ICFA) Board of Directors

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#### **RECOMMENDATION:**

It is recommended that the City Council adopt Resolution No. 7632 (Attachment "A") re-appointing Mayor Sylvia Ballin as the primary representative, and appointing Finance Director Nick Kimball as the alternate representative to the ICFA Board of Directors.

#### **BACKGROUND:**

1. Since 1988, the City has been a member of ICFA and (as such) is required to have both a primary representative (elected official) and an alternate representative (staff person) to serve on the Board of Directors. The alternate representative shall have the authority to attend, participate, and vote at any meeting of the Board of Directors when the primary representative is absent.
2. On August 18, 2014, as part of an update to the City Council Liaison Assignments List (and due to the departure of the Interim Finance Director), City Council appointed Finance Director Nick Kimball as the alternative representative to the ICFA Board of Directors (a new resolution must be submitted to ICFA to reflect these changes).

#### **ANALYSIS:**

ICFA is an unaffiliated joint powers authority that provides programs (that help address California's housing crisis) to local governments, nonprofits, and other agencies. ICFA also helps fund a variety of capital improvements for municipalities, schools, special districts, and Mello-Roos facilities, as well as projects impacting the economic development of a community.

Consideration to Adopt Resolution No. 7632 Appointing City's Representatives to the Independent Cities Finance Authority (ICFA) Board of Directors

Page 2

Since its inception 20 years ago, ICFA has helped fund over \$413 million in critical community projects. Yet, member cities pay no enrollment fees to join or ongoing dues to participate. All underwriting and operational costs are borne by the beneficiary of the funds.

Through bond funding, they help create homebuyer assistance programs, generate funds for capital improvements and aid communities in economic development.

ICFA has nine member cities (i.e., Baldwin Park, Compton, Hawthorne, Hermosa Beach, Huntington Park, Lynwood, South Gate, and San Fernando) and 55 associate member cities. ICFA has functioned for 20 years without levying dues or assessments on members or associate members. Program recipients pay all ICFA fees, including operational costs.

The ICFA generally meet about four times per year and alternate locations amongst the nine cities. They are lunch meetings and last approximately one hour. Copies of all agendas and minutes are sent (three to four weeks in advance) to both primary and secondary board members so that both can review the actions taken by the Board. Sometime ago, the Joint Powers Agreement and Bylaws were amended to provide for a second alternate board member and compensation for elected officials (\$150 per meeting with a \$600 cap) in the hopes that participation would be enhanced.

Each governmental agency adopts a resolution authorizing the representatives of each city and a new resolution must be resubmitted to reflect changes in the organization.

**BUDGET IMPACT:**

None

**CONCLUSION:**

Approval of the Board Members as stated in the attached Resolution will allow the City to be properly represented in the ICFA Board of Directors meetings.

**ATTACHMENT:**

A. Resolution No. 7632

**ATTACHMENT "A"****RESOLUTION NO. 7632****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO APPOINTING A REPRESENTATIVE AND  
ALTERNATE REPRESENTATIVE TO THE BOARD OF  
DIRECTORS OF THE INDEPENDENT CITIES FINANCE  
AUTHORITY (ICFA)**

**WHEREAS**, the City of San Fernando is a member of the Independent Cities Finance Authority; and

**WHEREAS**, the Joint Powers Agreement creating the Independent Cities Finance Authority requires that the City Council of each member city appoint a member of such City Council as a director to represent such member city on the Board of Directors, and further that the City Council of each member city also appoint an alternate director who shall have the authority to attend, participate and vote at any meeting of the Board of Directors when the director is absent, such alternate director shall be a staff person of the member city which the alternate director represents.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**SECTION 1:** That the City of San Fernando appoints Sylvia Ballin (an elected official) to serve as the City's director to represent the City on the Board of Directors of the Independent Cities Finance Authority.

**SECTION 2:** That the City of San Fernando appoints Nick Kimball (a staff person) to serve as the alternate director to represent the City on the Board of Directors of the Independent Cities Finance Authority in the absence of the director designated in Section 1 above.

**SECTION 3:** That the individuals designated in Sections 1 and 2 above by this City Council as the City's director and alternate director to the Independent Cities Finance Authority are hereby empowered to represent the City's interest, exercise the authority of the City, and vote on behalf of the City on all matters that come before the Board of Directors of the Independent Cities Finance Authority.

**SECTION 4:** That the City Clerk shall certify to the adoption of this Resolution and thenceforth and thereafter the same shall be in full force and effect and that a certified copy of this Resolution shall be provided to the General Manager of the Independent Cities Finance Authority.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September 15, 2014.

\_\_\_\_\_  
Sylvia Ballin, Mayor

**ATTEST:**

\_\_\_\_\_  
Elena G. Chávez, City Clerk

**I, HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September 15, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

\_\_\_\_\_  
Elena G. Chávez, City Clerk



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## RECREATION AND COMMUNITY SERVICES DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Ismael Aguila, Recreation and Community Services Operations Manager

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Accept a National Endowment for the Arts Grant Award to Support the City of San Fernando Mariachi Master Apprentice Program

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#### **RECOMMENDATION:**

It is recommended that the City Council accept the \$57,000 grant award (Attachment "A") by the National Endowment for the Arts (NEA) to support the City of San Fernando Mariachi Master Apprentice Program (MMAP).

#### **BACKGROUND:**

1. In 2000, the Recreation and Community Services (RCS) Department Staff conducted several meetings with Mr. Natividad "Nati" Cano, Director and Founder of Mariachi Los Camperos, to discuss the development of a quality youth apprenticeship program in the City of San Fernando to preserve mariachi music and traditions.
2. In 2000, the City began seeking grant funds to support the MMAP.
3. In January of 2001, MMAP began with grant funds from the NEA.
4. On March 7, 2013, RCS staff submitted the NEA Art Works grant application to support MMAP.
5. On April 21, 2014, the City of San Fernando received notification from the NEA that the City was awarded \$57,000 in the Arts Education Discipline to support MMAP.

Consideration to Accept a National Endowment for the Arts Grant Award to Support the City of San Fernando Mariachi Master Apprentice Program

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**ANALYSIS:**

Major Project Activities and Curriculum

MMAP connects Grammy award winning mariachi masters with mariachi students to preserve the mariachi music genre. Instruction is on traditional mariachi instruments: violins, guitars, guitarrones, vihuelas, trumpets, and folk harp. Repertoire covers the traditional and popular mariachi music forms: sones, rancheras, huapangos, boleros, and polkas. The students, together with their instructors, also experience exemplary art works at international mariachi conferences and workshops throughout California and the southwest. This experience allows students to observe, study, and perform with the most prestigious mariachi ensembles in the world that includes: Mariachi Vargas de Tecalitlán, Mariachi Los Camperos de Nati Cano, and Mariachi sol de Mexico.

The curriculum ingrains an empowering sense of self-confidence, pride, and identity, while providing an outlet for cultural expression in celebration of Mexican heritage. MMAP specific arts/music education outcomes include: 1) development, reinforcement, and application of student instrumental techniques; 2) development, strengthening, and application of student musicianship skills; 3) enhancement of student solo and chorus singing skills; 4) performance of traditional and popular mariachi music before the public and with other professional ensembles; and 5) development and fostering of student professionalism and performance etiquette. The preceding is in accordance with the California Department of Education Music Standards.

Key Artist Instructors

The project distinguishes itself from other mariachi programs due to the involvement of Mariachi Los Camperos de Nati Cano. As Director of Mariachi Los Camperos and a recognized National Heritage Fellow, Mr. Cano's 50 plus year career has received prestigious awards and recognition including the coveted Silvestre Vargas Award from Mexico as well as a US Artist Fellowship for his notoriety as an American Artist. After consulting with the RCS Department, Mr. Cano selected the artists/instructors to provide a level of quality instruction not available in the community. The committed artists serving as MMAP instructors have also received recognition for professionalism and artistry. Mr. Jesus Guzman, Musical Director for Mariachi Los Camperos, is an instructor for Ethnomusicology 91K, Music of Mexico, at the University of California, Los Angeles (UCLA). Mr. Sergio Alonso, the ensemble's harpist, earned his Bachelor's degree in Ethnomusicology from UCLA's School of the Arts and Architecture as well as a Master's degree in Education. Mr. Jimmy Cuellar is an accomplished composer, arranger, and multi-instrumental performer with world renowned Mariachi Los Camperos. Mr. Juan Jimenez is considered one of today's finest guitarron players and is also a member of Mariachi Los Camperos.

MMAP Recognized for Excellence

On November 19, 2012, First Lady Michelle Obama presented to the City of San Fernando Mariachi Master Apprentice Program (MMAP) the 2012 National Arts and Humanities Youth Program Award, the highest honor awarded to after school arts programs in the United States.

Consideration to Accept a National Endowment for the Arts Grant Award to Support the City of San Fernando Mariachi Master Apprentice Program

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First awarded in 1998, the National Arts and Humanities Youth Program Award is the signature program of the President's Committee on the Arts and the Humanities (PCAH), and is presented in partnership with the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), and the Institute of Museum and Library Services (IMLS). MMAP was recognized for using engagement in the arts and humanities to generate a wide range of outcomes, including increases in academic achievement, graduation rates, and college enrollment, as well as improvement in literacy and language abilities, communication and performance skills, and cultural awareness.

Previous awards and recognitions include a 2001 Youth Development Award by the California Parks and Recreation Society and a 2002 spotlight in "Creativity in Youth: Enriching Young Lives Through the Arts," a publication produced by the NEA recognizing 10 programs of artistic excellence in the United States.

Source of Funding

The yearly budget for the MMAP is approximately \$125,600. The NEA grant provides funding to support 45% of all program costs. The total amount of the \$57,000 grant award will be expensed during the grant period of October 1, 2014 through September 30, 2015.

Grant Project Budget		
NEA Grant	\$57,000	45%
Other Funding	\$22,000	18%
City of San Fernando	\$12,000	9%
In Kind	\$34,600	28%
<b>Total Project Budget</b>	<b>\$125,600</b>	

**CONCLUSION:**

It is recommended that City Council accept the Grant Award of \$57,000 by the National Endowment for the Arts (NEA). This funding will ensure that the City of San Fernando Mariachi Master Apprentice Program continues to bring together Grammy award winning mariachi masters with mariachi students.

**BUDGET IMPACT:**

There will be no impact to the Fiscal Year 2014-2015 General Fund. Staff has budgeted the \$57,000 for Fiscal Year 2014-2015.

**ATTACHMENT:**

A. National Endowment for the Arts Grant Award Letter



## ATTACHMENT "A"

Mr. Federico Ramirez  
Authorizing Official  
City of San Fernando, California  
117 Macneil Street  
San Fernando, CA 91340-2911

APR 21 2014

Dear Mr. Ramirez:

On behalf of the National Endowment for the Arts, it is a pleasure to inform you that your organization has been awarded a grant.

<u>Grantee:</u>	City of San Fernando, California	
<u>Grant #:</u>	14-5100-7031	<u>CFDA #:</u> 45.024
<u>Grant Amount:</u>	\$57,000	<u>Outcome:</u> Learning
<u>Period of Support:</u>	October 1, 2014 to September 30, 2015	
<u>Discipline/Program:</u>	Arts Education	
<u>Grant Project:</u>	To support the Mariachi Master Apprentice Program, as described in your application (A13-948932) and the enclosed project budget.	

Please review your award packet. A copy of the approved budget is included. If changes were made to the budget they are noted at the bottom of the budget page.

Award materials are online at [www.arts.gov/manageaward](http://www.arts.gov/manageaward). The *General Terms & Conditions* provide detailed information concerning the NEA's regulations and procedures, the administrative requirements that apply to your grant, and your responsibilities as a grantee. Instructions for requesting grant funds and reporting on your project are also here.

If you have any questions regarding the administrative requirements of this grant, our Grants & Contracts Office staff will be happy to assist you. They may be reached at [grants@arts.gov](mailto:grants@arts.gov) or (202) 682-5403. Congratulations on your grant award!

Sincerely,

A handwritten signature in black ink, appearing to read "Joan Shigekawa", written in a cursive style.

Joan Shigekawa  
Senior Deputy Chairman

**National Endowment for the Arts**  
The Nancy Hanks Center  
1100 Pennsylvania Avenue NW  
Washington DC 20506-0001

Grantee DUNS #: 080073893



EXHIBIT "1"

# GRANT SUMMARY FORM

This form does not have to be typed – legible handwritten printing is preferred

GENERAL INFORMATION			
GRANT TITLE		GRANT NO.	
National Endowment for the Arts Grant			
		CFDA No.	
GENERAL DESCRIPTION OF GRANT WORK SCOPE			
The grant will fund <del>the</del> The Master Mariachi Apprentice Program to provide equipment, instruction, and overhead			
GRANTING AGENCY		AGENCY CONTACT	PHONE NO.
National Endowment for Arts		Joan Shigekawa	
RESPONSIBLE DEPARTMENT		DEPARTMENT CONTACT	EXTENSION NO.
RCS		Virginia Drediker	818-898-1255
CITY COUNCIL APPROVAL DATE	APPLICATION DATE	AWARD DATE	ESTIMATED COMPLETION DATE
	march, 2013	April, 2014	10-1-14 through 9-30-15
GRANT COST AND REVENUE SUMMARY			
PROGRAM COST SUMMARY	TOTAL	GRANT PORTION	
Staffing Contract Services, Supplies and	\$ 47,000	\$ 47,000	
Other Operating Expenditures	\$	\$	
Capital Outlay Indirect Costs @	\$	\$	
_____ % of Direct Costs	\$	\$	
	\$	\$	
TOTAL GRANT COSTS AND REVENUES	\$ 47,000	\$ 47,000	
HOW WAS GRANT PORTION DETERMINED?			
This grant was budgeted for FY 14-15			
IS A BUDGET AMENDMENT REQUEST REQUIRED?		Yes ( ) No (X) If yes, it should be attached	
OTHER COMMENTS			
Note Any Significant or Unusual Compliance Requirements Use Reverse if necessary to provide additional information			
This grant was applied for in March, 2013, prior to the adopted Grant Management Policy adopted in Aug, 2013.			
PREPARED BY		DATE	
Ismael Aguila		9-7-14	

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## **POLICE DEPARTMENT**

### **MEMORANDUM**

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brain Saeki, City Manager  
By: Robert Parks, Police Chief  
Anthony Vairo, Acting Police Lieutenant

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Award a Professional Services Agreement for Radio Communication System and Wireless Broadband Network Maintenance Services

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#### **RECOMMENDATION:**

It is recommended that the City Council:

- a. Approve a five-year Professional Services Agreement (Attachment “A” – Contract No. 1759) with Advanced Electronics, Inc. for Radio Communication System and Wireless Broadband Network Maintenance Services for a not-to-exceed amount of \$418,230.15 for the duration of the Agreement; and
- b. Authorize the City Manager to execute the Agreement with Advanced Electronics, Inc.

#### **BACKGROUND:**

1. Since the 1950’s, the San Fernando Police Department has used various methods of communications, which includes the use of a two-way radio system and Mobile Data Computers (MDC). Over the years, two-way radio system technologies have advanced and are a mission critical tool for officer safety.
2. In September 2009, the United States Department of Justice notified the Police Department that they had been awarded \$1,050,000 to fund the Virtual Patrol program under the Community Oriented Policing Services (COPS) Technology Grant Program.
3. In April 2010, the Virtual Patrol System, which is a Motorola Wireless MESH Video system, was designed and a Request for Proposals (RFP) to install and maintain the system was issued. Two companies responded, Advanced Electronics, Inc. and Tekwerks. Based upon qualifications, Advanced Electronics, Inc. was selected.

Consideration to Award a Professional Services Agreement for Radio Communication System and Wireless Broadband Network Maintenance Services

Page 2

4. In 2011, the Virtual Patrol System was installed and has been maintained by Advanced Electronics, Inc. The contract with Advanced Electronics, Inc. expired June 30, 2014. However, a 90-day extension was granted so that the City could issue a new Request for Proposals (RFP).
5. On August 1, 2014, a RFP was published seeking vendors for the Radio Communication System and Wireless Broadband Network Maintenance services. The RFP was open for 30 days and closed on September 2, 2014. One proposal was received on the closing date.

**ANALYSIS:**

The Police Department's Radio Communication System and Broadband Wireless Video/Data Network is a computer-based driven system, along with fixed equipment and antenna towers.

The Radio Communication System and Broadband Wireless Video/Data Network sites are located at the San Fernando Police Station Communication/911 Center and the San Fernando Court Building. These sites house fixed-base stations, radio repeaters, the Broadband Wireless Video/Data Network System and related equipment to support communications for the Police Department.

In order for the Radio Communication and Broadband Wireless Video/Data Network systems to operate, function at peak efficiency, and to maintain a life span of at least 10 years, maintenance and preventative maintenance inspection is a key essential factor for the overall life of the system.

Advanced Electronics, Inc. was the only vendor that submitted a proposal for the maintenance of this complex system and that meets and exceeds all requirements in the RFP.

Advanced Electronics, Inc. submitted a proposal for a five-year maintenance contract in the following amounts:

A) Year 1:	\$6,564.63 per month	\$78,775.56 for the year
B) Year 2:	\$6,761.57 per month	\$81,138.83 for the year
C) Year 3:	\$6,964.42 per month	\$83,572.99 for the year
D) Year 4:	\$7,173.35 per month	\$86,080.18 for the year
E) Year 5:	\$7,388.55 per month	\$88,662.59 for the year

This is less than four percent increase per year.

Consideration to Award a Professional Services Agreement for Radio Communication System and Wireless Broadband Network Maintenance Services

Page 3

**CONCLUSION:**

The proposal from Advanced Electronics, Inc. was reviewed and considered and based on all of the information provided, Advanced Electronics, Inc. was selected as the contractor.

Advanced Electronics, Inc. is a privately-owned communications company located in Redondo Beach, California. They have been in business for over 60 years and have partnered with the City since 1987. During that time period, Advanced Electronics, Inc. has worked closely with Police Department personnel supplying and servicing the radio communications, mobile computing and Motorola Wireless MESH system needs of the Police Department. Advanced Electronics, Inc. are a certified Motorola partner and have been servicing Motorola products for over 60 years.

**BUDGET IMPACT:**

Sufficient funds have been budgeted in the Fiscal Year 2014-2015 Budget for costs incurred during this fiscal year. Staff will continue to budget for this expense in future fiscal years. This does not obligate the City continue to utilize Advanced Electronics. A provision in the Professional Services Agreement allows the City to terminate the agreement with or without cause as long as we give provide at least five (5) days written notice.

**ATTACHMENTS:**

- A. Contract No. 1759
- B. Communication System and Wireless Broadband Network Maintenance Contract Services RFP

**ATTACHMENT "A"**  
**CONTRACT NO. 1759**

2013

**PROFESSIONAL SERVICES AGREEMENT**

(Radio Communication System and Wireless Broadband Network Maintenance Contract Services)  
(Advanced Electronics, Inc.)

THIS 2013 PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into this 15<sup>th</sup> day of September 2014 (hereinafter, the "Effective Date"), by and between the CITY OF SAN FERNANDO, a municipal corporation and general law city ("CITY") and Advanced Electronics, Inc. (hereinafter, "CONSULTANT"). The capitalized term "Parties" shall be a collective reference to both CITY and CONSULTANT. The capitalized term "Party" shall refer to either CITY or CONSULTANT interchangeably as appropriate.

**RECITALS**

THIS AGREEMENT is made and entered into with respect to the following facts:

WHEREAS, CITY, pursuant to California Government Code Sections 37103 and 53060, is authorized and empowered to contract with any specially trained and experienced firm or corporation for special services and advice on financial, economic, accounting, engineering, legal or administrative matters; and

WHEREAS, CITY's in-house personnel are not able to provide the types of specialized consulting services required under this engagement; and

WHEREAS, CITY require the performance of Maintenance services in connection with the Radio Communication System and Wireless Broadband Network; and

WHEREAS, CONSULTANT represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals, employees and subcontractors; and

WHEREAS, the execution of this Agreement was approved by the City Council in accordance with the CITY's procurement and purchasing procedures at the City Council's meeting of September 15 2014 under Agenda Item #11; and

WHEREAS, CONSULTANT further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS HEREIN CONTAINED, CITY AND CONSULTANT AGREE AS FOLLOWS:**

## I.

SCOPE AND PROSECUTION OF WORK; COMPENSATION

1.1 **SCOPE OF WORK:** Subject to the terms and conditions set forth in this Agreement and all exhibits attached and incorporated hereto, CONSULTANT agrees to perform the services and tasks set forth in that certain proposal entitled Radio Communication System and Wireless Broadband Network Maintenance, a five year service maintenance contract and dated as of August 28, 2014 which is attached and incorporated hereto **Exhibit "A"** (hereinafter the "Scope of Work"). CONSULTANT further agrees to furnish to CITY all labor, materials, tools, supplies, equipment, services, tasks and incidental and customary work necessary to competently perform and timely complete the services and tasks set forth in the Scope of Work. For the purposes of this Agreement the aforementioned services and tasks set forth in the Scope of Work shall hereinafter be referred to generally by the capitalized term "Work." The Work is inclusive of those tasks that may be identified as being optional under the Scope of Work and such optional work shall not constitute Extra Work under Section 1.5 of this Agreement, below. Neither CONSULTANT nor anyone acting on CONSULTANT's behalf shall commence with the performance of the Work or any other related tasks until CITY issues a written notice to proceed (hereinafter, the "Notice to Proceed").

1.2 TERM:

- A. This Agreement shall have a term of five years commencing October 1, 2014 (hereinafter, the "Initial Term") through September 30, 2019.
- B. Nothing in this Section shall operate to prohibit or otherwise restrict the CITY's ability to terminate this Agreement at any time for convenience or for cause.

1.3 COMPENSATION AND COMPENSATION CONTROLS:

## A.

In consideration for the performance of the Work, CONSULTANT shall be paid the following flat monthly fee during the initial term:

First Year	\$ 6,564.63
Second Year	\$ 6,761.57
Third Year	\$ 6,964.42
Fourth Year	\$ 7,173.35
Fifth Year	\$ 7,388.55
Total and Not To Exceed	\$ 418,230.15

1.4 PAYMENT OF COMPENSATION:

- A. CITY shall compensate CONSULTANT on a monthly basis as tasks are performed and the Work is completed to the reasonable satisfaction of CITY. Following the conclusion of each month during the Initial Term of this Agreement or any extension term, CONSULTANT shall submit to CITY a monthly itemized invoice or statement identifying the tasks performed, hours of service rendered and reimbursable pass-through costs incurred by CONSULTANT and its various employees during the recently concluded month.
- B. Within thirty (30) calendar days of receipt of each invoice, CITY shall notify CONSULTANT in writing of any disputed charges, costs or expenses included in the invoice. Within forty-five (45) calendar days of receipt of each invoice, CITY shall pay all undisputed charges, costs and expenses indicated in CONSULTANT's monthly invoice.
- C. CITY shall not withhold applicable taxes or other authorized deductions from payments made to CONSULTANT.

1.5 EXTRA WORK; COMPENSATION FOR EXTRA WORK:

- A. At any time during the term of this Agreement, CITY may request that CONSULTANT perform Extra Work. For the purposes of this Agreement, the term "Extra Work" means any additional work, services or tasks not set forth in the Scope of Work but later determined by CITY to be necessary. CONSULTANT shall not undertake nor shall CONSULTANT be entitled to compensation for Extra Work without the prior written authorization of the CITY. Extra Work does not include any labor, materials, tools, supplies, equipment, services, tasks or incidental and

customary work undertaken to competently perform and timely complete the Work and related tasks set forth in the Scope of Work.

- B. Payments for any Extra Work shall be made to CONSULTANT on a time-and-materials basis using CONSULTANT's standard fee schedule.

1.6 ACCOUNTING RECORDS: CONSULTANT shall maintain complete and accurate records with respect to all matters covered under this Agreement for a period of three (3) years after the expiration or termination of this Agreement. CITY shall have the right to access and examine such records, without charge, during normal business hours. CITY shall further have the right to audit such records, to make transcripts therefrom and to inspect all program data, documents, proceedings, and activities.

1.7 ABANDONMENT BY CONSULTANT: In the event CONSULTANT ceases to perform the Work agreed to under this Agreement or otherwise abandons the undertaking contemplated herein prior to the expiration of this Agreement or prior to completion of any or all tasks set forth in the Scope of Work, CONSULTANT shall deliver to CITY immediately and without delay, all materials, records and other work product prepared or obtained by CONSULTANT in the performance of this Agreement. Furthermore, CONSULTANT shall only be compensated for the reasonable value of the services, tasks and other work performed up to the time of cessation or abandonment, less a deduction for any damages, costs or additional expenses which CITY may incur as a result of CONSULTANT's cessation or abandonment.

## II.

### PERFORMANCE OF AGREEMENT

2.1 CITY'S REPRESENTATIVES: The CITY hereby designates Robert Parks, Chief of Police (hereinafter, the "CITY Representatives") to act as its representatives for the performance of this Agreement. The CITY Representatives or their designee shall act on behalf of the CITY for all purposes under this Agreement. CONSULTANT shall not accept directions or orders from any person other than the CITY Representatives or their designee.

2.2 CONSULTANT'S REPRESENTATIVE: CONSULTANT hereby designates Robert W. Conrey, CEO to act as its representative for the performance of this Agreement (hereinafter, "Consultant's Representative"). CONSULTANT's Representative shall have full authority to represent and act on behalf of the CONSULTANT for all purposes under this Agreement. Consultant's Representative or his designee shall supervise and direct the performance of the Work, using his/her best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all portions of the Work under this Agreement. Notice to the Consultant's Representative shall constitute notice to CONSULTANT.

2.3 COORDINATION OF SERVICE; CONFORMANCE WITH REQUIREMENTS: CONSULTANT agrees to work closely with CITY staff in the performance of the Work and this Agreement and shall be available to CITY staff and the CITY Representatives at all reasonable times. All work prepared by CONSULTANT shall be subject to inspection and approval by CITY Representatives or their designees.

2.4 STANDARD OF CARE; PERFORMANCE OF EMPLOYEES: CONSULTANT represents, acknowledges and agrees to the following:

- A. CONSULTANT shall perform all work skillfully, competently and to the highest standards applicable to the CONSULTANT's profession;
- B. CONSULTANT shall perform all work in a manner reasonably satisfactory to the CITY;
- C. CONSULTANT shall comply with all applicable federal, state and local laws and regulations, including the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*);
- D. CONSULTANT understands the nature and scope of the Work to be performed under this Agreement as well as any and all schedules of performance;
- E. All of CONSULTANT's employees and agents (including but not limited to CONSULTANT's subcontractors and subconsultants) possess sufficient skill, knowledge, training and experience to perform those services and tasks assigned to them by CONSULTANT; and

- F. All of CONSULTANT's employees and agents (including but not limited to CONSULTANT's subcontractors and subconsultants) possess all licenses, permits, certificates, qualifications and approvals of whatever nature that are legally required to perform the tasks and services contemplated under this Agreement and all such licenses, permits, certificates, qualifications and approvals shall be maintained throughout the term of this Agreement.

The Parties acknowledge and agree that CONSULTANT shall perform, at CONSULTANT's own cost and expense and without any reimbursement from CITY, any services necessary to correct any errors or omissions caused by CONSULTANT's failure to comply with the standard of care set forth under this Section or by any like failure on the part of CONSULTANT's employees, agents, contractors, subcontractors and subconsultants. Such effort by CONSULTANT to correct any errors or omissions shall be commenced immediately upon their discovery by either Party and shall be completed within seven (7) calendars days from the date of discovery or such other extended period of time authorized by the CITY Representatives in writing and absolute discretion. The Parties acknowledge and agree that CITY's acceptance of any work performed by CONSULTANT or on CONSULTANT's behalf shall not constitute a release of any deficiency or delay in performance. The Parties further acknowledge, understand and agree that CITY has relied upon the foregoing representations of CONSULTANT, including but not limited to the representation that CONSULTANT possesses the skills, training, knowledge and experience necessary to perform the Work in a skillful and competent manner equivalent to, the standard of performance generally recognized as being employed by professionals performing the same type of work and services in the State of California.

- 2.5 ASSIGNMENT: The skills, training, knowledge and experience of CONSULTANT are material to CITY's willingness to enter into this Agreement. Accordingly, CITY has an interest in the qualifications and capabilities of the person(s) who will perform the services and tasks to be undertaken by CONSULTANT or on behalf of CONSULTANT in the performance of this Agreement. In recognition of this interest, CONSULTANT agrees that it shall not assign or transfer, either directly or indirectly or by operation of law, this Agreement or the performance of any of CONSULTANT's duties or obligations under this Agreement without the prior written consent of the CITY. In the absence of CITY's prior written consent, any attempted assignment or transfer shall be ineffective, null and void and shall constitute a material breach of this Agreement.
- 2.6 CONTROL AND PAYMENT OF SUBORDINATES: The Work shall be performed by CONSULTANT or under CONSULTANT's strict supervision. CONSULTANT will determine the means, methods and details of performing the Work subject to the requirements of this Agreement. CITY retains CONSULTANT on an independent contractor basis and not as an employee. CONSULTANT reserves the right to perform similar or different services for others during the term of this Agreement, provided such work does not unduly interfere with CONSULTANT's competent performance under this Agreement or result in the unauthorized disclosure of CITY's confidential or proprietary information. Any additional personnel performing the Work under this Agreement on behalf of CONSULTANT are not employees of CITY and shall at all times be under CONSULTANT's exclusive direction and control. CONSULTANT shall pay all wages, salaries and other amounts due such personnel and shall assume responsibility for all benefits, payroll taxes, social security and Medicare payments and the like. CONSULTANT shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation insurance and the like.
- 2.7 REMOVAL OF EMPLOYEE OR AGENTS: If any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants is determined by the CITY Representatives to be uncooperative, incompetent, a threat to the adequate or timely performance of the tasks assigned to CONSULTANT, a threat to persons or property, or if any of CONSULTANT's officers, employees, agents, contractors, subcontractors or subconsultants fail or refuse to perform the work in a manner acceptable to the CITY such officer, employee, agent, contractor, subcontractor or subconsultant shall be promptly removed by CONSULTANT and shall not be re-assigned to perform any of the work.
- 2.8 COMPLIANCE WITH LAWS: CONSULTANT shall keep itself fully informed of and in compliance with all applicable laws, statutes, codes, rules, regulations and ordinances of the federal government of the United States of America, the State of California, the County of Los Angeles, and any other local governmental entity to the extent such laws, statutes, codes, rules, regulations or ordinances governing or affecting the performance of the Work.
- 2.9 SAFETY: CONSULTANT shall perform its work so as to avoid injury or damage to any person or property. In performing the Work, CONSULTANT shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the Work and the conditions under which any work is to be performed.

- 2.10. NON-DISCRIMINATION: In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, subcontractor, subconsultant, or applicant for employment because of race, color, creed, religion, sex, marital status, sexual orientation, national origin, ancestry, age, physical or mental disability or medical condition.
- 2.11. INDEPENDENT CONTRACTOR: The Parties acknowledge, understand and agree that CONSULTANT and all persons retained or employed by CONSULTANT are, and shall at all times remain, wholly independent contractors and are not officials, officers, employees, departments or subdivisions of CITY. CONSULTANT shall be solely responsible for the supervision of its employees, agents, contractors, subcontractors and subconsultants and for the negligent acts and/or omissions of the same. All persons retained or employed by CONSULTANT shall have no authority, express or implied, to bind CITY in any manner, nor to incur any obligation, debt or liability of any kind on behalf of, or against, CITY, whether by contract or otherwise, unless such authority is expressly conferred to CONSULTANT under this Agreement or is otherwise expressly conferred by CITY in writing.

### III. INSURANCE

- 3.1 DUTY TO PROCURE AND MAINTAIN INSURANCE: As more specifically set forth below under this Article, CONSULTANT agrees that it shall procure and maintain throughout the Initial Term of this Agreement and any extension term (or for such extended period of time as may be required under this Article) insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. CONSULTANT shall also procure and maintain such other types of insurance as may be required under this Article, below. CITY shall not, and shall be under no obligation to, issue a Notice to Proceed until CONSULTANT has provided evidence satisfactory to CITY that it has procured all insurance required under this Article.
- 3.2 REQUIRED COVERAGES: CONSULTANT agrees that it shall procure and maintain the following insurance coverage, at its own expense, for the duration for this Agreement or any extended period set forth herein:
- A. Commercial General Liability Insurance: CONSULTANT shall procure and maintain Commercial General Liability Insurance ("CGL Coverage") as broad as Insurance Services Office Commercial General Liability coverage (occurrence Form CG 0001 or equivalent). Such CGL Coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, property damage, operations, products and completed operations, and contractual liability and Two Million Dollars (\$2,000,000.00) in the aggregate.
  - B. Automobile Liability Insurance: CONSULTANT shall procure and maintain Automobile Liability Insurance as broad as Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto). Such Automobile Liability Insurance shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and property damage.
  - C. Workers' Compensation Insurance/ Employer's Liability Insurance: CONSULTANT shall procure and maintain Workers' Compensation Insurance affording coverage at least as broad as that required by the State of California with Employer's Liability Insurance with minimum limits of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. The Workers' Compensation insurer shall also agree to waive all rights of subrogation against CITY, the City Council and CITY's elected and appointed officials, officers, employees, agents and volunteers for losses paid under the terms of the insurance policy.
  - D. Professional Liability Insurance: For the full term of this Agreement and for a period of three (3) years thereafter, CONSULTANT shall procure and maintain Errors and Omissions Liability Insurance appropriate to CONSULTANT's profession. Such coverage shall have minimum limits of no less than One Million Dollars (\$1,000,000.00) per claim and shall be endorsed to include contractual liability.
- 3.3 ADDITIONAL INSURED REQUIREMENTS: The CGL Coverage and the Automobile Liability Insurance shall contain an endorsement naming the CITY, the City Council and CITY's elected and appointed officials, officers, employees, agents and volunteers as additional insureds.
- 3.4 REQUIRED CARRIER RATING: All varieties of insurance required under this Agreement shall be procured from insurers licensed in the State of California and authorized to issue policies directly to California insureds. Except as otherwise provided elsewhere under this Article, all required insurance shall be procured from insurers, who according to the latest edition of the Best's Insurance Guide have an A.M. Best's rating of no less than A:VII. CITY may also



accept policies procured by insurance carriers with a Standard & Poor's rating of no less than BBB according to the latest published edition the Standard & Poor's rating guide. As to Workers' Compensation Insurance/ Employer's Liability Insurance, the CITY Representatives are authorized to authorize lower ratings than those set forth in this Section.

- 3.5 **PRIMACY OF CONSULTANT'S INSURANCE**: All policies of insurance provided by CONSULTANT shall be primary to any coverage available to CITY, the City Council and CITY's elected and appointed officials, officers, employees, agents and volunteers. Any insurance or self-insurance maintained by CITY, the City Council and CITY's elected and appointed officials, officers, employees, agents and volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
- 3.6 **WAIVER OF SUBROGATION**: All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT or CONSULTANT's officers, employees, agents, subcontractors or subconsultants from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY.
- 3.7 **VERIFICATION OF COVERAGE**: CONSULTANT acknowledges, understands and agrees that CITY's ability to verify the procurement and maintenance of the insurance required under this Article is critical to safeguarding the CITY's financial well-being. Accordingly, CONSULTANT warrants, represents and agrees that it shall furnish CITY with original certificates of insurance and endorsements evidencing the coverage required under this Article on forms satisfactory to CITY in its sole and absolute discretion. **The certificates of insurance and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the CITY if requested.** All certificates of insurance and endorsements shall be received and approved by CITY as a condition precedent to CONSULTANT's commencement of any work or any of the Work. Upon CITY's written request, CONSULTANT shall also provide CITY with certified copies of all required insurance policies as a condition precedent to the commencement of any work or any of the Work. CITY shall not, and shall be under no obligation to, issue a Notice to Proceed until CONSULTANT fully complies with this Section. The requirements of this Section cannot be waived and any attempted waiver shall be void, invalid and non-binding upon CITY.
- 3.8 **FAILURE TO ADHERE TO INSURANCE PROVISIONS**: In addition to any other remedies CITY may have under this Agreement or at law or in equity, if CONSULTANT fails to comply with any of the requirements set forth in this Article, CITY may, but shall not be obligated to: (i) Order CONSULTANT to stop any and all work under this Agreement or withhold any payment, which becomes due to CONSULTANT hereunder, or both stop work and withhold any payment, until CONSULTANT demonstrates compliance with the requirements hereof; or (ii) terminate this Agreement. CITY's exercise of any of the foregoing remedies, shall be in addition to any other remedies CITY may have and is not the exclusive remedy for CONSULTANT's failure to comply with the insurance requirements set forth under this Article.
- 3.9 **SUBCONTRACTORS INSURANCE COVERAGE**: CONSULTANT shall include all persons and entities performing work on its behalf as insureds (including all contractors, subcontractors and subconsultants) or, in the alternative, shall furnish separate certificates of insurance and endorsements for each such persons or entities evidencing their independent procurement of insurance. All coverages for such persons or entities shall be identical to the requirements imposed upon CONSULTANT under this Article.
- 3.10 **NO LIMITATION ON LIABILITY**: CONSULTANT's procurement of insurance shall not be construed as a limitation of CONSULTANT's liability or as full performance of CONSULTANT's indemnification duties set forth under Article V of this Agreement.

#### IV. INDEMNIFICATION

4.1 The Parties agree that City and City's engineer, elected and appointed officials, officers, employees, agents and volunteers (hereinafter, the "City Indemnitees") should, to the fullest extent permitted by law, be protected from any and all loss, injury, damage, claim, lawsuit, cost, attorneys' fees, litigation costs, or any other cost arising out of or in any way related to the performance of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the City Indemnitees with the fullest protection possible under the law. Consultant acknowledges that City would not enter into this Agreement in the absence of Consultant's commitment to indemnify, defend and protect the City as set forth herein.

4.2 To the fullest extent permitted by law, the Consultant shall (i) immediately defend and (ii) indemnify and hold harmless the City and its engineer, elected and appointed officials, officers, agents, employees, attorneys, servants, volunteers, successors and assigns from and against any and all liabilities, regardless of nature or type that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, or its officers, employees, servants, agents, subcontractors, volunteers or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. The parties understand and agree that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Liabilities subject to the duties to defend and indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees incurred by legal counsel of City's choosing; court costs; and costs of alternative dispute resolution. The Consultant's obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, then Consultant's indemnification obligation shall be reduced in proportion to the established comparative liability.

4.3 The duty to defend is a separate and distinct obligation from Consultant's duty to indemnify. Consultant shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the City, City and its engineer, elected and appointed officials, officers, agents, employees, attorneys, servants, volunteers, successors and assigns, immediately upon tender to City of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination that persons other than Consultant are responsible for the claim does not relieve Consultant from its separate and distinct obligation to defend under this section. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if Consultant asserts that liability is caused in whole or in part by the negligence or willful misconduct of the indemnified party. If it is finally adjudicated that liability was caused by the comparative active negligence or willful misconduct of an indemnified party, Consultant may submit a claim to the City for reimbursement of reasonable attorneys' fees and defense costs in proportion to the established comparative liability of the indemnified party.

4.4 City shall have the right to offset against the amount of any compensation due Consultant under this Agreement any amount due City from Consultant as a result of Consultant's failure to pay City promptly any indemnification arising under this Article and related to Consultant's failure to either (i) pay taxes on amounts received pursuant to this Agreement or (ii) comply with applicable workers' compensation laws.

4.5 The obligations of Consultant under this Article will not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City and City's engineer, elected and appointed officials, officers, employees, agents and volunteers.

4.6 Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Article from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible and indemnify, hold harmless and defend City and City's engineer, elected and appointed officials, officers, employees, agents and volunteers from and against any and all claims and losses, costs or expenses for any damage due to death or injury to any person and injury to any property resulting from any alleged intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant's subcontractors or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. Such costs and expenses shall include reasonable attorneys' fees incurred by counsel of City's choice.

4.7 The City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by the City, or the deposit with the City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

4.8 This Article and all provisions contained herein (including but not limited to the duty to indemnify, defend and hold free and harmless) shall survive the termination or normal expiration of this Agreement and is in addition to any other rights or remedies which the City may have at law or in equity.

## V. TERMINATION

5.1 TERMINATION WITHOUT CAUSE: CITY may terminate this Agreement at any time for convenience and without cause by giving written notice to CONSULTANT at least five (5) calendar days prior to the effective date of such

termination for convenience. Upon termination for convenience, CONSULTANT shall be compensated only for the Work which has been adequately rendered to CITY up to the effective date of the termination, and CONSULTANT shall be entitled to no further compensation. CONSULTANT may not terminate this Agreement except for breach of this Agreement. If this Agreement is terminated as provided herein, CITY may require CONSULTANT to provide all finished or unfinished Documents and Data, as defined in Section 7.1 below, and other information of any kind prepared by CONSULTANT in connection with the performance of the Work. CONSULTANT shall be required to provide such documents and other information within fifteen (15) calendar days of the request. In the event this Agreement is terminated in whole or in part as provided herein, CITY may procure, upon such terms and in such manner as it may determine appropriate, Work similar to those terminated.

- 5.2 DEFAULT, BREACH AND TERMINATION IN THE EVENT OF BREACH: In the event either Party fails to perform, or adhere to, any applicable duty, obligation or standard of conduct set forth under this Agreement (or fails to perform or adhere to any such duty, obligation or standard of conduct at the time, place or manner set forth in this Agreement), an event of default (hereinafter, "Event of Default") shall have occurred. Except as otherwise provided in this Agreement, if an Event of Default remains uncured by the defaulting Party for a period in excess of fourteen (14) calendar days from the date upon which the non-defaulting Party issues notice of default (hereinafter, a "Default Notice") to the defaulting Party, then the default shall constitute a breach of this Agreement. If a Party is in breach of this Agreement, the non-breaching Party may pursue any and all remedies available to it at law or in equity. If CONSULTANT is in breach (whether or not such breach is caused by CONSULTANT or CONSULTANT's officials, officers, employees, agents, contractors, subcontractors or subconsultants, CITY may, in its sole and absolute discretion (and without obligation), terminate this Agreement immediately upon the issuance written notice of termination on the grounds of breach (a "Breach-Termination Notice") which notice shall specify the effective date of such termination for cause. CITY's ability to terminate this Agreement as provided in this Section shall be in addition to any other remedies CITY may have at law or in equity in the event of breach and shall not be in lieu of such other remedies.
- 5.3 SCOPE OF WAIVER: No waiver of any default or breach under this Agreement shall constitute a waiver of any other default or breach, whether of the same or other covenant, warranty, agreement, term, condition, duty or requirement contained in this Agreement. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.
- 5.4 SURVIVING ARTICLES, SECTIONS AND PROVISIONS: The termination of this Agreement pursuant to any provision of this Article or by normal expiration of its term or any extension thereto shall not operate to terminate any Article, Section or provision contained herein which provides that it shall survive the termination or normal expiration of this Agreement.

## VI.

### MISCELLANEOUS PROVISIONS

- 6.1 DOCUMENTS & DATA; LICENSING OF INTELLECTUAL PROPERTY: All Documents and Data shall be and remain the property of CITY without restriction or limitation upon their use or dissemination by CITY. For purposes of this Agreement, the term "Documents and Data" means and includes all reports, studies, analyses, correspondence, plans, drawings, designs, renderings, specifications, notes, summaries, strategies, charts, schedules, spreadsheets, calculations, lists, data compilations, documents or other materials developed and/or assembled by or on behalf of CONSULTANT in the performance of this Agreement and fixed in any tangible medium of expression, including but not limited to Documents and Data stored on paper, digitally, magnetically and/or electronically. CONSULTANT shall require all subcontractors and subconsultants working on behalf of CONSULTANT in the performance of this Agreement to agree in writing that CITY shall be granted the same right to copy, use, reuse, disseminate and retain Documents and Data prepared or assembled by any subcontractor or subconsultant as applies to Documents and Data prepared by CONSULTANT in the performance of this Agreement.
- 6.2 CONFIDENTIALITY: All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input recorded data, written information, and other like information either created by or provided to CONSULTANT in connection with the performance of this Agreement shall be held confidentially by CONSULTANT. Such materials shall not, without the prior written consent of CITY, be used by CONSULTANT for any purposes other than the performance of the Work. Nor shall such materials be disclosed to any person or entity not connected with the performance of the Work. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is generally known, or has become known, to the related industry shall be deemed confidential. CONSULTANT shall not use CITY's name or insignia, photographs, or any publicity pertaining to the Work in any magazine, trade paper, newspaper, television or radio production or other similar medium without the prior written consent of CITY.

- 6.3 **NOTICES:** All notices permitted or required under this Agreement shall be given to the respective Parties at the following addresses, or at such other address as the respective Parties may provide in writing for this purpose:

**CONSULTANT:**

Advanced Electronics, Inc.  
Attn: Robert W. Conrey, CEO  
2601 Manhattan Beach Blvd  
Redondo Beach, Ca 90278  
Tel: (310) 725-0410  
Fax: (310) 643-8166

**CITY:**

City of San Fernando  
Police Department  
Attn: Anthony Vairo  
910 First Street  
San Fernando, CA 91340  
avairo@ci.san-fernando.ca.us  
Tel: (818) 898-1267  
Fax: (818) 365-7764

Such notices shall be deemed effective when (i) personally delivered; (ii) successfully transmitted by facsimile as evidenced by a fax confirmation slip; (iii) when successfully transmitted and received via electronic mail at any of the e-mail addresses listed above; or (iv) when mailed, forty-eight (48) hours after deposit with the United States Postal Service, first class postage prepared and addressed to the Party at its applicable address.

- 6.4 **COOPERATION; FURTHER ACTS:** The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as is reasonably necessary, appropriate or convenient to achieve the purposes of this Agreement.

- 6.5 **SUBCONTRACTING:** CONSULTANT shall not subcontract any portion of the Work required by this Agreement, except as expressly stated herein, without the prior written approval of CITY. Subcontracts (including without limitation subcontracts with subconsultants), if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including provisions relating to insurance requirements and indemnification.

- 6.6 **CITY'S RIGHT TO EMPLOY OTHER CONSULTANTS:** CITY reserves the right to employ other consultants in connection with the various projects worked upon by CONSULTANT.

- 6.7 **PROHIBITED INTERESTS:** CONSULTANT warrants, represents and maintains that it has not employed nor retained any company or person, other than a *bona fide* employee working solely for CONSULTANT, to solicit or secure this Agreement. Further, CONSULTANT warrants and represents that it has not paid nor has it agreed to pay any company or person, other than a *bona fide* employee working solely for CONSULTANT, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, CITY shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of CITY, during the term of his or her service with CITY, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

- 6.8 **TIME IS OF THE ESSENCE:** Time is of the essence for each and every provision of this Agreement.

- 6.9 **FORCE MAJEURE:** Any prevention, delay, nonperformance or stoppage due to any of the following causes shall excuse nonperformance for a period equal to such obligations imposed by this Agreement. The causes referred to above are strikes, walkouts, labor disputes, failure of power, irresistible superhuman cause, acts of public enemies of the State or United States, riots, insurrections, civil commotion, inability to obtain labor or material or reasonable substitutes for either, governmental restrictions or regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement), casualties not contemplated by insurance provisions of this agreement, or other causes beyond the reasonable control of the party obligated to perform.

- 6.10 **GOVERNING LAW; VENUE:** This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Los Angeles County Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Central District of California located in the City of Los Angeles, California.

- 6.11 **ATTORNEY'S FEES:** If either Party commences an action against the other Party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing Party in such litigation shall be entitled to have and recover from the losing Party reasonable attorney's fees and all other costs of such action.

- 6.12 **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding on the successors and assigns of the Parties.

- 6.13 NO THIRD PARTY BENEFIT: There are no intended third party beneficiaries of any right or obligation assumed by the Parties. All rights and benefits under this Agreement inure exclusively to the Parties.
- 6.14 CONSTRUCTION OF AGREEMENT: This Agreement shall not be construed in favor of, or against, either Party but shall be construed as if the Parties prepared this Agreement together through a process of negotiation and with the advice of their respective attorneys.
- 6.15 SEVERABILITY: If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- 6.16 AMENDMENT; MODIFICATION: No amendment, modification or supplement of this Agreement shall be valid or binding unless executed in writing and signed by both Parties, subject to CITY approval. The requirement for written amendments, modifications or supplements cannot be waived and any attempted waiver shall be void and invalid.
- 6.17 CAPTIONS: The captions of the various articles, sections and paragraphs are for convenience and ease of reference only, and do not define, limits, augment, or describe the scope, content, or intent of this Agreement.
- 6.18 INCONSISTENCIES OR CONFLICTS: In the event of any conflict or inconsistency between the provisions of this Agreement and any of the exhibits attached hereto, the provisions of this Agreement shall control.
- 6.19 ENTIRE AGREEMENT: This Agreement including all attached exhibits is the entire, complete, final and exclusive expression of the Parties with respect to the matters addressed herein and supersedes all other agreements or understandings, whether oral or written, or entered into between CITY and CONSULTANT prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any Party which are not embodied herein shall be valid or binding. No amendment, modification or supplement to this Agreement shall be valid and binding unless in writing and duly executed by the Parties pursuant to Section 6.16, above.
- 6.20 COUNTERPARTS: This Agreement shall be executed in two (2) original counterparts each of which shall be of equal force and effect. One counterpart shall be delivered to CONSULTANT and the other shall be retained by CITY. No handwritten or typewritten amendment, modification or supplement to any one counterparts shall be valid or binding unless made to all three counterparts in conformity with Section 6.16, above.

**[SIGNATURE PAGE TO FOLLOW]**

**AS OF THE DATE FIRST WRITTEN ABOVE**, the Parties evidence their agreement to the terms of this Agreement by signing below:

**CITY:**  
City of San Fernando

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

Name: Brain Saeki

Title: City Manager

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

**CONSULTANT:**  
Advanced Electronics, Inc.

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

Print: Robert W. Conrey

Title: CEO

**EXHIBIT "A"**  
**[SCOPE OF WORK]**



## Request For Proposal to the City of San Fernando

EXHIBIT "A"

# Radio Communication System and Wireless Broadband Network Maintenance

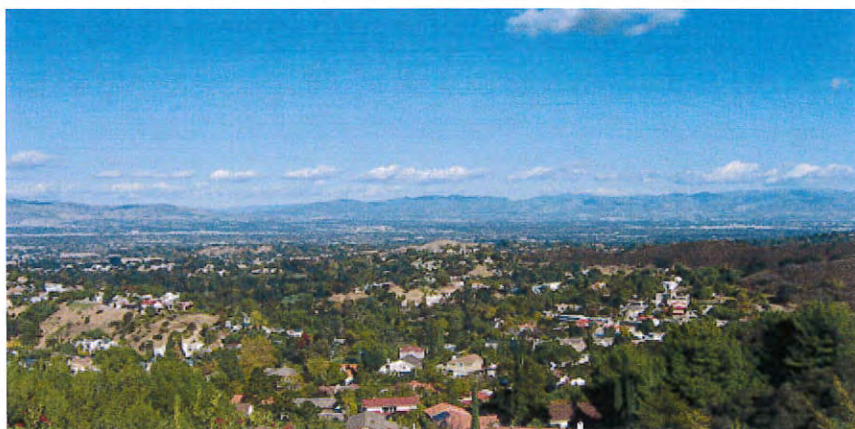
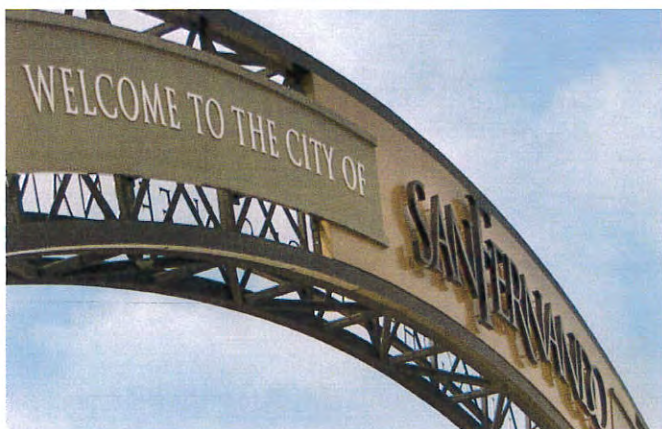
City of San Fernando  
C/O City Clerk's Office  
117 Macneil Street.  
San Fernando, CA 91340  
Attn: Elena Chavez, City Clerk

COPY

**Submitted by:**

Advanced Electronics, Inc.  
2601 Manhattan Beach Blvd.  
Redondo Beach, CA 90278

Contact: Robert W. Conrey, CEO  
(310) 725-0410

**Submission Date: September 2, 2014 before 3:00 PM****Advanced Electronics**

**CITY OF**  
**San Fernando**  
HISTORIC & VISIONARY





# Advanced Electronics

CORPORATE OFFICE  
2601 Manhattan Beach Blvd.  
Redondo Beach, CA 90278-1604  
310.725.0410 800.750.7234  
Administration,  
A/P, A/R Fax: 310.643.8166  
Sales, Parts, Rentals,  
Customer Service Fax: 310.643.8167

August 28, 2014

San Fernando Police Department  
910 First Street  
San Fernando, CA 91340

Attn: Lieutenant Anthony Vairo  
Re: Response to RFP – Radio Communication System and  
Wireless Broadband Network Maintenance

COPY

Dear Lt. Vairo:

It is my pleasure to submit the enclosed response to your RFP.

Advanced Electronics, Inc. is a major provider of engineering, installation, maintenance, and warranty for Motorola Solutions, Inc. products, including repeaters, base stations, portable radios, mobile radios, paging systems, large communications consoles, dispatch centers, point-to-point, point-to-multi point, broadband, mesh networking and security closed circuit television. We have serviced Southern California customers for 63 years!

Advanced Electronics, Inc. is proud to claim a 50+ year relationship with Motorola, Inc. Advanced Electronics, Inc. is also certified by the County of Los Angeles as a Local SBE (Small Business Enterprise) and by the State of California as a SB (Small Business).

We are the highest level Motorola Solutions, Inc. service provider with a "Service Elite Specialist" (SES) rating and our Technicians are certified by the Electronics Technicians Association of America (ETA). All of our service monitors are re-calibrated annually, which ensures accurate / comparable readings from year-to-year for each piece of equipment serviced. We utilize MAS200 to account for all labor and parts required for each repair; therefore we can assist you in evaluating your equipment that may have higher than normal repair issues or that is subjected to non-normal use by the end user.

Advanced Electronics, Inc. technicians are members of the L.A. Clean Card program and all technicians, installers and sales personal are TWIC certified.

In closing, I thank you for the opportunity to respond to your bid request. My staff at Advanced Electronics, Inc. is eager to continue to provide the San Fernando Police Department with the highest level of professional service in our industry. If you have any questions, please do not hesitate to call me at any time at 310-725-0410 ext 202. I also invite you to visit our Redondo Beach headquarters office at any time. We also have 2 other facilities in Southern California, Ontario and Edwards Air Force Base.

I look forward to a positive reply to our proposal.

Sincerely,

William U. Osborn, CFO  
Advanced Electronics, Inc.  
[wosborn@advancedelectronics.com](mailto:wosborn@advancedelectronics.com)

# **Section 1**

## **Executive Summary**

## EXECUTIVE SUMMARY

Advanced Electronics, Inc. is a Motorola Service Elite Specialist (formerly known as a Premier Service Partner) and we have many years of experience engaged in providing major systems to Motorola and large governmental units. We are heavily invested in our talent to provide work in our core business of supporting, installing, configuring and maintaining Two Way Communications Systems and Wireless Broadband Network Systems.

Advanced Electronics, Inc. is the current provider for maintenance on these two systems, and having designed and installed both systems, is uniquely qualified to provide ongoing system support and maintenance.

## **Section 2**

# **Scope of Services**

## SCOPE OF SERVICES

Coverage will be 24 hour, 7 days per week, and 365 days a year, with 2 hour on site response for critical failures for both the Two Way Radio and Wireless Broadband Systems.

Our main shop, located at 2601 Manhattan Beach Blvd., Redondo Beach, Ca is located 33.2 miles from 117 Macneil St., San Fernando, Ca 91340, putting us within your 40 mile requirement and allowing us to meet your 2 hour or better response time for critical failures.

Two Way Radio Communications System maintenance support will include all parts and labor to repair any defective items which are currently support by Motorola and 3<sup>rd</sup> party vendors. All efforts will be made to repair and maintain any equipment that is no longer supported. This includes the following:

Annual PMI on all Fixed Equipment

Coverage for replacement of portable accessories, limited to, batteries, antenna, and belt clips (one per covered unit per year if needed and accompanied by a portable radio, excludes Non-Motorola, non-rechargeable, AA or Mercury batteries)

Includes Hi-Tech Infrastructure Repair with Advanced Replacement on the MCC5500 Consoles, Nice Logging Recorder Gold Package.

All technicians responding to service calls on your Two Way Communications System are trained and familiar with Radio IP and Motorola MW810 computers.

Randal Meese, Bruce Cobb, Gary Blankenship, Troy Warner, Brad, Alfredo Barahona, Brad Dockter and Sung Kim – (Their certificates are included)

Wireless Broadband Network maintenance support will include all parts and labor to repair any defective items which are currently supported by the Manufacturer, including technical support for related software issues.

Systems and procedures are already in place to log into your system remotely to diagnose and repair equipment.

Advanced Electronics, Inc. currently has 2 technicians on staff that are fully trained and certified ONSSI technicians:

Jack Szymanski and Raymond DeLaPaz - (Their certificates are included)

Advanced Electronics, Inc. currently has Motorola Mesh Nodes in stock for next day deployment when required.

## **Section 3**

# **Company Background**

## **ADVANCED ELECTRONICS, INC.**

Advanced Electronics, Inc. has been servicing Southern California's communications and security needs for over six decades. We are dedicated to providing the highest level of communications sales, service and technical expertise to public safety, federal government agencies and businesses throughout Southern California.

In 1951, Advanced Electronics began servicing the rapidly growing Two-Way radio industry. In May of 1961 we expanded to become an "Authorized Motorola Service Station." As the industry has grown, so has Advanced Electronics!

In 1960, Advanced Electronics, Inc. entered the electronic security industry by providing and servicing closed circuit video surveillance solutions. Advanced Electronics, Inc. continues to be a major provider of closed circuit surveillance products and services to several municipalities, federal agencies and local businesses.

Advanced Electronics, Inc. has established a reputation as a leader in such technologies as Mesh Networking, Point-to-Point Communications and Microwave under-builds. By combining all of our technologies and competencies (engineering, 24 hour service, installation, tower climbing, sales and FCC licensing assistance) Advanced Electronics, Inc. has become the premier communications company in Southern California.

MOTOROLA SERVICE STATION AGREEMENT - 1951  
MOTOROLA PREMIER SERVICE PARTNER  
MOTOROLA PROFESSIONAL & COMMERCIAL RADIO (PCR) AGREEMENT  
MOTOROLA PUBLIC SAFETY MANUFACTURER REPRESENTATIVE  
MOTOROLA SYMBOL MOBILE COMPUTER SYSTEMS REPRESENTATIVE  
MOTOROLA UTILITY MANUFACTURER REPRESENTATIVE  
MOTOROLA FEDERAL MANUFACTURER REPRESENTATIVE  
MOTOROLA FIXED WIRELESS VAR  
MOTOROLA WIRELESS FIELD ENGINEER – WiBB VAR Fixed  
PELCO AUTHORIZED GOVERNMENT RESELLER AGREEMENT  
RECEPTORS CARD ACCESS RESELLER AGREEMENT  
OBJECTVIDEO SUBLICENSING AND DISTRIBUTION AGREEMENT  
JPS COMMUNICATIONS AUTHORIZED DEALER AGREEMENT  
TX/RX MASTER INTEGRATOR  
ZETRON AUTHORIZED RESELLER AND SERVICE AGREEMENT  
KENWOOD AUTHORIZED RESELLER  
TAIT AUTHORIZED RESELLER  
VERTEX AUTHORIZED RESELLER  
ONSSI VIDEO MANAGEMENT SYSTEM RESELLER  
SONY SECURITY PRODUCTS RESELLER  
CAMBIUM POINT TO POINT WIRELESS CERTIFIED

We are extremely proud of our employees! We believe very much in employee education. Advanced Electronics, Inc. invests heavily in Motorola and other manufacturer technical schooling for our technicians and account representatives. Advanced Electronics, Inc. is a Motorola Premier Service Partner (PSP); a Premier Motorola Dealer; a multi year Motorola Pinnacle award winner and in 2012 a Motorola Empower Circle award winner; a Certified RF Communications Service Center (CSC); our technicians hold CET certifications and we are a State of California Certified Small Business.

Our Staff at Advanced Electronics, Inc. is eager to provide you and your organization with the highest level of professional service in the industry. If your time permits, we encourage you to visit one of our facilities in Redondo Beach or Ontario.



**CORPORATE OFFICE &  
MAIN SERVICE SHOP**

2601 Manhattan Beach Blvd  
Redondo Beach, CA 90278

Phone  
310-725-0410  
800-750-7234

Fax  
310-643-8167

Number of Employees: 45

Square Footage: 11,500

Work Stations: 9

Installations Bays: 5





### ONTARIO

865 S. Milliken Ave., Unit C  
Ontario, CA 91761

Phone  
909-390-0460

Fax  
909-937-7127

Number of Employees: 8

Square Footage: 2984

Work Stations: 2

Installations Bays: 2

**RESELLER AGREEMENTS AND CONTRACTS**

**MOTOROLA SERVICE STATION AGREEMENT - 1961**

**MOTOROLA PREMIER SERVICE PARTNER**

**MOTOROLA AUTHORIZED MASTER DEALER AGREEMENT**

**MOTOROLA CENTRACOM-ELITE CONSOLE DEALER AGREEMENT**

**MOTOROLA PROFESSIONAL SERIES RADIO DEALER AGREEMENT**

**MOTOROLA SELECT SYSTEMS DEALER AGREEMENT**

**MOTOROLA PUBLIC SAFETY MANUFACTURERS REPRESENTATIVE**

**MOTOROLA UTILITY MANUFACTURERS REPRESENTATIVE**

**MOTOROLA FEDERAL AGENT**

**MOTOROLA FIXED WIRELESS VAR**

**MOTOROLA WIRELESS FIELD ENGINEER – WiBB VAR Fixed**

**SYMBOL AUTHORIZED RESELLER**

**PLANT-CML MASTER PURCHASE AND RESALE AGREEMENT**

**PELCO AUTHORIZED GOVERNMENT RESELLER AGREEMENT**

**RECEPTORS CARD ACCESS RESELLER AGREEMENT**

**OBJECTVIDEO SUBLICENSING AND DISTRIBUTION AGREEMENT**

**JPS COMMUNICATIONS AUTHORIZED DEALER AGREEMENT**

**TX/RX MASTER INTEGRATOR**

**ZETRON AUTHORIZED RESELLER AND SERVICE AGREEMENT**

**ONSSI AUTHORIZED RESELLER AND SERVICE AGREEMENT**

**SONY SECURITY PRODUCTS RESELLER**

## **ABOUT THE DEPARTMENTS AT ADVANCED**

### **Service Department:**

Advanced Electronics, Inc. is an Authorized Motorola Premier Service Partner (PSP), now referred to as a Service Elite Specialist. (Certificates with this update have not been issued by Motorola as of yet)

Our service department is comprised of nine (9) inter-departments:

- Two-Way mobile & fixed equipment shop repair
- Two-Way mobile & fixed equipment field repair
- Two-Way portable shop repair
- Special Products equipment repair shop
- Special Products equipment repair field
- Sites equipment repair
- Visual Communications & Security repair shop
- Visual Communications & Security repair field
- Broadband

Because of technical advancements in our industry, it is necessary to utilize the talents and assets of our technicians as specialist in certain product categories. You can be assured that any contract or subcontract for a project will be staffed with qualified employees, be it engineering, technical or installation.

Advanced Electronics also offers engineering service, installation and maintenance on Closed Circuit Video. Our system configurations range from the simple to large multi-camera, multi-monitor, and microprocessor-controlled configurations utilizing fiber optics and wireless transmission technology.

### **Installation Department:**

Advanced has a complete installation department to meet your needs. Antenna site and tower work, base stations, remotes and mobile installations are all done by trained employees who care what the job looks like when completed. Public Safety full car builds.

### **Customer Service Department:**

This department provides the highest level of customer satisfaction possible. The department is responsible for receiving equipment directly from customers and from our own technical field staff. Data input is accomplished through utilization of our MAS200 software. MAS200 provides a complete repair history for each S/N, identifies if a radio is on a MA, in warranty or on an extended warranty and provides reporting as to the current status of a repair, cycle time, etc. Our Customer Service

staff also takes a proactive role by notifying each customer when their radio must be sent to a repair facility or if there is a parts hold. We believe strongly in calling our customers, before they call us.

#### **Rental Department:**

Advanced has a complete radio rental department. We specialize in Motorola Two-Way and Nextel equipment complete with all the accessories. If your customers need radio communications for one day or for several months, we can fulfill their needs anywhere in the United States!

#### **Antenna Sites Administration:**

Advanced has a vast experience in managing high level and low level sites throughout the Los Angeles area. We are equipped to offer turn-key service, handling all aspects of site management; marketing, propagation studies, tower and building maintenance, interference issues, billing, telephone, power, emergency power and collection.

#### **UHF / VHF Trunking:**

Advanced offers new communications technology in our VHF trunking system. Trunking is offered on Mt. Wilson, Palos Verdes and Santiago sites. Your customers can take advantage of wide area push-to-talk communications for only \$19.95 per month per radio. We exclusively use Motorola mobile and portable radios on our trunking systems!

#### **Maintenance Contract Offerings:**

Advanced was the first in our industry to offer 100% inclusive service agreements. Services include 24 X 7 coverage, 2 hour response, free battery replacement, antenna replacement, and belt clip replacement. Pick up and delivery of equipment at the customer location can be made a part of many service agreements. We help to take the burden off your customers! We will be more than happy to work with you in supplying a competitive quote to your customers!

#### **Sales Department:**

Recognized a leader in Motorola service and installation, Advanced Electronics was appointed in 1988 as one of the first dealers for Motorola Radius products. Additionally, Advanced was appointed one of the very first Motorola Full Line Dealers on the West Coast. Advanced Electronics, Inc. is an Authorized Dealer for the following product lines:

Wireless Broadband:

- a. Mesh Networking
- b. Symbol Technologies
- c. PIPS Automatic License Plate Recognition
- d. Point-to-Point licensed and non-licensed

Two-Way Radio:

- a. Motorola, full line communication products:
  - 1. Elite Dealer for Motorola Radio Solutions Track
  - 2. Authorized Agent of Motorola – Federal Reseller
  - 3. Motorola P25 Systems Track
  - 4. Motorola MR Track
  - 5. Motorola Solutions Channel Partner
  - 6. Motorola Enterprise WINS
  - 7. Broadband
- b. Kenwood, full line two-way communications products
- c. Tait Electronics, full line two-way communications products
- d. Spectracom, time products
- e. SmartLink, provides backbone linking of conventional and trunking two-way repeaters
- f. Zetron Consoles

Two-Way Radio Wide Area Communications Provider:

- a. Advanced Electronics, Inc. VHF Trunking System. One-to-one or one-to-many at a fixed low monthly price.

Visual Communications & Security Department:

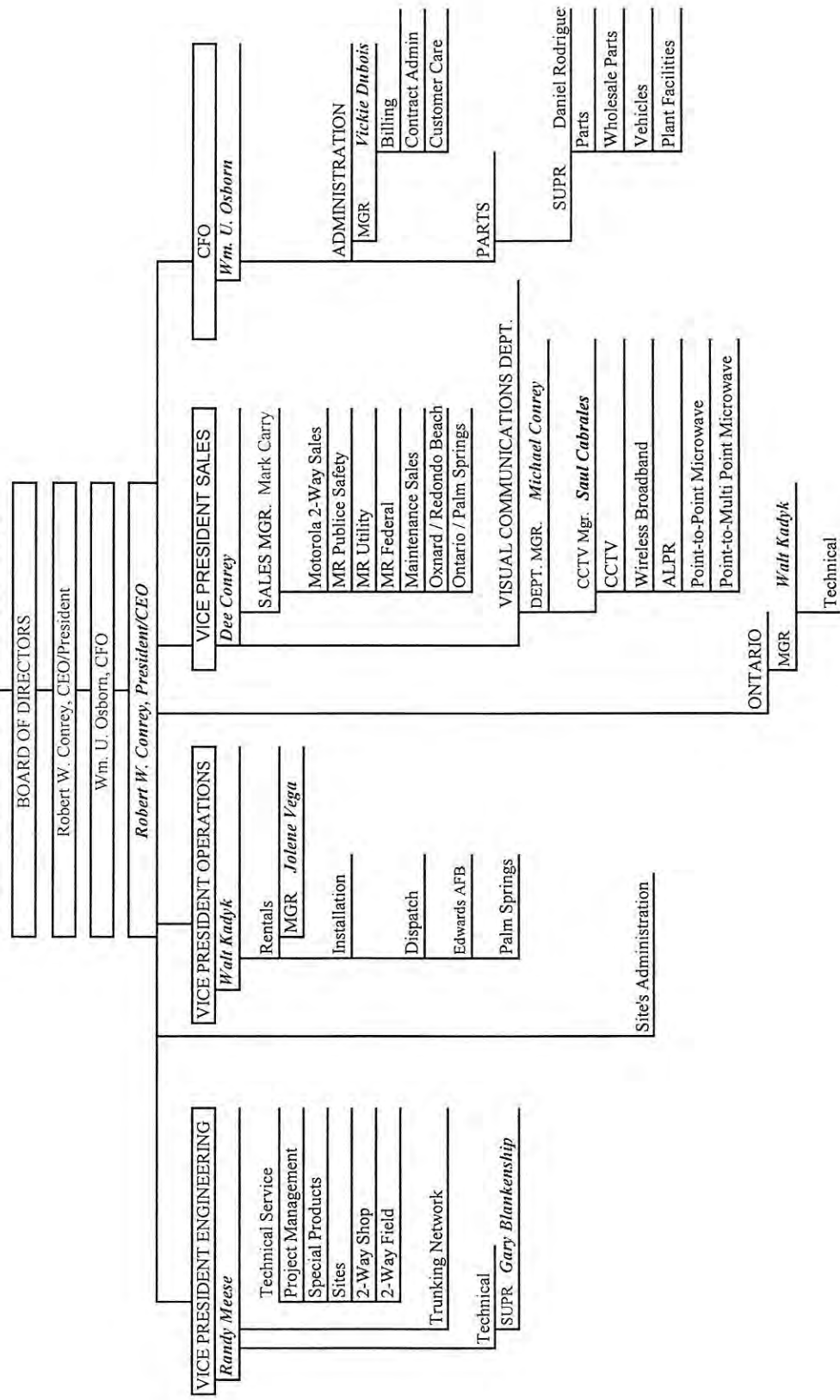
- a. Pelco, full line closed circuit TV and monitoring products
- b. Sony, full line closed circuit TV and monitoring products
- c. Point To Point Microwave
- d. Point To Multi Point Microwave
- e. ML800 & 900 Computers
- f. ALPR
- g. MESH Networking
- h. ONSSI – Video Analytics

**Be sure to look at our Web Site!**

**[www.advancedelectronics.com](http://www.advancedelectronics.com)**



## CORPORATE ORGANIZATION



## EXPERIENCE

In 1951, Advanced Electronics began servicing the Two-Way radio industry and expanded to become an "Authorized Motorola Service Station" in May of 1961, providing engineering, installation, and maintenance for Motorola communications products including base stations, portable and mobile radios, paging systems, microwave systems, and large communications consoles. As the industry has grown, so has Advanced Electronics!

The following list represents just a sample of products and equipment that Advanced Electronics has experience in engineering, installing, and servicing:

1. Consoles:
  - a. Centracom II, & II Plus, Gold Elite
  - b. Dispatch consoles and Mini Centracoms
  - c. IPC / Positron Consoles
  - d. Zetron Consoles
  - e. Programming capability
  - f. Remotes - local, DC, tone, and digital (all makes)
  - g. Display terminals
  - e. Plant E-911
  - f. K Core
  - g. M Core
  - h. MCC 7100
  - i. MCC 7500
  - j. MIP 5000
2. Microwave:
  - a. 960mhz - 23gc
  - b. Video
3. Repeaters & Base Stations:
  - a. Analog – Trunking
  - b. Digital
  - c. DES systems
  - d. Signaling systems
4. Mobile, Portable and Fixed Products:
  - a. Hand-held (all models including DES)
  - b. Repeaters
  - c. Base Stations
  - d. Consolette
  - e. **MOTOTRBO** (Digital Radios)
5. Intrac Reporting Systems
6. Trunking Systems - all types
7. Rental:
  - a. Two Way Radios
  - b. Repeaters
  - c. Satellite Phones
  - d. Verizon Cellular Phones
10. Paging Terminals (including simulcast)
  - a. Manual Paging Encoders
  - b. People Finders
  - c. Page Bridge I & II
11. Buscom Systems
12. MARS and CLA-MARS Reporting
13. Antenna Site:
  - a. Engineering
  - b. Propagation Studies
  - c. Coverage Map Generation
  - d. Site Building Penetration
  - e. Gounding
  - f. Tower Climbing/Antenna Mounting
  - g. System Designs:
    1. Interior / exterior of building
    2. Antenna System design:
      - a. Sites
      - b. In-Building BDA's
  - h. High-Level and Low-Level Tower Site Space for Rent
14. Data products for in-vehicle
15. Closed Circuit Television Security Systems
  - a. Monitors
  - b. Cameras
  - c. Multiplexers
  - d. Hard Wired and Wireless Systems
  - e. DVR's (Digital Video Recorders)
  - f. Intelligent Software - ObjectVideo
  - g. In-car camera systems
  - h. ONSSI



8. Vehicle Installation:

## a. Public Safety

1. Police Vehicles / Full Car Builds
2. Fire Vehicles / Full Car Builds
3. Under Cover Vehicles / Full Car Builds
4. Sirens
5. Lightbars
6. Wig Wags
7. Computers
  - a. Cranes
  - b. Specialized Vehicles
  - c. Marine

9. JPS Interoperability Equipment16. GPS Systems:

- a. Equipment and installation
- b. GPS monitoring software
- c. GPS Hosting

17. Wide Area VHF Trunking System:

- a. Customer owns the radios
- b. Customer pays a small fee per month
- c. Unlimited use of airtime
- d. Equipment & airtime leasing available
- e. System covers the entire Los Angeles Basin!

18. Wireless Broadband:

- a. Motorola Motomesh DUO
- b. Mesh Networking
- c. Orthagon (Non-line of site / point-to-point)
- d. Micro Wave Under Builds
- e. Symbol – E ticket, etc.
- f. Card Access
- g. PIPS Automatic License Plate Recognition
- h. Firetide



**CONFIDENTIAL**

**ADVANCED ELECTRONICS, INC.**

**Financial Statements  
And Supplementary Information  
With Review Report of Independent  
Certified Public Accountants**

**Years Ended September 30, 2013 and 2012**

# **ADVANCED ELECTRONICS, INC.**

## **Financial Statements and Supplementary Financial Information**

**September 30, 2013 and 2012**

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**CHARLES McDONOUGH ACCOUNTANCY CORPORATION**

Gregory G. Wilson, C.P.A.

Del Amo Financial Center  
21515 Hawthorne Boulevard, Suite 580  
Torrance, California 90503Telephones: (310) 540-9559  
(800) 540-9569  
FAX: (310) 543-2844Members of:  
American Institute of C.P.A.'s  
California Society of C.P.A.'sThe Board of Directors  
Advanced Electronics, Inc.  
2601 Manhattan Beach Blvd.  
Redondo Beach, CA 90248**Independent Accountant's Review Report**

We have reviewed the accompanying balance sheets of Advanced Electronics, Inc. (a Corporation), as of September 30, 2013 and 2012 and the related statements of income, retained earnings, and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.



Charles McDonough Accountancy Corporation

January 15, 2014

**ADVANCED ELECTRONICS, INC.****Balance Sheets****September 30, 2013 and 2012****ASSETS**

	<u>2013</u>	<u>2012</u>
<b>Current Assets:</b>		
Cash	\$ 106,511	\$ 26,508
Receivables:		
Trade, Net of Allowance for Doubtful Accounts of \$12,653 in 2013 and \$10,460 in 2012	1,068,758	1,388,082
Other Receivables	46,747	40,450
Total Receivables	1,115,505	1,428,532
Inventories ( Note 1)	600,717	647,536
Prepaid Expenses	61,656	64,640
Total Current Assets	1,884,389	2,167,216
<b>Property and Equipment (Note 1):</b>		
Equipment	2,154,751	1,789,781
Automotive Equipment	181,416	129,245
Furniture and Fixtures	42,998	38,910
Leasehold Improvements	136,251	136,251
Total	2,515,416	2,094,187
Less: Accumulated Depreciation	1,938,243	1,805,064
Net Property and Equipment	577,173	289,123
<b>Other Assets:</b>		
Deposits	18,485	19,180
Total Other Assets	18,485	19,180
<b>Total Assets</b>	<b>\$ 2,480,047</b>	<b>\$ 2,475,519</b>

See Accompanying Notes and Accountants' Review Report

**ADVANCED ELECTRONICS, INC.****Balance Sheets****September 30, 2013 and 2012****LIABILITIES AND STOCKHOLDERS' EQUITY**

	<u>2013</u>	<u>2012</u>
<b>Current Liabilities:</b>		
Accounts Payable	\$ 339,551	\$ 910,533
Line of Credit (Note 3)	0	266,131
Notes Payable - Stockholder	350,000	0
Current Portion of Long-Term Debt (Note 4)	95,883	29,468
Other Accrued Liabilities and Payroll	590,409	322,979
Deferred Income - Maintenance and Consulting Services	120,238	136,108
Income Taxes Payable (Overpaid)	<u>13,053</u>	<u>(7,588)</u>
Total Current Liabilities	<u>1,509,134</u>	<u>1,657,631</u>
<b>Long-Term Liabilities:</b>		
Long-Term Debt, Less Current Portion (Note 4)	<u>32,476</u>	<u>0</u>
Total Long-Term Liabilities	<u>32,476</u>	<u>0</u>
<b>Deferred Income Taxes</b>	<u>26,595</u>	<u>4,982</u>
Total Liabilities	<u>1,568,205</u>	<u>1,662,613</u>
<b>Stockholders' Equity:</b>		
Common Stock, no par value; 1,000,000 shares authorized; 10,000 shares issued and outstanding	10,000	10,000
Retained Earnings	<u>901,842</u>	<u>802,906</u>
Total Stockholders' Equity	<u>911,842</u>	<u>812,906</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u><u>\$ 2,480,047</u></u>	<u><u>\$ 2,475,519</u></u>

See Accompanying Notes and Accountants' Review Report

**ADVANCED ELECTRONICS, INC.**  
**Income Statements**  
**For the Years Ended September 30, 2013 and 2012**

	<u>2013</u>	<u>2012</u>
Sales, net of sales allowance of \$0 in 2013 and \$0 in 2012	\$ 10,894,408	\$ 8,400,572
Cost of Sales	<u>9,157,225</u>	<u>7,312,508</u>
Gross Profit	1,737,183	1,088,064
General and Administrative	<u>1,553,954</u>	<u>1,016,862</u>
Operating Income	<u>183,229</u>	<u>71,202</u>
<b>Other Income (Expense):</b>		
Interest Income	0	30
Interest (Expense)	(39,842)	(37,100)
Miscellaneous Income	29,298	0
Gain (Loss) on Asset Disposition	<u>6,625</u>	<u>7,893</u>
Total Other Income (Expense)	<u>(3,919)</u>	<u>(29,177)</u>
Income Before Income Taxes	179,310	42,025
Provision for Income Taxes	<u>71,374</u>	<u>16,735</u>
Net Income	107,936	25,290
Retained Earnings, Beginning of Period	802,906	777,616
Dividends Paid	<u>(9,000)</u>	<u>0</u>
Retained Earnings, End of Period	<u>\$ 901,842</u>	<u>\$ 802,906</u>

See Accompanying Notes and Accountants' Review Report

## SIMILAR INSTALLS

San Fernando Police Department

Lt. Tony Vario

818-398-4260

Los Angeles Police Department – Housing Authority County of Los Angeles (HACLA)

James Stover

213-842-2339

Vernon Police Department

Chief Danny Calleros

323-563-5171







## Motorola Premier Service Partner

This is to certify that **Advanced Electronics Redondo Beach, California** is an Authorized Motorola Communications Service Partner by virtue of, and subject to an appointment by the undersigned.

Anniversary Date: 5/02/61

  
Motorola, MSS Vice President



# Certified Service Center

## A Symbol of Quality Service

*Be it known by these present that*

## ADVANCED ELECTRONICS, INC.

**Redondo Beach, CA**

*has met the highest standards of achievement in its service facilities, staff and management as reviewed by the CSC Certification Board and is hereby designated a*



**RF Communications  
Service Center**

*Don Pierson*

**Don Pierson, President**

*Carla Hurtubise*

**Carla Hurtubise, Secretary**



**CERTIFIED  
SERVICE  
CENTER**

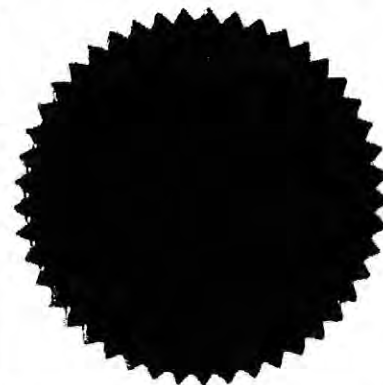
*A consortium of international  
organizations dedicated to  
achieving the highest levels of  
professional product service*

**Registration  
Number:**

**CA0086**

**Expiration:**

**Jan 2017**



Consumer Electronics Association  
(CEA)  
1919 S Eads St  
Arlington VA 22202  
[www.cea.org](http://www.cea.org)  
703-907-7045

Electronics Technicians Association  
(ETA)  
5 Depot St  
Greencastle IN 46135  
[www.eta-1.org](http://www.eta-1.org)  
765-653-8262

Professional Service Association  
(PSA)  
71 Columbia St  
Cohoes NY 12047  
[www.psaworld.com](http://www.psaworld.com)  
888-777-8851

United Servicers Association  
(PSA)  
One President Way Ste 106  
Woburn MA 01801  
[www.unitedservicers.com](http://www.unitedservicers.com)  
800-683-2558

USM Service Stations  
(USMSS)  
41277 N Bayside Dr  
Antioch IL 60002  
[www.usmss.org](http://www.usmss.org)  
847-395-3077

# Certified Service Center

## A Symbol of Quality Service

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## ADVANCED ELECTRONICS, INC.

Ontario, CA

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**RF Communications  
Service Center**

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Don Pierson, President

*Carla Hurbise*

Carla Hurbise, Secretary

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800-683-2558

USM Service Stations  
(USMSS)  
41277 N BaySide Dr  
Antioch IL 60002  
[www.usmss.org](http://www.usmss.org)  
847-395-3077



**CERTIFIED  
SERVICE  
CENTER**

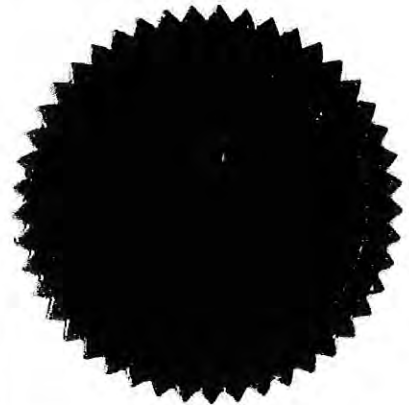
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organizations dedicated to  
achieving the highest levels of  
professional product service*

**Registration  
Number:**

**CA0086**

**Expiration:**

**Jan 2017**





## Motorola Premier Service Partner

This is to certify that **Advanced Electronics Ontario, California**  
is an Authorized Motorola Communications Service Partner by virtue of, and subject to an  
appointment by the undersigned.

Anniversary Date: 5/02/61

A handwritten signature in black ink, appearing to be 'C. Kelly', written over a horizontal line.

Motorola MSSI Vice President





JIM JONES  
Director

County of Los Angeles  
**INTERNAL SERVICES DEPARTMENT**

1100 North Eastern Avenue  
Los Angeles, California 90063

Telephone: (877) 669-CBES  
FAX: (323) 881-1871

*"To enrich lives through effective and caring service"*

April 07, 2014

BOB W CONREY  
ADVANCED ELECTRONICS  
2601 MANHATTAN BEACH BLVD  
REDONDO BEACH, CA 902781604

**Vendor #: 03714301**

Dear BOB W CONREY :

Congratulations! Your business is now certified as a Local Small Business Enterprise (LSBE) with the County of Los Angeles effective as of the date of this letter. Your Local SBE certification expiration date is based on your State of California SB certification which expires on March 31, 2016.

Your business is eligible for the Local SBE Preference Program consideration in those County of Los Angeles solicitations which include the "Request for Local SBE Preference Program Consideration" form. You must complete the form and provide your Vendor Number in your bid/proposal for each response to receive the preference.

Additionally, the Board of Supervisors established a "Countywide Small Business Payment Liaison and Prompt Pay Program". As a certified Local SBE, your company is now eligible for a 15-day prompt payment. Please call the Office of Small Business at (323) 881-3964 to make an appointment to receive your free Prompt Payment Stamp and instructions.

The County of Los Angeles Office of Small Business reserves the right to request additional information and/or conduct an on-site visit to verify any documentation submitted by the applicant. If there are any changes in the State of California Office of Small Business and DVBE Certification (OSDC) SBE status, ownership, control of the firm or principal place of business during the certification period, you are required to notify this office and the OSDC immediately.

Again, congratulations on your certification. If you have any questions about the Local SBE Program, visit our website at <http://osb.lacounty.gov> or call the Local SBE Customer Service at (877) 669-CBES.

Sincerely,

JIM JONES  
DIRECTOR

A handwritten signature in black ink, appearing to read "Debbie Cabreira-Johnson", is written over a horizontal line.

DEBBIE CABREIRA-JOHNSON  
Program Director

JJ:DCJ/ct



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#### CALIFORNIA PROFILE

BidSync Supplier Name	Advanced Electronics, Inc.	Supplier Number	30106
Legal Business Name	ADVANCED ELECTRONICS INC	DBA Business Name	ADVANCED ELECTRONICS
Address	2601 MANHATTAN BEACH BLVD REDONDO BEACH, CA 90278	Phone	(310) 725-0410
		FAX	(310) 643-8166
Email	<a href="mailto:bconrey@advancedelectronics.com">bconrey@advancedelectronics.com</a>		
Web Page	<a href="http://www.advancedelectronics.com">http://www.advancedelectronics.com</a>		
Number of Employees	48		
Business Types	Service		
Service Areas	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, Yuba,		
Keywords	MOTOROLA KENWOOD TAIT TWO-WAY RADIO INSTALLATION ANTENNA SITES COMMUNICATIONS WIRELESS INSTALLATION ENGINEERING SALES CCTV CLOSED CIRCUIT TV BROADBAND VIDEO REPEATER MOBILE PORTALBE RENTAL 24-HOUR LOS ANGELES SATELLITE PHONE DISPATCH CONSOLE POLICE FIRE		
Classifications	831116 - Mobile communications services		
View Options	<a href="#">View Application</a>		
Edit Options	<a href="#">Amend Application</a>   <a href="#">Register as Disabled Veteran Business Enterprise (DVBE)</a>		

#### Active Certifications

[Register as Disabled Veteran Business Enterprise \(DVBE\)](#)

TYPE	STATUS	STATUS DATE	FROM	TO	ACTIONS
SB	Approved	Mar 3, 2014	Mar 6, 2013	Mar 31, 2016	

#### Certification History

TYPE	STATUS	STATUS DATE	FROM	TO
SB	Expired	Mar 6, 2013	Mar 20, 2012	Mar 31, 2013
SB	Expired	Mar 20, 2012	Apr 20, 2011	Apr 30, 2012
SB	Expired	Apr 20, 2011	Apr 12, 2010	Apr 30, 2011
SB	Expired	Apr 12, 2010	May 15, 2009	May 30, 2010
SB	Expired	May 15, 2009	Jun 10, 2008	May 15, 2009
SB	Expired	Aug 14, 2006	Aug 14, 2006	Jul 31, 2008
SB	Expired	Sep 22, 2004	Sep 22, 2004	Aug 31, 2006
SB	Expired	Aug 28, 2002	Oct 4, 2002	Sep 30, 2004

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Customer Support - [vendorsupport@bidsync.com](mailto:vendorsupport@bidsync.com) or 800-990-9339

Copyright © 1999-2014 - BidSync - All rights reserved.

## **Section 4**

# **Proposed Equipment and Services**

## PROPOSED EQUIPMENT AND SERVICES

There is no new equipment proposed for the RFP.

See the attached "AS BUILT" for the MCC5500 Consoles

See the attached "AS BUILT" for the Wireless Broadband Network System



Unit	IP Address	MAC Address	Model	Serial No	Operating System / Service Patch Rev	Purpose	Login	PW
CES01	10.1.105.220/24	00-25-B3-CA-DE-9B	TT2071	2UA9380BQJ	XP-SP3	CSDM/ADM	Administrator	Motorola1!
CSL1	10.1.105.1	00-26-55-3E-0F-B1	TT2069	2UA9430HVG	XP-SP3	Operator Position 1	Administrator	Motorola1!
CSL2	10.1.105.2	00-26-55-3C-A6-38	TT2069	2UA9430HVL	XP-SP3	Operator Position 2	Dispatch	SFPD
CSL3	10.1.105.3	00-26-55-3C-A6-42	TT2069	2UA9430HVF	XP-SP3	Operator Position 3	Administrator	Motorola1!
Netclock 1	10.1.105.248					Master Clock	Dispatch	SFPD
Netclock 2						Expansion Clock		

Log Recorder 64.84.209.214/24  
Log Workstation 64.84.209.215/24

GW  
10.240.106.199  
DNS  
10.240.106.213

501M0193-01  
470065-099 HP  
46389701  
MX294301P9

Workgroup MCC5500

Logins

XP  
Administrator  
Dispatch  
Motorola1!  
SFPD

MCC5500  
Console Configuration  
SFPD1234

CSDM  
SUPERVISOR1  
SUPERUSER  
SUPERVISOR1  
SUPERUSER

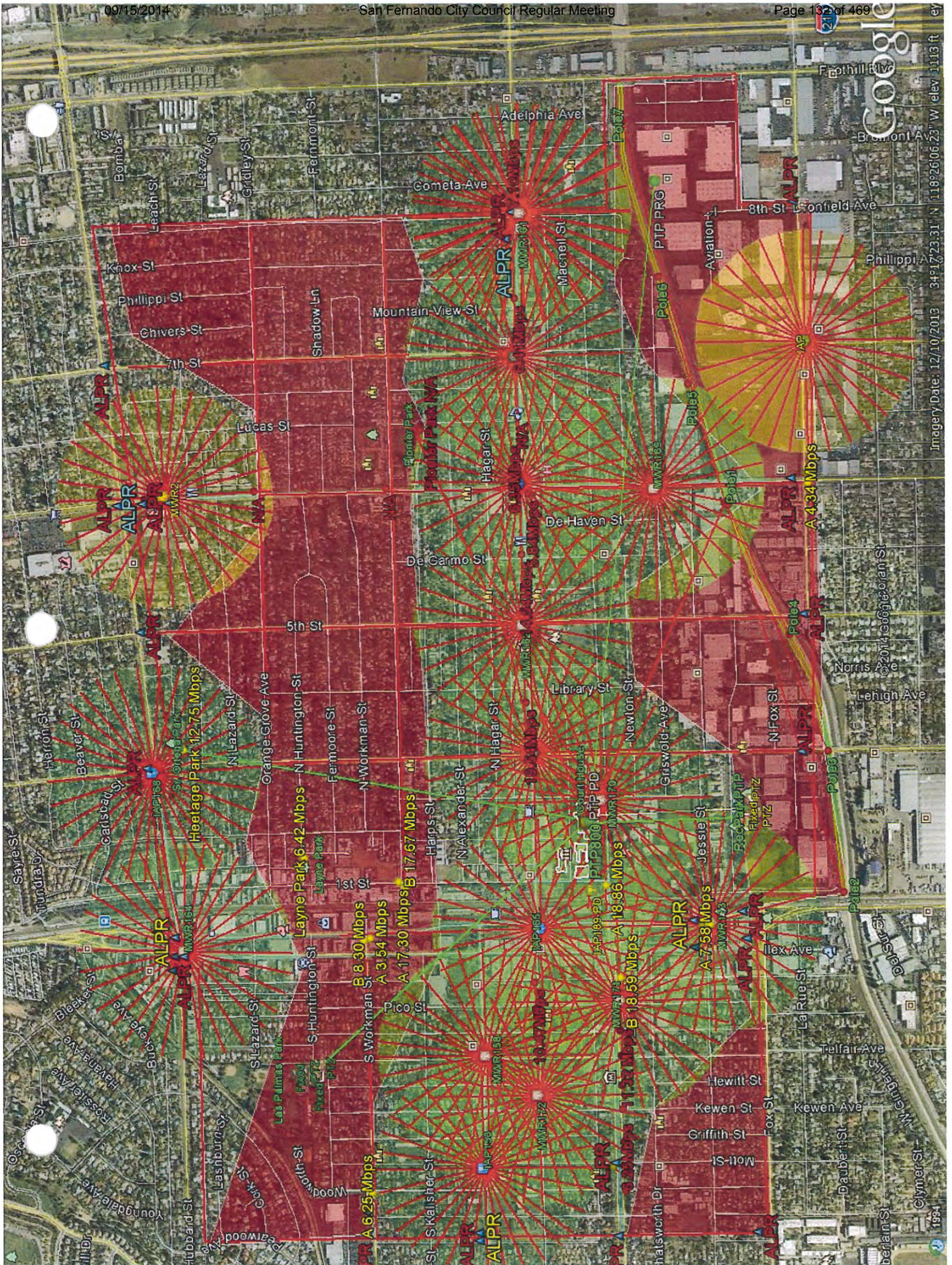
Nicecall server  
Administrator  
nicecli

Nicecall client  
nice  
nice

Network Configuration

8/29/2014







## **Section 5**

# **Maintenance and Support Program**

## MAINTENANCE AND SUPPORT PROGRAM

### A. INFRASTRUCTURE COVERAGE

- Severity Level 1
- 24/7 with 2 hour response time.
- PMI Annually
- Hi-Tech Coverage – Infrastructure Repair with Advanced Replacement

### B. MOBILE RADIO COVERAGE

- 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays.
- Next business day response.

### C. PORTABLE RADIO COVERAGE

- 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays; at an Advanced Electronics, Inc. facility.
- Battery replacement – One per radio per year when accompanied with radio.
- Disposal of spent battery.
- Belt clip replacement - One per radio per year when accompanied with radio.
- Antenna replacement - One per radio per year when accompanied with radio.

### D. VIRTUAL PATROL SYSTEM

- Severity Level 1
- 24 hours per day x 365 days per year
- Technician telephone response 1 hour
- 2 hour On-Site response
- PMI Annually
- Technical Support for Related Software

### A. INFRASTRUCTURE COVERAGE

Advanced Electronics, Inc. will provide On-Site Infrastructure Response services, which will be facilitated by the customer placing a "Request for Service" telephone call to the Advanced Electronics, Inc. office. If a service request is made after hours, on a weekend or on a holiday, the caller must use the Advanced Electronics, Inc.

"After Hours" menu on the telephone system. On-Site Response provides for an on-site technician response as determined by Table A below.

**Table A**

Response	
Current Coverage	24/7 with 2 hour response time. Annual PMI Hi-Tech Coverage – Infrastructure Repair with Advanced Replacement

## 1.0 Preventative Maintenance Inspection (PMI)

Preventative Maintenance Inspections will provide operational test and alignment, on the customer's equipment (infrastructure or fixed network equipment only) to ensure the equipment meets original manufacturer's specifications, all of which are hereby incorporated by this reference. Infrastructure Preventative Maintenance Inspections will be performed during standard business days, 8:00 A.M. to 5:00 P.M., excluding legal holidays.

Service requirements that occur after-hours or on weekends (outside of standard business days) may be purchased by the customer at an additional fee or billed on a time and material basis.

- 1.1 Advanced Electronics, Inc. has the following responsibilities:
  - 1.1.1 Schedule the Annual PMI with the customer
  - 1.1.2 Notify the Customer of any possible System downtime needed to perform this service.
  - 1.1.3 Select and manage any subcontractors required to perform preventative maintenance on original equipment manufacturer (OEM) equipment.
  - 1.1.4 Dispatch the technical resources upon receiving Customer date(s) for Infrastructure Preventative Maintenance Inspection to be performed.
  - 1.1.5 Receive and log the following information from the customer to the MAS200 system:
    - a) Dates to perform Infrastructure Preventative Maintenance Inspection.
    - b) Task number.
    - c) Site identification.
    - d) Customer and address.
    - e) Customer primary contact.
    - f) Access requirements.
    - g) Close Task Number upon receiving notice of completion from assigned technician or project manager.
- 1.2 Have on hand equipment list including type and quantity.
- 1.3 Have on hand original equipment manufacturer (OEM) Equipment manuals for system specifications as available
- 1.4 Inspect and clean cabinets
- 1.5 Inspect:
  - 1.5.1 General circuitry.
  - 1.5.2 Fault indicators.
  - 1.5.3 Cables, connections and grounding.
  - 1.5.4 Remove any dust, and/or foreign substances from the equipment.
  - 1.5.5 Clean filters, if applicable.
  - 1.5.6 Complete all preventative maintenance requirements and manufacturers specification
  - 1.5.7 Measure, record and adjust the equipment parameters in accordance with the manufacturer's service manuals and the Rules and Regulations of the Federal Communications Commission (FCC), where applicable.
  - 1.5.8 Consult equipment manuals for system specifications per system configuration.
  - 1.5.9 Complete and sign (by technician) system specific Infrastructure Preventative Maintenance Inspection checklist:
    - a) Electronically file one copy of the system specific Infrastructure Preventative Maintenance Inspection checklist at the Advanced Electronics, Inc. office.
    - b) Identify any service problems that require customer or Advanced Electronics, Inc. action.
    - c) Schedule post PMI meeting with customer to discuss service problems or other issues that require specific action by Advanced Electronics, Inc. or by customer.

**B. MOBILE RADIO COVERAGE****1.0 On-Site Mobile Radio Response**

On-Site Radio Response provides for Advanced Electronics, Inc. to be on-site to analyze a problem with a mobile radio and to repair the radio on-site if possible. Response will be on the same day if possible, or the next business day, as the trouble call is received by Advanced Electronics, Inc. If a mobile radio cannot be repaired in the field, Advanced Electronics, Inc. remove the radio and reinstall a FRU (Field Replacement Unit) if provided by the customer. Advanced Electronics, Inc. will then take the radio to its facility to perform the repair, return and reinstall the radio, then give the FRU back to the customer.

- 1.1 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays.
- 1.2 Next business day response.

**C. PORTABLE RADIO COVERAGE**

Portable radio repair provides for Advanced Electronics, Inc. to provide the labor and replacement parts to repair customer's portable radio. All portable radio repair work and PMI's will be done at an Advanced Electronics, Inc. facility and not at the customer location.

- 1. 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays. Customer brings equipment to Advanced Electronics, Inc.
- 2. Battery replacement, including disposal of spent battery. One battery per year per radio, when accompanied with radio if needed.
- 3. Battery disposal.
- 4. Belt clip replacement, one belt clip per radio per year when accompanied with radio if needed.
- 5. Portable antenna replacement, one antenna per year per radio when accompanied with radio if needed.
- 6. Advanced Electronics, Inc. has the following responsibilities:
  - 6.1 Add the following customer information to the Advanced Electronics, Inc. MAS 200 tracking system:
    - 6.1.1 Customer name, contact and address.
    - 6.1.2 System type and equipment descriptions.
    - 6.1.3 Site identification (site names, site ids, addresses and zip codes).
    - 6.1.4 Provide equipment list including type and quantity, when available.
  - 6.2 Provide an operational check of equipment to determine the nature of the problem.
  - 6.3 Restore equipment with external defects that can be restored without opening the radio case.
  - 6.4 Generate service ticket in MAS 200.

**D. VIRTUAL PATROL SYSTEM****On-Site Response**

On-Site Response provides for Advanced Electronics, Inc. to provide on-site response as determined by pre-defined severity levels and response times.

Advanced Electronics, Inc. will provide On-Site Response services, which will be facilitated by the customer placing a "Request for Service" telephone call to the Advanced Electronics, Inc. office. If a service request is made after hours, on a weekend or on a holiday, the caller must use the Advanced Electronics, Inc. "After Hours" menu on the telephone system. On-Site Response provides for an on-site technician response as determined by pre-defined response levels set forth in Table A.

Table A - Severity Definitions

<b>Response Types</b>	
(A)Severity Level 1	24 hours per day x 365 days per year Technician telephone response 1 hour 2 – 4 hour On-Site response
(B)Severity Level 2	8:00 A.M. to 5:00 P.M. response Response during Standard Business Day, Monday – Friday Excludes legal holidays Same day response
(C)Severity Level 3	8:00 A.M. to 5:00 P.M. response Response during Standard Business Day, Monday – Friday Excludes legal holidays Next business day response

**Preventative Maintenance Inspection (PMI):**

Advanced Electronics, Inc. will provide an Annual Preventative Maintenance Inspection (PMI) service to the customer.

Preventative Maintenance Inspections will provide operational test and alignment, on the customer's equipment to ensure the equipment meets original manufacturer's specifications, all of which are hereby incorporated by this reference. Preventative Maintenance Inspections will be performed during standard business days, 8:00 A.M. to 5:00 P.M., excluding legal holidays.

1.0 Advanced Electronics, Inc. has the following responsibilities:

- 1.1 Schedule the PMI Annually with the customer
- 1.2 Notify the Customer of any possible System downtime needed to perform this service
- 1.3 Dispatch the technical resources upon receiving Customer date(s) for Preventative Maintenance Inspection to be performed
- 1.4 Receive and log the following information from the customer to the MAS200 system:

- 1.4.1 Dates to perform Infrastructure Preventative Maintenance Inspection
- 1.4.2 Task number
- 1.4.3 Site identification
- 1.4.4 Customer and address
- 1.4.5 Customer primary contact
- 1.4.6 Access requirements
- 1.4.7 Close Task Number upon receiving notice of completion from assigned technician or project manager
- 1.5 Have on hand equipment list including type and quantity.
- 1.6 Have on hand original equipment manufacturer (OEM) Equipment manuals for system specifications as available
- 1.7 Inspect and clean cabinets
- 1.8 Inspect:
  - 1.8.1 General circuitry
  - 1.8.2 Fault indicators
  - 1.8.3 Cables, connections and grounding
  - 1.8.4 Remove any dust, and/or foreign substances from the equipment
  - 1.8.5 Clean filters, if applicable
  - 1.8.6 Complete all preventative maintenance requirements and manufacturers specification
  - 1.8.7 Measure, record and adjust the equipment parameters in accordance with the manufacturer's service manual
  - 1.8.8 Consult equipment manuals for system specifications per system configuration
  - 1.8.9 Complete and sign (by technician) system specific Infrastructure Preventative Maintenance Inspection checklist:
    - 1.8.9.1 Electronically file one copy of the system specific Preventative Maintenance Inspection checklist at the Advanced Electronics, Inc. office
    - 1.8.9.2 Identify any service problems that require customer or Advanced Electronics, Inc. action
    - 1.8.9.3 Schedule post PMI meeting with customer to discuss service problems or other issues that require specific action by Advanced Electronics, Inc. or by customer





## Advanced Electronics

CORPORATE OFFICE  
2601 Manhattan Beach Blvd.  
Redondo Beach, CA 90278-1604  
310.725.0410 800.750.7234  
Administration,  
A/P, A/R Fax: 310.643.8166  
Sales, Parts, Rentals,  
Customer Service Fax: 310.643.8167

To service the needs of our customers, our office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding Holidays. Field service technicians are available 24 hours per day, 365 days per year.

If service is required during regular business hours, simply call 310-725-0410, and then dial ext. 225 for our "dispatch" office. Our friendly personnel will promptly handle your needs and schedule a field technician to your facility. We will always strive to provide same day service however, on rare occasions we may have to schedule your service for the next day.

For after hours, weekend and holiday service, simply call 1-310-725-0410. You will reach our automated voice mail system. Simply follow the prompts which will allow you to leave a message for the proper "on call" technician i.e. Repeater service, Hill Top service, Rental service or Administration.

After you have left your message, our technician will be automatically paged and he will return your call within a few minutes. Our voice mail system has an automated escalation process built into it. It will page the on call technician first. If the on call technician does not retrieve the message within 5 minutes, then it will call his cell phone. This process is repeated every 5 minutes, followed by his home phone, then Mr. Conrey's cell phone and then Mr. Conrey's home phone until the message is retrieved and you have been contacted by our technician.

## **Section 6**

# **Client References**

## REFERENCES

San Fernando Police Department

Lt. Tony Vario

818-398-4260

Los Angeles Police Department – Housing Authority County of Los Angeles (HACLA)

James Stover

213-842-2339

Vernon Police Department

Chief Danny Calleros

323-563-5171

# **Section 7**

## **Cost Proposal**

MODEL	QTY	YEAR 1 PER UNIT PRICE PER MONTH	YEAR 1 EXTENDED PRICE PER MONTH	YEAR 2 PER UNIT PRICE PER MONTH	YEAR 2 EXTENDED PRICE PER MONTH	YEAR 3 PER UNIT PRICE PER MONTH	YEAR 3 EXTENDED PRICE PER MONTH	YEAR 4 PER UNIT PRICE PER MONTH	YEAR 4 EXTENDED PRICE PER MONTH	YEAR 5 PER UNIT PRICE PER MONTH	YEAR 5 EXTENDED PRICE PER MONTH
XTS5000 PORTABLES	94	\$ 9.91	\$ 931.54	\$ 10.21	\$ 959.49	\$ 10.51	\$ 988.27	\$ 10.83	\$ 1,017.92	\$ 11.15	\$ 1,048.46
XTL5000 MOBILES	28	\$ 16.07	\$ 449.96	\$ 16.55	\$ 463.46	\$ 17.05	\$ 477.36	\$ 17.56	\$ 491.68	\$ 18.09	\$ 506.43
MCC5500 CONSOLES	3	\$ 211.82	\$ 635.46	\$ 218.17	\$ 654.52	\$ 224.72	\$ 674.16	\$ 231.46	\$ 694.38	\$ 238.41	\$ 715.22
<b>Including Related Equipment</b>											
QUANTAR REPEATERS	2	\$ 98.56	\$ 197.12	\$ 101.52	\$ 203.03	\$ 104.56	\$ 209.12	\$ 107.70	\$ 215.40	\$ 110.93	\$ 221.86
<b>Including Related Equipment</b>											
MC2500 REMOTES	2	\$ 12.04	\$ 24.08	\$ 12.40	\$ 24.80	\$ 12.77	\$ 25.55	\$ 13.16	\$ 26.31	\$ 13.55	\$ 27.10
BASE STATION	1	\$ 14.81	\$ 14.81	\$ 15.25	\$ 15.25	\$ 15.71	\$ 15.71	\$ 16.18	\$ 16.18	\$ 16.67	\$ 16.67
CLEMARS BASE	1	\$ 19.29	\$ 19.29	\$ 19.87	\$ 19.87	\$ 20.46	\$ 20.46	\$ 21.08	\$ 21.08	\$ 21.71	\$ 21.71
NICE LOG RECORDER	1	\$ 534.33	\$ 534.33	\$ 550.36	\$ 550.36	\$ 566.87	\$ 566.87	\$ 583.88	\$ 583.88	\$ 601.39	\$ 601.39
<b>Gold Package</b>											
MW810	13	\$ 49.74	\$ 646.62	\$ 51.23	\$ 666.02	\$ 52.77	\$ 686.00	\$ 54.35	\$ 706.58	\$ 55.98	\$ 727.78
MOTOMESH DUO	24	\$ 43.44	\$ 1,042.56	\$ 44.74	\$ 1,073.84	\$ 46.09	\$ 1,106.05	\$ 47.47	\$ 1,139.23	\$ 48.89	\$ 1,173.41
VMM MOTOMESH	13	\$ 43.44	\$ 564.72	\$ 44.74	\$ 581.66	\$ 46.09	\$ 599.11	\$ 47.47	\$ 617.08	\$ 48.89	\$ 635.60
PTP 5.8 MHz	6	\$ 45.24	\$ 271.44	\$ 46.60	\$ 279.58	\$ 48.00	\$ 287.97	\$ 49.43	\$ 296.61	\$ 50.92	\$ 305.51
ONSSI SOFTWARE	1	incl	incl	incl	incl	incl	incl	incl	incl	incl	incl
HD CAMERAS	27	\$ 36.26	\$ 979.02	\$ 37.35	\$ 1,008.39	\$ 38.47	\$ 1,038.64	\$ 39.62	\$ 1,069.80	\$ 40.81	\$ 1,101.90
PTZ CAMERAS	7	\$ 36.24	\$ 253.68	\$ 37.33	\$ 261.29	\$ 38.45	\$ 269.13	\$ 39.60	\$ 277.20	\$ 40.79	\$ 285.52
SERVERS	1	incl	incl	incl	incl	incl	incl	incl	incl	incl	incl
RADIO TOWERS	2	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RADIO IP SOFTWARE	1	incl	incl	incl	incl	incl	incl	incl	incl	incl	incl
<b>MONTHLY TOTALS</b>			<b>\$ 6,564.63</b>		<b>\$ 6,761.57</b>		<b>\$ 6,964.42</b>		<b>\$ 7,173.35</b>		<b>\$ 7,388.55</b>
<b>Yearly Totals</b>			<b>\$ 78,775.56</b>		<b>\$ 81,138.83</b>		<b>\$ 83,572.99</b>		<b>\$ 86,080.18</b>		<b>\$ 88,662.59</b>

## **Section 8**

# **Exceptions of the RFP**

## EXCEPTIONS TO THE RFP

### Attachment "A" – Contract Item List

Item b. – listed as 28 Motorola XTS5000 is actually 28 Motorola XTL5000 and is priced as such

Item q. – Qty 2 Radio towers (small) – there is nothing to maintain – this is excluded from this bid response



# **Section 9**

# **Documents**

**Expiration Date**  
**December, 30**  
**2014**



**CETsr**  
**Recertification**

Wireless Communications



# ***Senior Certified Electronics Technician***

***Wireless Communications***

**Randal A. Meese, SETWCM-R118223**  
**Rancho Palos Verdes, California**

has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Senior Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology with an 85% score, as well as having the core basics, and must show a total of at least six (6) years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association International takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News Journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CETsr identification items or advertise his/her level of accomplishment as a technician. Congratulations from ETA-I officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.

*Laura J. Maher*  
 President, Electronics Technicians Assn., Intl.

ETA® International  
 Greencastle, Indiana



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**RANDY MEESE**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

AEL3601 - MOTOTRBO CONNECT PLUS DESIGN AND  
DEPLOY

ON4/4/2014



**MOTOROLA** SOLUTIONS

# Certificate of Training

is presented to

**Randal Meese**

for

Completion of the Astro 7.8 GTR 8000 Field Training Course

*Randal Meese*

Signature

*October 2nd 2012*

Date

Motorola Solutions, Inc  
USFGMD FST  
10105 Senate Drive  
Lanham, Maryland 20706

# Certificate of Achievement

This is to certify that

**Randy Meese**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## **Advanced Networking Essentials in** **Motorola Communications Equipment**

During the period of April 30<sup>th</sup> – May 4<sup>th</sup>, 2012



**MOTOROLA**

Government Enterprise Mobility Solutions

INSTRUCTOR  
TRAINING MANAGER

**Motorola Learning Services**

# ANRITSU

## *Acknowledges That*

Randy Meese

*Has Successfully Completed Basic Site Master Line Sweep Training  
And Is Issued*

 **ANRITSU SITE MASTER** <sup>TM</sup> 

**LINE SWEEP CERTIFICATION**

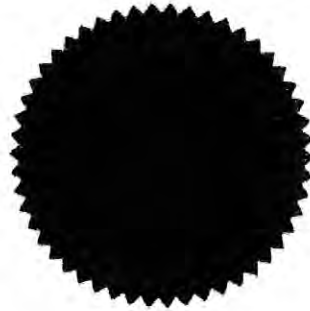
**F12303E**

*Alicia Gonzalez*

Alicia Gonzalez  
Training Coordinator

*Don Mulder*

Donn Mulder  
Field Solutions Business Unit  
Manager, Site Master





Certificate Of Completion

Page 1 of 1



## ***Certificate Of Completion***

*Motorola recognizes*

***Randy Meese of Advanced Electrtronics***

*for the successful completion of*

***MR Engineering Academy Test Out Quiz***

*Mar 15 - Jul 28, 2010*



Certificate Of Completion

Page 1 of 1



## ***Certificate Of Completion***

*Motorola recognizes*

***Randy Meese of Advanced Electrronics***

*for the successful completion of*

***Bridging the Knowledge Gap for ASTRO25 - Technician Course***

*Nov 18, 2009 - Apr 30, 2010*

# Certificate of Achievement

This is to certify that

**Randy Meese**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## Networking Essentials in Motorola Communications Equipment

During the week of November 5 – 9, 2007

*Randy V. Meese*  
INSTRUCTOR  
*Randy V. Meese*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**  
Government Enterprise Mobility Solutions

**Expiration Date**  
**August, 24**  
**2015**



**CET**

**Recertification**  
**Wireless Communications**

# ***Certified Journeyman Electronics Technician***

***Wireless Communications***

**Bruce L. Cobb , WCM-R125935  
 Harbor City, California**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology, as well as the core basics, and must show a total of at least two (2) years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CET identification items or advertise his level of accomplishment as a technician. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.*

*Theresa J. Maher*  
 President, Electronics Technicians Assn., Intl.

**ETA® International**  
**Greencastle, Indiana**  
 Accredited by  
**ICAC** 

Member ID 009822



# ETA<sup>®</sup> INTERNATIONAL

## Member

This certificate affirms that

**Bruce L. Cobb CET**

is a valued member in good standing of ETA<sup>®</sup> International, a not-for-profit 501(c) 6 association dedicated to promoting professionalism in electronics-related industries through certification. This membership shall be valid until August 2015 with all rights and privileges pertaining thereof.



Acknowledged and agreed upon by the President of ETA<sup>®</sup> International.

*Keresa J. Maher*  
President, ETA<sup>®</sup> International

Fostering Excellence Through Certification Since 1978

# Certificate of Training

is presented to

**Bruce L. Cobb**

for

Completion of the Astro 7.8 GTR 8000 Field Training Course

*Michael B. ...*  
Signature

*October 2nd 2012*  
Date

Motorola Solutions, Inc  
USFGMD FST  
10105 Senate Drive  
Lanham, Maryland 20706

# Certificate of Achievement

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**ASTRO 25 IV&D M Core Workshop**

During the period of August 20, 2012- August 24, 2012

  
INSTRUCTOR  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS711200-E - ASTRO 25 IV&D M-CORE SYSTEM  
OVERVIEW

ON 8/19/2012



**MOTOROLA SOLUTIONS**



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS79200-E - ASTRO® 25 IV&D M CORE OVERVIEW

ON 8/14/2012



**MOTOROLA SOLUTIONS**

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS711430-E - ASTRO 25 L CORE TRUNKING SYSTEM

ON 8/3/2012



**MOTOROLA SOLUTIONS**

# Certificate of Achievement

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## **ASTRO®25 Integrated Voice and Data System** **Release 7.9 - K1/K2 Quick Start Training**

During the period of June 12<sup>th</sup> – 14<sup>th</sup>, 2012



**MOTOROLA**

Government Enterprise Mobility Solutions

*James V. Doud*  
INSTRUCTOR  
*Jordan Smith*  
TRAINING MANAGER

**Motorola Learning Services**

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS711400 - ASTRO®25 IV&D CONVENTIONAL WITH K  
CORE SYSTEM OVERVIEW

ON 6/11/2012



**MOTOROLA SOLUTIONS**



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS79201-E - INTRODUCTION TO RADIO SYSTEM  
MANAGEMENT APPLICATIONS

ON 6/10/2012



**MOTOROLA SOLUTIONS**

# Certificate of Achievement

This is to certify that

Bruce Cobb

has successfully completed a MOTOROLA training program  
in the principles and servicing of

Astro®25 IV&D GTR 8000  
Repeater Site Workshop

During the period of May 22<sup>nd</sup> -24<sup>th</sup>, 2012

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

# Certificate of Achievement

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
, in the principles and servicing of

**MCC7500 Dispatch Console**

During the period of May 24 – 27, 2011

*Greg Chisell*  
INSTRUCTOR  
*Judal Smith*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ASE2602 ASTRO 25 SMALL SYSTEMS TRAINING  
COURSE

ON 5/23/2011



**MOTOROLA SOLUTIONS**



# ***Certificate Of Completion***

*Motorola recognizes*

***Bruce Cobb of Advanced Electronics***

*for the successful completion of*

***Bridging the Knowledge Gap For ASTRO 25 - System Administrator Course***

*Jan 3 - Mar 6, 2011*



# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*ASTRO® 25 IV&D Conventional with K Core System Overview*

*Jan 3 - Mar 21, 2011*



# ***Certificate Of Completion***

*Motorola recognizes*

***Bruce Cobb of Advanced Electronics***

*for the successful completion of*

***Bridging the Knowledge Gap for ASTRO25 - Technician Course***

*Jan 3 - Feb 24, 2011*

# Certificate of Achievement



This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**ASTRO® 25 IV&D Master Site Workshop**

During the period of October 25 – 29, 2010

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

# Certificate of Achievement

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## Advanced Networking Essentials in Motorola Communications Equipment

During the period of December 6 – 10, 2010

*James L. Bennett*  
INSTRUCTOR  
*Jenna Smith*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

# Certificate of Achievement

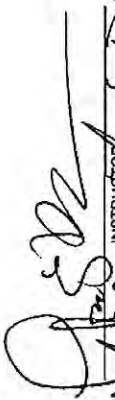

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**ASTRO® 25 IV&D Master Site Workshop**

During the period of October 25 – 29, 2010

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions





# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*ASTRO® 25 IV&D Information Assurance Overview*

*Oct 25 - 26, 2010*



# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*ASTRO®25 IV&D Introduction to Radio System Management Applications*

*Aug 4 - 16, 2010*



# ***Certificate Of Completion***

*Motorola recognizes*

***Bruce Cobb of Advanced Electronics***

*for the successful completion of*

***ASTRO® 25 IV&D Trunked System Overview***

*Jun 15 - Aug 3, 2010*

# Certificate of Achievement

This is to certify that

**Bruce Cobb**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## Network Essentials in Communication

During the period of November 26, 2001 – November 30, 2001



  
INSTRUCTOR  
  
TRAINING MANAGER



**MOTOROLA**

COMMERCIAL, GOVERNMENT AND INDUSTRIAL SOLUTIONS SECTOR

**Technical Education Center**



# ***Certificate Of Completion***

*Motorola recognizes*

***Bruce Cobb of Advanced Electronics***

*for the successful completion of*

***ASTRO® 25 IV&D Conventional with K Core System Overview***

*Jan 3 - Mar 21, 2011*



# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*Bridging the Knowledge Gap for ASTRO25 - Technician Course*

*Jan 3 - Feb 24, 2011*



# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*Bridging the Knowledge Gap For ASTRO 25 - System Administrator Course*

*Jan 3 - Mar 6, 2011*





**MOTOROLA**

# ***Certificate Of Completion***

*Motorola recognizes*

***Bruce Cobb of Advanced Electronics***

*for the successful completion of*

***MR Project Manager***

***May 21 - Aug 24, 2007***



# *Certificate Of Completion*

*Motorola recognizes*

*Bruce Cobb of Advanced Electronics*

*for the successful completion of*

*Bridging the Knowledge Gap for ASTRO25 - Technician Course*

*Jan 3 - Feb 24, 2011*

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

MODULE 1 - COMPTIA NETWORK+ 2012:  
NETWORKING CONCEPTS PART 1

ON 2/16/2014



**MOTOROLA SOLUTIONS**

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**BRUCE COBB**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

MODULE 2 - COMPTIA NETWORK+ 2012:  
NETWORKING CONCEPTS PART 2

ON2/17/2014



**MOTOROLA SOLUTIONS**

**ADVANCED TECHNOLOGY GROUP**  
Atlanta, Georgia

# Certificate of Completion

*This certificate is presented to*

**Bruce Cobb**

*in recognition of successfully completing training for*

**CompTIA Network+ Certification Bootcamp**



Thursday, March 20, 2014

Date Completed

*Donald Brown*  
Donald Brown, Instructor



# **ZETRON®**

*Achievement in Technical Training Presented To*

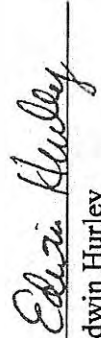
**Bruce Cobb**

*of*


**Advanced Electronics**

*has successfully completed Zetron's technical  
training on the installation, configuration, and maintenance  
of the MAX Dispatch System.*

Presented on  
October 21st, 2011  
Redmond, Washington  
United States of America

  
Edwin Hurley

Technical Trainer

  
Ken Pompeo  
Customer Service Manager

**Expiration Date**

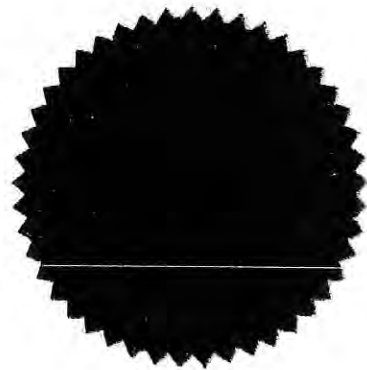
**March, 31**

**2018**



**R56**  
**Recertification**

**R56 Installer**



# ***Certified*** ***R56 Installer***

**Gary D. Blankenship , R56151031**  
**Buena Park, California**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as an R56 Installer (non-auditor status). To be recognized for this credential, practicing technicians must pass examinations in the core concepts required in the installation of a communications site, based on the R56 industry codes and standards. Only top technicians are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, embedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the R56 identification items or advertise his level of accomplishment as an installer. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by testing in the same electronics technology discipline at the end of each four-year period.*

**ETA® International**  
**Greencastle, Indiana**



*Deena J. Maher*  
President, Electronics Technicians Assn., Int'l.





# CERTIFICATE OF ACHIEVEMENT

This certifies that

**Gary Blankenship**

has successfully completed the MOTOROLA Solutions training program  
in the principles and servicing of

**MCC 7000 Series Dispatch Consoles  
Workshop**

**During the period of  
Nov. 11<sup>th</sup> – 15<sup>th</sup>, 2013**

A handwritten signature in black ink, likely belonging to the instructor, Americas Learning.

**Instructor**  
Americas Learning  
Motorola Solutions, Inc.

A handwritten signature in black ink, likely belonging to Andrew R. Candreva.

**Andrew R. Candreva**  
Director, Americas Learning  
and Business Operations  
Motorola Solutions, Inc.

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**GARY BLANKENSHIP**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

CON013 - MIP 5000 INSTALLATION AND  
MAINTENANCE

ON 10/4/2013



**MOTOROLA SOLUTIONS**

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**GARY BLANKENSHIP**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS713410- ASTRO® 25 IV&D CONVENTIONAL K  
CORE WITH CONFIGURATION MANGER WORKSHOP

ON9/26/2013



**MOTOROLA SOLUTIONS**

# Certificate of Training

is presented to

**Gary Blankenship**

for

Completion of the Astro 7.8 GTR 8000 Field Training Course

*Richard R. Anderson*

Signature

*October 2nd 2012*

Date

Motorola Solutions, Inc  
USFGMD FST  
10105 Senate Drive  
Lanham, Maryland 20706



# Certificate of Achievement

This is to certify that

Gary Blankenship

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**ASTRO 25 IV&D M Core Workshop**

During the period of September 10, 2012- September 14, 2012

*Kenneth Delaney*  
INSTRUCTOR  
*Jandra Smith*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

# Certificate of Achievement

**This is to certify that**

# Gary Blankenship

**has successfully completed a MOTOROLA training program in the principles and servicing of**

# Networking Essentials in Motorola Communications Equipment

During the period of April 23<sup>rd</sup> – 27<sup>th</sup>, 2012

*[Signature]*  
INSTRUCTOR

*[Signature]*  
TRAINING MANAGER



MOTOROLA

**Government Enterprise Mobility Solutions**

**Motorola Learning Services**



# CERTIFICATE OF ACHIEVEMENT


This certifies that


**Gary Blankenship**

has successfully completed the MOTOROLA Solutions training program  
in the principles and servicing of

**Site Installation Practices Workshop (R56)**

During the period of  
Feb. 18<sup>th</sup> – 21<sup>st</sup>, 2014

  
**Instructor**  
Americas Learning  
Motorola Solutions, Inc.

  
**Andrew R. Candreva**  
Director, Americas Learning  
and Business Operations  
Motorola Solutions, Inc.



# Certificate of Achievement

This is to certify that

Gary Blankenship

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**RTW050 – Site Installation Practices (R56)  
Regional Workshop**

During the period of March 23 – 26, 2010



*Kenn M. Dylam*  
INSTRUCTOR  
*Linda J. Dylam*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

<b>CompTIA</b>		<b>ADVANCING THE GLOBAL IT INDUSTRY</b>	
<b>Troy Warner</b>			
has successfully completed the requirements to be recognized as			
		<b>CE</b>	
<b>COMP001020714839</b>		<b>May 10, 2014</b>	
<b>CAREER ID</b>	<b>TODD THIBODEAUX</b> President & CEO	<b>DATE CERTIFIED</b>	<b>This certification is valid through: 2017-May-10</b>
Code: TRV67PZDRDV4KKM1 Verify at: <a href="http://verify.CompTIA.org">http://verify.CompTIA.org</a>			



### CompTIA Network+ Certification Exam Score Report N10-005

<b>CANDIDATE:</b>	Troy Warner
<b>CANDIDATE ID:</b>	COMP001020714839
<b>REGISTRATION NUMBER:</b>	268786630
<b>EXAM:</b>	CompTIA Network+ Certification Exam
<b>DATE:</b>	5/10/14
<b>SITE NUMBER:</b>	46932
<b>PASSING SCORE:</b>	720
<b>CANDIDATE SCORE:</b>	814
<b>PASS/FAIL:</b>	Pass

The CompTIA Network+ Certification Exam has a scaled score between 100 and 900.

You incorrectly answered one or more questions in the following objective areas:

- 1.1 Compare the layers of the OSI and TCP/IP models.
- 1.2 Classify how applications, devices, and protocols relate to the OSI model layers.
- 1.6 Explain the function of common networking protocols.
- 1.7 Summarize DNS concepts and its components.
- 2.1 Given a scenario, install and configure routers and switches.
- 2.3 Explain the purpose and properties of DHCP.
- 3.2 Categorize standard connector types based on network media.
- 3.6 Given a scenario, troubleshoot common physical connectivity problems.
- 4.4 Given a scenario, use the appropriate network monitoring resource to analyze traffic.
- 4.6 Explain different methods and rationales for network performance.
- 5.1 Given a scenario, implement appropriate wireless security measures.
- 5.2 Explain the methods of network access security.

For a complete listing of CompTIA Network+ Certification Exam objectives, please visit

**ADVANCED TECHNOLOGY GROUP**  
Atlanta, Georgia

# Certificate of Completion

*This certificate is presented to*

**Troy Warner**

*in recognition of successfully completing training for*

**CompTIA Network+ Certification Bootcamp**



Thursday, March 20, 2014

Date Completed

  
Donald Brown, Instructor



# CERTIFICATE OF ACHIEVEMENT

This certifies that

**Troy Warner**

has successfully completed the MOTOROLA Solutions training program  
in the principles and servicing of

**Advanced Networking Essentials in Motorola  
Communications Equipment**

**During the period of  
Dec. 9<sup>th</sup> – 13<sup>th</sup>, 2013**

A handwritten signature in black ink, likely belonging to the instructor.

**Instructor**  
Americas Learning  
Motorola Solutions, Inc.

A handwritten signature in black ink, likely belonging to Andrew R. Candreva.

**Andrew R. Candreva**  
Director, Americas Learning  
and Business Operations  
Motorola Solutions, Inc.





**MOTOROLA SOLUTIONS**

# CERTIFICATE OF ACHIEVEMENT

This certifies that

**Troy Warner**

has successfully completed the MOTOROLA Solutions training program  
in the principles and servicing of

**Networking Essentials in Motorola  
Communications Equipment**

**During the period of  
Dec. 2<sup>nd</sup> – 6<sup>th</sup>, 2013**

**Instructor**  
*John H. Warner*  
Americas Learning  
Motorola Solutions, Inc.

*Andrew R. Candreva*

**Andrew R. Candreva**  
Director, Americas Learning  
and Business Operations  
Motorola Solutions, Inc.

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**TROY WARNER**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

CON013 - MIP 5000 INSTALLATION AND  
MAINTENANCE

ON 10/4/2013



**MOTOROLA SOLUTIONS**



Expiration Date  
December, 17  
2017



**CET**  
**Recertification**

Wireless Communications



# ***Certified Journeyman Electronics Technician***

***Wireless Communications***

**Alfredo A. Barahona , WCM-R149414  
Alhambra, California**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology, as well as the core basics, and must show a total of at least two (2) years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, embedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CET identification items or advertise his level of accomplishment as a technician. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.*

*Luisa J. Maher*  
President, Electronics Technicians Assn., Intl.

ETA® International  
Greencastle, Indiana





# CERTIFICATE OF ACHIEVEMENT


This certifies that


**Alfredo Barahona**

has successfully completed the MOTOROLA Solutions training program  
in the principles and servicing of

**MCC 7000 Series Dispatch Consoles  
Workshop**

**During the period of  
Dec. 2<sup>nd</sup> – 6<sup>th</sup>, 2013**

  
**Instructor**  
Americas Learning  
Motorola Solutions, Inc.

  
**Andrew R. Candreva**  
Director, Americas Learning  
and Business Operations  
Motorola Solutions, Inc.

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

CON013 - MIP 5000 INSTALLATION AND  
MAINTENANCE

ON 10/4/2013



**MOTOROLA SOLUTIONS**



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

APX7001-V - APX CPS PROGRAMMING AND  
TEMPLATE BUILDING

ON 10/11/2013



**MOTOROLA SOLUTIONS**

# Certificate of Achievement

This is to certify that

Alfredo Barahona

has successfully completed the MOTOROLA training program  
in the principles and servicing of

## Advanced Networking Essentials in Motorola Communications Equipment

During the period of July 15<sup>th</sup> – 19<sup>th</sup>, 2013



INSTRUCTOR

  
DIRECTOR NORTH AMERICA LEARNING

Motorola Solutions Learning

 **MOTOROLA SOLUTIONS**

# Certificate of Training

is presented to

Alfredo Barahona

for

Completion of the Astro 7.8 GTR 8000 Field Training Course

*Michael R. [Signature]*  
Signature

*October 2nd 2012*  
Date

Motorola Solutions, Inc  
USFGMD FST  
10105 Senate Drive  
Lanham, Maryland 20706

# Certificate of Achievement



This is to certify that

**Alfredo Barahona**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**MOTOTRBO Subscriber & Repeater Technical  
Service Academy**

During the period of September 25, 2012- September 28, 2012

  
INSTRUCTOR  
  
TRAINING MANAGER



**MOTOROLA**

Government Enterprise Mobility Solutions

**Motorola Learning Services**



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ASE2602 ASTRO 25 SMALL SYSTEMS TRAINING  
COURSE

ON 10/7/2011



**MOTOROLA** SOLUTIONS

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

TBO250-V MOTOTRBO CAPACITY PLUS TECHNICAL  
OVERVIEW

ON9/15/2011



**MOTOROLA SOLUTIONS**



# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

TBO150-V - MOTOTRBO IP SITE CONNECT TECHNICAL  
OVERVIEW

ON8/11/2011



**MOTOROLA SOLUTIONS**

# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**ALFREDO BARAHONA**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

TBO005-V MOTOTRBO™ SYSTEM SERVICE TRAINING

ON 7/22/2011



**MOTOROLA** SOLUTIONS



**MOTOROLA**

# ***Certificate Of Completion***

*Motorola recognizes*

***Alfredo Barahona of Advanced Electronics, Inc.***

*for the successful completion of*

***ASTRO SPECTRA Mobile Radios Technical Service Training***

*Dec 4 - 19, 2008*



**MOTOROLA**

# ***Certificate Of Completion***

*Motorola recognizes*

***Alfredo Barahona of Advanced Electronics, Inc.***

*for the successful completion of*

***Networking Overview***

*Nov 21 - Dec 1, 2008*



# *Certificate Of Completion*

*Motorola recognizes*

*Alfredo Barahona of Advanced Electronics, Inc.*

*for the successful completion of*

*MOTOTRBO IP Site Connect Sales Launch Training (Online Self-Study Version)*

*Nov 18 - 20, 2008*



# Certificate of Completion

is presented to

**Alfredo Barahona**

in recognition of the fulfillment of training requirements as set forth by

**Trident Micro Systems**

in the installation, operation and maintenance of the

**NTS System and PassPort Protocol**

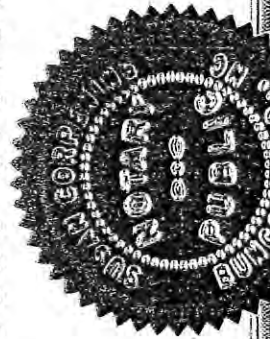
given this 24<sup>th</sup> Day of January in the Year 2008.

In witness whereof our signatures are hereunto affixed.





A handwritten signature in cursive script, reading "Dave Anderson".

Dave Anderson - President and CEO



A handwritten signature in cursive script, reading "Susan Corpening".

Susan Corpening - Executive Vice President

UNITED STATES OF AMERICA FEDERAL COMMUNICATIONS COMMISSION GENERAL RADIOTELEPHONE OPERATOR LICENSE (General Radiotelephone Certificate)		
Endorsement		
<input type="checkbox"/> Ship Radar		
<input checked="" type="checkbox"/> None		
<input type="checkbox"/> Other (See attachment)		
INVALID IF MORE THAN ONE BLOCK MARKED (SEE OVER)		
Name <b>ALFREDO A. BARAHONA</b>		
Date of Birth <b>2/28/64</b>		Issuance Date <b>6/30/93</b>
License Number <b>PG-GB-00411</b>		
Signature 		INVALID UNLESS SIGNED

**MOTOROLA****iDEN**

The Motorola Customer Care Group  
Certificate of Training  
is awarded to:

**Alfredo Barahona**

For successfully completing a training program on  
First Echelon Servicing concepts

Instructor:

Ed Chudoba

Conducted on :

06/23/99

Tech number:

N89

Location Code:

3C15N89

A handwritten signature in black ink, appearing to read 'Ed Chudoba', written over a horizontal line.  
Motorola National Field Service Manager



# Certificate of Completion

*Presented to*

*Alfredo Barahona*

*Advanced Electronics*

*for Completing the Training Course in*

*VESTA M2.2 Installation & Maintenance / Administration*

*From February 23*

*To February 27, 2004*

*Instructor*

*February 27, 2004*

*Date*

# Certificate of Achievement

The America's Service Division  
certifies that

**Alfredo Baharona**

has successfully completed the MOTOROLA  
Regional Technician Workshop

MTSX Portable Radios  
HT1000/VISAR Portable Radios

Conducted August 20-21, 1996



**MOTOROLA**

LAND MOBILE PRODUCTS SECTOR

*[Signature]*  
INSTRUCTOR  
*[Signature]*  
TRAINING MANAGER

Schaumburg, Illinois, U.S.A.

Worldwide Technical Education Center

Plantation, Florida, U.S.A.



**Expiration Date**  
**July, 21**  
**2017**



**CET**  
**Recertification**  
 Wireless Communications



# ***Certified Journeyman Electronics Technician***

***Wireless Communications***

**Sung S. Kim , WCM-R145676  
 Rancho Cucamonga, California**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology, as well as the core basics, and must show a total of at least two (2) years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CET identification items or advertise his level of accomplishment as a technician. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.*

*Luisa J. Maher*  
 President, Electronics Technicians Assn., Intl.

ETA® International  
 Greencastle, Indiana





# CERTIFICATE OF COMPLETION

THIS IS TO CERTIFY THAT

**SUNG KIM**

HAS SUCCESSFULLY COMPLETED THE FOLLOWING:

ACS79023-E - DYNAMIC SYSTEM RESILIENCE  
OVERVIEW

ON 1/8/2013



**MOTOROLA SOLUTIONS**

# Certificate of Achievement

This is to certify that

**Sung Kim**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**ASTRO 25 IV&D M Core Workshop**

During the period of February 20<sup>th</sup> - 24<sup>th</sup>, 2012

*Ken M. Duley*  
INSTRUCTOR  
*Judal Smith*  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

# Certificate of Achievement

This is to certify that

Sung Kim

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## Advanced Networking Essentials in Motorola Communications Equipment

During the period of May 2 - 6, 2011



**MOTOROLA**

Government Enterprise Mobility Solutions

*James Zerk*  
INSTRUCTOR  
*Junda Smith*  
TRAINING MANAGER

**Motorola Learning Services**

# Certificate of Achievement



This is to certify that

Sung Kim

has successfully completed a MOTOROLA training program  
in the principles and servicing of

## Networking Essentials in Motorola Communications Equipment

During the period of March 14 – 18, 2011

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions



# Certificate of Completion

*is hereby granted to:*

*Jack Szymanski*

*to certify that they have completed to satisfaction*

*ObjectVideo VEW Partner Certification*

*Granted: September 14, 2006*

*Jennifer C. Cochran*  
*Jennifer C. Cochran*



# Certificate of Completion

## Web Based Training

Dedicated Micros hereby certifies that:

*Jack Szymanski*

*Has successfully completed and demonstrated the skills of theory,  
programming, installation, design and implementation  
for the Dedicated Micros DV-IP Server product line.*

*This date of July 27, 2006*

*John W. Walsh*  
Executive Vice President

*Denny Larson*

Dedicated Micros Representative



Certificate # DM10003200656



# Certificate of Achievement


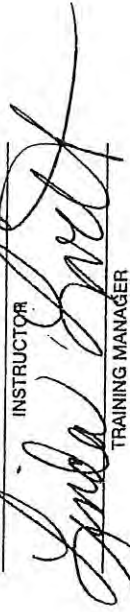
This is to certify that

**Jacek Szymanski**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**MMD 200**

During the period of April 30 – May 1, 2008

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions

  
Julio Montalvo, Director of Technical Services



# **Chemical-terrorism Vulnerability Information Authorized User Certificate**

This certificate has been awarded to

**Jack F. Szymanski**

with an Authorized User number of

**CVI-20091022-1041284**

issued on this 22nd day of October 2009  
by the Office of Infrastructure Protection

*William F. Flynn*  
William F. Flynn  
Assistant Secretary (Acting)  
Infrastructure Protection



# Certificate of Completion

## Jack Szymanski

Advanced Electronics

Has successfully completed the Exacq Technologies, Inc. Technical Training Program and is recognized as a Certified Technician for the exacqVision® line of software and hardware NVR products.

August 11, 2008

A handwritten signature in dark ink, appearing to read "Dan Rittman".

Dan Rittman  
Vice President of Engineering

A handwritten signature in dark ink, appearing to read "Brian Clark".

Brian Clark  
Lead Trainer

Cut Along This Line



**UNITED STATES OF AMERICA  
FEDERAL COMMUNICATIONS COMMISSION**



**General Radiotelephone Operator License**

ATTN: JACK  
SZYMANSKI, JACK F  
8210 CONSTANTINE DRIVE  
PO BOX APT. 42  
HUNTINGTON BEACH, CA 92646

*Licensee: This is your radio authorization in sizes suitable for your wallet and for framing. Carefully cut the documents along the lines as indicated and sign immediately upon receipt. They are not valid until signed.*

*The Commission suggests that the wallet size version be laminated (or another similar document protection process) after signing. The Commission has found, under certain circumstances, laser print is subject to displacement.*

**FCC Registration Number (FRN): 0017830142**

**Special Conditions / Endorsements**

This license does not confer any authority to operate Broadcast stations. Refer to CFR Title 47 Section 13.7 c)5.

Grant Date	Effective Date	Print Date	Expiration Date
07-18-2008	07-18-2008	07-19-2008	
File Number	Serial Number	Date of Birth	
0003508693	PG00024839	10-08-1969	

THIS LICENSE IS NOT TRANSFERABLE

(Licensee's Signature)

FCC 605-FRC - May 2007

Cut Along This Line

Cut Along This Line

Cut Along This Line

Cut Along This Line



UNITED STATES OF AMERICA  
FEDERAL COMMUNICATIONS COMMISSION



Marine Radio Operator Permit

ATTN: JACK  
SZYMANSKI, JACK F  
8210 CONSTANTINE DRIVE  
PO BOX APT. 42  
HUNTINGTON BEACH, CA 92646

FCC Registration Number (FRN): 0017830142

Special Conditions / Endorsements

This permit does not authorize the operation of AM, FM or TV broadcast stations.  
License authorized lifetime status pursuant to Memorandum Opinion and Order, Third  
Report and Order, and Third Further Notice of Proposed Rule Making in FCC 06-129.

Grant Date	Effective Date	Print Date	Expiration Date
06-03-2008	06-03-2008	06-04-2008	
File Number	Serial Number	Date of Birth	
0003461700	MP00017211	10-08-1969	

THIS LICENSE IS NOT TRANSFERABLE

(Licensee's Signature)

FCC 605-FRC - May 2007



**Expiration Date**  
**December, 30**  
**2015**



**CET**

**R56 Installer**



# ***Certified Journeyman R56 Installer***

**Bradley A. Dockter , R56129758**  
**Milford, Michigan**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as an R56 Installer (non-auditor status). To be recognized for this credential, practicing technicians must pass examinations in the core concepts required in the installation of a communications site, based on the R56 industry codes and standards as well as the core basics. Only top technicians are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CET identification items or advertise his level of accomplishment as an installer. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by testing in the same electronics technology discipline at the end of each four-year period.*

*Lisa J. Maher*  
 President, Electronics Technicians Assn., Int'l.

**ETA® International**  
**Greencastle, Indiana**



**Expiration Date**

**June, 04**

**2014**



**CETsr**

**Wireless Communications MSS**



# ***Senior Certified Electronics Technician***

***Wireless Communications MSS***

**Bradley A. Dockter , SETMSS113256  
Milford, Michigan**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Senior Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology with an 85% score, as well as having the core basics, and must show a total of at least six (6) years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association, International takes great pride in presenting this official recognition to the above-named expert electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CETsr identification items or advertise his/her level of accomplishment as a technician. Congratulations from ETA-officers and members and the electronics industry. Recertification takes place every four (4) years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.*

*Theresa J. Maher*  
President, Electronics Technicians Assn., Int'l.

**ETA® International  
Greencastle, Indiana**



Expiration Date  
June, 04

2014



**CET**

Wireless Communications MSS



# *Certified Journeyman Electronics Technician Wireless Communications MSS*

**Bradley A. Dockter , USMSS112202  
Farmington Hills, Michigan**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as a Certified Electronics Technician. To be recognized for this honor, practicing technicians must pass examinations in one or more categories of electronics technology as well as the core basics and must show a total of at least two years working in the profession. Only top technicians are able to accomplish this feat. The Electronics Technicians Association, Int'l. takes great pride in presenting this official recognition to the above named expert electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the CET identification items or advertise his/her level of accomplishment as a technician. Congratulations from ETA officers and members and the electronics industry. Recertification takes place every four years and may be accomplished by acquiring college, tech school, association or manufacturer training session credits, or by testing in the same electronics technology discipline at the end of each four-year period.*

*Leresa J. Maher*  
President, Electronics Technicians Assn., Int'l.

ETA® International  
Greencastle, Indiana



**★USMSS**

# Certificate of Achievement

This is to certify that

**Brad Dockter**

has successfully completed a MOTOROLA training program  
in the principles and servicing of

**Site Installation Practices Workshop (R56)**

During the period of December 13<sup>th</sup> – 16<sup>th</sup>, 2011

  
INSTRUCTOR  
  
TRAINING MANAGER

**Motorola Learning Services**



**MOTOROLA**

Government Enterprise Mobility Solutions



**On-Net Surveillance Systems, Inc.**



Event ID: OV-ONNET-NY-0811-1  
Available BICSI CECs:  
32 RCDD 32 RITP 32 ESS 7 NTS  
0 OSP 0 WD 15 ITS Installer 2,  
Copper/Optical Fiber 18 ITS  
Technician 32 Certified Trainer

We hereby certify that

**Raymund Delapaz**

has successfully completed the course:

**Ocularis Basic Training (Ocularis Boot Camp)**

qualifying Advanced Electronics as an

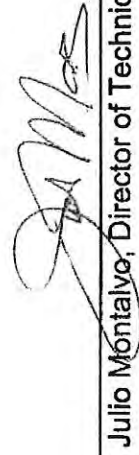
**OnSSI Certified Channel Partner 2013**

*This course approved for up to 32 CECs from BICSI for qualified credential holders*

**February 8, 2013**

**Course Date**

*Certification expires 2 years from Course Date*

  
Julio Montalvo, Director of Technical Services

## SAMPLE MAINTENANCE AGREEMENT

Advanced Electronics, Inc. is pleased to provide the following renewal for the maintenance of your radio equipment. This proposal includes:

### A. INFRASTRUCTURE COVERAGE

- 24/7 with 4-hour response time.
- PMI Annually
- Hi-Tech Coverage – Infrastructure Repair with Advanced Replacement

### B. MOBILE RADIO COVERAGE

- 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays.
- Next business day response.

### C. PORTABLE RADIO COVERAGE

- 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays; at an Advanced Electronics, Inc. facility.
- Battery replacement – One per radio per year when accompanied with radio.
- Disposal of spent battery.
- Belt clip replacement - One per radio per year when accompanied with radio.
- Antenna replacement - One per radio per year when accompanied with radio.

### D. VIRTUAL PATROL SYSTEM

- Severity Level 1
- 24 hours per day x 365 days per year
- Technician telephone response 1 hour
- 2 hour On-Site response
- Preventative Maintenance Inspection:
  - a. Annually
- Technical Support for Related Software

### E. GENERAL TERMS AND CONDITIONS

### E. FACTS ABOUT ADVANCED ELECTRONICS, INC.

### F. INVENTORY AND PRICING

### G. SIGNATURE PAGE



## **A. INFRASTRUCTURE COVERAGE**

Advanced Electronics, Inc. will provide On-Site Infrastructure Response services, which will be facilitated by the customer placing a "Request for Service" telephone call to the Advanced Electronics, Inc. office. If a service request is made after hours, on a weekend or on a holiday, the caller must use the Advanced Electronics, Inc.

"After Hours" menu on the telephone system. On-Site Response provides for an on-site technician response as determined by Table A below.

**Table A**

<b>Response</b>	
Current Coverage	24/7 with 4-hour response time. Annual PMI Hi-Tech Coverage – Infrastructure Repair with Advanced Replacement

### **1.0 Preventative Maintenance Inspection (PMI)**

Preventative Maintenance Inspections will provide operational test and alignment, on the customer's equipment (infrastructure or fixed network equipment only) to ensure the equipment meets original manufacturer's specifications, all of which are hereby incorporated by this reference. Infrastructure Preventative Maintenance Inspections will be performed during standard business days, 8:00 A.M. to 5:00 P.M., excluding legal holidays.

Service requirements that occur after-hours or on weekends (outside of standard business days) may be purchased by the customer at an additional fee or billed on a time and material basis.

- 1.1 Advanced Electronics, Inc. has the following responsibilities:
  - 1.1.1 Schedule the Annual PMI with the customer
  - 1.1.2 Notify the Customer of any possible System downtime needed to perform this service.
  - 1.1.3 Select and manage any subcontractors required to perform preventative maintenance on original equipment manufacturer (OEM) equipment.
  - 1.1.4 Dispatch the technical resources upon receiving Customer date(s) for Infrastructure Preventative Maintenance Inspection to be performed.
  - 1.1.5 Receive and log the following information from the customer to the MAS200 system:
    - a) Dates to perform Infrastructure Preventative Maintenance Inspection.
    - b) Task number.
    - c) Site identification.
    - d) Customer and address.
    - e) Customer primary contact.
    - f) Access requirements.
    - g) Close Task Number upon receiving notice of completion from assigned technician or project manager.
- 1.2 Have on hand equipment list including type and quantity.

- 1.3 Have on hand original equipment manufacturer (OEM) Equipment manuals for system specifications as available
- 1.4 Inspect and clean cabinets
- 1.5 Inspect:
  - 1.5.1 General circuitry.
  - 1.5.2 Fault indicators.
  - 1.5.3 Cables, connections and grounding.
  - 1.5.4 Remove any dust, and/or foreign substances from the equipment.
  - 1.5.5 Clean filters, if applicable.
  - 1.5.6 Complete all preventative maintenance requirements and manufacturers specification
  - 1.5.7 Measure, record and adjust the equipment parameters in accordance with the manufacturer's service manuals and the Rules and Regulations of the Federal Communications Commission (FCC), where applicable.
  - 1.5.8 Consult equipment manuals for system specifications per system configuration.
  - 1.5.9 Complete and sign (by technician) system specific Infrastructure Preventative Maintenance Inspection checklist:
    - a) Electronically file one copy of the system specific Infrastructure Preventative Maintenance Inspection checklist at the Advanced Electronics, Inc. office.
    - b) Identify any service problems that require customer or Advanced Electronics, Inc. action.
    - c) Schedule post PMI meeting with customer to discuss service problems or other issues that require specific action by Advanced Electronics, Inc. or by customer.

## **B. MOBILE RADIO COVERAGE**

### **1.0 On-Site Mobile Radio Response**

On-Site Radio Response provides for Advanced Electronics, Inc. to be on-site to analyze a problem with a mobile radio and to repair the radio on-site if possible. Response will be on the same day if possible, or the next business day, as the trouble call is received by Advanced Electronics, Inc. If a mobile radio can not be repaired in the field, Advanced Electronics, Inc. remove the radio and reinstall a FRU (Field Replacement Unit) if provided by the customer. Advanced Electronics, Inc. will then take the radio to its facility to perform the repair, return and reinstall the radio, then give the FRU back to the customer.

- 1.1 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding legal holidays.
- 1.2 Next business day response.

**C. PORTABLE RADIO COVERAGE**

Portable radio repair provides for Advanced Electronics, Inc. to provide the labor and replacement parts to repair customer's portable radio. All portable radio repair work and PMI's will be done at an Advanced Electronics, Inc. facility and not at the customer location.

1. 8:00 A.M. to 5:00 P.M., Monday – Friday, excluding legal holidays. Customer brings equipment to Advanced Electronics, Inc.
2. Battery replacement, including disposal of spent battery. One battery per year per radio, when accompanied with radio if needed.
3. Battery disposal.
4. Belt clip replacement, one belt clip per radio per year when accompanied with radio if needed.
5. Portable antenna replacement, one antenna per year per radio when accompanied with Radio if needed.
6. Advanced Electronics, Inc. has the following responsibilities:
  - 6.1 Add the following customer information to the Advanced Electronics, Inc. MAS 200 tracking system:
    - 6.1.1 Customer name, contact and address.
    - 6.1.2 System type and equipment descriptions.
    - 6.1.3 Site identification (site names, site ids, addresses and zip codes).
    - 6.1.4 Provide equipment list including type and quantity, when available.
  - 6.2 Provide an operational check of equipment to determine the nature of the problem.
  - 6.3 Restore equipment with external defects that can be restored without opening the radio case.
  - 6.4 Generate service ticket in MAS 200.
7. SP - Local Subscriber Repair

If Motorola does not manufacture the equipment, it may be returned to the original equipment manufacturer or third party vendor for repair. Advanced Electronics, Inc. will coordinate and track third-party equipment sent to the original equipment manufacturer or third party vendor for service. Once the equipment is received from the manufacturer, Advanced Electronics, Inc. will contact the customer to pick up the equipment or utilize the pick-up and delivery option provided that the customer has pick-up and delivery as part of its SOW.

**D. VIRTUAL PATROL SYSTEM****On-Site Response**

On-Site Response provides for Advanced Electronics, Inc. to provide on-site response as determined by pre-defined severity levels and response times.

Advanced Electronics, Inc. will provide On-Site Response services, which will be facilitated by the customer placing a "Request for Service" telephone call to the Advanced Electronics, Inc. office. If a service request is made after hours, on a weekend or on a holiday, the caller must use the Advanced Electronics, Inc. "After Hours" menu on the telephone system. On-Site Response provides for an on-site technician response as determined by pre-defined response levels set forth in Table A.

Table A - Severity Definitions

<b>Response Types</b>	
(A)Severity Level 1	24 hours per day x 365 days per year Technician telephone response 1 hour 2 – 4 hour On-Site response
(B)Severity Level 2	8:00 A.M. to 5:00 P.M. response Response during Standard Business Day, Monday – Friday Excludes legal holidays Same day response
(C)Severity Level 3	8:00 A.M. to 5:00 P.M. response Response during Standard Business Day, Monday – Friday Excludes legal holidays Next business day response

**Preventative Maintenance Inspection (PMI):**

Advanced Electronics, Inc. will provide an Annual Preventative Maintenance Inspection (PMI) service to the customer.

Preventative Maintenance Inspections will provide operational test and alignment, on the customer's equipment to ensure the equipment meets original manufacturer's specifications, all of which are hereby incorporated by this reference. Preventative Maintenance Inspections will be performed during standard business days, 8:00 A.M. to 5:00 P.M., excluding legal holidays.

- 1.0 Advanced Electronics, Inc. has the following responsibilities:
  - 1.1 Schedule the PMI Annually with the customer
  - 1.2 Notify the Customer of any possible System downtime needed to perform this service
  - 1.3 Dispatch the technical resources upon receiving Customer date(s) for Preventative Maintenance Inspection to be performed
  - 1.4 Receive and log the following information from the customer to the MAS200 system:
    - 1.4.1 Dates to perform Infrastructure Preventative Maintenance Inspection
    - 1.4.2 Task number
    - 1.4.3 Site identification
    - 1.4.4 Customer and address
    - 1.4.5 Customer primary contact
    - 1.4.6 Access requirements
    - 1.4.7 Close Task Number upon receiving notice of completion from assigned technician or project manager
  - 1.5 Have on hand equipment list including type and quantity.
  - 1.6 Have on hand original equipment manufacturer (OEM) Equipment manuals for system specifications as available
  - 1.7 Inspect and clean cabinets
  - 1.8 Inspect:
    - 1.8.1 General circuitry
    - 1.8.2 Fault indicators
    - 1.8.3 Cables, connections and grounding
    - 1.8.4 Remove any dust, and/or foreign substances from the equipment
    - 1.8.5 Clean filters, if applicable
    - 1.8.6 Complete all preventative maintenance requirements and manufacturers specification
    - 1.8.7 Measure, record and adjust the equipment parameters in accordance with the manufacturer's service manual
    - 1.8.8 Consult equipment manuals for system specifications per system configuration
    - 1.8.9 Complete and sign (by technician) system specific Infrastructure Preventative Maintenance Inspection checklist:
      - 1.8.9.1 Electronically file one copy of the system specific Preventative Maintenance Inspection checklist at the Advanced Electronics, Inc. office
      - 1.8.9.2 Identify any service problems that require customer or Advanced Electronics, Inc. action
      - 1.8.9.3 Schedule post PMI meeting with customer to discuss service problems or other issues that require specific action by Advanced Electronics, Inc. or by customer



## **E. GENERAL TERMS AND CONDITIONS**

Advanced Electronics, Inc. and the customer agree that if this proposal is acceptable to the customer that this document will be the basis for a maintenance agreement.

The Maintenance Agreement may be cancelled by either party with thirty (30) days written notice.

Advanced Electronics, Inc. agrees to provide maintenance on the equipment identified in this agreement including all parts and labor which are required to repair the equipment which has become defective due to normal wear and usage. Maintenance does not include repair of equipment which has otherwise become defective, including but not limited to damage caused by accidents, physical abuse or misuse, vandalism, water, wind, fire or acts of God, nor the elimination of interference caused solely extraneous sources and/or signal exceeding the equipment design specifications.

Unless other-wise stated Advanced Electronics, Inc. services excludes repairs to: any transmission lines, antennas, towers or tower lighting, batteries, carrying straps, belt clips crystals, or reeds, nor does it include repair of optional accessories; non-standard mobile microphones; iDEN mobile microphones; portable remote speaker microphones; mobile external speakers; mobile power and antenna cables; and power supplies. Radio and battery engraving service is not covered unless an engraved battery is replaced with a new battery.

The maintenance agreement is non-cancelable and non-refundable. If Equipment is added to the agreement subsequent to the start date, these units are also non-cancelable and non-refundable for the agreement duration. Equipment may only be added or deleted to the agreement, via a customer signed or emailed Advanced Electronics, Inc. Inventory Adjustment Form (Service Addendum). Complete and accurate serial numbers and model descriptions must be supplied.

All inventory adjustment requests for add-on subscriber units received during any given month will be effective the 1<sup>st</sup> of that month.

Equipment deletions from the agreement may only be deleted under the following limited conditions:

- a) Equipment was stolen and notice of theft is provided to Advanced Electronics, Inc.; or
- b) Advanced Electronics, Inc. determines Equipment is damaged beyond economical repair (60% of the replacement value of a comparable radio), or
- c) Advanced Electronics, Inc. determines Equipment is no longer supportable or is obsolete; or
- d) Customer has deemed said equipment as obsolete and has been replaced with new equipment.

Equipment deletions, where applicable, will be effective at the 1<sup>st</sup> of the following month in which the request was received.

The terms and conditions of this proposal are an integral part of the Advanced Electronics, Inc. service agreement or other applicable agreements to which it is attached and made a part thereof by this reference.

If there are any inconsistencies between the provisions of the Advanced Electronics, Inc. service agreement or other applicable agreements and this proposal, the provisions of this proposal shall prevail.



**F. FACTS ABOUT ADVANCED ELECTRONICS, INC.**

1. In business since 1951 - 63 years.
2. State of California Certified Small Business.
3. California C-7 Contractors License.
4. Motorola Premier Service Partner: Servicing Motorola products since 1961.
5. CTS - Certified Technical Service Center, through an independent third party national industry organization.
6. Technicians are ETA certified (Electronics Technician Association), through the national third party industry organization.
7. Technicians are members of the L.A. Clean Card Program.
8. Technicians, installation and sales people are TWIX certified.
9. All service monitors utilized to service the equipment on this agreement are calibrated and certified annually.
10. Dedicated hilltop service technicians for Southern California.
11. 24 hour, 7 days per week, 365 days per year on-site service.
12. Automatic on-call escalation procedures.

**G. INVENTORY AND PRICING****Maintenance Price:**

**H.     SIGNATURE PAGE**

If the above mentioned terms and conditions are agreeable, please indicate so by signing this page and returning a copy to Advanced Electronics, Inc. along with your purchase order (if applicable). This agreement is effective from \_\_\_\_\_ to \_\_\_\_\_.

\_\_\_\_\_  
Customer Signature\_\_\_\_\_  
Signature

Robert Conrey, CEO

\_\_\_\_\_  
Customer Print Name\_\_\_\_\_  
Print Name

Advanced Electronics, Inc.  
2601 Manhattan Beach Blvd.  
Redondo Beach, CA 90278

Phone #: \_\_\_\_\_

Phone #: 310-725-0410, Ext. 201

Fax #: \_\_\_\_\_

Fax #: 310-643-8166

Email: \_\_\_\_\_

[bconrey@advancedelectronics.com](mailto:bconrey@advancedelectronics.com)\_\_\_\_\_  
Date\_\_\_\_\_  
Date

**VISIT OUR WEB SITE AT**  
**[www.advancedelectronics.com](http://www.advancedelectronics.com)**

**ATTACHMENT "B"****REQUEST FOR PROPOSALS (RFP)**

**Radio Communication System and Wireless  
Broadband Network Maintenance  
Issue Date: August 1, 2014**

**PROPOSALS DUE**

September 2, 2014 @ 3 pm

**PROPOSAL SUBMITTAL**

5 Proposal Copies

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**DELIVERY ADDRESS**

City of San Fernando  
c/o City Clerk's Office  
117 Macneil St.  
San Fernando, CA 91340  
Attn: Elena Chávez, City Clerk

**QUESTIONS**

Lieutenant Anthony Vairo  
(818) 898-1258

***Radio Communication System and Wireless Broadband  
Network Maintenance Request for Proposals  
Page 1 of 16***

## **INTRODUCTION**

The City of San Fernando is seeking proposals from qualified companies for the maintenance and repair of the San Fernando Police Department's radio system and Broadband Wireless Video Network and related equipment, owned and operated by the City of San Fernando.

### **I. BACKGROUND**

The City of San Fernando is a 2.4 square mile municipality located in the northeast portion of the San Fernando Valley, in the County of Los Angeles, with approximately 24,000 residents. The City provides a full complement of services to the residents including its own Police Department and Public Works Department. Additionally, the San Fernando Police Department is a Public Safety Answering Point (PSAP) for 9-1-1 telephone calls within City limits and operates a radio dispatch center for police calls. Most police and parking enforcement vehicles are equipped with mobile data computers and wireless modems, along with conventional voice radios and Wireless Broadband Video/Data Network utilizing Motorola MESH technology.

### **II. CURRENT WORKING SYSTEM**

The City's Radio Communication and Broadband Wireless Video/Data Network sites include: 1) the Police Department building which houses the Communications Center, back-up base station and radio tower; and 2) the San Fernando Court building which houses radio repeater equipment, Broadband Wireless Video Network main equipment, antennas and tower and related equipment. These sites house fixed base stations, radio repeaters, the Broadband Wireless Video Network System and related equipment to support communications for the San Fernando Police Department. A listing of the equipment is contained in Attachment "A" of this RFP, but for a complete account of the Police Department's equipment, it is recommended that the proposer conducts a site visit to obtain a detail equipment list. Descriptions of the City's Radio Communication and Broadband Wireless Video/Data Network and related equipment is described as follows:

- a. Motorola Quantar repeaters
- b. Motorola base stations
- c. Motorola MC2500 tone remotes
- d. Motorola MCC5500 consoles
- e. Motorola XTS5000 portable radios
- f. Motorola XTL5000 mobile radios
- g. Motorola Spectra mobile radios
- h. Motorola base consolette
- i. Motorola MW810

***Radio Communication System and Wireless Broadband  
Network Maintenance Request for Proposals  
Page 2 of 16***

- j. Motorola Motomesh DUO
- k. NICE logging recorder-gold package
- l. PTP 5.8 MHz
- m. ONSSI
- n. HD cameras
- o. PTZ cameras
- p. Servers
- q. Radio towers (small)
- r. Radio IP software

***Radio Communication System and Wireless Broadband  
Network Maintenance Request for Proposals  
Page 3 of 16***

**PROPOSAL SUBMISSION**

All proposals must be submitted according to specifications set forth. Failure to adhere to these specifications may be cause for rejection of proposal.

**I. SCOPE OF WORK**

The City of San Fernando requests proposals from qualified companies for the purpose of furnishing a firm fixed price contract for the maintenance and repair of the Police Department's Radio Communication System, Broadband Wireless Video Network and related equipment. The proposer shall provide to the City all qualified labor, materials, repair facilities, replacement parts, equipment, transportation and travel time necessary for performance of the contract work as described below:

- a. **Maintenance:** Contract radio maintenance shall include all parts, labor and travel required to repair the Police Departments fixed, mobile and portable radios, bases, repeaters, Communications Center Radio System and the Broadband Wireless Video Network system that have become defective through normal wear and use. The Contractor shall perform this service for a fixed annual fee, invoiced monthly for each electronic device covered by the maintenance contract. Maintenance shall also include one (1) annual preventative maintenance check on all contract equipment and reports to the Police Department on equipment condition, repair work performed by the contractor, and an inventory report of the Police Department's owned equipment. Maintenance contract shall cover all listed equipment, servers, software and any other related equipment. Any equipment replaced or removed from the system for disposal is the property of the City of San Fernando and is not to leave premises without written consent from the City.

**II. INSTRUCTIONS AND INFORMATION**

- a. **Pre-Qualification Requirements:** Proposers must meet the following pre-qualification criteria in order for a proposal to receive consideration.
1. The proposer must be trained and certified for Cambium Point To Point Wireless technology operating in the FCC licensed 4.9 GHz public safety band and unlicensed 5.8 GHz. The City of San Fernando is currently licensed for 4.9 GHz.
  2. The proposer must be a Motorola Service Elite Specialist within the State of California. This certification identifies the responder as being capable of working on Motorola MCC5500 consoles, Quantar and GTR repeaters, XTS and XTL subscriber radios. The proposer must be trained and certified on Motorola Mesh Networks with a history of deploying and maintaining such system.



***Radio Communication System and Wireless Broadband  
Network Maintenance Request for Proposals  
Page 4 of 16***

3. The proposer must keep in stock replacement Motorola Mesh Nodes for next day deployment when required.
4. The proposer must have at least two (2) trained and certified ONSSI technicians at the time of the award.
5. The proposer must hold an authorized reseller agreement and be technically certified for the following manufacturers:
  - Motorola Fixed Wireless Broadband VAR
  - Motorola Symbol Mobile Computer Systems
  - ONSSI Video Management System
  - Sony Security products
6. The proposer must have a service shop located within 40 miles or a two (2) hour response time from the City and have Motorola trained and certified technicians and installers available for 24 hour service.
7. The proposer must have and maintain a low level electrical communications license (C7).
8. The proposer must be trained and certified for Motorola MW810 computers.
9. The proposer must provide the names of all certified technicians, along with their certifications.
10. The proposer technicians must be trained and familiar with Radio IP.
11. The proposer must be able to provide a two (2) hour response for critical failures.
12. The proposer must be able to log into the system remotely to diagnose and repair equipment.
13. The proposer must be a Certified Technical Service Center (CTS), through the national third party industry organization.
14. The proposer's technicians must be Electronics Technician Association (ETA) certified through the national third party industrial organization.
15. The proposer's technicians must be members of the L.A. Clean Card Program.
16. The proposer's technicians, installers and sales persons must be TWIC certified.

***Radio Communication System and Wireless Broadband  
Network Maintenance Request for Proposals  
Page 5 of 16***

17. The proposer must provide the above mentioned certifications with the bid response.

- b. **Proposal Contact:** This RFP and any subsequent action taken as a result thereof, is issued by the City in accordance with all laws and/or procurement rules. Proposal responses should be directed to the person outlined below. In regards to this RFP and subsequent procurement process, proposers shall make **NO CONTACTS**, either written or verbal, with any employee, staff member, or elected or appointed officials of the City during the period beginning with the issuance of this document through approval of award, unless authorized by the proposal contact. Any attempt by a proposer to contact or influence an aforementioned individual will result in the immediate disqualification of the proposer from award for items or services on this RFP.

**Proposal Contact:**  
**Lieutenant Anthony Vairo**  
[avairo@sfcity.org](mailto:avairo@sfcity.org)  
**San Fernando Police Department**  
**910 First Street**  
**San Fernando, Ca 91340**

- c. **Proposal Submittal Requirements:** In order to facilitate the analysis of responses to this RFP, proposers are required to prepare their proposals in accordance with the instructions outlined in this section and elsewhere in this RFP. Each proposer is required to submit its proposal in a sealed package.

The proposer shall submit five (5) complete copies of the proposal in a sealed envelope, plainly marked in the upper, left-hand corner with the name and address of the bidder and the words "RFP: Radio Communication System and Wireless Broadband Network Maintenance".

**All proposals are due before 3 pm, Tuesday, September 2, 2014 and should be directed to:**

**City of San Fernando**  
**c/o City Clerk's Office**  
**117 Macneil Street**  
**San Fernando, CA 91340**

The proposer's name, RFP number, and proposal closing time and date must be marked clearly on the proposal submission. The time of receipt shall be determined by the time clock in San Fernando City Hall City Clerk's Office. City will not be held responsible for the failure of any mail or delivery service to deliver a proposal response prior to the stated proposal due date and time. It is solely the proposer's responsibility to: (1) ascertain that they have all required and necessary information, documents and

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addenda, prior to submitting a response; and (2) ensure that the response is received at the correct location and time. Late responses, regardless of delivery means, will not be accepted.

- d. **Proposer's Offer:** The proposer offers to furnish all materials, labor, supplies, equipment and incidentals necessary to provide the equipment and services described herein.
- e. **Discrepancies, Omissions, Ambiguities & Clarifications:** Should any proposer find discrepancies, omissions, ambiguities or seek to clarify any term or condition contained in this RFP, the proposer must at once notify and/or request such clarification in writing from the proposal contact listed in Section II(b). Written notices and/or requests must be received no later than **August 11, 2014 at 5 pm**. All questions will be answered to the extent possible in the form of an addendum to the specifications. All requests for clarification, discrepancies or omissions should be emailed to Lieutenant Anthony Vairo at [avairo@sfcity.org](mailto:avairo@sfcity.org). Failure to notify or request clarification will be considered further evidence that the proposer understands the provision of the RFP.

The issuance of a written addendum is the only official method by which interpretation, clarification or additional information will be given by the City. Oral information provided by the City will not be binding, and shall have no effect.

f. **Tentative Schedule:**

<b><u>Action</u></b>	<b><u>Applicable Date/Time</u></b>
Distribution of RFP	August 1, 2014
Questions Due	August 11, 2014 @ 5 pm
Proposals Due	September 2, 2014 @ 3 pm (City Clerk's Office)
Opening of Proposals	September 3, 2014 @ 8:30 am (City Clerk's Office)
Award of Contract	September 15, 2014 @ 6 pm (City Council Meeting)

- g. **Award:** City reserves the right to award an Agreement, based on initial offers received from proposers, without discussion and without conducting further negotiations. Under such circumstance, the acceptance of a proposal by City shall be deemed to be an acceptance of a proposer's offer. Such acceptance shall be binding upon both parties. A proposing offer should, therefore, be based on the most favorable terms available from a price and technical standpoint. City may also, at its sole discretion, have discussions with those proposers that it deems in its sole discretion to fall within a competitive range. City may enter into negotiations separately with such proposers. Negotiations with a proposer may continue with a proposer to whom the City has tentatively selected to award an Agreement. City shall not be deemed to have finally selected a proposer until an Agreement has been successfully negotiated and/or signed by both parties.

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- h. **Maintenance:** Proposer must provide a breakdown of maintenance fees for the first through fifth year, at minimum.

**III. GENERAL BIDDING REQUIREMENTS**

When responding to this RFP, please follow all instructions carefully. Please submit proposal contents according to the outline specified and submit all hard copy and electronic documents according to the instructions. Failure to follow these instructions will be considered a non-responsive proposal and may result in immediate elimination from further consideration.

By virtue of submitting a proposal, interested parties are acknowledging the following:

- a. **Proposer Certification:** By their signature on the response, the proposer hereby certifies that they have carefully examined this RFP and documents attached hereto for terms, conditions, specifications, covenants, requirements, software, and services required by the City and the proposer certifies that they understand the scope of the work to be done, that the proposer has knowledge and expertise to provide the scope of the work, and that their proposal is based upon the terms, conditions, specifications, covenants, requirements, software, and services contained in this RFP. The proposer further agrees that the performance time specified is a reasonable time. Moreover, the proposer certifies that their proposal is made without prior understanding, agreement, or connection with any corporation, firm or person submitting a proposal for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud, so that all proposals for the purchase will result from free, open and competitive proposing among all proposers. Further, the proposer certifies that they understand collusive bidding/proposing is a violation of federal law and can result in fines, prison sentences, and civil damage awards.
- b. **Conflict of Interest:** By submission of a response, the proposer agrees that at the time of submittal, they: (1) have no interest (including financial benefit, commission, finder's fee, or any other remuneration) and shall not acquire any interest, either direct or indirect, that would conflict in any manner or degree with the performance of proposer's duties, or (2) will not benefit from an award resulting in a "Conflict of Interest." A "Conflict of Interest" shall include holding or retaining membership, or employment, on a board, elected office, department, division or bureau, or committee sanctioned by and/or governed by the City. Proposers shall identify any interests, and the individuals involved, on separate paper with the response and shall understand that City, in consultation with legal counsel, may reject their proposal.

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- c. **Reservation:** City reserves the right to reject any or all proposals, in whole or in part and/or negotiate any or all items with any proposer, to waive any and all informalities and/or irregularities, or to re-advertise with either the identical or revised specifications, if it is deemed to be in City's best interests, at any stage of the procurement process, in accordance with applicable laws and/or regulations. Moreover, City reserves the right to make no selection if proposals are deemed to be outside the fiscal constraint or not in the best interest of the City.
- d. **Firm Price:** All proposers submitting proposals agree that their pricing is valid for a minimum of one (1) year after proposal submission to City. Pricing must be submitted on a "not-to-exceed" basis. Proposals which do not submit pricing on a "not to exceed" basis will be eliminated from further consideration. Payment will be tied to agree upon milestones.
- e. **Receipt and Process:** Proposals will be received by City at the time and place so stated in this RFP. At that point, City will close the receipt of proposals and begin the evaluation process.
- f. **Proposal:** The project proposal must be one complete document. All services and equipment offered should be described and contained within a single proposal.
- g. **Proposer Expenses:** City will not be responsible for any expenses incurred by any proposer in the development of a response to this RFP or any other activities associated with this procurement, including, but not limited to, any onsite (or otherwise) interviews and/or presentations, and/or supplemental information provided, submitted, or given to City and/or its representatives.
- h. **Retention of Proposer Material:** City reserves the right to retain all proposals regardless of which response is selected. No proposals, including attached documentation, will be returned to proposer.
- i. **Professional Services Agreement:** The successful proposer will be required to enter into a written agreement with the City ("Agreement"). By reference, a copy of the notice inviting proposals and this RFP, including Exhibit A, will be part of that agreement. All materials or services supplied by the successful proposer will conform to the applicable requirements of Federal, State and local Law covering Labor and Wages, as well as conforming to the specifications contained herein. In case of default by the successful proposer, the City reserves the right to procure the articles or services from other sources and to hold the successful proposer responsible for any excess cost incurred by the City hereby.

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**IV. GENERAL TERMS AND CONDITIONS**

- a. **Assignment:** No assignment of the proposer's obligations nor the proposer's right to receive payment hereunder shall be permitted without prior consent of City. The proposer may not sell, assign, transfer or convey the Agreement resulting from this RFP, in whole or in part, without the prior written approval from City.
- b. **Indemnification:** The successful proposer shall agree to defend, hold harmless and indemnify City and its officers, employees, and agents (collectively the "Indemnities") from any and all demands, claims, actions, proceedings, causes of action, damages, judgments, awards, settlements amounts, penalties, fines, assessments, charges, fees, forfeitures, losses, liabilities, obligations, costs and expenses (collectively, "Claims") arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of successful proposer or successful proposer's employees, subcontractors or agents in the performance of professional services under the Agreement (including Claims for infringement of intellectual property rights of any third party). Successful proposer shall defend the Indemnities in any action or actions filed in connection with any such Claims with counsel of City's choice, and shall pay all costs and expenses (including actual attorney's fees) incurred in connection with such defense. In connection with all Claims not covered by the preceding paragraph, successful proposer shall defend, hold harmless and indemnify the Indemnities from any Claims arising out of, pertaining to, or relating to Successful proposer's performance of the Agreement. Successful proposer shall defend the Indemnities in any action or actions filed in connection with any such Claims with counsel of City's choice and shall pay all costs and expenses (including actual attorney's fees) incurred in connection with such defense.
- c. **Independent Contractor:** Proposers shall agree to obtain, at their sole expense, all insurance required in the following paragraphs and shall not commence work until such insurance is in effect and certification in a form approved by the City has been received by the City Manager.
- d. **Insurance:**
  - 1. **Commercial General Liability** – Combined single limits of no less than \$1,000,000 each occurrence and \$1,000,000 aggregate. This insurance shall include Comprehensive Broad Form Coverage including contractual liability.
  - 2. **Commercial Automobile Liability** – Limits of no less than \$500,000 Combined Single Limit for bodily injury and property damage. Evidence of commercial automobile coverage is only necessary if vehicles are used in the provision of services under the Agreement and/or are brought on a City site.



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3. Professional Liability (Errors and Omissions) - Limits of no less than \$1,000,000 each occurrence and \$1,000,000 aggregate.

All insurance companies must be licensed and be acceptable to the City Manager. Insurance Policies, except Workers' Compensation, shall be endorsed (1) to show City as additional insured, as their interests may appear and (2) to amend cancellation notice to 30 days, pursuant to law.

If an "ACCORD" Insurance Certificate is used, the words "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "cancellation" paragraph of the form shall be deleted.

Copies or originals of correspondence, certificates, endorsements or other items pertaining to insurance shall be sent to:

**San Fernando Police Department  
910 First Street  
San Fernando, Ca 91340  
Attn: Lieutenant Anthony Vairo**

If the proposer does not meet the insurance requirements of the specifications, alternate insurance coverage satisfactory to City may be considered.

- e. Compliance with Laws and Regulations: Proposer must comply with all applicable State, and local laws and regulations. In the event any governmental restrictions may be imposed which would necessitate alteration of the material, quality, workmanship or performance of the items offered on this proposal prior to their delivery, it shall be the responsibility of the proposer to notify City at once, indicating in their letter the specific regulation which required such alterations. City reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Agreement.
- f. Additional Services: From time to time during the implementation period and afterward, City may elect to have the proposer perform services that are not specifically described in the Statement of Work but are related to the contracted services (the "Additional Services"). Prior to beginning work on any Additional Services, the proposer and City will agree and document the scope of work to be performed and compensation rate. This will be accomplished through an amendment to the Agreement.
- g. Gratuity Prohibited: Proposer shall not offer any gratuities, favors or anything of monetary value to any official, employee or agent of the City for the purpose of influencing consideration of this proposal.

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- h. **Discrimination:** The proposer and all sub-consultants must not be discriminate, nor permit discrimination against any person on the grounds of race, national origin, sex, handicap, sexual orientation, or veteran status in their employment practices, in any of their contractual arrangements, in all services and accommodations they offer the public or in their business operations.

**V. DETAILED SUBMITTAL REQUIREMENTS**

- a. **Proposal Format:** Proposers shall prepare their proposals in accordance with the instructions outlined in this section. Proposals should be prepared as simply as possible and provide a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP. Utmost attention should be given to accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled. The proposal should be organized into the following major sections:

- Section 1. Executive Summary
- Section 2. Scope of Services
- Section 3. Company Background
- Section 4. Proposed Equipment and Services
- Section 5. Maintenance and Support Program
- Section 6. Client References
- Section 7. Cost Proposal
- Section 8. Exceptions to the RFP
- Section 9. Documents

Instructions relative to each part of the response to this RFP are defined in the remainder of this section. Response information should be limited to pertinent information only.

- b. **Executive Summary (Proposal Section 1.0):** This part of the response to the RFP should be limited to a brief narrative summarizing the proposal.

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- c. **Scope of Services (Proposal Section 2.0):** This section of the proposal should include a general discussion of the proposer's overall understanding of the project and the scope of work proposed. The scope statement should include all work from project inception to the completion of the warranty period.
- d. **Company Background (Proposal Section 3.0):** Each proposal must provide the following information about the submitting proposer's company, the implementation partner's company and any third-party proposer being proposed to provide a business function so that City can evaluate the proposer's stability and ability to support the commitments set forth in response to the RFP. City, at its option, may require a proposer to provide additional support or clarify requested information.

Background information shall include:

1. How long the company has been in business;
  2. A brief description of the company size and organizational structure;
  3. How long the company has been selling the proposed solution to clients similar to the City;
  4. Most recent reviewed financial statements as contained in relevant annual reports. The statements should include information on annual sales, profitability, etc.;
  5. Listing of installs at entities similar to City by name and state; and
  6. Copies of business licenses, professional certifications or other credentials.
- e. **Proposed Equipment and Services (Proposal Section 4.0):** The proposer must present, in detail, the version, features and capabilities of the proposed system. In addition to the description, please provide in narrative form (at least one paragraph per item) answers to the following questions:
1. Technology Architecture: Included in this section should be a detailed technical overview of any proposed hardware or software platform. Include network diagrams and coverage maps where appropriate. Ensure the following questions are answered:
    - Upon which platforms does your system run?
    - What are the optimal and minimum network requirements?

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2. Administration Overview: What administration toolsets are included with the system? What skills are required to maintain the system? What monitoring is routinely required for optimal system performance?
  3. Security: What security tools are included with the system? How is the security profile defined? What is included in the user security profile?
  4. Upgrades: What is the software upgrade frequency? How are patches and fixes applied? How are patches and fixes deployed? How are upgrades applied? How
- f. **Maintenance and Support Program (Proposal Section 5.0):** The proposal must specify the nature of on-going support provided by the proposer including:
1. Telephone support (e.g., include toll-free support hotline, hours of operation, availability of 24 x 7 hotline, etc.).
  2. Special plans defining “levels” of City support (e.g., gold, silver, etc.). Define what level of support is being proposed.
  3. Delivery method of future upgrades and product enhancements including historical frequency of upgrades by module.
  4. Problem reporting and resolution procedures.
  5. Bug fixes and patches.
  6. Support provided for third-party solutions.
  7. Other support (e.g., on-site, remote dial-in, Web site access to patches, fixes and knowledge base).
- g. **Client References (Proposal Section 6.0):** City considers references to be important in its decision to award an Agreement. The names and phone numbers of the project manager for each reference must be listed.
- The proposal must contain three (3) verifiable references of the proposer’s proposed solution that has been operational for a minimum of 90 days, preferably ports and local government.
- h. **Cost Proposal (Proposal Section 7.0):** Proposers should submit all costs in the proposal.
- Project scope should be assumed to include all functionality listed in the RFP.

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City reserves the right to contact proposers on cost and scope clarification at any time throughout the selection process and negotiation process. City is asking proposers to furnish a firm fix price for all categories.

City may award an Agreement, based on initial offers received without discussion of such offers. A proposer's initial offer should, therefore, be based on the most favorable terms available. City may, however, have discussion with those proposers that it deems in its discretion to fall within a competitive range. It may also request revised pricing offers from such proposers, and make an award and/or conduct negotiations thereafter.

- i. **Exceptions to the RFP (Proposal Section 8.0):** All requested information in this RFP must be supplied. All exceptions shall be clearly identified in this section and a written explanation shall include the scope of the exceptions, the ramifications of the exceptions for City, and the description of the advantages or disadvantages to City as a result of exceptions. City, in its sole discretion, may reject any exceptions or specifications within the proposal. Proposers may also provide supplemental information, if necessary, to assist City in analyzing responses to this RFP.
- j. **Documents (Proposal Section 9.0):** Proposers should include sample copies of the following documents:
  - 1. Specification sheets
  - 2. Sample software licensing agreement
  - 3. Sample maintenance agreement
  - 4. Sample documentation (user guides, training materials, etc.)

**VI. EVALUATION PROCESS**

- a. **Selection of Participants:** The Police Department will select a panel to review the proposals.
- b. **Evaluation of Proposals:** Evaluation criteria will be used to determine the successful proposer. The proposer's proposal will be evaluated based on the following criteria:
  - 1. Compliance with the general bidding requirements, general submittal requirements, and detailed submittal requirements of the RFP.
  - 2. Total system/maintenance cost.

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3. Provision of three verifiable references of the proposer's proposed solution that has been operational for a minimum of 90 days, preferably local government.

These criteria are provided for informational purposes and are not intended to represent an order of preference.

- c. **Evaluation Selection Process:** A forced choice factor weighting analysis of the evaluation criteria will be utilized to determine the proposer that represents the best value solution for City, in accordance with applicable City ordinances.



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**ATTACHMENT “A”**

**CONTRACT ITEM LIST**

Descriptive data on the following equipment is contained in Attachment “A” attached hereto. The quantity shown is an estimate of the Police Department’s current inventory in service. The City reserves the option to add or remove contract items as needed. The type and quantity of radio equipment listed herein is an estimate only. The City will assist the contactor, if required, in verifying actual types and quantities of equipment to be serviced under the contract. However, the contactor will be responsible for the verification of location and actual count of the equipment. Such verification will be subject to approval by the City.

- a) 94 Motorola XTS5000
- b) 28 Motorola XTS5000
- c) 03 Motorola MCC5500 Communication console position & related equipment
- d) 02 Motorola Quantar repeaters 460/465.350 & 460/465.225 & related equipment
- e) 02 Motorola MC2500 remotes
- f) 01 Motorola Base station-backup unit, 460/465.350 and related equipment
- g) 01 Motorola Base station-CLEMARS 154.920
- h) 01 NICE log recorder system-gold package
- i) 13 Motorola MW810 & related equipment
- j) 24 Motorola Motomesh DUO & related equipment
- k) 13 VMM Motomesh & related equipment
- l) 06 PTP 5.8 MHz & related equipment
- m) ONSSI software and related computers and equipment
- n) 27 HD cameras and related equipment
- o) 07 PTZ cameras
- p) Servers and software related to the above equipment
- q) 02 Radio towers (small)
- r) Radio IP software



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## COMMUNITY DEVELOPMENT DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**DATE:** September 15, 2014

**SUBJECT:** Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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#### **RECOMMENDATION:**

It is recommended that the City Council:

- a. Open the Public Hearing to Consider the Sale of Real Property Located at 1211 First Street, San Fernando, California and receive the brief introduction of City staff;
- b. Pose questions to City staff and next given persons who submitted proposals for the acquisition of the property an opportunity to address the City Council;
- c. Pose questions to City staff and the various purchaser candidates;
- d. Allow all other members of the public to provide comment and testimony
- e. Pose closing questions to City staff and the various purchaser candidates based on comments or questions raised by the public or any other questions or comments posed by members of the City Council;
- f. Close Public Hearing and commence deliberations. Except as the City Council may otherwise find or determine following the conclusion of the Public Hearing it is preliminarily recommended that the City Council:
  - i. Adopt Resolution No. 7636 (Attachment "A") designating the property at 1211 First Street (Los Angeles County Assessor's Parcel Number 2520-024-902) as City surplus property;

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property  
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- ii. Approve the sale of City-owned property located at 1211 First Street from the City of San Fernando to Aszkenazy Development, Inc. for a sale amount of \$590,000, subject to the terms and conditions of the proposed Purchase and Sale Agreement (Attachment “B” – Contract No. 1761); and
- iii. Find that the sale is exempt under California Environmental Quality Act (CEQA) for the reasons stated in this staff report and in the corresponding resolutions; and
- iv. Direct the City Manager in conjunction with the City Attorney to take all actions necessary to execute the Purchase and Sale Agreement and associated documents.

## **BACKGROUND:**

1. On October 7, 2013, the City Council authorized the Interim City Manager to proceed with the administrative and public notification process necessary to facilitate the sale of surplus City-owned parcels including the two former fire stations at 519 South Brand Boulevard and 1211 First Street.
2. On November 5, 2013, the Planning and Preservation Commission adopted Resolution 2013-13 (Attachment “C”) finding that the potential sale of City-owned parcels at 1211 First Street conforms to the City of San Fernando General Plan. Pursuant to California Government Code Section 65402, publicly owned land cannot be sold until after the Planning and Preservation Commission has made a finding that the proposed disposition/sale of property is in conformance with the city’s general plan and elements thereof.
3. On November 7, 2013, the City sent out a “Notice of Intent to Sell Surplus Property” to the following public agencies and non-profit organizations that might be in a position to acquire the property for public purposes such as open space, park and recreational uses, or for low income housing purposes: Los Angeles County – Real Estate Division, California Department of Housing and Community Development, Los Angeles County Housing Authority, Los Angeles County Community Development Commission, Santa Monica Mountains Conservancy, National Resources Agency, Mountains Recreation and Conservation Authority, Los Angeles County Parks and Recreation Department, and the Los Angeles Unified School District. As part of the notice, the City requested that any noted public agencies interested in purchasing the property submit a written offer to purchase with specific terms identified within sixty (60) days of receipt of said notice. No purchase offers were subsequently received.
4. On April 18, 2014, the City of San Fernando Community Development Department issued a Request for Proposals (RFP) to provide the City with commercial real estate brokerage and advisory services in order to facilitate the sale of City properties at 519 South Brand Boulevard and 1211 First Street.

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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5. On May 28, 2014, Converse Consultants completed a Phase I Environmental Site Assessment (ESA) for the City-owned property and former fire station site at 1211 First Street. Based on the ESA review it was determined that there was no evidence of “Recognized Environmental Conditions” at the subject property and that no further environmental assessment was warranted at that time.
6. On June 2, 2014, the City Council approved a Professional Services Agreement (Contract No. 1746) with Colliers International to provide the City with commercial real estate brokerage services in order to assist the City with the sale of City properties (former fire stations) located at 1211 First Street and 519 South Brand Boulevard.
7. On June 30, 2014, Colliers International placed “For Sale” brochures for the City-owned properties at 519 South Brand Boulevard and 1211 First Street on CoStar and LoopNet (online real estate listing websites). The brochures were also used a part of the broker’s direct advertising campaign (Attachment “D”). Soon thereafter, a “For Sale” sign was also posted at each of the subject City-owned properties.
8. On August 23, 2014 and August 28, 2014, the City published a “Notice of Public Hearing to Consider and Potentially Approve an Offer for Acquisition of City-Owned Real Property Parcels Located at 1211 First Street, San Fernando, California and 519 South Brand Boulevard, San Fernando, California for Private Use and to Approve One of the Offers Presented” in the *Los Angeles Daily News* and the *San Fernando Sun Newspaper*, respectively (Attachment “E”).

As part of the notice the City informed prospective purchasers of the following conditions on offers:

- The Properties shall be individually sold by the City in an “AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION” by the City;
- The Properties shall be individually sold by the City, subject to the possessory interest of the existing tenant who presently occupy each of the Properties, and the buyer(s) of the Properties shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase of one or both of the Properties, at any time up until the time of conclusion of the Public Hearing. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its “due diligence” and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer;



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- Each proposed purchaser of the one or both Properties shall have confirmed in writing to the City Council that it has accepted the general form of the City's Purchase and Sale Agreement for each of the Properties prior to the conclusion of the Public Hearing;
  - Any offer which requires third-party financing to be completed may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.
  - All prospective offers needed to be received by the City's commercial broker (Colliers International) by 4:00 pm on Monday, September 8, 2014.
9. Beginning on August 25, 2014, the City's commercial broker sent out on behalf of the City a response letter to prospective purchasers titled: "Response of the City of San Fernando to Offer to Purchase Property at 1211 First Street, San Fernando, California and Notice of Public Hearing to Consider and Approve Competing Purchase Offers" (Attachment "F"). The letter reiterated all the points previously noted above in the Notice of Public Hearing (Attachment "E") and requested that the response letter be signed by the prospective buyer and returned to the City's commercial broker as "acknowledgement as to the conditions for consideration of the offer by the City".
10. On September 8, 2014, the City received the following offers for the purchase of the City-owned property at 1211 First Street:

<u>1211 1<sup>st</sup> St. Sale Offers Matrix</u>							
Buyer	Price	Down Payment	Loan Contingency	Contingency Period	Close	Delivery/Tenant	Notes
1 Aszkenazy Development, Inc.	\$590,000		None	30 days	15 days	Tenant ok	
2 Mauran Ambulance	\$585,000	\$15,000	60% LTV	30 days (60 days financing)	15 days	Tenant ok	Current tenant in facility.
3 George Gevojanyan	\$475,000	\$475,000	All Cash	14 days	14 days	Tenant ok	

**The Property:** The subject City property at 1211 First Street (Los Angeles County Assessor's Parcel No. 2520-024-902) includes one City-owned parcel with a total area of 11,975 square feet previously purchased by the City and subsequently developed as a former City fire station facility (approximately 3,263 square feet in size) in 1957. The subject property is located in the northerly portion of the 1200 block of First Street, between Alexander Street to the West and Hagar Street to the East, within the City's C-2 (Commercial) zone. The subject site is an irregular shaped lot with street frontage along First Street and alley access along the site's northernmost boundary line (Attachment "G").

Since the facility was decommissioned as a City fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the Mauran

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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Ambulance Services Inc. On April 3, 1995, Mauran Ambulance Services Inc. entered into a multi-year lease agreement with the City, which expired on March 31, 2011. Subsequent to the lease expiration date, the ambulance company has been operating at the subject property on a month-to-month lease.

**Legal Description:** The legal description of the property is as follows: Lots 7, 8 and southerly 97.50 feet of Lots 9 and 10 of Maclay's Addition to Town of San Fernando Tract, in the City of San Fernando, County of Los Angeles, State of California, as per map recorded in Book 17, Pages 11-12 of Maps, in the Office of the County Recorder, Los Angeles, California. (Los Angeles County Assessor's Parcel Number 2520-024-902.)

**Process for Sale of Property:** The City has determined that City-owned property at 1211 First Street is surplus property as defined by Government Code Section 54221(b), which means 'land owned by any local agency that is determined to be *no longer necessary for the agency's use*, except property being held by the agency for the purpose of exchange.' Since the dissolution of the City of San Fernando Fire Department in the mid-1970's and use of the Los Angeles Fire Department with their own fire stations outside the City's boundaries, the former fire station at 1211 First Street is no longer necessary for the City's use and the City is not holding the property for the purpose of exchange. Therefore, the subject property is considered surplus property and the City has undertaken the following pursuant to State law for the sale of surplus property:

- a) Preliminary Title Search – The City has conducted a preliminary title search in order to document the history and details of City ownership, which verified a clear title by the City ensuring that the property is not subject to any covenants or conditions that may have been imposed by any original grantees of the property.
- b) Appraisal – The City has conducted an appraisal in order to establish an assessment of market value for the property. A valuation study and appraisal report was commissioned by the City for the property. The report, prepared by Nagasaki and Associates on March 7, 2014, estimates the market value of the property at \$470,000.
- c) General Plan Compliance – During a Public Hearing, the City's Planning and Preservation Commission determined pursuant to Resolution No. 2013-13 that the disposition of the City-owned surplus property at 1211 First Street, is consistent with the City's General Plan. (Government Code Section 65402(a).) The Planning and Preservation Commission found the future sale of the City-owned property is consistent with the General Plan and a copy of Resolution 2013-13 has been forwarded to the City Council for their consideration as part the proposed sale of the property.
- d) CEQA Compliance Review – The sale of each of the Properties is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or area wide concern as identified under Section 15206(b)(4) of the CEQA Guidelines. In addition, any future redevelopment of the project

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property  
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with infill commercial development that may include new commercial office or similar services uses and associated parking facilities is also categorically exempt from CEQA pursuant to Categorical Exemption Class 32 per CEQA Guidelines Section 15332.

- e) Notice to Intention to Dispose of Real Property – Pursuant to State statute (Government Code Section 54222), the City has offered for sale to other public agencies and non-profit organizations that might be in a position to acquire the subject surplus property at 1211 First Street for public purposes such as open space, park and recreational uses, or for low income housing purposes. As previously noted, the Notice of Intention to Dispose of Real Property (the Notice) was sent out by the City on November 7, 2013 to these other entities. The Notice allowed any of these entities seeking to purchase subject property 60 days to notify the City of their intent to purchase the property with specific terms. No offers to purchase the property were received by the City by the 60 days from issuance of the Notice.
- f) Sale of Property – Since no public agency or non-profit organization responded within 60 days of receiving the Notice then the City has proceeded with the public notification and advertisement of the subject property as being “For Sale”. The sales process has culminated with the public notice to prospective purchasers to submit their “Best and Final Offer” by August 8, 2014, at 4:00 pm to the City’s commercial broker, Collier International. The submitted offers have been included herein in addition to the City staff’s recommendation to sell the property to Aszkenazy Development, Inc. for \$590,000 all-cash offer pursuant to the proposed Purchase and Sale Agreement.

**The Terms of Sale:** The basic terms of the proposed Purchase and Sale Agreement provide that for a purchase price of \$590,000 with an all-cash offer. Furthermore, the buyer is seeking to purchase the property with the current tenant occupying the building. As previously noted, said tenant (Mauran Ambulance Services) is on a month-to-month lease for the property.

**Proposed long-term use of the property:** In the immediate, the buyer is seeking to negotiate a lease with the current tenant, Mauran Ambulance Services. In addition, the buyer will be evaluating what potential long-term redevelopment opportunities may exist along First Street that can complement the neighboring commercial, industrial and residential land uses.

## CONCLUSION:

In light of the foregoing analysis, it is staff’s assessment that approval of the proposed Purchase and Sale Agreement by the City Council would accomplish the following:

- Provide immediate cash revenue of \$590,000 (minus closing fees and broker’s commission) to the City’s General Fund;
- Facilitate future potential adaptive reuse opportunities by the Buyer of the subject property at 1211 First Street; and

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 1211 First Street, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property  
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- Provide for immediate reassessment of the subject property that is not currently taxed and provide for possible additional property tax revenues with possible new development.

**BUDGET IMPACT:**

As noted above, sale of the subject property pursuant to the terms of the proposed Purchase and Sale Agreement would entail a positive budget impact by providing immediate cash revenue of \$590,000 (minus closing fees and broker's commission) to the City's General Fund, and by providing for reassessment of the subject property that is not currently taxed. The sale would also provide for possible additional property tax revenues with possible new development.

**ATTACHMENTS:**

- A. Resolution No. 7636
- B. Contract No. 1761 (Purchase and Sale Agreement)
- C. Planning and Preservation Commission Resolution No. 2013-13
- D. "For Sale" Brochure
- E. Public Hearing Notice
- F. Letter Response to Offers
- G. Aerial Map

**ATTACHMENT “A”****RESOLUTION NO. 7636****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DESIGNATING CITY-OWNED PROPERTY AT 1211 FIRST STREET AS SURPLUS PROPERTY AND AUTHORIZING THE SALE OF SAID SURPLUS PROPERTY TO ASZKENAZY DEVELOPMENT, INC.**

**WHEREAS**, the City of San Fernando (the “City”) owns an approximate 11,975 square foot parcel currently improved with an approximate 3,263 square foot building and on-site parking facility that was formerly constructed and used as City fire station and is currently leased to Mauran Ambulance Services, an ambulance company within the City at 1211 First Street, San Fernando, California, which herein is referred to as the “Property”;

**WHEREAS**, on November 5, 2013, pursuant to Government Code Section 65402(a), the City of San Fernando Planning and Preservation Commission determined pursuant to Resolution No. 2013-13 that the disposition of the City-owned surplus property at 1211 First Street, is consistent with the City’s General Plan and Zoning regulations;

**WHEREAS**, on November 7, 2013, the City provided a Notice of Intent to Sell Surplus Property (the “Notice”) pursuant to Government Code Section 54222 for the purpose of offering the Property for sale to other public agencies and non-profit organizations that might be in a position to acquire the Property for public purposes such as open space, park and recreational uses, or for low income housing purposes and no offers were received within sixty (60) days of the issuance of the Notice;

**WHEREAS**, on March 7, 2014, the Property was appraised at a value of Four Hundred and Seventy Thousand dollars (\$470,000);

**WHEREAS**, on August 23, 2014 and August 28, 2014, the City published a “Notice of Public Hearing to Consider and Potentially Approve an Offer for Acquisition of City-Owned Real Property Parcels Located at 1211 First Street, San Fernando, California and 519 South Brand Boulevard, San Fernando, California for Private Use and to Approve One of the Offers Presented” in the *Los Angeles Daily News* and the *San Fernando Sun Newspaper*, respectively;

**WHEREAS**, on September 8, 2014, Aszkenazy Development, Inc. (the “Buyer”), provided one of multiple offers received by the City on the Property in which the Buyer expressed its intention to purchase the Property from the City for the value of Five Hundred and Ninety Thousand dollars (\$590,000) to be paid all in cash;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**Section 1.** That all of the recitals set forth above are true and correct, and the City Council so finds and determines.

**Section 2.** In accordance with Government Code Section 54220 et seq., the City Council finds the property is no longer necessary for the City's use and the City is not holding the property for the purpose of exchange.

**Section 3.** Pursuant to Government Code Section 54220 et seq., the City Council hereby authorizes the sale of the Property to Aszkenazy Development, Inc.

**Section 4.** The City Council finds that the proposed sale of the Property to be categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or area wide concern as identified under Section 15206(b)(4) of the CEQA Guidelines;

**Section 5.** That the City Manager in conjunction with the City Attorney are authorized and directed to negotiate a final Purchase and Sale Agreement with Aszkenazy Development, Inc. for sale of the Property.

**Section 6.** The sale of the Property shall be upon the following terms and conditions:

- a) The price for the Property shall be no less than Five Hundred and Ninety Thousand dollars (\$590,000).
- b) A deposit of Twenty Thousand dollars (\$20,000) shall be due immediately upon execution of the purchase agreement.
- c) Escrow shall be opened immediately upon execution of the Purchase and Sale Agreement and shall close no later than forty-five (45) days from the date of execution of the Purchase and Sale Agreement.
- d) The Property is sold in an "As-Is" condition inclusive of the current tenant.
- e) Aszkenazy Development, Inc. and the City shall equally share all applicable costs associated with recording fees, documentary and other transfer taxes, title insurance premiums and other escrow costs.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

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Sylvia Ballin, Mayor



**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO       )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk

**ATTACHMENT “B”  
CONTRACT NO. 1761****CITY OF SAN FERNANDO  
PURCHASE AND SALE AND ESCROW INSTRUCTIONS  
(SURPLUS PUBLIC PROPERTY: 1211 FIRST STREET)**

This 2014 City of San Fernando Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is made as of September\_\_\_\_, 2014 (“Effective Date”), between Aszkenazy Development, Incorporated (the “Buyer”), and the City of San Fernando, a municipal corporation (the “Seller”).

**RECITALS**

A. Seller is the owner of certain real property located at 1211 First Street, San Fernando, California, consisting of an approximately 11,975 square feet parcel of land, with Los Angeles County Assessor’s Parcel Number 2520-024-902, which is more particularly described in Exhibit A (the “Land”), and the related improvements, appurtenances, and certain related personal and intangible property.

B. The Land is improved by an approximately 3,263 square feet structure and related on-site parking facility (the “Building”). There is one office tenant in the building, Mauran Ambulance Services who currently operate private ambulance company from the Property.

C. Seller has determined that the Property is surplus public property and is no longer needed by the City for public purposes.

D. On September 15, 2014, Seller’s legislative body, the City Council of the City of San Fernando (“City Council”), conducted a public hearing wherein the City Council declared that the Land and Building is no longer necessary for any public use by the City of San Fernando and the City Council considered the sale of the Property to the Buyer.

E. At the conclusion of the September 15, 2014 public hearing, the City Council accepted Buyer’s offer for the acquisition of the Property and authorized the execution of this Agreement by the City.

**ARTICLE 1****AGREEMENT OF SALE**

1.1. Purchase and Sale. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller agrees to sell and Buyer agrees to purchase all of the Property described below in Section 1.2, under the terms and conditions of this Agreement.

1.2. Description of the Property. The property to be sold and purchased under this Agreement (the “Property”) consists of the following:

1.2.1. Land. As described in Recital A.

1.2.2. Appurtenances. All privileges, rights, easements appurtenant to the Land, including without limitation all minerals, oil, gas, and other hydrocarbon substances on and under the Land; all development rights, air rights, water, water rights, and water stock relating to the Land; all right, title, and interest of Seller in and to any streets, alleys, passages, water and sewer connections, sanitary or storm drain capacity or reservations and rights under utility agreements, and other easements and other rights-of-way included in, adjacent to, or used in connection with the beneficial use and enjoyment of the Land (collectively, the “Appurtenances”).

1.2.3. Improvements. The Building described in Recital B and all other structures, fences, parking areas, or improvements located upon the Land or upon the Improvements, including fixtures, systems, and equipment attached to the Land or Improvements and used in connection with the operation or occupancy of the Land and Improvements (such as heating and air-conditioning systems, refrigeration, ventilation, garbage disposal, or utility conduits) which are the property of the Seller (collectively, the Improvements, which together with the Land and the Appurtenances are called the Real Property).

1.2.4. Personal Property. Certain tangible personal property and all intangible property owned by Seller that is located on or in or is used in connection with the use or operation of any of the Property (Personal Property). Personal Property must include, without limitation, all the following: (a) all of the tangible property listed on a schedule to be delivered according to Section 3.1 of this Agreement; (b) the service contracts listed on a schedule to be delivered according to Section 3.1 of this Agreement, which Buyer elects to assume, by written notice to Seller not less than TEN (10) days before the Closing; (c) all rights under the Leases (defined in Section 3.1); (d) all warranties and guaranties on or related to the tangible Personal Property or related to construction, repair, or alteration work on the Real Property, to the full extent such warranties and guaranties are assignable; (e) all licenses and permits related to the Property; (f) all plans, drawings, engineering studies located within, used in connection with, or related to the Property; (g) all intellectual property associated with, related to, or used in connection with the Property, including logos, trademarks, designs, tradenames, service marks, e-mail addresses, domain names, and telephone numbers; and (h) all goodwill associated with the Real Property.

## ARTICLE 2

### PURCHASE PRICE

2.1 Amount. The full purchase price (the “Purchase Price”) for the Property is Five Hundred and Ninety Thousand Dollars (\$590,000) and is payable to the Seller in accordance with this Article 2.

## 2.2 Deposit.

2.2.1. Deposit. Concurrent with the Effective Date, as a deposit against the Purchase Price, Buyer must deposit the sum of Twenty Thousand Dollars (\$20,000) (the “Deposit”) into an escrow (the “Escrow”) to be opened with CHICAGO TITLE INSURANCE COMPANY (the “Escrow Holder”).

2.2.2. Requirements for Deposit. Buyer may make the Deposit in cash, or by check payable to the Escrow Holder, or by electronic transfer of federal funds. The Escrow Holder will hold the Deposit in an escrow account at a bank and invested in investments approved by Buyer, with interest accruing for the benefit of Buyer. On the Closing Date (defined in Section 7.2), the Deposit will be credited against the Purchase Price and paid to Seller. If this Agreement terminates for any reason except Buyer’s default, the Escrow Holder shall be instructed by Seller to refund the Deposit to Buyer.

2.3 Payment of Balance. Buyer agrees to pay, or cause to be paid, the balance of the Purchase Price to Seller through the Escrow by depositing cash or a certified or cashier’s check payable to the Escrow Holder, or by electronic transfer of federal funds, which must be delivered to the Escrow Holder at least one (1) business day before the Closing Date.

## ARTICLE 3

### BUYER’S CONTINGENCIES

3.1 Seller’s Delivery of Documents. Buyer’s obligation to purchase the Property is expressly conditioned on Seller’s delivering to Buyer all documents listed below (collectively, the “Preliminary Documents”). Failure by Seller to deliver the Preliminary Documents within FIVE (5) days after the Effective Date will upon the written request of Buyer extend the Contingency Date (as defined in Section 3.2) by 1 day for every 1 day thereafter until each such Preliminary Document identified in each written notice of Buyer is delivered by Seller.

3.1. Seller’s Delivery of Documents. Buyer’s obligation to purchase the Property is expressly conditioned on Seller’s making all documents listed below (collectively, Preliminary Documents) available to Buyer. On or before the fifth (5th) day after the Effective Date, Seller must deliver directly to Buyer the Preliminary Report, the Rent Roll, the Leases, and the operating statements for the Property for the current calendar year through the Effective Date and the prior two (2) calendar years.

3.1.1. Preliminary Report. A preliminary report (Preliminary Report) dated no earlier than thirty (30) days before the Effective Date covering the Real Property and issued by CHICAGO TITLE INSURANCE COMPANY (Title Company), together

with a legible copy of all exceptions to title shown in the Preliminary Report, including each document, map, and survey referred to in the Preliminary Report.

3.1.2. Schedules of Personal Property. A complete schedule of all tangible Personal Property to be sold under this Agreement and a complete schedule of all service contracts of Seller related to the Property, if any that Seller does not intend to cancel before the Closing Date.

3.1.3. Agreements. Copies of all written easements, covenants, restrictions, agreements, service contracts, and other documents in the possession of Seller that affect the Property if not included in the Preliminary Report.

3.1.4. Licenses and Permits. Copies of any licenses, permits, or certificates required by governmental authorities in connection with construction or occupancy of the Improvements in the possession of Seller, including without limitation building permits, certificates of completion, certificates of occupancy, and environmental permits and licenses, and any correspondence related to the Improvements.

3.1.5. Plans. Copies of any existing construction drawings, as-built plans, and specifications for the Property in the possession of the Seller.

3.1.6. Rent Roll. A rent roll, dated no earlier than August 31, 2014 (Rent Roll).

3.1.7. Leases. Copies of all Leases (and any modifications or amendments to these) with each tenant of the Property (Leases), and any material correspondence related to the Leases in the possession of Seller.

3.1.8. Materials Related to Condition of the Property. Any environmental impact reports, "Phase I" or "Phase II" reports, or environmental site assessments in the possession of Seller concerning hazardous materials on the Property, complaints or notices of the presence of hazardous materials on the Property, geological surveys, soil tests, engineering reports, inspection results, complaints, or notices received regarding the safety of the Property.

3.1.9. Excluded Records. The Preliminary Documents will not include any books, records, documents, or information on the corporate, financial, and accounting records of the operations of Seller as an entity (as opposed to records concerning the Property), regarding offers or inquiries made by third parties concerning the purchase of some or all of the Property or appraisals of the value of the Real Property that are attorney-client communications of Seller, that are Seller's attorney's work product, or that are not in the possession of Seller or persons under Seller's control.

3.2 Buyer's Approval of Preliminary Documents. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of the matters disclosed in

the Preliminary Documents. Buyer will have the period from the Effective Date until the date that is FORTY FIVE (45) days after the Effective Date (the "Contingency Date") to review the Preliminary Documents and to decide whether to approve the matters disclosed in the Preliminary Documents. On or before the Contingency Date, Buyer must deliver written notice to Seller either accepting the matters disclosed in the Preliminary Documents or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have accepted the matters disclosed in the Preliminary Documents. By its acceptance or waiver of the contingencies set forth in this Section 3.2, Buyer will be deemed to have acknowledged that (a) Seller has provided Buyer with access to the Preliminary Documents and (b) Buyer has had ample opportunity to review and inspect the Preliminary Documents and to make such independent factual, physical, and legal examinations and inquiries as Buyer deems necessary or desirable with respect to matters disclosed in the Preliminary Documents.

3.3 Buyer's Approval of Contracts. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of all service contracts, management agreements, maintenance contracts, and other contracts and agreements related to or affecting the operation of the Property and not included as part of the title documents (collectively, the "Contracts"). Buyer shall have until the date that is TEN (10) business days before the Contingency Date to either approve or disapprove any Contracts (the "Disapproved Contracts"). Seller shall have until FIVE (5) business days before the Contingency Date to notify Buyer, in writing, of its agreement to terminate the Disapproved Contracts on or before the Closing Date. In no event, however, shall Seller be required to terminate any Contract that by its terms is not terminable before the Closing unless Buyer agrees, in writing, to pay at Closing any prorated charges or other costs associated with such early termination. Failure by Seller to agree to terminate the Disapproved Contracts within the specified period shall be deemed Seller's election not to terminate the Disapproved Contracts. On or before the Contingency Date, Buyer shall deliver written notice to Seller either accepting the Disapproved Contracts that Seller elected (or is deemed to have elected) not to terminate or terminating this Agreement.

3.4 Approval of Title. Buyer's obligation to purchase the Property is expressly conditioned on Buyer's approval of the condition of title of the Property in accordance with the following procedure:

3.4.1. Permitted Exceptions The following exceptions shown on the Preliminary Report (the "Permitted Exceptions") are approved by Buyer: (a) exceptions for a lien for ad valorem property taxes and assessments not yet due or payable, including (without limitation) special taxes under Government Code §§53311-53368.3 or installment assessments under Street & Highways §§8500-8887, (b) the standard preprinted exceptions and exclusions of the Title Company, (d) any other exception shown on the Preliminary Report, other than exceptions for monetary liens, which Buyer does not object to by written notice to Seller within TEN (10) days after delivery of the Preliminary Report (the "Buyer's Title Notice"), or as otherwise provided in this Section 3.4. All exceptions on the Preliminary Report other than the Permitted Exceptions will be Title Objections. If Buyer fails to deliver Buyer's Title Notice within the time specified in this Section 3.4, Buyer will be deemed to have



objected to each title exception shown in the Preliminary Report that is not otherwise a Permitted Exception.

3.4.2. Title Objections. With respect to any Title Objection arising or resulting from any act or omission of Seller, Seller will have TEN (10) days after delivery of Buyer's Title Notice (or Buyer's deemed objection to all exceptions) to specify the manner in which it will remove or cure such Title Objection. With respect to any Title Objection that did not arise or result from any act or omission of Seller, Seller will have TEN (10) days after delivery of Buyer's Title Notice to give notice to Buyer in writing (the "Seller's Title Notice"), stating either (a) the manner in which Seller will remove or cure such Title Objection, or (b) that Seller will not remove or cure such Title Objection. If Seller fails to deliver Seller's Title Notice within the time specified in this Section 3.4, Seller will be deemed to have elected not to cure such Title Objection. Despite the foregoing, Seller agrees to remove all liens created by Seller securing the repayment of money disbursed or paid to Seller that encumber the Property.

3.4.3. Seller Elects Not to Cure. If Seller elects not to cure or remove a Title Objection (or is deemed to have so elected), then Buyer will have TEN (10) days after delivery of the Seller's Title Notice to deliver a written notice to Seller (the "Buyer's Election Notice") of Buyer's election either to (a) proceed with the purchase of the Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.4. Nonmonetary Cure. If Seller is obligated or elects to cure or remove a Title Objection, but the method specified for removing or curing the Title Objection is other than the payment of a specific sum of money, then Buyer will have TEN (10) days after delivery of the Seller's Title Notice to deliver Buyer's Election Notice specifying whether it elects to (a) proceed with the purchase of the Property, subject to Seller's removal of the Title Objection, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.5. Additional Encumbrances. If any encumbrance or other exception to title arises or is discovered after the delivery of the Preliminary Report (an "Additional Encumbrance"), the party discovering such Additional Encumbrance must promptly give written notice to the other. No later than FIVE (5) days after delivery of the notice of such Additional Encumbrance, Buyer will deliver a new Buyer's Title Notice to Seller specifying whether the Additional Encumbrance is a Title Objection or a Permitted Exception. If Buyer objects to the Additional Encumbrance, the parties will proceed in the same manner as set forth above for Title Objections arising from the Preliminary Report. If Buyer fails to deliver Buyer's Election

Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.6. Seller's Failure to Remove Title Objection. If Seller is obligated or elects to cure or remove a Title Objection and fails to do so by at least FIVE (5) days before the Closing Date, or fails to show that it will be able to do so on Closing, then Seller will be in default under this Agreement, and Buyer will have all its rights and remedies provided by this Agreement.

3.5. Review of Preliminary Documents and Physical Condition.

3.5.1. Due Diligence. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of the condition of the Property and all other matters concerning the Property, including without limitation economic, financial, and accounting matters relating to or affecting the Property or its value, and the physical and environmental condition of the Property. Buyer will have until the Contingency Date to conduct such investigations as Buyer may choose (the "Due Diligence") to determine, in its sole discretion, whether this contingency is satisfied. On or before the Contingency Date, Buyer will deliver written notice to Seller accepting the Property, or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have elected to terminate this Agreement.

3.5.2. Access to Property. As part of its Due Diligence, Buyer may investigate economic, financial, and accounting matters relating to or affecting the Property or its value, and conduct inspections, tests, and studies with respect to the physical and environmental condition of the Property. Buyer and Buyer's consultants, agents, engineers, inspectors, contractors, and employees (the "Buyer's Representatives") must be given reasonable access to the Property during regular business hours, upon at least 72 hours prior written notice to Seller for the purpose of performing such Due Diligence. Buyer will undertake the Due Diligence at its sole cost and expense, except as provided in Section 9.2. Buyer will indemnify, defend with counsel reasonably acceptable to Seller, and hold Seller harmless from all claims (including claims of lien for work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees, and expenses, including Seller's reasonable attorney fees, costs, and expenses, arising from the acts or activities of Buyer or Buyer's Representatives in, on, or about the Property during or arising in connection with Buyer's inspections of the Property.

3.5.3. Assumption of Risk. Subject to the other provisions of this Agreement, Buyer agrees that, by its acceptance or waiver of the contingency in this Section 3.5, it assumes the risk that an adverse condition of the Property may not have been revealed or detected by Buyer by its own Due Diligence. On Buyer's acceptance or waiver of the contingency in this Section 3.5, Seller will have no obligation to repair, correct, or compensate Buyer for any condition of the Property, including defects in the Improvements, noncompliance with applicable laws and regulations,

including without limitation zoning laws, building codes, and the Americans with Disabilities Act, and subsurfaced environmental conditions whether or not such condition of the Property would have been disclosed by Buyer's Due Diligence.

3.6. Financing Contingency. Buyer's obligation to purchase the Property is conditioned on Buyer's obtaining, before the Contingency Date, a written commitment for a loan from \_\_\_\_\_ of at least \_\_\_\_\_ Dollars (\$\_\_\_\_\_), and including such other finance terms and conditions as Buyer may approve in its sole and absolute discretion. Buyer agrees to use commercially reasonable efforts to obtain such a written loan commitment during Due Diligence on or before the Contingency Date provided however, that Seller shall have no obligation to extend the Closing Date beyond the time as set forth in Section 7.2.2 to accommodate the funding of such a loan to pay the balance of the Purchase Price. Buyer must deliver written notice to Seller indicating whether the contingency set forth in this Section 3.6 has been met and waiving the Financing Contingency or terminating this Agreement. If Buyer fails to deliver such notice on or before the Contingency Date, then Buyer will be deemed to have elected to terminate this Agreement.

3.7. Termination for Failure of a Contingency. If this Agreement is terminated or deemed to be terminated for failure of a contingency set forth in this Article 3, then immediately on written notice from Buyer and Seller, Escrow Holder must refund the Deposit to Buyer, without offset for any charges or claims. Any cancellation fee or other costs of the Escrow Holder or the Title Company resulting from this termination for failure of a contingency will be borne equally by Seller and Buyer, and each party must pay its own expenses.

## ARTICLE 4

### SELLER'S PRECLOSING COVENANTS

4.1 No Amendments or Agreements. On or after the Effective Date, Seller will not (a) amend or waive any right under any Preliminary Document or (b) enter into any lease or amendment to the Loan or other agreement of any type affecting the Property that would survive the Closing Date, without Buyer's prior written consent. Before the Contingency Date, Buyer may not unreasonably withhold its consent under this Section 4.1; after the Contingency Date, however, Buyer will have sole discretion in all such matters.

4.2 Insurance. Through the Closing Date, Seller must maintain or cause to be maintained in full force and effect comprehensive general liability casualty and other insurance on the Property in an amount equal to the full replacement cost of the Improvements.

4.3 Maintenance and Operation. Seller, at its sole cost and expense, will cause the Property to be operated and maintained in substantially the same manner as has been the case before the Effective Date and must maintain and keep the Property such that on the Closing Date the Property is in at least as good condition and repair as on the Effective Date, reasonable wear and tear excepted. Seller may not authorize or make any material alterations to the Property without Buyer's prior written consent.

4.4 No Marketing. Upon the Effective date, Seller agrees not to market, show, or list the Property to any other prospective buyer during the term of this Agreement.

4.5 Access to Property. Buyer and Buyer's representatives, agents, and designees will have the right at all reasonable times until Closing to enter the Property as provided in Section 3.5.2.

4.6 Notification. Seller will promptly notify Buyer of any material change in any condition with respect to the Property or of any material event or circumstance that makes any representation or warranty of Seller under this Agreement untrue or misleading.

4.7 Estoppel Certificates. Seller agrees to use its best efforts to obtain the estoppel certificates described in Section 6.1.4.

## ARTICLE 5

### REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that each of the following is true as of the Effective Date and the Closing Date:

5.1.1. Organization; Authority. This Agreement and the performance of Seller's obligations under it and all documents executed by Seller that are to be delivered to Buyer at the Closing are, or on the Closing Date will be, duly authorized, executed, and delivered by Seller and are, or at the Closing Date will be, legal, valid, and binding obligations of Seller, and do not, and on the Closing Date will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject. No consent of any other administrative body, government agency, or other party is required for Seller to enter into or to perform Seller's obligations under this Agreement, except as has already been obtained. Seller is a California municipal corporation, validly existing, and in good standing under the laws of the State of California and is qualified to do business in the State of California.

5.1.2. No Violation of Law. To Seller's knowledge, Seller has received no written notice of any currently outstanding violations of any federal, state, county, or municipal law, ordinance, order, regulation, or requirement affecting the Property.

5.1.3. Litigation. To Seller's knowledge, Seller has not received any written notice of any existing or threatened litigation or proceeding involving the Property.

5.1.4. Preliminary Documents. To Seller's knowledge, the Preliminary Documents constitute all books, records, documents, agreements, contracts, reports, and other materials related to the Property that are in Seller's possession or control. To Seller's

knowledge, the Preliminary Documents are true, correct, and complete copies of what they purport to be.

5.1.5. No Condemnation. To Seller's knowledge, Seller has received no written notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the Property or any part of it, or any proceedings to declare the Property or any part of it a nuisance.

5.1.6. Hazardous Wastes. To Seller's knowledge, Seller has received no written notice of any Hazardous Materials located on, under, or about the Property, except as disclosed in the Preliminary Documents.

5.1.7. Foreign Person. Seller is not a foreign person and is a "United States Person" as that term is defined in §7701(a)(30) of the Internal Revenue Code of 1986, as amended.

5.1.8. Seller's Knowledge. As used in this Agreement, the phrase "Seller's knowledge" will be limited to the actual knowledge of \_\_\_\_\_, without duty of inquiry or investigation into the matter so qualified. "Seller's knowledge" will not be construed to refer to the knowledge of any other agent or employee or principal of Seller. \_\_\_\_\_ is the employee(s) of Seller with the primary responsibility for the matters that are the subject of these representations and warranties. \_\_\_\_\_ will have no personal liability to Buyer for any breach of any representation or warranty in this Agreement.

5.2 Buyer's Representations and Warranties. Despite anything to the contrary in this Agreement, Buyer hereby warrants and represents that each of the following is true as of the Effective Date and the Closing Date:

5.2.1. Due Authorization. This Agreement and the performance of Buyer's obligations under it and all the documents executed by Buyer that are to be delivered to Seller at the Closing are, or on the Closing Date will be, duly authorized, executed, and delivered by Buyer and are, or at the Closing Date will be, legal, valid, and binding obligations of Buyer, and do not, and on the Closing Date will not, violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer or the Property is subject. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, government agency, or other party is required for Buyer to enter into or to perform Buyer's obligations under this Agreement, except as has already been obtained. Buyer is a \_\_\_\_\_, validly existing, and in good standing under the laws of the State of \_\_\_\_\_ and is qualified to do business in the State of California.

5.2.2. USA Patriot Act Representation. To the Buyer's actual knowledge:

5.2.2.1. Neither Buyer nor its [partners, members, officers, directors, investors, or shareholders], nor any of their respective affiliates, is in violation of any federal or state anti-money laundering and anti-terrorism law.

5.2.2.2 Neither Buyer nor its partners, members, officers, directors, investors, or shareholders, nor any of their respective affiliates, is acting, directly or indirectly, on behalf of terrorists, terrorist organizations, or narcotics traffickers, including those persons or entities designated as a Specially Designated National pursuant to Executive Order 13224 of the President of the United States, dated September 23, 2001 (Executive Order), as amended, or that appear on the Annex to the Executive Order, or are included on any relevant lists maintained by the Office of Foreign Assets Control of U.S. Department of Treasury, U.S. Department of State, or other U.S. government agencies, all as may be amended from time to time (Government List).

5.2.2.3. Neither Buyer nor its partners, members, officers, directors, investors, or shareholders, nor any of their respective affiliates, in any capacity in connection with the purchase of Property (a) conducts any business or engages in making or receiving any contribution of funds, goods, or services to or for the benefit of any person included in a Government List, (b) deals in, or otherwise engages in any transaction relating to, the Property or interests in property blocked pursuant to the Executive Order, or (c) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any anti-money-laundering and anti-terrorism laws[.] provided that the preceding representation shall not apply to Buyer's shareholders if Buyer is a publicly traded company.

5.2.2.4. Neither Buyer, nor any person controlling or controlled by Buyer, is a country, territory, individual, or entity named on a Government List, and, to Buyer's actual knowledge, the monies used in connection with this Agreement and amounts committed with respect to this Agreement were not and are not derived from any activities that contravene any applicable anti-money-laundering or anti-bribery laws and regulations (including funds being derived from any person, entity, country, or territory on a Government List or engaged in any unlawful activity defined under 18 USC §1956(c)(7)).

5.2.3. Potential Tenant Relocation Claim

Buyer acknowledges that Seller is a municipal corporation and is subject to the provisions of State law (Government Code Sect 7200 et. seq.), relating to the relocation of tenants of property who may be displaced as a result of a public project. Nothing in this Agreement requires Buyer to displace any person who is in lawful possession of the Property or any portion thereof as

part of or public project, and nothing in this Agreement qualifies any person in lawful possession of the Property, or any portion thereof to assert any claim for relocation assistance against either Seller as a public entity or Buyer in connection with Seller's designation of the Property as surplus public property to Buyer for private use. Buyer agrees to indemnify defend and hold Seller harmless from any claim for the payment of relocation assistance arising from the displacement by Buyer of any person in lawful possession of their Property, or any part thereof where such claim accrues from a displacement of such a person by Buyer within ONE (1) year following the Closing Date. Seller shall reasonably cooperate with Buyer in the defense of any such claim for relocation assistance.

5.3 Effect of Representations and Warranties. Each representation and warranty in this Article 5 (a) is material and being relied on by the party to which the representation and warranty is made; (b) is true in all respects as of the Effective Date; (c) must be true in all respects on the Closing Date; and (d) will survive the Closing, except as otherwise provided in this Agreement.

5.4 Survival of Seller's Representations and Warranties and Limitation on Liability. The parties agree that (a) Seller's warranties and representations in this Agreement and in any document (including any estoppel or other certificate) executed by Seller under this Agreement with respect to the Property will survive for SIX (6) months after the Closing Date, and (b) if Buyer fails to provide written notice to Seller of any breach of such warranties or representations within SIX (6) after the Closing Date, Buyer will be deemed to have waived all claims for breach of any representations and warranties with respect to the Property. Buyer's sole remedy will be an action at law for damages as a consequence of such breach or termination of this Agreement under Section 9.4 and waiver of any further claims against Seller. In no event will Seller's liability for damages to Buyer after the Closing exceed the Purchase Price.

5.5 "As Is" Purchase. Subject to the approval or waiver of the Contingencies in Article 3, Seller's preclosing obligations under Article 4, the closing conditions in Article 6, and as a material inducement to Seller's execution and delivery of this Agreement and performance of its duties under this Agreement: EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER HAS AGREED TO ACCEPT POSSESSION OF THE PROPERTY ON THE CLOSING DATE ON AN "AS IS" BASIS. SELLER AND BUYER AGREE THAT THE PROPERTY WILL BE SOLD "AS IS, WHERE IS, WITH ALL FAULTS" WITH NO RIGHT OF SET-OFF OR REDUCTION IN THE PURCHASE PRICE, AND, EXCEPT AS SET FORTH IN SECTION 5.1 OF THIS AGREEMENT, SUCH SALE WILL BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, WARRANTY OF INCOME POTENTIAL, OPERATING EXPENSES, USES, MERCHANTABILITY, THE ABSENCE OF CONTAMINATING OR HAZARDOUS SUBSTANCES FROM THE PROPERTY OR FITNESS FOR A PARTICULAR PURPOSE), AND SELLER DISCLAIMS AND RENOUNCES ANY SUCH REPRESENTATION OR WARRANTY.

5.6 Release. Except as provided in Section 5.4, effective from and after the Closing, Buyer hereby waives, releases, acquits, and forever discharges Seller, and Seller's agents, directors,



officers, and employees to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or that may arise in the future because of or in any way growing out of or connected with this Agreement and the Property (including without limitation the Condition of the Property), except matters arising from Seller's fraud or intentional misrepresentation. BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE §1542, AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS AGREEMENT TO RELEASE SELLER.

Seller and Buyer have each initialed this Section 5.6 to further indicate their awareness and acceptance of each and every provision of this Agreement. The provisions of this Section 5.6 will survive the Closing.

Seller's Initials: \_\_\_\_\_

Buyer's Initials: \_\_\_\_\_

## ARTICLE 6

### CLOSING CONDITIONS

6.1 Buyer's Closing Conditions. All obligations of Buyer under this Agreement are subject to the fulfillment, before or at the Closing, of each of the following conditions (Buyer's Closing Conditions). Buyer's Closing Conditions are solely for Buyer's benefit and any or all of Buyer's Closing Conditions may be waived in writing by Buyer in whole or in part without prior notice.

6.1.1. Title. It is a Buyer's Closing Condition that, on the Closing Date, Seller convey to Buyer marketable fee simple title to the Real Property by execution and delivery of a grant deed in the form attached to this Agreement as Exhibit B (Deed) and cause to be delivered to Buyer from the Title Company an ALTA ([B 1970 Form, as amended/June 1, 1987, Form]) ALTA Owner's Coverage Policy of Title Insurance with liability in the full amount of the Purchase Price, insuring title to the Real Property in Buyer, subject only to the Permitted Exceptions, together with such endorsements described below or as may be reasonably requested by Buyer (the "Title Policy"). The Title Policy must also include such endorsements or guaranties as Buyer may request. Seller must deliver to the Title Company such instruments, documents, releases, and agreements and must perform such other acts as Title Company may reasonably require in order to issue the Title Policy. Indemnification of the Title Company to induce it to insure any otherwise unpermitted exception to title will not be allowed except with Buyer's prior written consent after full disclosure to Buyer of the nature and substance of such exception and indemnity,

which consent will not be unreasonably withheld by Buyer for exceptions not material to marketable title to the Real Property.

6.1.2. Personal Property Liens. Buyer must have received a certified report, with copies of all documents, satisfactory to Buyer and Buyer's counsel, from the Title Company or a reputable lien search company indicating that there are no personal property liens of record on file with the Secretary of State of California, other than those that will be discharged at the Closing, as of a date no more than TEN 10 business days before the Closing Date, and a confirmation dated no more than THREE 3 business days before the Closing Date that no further liens have been filed since the date of the certified report. Also, Buyer must have received a verified report, satisfactory to Buyer from the Title Company or a reputable lien search company, indicating that there are no federal or state tax liens of record against the Property and on file with the respective agencies as of a date no more than TEN 10 business days before the Closing Date.

6.1.3. Seller's Representations, Warranties, and Covenants. The representations and warranties of Seller in this Agreement must be true in all material respects on and as of the Closing Date with the same effect as if such representations and warranties had been made on and as of the Closing Date. Seller must have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date. Buyer must have been furnished with a certificate of Seller dated as of the Closing Date, certifying to the fulfillment of the foregoing conditions. Such certificate will have the effect of a representation and warranty of Seller made on and as of the Closing Date.

6.1.4. Tenant Estoppel Certificates. At least FIVE (5) days before the Closing Date, Seller must have delivered to Buyer for its approval an updated Rent Roll dated no earlier than TEN (10) days before the Closing Date (Updated Rent Roll). At least FIVE (5) days before the Closing Date, Seller must have delivered to Buyer an estoppel certificate from each tenant of the Property in the form attached to this Agreement as Exhibit C (the "Tenant Estoppel Certificates"), dated no earlier than TEN (10) days before the Closing Date. The Tenant Estoppel Certificates must contain no material discrepancies from the Updated Rent Roll, constitute an attornment by such tenant to Buyer and a consent to the assignment of the lease to Buyer. Despite any provisions in this Agreement to the contrary, Buyer will have until the end of the day before the Closing Date to disapprove the Updated Rent Roll and Tenant Estoppel Certificates.

6.1.5. Financing. The financing that Buyer must obtain as described in Section 3.6, above, will be ready to close, and the lender that has committed to provide such financing (the "New Lender") must be ready to disburse the funds into Escrow as described in Section 7.4.1, subject to no conditions other than conveyance of the Property by Seller to Buyer.

6.1.6. Closing Documents. Seller must have delivered to Escrow the documents and funds it is required to deliver through Escrow at Closing.

6.1.7. Physical Condition. The physical condition of the Property must be substantially the same on the Closing Date as on the Effective Date, reasonable wear and tear excepted.

6.1.8. Adverse Actions. There will exist no actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings, pending or threatened, against Seller or regarding the Property that would materially and adversely affect Seller's ability to perform its obligations under this Agreement or Buyer's title to the Property, and there will exist no pending or threatened action, suit, or proceeding regarding the Seller before or by any court or administrative agency that seeks to restrain or prohibit, or to obtain damages or a discovery order with respect to, this Agreement or the consummation of the transactions contemplated by this Agreement.

6.1.9. Hazardous Material. No Hazardous Materials will have been discovered on the Property after the Contingency Date that were not previously disclosed to Buyer or discovered by Buyer before the Contingency Date.

6.1.10. No Material Changes. No event will have occurred nor will any condition have arisen after the Contingency Date that as of the Closing Date materially and adversely affects all or any part of the Property or its current or prospective operation, use, value, income, expenses, or occupancy.

6.1.11. Consents. All necessary agreements and consents of all parties to consummate the transaction contemplated by this Agreement will have been obtained and furnished by Seller to Buyer.

6.2. Seller's Closing Conditions. Seller's obligation to sell the Property is expressly conditioned on the fulfillment of each condition precedent at or before the Closing (Seller's Closing Conditions). Seller's Closing Conditions are solely for Seller's benefit and any of Seller's Closing Conditions may be waived in writing by Seller in whole or in part without prior notice.

6.2.1. Approval of Contingencies. It is a Seller's Closing Condition that Buyer must have acknowledged its approval or waiver of all contingencies as required under Article 3.

6.2.2. Purchase Price. Buyer must have delivered the Purchase Price to Escrow.

6.2.3. Delivery of Closing Documents and Funds. Buyer must have delivered to Escrow the documents and funds specified in Section 7.4.

6.2.4. Buyer's Representations, Warranties, and Covenants. The representations and warranties of Buyer in this Agreement must be true in all material respects on and as of the Closing Date with the same effect as if such representations and warranties had been made on and as of the Closing Date. Buyer must have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date. Seller must have been furnished with a certificate of Buyer dated as of the Closing Date, certifying to the fulfillment of the foregoing conditions. Such certificate will have the effect of a representation and warranty of Buyer made on and as of the Closing Date.

6.3. Termination for Failure of a Condition. If Buyer's Closing Conditions or Seller's Closing Conditions, as the case may be, have not been previously approved or waived, this Agreement may be terminated by the party in whose favor the Closing Condition runs by written notice to the other. If this Agreement is so terminated, the parties will have no further obligation or liability under this Agreement, except as provided in Article 9 and this Section 6.3. Any cancellation fee or other costs of the Escrow Holder and Title Company will be borne equally by Seller and Buyer and each party will pay its own expenses.

## ARTICLE 7

### CLOSING

7.1 Escrow. The Escrow will be opened with the Escrow Holder on the full execution of this Agreement by both the Buyer and the Seller. Buyer and Seller will promptly on the Escrow Holder's request execute such additional Escrow instructions as are reasonably required by the Escrow Holder to consummate the transaction contemplated by this Agreement and are not inconsistent with this Agreement.

#### 7.2 Closing Definitions.

7.2.1. Definition. The "Closing" means the exchange of money and documents as described in this Article 7, and will be deemed to have occurred when Seller's Deed to Buyer has been recorded, the Escrow Holder holds and can record and deliver the remaining documents described in this Article 7, the Title Company is irrevocably and unconditionally committed to issue the Title Policy, and Buyer has delivered the Purchase Price in immediately available funds to Escrow Holder.

7.2.2. Closing Date. Seller and Buyer agree that the Closing will occur on the "Closing Date." The Closing Date will be a date mutually agreeable to Buyer and Seller that is no later than THIRTY (30) days after the Contingency Date. If the Closing has not occurred within the later of THIRTY (30) days after the Contingency Date or December \_\_, 2014 for any reason then subject to Section 6.3 either party may elect to terminate this Agreement, the Deposit will be returned to Buyer, and neither party will have any further obligation to the other except on

account of any breach of this Agreement. The Closing will be at the offices of Escrow Holder or such other place as the parties may agree.

7.3 Seller's Deposit of Documents and Funds. Seller must deposit into Escrow the following documents duly executed by Seller in form and substance reasonably satisfactory to Buyer:

7.3.1. Deed. The duly executed and acknowledged Deed conveying the Property to Buyer subject only to the Permitted Exceptions;

7.3.2. Bill of Sale. A duly executed bill of sale conveying the Personal Property to Buyer free and clear of liens, encumbrances, and restrictions of every kind and description (Bill of Sale);

7.3.3. Lease Assignment. A duly executed assignment of Leases, in the form attached to this Agreement as Exhibit D, assigning to Buyer Seller's interest as lessor in all the Leases (Lease Assignment);

7.3.4. Nonforeign Certification. Certificates required by §1445 of the Internal Revenue Code of 1986, and the California Revenue and Taxation Code §18662, executed by Seller and in a form satisfactory to Buyer (Nonforeign Certification), to relieve Buyer of any potential transferee's withholding liability under such statutes;

7.3.5. Additional Documents. Such additional documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable to convey the Property in accordance with this Agreement.

7.4 Buyer's Deposit of Documents and Funds. Buyer must deposit into Escrow the following funds and documents duly executed by Buyer in form and substance reasonably satisfactory to Seller:

7.4.1. Purchase Price. The Purchase Price in accordance with Article 2, plus or minus applicable prorations.

7.4.2. Lease Assignment. A duly executed assignment of Leases, in the form attached to this Agreement as Exhibit C, by which Buyer assumes Seller's interest as lessor in all the Leases (Lease Assignment);

7.4.3. Buyer's Proof of Power and Authority. Such proof of Buyer's authority and authorization to enter into and perform under this Agreement, and such proof of power and authority of the individuals executing or delivering any instruments, documents, or certificates on behalf of Buyer to act for and bind Buyer, as may reasonably be required by Seller and the Escrow Holder; and

7.4.4. Conveyance Documents. Such documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

7.5 Closing. When the Escrow Holder receives all documents and funds identified in Sections 7.3 and Section 7.4, and the Title Company is ready, willing, and able to issue the Title Policy, then, and only then, the Escrow Holder will close Escrow by:

7.5.1. Recording the Deed;

7.5.2. Issuing the Title Policy to Buyer;

7.5.3. Delivering to Buyer the Assignment, the Bill of Sale, the Updated Rent Roll, the original Leases, the Tenant Estoppel Certificates, the Nonforeign Certification, copies of all recorded documents related to the transfer or encumbering of the Property, and a copy of Seller's Escrow instructions; and

7.5.4. Paying the Purchase Price to Seller, plus or minus prorations under Section 7.7.

7.5.5. Thereafter, Escrow Holder will deliver signed closing statements showing all receipts and disbursements to Buyer and Seller and will file with the Internal Revenue Service (with copies to Buyer and Seller) the reporting statement required under Internal Revenue Code §6045(e).

7.6 Deliveries Outside Escrow. Seller agrees to deliver the following to Buyer outside Escrow within FIVE (5) business days after Closing:

7.6.1. Letters in form and substance satisfactory to Buyer, signed, and stamped by Seller and addressed to each tenant at the Property, stating that the Property has been sold to Buyer and that all rents should be paid to Buyer after the Closing Date (the "Tenant Notices");

7.6.2. The Updated Rent Roll current through the day before the Closing Date;

7.6.3. The original Leases.

7.7 Prorations. All receipts and disbursements of the Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing Date and the Purchase Price will be adjusted on the following basis:

7.7.1. Property Rents.

a. Collected Rents. All rents collected by Seller under the Leases in effect on the Closing Date, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Collected

Rents) will be prorated as of the Closing by charging Seller and crediting Buyer for any Collected Rents applicable to periods after the Closing.

b. Delinquent Rents. All unpaid rents that are due and owed to Seller under the Leases in effect on the Closing Date, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Delinquent Rents) will not be prorated and will remain the property of Seller. Buyer must deliver any Delinquent Rents received by Buyer to Seller, less the actual costs of collection, on the condition that Buyer will apply all rent received from tenants under the Leases first to any obligations arising under the Leases after the Closing and Buyer will then apply the balance, if any, to the Delinquent Rents. Seller will have the right to collect Delinquent Rents, at Seller's sole cost and expense, on the condition that Seller will have no right to cause the eviction of, and Buyer will have no obligation to evict, any tenants owing Delinquent Rents.

c. Payable Rents. All unpaid rents that have accrued under the Leases in effect on the Closing Date but that are not due and payable as of the Closing, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Payable Rents), will be prorated as of the Closing by charging Buyer and crediting Seller for any Payable Rents applicable to periods before the Closing, as mutually agreed on by the parties not less than FIVE (5) days before the Closing Date.

7.7.2. Security Deposits. At Closing, Buyer will be credited and Seller will be charged with the amount of all security deposits received under the Leases in effect as of the Closing.

7.7.3. Capital Expenditures and Accounts Payable. All capital and other improvements (including labor and material) that are performed or contracted for, by or on behalf of Seller before the Closing Date, and all sums due for accounts payable that were owed or incurred by the Property before the Closing Date, must be paid by Seller.

7.7.4. Property Taxes. All real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, including without limitation all supplemental taxes attributable to the period before the Closing Date for the calendar year in which the Closing occurs will be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

7.7.5. Utility Charges. To the extent payable by Seller, charges for utilities, including water and sewer will be prorated within THIRTY (30) days after the Closing Date based on the then most recent bills for such services.

7.8 Closing Costs. Closing costs will be allocated as follows:



7.8.1. Seller will pay all costs associated with removing any debt encumbering the Property;

7.8.2. Escrow costs will be shared equally by Seller and Buyer;

7.8.3. Seller will pay the cost of the Title Policy;

7.8.4. Buyer will pay the cost of recording the Deed;

7.8.5. Buyer will pay any sales tax; and

7.8.6. The documentary transfer tax will be paid by the Buyer.

7.9 Broker's Commission; Indemnity. Under separate agreement, Seller must pay COLLIERS INTERNATIONAL LLC (the "Broker") for its services as broker in this transaction. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or person, other than the Broker, who can claim a commission or finder's fee as a procuring cause of the sale contemplated in this Agreement. If any other broker or finder perfects a claim for a commission or finder's fee based on any contract, dealings, or communication with a party (the "Indemnifying Party"), then the Indemnifying Party must indemnify, defend, and hold the other party (the "Nonindemnifying Party") harmless from all costs and expenses (including reasonable attorney fees and costs of defense) incurred by the Nonindemnifying Party in connection with such claim.

7.10 Possession. Seller will deliver exclusive right of possession of the Property to Buyer on the Closing Date, subject only to the possessory interest of tenants under the Leases.

## ARTICLE 8

### RISK OF LOSS

8.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain of the Property or any portion of it, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("Condemnation") and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the Improvements, or reduce or eliminate access to the Property, then Buyer may either (a) terminate this Agreement or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Buyer will be entitled to keep, all awards for the Condemnation that accrue to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Buyer's written consent. Seller must notify Buyer of any notice of Condemnation of all or any portion of the Property within FIVE (5) days after the receipt of this notice, and Buyer must exercise its Irrevocable Election Under Section 8.1(a) or Section 8.1(b) as

within TEN (10) days after receipt of such notice. If necessary, the Closing Date will be extended to give Buyer the full TEN (10) day period to make such irrevocable election as provided in the preceding sentence.

8.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Property, or any portion of it, will have occurred that results in an Uninsured Loss of FIVE THOUSAND Dollars (\$5,000) or less, then at the Closing Seller must assign to Buyer the right to collect any Insurance Proceeds with respect to such loss and give Buyer a credit against the Purchase Price in the amount of such Uninsured Loss. If such damage or destruction results in an Uninsured Loss of more than FIVE THOUSAND Dollar amount (\$5,000), then within FIVE (5) days after determination of the amount of the Insurance Proceeds Seller must elect either (a) to give Buyer a credit for the entire amount of such Uninsured Loss or assign to Buyer the right to collect any Insurance Proceeds with respect to such loss, or (b) to terminate this Agreement. Despite any such damage or destruction, the Purchase Price for the Property will not be reduced except by the credit alternative referred to above. For purposes of this Section 8.2, Uninsured Loss is the difference between (i) the sum of the actual cost necessary for the Seller to fully repair such damage and destruction, as determined by a qualified insurance adjuster selected by the insurance carrier providing insurance for the Property, and (ii) the total amount of Insurance Proceeds, which are the proceeds from any and all insurance with respect to the Property and/or to such loss, including without limitation fire and casualty and liability insurance. Uninsured Losses may arise because of self-insurance, deductible amounts under policies, proceeds of policies insufficient to cover the loss, risks not insured for, or otherwise. If any damage to or destruction of the Property occurs, the Closing Date will be extended until the amount of the Insurance Proceeds is determined and Seller has made any election permitted under this Section 8.2.

## ARTICLE 9

### REMEDIES FOR DEFAULT

9.1 Buyer's Default. Buyer will be deemed to be in default under this Agreement (1) if Buyer fails, for any reason other than Seller's default under this Agreement or the failure of a condition precedent to Buyer's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (2) if a material breach of any representation or warranty (made by Buyer) has occurred by reason of Buyer's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Seller has given Buyer written notice of this Agreement, describing the nature of the default, and Buyer has failed to cure such default within FIVE (5) days after the receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.2 REMEDIES FOR BUYER'S DEFAULT. IF THE CLOSING FAILS TO OCCUR BECAUSE OF BUYER'S DEFAULT UNDER THE TERMS OF THIS AGREEMENT, BUYER WILL BE RESPONSIBLE FOR ALL CANCELLATION CHARGES REQUIRED TO BE PAID TO ESCROW HOLDER AND ANY ESCROW CHARGES. IN ADDITION, THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES WILL

TERMINATE AND THE DEPOSITS WILL BE IMMEDIATELY DELIVERED BY ESCROW HOLDER TO SELLER ON SELLER'S REQUEST. THE DEPOSITS WILL BE DEEMED LIQUIDATED DAMAGES FOR BUYER'S NONPERFORMANCE AS SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST BUYER (INCLUDING, WITHOUT LIMITATION, SELLER'S RIGHTS TO SEEK SPECIFIC PERFORMANCE OF THIS AGREEMENT AND TO RECEIVE DAMAGES) FOR BUYER'S FAILURE TO PURCHASE THE PROPERTY, WHICH SUMS WILL BE PRESUMED TO BE A REASONABLE ESTIMATE OF THE AMOUNT OF ACTUAL DAMAGES SUSTAINED BY SELLER BECAUSE OF BUYER'S BREACH OF ITS OBLIGATION TO PURCHASE THE PROPERTY. FROM THE NATURE OF THIS TRANSACTION, IT IS IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES THAT SELLER WOULD SUSTAIN IF BUYER BREACHES SUCH OBLIGATION. THE IMPRACTICABILITY AND DIFFICULTY OF FIXING ACTUAL DAMAGES IS CAUSED BY, WITHOUT LIMITATION, THE FACT THAT THE PROPERTY IS UNIQUE. GIVEN THE FOREGOING FACTS, AMONG OTHERS, BUYER AND SELLER AGREE THAT LIQUIDATED DAMAGES ARE PARTICULARLY APPROPRIATE FOR THIS TRANSACTION AND AGREE THAT SAID LIQUIDATED DAMAGES MUST BE PAID IN THE EVENT OF BUYER'S BREACH OF ITS OBLIGATION TO PURCHASE THE PROPERTY, DESPITE ANY WORDS OR CHARACTERIZATIONS PREVIOUSLY USED OR CONTAINED IN THIS AGREEMENT IMPLYING ANY CONTRARY INTENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE §3275 OR §3369 BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER UNDER CALIFORNIA CIVIL CODE §§1671, 1676, AND 1677. NOTHING IN THIS AGREEMENT WILL, HOWEVER, BE DEEMED TO LIMIT BUYER'S LIABILITY TO SELLER FOR DAMAGES OR INJUNCTIVE RELIEF FOR BREACH OF BUYER'S INDEMNITY OBLIGATIONS UNDER SECTION 3.5.2, OR FOR ATTORNEY FEES AND COSTS AS PROVIDED IN SECTION 10.10.

WE ACKNOWLEDGE THIS LIQUIDATED DAMAGES PROVISION:

SELLER'S INITIALS: \_\_\_\_\_

BUYER'S INITIALS: \_\_\_\_\_

9.3 Seller's Default. Seller will be deemed to be in default under this Agreement (1) if Seller fails, for any reason other than Buyer's default under this Agreement or the failure of a condition precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (2) if a material breach of any representation or warranty (made by Seller) has occurred because of Seller's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Buyer has given Seller written notice of the default, describing its nature, and Seller has failed to cure such default within FIVE (5) days after receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.4 Remedies for Seller's Default. If Seller defaults in its obligations under this Agreement to sell the Property to Buyer on the Closing Date through no fault of Buyer, then Buyer at its option may have the right to specific performance of this Agreement or the right to recover the Deposit and all of its general and specific damages. If, after the Closing Date, Buyer determines that Seller has breached any representation or warranty set forth in Article 5, then Buyer will have the right to bring an action for general and specific damages to Buyer. If this Agreement is terminated before the Closing Date for Seller's default, then, in addition to any remedy Buyer has under this Agreement, Seller will reimburse Buyer for the costs incurred by Seller in conducting its Due Diligence.

9.5 WAIVER OF RIGHT TO SPECIFIC PERFORMANCE. IF SELLER FAILS TO CONVEY THE PROPERTY TO BUYER IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT, AND SUCH FAILURE CONSTITUTES A DEFAULT UNDER THIS AGREEMENT, THEN BUYER WILL BE ENTITLED TO THE RETURN OF THE DEPOSIT AND ALL INTEREST ACCRUED ON THAT DEPOSIT WHILE IN ESCROW, BUT BUYER WILL NOT HAVE THE RIGHT TO RECEIVE ANY EQUITABLE RELIEF, INCLUDING WITHOUT LIMITATION THE RIGHT TO RECORD A LIS PENDENS AGAINST THE PROPERTY UNDER APPLICABLE LAW OR TO PURSUE THE SPECIFIC PERFORMANCE OF THIS AGREEMENT, BUT BUYER WILL HAVE THE RIGHT TO PURSUE AN ACTION FOR DAMAGES AGAINST SELLER RELATIVE TO SUCH DEFAULT. SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THIS SECTION 9.4 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

Seller's Initials: \_\_\_\_\_

Buyer's Initials: \_\_\_\_\_

## ARTICLE 10

### GENERAL

10.1 Notices. Any notices relating to this Agreement must be given in writing and will be deemed sufficiently given and served for all purposes when delivered personally, by generally recognized overnight courier service, by facsimile (provided that sender retains a printed confirmation of delivery to the facsimile number provided below), or THREE (3) days after deposit in the United States mail certified or registered, return receipt requested, with postage prepaid, addressed as follows:

SELLER  
CITY OF SAN FERNANDO  
CITY HALL  
117 Macneil Street  
San Fernando, CA 91340  
Attn: City Manager

BUYER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ESCROW HOLDER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may change its address by written notice to the other given in the manner set forth above.

10.2 Entire Agreement. This Agreement and all exhibits referred to in this Agreement constitute the complete, exclusive, and final statement of the terms of the agreement with respect to the sole property between buyer and seller and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement specifically supersedes any prior written or oral agreements between the parties. The language in all parts of this Agreement will be construed as a whole in accordance with its fair meaning and without regard to California Civil Code §1654 or similar statutes. Neither party has been induced to enter into this Agreement by, and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

10.3 Amendments and Waivers. No addition to or modification of this Agreement will be effective unless it is made in writing and signed by the party against whom the addition or modification is sought to be enforced. The party benefited by any condition or obligation may waive the same, but such waiver will not be enforceable by another party unless it is made in writing and signed by the waiving party.

10.4 Invalidity of Provision. If any provision of this Agreement as applied to either party or to any circumstance is adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, this fact will in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

10.5 No Merger. This Agreement, each provision of it, and all warranties and representations in this Agreement will survive the Closing and will not merge in any instrument conveying title to Buyer. All representations, warranties, agreements, and obligations of the parties will, despite any investigation made by any party to this Agreement, survive Closing, and the same will inure to the benefit of and be binding on the parties' respective successors and assigns.

10.6 References. Unless otherwise indicated, (a) all article and section references are to the articles and sections of this Agreement, and (b) except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls on a Saturday, Sunday, or California state holiday, such time for performance will be extended to the next business day. "Business Days" means days other than Saturday, Sunday, and California state holidays. The headings used in this Agreement are provided for convenience only and this Agreement will be interpreted without reference to any headings. The date of this Agreement is for reference purposes only and is not necessarily the date on which it was entered into.

10.7 Governing Law. This Agreement will be governed by the laws of the State of California applicable to contracts made by residents of the State of California and to be performed in California.

10.8 Time. Time is of the essence in the performance of the parties' respective obligations under this Agreement.

10.9 Attorney Fees. In the event of any action or proceeding to enforce a term or condition of this Agreement, any alleged disputes, breaches, defaults, or misrepresentations in connection with any provision of this Agreement or any action or proceeding in any way arising from this Agreement, including any interpleader of the Deposit by the Escrow Holder, the prevailing party in such action, or the nondismissing party when the dismissal occurs other than by a settlement, will be entitled to recover its reasonable costs and expenses, including without limitation reasonable attorney fees and costs of defense paid or incurred in good faith. The "prevailing party," for purposes of this Agreement, will be deemed to be that party who obtains substantially the result sought, whether by settlement, dismissal, or judgment.

10.10 Assignment. This Agreement will inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns. Buyer will have the right to assign all or any portion of its interest in this Agreement, provided that Buyer gives written notice of such assignment to Seller before the Closing Date.

10.11 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party to this Agreement or give any third person any right of subrogation or action over against any party to this Agreement.

10.12 Remedies Cumulative. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party.

10.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.14 Interpretation. Throughout this Agreement, (a) the plural and singular numbers will each be considered to include the other; (b) the masculine, feminine, and neuter genders will each be considered to include the others; (c) “shall,” “will,” “must,” “agrees,” and “covenants” are each mandatory; (d) “may” is permissive; (e) “or” is not exclusive; and (f) “includes” and “including” are not limiting.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date, as evidenced by the signature of the individuals whose names appear below. This Agreement shall have no force or effect unless it has been fully executed by the parties and such full execution has occurred within FIFTEEN (15) days following the close of the public hearing of the City Council referenced in RECITAL PARAGRAPH E, of this Agreement.

BUYER

[Name of Buyer Here]

Date: \_\_\_\_\_

By: \_\_\_\_\_  
[Print Name of Buyer Here]

SELLER

CITY OF SAN FERNANDO

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Brian Saeki  
City Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Rick R. Olivarez  
City Attorney



### CONSENT OF ESCROW HOLDER

Title Insurance Company (Escrow Holder) accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions as escrow instructions, agrees to act as escrow holder and agrees to be bound by their provisions applicable to it as Escrow Holder.

Date: \_\_\_\_\_

ESCROW HOLDER

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

Its: \_\_\_\_\_

## TABLE OF EXHIBITS

Exhibit A	Legal Description of the Land
Exhibit B	Form of Grant Deed
Exhibit C	Form of Tenant Estoppel Certificates
Exhibit D	Form of Assignment of Leases

**ATTACHMENT "C"****RESOLUTION NO. 2013-13****A RESOLUTION OF THE PLANNING AND PRESERVATION COMMISSION  
OF THE CITY OF SAN FERNANDO FINDING THAT THE SALE OF CITY-  
OWNED PROPERTY AT 1211 FIRST STREET CONFORMS TO THE  
CITY OF SAN FERNANDO GENERAL PLAN**

WHEREAS, the City of San Fernando plans to sell city-owned property identified by the Los Angeles County Assessors as Assessor's Parcel Number 2520-024-902 located at 1211 First Street (old fire station site).

WHEREAS, the Planning and Preservation Commission is required to find that the potential sale of the subject city-owned property at 1211 First Street (Assessor's Parcel Number 2520-024-902) conforms to the City of San Fernando General Plan.

WHEREAS, pursuant to Government Code Section 65402, the Planning and Preservation Commission has considered all of the evidence presented in connection with the project, written and oral at the public hearing held on the 5th day of November 2013 at 7:00 p.m. in the City Hall Council Chambers, 117 Macneil Street, San Fernando, California and that a notice of time, date, place and purpose of the aforesaid hearing was duly given to consider the conformance of the potential sale of city-owned property at 1211 First Street (Assessor's Parcel Number 2520-024-902) to the City of San Fernando General Plan.

NOW, THEREFORE, BE IT RESOLVED that the Planning and Preservation Commission finds as follows:

SECTION 1: The City of San Fernando is proposing to sell the city-owned property at 1211 First Street (Assessor's Parcel Number 2520-024-902) as depicted on the map attached as Exhibit "A", which is incorporated herein by this reference;

SECTION 2: The potential sale of each city property has been reviewed for compliance with the California Environmental Quality Act (CEQA). Based on that assessment, it has been determined that the proposed sale of city-owned parcel at 1211 First Street would not change the existing underlying commercial zoning for the property nor the general plan commercial land use designation for this property. Subsequent to any sale, the city-owned property at 1211 First Street would continue to be operated as commercial property with the same requirements for commercial land uses permitted or conditionally permitted under the city's C-2 (Commercial) zoning regulations. Based on such assessment, it has been determined that the continued occupancy of similar and compatible respective commercial land uses for this city owned property is Categorically Exempt under Class 1 (Existing Facilities) of San Fernando's CEQA Guidelines, and no further environmental assessment is necessary;

SECTION 3: Pursuant to Government Code Section 65402, the Planning Commission held a duly-noticed public hearing regarding the proposed sale of city-owned property at 1211

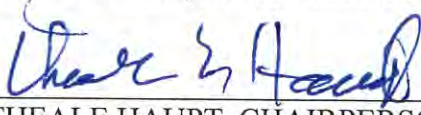
First Street (Assessor's Parcel Number 2520-024-902) as depicted on the map attached as Exhibit "A" and attached hereto to conform to the City of San Fernando General Plan; and,

SECTION 4: After receiving evidence, both written and oral, the Planning Commission hereby finds that the potential sale of city-owned property at 1211 First Street (Assessor's Parcel Number 2520-024-902) as noted in attached Exhibit "A" conforms to the City of San Fernando General Plan based on the following:

1. The subject city property at 1211 First Street (Los Angeles County Assessor's Parcel No. 2520-024-902) includes one city-owned parcel with a total area of 11,975 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 3,247 square feet in size) in 1957. The subject property is located in the northerly portion of the 1200 block of First Street, between Alexander Street to the West and Hagar Street to the East, within the city's C-2 (Commercial) zone. The subject site is an irregular shaped lot with street frontage along First Street and alley access along the site's northernmost boundary line. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the Mauran Ambulance Services Incorporated. On April 3, 1995, Mauran Ambulance Services Inc. entered into a multi-year lease agreement with the city, which expired on March 31, 2011. Subsequent to the lease expiration date, the ambulance company has been operating at the subject property on a month-to-month lease.
2. The proposed sale of city-owned property at 1211 First Street would not change the existing underlying C-2 (Commercial) zoning for the property. In addition the proposed sale of the city-owned property at 1211 First Street would not change the city general plan commercial land use designation for this parcel. The city-owned property at 1211 First Street would continue to be operated as commercial property, which allows for the continued operation of service commercial land uses such as the currently operating ambulance company as well as additional commercial land uses permitted or conditionally permitted under the city's C-2 (Commercial) zoning regulations. The sale of this city-owned property is consistent with the purpose of C-1 zoned properties, which seek to provide a range of goods and services that encourage maximum efficiency of the commercial areas while ensuring ongoing protection of nearby commercial and residential properties and property values. (City Code Section 106-516.) Furthermore, the sale of city owned property at 1211 First Street will not impact the small town character of the community and will allow continued use of the subject site for an economically viable use in support of the commercial area/zoning within which the subject property is located. (City General Plan Land Use Element Goals, Pg. IV-6.)

SECTION 5: The Secretary shall certify to the adoption of this resolution and shall transmit copies of the same to the San Fernando City Council and to the City Clerk.

PASSED, APPROVED AND ADOPTED this 5th day of November 2013.

  
\_\_\_\_\_  
THEALE HAUPT, CHAIRPERSON

ATTEST:

  
\_\_\_\_\_  
FRED RAMIREZ, SECRETARY TO THE PLANNING  
AND PRESERVATION COMMISSION

STATE OF CALIFORNIA       )  
COUNTY OF LOS ANGELES ) ss  
CITY OF SAN FERNANDO    )

I, FRED RAMIREZ, Secretary to the Planning and Preservation Commission of the City of San Fernando, do hereby certify that the foregoing Resolution was duly adopted by the Planning and Preservation Commission and signed by the Chairperson of said City at a meeting held on the 5th day of November 2013; and that the same was passed by the following vote, to wit:

AYES:           4 – T. Haupt, R. Salinas, A. Durham, and Y. Mejia

NOES:           1 – K. Beaulieu

ABSENT:        0 - None

ABSTAIN:       0 - None

  
\_\_\_\_\_  
FRED RAMIREZ, SECRETARY TO THE PLANNING AND  
PRESERVATION COMMISSION



# EXHIBIT "A"



AERIAL MAP  
1211 FIRST STREET



FOR SALE

1211 1ST STREET

SAN FERNANDO, CALIFORNIA



Building at \$182.080 PSF



3,263 SF of building on 11,975 SF of land

Building ask - \$134.00 PSF/Excess  
Land ask - \$24.00 PSF

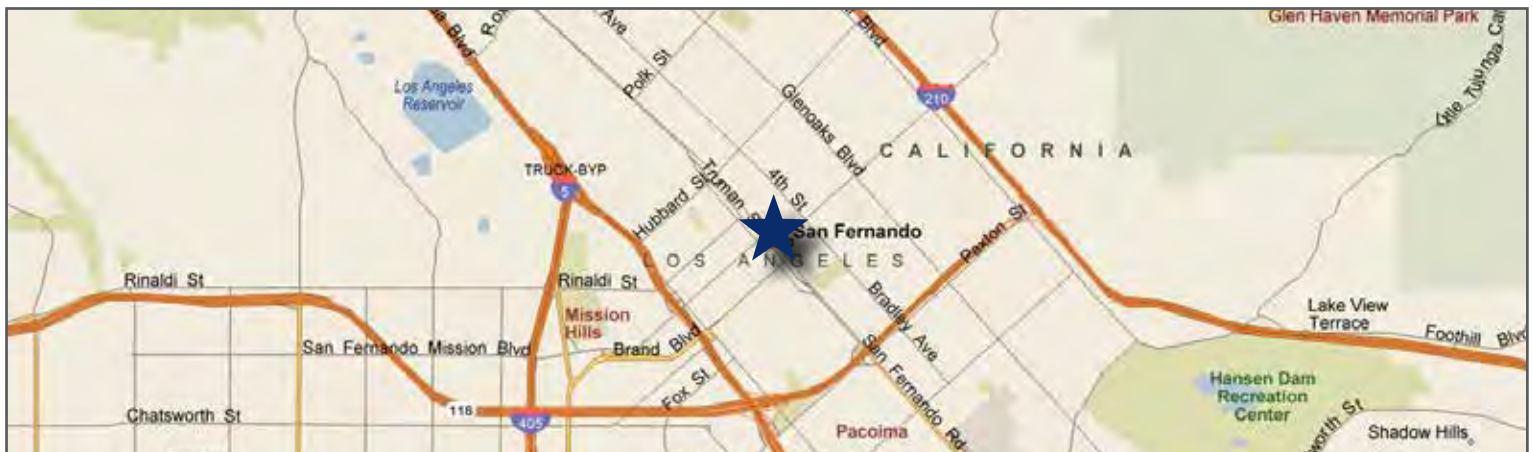
Rare small building for sale



City of San Fernando



4 Ground level doors



BRENT WEIRICK  
 LICENSE NO. 00954803  
 +1 818 325 4104  
 Brent.Weirick@colliers.com

GIAN STARITA  
 LICENSE NO. 01864047  
 +1 818 325 4105  
 Gian.Starita@colliers.com

COLLIERS INTERNATIONAL  
 16830 Ventura Blvd., Suite J  
 Encino, CA 91436  
 www.colliers.com



# FOR SALE

# 1211 1ST STREET

SAN FERNANDO, CALIFORNIA



## SITE INFORMATION

<b>Total Building Size:</b>	3,263 SF
<b>Office Space:</b>	1,890 SF
<b>Land Area:</b>	11,975
<b>Year Built:</b>	1957
<b>Clear Height:</b>	12
<b>Loading:</b>	4 ground level doors
<b>Parking:</b>	Approximately spaces
<b>Power:</b>	200 amps 240 volts 3 phase 3 wire



BRENT WEIRICK  
 LICENSE NO. 00954803  
 +1 818 325 4104  
 Brent.Weirick@colliers.com

GIAN STARITA  
 LICENSE NO. 01864047  
 +1 818 325 4105  
 Gian.Starita@colliers.com

COLLIERS INTERNATIONAL  
 16830 Ventura Blvd., Suite J  
 Encino, CA 91436  
 www.colliers.com



**NOTICE OF PUBLIC HEARING TO CONSIDER  
AND POTENTIALLY APPROVE AN OFFER FOR ACQUISITION OF CITY-OWNED REAL  
PROPERTY PARCELS LOCATED AT 1211 FIRST STREET, SAN FERNANDO,  
CALIFORNIA AND 519 SOUTH BRAND BOULEVARD, SAN FERNANDO, CALIFORNIA  
FOR PRIVATE USE AND TO APPROVE ONE OF THE OFFERS PRESENTED**

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED that the City Council of the City of San Fernando ("City Council") will conduct a public hearing on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing") or as soon thereafter as the matter may be heard to consider multiple written offers timely submitted by interested parties to the City of San Fernando ("City") for the acquisition for private use of each of the City-owned real properties located at **1211 First Street, San Fernando, California** and **519 South Brand Boulevard** (hereinafter, the "Properties"). The Properties are more particularly described in Exhibit "A" to this Notice of Public Hearing. The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340.**

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept written offers from all interested parties. Such offers must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President.** The City will only consider those offers that are timely submitted to the City's broker as set forth in this paragraph.

All offers considered by the City Council will be subject to the following conditions:

- The Properties shall be individually sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Properties shall be individually sold by the City, subject to the possessory interest of the existing tenant who presently occupy each of the Properties, and the buyer(s) of the Properties shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase of one or both of the Properties, at any time up until the time of conclusion of the Public Hearing;
- Each proposed purchaser of the one or both Properties shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for each of the Properties prior to the conclusion of the Public Hearing;

*Notice of Public Hearing –1211 First Street and 519 South Brand Boulevard*  
*Page 2 of 3*

- Any offer which requires third-party financing to be completed may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of each of the Properties, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder for any one of the Properties. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Properties. The City Council also reserves the right to waive technical irregularities in the submission of any offer.

City reserves the right to reject all offers prior to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for each of the Properties to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Properties by the City. The City reserves the right to withdraw the Properties from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of each of the Properties is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

NOTICE GIVEN THIS 28th DAY OF AUGUST 2014.




*Notice of Public Hearing – 1211 First Street and 519 South Brand Boulevard*  
*Page 3 of 3*

EXHIBIT "A"

519 South Brand Boulevard, San Fernando, CA 91340: The subject city property at 519 South Brand Boulevard (Los Angeles County Assessor's Parcel No. 2522-012-900) includes one city-owned parcel with a total area of 6,806 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 3,098 square feet in size) in 1955. The subject property is located in the westerly portion of the 500 block of South Brand Boulevard, between Kewen Street to the South and Hollister Street to the North, within the city's C-1 (Limited Commercial) zone. The subject site is a through lot with street frontages along South Brand Boulevard and Carlisle Street. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the San Fernando Cultural Arts & History Museum. On January 5, 2005, the San Fernando Cultural Arts & History Museum entered into a multi-year lease agreement which expired on January 4, 2011. Currently, the museum operates at the subject property on a month-to-month lease.

1211 First Street, San Fernando, CA 91340: The subject city property at 1211 First Street (Los Angeles County Assessor's Parcel No. 2520-024-902) includes one city-owned parcel with a total area of 11,975 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 3,263 square feet in size) in 1957. The subject property is located in the northerly portion of the 1200 block of First Street, between Alexander Street to the West and Hagar Street to the East, within the city's C-2 (Commercial) zone. The subject site is an irregular shaped lot with street frontage along First Street and alley access along the site's northernmost boundary line. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the Mauran Ambulance Services Incorporated. On April 3, 1995, Mauran Ambulance Services Inc. entered into a multi-year lease agreement with the city, which expired on March 31, 2011. Subsequent to the lease expiration date, the ambulance company has been operating at the subject property on a month-to-month lease.

City of San Fernando  
Community Development Department  
Planning Division  
117 Macneil Street  
San Fernando, CA 91340  
(818) 898-1227

POSTED AT CITY HALL ON  
8/21/2014 

**ATTACHMENT "F"**

August \_\_, 2014

**[TO EACH ENTITY  
WHICH HAS  
PRESENTED ITS  
OFFER TO THE CITY]**

**RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
1211 FIRST STREET, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS**

Dear [REDACTED]:

Your written offer dated [REDACTED], 2014 to purchase certain City-owned property located at 1211 First Street, San Fernando, California ("Property") has been presented to the City of San Fernando ("City") by Colliers International ("City's Broker") who serves the City as a real estate broker for the Property. The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

**NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING**

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

All offers considered by the City Council, including your offer or any subsequent amendment or modification to your offer will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;

August \_\_, 2014

Page 2

- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the conclusion of the Public Hearing;
- Each proposed purchaser of the Property shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for the Property prior to the conclusion of the Public Hearing;
- Any offer which requires third-party financing to be completing may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer.

City reserves the right to reject all offers up to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City's broker, indicated above, by the Submission Deadline.

The City anticipates that the general form of the agreement of a purchase and sale agreement will be made available for inspection and copying by interested persons by September 1, 2014 at the Office of the City Clerk located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340** or from the broker. A copy of the purchase and sale agreement shall also be posted on the City's internet webpage.

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

August \_\_, 2014  
Page 3

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International



August \_\_, 2014

**[TO EACH ENTITY  
WHICH HAS  
PRESENTED ITS  
OFFER TO THE CITY]**

RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
1211 FIRST STREET, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS

Dear [REDACTED]:

The City of San Fernando ("City") is in receipt of your written offer dated [REDACTED], 2014 to purchase certain City-owned property located at 1211 First Street, San Fernando, California ("Property"). The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

All offers considered by the City Council, including your offer or any subsequent amendment or modification to your offer will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless

August \_\_, 2014  
Page 2

from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;

- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the conclusion of the Public Hearing;
- Each proposed purchaser of the Property shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for the Property prior to the conclusion of the Public Hearing;
- Any offer which requires third-party financing to be completing may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer.

City reserves the right to reject all offers up to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City's broker, indicated above, by the Submission Deadline.

The City anticipates that the general form of the agreement of a purchase and sale agreement will be made available for inspection and copying by interested persons by September 1, 2014 at the Office of the City Clerk located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340** or from the broker. A copy of the purchase and sale agreement shall also be posted on the City's internet webpage.

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is

August \_\_, 2014  
Page 3

surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

August \_\_, 2014

**[GENERAL LETTER TO ENTITIES  
WHO HAVE NOT SUBMITTED OFFERS]**

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED that the City Council of the City of San Fernando ("City Council") will conduct a public hearing on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing") or as soon thereafter as the matter may be heard to consider multiple written offers timely submitted by interested parties to the City of San Fernando ("City") for the acquisition for private use of City-owned real property located at **1211 First Street, San Fernando, California.** (hereinafter, the "Property"). The Property is more particular described in Exhibit "A" to this Notice of Public Hearing. The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340.**

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept written offers from all interested parties. Such offers must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President.** The City will only consider those offers that are timely submitted to the City's broker as set forth in this paragraph.

All offers considered by the City Council will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the time of conclusion of the Public Hearing;
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While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer.

August \_\_, 2014  
Page 2

City reserves the right to reject all offers prior to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

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Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International



August 25, 2014

**Aszkenazy Development, Inc.  
C/O Martha Diaz-Aszkenazy  
Aszkenazy Development, Inc.  
601 South Brand Blvd.  
3<sup>rd</sup> Floor  
San Fernando, CA 91340**

**VIA E-Mail and USPS Registered Mail**

**RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
1211 FIRST STREET, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS**

Dear Martha:

The City of San Fernando ("City") is in receipt of your written offer dated August 1, 2014 to purchase certain City-owned property located at 1211 First Street, San Fernando, California ("Property"). The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

**NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING**

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

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- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;

August 25, 2014

Page 2

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#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City's broker, indicated above, by the Submission Deadline.

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The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.



August 25, 2014  
Page 3

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,



Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

August 25, 2014

Page 3

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

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Very truly yours,



Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_

9.11.

, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

## ATTACHMENT "G"



**AERIAL MAP**  
**1211 FIRST STREET**





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## COMMUNITY DEVELOPMENT DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**DATE:** September 15, 2014

**SUBJECT:** Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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#### **RECOMMENDATION:**

It is recommended that the City Council:

- a. Open the Public Hearing to Consider the Sale of Real Property Located at 519 South Brand Boulevard, San Fernando, California and receive the brief introduction of City staff;
- b. Pose questions to City staff and next given persons who submitted proposals for the acquisition of the property an opportunity to address the City Council;
- c. Pose questions to City staff and the various purchaser candidates;
- d. Allow all other members of the public to provide comment and testimony;
- e. Pose closing questions to City staff and the various purchaser candidates based on comments or questions raised by the public or any other questions or comments posed by members of the City Council;
- f. Close Public Hearing and commence deliberations. Except as the City Council may otherwise find or determine following the conclusion of the Public Hearing, it is preliminarily recommended that the City Council:
  - i. Adopt Resolution No. 7635 (Attachment "A") designating the property at 519 South Brand Boulevard (Los Angeles County Assessor's Parcel Number 2522-012-900) as City surplus property;

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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- ii. Approve the sale of City-owned property located at 519 South Brand Boulevard from the City of San Fernando to Kim Segel for a sale amount of \$490,000, subject to the terms and conditions of the proposed Purchase and Sale Agreement (Attachment “B” – Contract No. 1760);
- iii. Find that the sale is exempt under California Environmental Quality Act (CEQA) for the reasons stated in this staff report and in the corresponding resolutions; and
- iv. Direct the City Manager in conjunction with the City Attorney to take all actions necessary to execute the Purchase and Sale Agreement and associated documents.

**BACKGROUND:**

1. On June 7, 2010, the City Council authorized the City Administrator to negotiate the sale of City-owned parcels at 519 South Brand Boulevard and 1211 First Street. The City-owned parcel at 519 South Brand Boulevard is currently leased by the San Fernando Museum of Art and History. The City-owned parcel at 1211 First Street is leased by Mauran Ambulance Services Incorporated.
2. On February 1, 2011, the Planning and Preservation Commission adopted Resolution 2011-03 (Attachment “C”) finding that the potential sale of City-owned parcels at 519 South Brand Boulevard conforms to the City of San Fernando General Plan. Pursuant to California Government Code Section 65402, publicly owned land cannot be sold until after the Planning and Preservation Commission has made a finding that the proposed disposition/sale of property is in conformance with the city’s general plan and elements thereof.
3. On March 4, 2011, the City sent out a “Notice of Intent to Sell Surplus Property” to the following public agencies and non-profit organizations that might be in a position to acquire the property for public purposes such as open space, park and recreational uses, or for low income housing purposes: Los Angeles County - Real Estate Division, California Department of Housing and Community Development, Los Angeles County Housing Authority, Los Angeles County Community Development Commission, Santa Monica Mountains Conservancy, National Resources Agency, Mountains Recreation and Conservation Authority, Los Angeles County Parks and Recreation Department, and the Los Angeles Unified School District. As part of the notice, the City requested that any noted public agencies interested in purchasing the property submit a written offer to purchase with specific terms identified within sixty (60) days of receipt of said notice. No purchase offers were subsequently received.
4. On October 7, 2013, the City Council authorized the Interim City Manager to proceed with the administrative and public notification process necessary to facilitate the sale of surplus City-owned parcels including the two former fire stations at 519 South Brand Boulevard and 1211 First Street.



Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property  
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5. On April 18, 2014, the City of San Fernando Community Development Department issued a Request for Proposals (RFP) to provide the City with commercial real estate brokerage and advisory services in order to facilitate the sale of City properties at 519 South Brand Boulevard and 1211 First Street.
6. On May 28, 2014, Converse Consultants completed a Phase I Environmental Site Assessment (ESA) for the City-owned property and former fire station site at 519 South Brand Boulevard. Based on the ESA review, it was determined that there was no evidence of "Recognized Environmental Conditions" at the subject property and that no further environmental assessment was warranted at that time.
7. On June 2, 2014, the City Council approved a Professional Services Agreement (Contract No. 1746) with Colliers International to provide the City with commercial real estate brokerage services in order to assist the City with the sale of City properties (former fire stations) located at 1211 First Street and 519 South Brand Boulevard.
8. On June 30, 2014, Colliers International placed "For Sale" brochures for the City-owned properties at 519 South Brand Boulevard and 1211 First Street on CoStar and LoopNet (online real estate listing websites). The brochures were also used a part of the broker's direct advertising campaign (Attachment "D"). Soon thereafter, a "For Sale" sign was also posted at each of the subject City-owned properties.
9. On August 23, 2014 and August 28, 2014, the City published a "Notice of Public Hearing to Consider and Potentially Approve an Offer for Acquisition of City-Owned Real Property Parcels Located at 1211 First Street, San Fernando, California and 519 South Brand Boulevard, San Fernando, California for Private Use and to Approve One of the Offers Presented" in the *Los Angeles Daily News* and the *San Fernando Sun Newspaper*, respectively (Attachment "E").

As part of the notice the City informed prospective purchasers of the following conditions on offers:

- The Properties shall be individually sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Properties shall be individually sold by the City, subject to the possessory interest of the existing tenant who presently occupy each of the Properties, and the buyer(s) of the Properties shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase of one or both of the Properties, at any time up until the time of conclusion of the Public Hearing. The City may take into

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

Page 4

consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its “due diligence” and obtain its financing for the purchase of the Property. The City Council also reserves the right to waive technical irregularities in the submission of any offer.

- Each proposed purchaser of the one or both Properties shall have confirmed in writing to the City Council that it has accepted the general form of the City’s purchase and sale agreement for each of the Properties prior to the conclusion of the Public Hearing;
  - Any offer which requires third-party financing to be completed may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.
  - All prospective offers needed to be received by the City’s commercial broker (Colliers International) by 4:00 pm on Monday, August 8, 2014.
10. Beginning on August 25, 2014, the City’s commercial broker sent out on behalf of the City a response letter to prospective purchasers titled: “Response of the City of San Fernando to Offer to Purchase Property at 519 South Brand Boulevard, San Fernando, California and Notice of Public Hearing to Consider and Approve Competing Purchase Offers” (Attachment “F”). The letter reiterated all the points previously noted above in the Notice of Public Hearing (Attachment “E”) and requested that the response letter be signed by the prospective buyer and returned to the City’s commercial broker as “acknowledgement as to the conditions for consideration of the offer by the City”.
11. On September 8, 2014, the City received the following offers for the purchase of the City-owned property at 519 South Brand Boulevard:

<b>519 S. Brand Blvd. Sale Offers Matrix</b>							
	<b>Buyer</b>	<b>Price</b>	<b>Down Payment</b>	<b>Loan Contingency</b>	<b>Contingency Period</b>	<b>Close</b>	<b>Delivery/Tenant Notes</b>
1	Kim Segel	\$490,000	\$20,000	All Cash	10 days	30 days	With Tenant OK Entertainment production/ sound stage/ film making education
2	Schwary Family Trust	\$435,000	\$25,000	All Cash	14 days	45 days	vacant
3	James Sweet	\$400,000	\$10,000	All Cash	17 days + 30 days financing	30 days	vacant
4	Tolman Living Trust	\$425,100	\$12,753	All Cash	10 days	25 days	With Tenant OK
5	My Space Remodeling	\$440,000	\$20,750	90% SBA Loan	17 days + 30 days financing	30 days	With Tenant OK
6	Ameritek	\$300,000	\$20,000	50%	21 days	60 days	Tenant Required Subject to increasing rent from Tenant to \$2,650 per month.
7	Artur Sargsyan	\$440,000	\$13,200	\$396,000	60 days	60 days	With Tenant OK

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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## ANALYSIS:

**The Property:** The subject City property at 519 South Brand Boulevard (Los Angeles County Assessor's Parcel No. 2522-012-900) includes one City-owned parcel with a total area of 6,806 square feet previously purchased by the City and subsequently developed as a former City fire station facility (approximately 3,098 square feet in size) in 1955. The subject property is located in the westerly portion of the 500 block of South Brand Boulevard, between Kewen Street to the South and Hollister Street to the North, within the City's C-1 (Limited Commercial) zone. The subject site is a through lot with street frontages along South Brand Boulevard and Carlisle Street (Attachment "G").

Since the facility was decommissioned as a City fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the San Fernando Museum of Art and History. On January 5, 2005, the San Fernando Museum of Art and History entered into a multi-year lease agreement which expired on January 4, 2011. Currently, the Museum operates at the subject property on a month-to-month lease.

**Legal Description:** The legal description of the property is as follows: Lot 2, Tract 2824, in the City of San Fernando, County of Los Angeles, State of California, as per map recorded in Book 28, Page 36 of Maps, in the Office of the County Recorder, Los Angeles, California. (Los Angeles County Assessor's Parcel Number 2522-012-900.)

**Process for Sale of Property:** The City has determined that City-owned property at 519 South Brand Boulevard is surplus property as defined by Government Code Section 54221(b), which means 'land owned by any local agency that is determined to be *no longer necessary for the agency's use*, except property being held by the agency for the purpose of exchange.' Since the dissolution of the City of San Fernando Fire Department in the mid-1970's and use of the Los Angeles Fire Department with their own fire stations outside the City's boundaries, the former fire station at 519 South Brand Boulevard is no longer necessary for the City's use and the City is not holding the property for the purpose of exchange. Therefore, the subject property is considered surplus property and the City has undertaken the following pursuant to State law for the sale of surplus property:

- a) Preliminary Title Search – The City has conducted a preliminary title search in order to document the history and details of City ownership, which verified a clear title by the City ensuring that the property is not subject to any covenants or conditions that may have been imposed by any original grantees of the property.
- b) Appraisal – The City has conducted an appraisal in order to establish an assessment of market value for the property. A valuation study and appraisal report was commissioned by the City for the property. The report, prepared by Nagasaki and Associates on March 7, 2014, estimates the market value of the property at \$420,000.

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property

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- c) General Plan Compliance – During a Public Hearing, the City’s Planning and Preservation Commission determined pursuant to Resolution No. 2011-03 that the disposition of the City-owned surplus property at 519 South Brand Boulevard, is consistent with the City’s General Plan. (Government Code Section 65402(a).) The Planning and Preservation Commission found the future sale of the City-owned property is consistent with the General Plan and a copy of Resolution 2011-03 has been forwarded to the City Council for their consideration as part the proposed sale of the property.
- d) CEQA Compliance Review – The sale of each of the Properties is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or area wide concern as identified under Section 15206(b)(4) of the CEQA Guidelines. In addition, any future redevelopment of the project with infill commercial development that may include new commercial office uses and associated parking facilities is also categorically exempt from CEQA pursuant to Categorical Exemption Class 32 per CEQA Guidelines Section 15332.
- e) Notice to Intention to Dispose of Real Property – Pursuant to State statute (Government Code Section 54222), the City has offered for sale to other public agencies and non-profit organizations that might be in a position to acquire the subject surplus property at 519 South Brand Boulevard for public purposes such as open space, park and recreational uses, or for low income housing purposes. As previously noted, the Notice of Intention to Dispose of Real Property (the Notice) was sent out by the City on March 4, 2011 to these other entities. The Notice allowed any of these entities seeking to purchase subject property 60 days to notify the City of their intent to purchase the property with specific terms. No offers to purchase the property were received by the City by the 60 days from issuance of the Notice.
- f) Sale of Property – Since no public agency or non-profit organization responded within 60 days of receiving the Notice then the City has proceeded with the public notification and advertisement of the subject property as being “For Sale”. The sales process has culminated with the public notice to prospective purchasers to submit their “Best and Final Offer” by August 8, 2014, at 4:00 pm, to the City’s commercial broker, Collier International. The submitted offers have been included herein in addition to staff’s recommendation to sell the property to Kim Segel for \$490,000 all-cash offer pursuant to the proposed Purchase and Sale Agreement.

**The Terms of Sale:** The basic terms of the proposed Purchase and Sale Agreement provide that for a purchase price of \$490,000 with an all-cash offer. Furthermore, the buyer Mr. Segel is seeking to purchase the property with the current tenant occupying the building. As previously noted, said tenant (San Fernando Museum Art and History) is on a month-to-month lease for the property.

**Proposed Long-Term Use of the Property:** The buyer intends to locate their production company ‘Light On Glass’ in the subject site in order to produce, and post-produce, F/X shots for

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movies, television commercials, still photography, and short form content for electronic distribution. The engine house would be used as a small soundstage/photo studio. The office areas would be used for editorial and graphics workstations, as well as greenroom and make up areas for talent. In addition to the commercial use of the facility, the buyer would use the space as a place to teach students the craft of filmmaking. In addition, when feasible, the buyer would like to use the engine house to host community 'movie nights' where artistically and culturally important films could be screened, followed by an interactive lecture by persons involved in the filmmaking.

The buyer, Mr. Segel, has operated a mixed-use studio like this before. Prior to his recent 16 years at NBC/Universal, while working as a producer/director for West Valley Studios, he taught a completely free television production intern program that served over 700 students in the West Valley. His students received school credits at California State University, Northridge, University of Southern California or University of California, Los Angeles film school. Coursework included production of numerous local origination programs, public service announcements, public service programming, and production of a weekly local news program "Parallax Forum." Public service projects included: California State University, Northridge, Federal Emergency Management Agency, Los Angeles Police Department, Wheelchair Sports programs, and Los Angeles Unified School District.

## **CONCLUSION:**

In light of the foregoing analysis, it is staff's assessment that approval of the proposed Purchase and Sale Agreement by the City Council would accomplish the following:

- Provide immediate cash revenue of \$490,000 (minus closing fees and broker's commission) to the City's General Fund;
- Facilitate adaptive reuse of the subject property at 519 South Brand Boulevard by the purchaser, Kim Segel as professional production studio, office and teaching space in support of television and film production industry in Southern California; and
- Provide for immediate reassessment of the subject property that is not currently taxed and provide for possible additional property tax revenues with possible new development.

## **BUDGET IMPACT:**

As noted above, sale of the subject property pursuant to the terms of the proposed Purchase and Sale Agreement would entail a positive budget impact by providing immediate cash revenue of \$490,000 (minus closing fees and broker's commission) to the City's General Fund, and by providing for reassessment of the subject property that is not currently taxed. The sale would also provide for possible additional property tax revenues with possible new development.

Public Hearing to Consider and Approve the Sale of Surplus City-Owned Real Property Located at 519 South Brand Boulevard, San Fernando, California Subject to the Term and Conditions of a Purchase and Sale Agreement Which Will Also Be Considered for Approval as Part of the Disposition of the Subject Property  
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**ATTACHMENTS:**

- A. Resolution No. 7635
- B. Contract No. 1760 (Purchase and Sale Agreement)
- C. Planning and Preservation Commission Resolution No. 2011-03
- D. "For Sale" Brochure
- E. Public Hearing Notice
- F. Letter Response to Offers
- G. Aerial Map

## ATTACHMENT "A"

## RESOLUTION NO. 7635

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO DESIGNATING CITY-OWNED PROPERTY AT  
519 SOUTH BRAND BOULEVARD AS SURPLUS PROPERTY  
AND AUTHORIZING THE SALE OF SAID SURPLUS PROPERTY  
TO KIM SEGEL**

**WHEREAS**, the City of San Fernando (the "City") owns an approximate 6,806 square foot parcel currently improved with an approximate 3,098 square foot building and on-site parking facility that was formerly constructed and used as City fire station and is currently leased for use as a museum within the City at 519 South Brand Boulevard, San Fernando, California, which herein is referred to as the "Property";

**WHEREAS**, on February 1, 2011, pursuant to Government Code Section 65402(a), the City of San Fernando Planning and Preservation Commission determined pursuant to Resolution No. 2011-03 that the disposition of the City-owned surplus property at 519 South Brand Boulevard, is consistent with the City's General Plan and Zoning regulations;

**WHEREAS**, on March 4, 2011, the City provided a Notice of Intent to Sell Surplus Property (the "Notice") pursuant to Government Code Section 54222 for the purpose of offering the Property for sale to other public agencies and non-profit organizations that might be in a position to acquire the Property for public purposes such as open space, park and recreational uses, or for low income housing purposes and no offers were received within sixty (60) days of the issuance of the Notice;

**WHEREAS**, on March 7, 2014, the Property was appraised at a value of Four Hundred and Twenty Thousand dollars (\$420,000);

**WHEREAS**, on August 23, 2014 and August 28, 2014, the City published a "Notice of Public Hearing to Consider and Potentially Approve an Offer for Acquisition of City-Owned Real Property Parcels Located at 1211 First Street, San Fernando, California and 519 South Brand Boulevard, San Fernando, California for Private Use and to Approve One of the Offers Presented" in the *Los Angeles Daily News* and the *San Fernando Sun Newspaper*, respectively;

**WHEREAS**, on September 8, 2014, Kim Segel (the "Buyer"), provided one of multiple offers received by the City on the Property in which he expressed his intention to purchase the Property from the City for the value of Four Hundred and Ninety Thousand dollars (\$490,000) to be paid all in cash;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**



**Section 1.** That all of the recitals set forth above are true and correct, and the City Council so finds and determines.

**Section 2.** In accordance with Government Code Section 54220 et seq., the City Council finds the property is not needed for the City's use and the City is not holding the property for the purpose of exchange.

**Section 3.** Pursuant to Government Code Section 54220 et seq., the City Council hereby authorizes the sale of the Property to Kim Segel.

**Section 4.** The City Council finds that the proposed sale of the Property to be categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or area wide concern as identified under Section 15206(b)(4) of the CEQA Guidelines;

**Section 5.** That the City Manager in conjunction with the City Attorney are authorized and directed to negotiate a final Purchase and Sale Agreement with Kim Segel for sale of the Property.

**Section 6.** The sale of the Property shall be upon the following terms and conditions:

- a) The price for the Property shall be no less than Four Hundred and Ninety Thousand dollars (\$490,000).
- b) A deposit of Twenty Thousand dollars (\$20,000) shall be due immediately upon execution of the Purchase and Sale Agreement.
- c) Escrow shall be opened immediately upon execution of the Purchase and Sale Agreement and shall close no later than forty-five (45) days from the date of execution of the Purchase and Sale Agreement.
- d) The Property is sold in an "As-Is" condition inclusive of the current tenant.
- e) Kim Segel and the City shall equally share all applicable costs associated with recording fees, documentary and other transfer taxes, title insurance premiums and other escrow costs.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

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Sylvia Ballin, Mayor

**ATTEST:**

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Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO       )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

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Elena G. Chávez, City Clerk

**ATTACHMENT “B”  
CONTRACT NO. 1760****CITY OF SAN FERNANDO  
PURCHASE AND SALE AND ESCROW INSTRUCTIONS  
(SURPLUS PUBLIC PROPERTY: 519 SOUTH BRAND BOULEVARD)**

This 2014 City of San Fernando Purchase and Sale Agreement and Escrow Instructions (“Agreement”) is made as of September \_\_, 2014 (“Effective Date”), between Kim Segel (the “Buyer”), and the City of San Fernando, a municipal corporation (the “Seller”).

**RECITALS**

A. Seller is the owner of certain real property located at 519 South Brand Boulevard, San Fernando, California, consisting of an approximately 6,806 square feet parcel of land, with Los Angeles County Assessor’s Parcel Number 2522-012-900, which is more particularly described in Exhibit A (the “Land”), and the related improvements, appurtenances, and certain related personal and intangible property.

B. The Land is improved by an approximately 3,098 square feet structure and related on-site parking facility (the “Building”). There is one office tenant in the building, the Friends of the Lopez Adobe who currently operate the San Fernando Museum of Art and History.

C. Seller has determined that the Property is surplus public property and is no longer needed by the City for public purposes.

D. On September 15, 2014, Seller’s legislative body, the City Council of the City of San Fernando (“City Council”), conducted a public hearing wherein the City Council declared that the Land and Building is no longer necessary for any public use by the City of San Fernando and the City Council considered the sale of the Property to the Buyer.

E. At the conclusion of the September 15, 2014 public hearing, the City Council accepted Buyer’s offer for the acquisition of the Property and authorized the execution of this Agreement by the City.

**ARTICLE 1****AGREEMENT OF SALE**

1.1. Purchase and Sale. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Seller agrees to sell and Buyer agrees to purchase all of the Property described below in Section 1.2, under the terms and conditions of this Agreement.

1.2. Description of the Property. The property to be sold and purchased under this Agreement (the “Property”) consists of the following:

1.2.1. Land. As described in Recital A.

1.2.2. Appurtenances. All privileges, rights, easements appurtenant to the Land, including without limitation all minerals, oil, gas, and other hydrocarbon substances on and under the Land; all development rights, air rights, water, water rights, and water stock relating to the Land; all right, title, and interest of Seller in and to any streets, alleys, passages, water and sewer connections, sanitary or storm drain capacity or reservations and rights under utility agreements, and other easements and other rights-of-way included in, adjacent to, or used in connection with the beneficial use and enjoyment of the Land (collectively, the “Appurtenances”).

1.2.3. Improvements. The Building described in Recital B and all other structures, fences, parking areas, or improvements located upon the Land or upon the Improvements, including fixtures, systems, and equipment attached to the Land or Improvements and used in connection with the operation or occupancy of the Land and Improvements (such as heating and air-conditioning systems, refrigeration, ventilation, garbage disposal, or utility conduits) which are the property of the Seller (collectively, the Improvements, which together with the Land and the Appurtenances are called the Real Property).

1.2.4. Personal Property. Certain tangible personal property and all intangible property owned by Seller that is located on or in or is used in connection with the use or operation of any of the Property (Personal Property). Personal Property must include, without limitation, all the following: (a) all of the tangible property listed on a schedule to be delivered according to Section 3.1 of this Agreement; (b) the service contracts listed on a schedule to be delivered according to Section 3.1 of this Agreement, which Buyer elects to assume, by written notice to Seller not less than TEN (10) days before the Closing; (c) all rights under the Leases (defined in Section 3.1); (d) all warranties and guaranties on or related to the tangible Personal Property or related to construction, repair, or alteration work on the Real Property, to the full extent such warranties and guaranties are assignable; (e) all licenses and permits related to the Property; (f) all plans, drawings, engineering studies located within, used in connection with, or related to the Property; (g) all intellectual property associated with, related to, or used in connection with the Property, including logos, trademarks, designs, tradenames, service marks, e-mail addresses, domain names, and telephone numbers; and (h) all goodwill associated with the Real Property.

## ARTICLE 2

### PURCHASE PRICE

2.1 Amount. The full purchase price (the “Purchase Price”) for the Property is Four Hundred and Ninety Dollars (\$ 490,000) and is payable to the Seller in accordance with this Article 2.

## 2.2 Deposit.

2.2.1. Deposit. Concurrent with the Effective Date, as a deposit against the Purchase Price, Buyer must deposit the sum of Twenty Thousand Dollars (\$20,000) (the “Deposit”) into an escrow (the “Escrow”) to be opened with CHICAGO TITLE INSURANCE COMPANY (the “Escrow Holder”).

2.2.2. Requirements for Deposit. Buyer may make the Deposit in cash, or by check payable to the Escrow Holder, or by electronic transfer of federal funds. The Escrow Holder will hold the Deposit in an escrow account at a bank and invested in investments approved by Buyer, with interest accruing for the benefit of Buyer. On the Closing Date (defined in Section 7.2), the Deposit will be credited against the Purchase Price and paid to Seller. If this Agreement terminates for any reason except Buyer’s default, the Escrow Holder shall be instructed by Seller to refund the Deposit to Buyer.

2.3 Payment of Balance. Buyer agrees to pay, or cause to be paid, the balance of the Purchase Price to Seller through the Escrow by depositing cash or a certified or cashier’s check payable to the Escrow Holder, or by electronic transfer of federal funds, which must be delivered to the Escrow Holder at least one (1) business day before the Closing Date.

## ARTICLE 3

### BUYER’S CONTINGENCIES

3.1 Seller’s Delivery of Documents. Buyer’s obligation to purchase the Property is expressly conditioned on Seller’s delivering to Buyer all documents listed below (collectively, the “Preliminary Documents”). Failure by Seller to deliver the Preliminary Documents within FIVE (5) days after the Effective Date will upon the written request of Buyer extend the Contingency Date (as defined in Section 3.2) by 1 day for every 1 day thereafter until each such Preliminary Document identified in each written notice of Buyer is delivered by Seller.

3.1. Seller’s Delivery of Documents. Buyer’s obligation to purchase the Property is expressly conditioned on Seller’s making all documents listed below (collectively, Preliminary Documents) available to Buyer. On or before the fifth (5th) day after the Effective Date, Seller must deliver directly to Buyer the Preliminary Report, the Rent Roll, the Leases, and the operating statements for the Property for the current calendar year through the Effective Date and the prior two (2) calendar years.

3.1.1. Preliminary Report. A preliminary report (Preliminary Report) dated no earlier than thirty (30) days before the Effective Date covering the Real Property and issued by CHICAGO TITLE INSURANCE COMPANY (Title Company), together

with a legible copy of all exceptions to title shown in the Preliminary Report, including each document, map, and survey referred to in the Preliminary Report.

3.1.2. Schedules of Personal Property. A complete schedule of all tangible Personal Property to be sold under this Agreement and a complete schedule of all service contracts of Seller related to the Property, if any that Seller does not intend to cancel before the Closing Date.

3.1.3. Agreements. Copies of all written easements, covenants, restrictions, agreements, service contracts, and other documents in the possession of Seller that affect the Property if not included in the Preliminary Report.

3.1.4. Licenses and Permits. Copies of any licenses, permits, or certificates required by governmental authorities in connection with construction or occupancy of the Improvements in the possession of Seller, including without limitation building permits, certificates of completion, certificates of occupancy, and environmental permits and licenses, and any correspondence related to the Improvements.

3.1.5. Plans. Copies of any existing construction drawings, as-built plans, and specifications for the Property in the possession of the Seller.

3.1.6. Rent Roll. A rent roll, dated no earlier than August 31, 2014 (Rent Roll).

3.1.7. Leases. Copies of all Leases (and any modifications or amendments to these) with each tenant of the Property (Leases), and any material correspondence related to the Leases in the possession of Seller.

3.1.8. Materials Related to Condition of the Property. Any environmental impact reports, "Phase I" or "Phase II" reports, or environmental site assessments in the possession of Seller concerning hazardous materials on the Property, complaints or notices of the presence of hazardous materials on the Property, geological surveys, soil tests, engineering reports, inspection results, complaints, or notices received regarding the safety of the Property.

3.1.9. Excluded Records. The Preliminary Documents will not include any books, records, documents, or information on the corporate, financial, and accounting records of the operations of Seller as an entity (as opposed to records concerning the Property), regarding offers or inquiries made by third parties concerning the purchase of some or all of the Property or appraisals of the value of the Real Property that are attorney-client communications of Seller, that are Seller's attorney's work product, or that are not in the possession of Seller or persons under Seller's control.

3.2 Buyer's Approval of Preliminary Documents. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of the matters disclosed in

the Preliminary Documents. Buyer will have the period from the Effective Date until the date that is FORTY FIVE (45) days after the Effective Date (the "Contingency Date") to review the Preliminary Documents and to decide whether to approve the matters disclosed in the Preliminary Documents. On or before the Contingency Date, Buyer must deliver written notice to Seller either accepting the matters disclosed in the Preliminary Documents or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have accepted the matters disclosed in the Preliminary Documents. By its acceptance or waiver of the contingencies set forth in this Section 3.2, Buyer will be deemed to have acknowledged that (a) Seller has provided Buyer with access to the Preliminary Documents and (b) Buyer has had ample opportunity to review and inspect the Preliminary Documents and to make such independent factual, physical, and legal examinations and inquiries as Buyer deems necessary or desirable with respect to matters disclosed in the Preliminary Documents.

3.3 Buyer's Approval of Contracts. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of all service contracts, management agreements, maintenance contracts, and other contracts and agreements related to or affecting the operation of the Property and not included as part of the title documents (collectively, the "Contracts"). Buyer shall have until the date that is TEN (10) business days before the Contingency Date to either approve or disapprove any Contracts (the "Disapproved Contracts"). Seller shall have until FIVE (5) business days before the Contingency Date to notify Buyer, in writing, of its agreement to terminate the Disapproved Contracts on or before the Closing Date. In no event, however, shall Seller be required to terminate any Contract that by its terms is not terminable before the Closing unless Buyer agrees, in writing, to pay at Closing any prorated charges or other costs associated with such early termination. Failure by Seller to agree to terminate the Disapproved Contracts within the specified period shall be deemed Seller's election not to terminate the Disapproved Contracts. On or before the Contingency Date, Buyer shall deliver written notice to Seller either accepting the Disapproved Contracts that Seller elected (or is deemed to have elected) not to terminate or terminating this Agreement.

3.4 Approval of Title. Buyer's obligation to purchase the Property is expressly conditioned on Buyer's approval of the condition of title of the Property in accordance with the following procedure:

3.4.1. Permitted Exceptions The following exceptions shown on the Preliminary Report (the "Permitted Exceptions") are approved by Buyer: (a) exceptions for a lien for ad valorem property taxes and assessments not yet due or payable, including (without limitation) special taxes under Government Code §§53311-53368.3 or installment assessments under Street & Highways §§8500-8887, (b) the standard preprinted exceptions and exclusions of the Title Company, (d) any other exception shown on the Preliminary Report, other than exceptions for monetary liens, which Buyer does not object to by written notice to Seller within TEN (10) days after delivery of the Preliminary Report (the "Buyer's Title Notice"), or as otherwise provided in this Section 3.4. All exceptions on the Preliminary Report other than the Permitted Exceptions will be Title Objections. If Buyer fails to deliver Buyer's Title Notice within the time specified in this Section 3.4, Buyer will be deemed to have



objected to each title exception shown in the Preliminary Report that is not otherwise a Permitted Exception.

3.4.2. Title Objections. With respect to any Title Objection arising or resulting from any act or omission of Seller, Seller will have TEN (10) days after delivery of Buyer's Title Notice (or Buyer's deemed objection to all exceptions) to specify the manner in which it will remove or cure such Title Objection. With respect to any Title Objection that did not arise or result from any act or omission of Seller, Seller will have TEN (10) days after delivery of Buyer's Title Notice to give notice to Buyer in writing (the "Seller's Title Notice"), stating either (a) the manner in which Seller will remove or cure such Title Objection, or (b) that Seller will not remove or cure such Title Objection. If Seller fails to deliver Seller's Title Notice within the time specified in this Section 3.4, Seller will be deemed to have elected not to cure such Title Objection. Despite the foregoing, Seller agrees to remove all liens created by Seller securing the repayment of money disbursed or paid to Seller that encumber the Property.

3.4.3. Seller Elects Not to Cure. If Seller elects not to cure or remove a Title Objection (or is deemed to have so elected), then Buyer will have TEN (10) days after delivery of the Seller's Title Notice to deliver a written notice to Seller (the "Buyer's Election Notice") of Buyer's election either to (a) proceed with the purchase of the Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.4. Nonmonetary Cure. If Seller is obligated or elects to cure or remove a Title Objection, but the method specified for removing or curing the Title Objection is other than the payment of a specific sum of money, then Buyer will have TEN (10) days after delivery of the Seller's Title Notice to deliver Buyer's Election Notice specifying whether it elects to (a) proceed with the purchase of the Property, subject to Seller's removal of the Title Objection, or (b) terminate this Agreement. If Buyer fails to deliver Buyer's Election Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.5. Additional Encumbrances. If any encumbrance or other exception to title arises or is discovered after the delivery of the Preliminary Report (an "Additional Encumbrance"), the party discovering such Additional Encumbrance must promptly give written notice to the other. No later than FIVE (5) days after delivery of the notice of such Additional Encumbrance, Buyer will deliver a new Buyer's Title Notice to Seller specifying whether the Additional Encumbrance is a Title Objection or a Permitted Exception. If Buyer objects to the Additional Encumbrance, the parties will proceed in the same manner as set forth above for Title Objections arising from the Preliminary Report. If Buyer fails to deliver Buyer's Election

Notice within the time specified in this Section 3.4, Buyer will be deemed to have elected to terminate this Agreement.

3.4.6. Seller's Failure to Remove Title Objection. If Seller is obligated or elects to cure or remove a Title Objection and fails to do so by at least FIVE (5) days before the Closing Date, or fails to show that it will be able to do so on Closing, then Seller will be in default under this Agreement, and Buyer will have all its rights and remedies provided by this Agreement.

3.5. Review of Preliminary Documents and Physical Condition.

3.5.1. Due Diligence. Buyer's obligation to purchase the Property is expressly conditioned on its approval, in its sole discretion, of the condition of the Property and all other matters concerning the Property, including without limitation economic, financial, and accounting matters relating to or affecting the Property or its value, and the physical and environmental condition of the Property. Buyer will have until the Contingency Date to conduct such investigations as Buyer may choose (the "Due Diligence") to determine, in its sole discretion, whether this contingency is satisfied. On or before the Contingency Date, Buyer will deliver written notice to Seller accepting the Property, or terminating this Agreement. If Buyer fails to give such notice on or before the Contingency Date, Buyer will be deemed to have elected to terminate this Agreement.

3.5.2. Access to Property. As part of its Due Diligence, Buyer may investigate economic, financial, and accounting matters relating to or affecting the Property or its value, and conduct inspections, tests, and studies with respect to the physical and environmental condition of the Property. Buyer and Buyer's consultants, agents, engineers, inspectors, contractors, and employees (the "Buyer's Representatives") must be given reasonable access to the Property during regular business hours, upon at least 72 hours prior written notice to Seller for the purpose of performing such Due Diligence. Buyer will undertake the Due Diligence at its sole cost and expense, except as provided in Section 9.2. Buyer will indemnify, defend with counsel reasonably acceptable to Seller, and hold Seller harmless from all claims (including claims of lien for work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees, and expenses, including Seller's reasonable attorney fees, costs, and expenses, arising from the acts or activities of Buyer or Buyer's Representatives in, on, or about the Property during or arising in connection with Buyer's inspections of the Property.

3.5.3. Assumption of Risk. Subject to the other provisions of this Agreement, Buyer agrees that, by its acceptance or waiver of the contingency in this Section 3.5, it assumes the risk that an adverse condition of the Property may not have been revealed or detected by Buyer by its own Due Diligence. On Buyer's acceptance or waiver of the contingency in this Section 3.5, Seller will have no obligation to repair, correct, or compensate Buyer for any condition of the Property, including defects in the Improvements, noncompliance with applicable laws and regulations,

including without limitation zoning laws, building codes, and the Americans with Disabilities Act, and subsurfaced environmental conditions whether or not such condition of the Property would have been disclosed by Buyer's Due Diligence.

3.6. Financing Contingency. Buyer's obligation to purchase the Property is conditioned on Buyer's obtaining, before the Contingency Date, a written commitment for a loan from \_\_\_\_\_ of at least \_\_\_\_\_ Dollars (\$\_\_\_\_\_), and including such other finance terms and conditions as Buyer may approve in its sole and absolute discretion. Buyer agrees to use commercially reasonable efforts to obtain such a written loan commitment during Due Diligence on or before the Contingency Date provided however, that Seller shall have no obligation to extend the Closing Date beyond the time as set forth in Section 7.2.2 to accommodate the funding of such a loan to pay the balance of the Purchase Price. Buyer must deliver written notice to Seller indicating whether the contingency set forth in this Section 3.6 has been met and waiving the Financing Contingency or terminating this Agreement. If Buyer fails to deliver such notice on or before the Contingency Date, then Buyer will be deemed to have elected to terminate this Agreement.

3.7. Termination for Failure of a Contingency. If this Agreement is terminated or deemed to be terminated for failure of a contingency set forth in this Article 3, then immediately on written notice from Buyer and Seller, Escrow Holder must refund the Deposit to Buyer, without offset for any charges or claims. Any cancellation fee or other costs of the Escrow Holder or the Title Company resulting from this termination for failure of a contingency will be borne equally by Seller and Buyer, and each party must pay its own expenses.

## ARTICLE 4

### SELLER'S PRECLOSING COVENANTS

4.1 No Amendments or Agreements. On or after the Effective Date, Seller will not (a) amend or waive any right under any Preliminary Document or (b) enter into any lease or amendment to the Loan or other agreement of any type affecting the Property that would survive the Closing Date, without Buyer's prior written consent. Before the Contingency Date, Buyer may not unreasonably withhold its consent under this Section 4.1; after the Contingency Date, however, Buyer will have sole discretion in all such matters.

4.2 Insurance. Through the Closing Date, Seller must maintain or cause to be maintained in full force and effect comprehensive general liability casualty and other insurance on the Property in an amount equal to the full replacement cost of the Improvements.

4.3 Maintenance and Operation. Seller, at its sole cost and expense, will cause the Property to be operated and maintained in substantially the same manner as has been the case before the Effective Date and must maintain and keep the Property such that on the Closing Date the Property is in at least as good condition and repair as on the Effective Date, reasonable wear and tear excepted. Seller may not authorize or make any material alterations to the Property without Buyer's prior written consent.

4.4 No Marketing. Upon the Effective date, Seller agrees not to market, show, or list the Property to any other prospective buyer during the term of this Agreement.

4.5 Access to Property. Buyer and Buyer's representatives, agents, and designees will have the right at all reasonable times until Closing to enter the Property as provided in Section 3.5.2.

4.6 Notification. Seller will promptly notify Buyer of any material change in any condition with respect to the Property or of any material event or circumstance that makes any representation or warranty of Seller under this Agreement untrue or misleading.

4.7 Estoppel Certificates. Seller agrees to use its best efforts to obtain the estoppel certificates described in Section 6.1.4.

## ARTICLE 5

### REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties. Seller hereby represents and warrants that each of the following is true as of the Effective Date and the Closing Date:

5.1.1. Organization; Authority. This Agreement and the performance of Seller's obligations under it and all documents executed by Seller that are to be delivered to Buyer at the Closing are, or on the Closing Date will be, duly authorized, executed, and delivered by Seller and are, or at the Closing Date will be, legal, valid, and binding obligations of Seller, and do not, and on the Closing Date will not, violate any provision of any agreement or judicial order to which Seller is a party or to which Seller or the Property is subject. No consent of any other administrative body, government agency, or other party is required for Seller to enter into or to perform Seller's obligations under this Agreement, except as has already been obtained. Seller is a California municipal corporation, validly existing, and in good standing under the laws of the State of California and is qualified to do business in the State of California.

5.1.2. No Violation of Law. To Seller's knowledge, Seller has received no written notice of any currently outstanding violations of any federal, state, county, or municipal law, ordinance, order, regulation, or requirement affecting the Property.

5.1.3. Litigation. To Seller's knowledge, Seller has not received any written notice of any existing or threatened litigation or proceeding involving the Property.

5.1.4. Preliminary Documents. To Seller's knowledge, the Preliminary Documents constitute all books, records, documents, agreements, contracts, reports, and other materials related to the Property that are in Seller's possession or control. To Seller's

knowledge, the Preliminary Documents are true, correct, and complete copies of what they purport to be.

5.1.5. No Condemnation. To Seller's knowledge, Seller has received no written notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the Property or any part of it, or any proceedings to declare the Property or any part of it a nuisance.

5.1.6. Hazardous Wastes. To Seller's knowledge, Seller has received no written notice of any Hazardous Materials located on, under, or about the Property, except as disclosed in the Preliminary Documents.

5.1.7. Foreign Person. Seller is not a foreign person and is a "United States Person" as that term is defined in §7701(a)(30) of the Internal Revenue Code of 1986, as amended.

5.1.8. Seller's Knowledge. As used in this Agreement, the phrase "Seller's knowledge" will be limited to the actual knowledge of \_\_\_\_\_, without duty of inquiry or investigation into the matter so qualified. "Seller's knowledge" will not be construed to refer to the knowledge of any other agent or employee or principal of Seller. \_\_\_\_\_ is the employee(s) of Seller with the primary responsibility for the matters that are the subject of these representations and warranties. \_\_\_\_\_ will have no personal liability to Buyer for any breach of any representation or warranty in this Agreement.

5.2 Buyer's Representations and Warranties. Despite anything to the contrary in this Agreement, Buyer hereby warrants and represents that each of the following is true as of the Effective Date and the Closing Date:

5.2.1. Due Authorization. This Agreement and the performance of Buyer's obligations under it and all the documents executed by Buyer that are to be delivered to Seller at the Closing are, or on the Closing Date will be, duly authorized, executed, and delivered by Buyer and are, or at the Closing Date will be, legal, valid, and binding obligations of Buyer, and do not, and on the Closing Date will not, violate any provisions of any agreement or judicial order to which Buyer is a party or to which Buyer or the Property is subject. No consent of any partner, shareholder, creditor, investor, judicial or administrative body, government agency, or other party is required for Buyer to enter into or to perform Buyer's obligations under this Agreement, except as has already been obtained. Buyer is a \_\_\_\_\_, validly existing, and in good standing under the laws of the State of \_\_\_\_\_ and is qualified to do business in the State of California.

5.2.2. USA Patriot Act Representation. To the Buyer's actual knowledge:

5.2.2.1. Neither Buyer nor its [partners, members, officers, directors, investors, or shareholders], nor any of their respective affiliates, is in violation of any federal or state anti-money laundering and anti-terrorism law.

5.2.2.2 Neither Buyer nor its partners, members, officers, directors, investors, or shareholders, nor any of their respective affiliates, is acting, directly or indirectly, on behalf of terrorists, terrorist organizations, or narcotics traffickers, including those persons or entities designated as a Specially Designated National pursuant to Executive Order 13224 of the President of the United States, dated September 23, 2001 (Executive Order), as amended, or that appear on the Annex to the Executive Order, or are included on any relevant lists maintained by the Office of Foreign Assets Control of U.S. Department of Treasury, U.S. Department of State, or other U.S. government agencies, all as may be amended from time to time (Government List).

5.2.2.3. Neither Buyer nor its partners, members, officers, directors, investors, or shareholders, nor any of their respective affiliates, in any capacity in connection with the purchase of Property (a) conducts any business or engages in making or receiving any contribution of funds, goods, or services to or for the benefit of any person included in a Government List, (b) deals in, or otherwise engages in any transaction relating to, the Property or interests in property blocked pursuant to the Executive Order, or (c) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any anti-money-laundering and anti-terrorism laws[.] provided that the preceding representation shall not apply to Buyer's shareholders if Buyer is a publicly traded company.

5.2.2.4. Neither Buyer, nor any person controlling or controlled by Buyer, is a country, territory, individual, or entity named on a Government List, and, to Buyer's actual knowledge, the monies used in connection with this Agreement and amounts committed with respect to this Agreement were not and are not derived from any activities that contravene any applicable anti-money-laundering or anti-bribery laws and regulations (including funds being derived from any person, entity, country, or territory on a Government List or engaged in any unlawful activity defined under 18 USC §1956(c)(7)).

5.2.3. Potential Tenant Relocation Claim

Buyer acknowledges that Seller is a municipal corporation and is subject to the provisions of State law (Government Code Sect 7200 et. seq.), relating to the relocation of tenants of property who may be displaced as a result of a public project. Nothing in this Agreement requires Buyer to displace any person who is in lawful possession of the Property or any portion thereof as

part of or public project, and nothing in this Agreement qualifies any person in lawful possession of the Property, or any portion thereof to assert any claim for relocation assistance against either Seller as a public entity or Buyer in connection with Seller's designation of the Property as surplus public property to Buyer for private use. Buyer agrees to indemnify defend and hold Seller harmless from any claim for the payment of relocation assistance arising from the displacement by Buyer of any person in lawful possession of their Property, or any part thereof where such claim accrues from a displacement of such a person by Buyer within ONE (1) year following the Closing Date. Seller shall reasonably cooperate with Buyer in the defense of any such claim for relocation assistance.

5.3 Effect of Representations and Warranties. Each representation and warranty in this Article 5 (a) is material and being relied on by the party to which the representation and warranty is made; (b) is true in all respects as of the Effective Date; (c) must be true in all respects on the Closing Date; and (d) will survive the Closing, except as otherwise provided in this Agreement.

5.4 Survival of Seller's Representations and Warranties and Limitation on Liability. The parties agree that (a) Seller's warranties and representations in this Agreement and in any document (including any estoppel or other certificate) executed by Seller under this Agreement with respect to the Property will survive for SIX (6) months after the Closing Date, and (b) if Buyer fails to provide written notice to Seller of any breach of such warranties or representations within SIX (6) after the Closing Date, Buyer will be deemed to have waived all claims for breach of any representations and warranties with respect to the Property. Buyer's sole remedy will be an action at law for damages as a consequence of such breach or termination of this Agreement under Section 9.4 and waiver of any further claims against Seller. In no event will Seller's liability for damages to Buyer after the Closing exceed the Purchase Price.

5.5 "As Is" Purchase. Subject to the approval or waiver of the Contingencies in Article 3, Seller's preclosing obligations under Article 4, the closing conditions in Article 6, and as a material inducement to Seller's execution and delivery of this Agreement and performance of its duties under this Agreement: EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, BUYER HAS AGREED TO ACCEPT POSSESSION OF THE PROPERTY ON THE CLOSING DATE ON AN "AS IS" BASIS. SELLER AND BUYER AGREE THAT THE PROPERTY WILL BE SOLD "AS IS, WHERE IS, WITH ALL FAULTS" WITH NO RIGHT OF SET-OFF OR REDUCTION IN THE PURCHASE PRICE, AND, EXCEPT AS SET FORTH IN SECTION 5.1 OF THIS AGREEMENT, SUCH SALE WILL BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING, WITHOUT LIMITATION, WARRANTY OF INCOME POTENTIAL, OPERATING EXPENSES, USES, MERCHANTABILITY, THE ABSENCE OF CONTAMINATING OR HAZARDOUS SUBSTANCES FROM THE PROPERTY OR FITNESS FOR A PARTICULAR PURPOSE), AND SELLER DISCLAIMS AND RENOUNCES ANY SUCH REPRESENTATION OR WARRANTY.

5.6 Release. Except as provided in Section 5.4, effective from and after the Closing, Buyer hereby waives, releases, acquits, and forever discharges Seller, and Seller's agents, directors,



officers, and employees to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or that may arise in the future because of or in any way growing out of or connected with this Agreement and the Property (including without limitation the Condition of the Property), except matters arising from Seller's fraud or intentional misrepresentation. BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE §1542, AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS AGREEMENT TO RELEASE SELLER.

Seller and Buyer have each initialed this Section 5.6 to further indicate their awareness and acceptance of each and every provision of this Agreement. The provisions of this Section 5.6 will survive the Closing.

Seller's Initials: \_\_\_\_\_

Buyer's Initials: \_\_\_\_\_

## ARTICLE 6

### CLOSING CONDITIONS

6.1 Buyer's Closing Conditions. All obligations of Buyer under this Agreement are subject to the fulfillment, before or at the Closing, of each of the following conditions (Buyer's Closing Conditions). Buyer's Closing Conditions are solely for Buyer's benefit and any or all of Buyer's Closing Conditions may be waived in writing by Buyer in whole or in part without prior notice.

6.1.1. Title. It is a Buyer's Closing Condition that, on the Closing Date, Seller convey to Buyer marketable fee simple title to the Real Property by execution and delivery of a grant deed in the form attached to this Agreement as Exhibit B (Deed) and cause to be delivered to Buyer from the Title Company an ALTA ([B 1970 Form, as amended/June 1, 1987, Form]) ALTA Owner's Coverage Policy of Title Insurance with liability in the full amount of the Purchase Price, insuring title to the Real Property in Buyer, subject only to the Permitted Exceptions, together with such endorsements described below or as may be reasonably requested by Buyer (the "Title Policy"). The Title Policy must also include such endorsements or guaranties as Buyer may request. Seller must deliver to the Title Company such instruments, documents, releases, and agreements and must perform such other acts as Title Company may reasonably require in order to issue the Title Policy. Indemnification of the Title Company to induce it to insure any otherwise unpermitted exception to title will not be allowed except with Buyer's prior written consent after full disclosure to Buyer of the nature and substance of such exception and indemnity,

which consent will not be unreasonably withheld by Buyer for exceptions not material to marketable title to the Real Property.

6.1.2. Personal Property Liens. Buyer must have received a certified report, with copies of all documents, satisfactory to Buyer and Buyer's counsel, from the Title Company or a reputable lien search company indicating that there are no personal property liens of record on file with the Secretary of State of California, other than those that will be discharged at the Closing, as of a date no more than TEN 10 business days before the Closing Date, and a confirmation dated no more than THREE 3 business days before the Closing Date that no further liens have been filed since the date of the certified report. Also, Buyer must have received a verified report, satisfactory to Buyer from the Title Company or a reputable lien search company, indicating that there are no federal or state tax liens of record against the Property and on file with the respective agencies as of a date no more than TEN 10 business days before the Closing Date.

6.1.3. Seller's Representations, Warranties, and Covenants. The representations and warranties of Seller in this Agreement must be true in all material respects on and as of the Closing Date with the same effect as if such representations and warranties had been made on and as of the Closing Date. Seller must have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date. Buyer must have been furnished with a certificate of Seller dated as of the Closing Date, certifying to the fulfillment of the foregoing conditions. Such certificate will have the effect of a representation and warranty of Seller made on and as of the Closing Date.

6.1.4. Tenant Estoppel Certificates. At least FIVE (5) days before the Closing Date, Seller must have delivered to Buyer for its approval an updated Rent Roll dated no earlier than TEN (10) days before the Closing Date (Updated Rent Roll). At least FIVE (5) days before the Closing Date, Seller must have delivered to Buyer an estoppel certificate from each tenant of the Property in the form attached to this Agreement as Exhibit C (the "Tenant Estoppel Certificates"), dated no earlier than TEN (10) days before the Closing Date. The Tenant Estoppel Certificates must contain no material discrepancies from the Updated Rent Roll, constitute an attornment by such tenant to Buyer and a consent to the assignment of the lease to Buyer. Despite any provisions in this Agreement to the contrary, Buyer will have until the end of the day before the Closing Date to disapprove the Updated Rent Roll and Tenant Estoppel Certificates.

6.1.5. Financing. The financing that Buyer must obtain as described in Section 3.6, above, will be ready to close, and the lender that has committed to provide such financing (the "New Lender") must be ready to disburse the funds into Escrow as described in Section 7.4.1, subject to no conditions other than conveyance of the Property by Seller to Buyer.

6.1.6. Closing Documents. Seller must have delivered to Escrow the documents and funds it is required to deliver through Escrow at Closing.

6.1.7. Physical Condition. The physical condition of the Property must be substantially the same on the Closing Date as on the Effective Date, reasonable wear and tear excepted.

6.1.8. Adverse Actions. There will exist no actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings, pending or threatened, against Seller or regarding the Property that would materially and adversely affect Seller's ability to perform its obligations under this Agreement or Buyer's title to the Property, and there will exist no pending or threatened action, suit, or proceeding regarding the Seller before or by any court or administrative agency that seeks to restrain or prohibit, or to obtain damages or a discovery order with respect to, this Agreement or the consummation of the transactions contemplated by this Agreement.

6.1.9. Hazardous Material. No Hazardous Materials will have been discovered on the Property after the Contingency Date that were not previously disclosed to Buyer or discovered by Buyer before the Contingency Date.

6.1.10. No Material Changes. No event will have occurred nor will any condition have arisen after the Contingency Date that as of the Closing Date materially and adversely affects all or any part of the Property or its current or prospective operation, use, value, income, expenses, or occupancy.

6.1.11. Consents. All necessary agreements and consents of all parties to consummate the transaction contemplated by this Agreement will have been obtained and furnished by Seller to Buyer.

6.2. Seller's Closing Conditions. Seller's obligation to sell the Property is expressly conditioned on the fulfillment of each condition precedent at or before the Closing (Seller's Closing Conditions). Seller's Closing Conditions are solely for Seller's benefit and any of Seller's Closing Conditions may be waived in writing by Seller in whole or in part without prior notice.

6.2.1. Approval of Contingencies. It is a Seller's Closing Condition that Buyer must have acknowledged its approval or waiver of all contingencies as required under Article 3.

6.2.2. Purchase Price. Buyer must have delivered the Purchase Price to Escrow.

6.2.3. Delivery of Closing Documents and Funds. Buyer must have delivered to Escrow the documents and funds specified in Section 7.4.

6.2.4. Buyer's Representations, Warranties, and Covenants. The representations and warranties of Buyer in this Agreement must be true in all material respects on and as of the Closing Date with the same effect as if such representations and warranties had been made on and as of the Closing Date. Buyer must have performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date. Seller must have been furnished with a certificate of Buyer dated as of the Closing Date, certifying to the fulfillment of the foregoing conditions. Such certificate will have the effect of a representation and warranty of Buyer made on and as of the Closing Date.

6.3. Termination for Failure of a Condition. If Buyer's Closing Conditions or Seller's Closing Conditions, as the case may be, have not been previously approved or waived, this Agreement may be terminated by the party in whose favor the Closing Condition runs by written notice to the other. If this Agreement is so terminated, the parties will have no further obligation or liability under this Agreement, except as provided in Article 9 and this Section 6.3. Any cancellation fee or other costs of the Escrow Holder and Title Company will be borne equally by Seller and Buyer and each party will pay its own expenses.

## ARTICLE 7

### CLOSING

7.1 Escrow. The Escrow will be opened with the Escrow Holder on the full execution of this Agreement by both the Buyer and the Seller. Buyer and Seller will promptly on the Escrow Holder's request execute such additional Escrow instructions as are reasonably required by the Escrow Holder to consummate the transaction contemplated by this Agreement and are not inconsistent with this Agreement.

#### 7.2 Closing Definitions.

7.2.1. Definition. The "Closing" means the exchange of money and documents as described in this Article 7, and will be deemed to have occurred when Seller's Deed to Buyer has been recorded, the Escrow Holder holds and can record and deliver the remaining documents described in this Article 7, the Title Company is irrevocably and unconditionally committed to issue the Title Policy, and Buyer has delivered the Purchase Price in immediately available funds to Escrow Holder.

7.2.2. Closing Date. Seller and Buyer agree that the Closing will occur on the "Closing Date." The Closing Date will be a date mutually agreeable to Buyer and Seller that is no later than THIRTY (30) days after the Contingency Date. If the Closing has not occurred within the later of THIRTY (30) days after the Contingency Date or December \_\_, 2014 for any reason then subject to Section 6.3 either party may elect to terminate this Agreement, the Deposit will be returned to Buyer, and neither party will have any further obligation to the other except on

account of any breach of this Agreement. The Closing will be at the offices of Escrow Holder or such other place as the parties may agree.

7.3 Seller's Deposit of Documents and Funds. Seller must deposit into Escrow the following documents duly executed by Seller in form and substance reasonably satisfactory to Buyer:

7.3.1. Deed. The duly executed and acknowledged Deed conveying the Property to Buyer subject only to the Permitted Exceptions;

7.3.2. Bill of Sale. A duly executed bill of sale conveying the Personal Property to Buyer free and clear of liens, encumbrances, and restrictions of every kind and description (Bill of Sale);

7.3.3. Lease Assignment. A duly executed assignment of Leases, in the form attached to this Agreement as Exhibit D, assigning to Buyer Seller's interest as lessor in all the Leases (Lease Assignment);

7.3.4. Nonforeign Certification. Certificates required by §1445 of the Internal Revenue Code of 1986, and the California Revenue and Taxation Code §18662, executed by Seller and in a form satisfactory to Buyer (Nonforeign Certification), to relieve Buyer of any potential transferee's withholding liability under such statutes;

7.3.5. Additional Documents. Such additional documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable to convey the Property in accordance with this Agreement.

7.4 Buyer's Deposit of Documents and Funds. Buyer must deposit into Escrow the following funds and documents duly executed by Buyer in form and substance reasonably satisfactory to Seller:

7.4.1. Purchase Price. The Purchase Price in accordance with Article 2, plus or minus applicable prorations.

7.4.2. Lease Assignment. A duly executed assignment of Leases, in the form attached to this Agreement as Exhibit C, by which Buyer assumes Seller's interest as lessor in all the Leases (Lease Assignment);

7.4.3. Buyer's Proof of Power and Authority. Such proof of Buyer's authority and authorization to enter into and perform under this Agreement, and such proof of power and authority of the individuals executing or delivering any instruments, documents, or certificates on behalf of Buyer to act for and bind Buyer, as may reasonably be required by Seller and the Escrow Holder; and

7.4.4. Conveyance Documents. Such documents, including written Escrow instructions consistent with this Agreement, as may be necessary or desirable for conveyance of the Property in accordance with this Agreement.

7.5 Closing. When the Escrow Holder receives all documents and funds identified in Sections 7.3 and Section 7.4, and the Title Company is ready, willing, and able to issue the Title Policy, then, and only then, the Escrow Holder will close Escrow by:

7.5.1. Recording the Deed;

7.5.2. Issuing the Title Policy to Buyer;

7.5.3. Delivering to Buyer the Assignment, the Bill of Sale, the Updated Rent Roll, the original Leases, the Tenant Estoppel Certificates, the Nonforeign Certification, copies of all recorded documents related to the transfer or encumbering of the Property, and a copy of Seller's Escrow instructions; and

7.5.4. Paying the Purchase Price to Seller, plus or minus prorations under Section 7.7.

7.5.5. Thereafter, Escrow Holder will deliver signed closing statements showing all receipts and disbursements to Buyer and Seller and will file with the Internal Revenue Service (with copies to Buyer and Seller) the reporting statement required under Internal Revenue Code §6045(e).

7.6 Deliveries Outside Escrow. Seller agrees to deliver the following to Buyer outside Escrow within FIVE (5) business days after Closing:

7.6.1. Letters in form and substance satisfactory to Buyer, signed, and stamped by Seller and addressed to each tenant at the Property, stating that the Property has been sold to Buyer and that all rents should be paid to Buyer after the Closing Date (the "Tenant Notices");

7.6.2. The Updated Rent Roll current through the day before the Closing Date;

7.6.3. The original Leases.

7.7 Prorations. All receipts and disbursements of the Property will be prorated as of 11:59 p.m. on the day immediately preceding the Closing Date and the Purchase Price will be adjusted on the following basis:

7.7.1. Property Rents.

a. Collected Rents. All rents collected by Seller under the Leases in effect on the Closing Date, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Collected

Rents) will be prorated as of the Closing by charging Seller and crediting Buyer for any Collected Rents applicable to periods after the Closing.

b. Delinquent Rents. All unpaid rents that are due and owed to Seller under the Leases in effect on the Closing Date, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Delinquent Rents) will not be prorated and will remain the property of Seller. Buyer must deliver any Delinquent Rents received by Buyer to Seller, less the actual costs of collection, on the condition that Buyer will apply all rent received from tenants under the Leases first to any obligations arising under the Leases after the Closing and Buyer will then apply the balance, if any, to the Delinquent Rents. Seller will have the right to collect Delinquent Rents, at Seller's sole cost and expense, on the condition that Seller will have no right to cause the eviction of, and Buyer will have no obligation to evict, any tenants owing Delinquent Rents.

c. Payable Rents. All unpaid rents that have accrued under the Leases in effect on the Closing Date but that are not due and payable as of the Closing, including rents on account of operating cost pass-throughs, percentage rents, and other charges paid by tenants (Payable Rents), will be prorated as of the Closing by charging Buyer and crediting Seller for any Payable Rents applicable to periods before the Closing, as mutually agreed on by the parties not less than FIVE (5) days before the Closing Date.

7.7.2. Security Deposits. At Closing, Buyer will be credited and Seller will be charged with the amount of all security deposits received under the Leases in effect as of the Closing.

7.7.3. Capital Expenditures and Accounts Payable. All capital and other improvements (including labor and material) that are performed or contracted for, by or on behalf of Seller before the Closing Date, and all sums due for accounts payable that were owed or incurred by the Property before the Closing Date, must be paid by Seller.

7.7.4. Property Taxes. All real and personal property ad valorem taxes and special assessments, if any, whether payable in installments or not, including without limitation all supplemental taxes attributable to the period before the Closing Date for the calendar year in which the Closing occurs will be prorated to the Closing Date, based on the latest available tax rate and assessed valuation.

7.7.5. Utility Charges. To the extent payable by Seller, charges for utilities, including water and sewer will be prorated within THIRTY (30) days after the Closing Date based on the then most recent bills for such services.

7.8 Closing Costs. Closing costs will be allocated as follows:



7.8.1. Seller will pay all costs associated with removing any debt encumbering the Property;

7.8.2. Escrow costs will be shared equally by Seller and Buyer;

7.8.3. Seller will pay the cost of the Title Policy;

7.8.4. Buyer will pay the cost of recording the Deed;

7.8.5. Buyer will pay any sales tax; and

7.8.6. The documentary transfer tax will be paid by the Buyer.

7.9 Broker's Commission; Indemnity. Under separate agreement, Seller must pay COLLIERS INTERNATIONAL LLC (the "Broker") for its services as broker in this transaction. Neither party has had any contact or dealings regarding the Property, or any communication in connection with the subject matter of this transaction, through any licensed real estate broker or person, other than the Broker, who can claim a commission or finder's fee as a procuring cause of the sale contemplated in this Agreement. If any other broker or finder perfects a claim for a commission or finder's fee based on any contract, dealings, or communication with a party (the "Indemnifying Party"), then the Indemnifying Party must indemnify, defend, and hold the other party (the "Nonindemnifying Party") harmless from all costs and expenses (including reasonable attorney fees and costs of defense) incurred by the Nonindemnifying Party in connection with such claim.

7.10 Possession. Seller will deliver exclusive right of possession of the Property to Buyer on the Closing Date, subject only to the possessory interest of tenants under the Leases.

## ARTICLE 8

### RISK OF LOSS

8.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain of the Property or any portion of it, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("Condemnation") and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the Improvements, or reduce or eliminate access to the Property, then Buyer may either (a) terminate this Agreement or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Buyer will be entitled to keep, all awards for the Condemnation that accrue to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Buyer's written consent. Seller must notify Buyer of any notice of Condemnation of all or any portion of the Property within FIVE (5) days after the receipt of this notice, and Buyer must exercise its Irrevocable Election Under Section 8.1(a) or Section 8.1(b) as

within TEN (10) days after receipt of such notice. If necessary, the Closing Date will be extended to give Buyer the full TEN (10) day period to make such irrevocable election as provided in the preceding sentence.

8.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Property, or any portion of it, will have occurred that results in an Uninsured Loss of FIVE THOUSAND Dollars (\$5,000) or less, then at the Closing Seller must assign to Buyer the right to collect any Insurance Proceeds with respect to such loss and give Buyer a credit against the Purchase Price in the amount of such Uninsured Loss. If such damage or destruction results in an Uninsured Loss of more than FIVE THOUSAND Dollar amount (\$5,000), then within FIVE (5) days after determination of the amount of the Insurance Proceeds Seller must elect either (a) to give Buyer a credit for the entire amount of such Uninsured Loss or assign to Buyer the right to collect any Insurance Proceeds with respect to such loss, or (b) to terminate this Agreement. Despite any such damage or destruction, the Purchase Price for the Property will not be reduced except by the credit alternative referred to above. For purposes of this Section 8.2, Uninsured Loss is the difference between (i) the sum of the actual cost necessary for the Seller to fully repair such damage and destruction, as determined by a qualified insurance adjuster selected by the insurance carrier providing insurance for the Property, and (ii) the total amount of Insurance Proceeds, which are the proceeds from any and all insurance with respect to the Property and/or to such loss, including without limitation fire and casualty and liability insurance. Uninsured Losses may arise because of self-insurance, deductible amounts under policies, proceeds of policies insufficient to cover the loss, risks not insured for, or otherwise. If any damage to or destruction of the Property occurs, the Closing Date will be extended until the amount of the Insurance Proceeds is determined and Seller has made any election permitted under this Section 8.2.

## ARTICLE 9

### REMEDIES FOR DEFAULT

9.1 Buyer's Default. Buyer will be deemed to be in default under this Agreement (1) if Buyer fails, for any reason other than Seller's default under this Agreement or the failure of a condition precedent to Buyer's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (2) if a material breach of any representation or warranty (made by Buyer) has occurred by reason of Buyer's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Seller has given Buyer written notice of this Agreement, describing the nature of the default, and Buyer has failed to cure such default within FIVE (5) days after the receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.2 REMEDIES FOR BUYER'S DEFAULT. IF THE CLOSING FAILS TO OCCUR BECAUSE OF BUYER'S DEFAULT UNDER THE TERMS OF THIS AGREEMENT, BUYER WILL BE RESPONSIBLE FOR ALL CANCELLATION CHARGES REQUIRED TO BE PAID TO ESCROW HOLDER AND ANY ESCROW CHARGES. IN ADDITION, THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES WILL

TERMINATE AND THE DEPOSITS WILL BE IMMEDIATELY DELIVERED BY ESCROW HOLDER TO SELLER ON SELLER'S REQUEST. THE DEPOSITS WILL BE DEEMED LIQUIDATED DAMAGES FOR BUYER'S NONPERFORMANCE AS SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST BUYER (INCLUDING, WITHOUT LIMITATION, SELLER'S RIGHTS TO SEEK SPECIFIC PERFORMANCE OF THIS AGREEMENT AND TO RECEIVE DAMAGES) FOR BUYER'S FAILURE TO PURCHASE THE PROPERTY, WHICH SUMS WILL BE PRESUMED TO BE A REASONABLE ESTIMATE OF THE AMOUNT OF ACTUAL DAMAGES SUSTAINED BY SELLER BECAUSE OF BUYER'S BREACH OF ITS OBLIGATION TO PURCHASE THE PROPERTY. FROM THE NATURE OF THIS TRANSACTION, IT IS IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES THAT SELLER WOULD SUSTAIN IF BUYER BREACHES SUCH OBLIGATION. THE IMPRACTICABILITY AND DIFFICULTY OF FIXING ACTUAL DAMAGES IS CAUSED BY, WITHOUT LIMITATION, THE FACT THAT THE PROPERTY IS UNIQUE. GIVEN THE FOREGOING FACTS, AMONG OTHERS, BUYER AND SELLER AGREE THAT LIQUIDATED DAMAGES ARE PARTICULARLY APPROPRIATE FOR THIS TRANSACTION AND AGREE THAT SAID LIQUIDATED DAMAGES MUST BE PAID IN THE EVENT OF BUYER'S BREACH OF ITS OBLIGATION TO PURCHASE THE PROPERTY, DESPITE ANY WORDS OR CHARACTERIZATIONS PREVIOUSLY USED OR CONTAINED IN THIS AGREEMENT IMPLYING ANY CONTRARY INTENT. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE §3275 OR §3369 BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER UNDER CALIFORNIA CIVIL CODE §§1671, 1676, AND 1677. NOTHING IN THIS AGREEMENT WILL, HOWEVER, BE DEEMED TO LIMIT BUYER'S LIABILITY TO SELLER FOR DAMAGES OR INJUNCTIVE RELIEF FOR BREACH OF BUYER'S INDEMNITY OBLIGATIONS UNDER SECTION 3.5.2, OR FOR ATTORNEY FEES AND COSTS AS PROVIDED IN SECTION 10.10.

WE ACKNOWLEDGE THIS LIQUIDATED DAMAGES PROVISION:

SELLER'S INITIALS: \_\_\_\_\_

BUYER'S INITIALS: \_\_\_\_\_

9.3 Seller's Default. Seller will be deemed to be in default under this Agreement (1) if Seller fails, for any reason other than Buyer's default under this Agreement or the failure of a condition precedent to Seller's obligation to perform under this Agreement, to meet, comply with, or perform any covenant, agreement, or obligation required on its part within the time limits and in the manner required in this Agreement, or (2) if a material breach of any representation or warranty (made by Seller) has occurred because of Seller's actual fraud or intentional misrepresentation; provided, however, that no such default will be deemed to have occurred unless and until Buyer has given Seller written notice of the default, describing its nature, and Seller has failed to cure such default within FIVE (5) days after receipt of such notice (but in any event before the Closing Date, unless such default occurs after Closing).

9.4 Remedies for Seller's Default. If Seller defaults in its obligations under this Agreement to sell the Property to Buyer on the Closing Date through no fault of Buyer, then Buyer at its option may have the right to specific performance of this Agreement or the right to recover the Deposit and all of its general and specific damages. If, after the Closing Date, Buyer determines that Seller has breached any representation or warranty set forth in Article 5, then Buyer will have the right to bring an action for general and specific damages to Buyer. If this Agreement is terminated before the Closing Date for Seller's default, then, in addition to any remedy Buyer has under this Agreement, Seller will reimburse Buyer for the costs incurred by Seller in conducting its Due Diligence.

9.5 WAIVER OF RIGHT TO SPECIFIC PERFORMANCE. IF SELLER FAILS TO CONVEY THE PROPERTY TO BUYER IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT, AND SUCH FAILURE CONSTITUTES A DEFAULT UNDER THIS AGREEMENT, THEN BUYER WILL BE ENTITLED TO THE RETURN OF THE DEPOSIT AND ALL INTEREST ACCRUED ON THAT DEPOSIT WHILE IN ESCROW, BUT BUYER WILL NOT HAVE THE RIGHT TO RECEIVE ANY EQUITABLE RELIEF, INCLUDING WITHOUT LIMITATION THE RIGHT TO RECORD A LIS PENDENS AGAINST THE PROPERTY UNDER APPLICABLE LAW OR TO PURSUE THE SPECIFIC PERFORMANCE OF THIS AGREEMENT, BUT BUYER WILL HAVE THE RIGHT TO PURSUE AN ACTION FOR DAMAGES AGAINST SELLER RELATIVE TO SUCH DEFAULT. SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THIS SECTION 9.4 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

Seller's Initials: \_\_\_\_\_

Buyer's Initials: \_\_\_\_\_

## ARTICLE 10

### GENERAL

10.1 Notices. Any notices relating to this Agreement must be given in writing and will be deemed sufficiently given and served for all purposes when delivered personally, by generally recognized overnight courier service, by facsimile (provided that sender retains a printed confirmation of delivery to the facsimile number provided below), or THREE (3) days after deposit in the United States mail certified or registered, return receipt requested, with postage prepaid, addressed as follows:

SELLER  
CITY OF SAN FERNANDO  
CITY HALL  
117 Macneil Street  
San Fernando, CA 91340  
Attn: City Manager

BUYER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ESCROW HOLDER

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Either party may change its address by written notice to the other given in the manner set forth above.

10.2 Entire Agreement. This Agreement and all exhibits referred to in this Agreement constitute the complete, exclusive, and final statement of the terms of the agreement with respect to the sole property between buyer and seller and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement specifically supersedes any prior written or oral agreements between the parties. The language in all parts of this Agreement will be construed as a whole in accordance with its fair meaning and without regard to California Civil Code §1654 or similar statutes. Neither party has been induced to enter into this Agreement by, and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

10.3 Amendments and Waivers. No addition to or modification of this Agreement will be effective unless it is made in writing and signed by the party against whom the addition or modification is sought to be enforced. The party benefited by any condition or obligation may waive the same, but such waiver will not be enforceable by another party unless it is made in writing and signed by the waiving party.

10.4 Invalidity of Provision. If any provision of this Agreement as applied to either party or to any circumstance is adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, this fact will in no way affect (to the maximum extent permissible by law) any other provision of this Agreement, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of this Agreement as a whole.

10.5 No Merger. This Agreement, each provision of it, and all warranties and representations in this Agreement will survive the Closing and will not merge in any instrument conveying title to Buyer. All representations, warranties, agreements, and obligations of the parties will, despite any investigation made by any party to this Agreement, survive Closing, and the same will inure to the benefit of and be binding on the parties' respective successors and assigns.

10.6 References. Unless otherwise indicated, (a) all article and section references are to the articles and sections of this Agreement, and (b) except where otherwise stated, all references to days are to calendar days. Whenever under the terms of this Agreement the time for performance of a covenant or condition falls on a Saturday, Sunday, or California state holiday, such time for performance will be extended to the next business day. "Business Days" means days other than Saturday, Sunday, and California state holidays. The headings used in this Agreement are provided for convenience only and this Agreement will be interpreted without reference to any headings. The date of this Agreement is for reference purposes only and is not necessarily the date on which it was entered into.

10.7 Governing Law. This Agreement will be governed by the laws of the State of California applicable to contracts made by residents of the State of California and to be performed in California.

10.8 Time. Time is of the essence in the performance of the parties' respective obligations under this Agreement.

10.9 Attorney Fees. In the event of any action or proceeding to enforce a term or condition of this Agreement, any alleged disputes, breaches, defaults, or misrepresentations in connection with any provision of this Agreement or any action or proceeding in any way arising from this Agreement, including any interpleader of the Deposit by the Escrow Holder, the prevailing party in such action, or the nondismissing party when the dismissal occurs other than by a settlement, will be entitled to recover its reasonable costs and expenses, including without limitation reasonable attorney fees and costs of defense paid or incurred in good faith. The "prevailing party," for purposes of this Agreement, will be deemed to be that party who obtains substantially the result sought, whether by settlement, dismissal, or judgment.

10.10 Assignment. This Agreement will inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns. Buyer will have the right to assign all or any portion of its interest in this Agreement, provided that Buyer gives written notice of such assignment to Seller before the Closing Date.

10.11 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party to this Agreement or give any third person any right of subrogation or action over against any party to this Agreement.

10.12 Remedies Cumulative. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party.

10.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

10.14 Interpretation. Throughout this Agreement, (a) the plural and singular numbers will each be considered to include the other; (b) the masculine, feminine, and neuter genders will each be considered to include the others; (c) “shall,” “will,” “must,” “agrees,” and “covenants” are each mandatory; (d) “may” is permissive; (e) “or” is not exclusive; and (f) “includes” and “including” are not limiting.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date, as evidenced by the signature of the individuals whose names appear below. This Agreement shall have no force or effect unless it has been fully executed by the parties and such full execution has occurred within FIFTEEN (15) days following the close of the public hearing of the City Council referenced in RECITAL PARAGRAPH E, of this Agreement.

BUYER

[Name of Buyer Here]

Date: \_\_\_\_\_

By: \_\_\_\_\_  
[Print Name of Buyer Here]

SELLER

CITY OF SAN FERNANDO

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Brian Saeki  
City Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Rick R. Olivarez  
City Attorney



### CONSENT OF ESCROW HOLDER

Title Insurance Company (Escrow Holder) accepts the foregoing Purchase and Sale Agreement and Joint Escrow Instructions as escrow instructions, agrees to act as escrow holder and agrees to be bound by their provisions applicable to it as Escrow Holder.

Date: \_\_\_\_\_

ESCROW HOLDER

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

Its: \_\_\_\_\_

## TABLE OF EXHIBITS

Exhibit A	Legal Description of the Land
Exhibit B	Form of Grant Deed
Exhibit C	Form of Tenant Estoppel Certificates
Exhibit D	Form of Assignment of Leases

**ATTACHMENT "C"****RESOLUTION NO. 2011-03****A RESOLUTION OF THE PLANNING AND PRESERVATION COMMISSION OF THE CITY OF SAN FERNANDO FINDING THAT THE SALE OF CITY-OWNED PARCELS AT 519 SOUTH BRAND BOULEVARD AND 1211 FIRST STREET CONFORMS TO THE CITY OF SAN FERNANDO GENERAL PLAN**

WHEREAS, the City of San Fernando plans to sell city-owned parcels identified by the Los Angeles County Assessors as Assessors Parcel Number 2522-012-900 (519 South Brand Boulevard) and Assessors Parcel Number 2520-024-902) at 1211 First Street.

WHEREAS, the Planning and Preservation Commission is required to find that the potential sale of the subject city-owned parcels at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) conforms to the City of San Fernando General Plan.

WHEREAS, pursuant to Government Code Section 65402, the Planning and Preservation Commission has considered all of the evidence presented in connection with the project, written and oral at the public hearing held on the 1st day of February 2011 at 7:00 p.m. in the City Hall Council Chambers, 117 Macneil Street, San Fernando, California and that a notice of time, date, place and purpose of the aforesaid hearing was duly given to consider the conformance of the potential sale of city-owned properties at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) to the city's general plan.

NOW, THEREFORE, BE IT RESOLVED that the Planning and Preservation Commission finds as follows:

SECTION 1: The City of San Fernando is proposing to sell city-owned parcels at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) as depicted on the maps attached as Exhibits "A" and "B" which is incorporated herein by this reference;

SECTION 2: The potential sale of each city property has been reviewed for compliance with the California Environmental Quality Act (CEQA). Based on that assessment, it has been determined that the proposed sale of city-owned parcels at 519 South Brand Boulevard and 1211 First Street would not change the existing underlying zoning for each property nor the general plan commercial land use designations for these parcels. Subsequent to any sale, these properties would continue to be operated as commercial parcels with the same requirements for commercial land uses permitted or conditionally permitted under the city's zoning regulations. Based on such assessment, it has been determined that the continued occupancy of similar and compatible commercial land uses of each city owned parcel is Categorically Exempt under Class 1 (Existing Facilities) of San Fernando's CEQA Guidelines, and no further environmental assessment is necessary;

SECTION 3: Pursuant to Government Code Section 65402, the Planning Commission held a duly-noticed public hearing regarding the proposed sale of city-owned parcels at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) as depicted on the maps attached as Exhibits "A" and "B" and attached hereto to conform to the City of San Fernando General Plan; and,

SECTION 4: After receiving evidence, both written and oral, the Planning Commission hereby finds that the potential sale of city-owned parcels at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) as noted in attached Exhibits "A" and "B" conforms to the City of San Fernando General Plan based on the following:

1. The subject city property at 519 South Brand Boulevard includes one 51 feet wide by 133.45 feet deep city-owned parcel with a total area of 6,804 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 2826 square feet in size) in 1955. The subject property is located in the westerly portion of the 500 block of South Brand Boulevard, between Kewen Street to the South and Hollister Street to the North, within the city's C-1 (Limited Commercial) zone. The subject site is a through lot with street frontages along South Brand Boulevard and Carlisle Street. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the San Fernando Cultural Arts & History Museum. On January 5, 2005, the San Fernando Cultural Arts & History Museum entered into a multi-year lease agreement which expired on January 4, 2011. Currently, the museum operates at the subject property on a month-to-month lease.

The subject city property at 1211 First Street includes one city-owned parcel with a total area of 14,200 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 2884 square feet in size) in 1957. The subject property is located in the northerly portion of the 1200 block of First Street, between Alexander Street to the West and Hagar Street to the East, within the city's C-2 (Commercial) zone. The subject site is an irregular shaped lot with street frontage along First Street and alley access along the site's northernmost boundary line. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the Mauran Ambulance Services Inc. On April 3, 1995, Mauran Ambulance Services Inc. entered into a multi-year lease agreement with the city, which is set to expire on March 31, 2011. Subsequent to the lease expiration date, the ambulance company will be operating at the subject property on a month-to-month lease unless a new lease agreement is approved by the city.

2. The proposed sale of city-owned parcels at 519 South Brand Boulevard (APN 2522-012-900) and 1211 First Street (APN 2520-024-902) would not change the existing underlying C-1 (Limited Commercial) and C-2 (Commercial) zoning for each respectively, nor would it change the general plan commercial land use designations for

these parcels. These properties would continue to be operated as commercial parcels, which allow for the ongoing operation of service commercial land uses such as museums and ambulance companies as well as additional commercial land uses permitted or conditionally permitted under the city's zoning regulations. The sale of these city-owned properties are consistent with the purpose of C-1 and C-2 zoned properties which seek to provide a range of goods and services that encourage maximum efficiency of the commercial areas while ensuring ongoing protection of nearby properties and property values. (City Code Sections 106-486 and 106-516.)

SECTION 5: The Secretary shall certify to the adoption of this resolution and shall transmit copies of the same to the members of the San Fernando City Council and to the City Clerk.

PASSED, APPROVED AND ADOPTED this 1st day of February 2011.

  
CONO RIZZO, CHAIRPERSON

ATTEST:

  
PAUL DEIBEL, SECRETARY TO THE PLANNING  
AND PRESERVATION COMMISSION

STATE OF CALIFORNIA     )  
COUNTY OF LOS ANGELES   ) ss  
CITY OF SAN FERNANDO     )

I, PAUL DEIBEL, Secretary to the Planning and Preservation Commission of the City of San Fernando, do hereby certify that the foregoing Resolution was duly adopted by the Planning and Preservation Commission and signed by the Chairperson of said City at a meeting held on the 1st day of February 2011; and that the same was passed by the following vote, to wit:

AYES:           5 – R. Montañez, A. Lopez, J. Cuellar, B. Rizzo, and M. Rodriguez

NOES:           0 - None

ABSENT:        0 - None

ABSTAIN:       0 - None

  
PAUL DEIBEL, SECRETARY TO THE PLANNING AND  
PRESERVATION COMMISSION

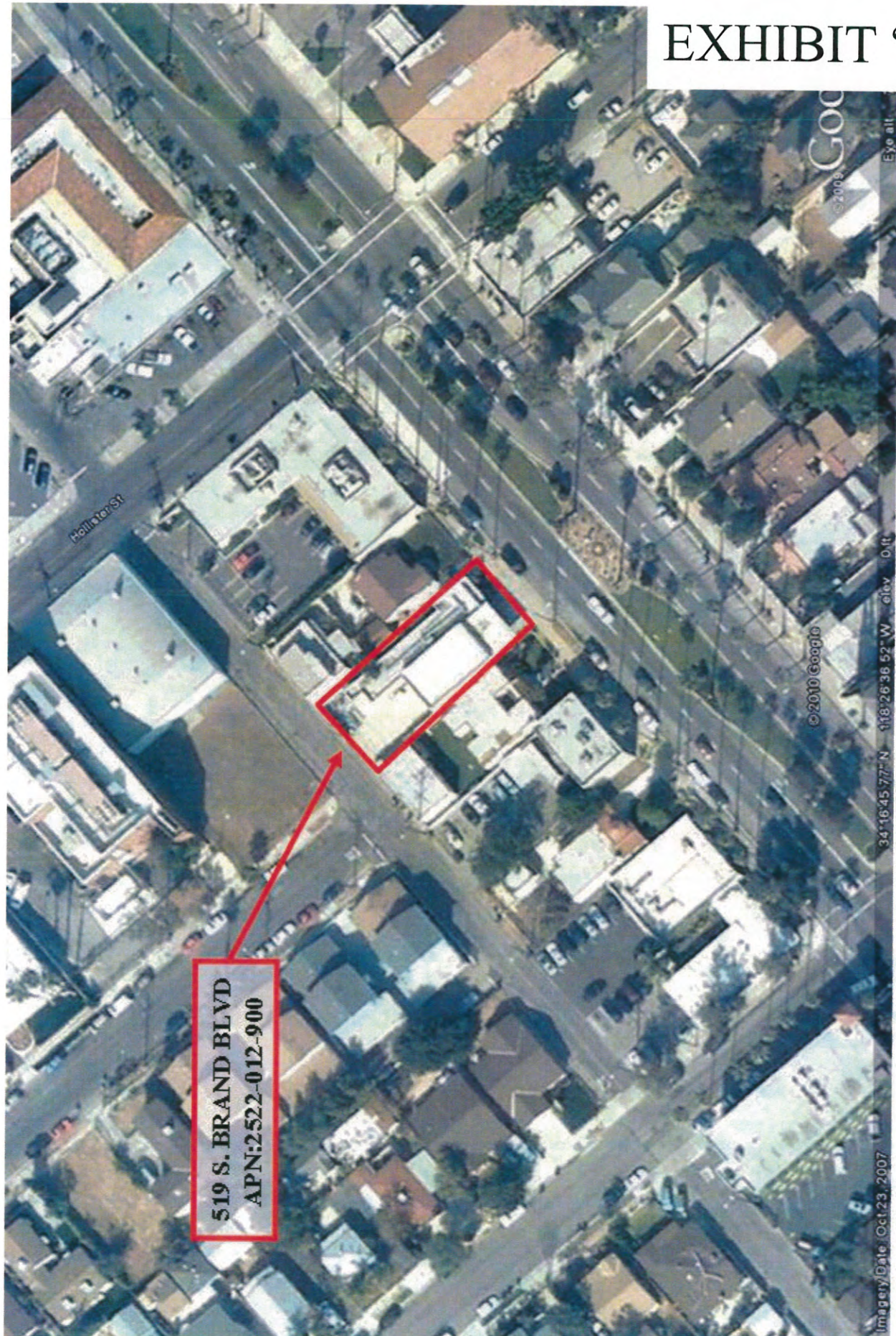


## EXHIBIT "B"





## EXHIBIT "A"



AERIAL MAP  
519 SOUTH BRAND BOULEVARD



FOR SALE

519 S. BRAND BLVD.

SAN FERNANDO, CALIFORNIA



Building at \$140.41 PSF



Excellent location &amp; condition



Rare small building for sale



4 ground level doors



City of San Fernando



6 offices, kitchen, and 2 shower stalls



BRENT WEIRICK  
 LICENSE NO. 00954803  
 +1 818 325 4104  
 Brent.Weirick@colliers.com

GIAN STARITA  
 LICENSE NO. 01864047  
 +1 818 325 4105  
 Gian.Starita@colliers.com

COLLIERS INTERNATIONAL  
 16830 Ventura Blvd., Suite J  
 Encino, CA 91436  
 www.colliers.com

# FOR SALE

# 519 S. BRAND BLVD.

SAN FERNANDO, CALIFORNIA



## SITE INFORMATION

<b>Total Building Size:</b>	3,098 SF
<b>Office Space:</b>	1,700 SF / 6 Offices
<b>Land Area:</b>	6,806
<b>Year Built:</b>	1955
<b>Clear Height:</b>	12 Feet
<b>Loading:</b>	4 ground level doors
<b>Parking:</b>	Approximately 6 spaces
<b>Power:</b>	225 amps 120/240 volts 3 phase 3 wire



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**NOTICE OF PUBLIC HEARING TO CONSIDER  
AND POTENTIALLY APPROVE AN OFFER FOR ACQUISITION OF CITY-OWNED REAL  
PROPERTY PARCELS LOCATED AT 1211 FIRST STREET, SAN FERNANDO,  
CALIFORNIA AND 519 SOUTH BRAND BOULEVARD, SAN FERNANDO, CALIFORNIA  
FOR PRIVATE USE AND TO APPROVE ONE OF THE OFFERS PRESENTED**

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED that the City Council of the City of San Fernando ("City Council") will conduct a public hearing on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing") or as soon thereafter as the matter may be heard to consider multiple written offers timely submitted by interested parties to the City of San Fernando ("City") for the acquisition for private use of each of the City-owned real properties located at **1211 First Street, San Fernando, California** and **519 South Brand Boulevard** (hereinafter, the "Properties"). The Properties are more particularly described in Exhibit "A" to this Notice of Public Hearing. The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340.**

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept written offers from all interested parties. Such offers must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President.** The City will only consider those offers that are timely submitted to the City's broker as set forth in this paragraph.

All offers considered by the City Council will be subject to the following conditions:

- The Properties shall be individually sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Properties shall be individually sold by the City, subject to the possessory interest of the existing tenant who presently occupy each of the Properties, and the buyer(s) of the Properties shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase of one or both of the Properties, at any time up until the time of conclusion of the Public Hearing;
- Each proposed purchaser of the one or both Properties shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for each of the Properties prior to the conclusion of the Public Hearing;

*Notice of Public Hearing –1211 First Street and 519 South Brand Boulevard*  
*Page 2 of 3*

- Any offer which requires third-party financing to be completed may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of each of the Properties, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder for any one of the Properties. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Properties. The City Council also reserves the right to waive technical irregularities in the submission of any offer.

City reserves the right to reject all offers prior to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for each of the Properties to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Properties by the City. The City reserves the right to withdraw the Properties from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of each of the Properties is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

NOTICE GIVEN THIS 28th DAY OF AUGUST 2014.


*Notice of Public Hearing – 1211 First Street and 519 South Brand Boulevard*  
*Page 3 of 3*

EXHIBIT "A"

519 South Brand Boulevard, San Fernando, CA 91340: The subject city property at 519 South Brand Boulevard (Los Angeles County Assessor's Parcel No. 2522-012-900) includes one city-owned parcel with a total area of 6,806 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 3,098 square feet in size) in 1955. The subject property is located in the westerly portion of the 500 block of South Brand Boulevard, between Kewen Street to the South and Hollister Street to the North, within the city's C-1 (Limited Commercial) zone. The subject site is a through lot with street frontages along South Brand Boulevard and Carlisle Street. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the San Fernando Cultural Arts & History Museum. On January 5, 2005, the San Fernando Cultural Arts & History Museum entered into a multi-year lease agreement which expired on January 4, 2011. Currently, the museum operates at the subject property on a month-to-month lease.

1211 First Street, San Fernando, CA 91340: The subject city property at 1211 First Street (Los Angeles County Assessor's Parcel No. 2520-024-902) includes one city-owned parcel with a total area of 11,975 square feet previously purchased by the city and subsequently developed as a former city fire station facility (approximately 3,263 square feet in size) in 1957. The subject property is located in the northerly portion of the 1200 block of First Street, between Alexander Street to the West and Hagar Street to the East, within the city's C-2 (Commercial) zone. The subject site is an irregular shaped lot with street frontage along First Street and alley access along the site's northernmost boundary line. Since the facility was decommissioned as a city fire station in 1979, the property has been leased for various commercial type uses including the most recent occupancy by the Mauran Ambulance Services Incorporated. On April 3, 1995, Mauran Ambulance Services Inc. entered into a multi-year lease agreement with the city, which expired on March 31, 2011. Subsequent to the lease expiration date, the ambulance company has been operating at the subject property on a month-to-month lease.

City of San Fernando  
Community Development Department  
Planning Division  
117 Macneil Street  
San Fernando, CA 91340  
(818) 898-1227

POSTED AT CITY HALL ON  
8/21/2014 

**ATTACHMENT "F"**

August \_\_, 2014

**[TO EACH ENTITY  
WHICH HAS  
PRESENTED ITS  
OFFER TO THE CITY]**

**RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
519 SOUTH BRAND BOULEVARD, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS**

Dear [REDACTED]:

Your written offer dated [REDACTED], 2014 to purchase certain City-owned property located at 519 South Brand Boulevard, San Fernando, California ("Property") has been presented to the City of San Fernando ("City") by Colliers International ("City's Broker") who serves the City as a real estate broker for the Property. The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

**NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING**

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

All offers considered by the City Council, including your offer or any subsequent amendment or modification to your offer will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;

August \_\_, 2014

Page 2

- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the conclusion of the Public Hearing;
- Each proposed purchaser of the Property shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for the Property prior to the conclusion of the Public Hearing;
- Any offer which requires third-party financing to be completing may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer.

City reserves the right to reject all offers up to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City's broker, indicated above, by the Submission Deadline.

The City anticipates that the general form of the agreement of a purchase and sale agreement will be made available for inspection and copying by interested persons by September 1, 2014 at the Office of the City Clerk located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340** or from the broker. A copy of the purchase and sale agreement shall also be posted on the City's internet webpage.

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.



August \_\_, 2014  
Page 3

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

August \_\_, 2014

**[TO EACH ENTITY  
WHICH HAS  
PRESENTED ITS  
OFFER TO THE CITY]**

**RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
519 SOUTH BRAND BOULEVARD, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS**

Dear [REDACTED]:

The City of San Fernando ("City") is in receipt of your written offer dated [REDACTED], 2014 to purchase certain City-owned property located at 519 South Brand Boulevard, San Fernando, California ("Property"). The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

**NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING**

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

All offers considered by the City Council, including your offer or any subsequent amendment or modification to your offer will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless

August \_\_, 2014

Page 2

from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;

- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the conclusion of the Public Hearing;
- Each proposed purchaser of the Property shall have confirmed in writing to the City Council that it has accepted the general form of the City's purchase and sale agreement for the Property prior to the conclusion of the Public Hearing;
- Any offer which requires third-party financing to be completing may not contemplate a due diligence period longer than forty-five (45) calendar days from the date of the Public Hearing.

While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its "due diligence" and obtain its financing for the purchase of the Property. The City Council also reserves the right to waiver technical irregularities in the submission of any offer.

City reserves the right to reject all offers up to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City's broker, indicated above, by the Submission Deadline.

The City anticipates that the general form of the agreement of a purchase and sale agreement will be made available for inspection and copying by interested persons by September 1, 2014 at the Office of the City Clerk located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340** or from the broker. A copy of the purchase and sale agreement shall also be posted on the City's internet webpage.

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is

August \_\_, 2014

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surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

August \_\_, 2014

**[GENERAL LETTER TO ENTITIES  
WHO HAVE NOT SUBMITTED OFFERS]**

TO ALL INTERESTED PARTIES:

PLEASE BE ADVISED that the City Council of the City of San Fernando ("City Council") will conduct a public hearing on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing") or as soon thereafter as the matter may be heard to consider multiple written offers timely submitted by interested parties to the City of San Fernando ("City") for the acquisition for private use of City-owned real property located at **519 South Brand Boulevard, San Fernando, California.** (hereinafter, the "Property"). The Property is more particular described in Exhibit "A" to this Notice of Public Hearing. The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340.**

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept written offers from all interested parties. Such offers must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President.** The City will only consider those offers that are timely submitted to the City's broker as set forth in this paragraph.

All offers considered by the City Council will be subject to the following conditions:

- The Property shall be sold by the City in an "AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION" by the City;
- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the time of conclusion of the Public Hearing;
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August \_\_, 2014  
Page 2

City reserves the right to reject all offers prior to the conclusion of the Public Hearing. The City further reserves the right to bring the disposition process for the Property to finality, by a 4/5's majority vote of the City Council in the event that at the time of the Public Hearing, any person objects to the disposition of the Property by the City. The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

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If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,

Fred Ramirez  
Community Development Director  
City of San Fernando

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International



August 27, 2014

**Kim Segal  
C/O Debi Ardi  
Agent  
Mickie Ardi Realty  
17048 Chatsworth Street  
Granada Hills, CA 91344**

**Via E-Mail and USPS Registered Mail**

RESPONSE OF THE CITY OF SAN FERNANDO  
TO OFFER TO PURCHASE PROPERTY AT  
519 SOUTH BRAND AVENUE, SAN FERNANDO, CALIFORNIA  
AND NOTICE OF PUBLIC HEARING TO CONSIDER AND APPROVE  
COMPETING PURCHASE OFFERS

Dear Mickie:

The City of San Fernando ("City") is in receipt of your written offer dated August 26, 2014 to purchase certain City-owned property located at 519 South Brand Avenue, San Fernando, California ("Property"). The City has previously taken certain actions to cause the Property to be made available for acquisition by qualified purchasers for private use.

NOTICE OF SEPTEMBER 15, 2014 PUBLIC HEARING

PLEASE BE ADVISED that the City intends to complete its review and evaluation of your offer at a public hearing to be held before the San Fernando City Council ("City Council") on **Monday September 15, 2014 at 6:00 p.m.** (hereinafter, the "Public Hearing"). The Public Hearing will be held in the City Council Chambers located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340**. Please bear in mind that any final acceptance of the Offer by the City shall be subject to the completion of the public hearing and the City Council's approval and acceptance of the Offer by 4/5<sup>th</sup> majority vote.

PLEASE ALSO BE ADVISED that by or before **4:00 p.m. on Monday, September 8, 2014** (the "Submission Deadline") the City Council will accept any written modifications or amendments to your original offer along with written offers submitted by any other third-parties interested in acquiring the Property. Your modified or amended offer must be delivered to the City's broker, **Colliers International, 16830 Ventura Boulevard, Suite J, Encino, California 91436** c/o of **Brent C. Weirick, Executive Vice President**. The City will only consider those offers and amended/modified offers that are timely submitted to the City's broker by or before the Submission Deadline.

All offers considered by the City Council, including your offer or any subsequent amendment or modification to your offer will be subject to the following conditions:



August 27, 2014

Page 2

- The Property shall be sold by the City in an “AS IS, WHERE IS, ALL FAULTS ACCEPTED CONDITION” by the City;
- The Property shall be sold by the City, subject to the possessory interest of the existing tenant who presently occupy the Property, and the buyer of the Property shall hold the City harmless from all claims for relocation assistance which may thereafter be asserted against the City by such tenant;
- The City Council reserves the right to consider and accept any one of the competing offers submitted by third parties for the purchase the Property, at any time up until the conclusion of the Public Hearing;
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While the City seeks to maximize the compensation it receives from the sale of the Property, the City Council shall not necessarily be obligated to award the sale to the highest overall bidder. The City may take into consideration factors which reduce the risk that the award to any prospective purchaser will not fall through or result in the City not receiving the compensation as offered. These factors include, the length of time required by the buyer to complete its “due diligence” and obtain its financing for the purchase of the Property. The City Council also reserves the right to waive technical irregularities in the submission of any offer.

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#### IMPORTANT ACKNOWLEDGEMENT REQUIRED

Please indicate that you acknowledge that the conditions of the City as outlined above shall be applicable to the consideration by the City Council of your Offer by returning a signed copy of this letter to the attention of the City’s broker, indicated above, by the Submission Deadline.

The City anticipates that the general form of the agreement of a purchase and sale agreement will be made available for inspection and copying by interested persons by September 1, 2014 at the Office of the City Clerk located at **San Fernando City Hall, 117 Macneil Street, San Fernando, CA 91340** or from the broker. A copy of the purchase and sale agreement shall also be posted on the City’s internet webpage.

August 27, 2014  
Page 3

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

If you have any questions regarding this matter, please contact the City's commercial brokers, Brenton Weirick at [Brent.weirick@colliers.com](mailto:Brent.weirick@colliers.com) or Gian Starita at [gian.starita@colliers.com](mailto:gian.starita@colliers.com). Mr. Weirick and Mr. Starita can also be reached via phone at (818) 905-5800.

Very truly yours,



Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

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

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_

On Behalf of: \_\_\_\_\_

Date: \_\_\_\_\_, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International

09/15/2014

San Fernando City Council Regular Meeting

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*August 27, 2014**Page 3*

The City reserves the right to withdraw the Property from sale at any time prior to the conclusion of the Public Hearing or the complete execution by the buyer and the authorized City representatives of the purchase and sale agreement identified above.

The sale of the Property is categorically exempt under the California Environmental Quality Act ("CEQA") pursuant to Section 15312 (Surplus Government Property Sales) of the CEQA Guidelines in that the Property is surplus and is not located in an area of statewide, regional or areawide concern as identified under Section 15206(b)(4) of the CEQA Guidelines

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Very truly yours,



Fred Ramirez  
Community Development Director  
City of San Fernando

ACKNOWLEDGED AS TO CONDITIONS FOR CONSIDERATIONS OF THE OFFER BY CITY.

By: Debi Ardi

Print Name: Debi Ardi Title: Broker

On Behalf of: [Signature] ← Buyer

Date: 8.27, 2014

cc: Brian Saeki, City Manager  
Brenton Weirick, Colliers International  
Gian Starita, Colliers International



**AERIAL MAP**  
**519 SOUTH BRAND BOULEVARD**



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## COMMUNITY DEVELOPMENT DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Approve a Resolution Approving an Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (CSCDA) and a Resolution Approving the Issuance of Bonds by the CSCDA of Multifamily Housing Revenue Bonds for the Penny's Apartments at 1150 San Fernando Road

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### **RECOMMENDATION:**

It is recommended that the City Council:

- a. Conduct a Public Hearing;
- b. Pending public testimony, adopt Resolution No. 7633 (Attachment "A") approving the California Statewide Communities Development Authority's (CSCDA) Amended and Restated Joint Exercise of Power Agreement;
- c. Adopt Resolution No. 7634 (Attachment "B") approving the proposed issuance of multifamily housing revenue obligations bonds by the CSCDA in an amount not to exceed \$12,000,000 for the benefit of Aszkenazy Development, Inc. (the Borrower); and
- d. Direct the City Manager to take all actions necessary to execute the Joint Exercise of Power Agreement and bond documents.

### **BACKGROUND:**

On June 25, 2014, the City Council adopted Resolution No. 7619, Ordinance No. 1634, and Resolution No. 7620 to: adopt a Mitigated Negative Declaration; approve Zone Map Amendment 2014-001, amending the Zoning Map of the City of San Fernando to Rezone Portions of 1140-1148 San Fernando Road from the Truman/San Fernando District and Mixed Use Transition Sub-District of the SP-4 (Corridors Specific Plan) Zone to the Downtown District and San Fernando Mall Sub-District of the SP-4 (Corridors Specific Plan) Zone to Allow for a Mixed Use Development; and designate the J.C. Penney's building front façade



Consideration to Approve a Resolution Approving an Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (CSCDA) and a Resolution Approving the Issuance of Bonds by the CSCDA of Multifamily Housing Revenue Bonds for the Penny's Apartments at 1150 San Fernando Road

Page 2

and signs at 1140 San Fernando Road as a City historic resource. The subject property, which includes 1140 and 1148 San Fernando Road has recently been identified the Project site with an 1150 San Fernando Road address. As part of the Project's approval it was anticipated that Aszkenazy Development, Inc. the developer of the Project would be seeking out funding to develop the mixed-use development and affordable housing project. CSCDA is presented herein as one of the possible funding sources for the Project.

CSCDA is a joint exercise of powers authority created under the California Joint Powers Act (California Government Code Section 6500 and following) (the Act). Pursuant to the Act and an Amended and Restated Joint Powers Agreement among a number of cities, counties and special districts within the State of California (the Agreement), CSCDA is authorized to issue revenue bonds for the benefit of conduit borrowers.

CSCDA issues bonds on behalf of the CSCDA's over 500 members (the Program Participant) in whose jurisdiction the projects are to be located, in this case, the City of San Fernando (the City). Pursuant to Section 9 of the Agreement, CSCDA may not issue bonds or other forms of indebtedness unless the governing body of the Program Participant approves their issuance. Furthermore, Section 147(f) of the Internal Revenue Code of 1986 requires that the proposed financing be approved by a governmental unit having jurisdiction over the area in which the facility to be financed is located. Thereafter, pursuant to applicable State law, the bonds are issued as limited obligations of CSCDA, not of the City, payable solely out of the revenues and receipts derived from the applicable project.

The Agreement also expressly provides that CSCDA is a public entity separate and apart from the Program Participants, and "[i]ts debts, liabilities and obligations do not constitute debts, liabilities or obligations of any party to [the] Agreement."

Accordingly, the bonds issued for the Project will be indebtedness of CSCDA, and the City will not be asked to approve or execute any of the financing documents. Moreover, the disclosure prepared for the bonds will not have any information regarding the City and will not include the City's name, other than with respect to where the Project is located.

A Public Hearing has been scheduled for the City Council to consider both Resolutions (Attachments "A" and "B") on Monday, September 15, 2014 and the Notice of Public Hearing was published in the August 28, 2014, edition of the San Fernando Valley Sun Newspaper. The noticed was published more than 14 days prior to the scheduled Public Hearing.

## **ANALYSIS:**

The City Council consideration of item includes a hearing under the requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and the Internal Revenue Code of 1986, as amended (the Code), to allow for input from the public regarding the proposed issuance of Bonds. As noted above, a notice of the Public Hearing was published in the San Fernando

Consideration to Approve a Resolution Approving an Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (CSCDA) and a Resolution Approving the Issuance of Bonds by the CSCDA of Multifamily Housing Revenue Bonds for the Penny's Apartments at 1150 San Fernando Road  
Page 3

Valley Sun Newspaper on Thursday, August 28, 2014.

The adoption of Resolution No. 7634 (Attachment "B") is the first step in the process of financing the proposed Project. Prior to the issuance of bonds the Project will need to receive "private activity bond" allocation from the California Debt Limit Allocation Committee and CSCDA will be required to adopt a resolution which would approve the execution and delivery of certain bond documents that would reflect the terms of the bonds.

The Borrower requested that the CSCDA serve as the municipal issuer of the tax-exempt Bonds in an aggregate principal amount not to exceed \$12,000,000. The proceeds of the Bonds will be used to: 1) finance the acquisition and construction of a 101-unit affordable apartment complex known as Penny's Apartments located at 1150 San Fernando Road in San Fernando, California; and 2) pay certain expenses incurred in connection with the issuance of the Bonds. The facilities are to be owned and operated by Aszkenazy Development, Inc. or another entity to be formed by the Borrower. 100% of the units at the Project will be reserved for tenants whose incomes are at or below 50% and 60% of the Area Median Income level. The owners will record 55-year affordability covenants on the property.

In order for all or a portion of the Bonds to qualify as tax-exempt bonds, the City must conduct a Public Hearing (the TEFRA Hearing) providing for the members of the community an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the Project. Prior to such TEFRA Hearing, reasonable notice must be provided to the members of the community. Following the close of the TEFRA Hearing, an "applicable elected representative" of the governmental unit hosting the Project must provide its approval of the issuance of the Bonds for the financing of the Project.

## **CONCLUSION:**

Staff recommends that the City Council adopt the attached Resolutions (Attachments "A" and "B") approving an Amended and Restated Joint Exercise of Powers Agreement relating to the California Statewide Communities Development Authority (CSCDA) and a approving the issuance of \$12,000,0000 in CSCDA multifamily housing revenue bonds in order to finance the acquisition, construction, and administrative costs associated with the development of a 101-unit affordable housing units at the Penny's Apartments, a mixed-use development project at 1150 San Fernando Road in the City of San Fernando.

Consideration to Approve a Resolution Approving an Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority (CSCDA) and a Resolution Approving the Issuance of Bonds by the CSCDA of Multifamily Housing Revenue Bonds for the Penny's Apartments at 1150 San Fernando Road  
Page 4

**BUDGET IMPACT:**

Adoption of these Resolutions will have no impact on the City budget. There is no financial impact to the City as a result of approving the Amended and Restated Joint Exercise of Power Agreement and joining CSCDA or holding the Public Hearing. Joining CSCDA allows the City to participate in any of CSCDA's financing programs.

The proposed obligations to be issued by CSCDA will be the sole responsibility of Aszkenazy Development, Inc., and the City will have no financial or legal obligation for repayment. No financial obligations are placed on the City for project financing costs or debt repayment.

**ATTACHMENTS:**

- A. Resolution No. 7633 (Joint Exercise of Power Agreement)
- B. Resolution No. 7634 (on TEFRA Hearing and Bond Issuance)

## ATTACHMENT "A"

## RESOLUTION NO. 7633

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN FERNANDO APPROVING, AUTHORIZING AND DIRECTING EXECUTION OF AN AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT RELATING TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

**WHEREAS**, the City of San Fernando, California (the "City"), has expressed an interest in participating in the economic development financing programs (the "Programs") in conjunction with the parties to that certain Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority, dated as of June 1, 1988 (the "Agreement") and included herein as "Exhibit A"; and

**WHEREAS**, there is now before this City Council the form of the Agreement; and

**WHEREAS**, the City proposes to participate in the Programs and desires that certain projects to be located within the City be financed pursuant to the Programs and it is in the public interest and for the public benefit that the City do so; and

**WHEREAS**, the Agreement has been filed with the City Clerk, and the members of the City Council of the City, with the assistance of its staff, have reviewed said document.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**Section 1.** The City Council of the City of San Fernando hereby approves the Agreement and authorizes and directs the Mayor or the City Manager to execute said document, with such changes, insertions and omissions as may be approved by said City Council. The City Clerk is hereby authorized and directed to affix the City's seal to said document and to attest thereto.

**Section 2.** The Mayor of the City, the City Manager, the City Clerk and all other proper officers and officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

**Section 3.** The City Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to:

Kathleen Jacobe  
Orrick, Herrington & Sutcliffe LLP

400 Capital Mall, Suite 3000  
Sacramento, California 95814

**Section 4.** This resolution shall take effect immediately upon its adoption

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

---

Sylvia Ballin, Mayor

**ATTEST:**

---

Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES        ) ss**  
**CITY OF SAN FERNANDO         )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chávez, City Clerk

**AMENDED AND RESTATED  
JOINT EXERCISE OF POWERS AGREEMENT  
RELATING TO THE CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY**

THIS AGREEMENT, dated as of June 1, 1988, by and among the parties executing this Agreement (all such parties, except those which have withdrawn in accordance with Section 13 hereof, being herein referred to as the "Program Participants"):

**WITNESSETH**

**WHEREAS**, pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California (the "Joint Exercise of Powers Act"), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

**WHEREAS**, each of the Program Participants is a "public agency" as that term is defined in Section 6500 of the Government Code of the State of California, and

**WHEREAS**, each of the Program Participants is empowered to promote economic development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, and the increase of the tax base, within its boundaries; and

**WHEREAS**, a public entity established pursuant to the Joint Exercise of Powers Act is empowered to issue industrial development bonds pursuant to the California Industrial Development Financing Act (Title 10 (commencing with Section 91500 of the Government Code of the State of California)) (the "Act") and to otherwise undertake financing programs under the Joint Exercise of Powers Act or other applicable provisions of law to promote economic development through the issuance of bonds, notes, or other evidences of indebtedness, or certificates of participation in leases or other agreements (all such instruments being herein collectively referred to as "Bonds"); and

**WHEREAS**, in order to promote economic development within the State of California, the County Supervisors Association of California ("CSAC"), together with the California Manufacturers Association, has established the Bonds for Industry program (the "Program").

**WHEREAS**, in furtherance of the Program, certain California counties (collectively, the "Initial Participants") have entered into that certain Joint Exercise of Powers Agreement dated as of November 18, 1987 (the "Initial Agreement"), pursuant to which the California Counties Industrial Development Authority has been established as a separate entity under the Joint Exercise of Powers Act for the purposes and with the powers specified in the Initial Agreement; and

**WHEREAS**, the League of California Cities ("LCC") has determined to join as a sponsor of the Program and to actively participate in the administration of the Authority; and

**WHEREAS**, the Initial Participants have determined to specifically authorize the Authority to issue Bonds pursuant to Article 2 of the Joint Exercise of Powers Act ("Article 2") and Article 4 of the Joint Exercise of Powers Act ("Article 4"), as well as may be authorized by the Act or other applicable law; and

**WHEREAS**, the Initial Participants desire to rename the California Counties Industrial Development Authority to better reflect the additional sponsorship of the Program; and

**WHEREAS**, each of the Initial Participants has determined that it is in the public interest of the citizens within its boundaries, and to the benefit of such Initial Participant and the area and persons served by such Initial Participant, to amend and restate in its entirety the Initial Agreement in order to implement the provisions set forth above; and

**WHEREAS**, it is the desire of the Program Participants to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake projects within their respective jurisdictions that may be financed with Bonds issued pursuant to the Act, Article 2, Article 4, or other applicable provisions of law; and

**WHEREAS**, the projects undertaken will result in significant public benefits, including those public benefits set forth in Section 91502.1 of the Act, an increased level of economic activity, or an increased tax base, and will therefore serve and be of benefit to the inhabitants of the jurisdictions of the Program Participants;

**NOW, THEREFORE**, the Program Participants, for and in consideration of the mutual promises and agreements herein contained, do agree to restate and amend the Initial Agreement in its entirety to provide as follows:



**Section 1. Purpose.**

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act, relating to the joint exercise of powers common to public agencies, in this case being the Program Participants. The Program Participants each possess the powers referred to in the recitals hereof. The purpose of this Agreement is to establish an agency for, and with the purpose of, issuing Bonds to finance projects within the territorial limits of the Program Participants pursuant to the Act, Article 2, Article 4, or other applicable provisions of law; provided, however that nothing in this Agreement shall be construed as a limitation on the rights of the Program Participants to pursue economic development outside of this Agreement, including the rights to issue Bonds through industrial development authorities under the Act, or as otherwise permitted by law.

Within the various jurisdictions of the Program Participants such purpose will be accomplished and said powers exercised in the manner hereinafter set forth.

**Section 2. Term.**

This Agreement shall become effective as of the date hereof and shall continue in full force and effect for a period of forty (40) years from the date hereof, or until such time as it is terminated in writing by all the Program Participants; provided, however, that this Agreement shall not terminate or be terminated until the date on which all Bonds or other indebtedness issued or caused to be issued by the Authority shall have been retired, or full provision shall have been made for their retirement, including interest until their retirement date.

**Section 3. Authority.****A. CREATION AND POWERS OF AUTHORITY.**

(1) Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "California Statewide Communities Development Authority" (the "Authority"), and said Authority shall be a public entity separate and apart from the Program Participants. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any party to this Agreement.

**B. COMMISSION.**

The Authority shall be administered by a Commission (the "Commission") which shall consist of seven members, each

serving in his or her individual capacity as a member of the Commission. The Commission shall be the administering agency of this Agreement, and, as such, shall be vested with the powers set forth herein, and shall execute and administer this Agreement in accordance with the purposes and functions provided herein.

Four members of the Commission shall be appointed by the governing body of CSAC and three members of the Commission shall be appointed by the governing body of LCC. Initial members of the Commission shall serve a term ending June 1, 1991. Successors to such members shall be selected in the manner in which the respective initial member was selected and shall serve a term of three years. Any appointment to fill an unexpired term, however, shall be for such unexpired term. The term of office specified above shall be applicable unless the term of office of the respective member is terminated as hereinafter provided, and provided that the term of any member shall not expire until a successor thereto has been appointed as provided herein.

Each of CSAC and LCC may appoint an alternate member of the Commission for each member of the Commission which it appoints. Such alternate member may act as a member of the Commission in place of and during the absence or disability of such regularly appointed member. All references in this Agreement to any member of the Commission shall be deemed to refer to and include the applicable alternate member when so acting in place of a regularly appointed member.

Each member or alternate member of the Commission may be removed and replaced at any time by the governing body by which such member was appointed. Any individual, including any member of the governing body or staff of CSAC or LCC, shall be eligible to serve as a member or alternate member of the Commission.

Members and alternate members of the Commission shall not receive any compensation for serving as such but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member or alternate member, if the Commission shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

#### C. OFFICERS; DUTIES; OFFICIAL BONDS.

The Commission shall elect a Chair, a Vice-Chair, and a Secretary of the Authority from among its members to serve for such term as shall be determined by the Commission. The Commission shall appoint one or more of its officers or

employees to serve as treasurer, auditor, and controller of the Authority (the "Treasurer") pursuant to Section 6505.6 of the Joint Exercise of Powers Act to serve for such term as shall be determined by the Commission.

Subject to the applicable provisions of any resolution, indenture or other instrument or proceeding authorizing or securing Bonds (each such resolution, indenture, instrument and proceeding being herein referred to as an "Indenture") providing for a trustee or other fiscal agent, the Treasurer is designated as the depository of the Authority to have custody of all money of the Authority, from whatever source derived.

The Treasurer of the Authority shall have the powers, duties and responsibilities specified in Section 6505.5 of the Joint Exercise of Powers Act.

The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond with the Secretary of the Authority in the amount specified by resolution of the Commission but in no event less than \$1,000. If and to the extent permitted by law, any such officer may satisfy this requirement by filing an official bond in at least said amount obtained in connection with another public office.

The Commission shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Commission shall have the power, by resolution, to the extent permitted by the Joint Exercise of Powers Act or any other applicable law, to delegate any of its functions to one or more of the members of the Commission or officers or agents of the Authority and to cause any of said members, officers or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Commission or the Authority.

#### D. MEETINGS OF THE COMMISSION.

##### (1) Regular Meetings.

The Commission shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Commission and a copy of such resolution shall be filed with each party hereto.

(2) Special Meetings.

Special meetings of the Commission may be called in accordance with the provisions of Section 54956 of the Government Code of the State of California.

(3) Ralph M. Brown Act.

All meetings of the Commission, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California).

(4) Minutes.

The Secretary of the Authority shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Commission and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Commission.

(5) Quorum.

A majority of the members of the Commission which includes at least one member appointed by the governing body of each of CSAC and LCC shall constitute a quorum for the transaction of business. No action may be taken by the Commission except upon the affirmative vote of a majority of the members of the Commission which includes at least one member appointed by the governing body of each of CSAC and LCC, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Authority may adopt, from time to time, by resolution of the Commission such rules and regulations for the conduct of its meetings and affairs as may be required.

**Section 4. Powers.**

The Authority shall have any and all powers relating to economic development authorized by law to each of the parties hereto and separately to the public entity herein created, including, without limitation, the promotion of opportunities for the creation and retention of employment, the stimulation of economic activity, and the increase of the tax base, within the jurisdictions of such parties. Such powers shall include the common powers specified in this

Agreement and may be exercised in the manner and according to the method provided in this Agreement. All such powers common to the parties are specified as powers of the Authority. The Authority is hereby authorized to do all acts necessary for the exercise of such powers, including, but not limited to, any or all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entity; to sue and be sued in its own name; and generally to do any and all things necessary or convenient to the promotion of economic development, including without limitation the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, and the increase of the tax base, all as herein contemplated. Without limiting the generality of the foregoing, the Authority may issue or cause to be issued bonded and other indebtedness, and pledge any property or revenues as security to the extent permitted under the Joint Exercise of Powers Act, including Article 2 and Article 4, the Act or any other applicable provision of law.

The manner in which the Authority shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California county could exercise such powers and perform such duties until a California general law city shall become a Program Participant, at which time it shall be subject to the restrictions upon the manner in which a California general law city could exercise such powers and perform such duties. The manner in which the Authority shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

#### **Section 5. Fiscal Year.**

For the purposes of this Agreement, the term "Fiscal Year" shall mean the fiscal year as established from time to time by the Authority, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 1988.

**Section 6. Disposition of Assets.**

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2 hereof, after payment of all expenses and liabilities of the Authority, all property of the Authority both real and personal shall automatically vest in the Program Participants and shall thereafter remain the sole property of the Program Participants; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Program Participants.

**Section 7. Bonds.**

The Authority shall issue Bonds for the purpose of exercising its powers and raising the funds necessary to carry out its purposes under this Agreement. Said Bonds may, at the discretion of Authority, be issued in series.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing shall be used by the Authority. The fees and expenses of such counsel, consultants, advisors, and the expenses of CSAC, LCC, and the Commission shall be paid from the proceeds of the Bonds or any other unencumbered funds of the Authority available for such purpose.

**Section 9. Local Approval.**

A copy of the application for financing of a project shall be filed by the Authority with the Program Participant in whose jurisdiction the project is to be located. The Authority shall not issue Bonds with respect to any project unless the governing body of the Program Participant in whose jurisdiction the project is to be located, or its duly authorized designee, shall approve, conditionally or unconditionally, the project, including the issuance of Bonds therefor. Action to approve or disapprove a project shall be taken within 45 days of the filing with the Program Participant. Certification of approval or disapproval shall be made by the clerk of the governing body of the Program Participant, or by such other officer as may be designated by the applicable Program Participant, to the Authority.

**Section 8. Bonds Only Limited and Special Obligations of Authority.**

The Bonds, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Program Participant, CSAC, or LCC or pledge of the faith and credit of the Program Participants, CSAC, LCC, or the

Authority. The Bonds shall be only special obligations of the Authority, and the Authority shall under no circumstances be obligated to pay the Bonds or the respective project costs except from revenues and other funds pledged therefor. Neither the Program Participants, CSAC, LCC, nor the Authority shall be obligated to pay the principal of, premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Program Participants nor the faith and credit of CSAC, LCC, or the Authority shall be pledged to the payment of the principal of, premium, if any, or interest on the Bonds nor shall the Program Participants, CSAC, LCC, or the Authority in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Bond or Indenture shall be deemed to be a covenant or agreement of any member of the Commission, or any officer, agent or employee of the Authority in his individual capacity and neither the Commission of the Authority nor any officer thereof executing the Bonds shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

#### **Section 10. Accounts and Reports.**

All funds of the Authority shall be strictly accounted for. The Authority shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by each Program Participant.

The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Agency by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as public records with each Program Participant and also with the county auditor of each county in which a Program Participant is located. Such report shall be filed within 12 months of the end of the Fiscal Year or Years under examination.



Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

In any Fiscal Year the Commission may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

The Treasurer of the Authority, within 120 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to each of the Program Participants to the extent such activities are not covered by the reports of the trustees for the Bonds. The trustee appointed under each Indenture shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said Indenture. Said trustee may be given such duties in said Indenture as may be desirable to carry out this Agreement.

#### **Section 11. Funds.**

Subject to the applicable provisions of each Indenture, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to the accounting procedures developed under Section 10 hereof, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions or purposes of this Agreement.

#### **Section 12. Notices.**

Notices and other communications hereunder to the Program Participants shall be sufficient if delivered to the clerk of the governing body of each Program Participant.

#### **Section 13. Withdrawal and Addition of Parties.**

A Program Participant may withdraw from this Agreement upon written notice to the Commission; provided, however, that no such withdrawal shall result in the dissolution of the Authority so long as any Bonds remain outstanding under an Indenture. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Commission which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing.

Qualifying public agencies may be added as parties to this Agreement and become Program Participants upon: (i) the filing by such public agency of an executed counterpart of this Agreement, together with a certified copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (ii) adoption of a resolution of the Commission approving the addition of such public agency as a Program Participant. Upon satisfaction of such conditions, the Commission shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

#### **Section 14. Indemnification.**

To the full extent permitted by law, the Commission may authorize indemnification by the Authority of any person who is or was a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member or alternate member of the Commission, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

#### **Section 15. Contributions and Advances.**

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Authority by the parties hereto for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Authority and the party making such advance at the time of such advance.

#### **Section 16. Immunities.**

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation, and other benefits which apply to the activity of officers, agents or employees of Program Participants when performing their

respective functions within the territorial limits of their respective public agencies, shall apply to them to the same degree and extent while engaged as members of the Commission or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties extraterritorially under the provisions of this Agreement.

**Section 17. Amendments.**

Except as provided in Section 13 above, this Agreement shall not be amended, modified, or altered except by a written instrument duly executed by each of the Program Participants.

**Section 18. Effectiveness.**

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Program Participants at 9:00 a.m., California time, on the date that the Commission shall have received from each of the Initial Participants an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Initial Participant approving this Agreement and the execution and delivery hereof.

**Section 19. Partial Invalidity.**

If anyone or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

**Section 20. Successors.**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no party may assign any right or obligation hereunder without the consent of the other parties.

**Section 21. Miscellaneous.**

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

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement is made in the State of California, under the Constitution and laws of such state and is to be so construed.

This Agreement is the complete and exclusive statement of the agreement among the parties hereto, which supercedes and merges all prior proposals, understandings, and other agreements, including, without limitation, the Initial Agreement, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

**Program Participant:**

[SEAL]

\_\_\_\_\_  
**By** \_\_\_\_\_

**Name:**

**Title:**

**ATTEST:**

**By** \_\_\_\_\_

**Name:**

**Title:**

**ATTACHMENT "B"****RESOLUTION NO. 7634****A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF SAN FERNANDO APPROVING THE ISSUANCE BY THE  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY OF MULTIFAMILY  
HOUSING REVENUE BONDS FOR THE PENNY'S  
APARTMENTS**

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the City of San Fernando (the "City"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

**WHEREAS**, Aszkenazy Development, Inc. or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$12,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 101-unit multifamily rental housing project located at 1150 San Fernando Road, San Fernando, California, generally known as Penny's Apartments (the "Project") and operated by Aszkenazy Development, Inc.; and

**WHEREAS**, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

**WHEREAS**, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

**WHEREAS**, the members of this City Council (this "City Council") are the applicable elected representatives of the City; and

**WHEREAS**, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a Public Hearing regarding the Bonds would be held on a date specified in such notice; and

**WHEREAS**, such Public Hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

**WHEREAS**, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the “Refunding Bonds”), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

**WHEREAS**, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN FERNANDO DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:**

**Section 1.** The above recitals are true and correct.

**Section 2.** The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

**Section 3.** The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

**Section 4.** The City Clerk shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

Justin Cooper, Esq.  
Orrick, Herrington & Sutcliffe LLP  
405 Howard Street  
San Francisco, California 94105

**Section 5.** This resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

---

Sylvia Ballin, Mayor

**ATTEST:**

---

Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES       ) ss**  
**CITY OF SAN FERNANDO        )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of September, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chávez, City Clerk





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**ADMINISTRATION DEPARTMENT****MEMORANDUM**

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Adopt a Resolution Supporting Commercial Property Tax Reform

---

**RECOMMENDATION:**

It is recommended that the City Council review, discuss, and provide staff with direction.

**BACKGROUND:**

1. On June 30, 2014, Mayor Ballin and staff received a request from Courtney McDonald, Campaign Director with Evolve (refer to Attachment "A" for Evolve Platform) that the City Council adopt a resolution in support of commercial property tax reform and closing the commercial property loophole in Proposition 13.

Attached to this report are documents submitted by Ms. McDonald for City Council perusal.

2. On August 4, 2014, the proposed Resolution was presented to the City Council at their regular meeting; however, Councilmember Lopez requested that the item be tabled to the following meeting to allow for sufficient time to review.
3. On August 18, 2014, the proposed Resolution was presented to the City Council at their regular meeting; however, a representative from Evolve was not available to attend the meeting. Subsequently, this item was tabled to the following meeting.

**ATTACHMENTS:**

- A. Evolve's Platform
- B. *Los Angeles Times* Article "Corporations Get Big Edge in Proposition 13 Quirk"
- C. List of Passed Resolutions
- D. Sample Resolution
- E. Local Government Campaign Talking Points



Prop. 13 was meant to protect **people**. That's why voters overwhelmingly supported this law in 1978. However, in the last 35 years, Prop. 13 has benefited large commercial property owners the most.

**Here's our plan to make Prop. 13 work for the *people* of California, without providing huge tax breaks for corporations:**

- **Establish regular reassessment of non-residential, commercial property in California.** No other state in the country has frozen commercial property tax rates. Most states reassess commercial property every 1-5 years. Given the number and diversity of counties in California, our proposal will leave the frequency of reassessment up to each individual county.
- **Maintain current Prop. 13 protections for all residential property.** Homeowners, home renters, apartment owners, and apartment renters will not be affected by this reform.
- **Provide an exemption for small businesses.** A small business owner with gross annual receipts of less than \$2.5 million, or a manufacturer with 25 or fewer employees, will not be affected by this reform.
- **Implement this reform in a smart way.** Some commercial properties have not been reassessed in 35 years, meaning their owners are still paying property rates based on 1970s assessments. Our proposal will gradually phase-in changes to tax rates. Upon implementation, it will take three years until non-residential, commercial property owners will be paying taxes based on their current market value.

**This common sense reform will:**

- **Decrease the tax burden on working families.** Prop. 13's commercial property loophole forces our state, county, and municipal governments to raise funds in other ways. Today, California has the highest income and sales tax in the country, and local governments regularly ask voters to pass regressive parcel taxes to fund vital public services.
- **Provide at least \$6 billion a year of desperately needed revenue to our schools and public services.** Prior to Prop. 13, California schools ranked in the top ten nationally in per pupil spending, today we rank 49<sup>th</sup>! Restoring funding to our schools is critical for the future of California and making corporations pay their fair share is the best way to do this.
- **Increase California's fiscal stability.** Increased reliance on more volatile forms of taxation, like income and sales tax is bad for our economy. The property tax is the most stable form of taxation, which is why it should be a greater source of revenue for state, county and municipal governments.
- **Make California's property tax system fairer.** In most counties, the property tax burden was equally shared prior to Prop. 13. Since Prop. 13 passed, the property tax burden in California has dramatically shifted from commercial property to residential property. Today, homeowners pay 72% of property taxes, while commercial Properties only pay 28%.
- **Create a healthier business climate in California.** Prop. 13 is anti-competitive. If a new business buys property across the street from an established business that has owned their property for longer, they are at a competitive disadvantage. Two identical businesses side by side can pay drastically different property tax rates based on when they purchased their property. This does not foster fair competition or encourage new business creation in California.

# Los Angeles Times

ATTACHMENT "B"

## Corporations get big edge in Prop. 13 quirk

*May 05, 2013 -- Jason Felch and Jack Dolan*

In 2006, billionaire computer magnate Michael Dell, one of the world's richest men, agreed to pay \$200 million for the Fairmont Miramar Hotel, a beachfront landmark in Santa Monica that long has been a retreat for Hollywood starlets and U.S. presidents.

A few months later, Dell tore up the contract. He still wanted the hotel. But his attorneys had found a simple way to reshuffle the deal to avoid a legal change in ownership.

The maneuver saved about \$1 million a year in property taxes -- an option available only to businesses, not homeowners, under the arcane rules governing Proposition 13.

The Miramar deal illustrates how businesses can easily -- and legally -- avoid property tax hikes under the California ballot initiative passed in 1978. As a result, the state loses tens of millions of dollars in revenue each year, officials estimate.

**Voters overwhelmingly approved Proposition 13 out of a concern that homeowners, particularly the elderly, would be forced from their houses by rising tax bills during a real estate boom. The law ensured that property taxes were pegged at 1% of purchase price, assessed value could rise no more than 2% per year, and property was reassessed to full market value only when sold.**

**But large corporate property owners have been among the law's biggest beneficiaries, thanks in part to loopholes such as the one Dell used.**

Essentially, the law allows businesses to sidestep reassessment if no one acquires a majority stake in a company that owns the property. Dell did that by bringing in his wife and two of his investment advisors as partners -- with no one taking more than 49% control of the hotel company. With no change in ownership, it continued to be taxed based on the 1999 property value of \$86 million.

Los Angeles County assessors concluded it was a blatant tax dodge and raised taxes on the property.

A Superior Court judge disagreed, finding last December that the deal met the letter of the law. The county has filed an appeal.

Dell declined to comment. If he prevails, he will save more than \$1 million a year, and taxpayers will probably also owe him more than \$2 million in tax refunds and legal fees.

Christopher Thornberg, founder of research firm Beacon Economics and a former economist at UCLA Anderson Forecast, says the state has only itself to blame: "He didn't do anything wrong. He's saying to California: Look, idiots, I just robbed you blind, and it's your own fault."

### Shifting tax burden

Passed 35 years ago by more than 65% of voters, Proposition 13 remains highly popular among property owners.

But during that period, the tax burden has steadily shifted from businesses to homeowners. In Los Angeles County, for instance, homeowners have gone from paying a 40% share of the total in 1975 to 57% today.

That shift is fueling efforts by some Democrats to tinker with Proposition 13. Eight separate measures were introduced this session. One, intended to close the loophole used by Dell, was recently tabled amid complaints by businesses that it was "a job killer." The others remain long shots.

Public support is growing, however, for a more sweeping change. A December poll by the Public Policy Institute of California found that 58% of likely voters favor a so-called split roll, in which commercial properties would be reassessed periodically regardless of their ownership.

The change would require a popular vote to amend Proposition 13, which is enshrined in the state Constitution, and would probably meet a wall of opposition from business owners, who complain they are overtaxed in California as it is.

For now, state and local officials are bound by rules that even some architects of Proposition 13 warned were ripe for abuse.

A year after Proposition 13 passed, state leaders began to grapple with the meaning of three words in the initiative: "change of ownership."

In the case of a single-family home, the change is obvious: A new deed is filed with the county recorder, triggering a reassessment. The property is then taxed based on its current market value.

But the transfer of business properties is more complex. What changes hands often is not the property but control of the legal entity -- a corporation, limited liability company or limited partnership -- that owns the real estate. In those cases, no new deed is filed.

A legislative task force searched for a bright line signaling a transfer and concluded that there were only two choices.

One was to require reassessment when a new company bought the property outright. The limitation of that was that it would capture too few transactions. The other method would require it when a single person or entity took control of more than 50% of a company that owned the property -- the majority-ownership rule.

Adopting the majority-ownership rule would lead to "monumental" enforcement problems, the task force warned: "No one, no matter how skilled and imaginative, can foresee ... every possible form of real property transfer."

But the Legislature adopted it anyway, concluding it was the better of two imperfect solutions.

Today, the Board of Equalization relies on businesses to accurately disclose changes in majority ownership. Assessors sometimes scan newspapers for big deals the board might have missed.

Often, buyers take majority ownership because other business advantages outweigh the tax benefit.

But the Miramar deal is not the only instance in which a wealthy buyer has used the majority-ownership loophole to save millions.

In 2002, E&J Gallo, the world's biggest winemaker, purchased Louis M. Martini, which owned more than 1,000 acres of prime Napa and Sonoma County vineyards. None of the property was reassessed because Martini was divided among 12 Gallo family members, none of whom acquired more than 50%.

Some of that property today is worth more than \$150,000 an acre but continues to be taxed based on its 1975 value of a few thousand dollars an acre, according to Napa County assessor John Tuteur.

In 1998, a Canadian skiing conglomerate bought 58% of Mammoth Mountain resort, which had been family-owned for years.

The new owner, Intrawest Corp., argued that the property should not be reassessed because the deal did not give it a majority of the voting rights in the company.

The county assessor concluded that challenging the ski resort in court would be too costly.

In 2005, it changed hands again. This time, the buyer bought majority control and paid for it in property taxes: The assessed value almost doubled, bringing in an additional \$1 million in annual revenue for Mono County.

### **Texas tax fight**

At the time Dell bid for the Miramar hotel with its 10-story tower and poolside bungalows, Forbes listed him as the 12th-wealthiest person in the world. His fortune was estimated at \$17 billion.

He had never been a fan of property taxes. In the 1990s, Dell had a protracted fight with the city of Austin over the value of his 22,000-square-foot mansion.

The county appraised its value at \$22.5 million, but Dell appealed, arguing it was worth \$6 million at most. Eventually the two sides settled upon a value of \$12 million.

In 2006, Dell reduced the annual tax bill on his Texas ranch from \$580,000 to \$1,300 by qualifying for a wildlife exemption, which required him to feed wild turkeys and hunt white-tailed deer on the 1,700-acre property outside Austin.

He bid that same year for the Santa Monica hotel.

After discarding the first contract, Dell arranged for three partners to buy Ocean Avenue LLC, the holding company that owned the hotel. A firm owned by Dell acquired 42.5%. His wife Susan's trust acquired 49%. And a company set up by two of Dell's investment managers acquired the remaining 8.5%.

Dell reported to state tax officials that there had been no change in ownership. The Los Angeles County assessor's office learned of the deal after reading about it in The Times.

Staff members asked a lawyer at the Board of Equalization whether they could consider the deal a change in ownership. When the answer was no, the county decided to reassess anyway and raised the hotel's taxes.

In a hearing before the Assessment Appeals board, county counsel Albert Ramseyer argued that the Dells plainly took control of the property from the seller. He urged the board to "use common sense."

Dell lawyer Christopher Matarese responded that common sense is not the standard. He pointed to Revenue and Taxation Code section 462.180(d)(s), which says that a husband and wife can acquire 100% control of a property with no change of ownership as long as they split it 50-50.

"This court should not undo almost 40 years of change in ownership legislation because the assessor thinks the law is 'too good to be true,'" argued Matarese.

In December 2010, the Assessment Appeals Board ruled for the county, concluding Dell retained "ultimate control" of the hotel and had concocted the partnership to avoid reassessment.

Dell took the county to Superior Court. Five months ago, Judge Joanne B. O'Donnell struck down each of the assessor's arguments and ordered the county to refund his taxes and pay Dell's legal fees.

As Los Angeles County pursues its appeal, Dell's team has announced new plans for the Miramar: a massive remodel that would add a 21-story tower, making it Santa Monica's second-tallest building.

Local activists flooded a recent City Council meeting to object, saying it would turn Santa Monica into Miami Beach.

To bring neighbors around, Dell's team has touted the economic benefits of the plan, saying it would "generate important new revenue for Santa Monica ... money that will support our police, fire, schools and parks."





## Passed Resolutions

### School Districts

- Alameda Unified (April 8, 2014)
- Albany Unified (August 8, 2013)
- Alhambra Unified (October 20, 2013)
- Arcata School District (January 13, 2014)
- Baldwin Park Unified (December 10, 2013)
- Bassett Unified (December 12, 2013)
- Belmont-Redwood Shores School District (April 17, 2014)
- Bennett Valley Union School District (August 13, 2014)
- Berkeley Unified (June 6, 2013)
- Berryessa Union (September 10, 2013)
- Big Sur Unified (February 3, 2014)
- Bonny Doon (November 13, 2013)
- Borrego Springs Unified (January 22, 2014)
- Brentwood Union (August 14, 2013)
- Burlingame (September 10, 2013)
- Campbell Union High School (January 16, 2014)
- Canyon Elementary (July 9, 2013)
- Carmel Unified (November 11, 2013)
- Chabot-Las Positas Community College District (July 15, 2014)
- Coast Community College District (November 20, 2013)
- East Side Union High School (August 22, 2013)
- East Whittier City (November 12, 2013)
- El Monte Union High School (January 8, 2014)
- Eureka City School District (January 17, 2014)
- Foothill-De Anza Community College District (August 4, 2014)
- Franklin-McKinley (San Jose) (October 22, 2013)
- Fremont Unified (September 25, 2013)
- Garfield School District (January 8, 2014)
- Garvey School District (March 13, 2014)
- Gilroy Unified (March 6, 2014)
- Hayward Unified School District (February 12, 2014)
- Lafayette School District (June 25, 2014)
- Lagunita School District (March 25, 2014)
- Livermore Valley Joint Unified (September 3, 2013)
- Lynwood Unified (November 12, 2013)
- Los Altos School District (March 10, 2014)
- Marin Community College District (November 19, 2013)
- Meadows Union (December 10, 2013)
- Menlo Park City Schools (September 17, 2013)
- Moorpark Unified (May 15, 2014)
- Novato Unified (December 17, 2013)
- Oakland Unified (October 9, 2013)
- Peralta Community College District (February 25, 2014)
- Perris Union High School (March 19, 2014)
- Piedmont Unified (June 26, 2013)

- Pittsburg Unified (August 28, 2013)
- Pleasanton Unified (September 24, 2013)
- Portola Valley (August 21, 2013)
- Redwood City School District (March 12, 2014)
- Rio Hondo Community College (June 11, 2014)
- Salinas City Elementary School District (December 9, 2013)
- San Diego Unified (November 19, 2013)
- San Francisco Unified (October 8, 2013)
- San Gabriel Unified (March 25, 2014)
- San Leandro Unified (March 11, 2014)
- Santa Monica Unified (November 7, 2013)
- Saratoga Union School District (June 24, 2014)
- Sequoia Union High School District (August 13, 2014)
- Solana Beach School District (March 13, 2014)
- Solano Community College District (May 21, 2014)
- Solvang School District (December 10, 2013)
- South San Francisco Unified (January 16, 2014)
- Sunnyvale School District (February 6, 2014)
- Twin Hills Union School District (August 14, 2014)
- Walnut Creek (September 9, 2013)
- West Contra Costa Unified (October 2, 2013)
- West Sonoma County Union High School (September 11, 2013)
- Willow Grove Union (December 9, 2013)
- Wiseburn School District (March 13, 2014)

#### City Councils

- Albany (October 21, 2013)
- Berkeley (December 3, 2013)
- Brisbane (March 17, 2014)
- Emeryville (February 4, 2014)
- Fairfax (January 15, 2014)
- Los Angeles (August 26, 2014)
- Malibu (August 11, 2014)
- Oakland (March 4, 2014)
- Palo Alto (May 13, 2014)
- Richmond (May 21, 2013)
- San Francisco (June 3, 2014)
- San Leandro (March 14, 2014)
- Santa Monica (May 14, 2013)
- Sebastopol (May 6, 2014)

#### Other

- Contra Costa Central Labor Council (April 16, 2014)
- Alameda Labor Council (July 15, 2014)

**ATTACHMENT "D"****RESOLUTION NO. 7626****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN FERNANDO SUPPORTING COMMERCIAL PROPERTY  
TAX REFORM**

**WHEREAS**, Proposition 13, passed in 1978, is unfair in that it allows commercial property owners to avoid paying their fair share and has shifted the tax burden to residential property and away from business, including everyday homeowners and working families; and

**WHEREAS**, the state of California continues to face chronic budget crises in large part because Proposition 13 has forced the state to rely on more volatile revenue sources than the property tax, like income taxes and sales taxes paid by working families that move in tandem with economic cycles, causing deficits and requiring cuts to vital services that grow our economy and thereby worsening economic downturns; and

**WHEREAS**, regularly reassessing non-residential property would, according to an analysis of data provided by the California Board of Equalization, generate at least \$6 billion in additional revenue for California, and shift the tax burden from homeowners, renters, and working families to corporations and commercial landholders.

**NOW, THEREFORE BE IT RESOLVED**, that the San Fernando City Council supports commercial property tax reform that will require non-residential commercial properties to be reassessed regularly while maintaining Proposition 13 protections for residential property and small business owners; and

**THEREFORE BE IT FURTHER RESOLVED** that the San Fernando City Council will communicate this position to local elected officials.

**PASSED, APPROVED, AND ADOPTED** this 15<sup>th</sup> day of September, 2014.

---

Sylvia Ballin, Mayor

**ATTEST:**

---

Elena G. Chávez, City Clerk

**STATE OF CALIFORNIA            )**  
**COUNTY OF LOS ANGELES    ) ss**  
**CITY OF SAN FERNANDO        )**

**I HEREBY CERTIFY** that the foregoing Resolution was approved and adopted at a regular meeting of the City Council held on the 15<sup>th</sup> day of Septembder, 2014, by the following vote to wit:

**AYES:**

**NOES:**

**ABSENT:**

---

Elena G. Chávez, City Clerk

### **Local Government Campaign Talking Points**

- 59% of likely voters in California support taxing commercial properties at their current market value, according to a January 2014 PPIC poll.
- Voters passed Prop. 13 to protect seniors and families from rising property taxes – not large corporations. Chevron alone is saving nearly a billion dollars a year under Prop. 13's commercial loopholes.
- Since commercial properties rarely change hands they are rarely reassessed. For example, Disneyland is still paying property taxes based on a 1975 assessment.
- Since Prop. 13 passed the tax burden has shifted to homeowners and families. In California, residential property owners pay 72% of the property taxes and commercial property owners only pay 28%.
- Between 2001 and 2012, voters passed nearly 1,500 local revenue measures in order to fund cities, counties and special districts. All of these extra taxes reduce the buying power of individuals, negatively impacting working families and small businesses.
- In 40 out of 50 states, commercial property owners pay higher taxes than residential property owners.
- Property taxes are a critical source for local discretionary spending. Statewide 30% of cities' discretionary revenue, for public safety and infrastructure, comes from property taxes.
- Families in California are paying more every year to fund our schools and public services. Because commercial property owners are not paying their fair share of property taxes, we now have the highest income and sales tax rates in the nation.
- Under Prop. 13, two identical businesses can pay very different property taxes. This puts new businesses at a competitive disadvantage.
- Prop 13 has decimated funding for public schools. California has dropped to 49th in the nation in per-pupil spending.



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## **FINANCE DEPARTMENT**

### **MEMORANDUM**

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Nick Kimball, Finance Director

**DATE:** September 15, 2014

**SUBJECT:** Presentation of Measure “A” Annual Report

---

#### **RECOMMENDATION:**

It is recommended that the City Council receive and file this report.

#### **BACKGROUND:**

1. On June 4, 2013, voters approved a temporary ½ cent Transaction and Use Tax (Measure “A”), effective October 1, 2013 and terminating on October 1, 2020.
2. Chapter 82, Article V, Section 82-132 of the Municipal Code requires an Annual Report on the collection, management, and expenditure of the Measure “A” funds prior to October 1<sup>st</sup> each year.
3. The Municipal Code also requires an overview of the Annual Report be presented to City Council at an open and public meeting and that the Annual Report be a public document.

#### **ANALYSIS:**

The Annual Report is included as Attachment “A” and will be available on the City’s website on September 16, 2014.

#### **ATTACHMENT:**

- A. Annual Report – Measure “A”: ½ Cent Transaction and Use Tax



September 15, 2014

## **Annual Report – Measure A: ½ Cent Transaction & Use Tax**

Chapter 82, Article V, Section 82-132 of the San Fernando Municipal Code states:

*On or before each anniversary of the operative date, the city shall complete a study and produce a report reviewing the collection, management and expenditure of revenue from the proposed tax and shall present a report explain[ing] and providing an overview of the same at an open and public meeting of the City Council. This report shall be a public document.*

This report is being produced in accordance with the Municipal Code.

### **Executive Summary:**

The City received \$1,286,012 in Measure A funds in fiscal year 2013-2014, which is \$86,012 more than the \$1,200,000 budget projection. The Sales Tax to Transaction Tax ratio for the fiscal year was 51.9%. A Sales Tax to Transaction Tax ratio of 50% or greater indicates high compliance with Measure A. Consequently, it appears that local businesses are complying with and collecting the Measure A Transaction Tax.

Revenues raised through the Transaction Tax are necessary to fund a number of critical one-time needs, including, but not limited to: 1) establishing a General Fund and Self Insurance Fund reserve, 2) paying off existing debt, 3) eliminating the deficit in the Grant Fund and other Special Revenue funds, 3) re-establishing the City's Equipment Replacement Fund, 4) replacing and updating outdated computer software, hardware and telecommunications systems, 5) establishing a trust to pre-fund Other Post-Employment Benefits (OPEB), and 6) funding over-due capital projects to reduce the City's deferred maintenance costs.

A preliminary review of fiscal year 2013-2014 by the Finance Department suggests that there will be a surplus in the General Fund<sup>1</sup>. In accordance with the identified critical needs, the surplus will be used to reduce the General Fund and Self Insurance Fund deficit fund balances. Those two funds, combined, ended fiscal year 2012-2013 with a (\$1,747,052) deficit fund balance. Continued annual surpluses will be necessary to eliminate all deficit fund balances, build healthy fund reserves, and address the City's many critical one-time needs.

---

<sup>1</sup> The estimated General Fund surplus is a preliminary, pre-audit estimate and is subject to change during the annual independent audit.



## Background:

In fiscal year 2012-2013, the City was focused on rebuilding and increasing transparency of the City's finances. A lot of emphasis was placed on an accurate accounting of fund balances for the City's major funds. The City's FY 2011-2012 audited financials showed a General Fund and Self Insurance Fund balance of negative (\$1,236,782) and a Grants Fund balance of negative (\$2,007,798).

In order to remain solvent, the City had to take a number of steps to reduce expenditures, including re-negotiating labor contracts, layoffs, freezing vacant positions, and furloughs.

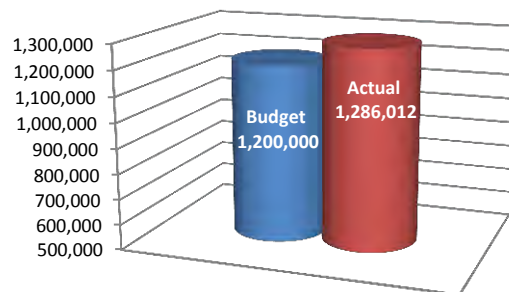
The City also declared a fiscal emergency to hold a special election on June 4, 2013 for San Fernando electorate to vote on a temporary one-half ( $\frac{1}{2}$ ) cent Transaction and Use Tax ("Tax"). The "City Services Emergency Protection Measure" (Measure A) was approved by sixty percent (60%) of voters.

Subsequent to certification of the election results by the City Clerk, the City adopted the required resolutions and executed the necessary agreements to implement Measure A. The date on which the increased tax rate went into effect was October 1, 2013. Measure A was approved as a temporary Tax and it is set to expire on October 1, 2020.

## Collection:

The City began collecting a  $\frac{1}{2}$  cent Transaction and Use Tax on applicable transactions in San Fernando on October 1, 2013. Since the City's fiscal year begins on July 1 and ends on June 30, this report will only include nine (9) months of collections. Subsequent reports will include a full twelve (12) months of collections.

FY 2013-14 Measure A Receipts



Below are a few key statistics related to the collection of the Tax:

- FY 2013-14 estimated Tax revenues were \$1,200,000.
- Actual Tax receipts for FY 2013-14 were \$1,286,012.
- The Sales Tax to Transaction Tax ratio for FY 2013-14 was 51.9%. A Sales Tax to Transaction Tax ratio of 50% or greater indicates high compliance with Measure A. Consequently, it appears that local businesses are complying with and collecting the Tax.



The Tax is collected and administered by the State Board of Equalization (BOE). The BOE then remits Measure A collections to the City Treasurer on a monthly basis.

The City contracts with Hinderliter, de Llamas & Associates (HdL) to monitor Tax receipts to identify, correct, and recover allocation errors and prepare the necessary case submittal documents with the BOE. This ensures that the City is maximizing collections and receipts are properly allocated to the City by the BOE.

**Management:**

In order to track Measure A revenue, the City Treasurer records receipts in a special account number on the City's General Ledger. This allows the City staff to easily discern year-to-date receipts, update projections, and make budget adjustments, if necessary.

City staff also conducts quarterly meetings with HdL to review Sales and Transaction Tax receipts in detail. This provides staff with valuable information on the health of the local economy, various business sectors, and individual companies by reviewing their quarterly sales tax reports. It also gives staff an opportunity to make HdL aware of new businesses opening in the City so staff can ensure compliance with Measure A.

**Expenditure:**

Measure A was approved as a general tax, which means that it can be used for any general governmental purpose. However, since it is a temporary tax set to sunset in seven (7) years, the City will focus Measure A funds toward non-recurring expenditures.

Revenues raised through the transaction tax are necessary to fund a number of critical one-time needs, including, but not limited to: 1) establishing a General Fund and Self Insurance Fund reserve, 2) paying off existing debt, 3) eliminating deficits in the Grant Fund and other Special Revenue Funds, 3) re-establishing the City's Equipment Replacement Fund, 4) replacing and updating outdated computer software, hardware and telecommunications systems, 5) establishing a trust to pre-fund OPEB, and 6) funding over-due capital projects to address a number of deferred maintenance needs.

A preliminary review of fiscal year 2013-2014 by the Finance Department suggests that there will be a surplus in the General Fund. In accordance with the identified critical needs, the surplus will be used to reduce the General Fund and Self Insurance Fund deficit fund balances. Those two funds, combined, ended fiscal year 2012-2013 with a (\$1,747,052) deficit fund balance.



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## COMMUNITY DEVELOPMENT DEPARTMENT

### MEMORANDUM

**TO:** Mayor Sylvia Ballin and Councilmembers

**FROM:** Brian Saeki, City Manager  
By: Fred Ramirez, Community Development Director

**DATE:** September 15, 2014

**SUBJECT:** Consideration to Approve an Amended Agreement for Comprehensive Fire and Emergency Medical Services with the City of Los Angeles Fire Department

---

#### **RECOMMENDATION:**

It is recommended that the City Council:

- a. Void the Agreement for Comprehensive Fire and Emergency Medical Services (Attachment “1” – Contract No. 1717) with the City of Los Angeles Fire Department (LAFD), approved by the San Fernando City Council on August 5, 2013;
- b. Approve an Agreement for Comprehensive Fire and Emergency Medical Services (Attachment “2” – Contract No. 1757) between the City of San Fernando and the LAFD;
- c. Approve Amendment No. 1 (Attachment “3” – Contract No. 1757(a)) to the Agreement for Comprehensive Fire and Emergency Medical Services between the City of San Fernando and LAFD;
- d. Authorize the Mayor to execute said Agreements between the City of San Fernando and LAFD; and
- e. Authorize the City Manager to undertake any activities necessary in order to implement said Agreements.

#### **BACKGROUND:**

1. On July 1, 2013, the City Council approved an Agreement for Comprehensive Fire and Emergency Medical Services (Contract No. 1717) between the City of San Fernando (City) and the City of Los Angeles Fire Department (LAFD). The agreement for comprehensive fire and emergency medical services includes among other things: 1) the establishment of a new methodology to calculate the annual fee for service that would result in a savings to the City



Consideration to Approve an Amended Agreement for Comprehensive Fire and Emergency Medical Services with the City of Los Angeles Fire Department

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for the Fiscal Years 2012-2013 through 2014-2015 while establishing an ongoing fee structure that ensures the City pays its proportionate share for LAFD services; 2) development of a payment fee schedule to address the City's outstanding balance for LAFD fees for Fiscal Year 2011-2012; and, 3) formulation of agreed upon procedures for communication and collaboration between the City and LAFD as part of applicable local, State and Federal Disaster and Civil Defense Mutual Aid requirements. Included as part of the Agreement were requirements for City of San Fernando's compliance with the City of Los Angeles' Equal Benefit Ordinance (Section 12) and the Slavery Disclosure Ordinance (Section 13). As part of the City Council's approval, staff was directed to verify whether these two ordinances applied to the City of San Fernando (a public agency) and if applicable, seek a waiver from these provisions in the Agreement.

2. On August 1, 2013, the City received a revised "Agreement for Comprehensive Fire and Emergency Medical Services" from the LAFD (Attachment "1"), which included all previously agreed to sections of the Agreement minus the requirements that the City of San Fernando comply with the City of Los Angeles' Equal Benefit Ordinance and Slavery Disclosure Ordinance. Both City of Los Angeles ordinances include language that grant exceptions to the City of San Fernando as a public agency from compliance with said ordinances. In an effort to expedite the review of the revised Agreement by the Los Angeles Fire Commission at their upcoming August 20, 2013 meeting, City staff requested City Council review at their August 5, 2013 meeting.
3. On August 5, 2013, the City Council approved an amended Agreement for Comprehensive Fire and Emergency Medical Services (Attachment "1" – Contract No. 1717) between the City and LAFD.
4. On October 1, 2013, the Los Angeles Fire Commission approved the Agreement (including an initial five-year term retroactive to July 1, 2012 and expiring on June 30, 2017, with two additional extensions of five-years each) for Comprehensive Fire and Emergency Medical Services and recommended it for approval to the Los Angeles City Council.
5. On December 6, 2013, the City of Los Angeles City Administrative Officer submitted a report to the City of Los Angeles Mayor and City Council regarding the Agreement for Comprehensive Fire and Emergency Medical Services for the City of San Fernando requesting authorization for the LAFD Fire Chief to negotiate and execute the agreement. The Los Angeles City Council item was subsequently tabled in order to allow review of the proposed agreement by the City of Los Angeles's Public Safety Committee prior to scheduling the item for full Los Angeles City Council review.
6. On August 8, 2014, the City of Los Angeles Public Safety Committee reviewed and subsequently approved the Agreement for Comprehensive Fire and Emergency Medical Services for the City of San Fernando, which includes an initial five-year term and two optional five-year extensions (Committee Item No. 13-1644).  
([http://ens.lacity.org/clk/committeeagend/clkcommitteeagend2789277\\_08082014.html](http://ens.lacity.org/clk/committeeagend/clkcommitteeagend2789277_08082014.html).)

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7. On August 20, 2014, the Los Angeles City Council voted unanimously to approve the Agreement for Comprehensive Fire and Emergency Medical Services between the City and LAFD (Attachment "2"). Included in the revised agreement is a repayment schedule that provides for the repayment of the City's outstanding payments for LAFD fees for service for Fiscal Year (FY) 2011-2012 totaling \$526,559.82 by the end of FY 2014-2015.
8. On August 26, 2014, the LAFD staff forwarded the City of Los Angeles-approved agreement for final review to City of San Fernando. The Agreement provided by Los Angeles was subsequently reviewed by City staff and the City Attorney in order to ensure compliance with terms previously approved by the San Fernando City Council on August 5, 2013.

**ANALYSIS:**

Revised Agreement. The revised Agreement for Comprehensive Fire and Emergency Medical Services between the City and LAFD will continue to have all of the following key components:

- The term of the Agreement will be for an initial period of five-years from July 1, 2012 and ending on July 1, 2017 and can be renewed for two additional five-year terms with mutual agreement from both parties.
- LAFD will provide the City with the same level of services for fire and emergency medical services at the same level as is provided within the City of Los Angeles.
- LAFD agrees to meet and negotiate with the City on any possible service increases associated with significant changes to demand for service within the City.
- City outstanding payments of LAFD fees for service for FY 2011-2012 totaling \$526,559.82 would be paid in three equal payments over a three-year period beginning on July 1, 2013, with the specifics to be outlined as part of a subsequent side letter to this Agreement between the City of San Fernando and LAFD (Attachment "3" – Contract No. 1757(a)).
- LAFD fee for service calculation has been modified to reflect actual fees paid and actual costs for services based on new fee calculation for FY 2012-2013 and FY 2013-2014 as well as projected costs for service for current FY 2014-2015. The future cost for service under the Agreement will be determined by taking the assessed value of the City of Los Angeles and comparing it to the assessed value of the City of San Fernando. The resultant ratio will then be applied to the total budget for LAFD including personnel, maintenance and operation. The total cost will be adjusted by the total revenue for services recouped by LAFD for said fiscal year. The LAFD fee for service charged to the City will be recalculated every fiscal year. The new fees for service calculation will be applied retroactively to July 1, 2012. It is anticipated that once the new Agreement is approved by both cities, the Agreement would result in an adjusted LAFD fee for services in the amounts of \$2,448,254 and \$2,672,721 to the City of San Fernando for FY 2012-2013 and FY 2013-2014, respectively.

Consideration to Approve an Amended Agreement for Comprehensive Fire and Emergency Medical Services with the City of Los Angeles Fire Department

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- City agrees to adopt by reference all of the City of Los Angeles' building and fire codes with some minor revisions to the building codes administrative sections in order to meet current City needs.
- LAFD will continue to provide plan check and fire service inspections as well as fire hydrant testing and charge the associated fee for services rendered.

**BUDGET IMPACT:**

City Council approval of the revised Agreement would result in a savings of \$451,746 and \$47,340 in the City's budgeted General Fund expenditures for LAFD fees for fire protection and emergency medical services for FY 2012-2013 and FY 2013-2014, respectively. The proposed Agreement provides that the anticipated savings attributed to the new fee calculation for each of the noted fiscal years will be applied retroactively to LAFD fees incurred by the City between July 1, 2012 and June 30, 2013. Furthermore, the proposed payment schedule would allow for repayment of outstanding LAFD fees from FY 2011-2012 to be paid out in three annual payments starting in FY 2012-2013 and concluding in FY 2014-2015. During FY 2014-2015, the City will pay the remaining outstanding balance of approximately \$292,829.62 (Attachment "3").

**CONCLUSION:**

Approval of the revised Agreement for Comprehensive Fire and Emergency Medical Services (Attachment "2") between the City and LAFD and Amendment No. 1 (Attachment "3") to said Agreement would ensure that the community continues to obtain needed fire protection and emergency medical services from LAFD. Furthermore, the revised Agreement provides for fee calculation methodology and associated payment schedule for outstanding LAFD fees that ensures the City immediate and long term savings to its General Fund.

**ATTACHMENTS:**

1. Contract No. 1717 - Agreement for Comprehensive Fire and Emergency Medical Services (approved by San Fernando City Council on August 5, 2013)
2. Contract No. 1757 - Agreement for Comprehensive Fire and Emergency Medical Services (approved by Los Angeles City Council on August 20, 2014)
3. Contract No. 1757(a) – Amendment No. 1 to Agreement for Comprehensive Fire and Emergency Medical Services (approved by Los Angeles City Council on August 20, 2014)

**ATTACHMENT "1"****CONTRACT NO. 1717****AGREEMENT FOR COMPREHENSIVE FIRE  
AND EMERGENCY MEDICAL SERVICES****BETWEEN  
THE CITY OF LOS ANGELES  
AND  
THE CITY OF SAN FERNANDO**

THIS AGREEMENT is made and entered into on \_\_\_\_\_, 2013 by and between the City of Los Angeles a municipal corporation acting by and through the Los Angeles Fire Department (hereinafter referred to as "the LAFD") and the City of San Fernando a municipal corporation, acting by and through its City Council.

**WITNESSETH:**

**WHEREAS**, the City of San Fernando seeks to enter into an agreement with the City of Los Angeles for the LAFD to provide comprehensive fire services inclusive of fire protection, prevention, inspection, and emergency medical services within its jurisdictional limits; and,

**WHEREAS**, the LAFD currently provides the City of San Fernando with comprehensive fire suppression/protection services (actions in response to an actual or threat of fire or other emergency, including fire inspection) and Emergency Medical Services ("EMS" - as that term is defined in Health and Safety Code Section 1797.72) services in the City of San Fernando, a municipal corporation within the County of Los Angeles, and adjacent to the City of Los Angeles; pursuant to a December 14, 1978 agreement, including one amendment, between the City of Los Angeles and the City of San Fernando (Contract # 49757) and,

**WHEREAS**, it would be advantageous to both cities for the LAFD to provide comprehensive fire services and EMS in the City of San Fernando, and, as needed, under the terms of the "CALIFORNIA DISASTER AND CIVIL DEFENSE MASTER MUTUAL AID AGREEMENT dated November 15, 1950, and as may be amended from time to time (included herein as Attachment A); and,

**WHEREAS**, the LAFD is agreeable to provide comprehensive fire services and EMS to the City of San Fernando for compensation at full cost recovery of said services; and,

**WHEREAS**, the City of San Fernando is agreeable to paying the City of Los Angeles the full cost of the comprehensive fire and EMS services provided, by the LAFD.

**NOW THEREFORE**, it is agreed as follows:

## **PURPOSE**

The purpose of this Agreement is for LAFD to provide the City of San Fernando comprehensive fire and emergency medical services within its boundaries (included herein as Attachment B) Comprehensive Fire and Emergency Medical Services (hereinafter referred to as "Services") shall mean the same services the LAFD provides to the residents and businesses of the City of Los Angeles under standard operating procedures, including, but not limited to, fire suppression, fire prevention, inspection, paramedic and emergency medical technician functions and the corresponding resources will be provide to the City of San Fernando. The City of San Fernando and the City of Los Angeles (hereinafter referred to as the "Parties") mutually agree that the fee for performance should, as near as possible, represent the City of San Fernando's comparable share of the total cost of said Services as provided by the LAFD. The Parties agree to the "Comparable Share of the Total Cost" as noted in this Agreement (included herein as Attachment C).

### **1. STATEMENT OF BENEFITS AND INTEREST**

Although the City of San Fernando has the primary responsibility to provide Services to its residents, the LAFD agrees to provide Services within the corporate limits of City of San Fernando to the manner herein set forth. Except as otherwise hereinafter specifically set forth, such Services shall only encompass duties and functions within the jurisdiction of and customarily rendered by the LAFD under the Charter and ordinances of said City of Los Angeles and statutes of the State of California.

### **3. GENERAL PROVISIONS**

- A. TERM.** The term of this Agreement shall commence upon execution by all Parties and remain in effect for a period of five (5) years, and may be amended to extend the term of the Agreement by mutual written agreement of the parties.

Where Services have been provided prior to the date of execution, both parties agree that the calculation for the payment of services under this Agreement shall begin on July 1, 2012, and made annually thereafter.

- B. SERVICES.** The LAFD shall provide the City of San Fernando with the same level of Service that the LAFD provides to the territory within its corporate limits. Such Services shall be in accordance with the appropriate national and area standards. The discipline of officers and other matters incidental to the performance of such Services, and the control of personnel so employed, shall remain with the LAFD.
- C. SERVICES INCREASE.** In the event there is a significant increase in providing Services in the City of San Fernando as compared to the previous twelve (12) month, fiscal year period and such increase is not proportional to the increase in services provided in the City of Los Angeles, then the Parties to this Agreement agree to meet and negotiate, in good faith, a fair and equal adjustment in the fee



paid to the LAFD for its increased costs for providing said Services to the City of San Fernando.

- D. SUPPLIES.** For the purpose of performing Services under this Agreement, the Parties agree the LAFD shall furnish and supply all necessary labor, supervision, equipment, communication facilities and supplies necessary to maintain the level of service to be rendered hereunder. The Parties further agree that in all instances where special supplies, stationary, notices, forms and the like must be issued in the name of the City of San Fernando, the City of San Fernando shall supply the same at its own cost and expense.
- E. PAYMENT FOR PAST SERVICES.** Whereas the LAFD has provided Services to the City of San Fernando under a prior agreement (Agreement No. 49757), should any amounts be due under that agreement, the Parties agree payment for such Services shall be paid in a manner agreeable between the Parties.
- F. EMPLOYMENT POLICY.** Employees of the parties to this Agreement shall at all times be subject only to the laws, regulations, and rules governing their employment, regardless of the incident location. Employees shall not be entitled to compensation or other benefits of any kind other than specifically provided by the terms of their employment.

For the purpose of performing Services and functions pursuant to this Agreement, and only for the purpose of giving official status to the performance thereof, the Parties agree, every officer and employee of the LAFD engaged in performing any such Service and function shall be deemed to be an officer or employee of the City of San Fernando, while performing service for the City of San Fernando, which service is within the scope of this Agreement and is a municipal function.

- G. FIRE PREVENTION.** The City of San Fernando agrees to fully adopt the City of Los Angeles Fire Code and the Los Angeles Building Code, pursuant to their laws, rules and regulations.
- H. FIRE HYDRANT SYSTEM.** The City of San Fernando fire hydrant system will be tested annually, by the LAFD, in a manner compatible with accepted national and area standards and acceptable to the LAFD. The City of San Fernando will repair, within a reasonable period of time, any portion of such system found defective as a result of such tests. The City of San Fernando will also notify the LAFD, in writing, of long term repairs to said system.
- I. FEES AND METHOD OF PAYMENT**
- (1) Fees. The LAFD will charge a yearly fee for service. The fee is payable in monthly installments, due in advance of service.

- (2) Invoices. The LAFD will provide an invoice a minimum of 30 days prior to the upcoming Payment Due Date. The LAFD will invoice on a monthly basis.
- (3) Payment Due Dates. With the exception of the first payment, payments are due on the first day of each month. The first payment is due upon execution of the Agreement. Subsequent payments are due in accordance with the above schedule.
- (4) Service Period. The first service period will begin on July 1, 2012 and end on June 30, 2013. Each Annual Service Period thereafter, for fee calculation purposes, will begin the following July 1 and end June 30 of the following calendar year.
- (5) Fee Calculation and Reconciliation. The LAFD will anticipate costs of services based on cost of services in the preceding Service Period. The cost will be determined by taking the assessed value of the City of Los Angeles compared to the assessed value of the City of San Fernando. This ratio will then be applied to the Total Budget for the Los Angeles City Fire Department including the Operating Budget, Related and Indirect Costs, and reducing the total cost by the total revenue allocated in the budget.

**J. NONDISCRIMINATION** Both Parties shall comply with all Federal statutes relating to nondiscrimination and all applicable requirements of all other Federal laws. These include, but are not limited to: (a) Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, disability or national origin; (b) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disabilities.

**K. PRINCIPAL CONTACTS.** The principal contacts for the Agreement are:

LOS ANGELES FIRE DEPARTMENT  
Brian Cummings, Fire Chief  
200 North Main Street  
Los Angeles, CA 90012  
(213) 978-3800

CITY OF SAN FERNANDO  
Donald E. Penman, City Administrator  
117 Macneil Street  
San Fernando, CA 91340  
(818) 898-1203

- 4. PREVIOUS AGREEMENT CANCELLED** The Parties agree this Agreement supersedes Agreement No. C-49757, which by execution of this Agreement, is



hereby terminated effective June 30, 2012. Any amounts past due to the City of Los Angeles under Agreement C-49757 shall be paid to the City of Los Angeles pursuant to the terms as outlined in Section 3.E of this Agreement.

5. **INSURANCE** The Parties shall maintain in effect through the term of this contract the coverage and policy limits as stated in Form 146 (Exhibit A). Each Party may satisfy the insurance obligations by a combination of commercial insurance, formal risk pooling under California statutory provision, and/or a self-funded loss reserve in whatever proportions are deemed appropriate by the Parties.
6. **INDEMNIFICATION.** Each of the parties to this Agreement is a public entity. In contemplation of the provisions of Section 895.2 of the Government Code of the State of California imposing certain tort liability jointly upon public entities, solely by reason of such entities being parties to an Agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, will each assume the full liability imposed upon it or upon any of its officers, agents or employees by law, for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Section 895.2. Each party indemnifies and holds harmless the other party solely by virtue of said Section 895.2. The provision of Section 2778 of the California Civil Code is made a part hereto as if fully set forth herein. Both City of Los Angeles Fire Department and the City of San Fernando certifies that it has adequate commercial insurance or self-insured retention of funds to meet any obligation arising from this Agreement. The provisions of this indemnification shall survive expiration or termination of this Agreement.
7. **DISPUTE RESOLUTION.** In the event of a dispute between the Parties as to the operations, payment or any other issue arising under this Agreement, the parties agree to meet and negotiate in good faith to resolve such dispute. This shall not limit the parties' right to pursue any available remedies at law or in equity.
8. **AMENDMENTS.** Any extension or amendment of this Agreement must be made in writing and executed by the Parties.
9. **TERMINATION.** Both Parties retain the right to terminate their participation under this Agreement by providing a minimum of 180 days written notice to all parties.

The City of San Fernando is responsible, and agrees, to pay, on a pro-rated basis, for all services provided through the effective date of termination.

The City of Los Angeles is responsible to refund, on a pro-rated basis, any fees paid in advance by the City of San Fernando within 60 days from effective date of termination.

**10. LEGAL AUTHORITY.** Both Parties certify that the individuals executing this Agreement on their behalf has the legal authority to enter into this Agreement.

**11. CHILD SUPPORT ASSIGNMENT ORDERS.** This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code. Pursuant to this Ordinance, the **CITY OF SAN FERNANDO** certifies that it will (1) fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the principal owner(s) of **CITY OF SAN FERNANDO** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230, et seq.; and (4) maintain such compliance throughout the term of this Contract. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of the **CITY OF SAN FERNANDO** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of the **CITY OF SAN FERNANDO** to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the **CITY OF SAN FERNANDO** under the terms of this Contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to the **CITY OF SAN FERNANDO** by **CITY OF LOS ANGELES**. Any subcontract entered into by the **CITY OF SAN FERNANDO** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph and shall incorporate the provisions of the Child Support Assignment Orders Ordinance. Failure of the **CITY OF SAN FERNANDO** to obtain compliance of its subcontractors shall constitute a default by the **CITY OF SAN FERNANDO** under the terms of this Contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to **CITY OF SAN FERNANDO** by the **CITY OF LOS ANGELES**.

**CITY OF SAN FERNANDO** shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. The **CITY OF SAN FERNANDO** assures that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in subdivision (1) of the Public Contract Code 7110.

**12. ENTIRE AGREEMENT.** This Agreement contains the full and complete Agreement between the two Parties. No verbal agreement or conversation with any officer or employee of either Party will affect or modify any of the terms and conditions of this Agreement.

This Agreement is executed in four (4) originals. This Agreement includes eight (8) pages (including the signature page); with three (3) Attachments and one (1) Exhibit, which together constitute the entire understanding and agreement of the Parties.

(Signature Page to Follow)

**IN WITNESS WHEREOF**, the parties hereto have caused the Agreement to be executed by their respective duly authorized representatives.

**CITY OF LOS ANGELES**

By \_\_\_\_\_  
Eric Garcetti  
Mayor

Date \_\_\_\_\_

**APPROVED AS TO FORM:**

Michael N. Feuer, City Attorney

By \_\_\_\_\_  
Anthony-Paul Diaz  
Assistant City Attorney

Date \_\_\_\_\_

**CITY OF SAN FERNANDO**

By \_\_\_\_\_  
Antonio G. Lopez  
Mayor

Date \_\_\_\_\_

**ATTEST:**

June Lagmay, City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Date \_\_\_\_\_

Attachment A, California Disaster and Civil Defense Master Mutual Aid Agreement  
Attachment B, Geographical Map of the Boundaries of the City of San Fernando  
Attachment C, Comparable Share of the Total Cost for Fire and EMS services  
Exhibit A, Insurance Requirements - Form 146

## Attachment "A"

**CALIFORNIA  
DISASTER AND CIVIL DEFENSE  
MASTER MUTUAL AID AGREEMENT**

This agreement made and entered into by and between the STATE OF CALIFORNIA, its various departments and agencies, and the various political subdivisions, municipal corporations, and other public agencies of the State of California;

***WITNESSETH:***

***WHEREAS***, it is necessary that all of the resources and facilities of the State, its various departments and agencies, and all its political subdivisions, municipal corporations, and other public agencies be made available to prevent and combat the effect of disasters which may result from such calamities as flood, fire, earthquake, pestilence, war, sabotage, and riot; and

***WHEREAS***, it is desirable that each of the parties hereto should voluntarily aid and assist each other in the event that a disaster should occur, by the interchange of services and facilities, including, but not limited to, fire, police, medical and health, communication, and transportation services and facilities, to cope with the problems of rescue, relief, evacuation, rehabilitation, and reconstruction which would arise in the event of a disaster; and

***WHEREAS***, it is necessary and desirable that a cooperative agreement be executed for the interchange of such mutual aid on a local, countywide, regional, statewide, and interstate basis;

***NOW, THEREFORE, IT IS HEREBY AGREED*** by and between each and all of the parties hereto as follows:

1. Each party shall develop a plan providing for the effective mobilization of all its resources and facilities, both public and private, to cope with any type of disaster.
2. Each party agrees to furnish resources and facilities and to render services to each and every other party to this agreement to prevent and combat any type of disaster in accordance with duly adopted mutual aid operational plans, whether heretofore or hereafter adopted, detailing the method and manner by which such resources, facilities, and services are to be made available and furnished, which operational plans may include provisions for training and testing to make such mutual aid effective; provided, however, that no party shall be required to deplete unreasonably its own resources, facilities, and services in furnishing such mutual aid.
3. It is expressly understood that this agreement and the operational plans adopted pursuant thereto shall not supplant existing agreements between some of the parties hereto providing for the exchange or furnishing of certain types of facilities and services on a reimbursable, exchange, or other basis, but that the mutual aid extended under this agreement and the operational plans adopted pursuant thereto, shall be without reimbursement unless otherwise expressly



provided for by the parties to this agreement or as provided in Sections 1541, 1586, and 1587, Military and Veterans Code; and that such mutual aid is intended to be available in the event of a disaster of such magnitude that it is, or is likely to be, beyond the control of a single party and requires the combined forces of several or all of the parties to this agreement to combat.

4. It is expressly understood that the mutual aid extended under this agreement and the operational plans adopted pursuant thereto shall be available and furnished in all cases of local peril or emergency and in all cases in which a *STATE OF EXTREME EMERGENCY* has been proclaimed.
5. It is expressly understood that any mutual aid extended under this agreement and the operational plans adopted pursuant thereto, is furnished in accordance with the "California Disaster Act" and other applicable provisions of law, and except as otherwise provided by law that: "The responsible local official in whose jurisdiction an incident requiring mutual aid has occurred shall remain in charge at such incident including the direction of such personnel and equipment provided him through the operation of such mutual aid plans." (Section 1564, Military and Veterans Code.)
6. It is expressly understood that when and as the State of California enters into mutual aid agreements with other states and the Federal Government, the parties to this agreement shall abide by such mutual aid agreements in accordance with the law.
7. Upon approval or execution of this agreement by the parties hereto all mutual aid operational plans heretofore approved by the State Disaster Council, or its predecessors, and in effect as to some of the parties hereto, shall remain in full force and effect as to them until the same may be amended, revised, or modified. Additional mutual aid operational plans and amendments, revisions, or modifications of existing or hereafter adopted mutual aid operational plans, shall be adopted as follows:
  - a. Countywide and local mutual aid operational plans shall be developed by the parties thereto and are operative as between the parties thereto in accordance with the provisions of such operational plans. Such operational plans shall be submitted to the State Disaster Council for approval. The State Disaster Council shall notify each party to such operational plans of its approval, and shall also send copies of such operational plans to other parties to this agreement who did not participate in such operational plans and who are in the same area and affected by such operational plans. Such operational plans shall be operative as to such other parties 20 days after receipt thereof unless within that time the party by resolution or notice given to the State Disaster Council, in the same manner as notice of termination of participation in this agreement, declines to participate in the particular operational plan.

- b. Statewide and regional mutual aid operational plans shall be approved by the State Disaster Council and copies thereof shall forthwith be sent to each and every party affected by such operational plans. Such operational plans shall be operative as to the parties affected thereby 20 days after receipt thereof unless within that time the party by resolution or notice given to the State Disaster Council, in the same manner as notice of termination of participation in this agreement, declines to participate in the particular operational plan.
  - c. The declination of one or more of the parties to participate in a particular operational plan or any amendment, revision or modification thereof, shall not affect the operation of this agreement and the other operational plans adopted pursuant thereto.
  - d. Any party may at any time by resolution or notice given to the State Disaster Council, in the same manner as notice of termination of participation in this agreement, decline to participate in any particular operational plan, which declination shall become effective 20 days after filing with the State Disaster Council.
  - e. The State Disaster Council shall send copies of all operational plans to those state departments and agencies designated by the Governor. The Governor may, upon behalf of any department or agency, give notice that such department or agency declines to participate in a particular operational plan.
  - f. The State Disaster Council, in sending copies of operational plans and other notices and information to the parties to this agreement, shall send copies to the Governor and any department or agency head designated by him; the chairman of the board of supervisors, the clerk of the board of supervisors, the County Disaster Council, and any other officer designated by a county; the mayor, the clerk of the city council, the City Disaster Council, and any other officer designated by a city; the executive head, the clerk of the governing body, or other officer of other political subdivisions and public agencies as designated by such parties.
8. This agreement shall become effective as to each party when approved or executed by the party, and shall remain operative and effective as between each and every party that has heretofore or hereafter approved or executed this agreement, until participation in this agreement is terminated by the party. The termination by one or more of the parties of its participation in this agreement shall not affect the operation of this agreement as between the other parties thereto. Upon approval or execution of this agreement the State Disaster Council shall send copies of all approved and existing mutual aid operational plans affecting such party which shall become operative as to such party 20 days after



receipt thereof unless within that time the party by resolution or notice given to the State Disaster Council, in the same manner as notice of termination of participation in this agreement, declines to participate in any particular operational plan. The State Disaster Council shall keep every party currently advised of who the other parties to this agreement are and whether any of them has declined to participate in any particular operational plan.

9. Approval or execution of this agreement shall be as follows:
  - a. The Governor shall execute a copy of this agreement on behalf of the State of California and the various departments and agencies thereof. Upon execution by the Governor a signed copy shall forthwith be filed with the State Disaster Council.
  - b. Counties, cities, and other political subdivisions and public agencies having a legislative or governing body shall by resolution approve and agree to abide by this agreement, which may be designated as "*CALIFORNIA DISASTER AND CIVIL DEFENSE MASTER MUTUAL AID AGREEMENT.*" Upon adoption of such a resolution, a certified copy thereof shall forthwith be filed with the State Disaster Council.
  - c. The executive head of those political subdivisions and public agencies having no legislative or governing body shall execute a copy of this agreement and forthwith file a signed copy with the State Disaster Council.
10. Termination of participation in this agreement may be effected by any party as follows:
  - a. The Governor on behalf of the State and its various departments and agencies, and the executive head of those political subdivisions and public agencies having no legislative or governing body, shall file a written notice of termination of participation in this agreement with the State Disaster Council and this agreement is terminated as to such party 20 days after the filing of such notice.
  - b. Counties, cities, and other political subdivisions and public agencies having a legislative or governing body shall by resolution give notice of termination of participation in this agreement and file a certified copy of such resolution with the State Disaster Council, and this agreement is terminated as to such party 20 days after the filing of such resolution.

***IN WITNESS WHEREOF*** this agreement has been executed and approved and is effective and operative as to each of the parties as herein provided.

Signed by: EARL WARREN  
GOVERNOR

On behalf of the State of California and all its  
Departments and Agencies

ATTEST:

November 15, 1950

Signed by: FRANK M. JORDAN  
SECRETARY OF STATE



**Note:**

There are references in the foregoing agreement to the California Disaster Act, State Disaster Council, and various sections of the Military and Veterans Code. Effective November 23, 1970, by enactment of Chapter 1454, Statutes 1970, the California Disaster Act (Sections 1500 ff., Military and Veterans Code) was superseded by the California Emergency Services Act (Sections 8550 ff., Government Code), and the State Disaster Council was superseded by the California Emergency Council.

Section 8668 of the California Emergency Services Act provides:

- (a) Any disaster council previously accredited, the State Civil Defense and Disaster Plan, the State Emergency Resources Management Plan, the State Fire Disaster Plan, the State Law Enforcement Mutual Aid Plan, all previously approved civil defense and disaster plans, all mutual aid agreements, and all documents and agreements existing as of the effective date of this chapter, shall remain in full force and effect until revised, amended, or revoked in accordance with the provisions of this chapter.

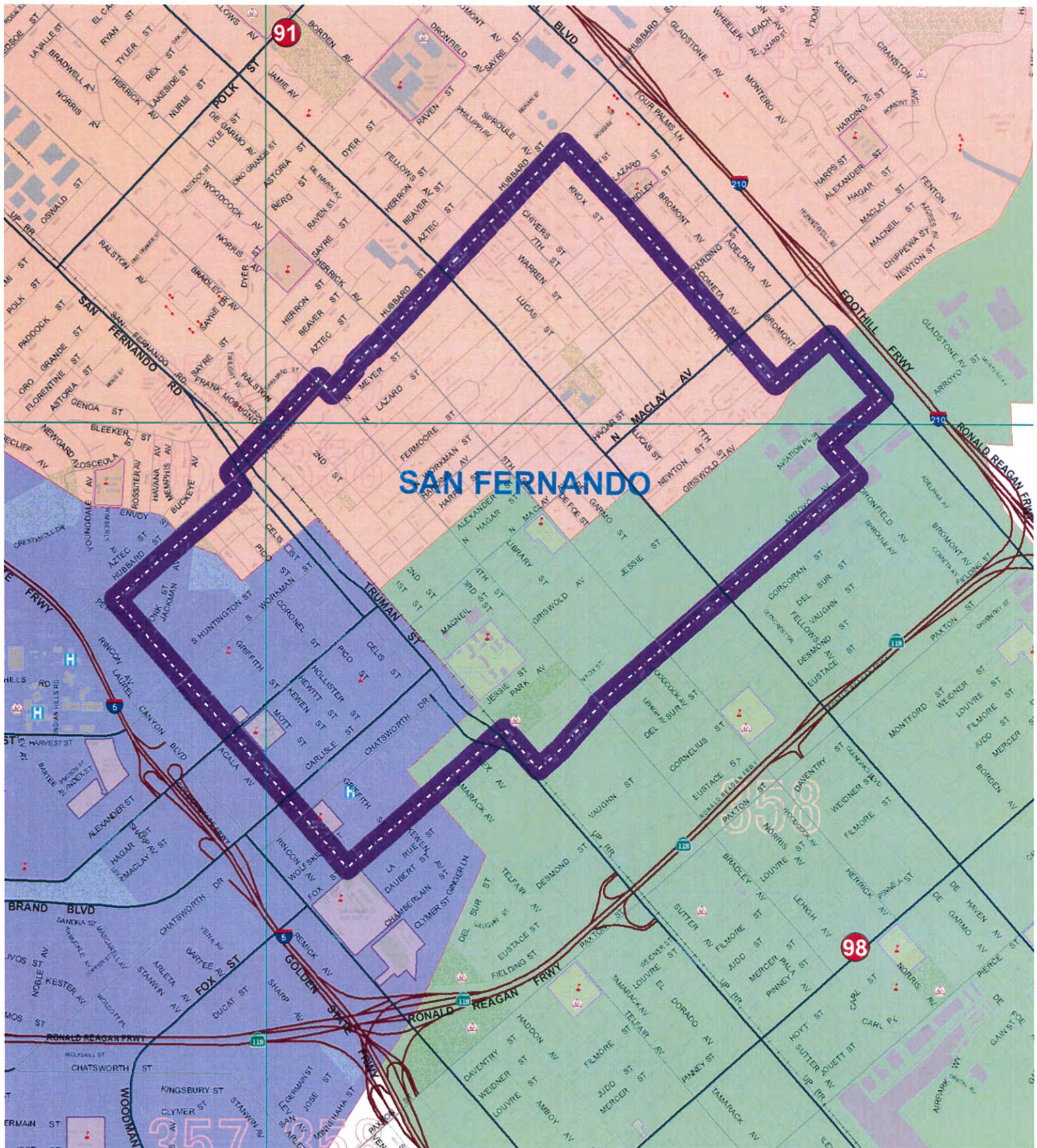
In addition, Section 8561 of the new act specifically provides:

"Master Mutual Aid Agreement" means the California Disaster and Civil Defense Master Mutual Aid Agreement, made and entered into by and between the State of California, its various departments and agencies, and the various political subdivisions of the state, to facilitate implementation of the purposes of this chapter.

Substantially the same provisions as previously contained in Section 1541, 1564, 1586 and 1587 of the Military and Veterans Code, referred to in the foregoing agreement, are now contained in Sections 8633, 8618, 8652 and 8643, respectively, of the Government Code.



# Attachment "B"



SAN FERNANDO BOUNDARY

## LAFD FIRST-IN DISTRICTS

75 91 98





## Attachment C

**City of Los Angeles  
Fire Department  
Comparable Share of the Total Cost  
As of April 29, 2013**

<b>San Fernando</b>	Estimated	Actual	Estimated
Assessment Value Note 1	2012	2012	2013
City of Los Angeles	\$ 409,073,085,384	\$ 419,126,705,477	\$ 419,126,705,477
San Fernando	1,470,621,856	1,522,404,747	1,522,404,747
Ratio	0.360%	0.360%	0.360%
 Fire Department Budget Note 2			
Operating Budget	472,597,193	472,597,193	513,444,773
Related and Indirect Costs	354,548,383	354,548,383	355,764,172
Total Budget	827,145,576	827,145,576	869,208,945
Less Revenue Note 3	(142,193,562)	(142,193,562)	(169,707,771)
	684,952,014	684,952,014	699,501,174
<b>Proposed Fee</b>	<b>\$ 2,465,827</b>	<b>\$ 2,465,827</b>	<b>\$ 2,518,204</b>

Note 1: The Assessment values for both the City of Los Angeles and the City of San Fernando are obtained from the Los Angeles County Office of the Assessor's Annual Report located in the County of Los Angeles' website.

Note 2: The information for the Fire Department Budget is obtained from the annual budget submitted by the Mayor and Modified and Adopted by the City of Los Angeles Council.

Note 3: The Revenue for the Fire Department is obtained from the Revenue Outlook book, a supplemental to the Proposed Budget.

**Required Insurance and Minimum Limits**Name: Los Angeles Fire DepartmentDate: 03/28/2013Agreement/Reference: City of San Fernando - Mutual Aid Agreement

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

☒ **Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)**

WC	<u>Statutory</u>
EL	<u>\$1,000,000</u>

☐ Waiver of Subrogation in favor of City
☐ Longshore & Harbor Workers  
☐ Jones Act

☒ **General Liability**
\$2,000,000☒ Products/Completed Operations☐ Sexual Misconduct☐ Fire Legal Liability☒ \$5,000,000 Aggregate
☐ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

☐ **Professional Liability** (Errors and Omissions)
Discovery Period 12 Months After Completion of Work or Date of Termination
☐ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Boiler and Machinery☐ Flood☐ Builder's Risk☐ Earthquake☐ Fine Arts - Cover value of exhibit
☐ **Pollution Liability**
☐ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**
100% of the contract price
☐ **Crime Insurance**

Other: General Notes:

1) If a contractor has no employees and decides to not cover herself/himself for workers' compensation, please complete the form entitled "Request For Waiver of Workers' Compensation Insurance Requirement" located at: <http://cao.lacity.org/risk/InsuranceForms.htm>

2) In the absence of imposed auto liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

**AGREEMENT FOR COMPREHENSIVE FIRE  
AND EMERGENCY MEDICAL SERVICES**

**ATTACHMENT "2"  
CONTRACT NO. 1757**

**BETWEEN  
THE CITY OF LOS ANGELES  
AND  
THE CITY OF SAN FERNANDO**

THIS AGREEMENT is made and entered into on \_\_\_\_\_, 2014 by and between the City of Los Angeles a municipal corporation acting by and through the Los Angeles Fire Department (hereinafter referred to as "the LAFD") and the City of San Fernando a municipal corporation, acting by and through its City Council.

**WITNESSETH:**

**WHEREAS**, the City of San Fernando seeks to enter into an agreement with the City of Los Angeles for the LAFD to provide Comprehensive Fire and Emergency Medical Services within its jurisdictional limits; and,

**WHEREAS**, the LAFD currently provides the City of San Fernando with Comprehensive Fire and Emergency Medical Services in the City of San Fernando, a municipal corporation within the County of Los Angeles, and adjacent to the City of Los Angeles; pursuant to a December 14, 1978 agreement, including one amendment, between the City of Los Angeles and the City of San Fernando (Contract # 49757) and,

**WHEREAS**, it would be advantageous to both cities for the LAFD to provide comprehensive fire services and EMS in the City of San Fernando; and,

**WHEREAS**, the LAFD is agreeable to provide comprehensive fire services and EMS to the City of San Fernando for compensation; and,

**WHEREAS**, the City of San Fernando is agreeable to paying the City of Los Angeles for services provided, by the LAFD.

**NOW THEREFORE**, it is agreed as follows:

1. **PURPOSE.** The purpose of this Agreement is for LAFD to provide the City of San Fernando comprehensive fire and emergency medical services within its boundaries (included herein as Attachment A) Comprehensive Fire and Emergency Medical Services (hereinafter referred to as "Services") shall mean the same services the LAFD provides to the residents and businesses of the City of Los Angeles under standard operating procedures, including, but not limited to, fire suppression, fire prevention, inspection, paramedic and emergency medical technician functions and the corresponding resources will be provided to the City of San Fernando. In addition, Emergency Medical Services ("EMS") – will be provided as that term is defined in Health and Safety Code Section 1797.72). The City of San Fernando and the City of Los Angeles (hereinafter referred to as the "Parties") mutually agree that



the fee for performance should, as near as possible, represent the City of San Fernando's comparable share of the total cost of said Services as provided by the LAFD. The Parties agree to the "Comparable Share of the Total Cost" as noted in this Agreement (included herein as Attachment B).

2. **STATEMENT OF BENEFITS AND INTEREST.** Although the City of San Fernando has the primary responsibility to provide Services to its residents, the LAFD agrees to provide Services within the corporate limits of City of San Fernando to the manner herein set forth. Except as otherwise hereinafter specifically set forth, such Services shall only encompass duties and functions within the jurisdiction of and customarily rendered by the LAFD under the Charter and ordinances of said City of Los Angeles and statutes of the State of California.

3. **GENERAL PROVISIONS.**

- A. **TERM.** The term of this Agreement shall commence upon execution by all Parties and remain in effect for a period of five (5) years, and may be amended to extend the term of the Agreement up to two (2) additional five (5) year terms, by mutual written agreement of the parties.
- B. **RATIFICATION.** Where there has been a need to provide un-interrupted Fire and EMS services crucial to public safety and where such services have been provided prior to the date of execution of this agreement, both parties agree that the calculation, and payment, of services under this Agreement shall begin on July 1, 2012, and be made annually thereafter
- C. **SERVICES.** The LAFD shall provide the City of San Fernando with the same level of Service that the LAFD provides to the territory within its corporate limits. Such Services shall be in accordance with the appropriate national and area standards. The discipline of officers and other matters incidental to the performance of such Services, and the control of personnel so employed, shall remain with the LAFD.
- D. **SERVICES INCREASE.** In the event there is a significant increase in providing Services in the City of San Fernando as compared to the previous twelve (12) month, fiscal year period and such increase is not proportional to the increase in services provided in the City of Los Angeles, then the Parties to this Agreement agree to meet and negotiate, in good faith, a fair and equal adjustment in the fee paid to the LAFD for its increased costs for providing said Services to the City of San Fernando.
- E. **SUPPLIES.** For the purpose of performing Services under this Agreement, the Parties agree the LAFD shall furnish and provide all necessary supplies necessary to maintain the level of service to be rendered hereunder. The Parties further agree that in all instances where special supplies, stationary, notices, forms and the like must be issued in the name of the City of San Fernando, the City of San Fernando shall provide the same at its own cost and expense.

- F. **PAYMENT FOR PAST SERVICES.** Whereas the LAFD has provided Services to the City of San Fernando under a prior agreement (Agreement No. 49757), should any amounts be due under that agreement, the Parties agree payment for such Services shall be paid in a manner agreeable between the Parties.
- G. **EMPLOYMENT POLICY.** Employees of the parties to this Agreement shall at all times be subject only to the laws, regulations, and rules governing their employment, regardless of the incident location. Employees shall not be entitled to compensation or other benefits of any kind other than specifically provided by the terms of their employment.
- H. **CODE ADOPTION.** The City of San Fernando agrees to fully adopt the City of Los Angeles Fire Code and the Los Angeles Building Code, pursuant to their laws, rules and regulations.
- I. **FIRE HYDRANT SYSTEM.** The City of San Fernando fire hydrant system will be tested annually, by the LAFD, in a manner compatible with accepted national and area standards and acceptable to the LAFD. The City of San Fernando will repair, within a reasonable period of time, any portion of such system found defective as a result of such tests. The City of San Fernando will also notify the LAFD, in writing, of long term repairs to said system.
- J. **FEES AND METHOD OF PAYMENT.**
- (1) Fees. The LAFD will charge a yearly fee for service. The fee is payable in monthly installments, due in advance of service.
  - (2) Invoices. The LAFD will provide an invoice a minimum of 30 days prior to the upcoming Payment Due Date. The LAFD will invoice on a monthly basis.
  - (3) Payment Due Dates. With the exception of the first payment, payments are due on the first day of each month. The first payment is due upon execution of the Agreement. Subsequent payments are due in accordance with the above schedule.
  - (4) Service Period. The first service period will begin on July 1, 2012 and end on June 30, 2013. Each Annual Service Period thereafter, for fee calculation purposes, will begin the following July 1 and end June 30 of the following calendar year.
  - (5) Fee Calculation and Reconciliation. The LAFD will anticipate costs of services based on cost of services in the preceding Service Period. The cost will be determined by taking the assessed value of the City of Los Angeles compared to the assessed value of the City of San Fernando. This ratio will then be applied to the Total Budget for the Los Angeles City Fire Department including the Operating Budget, Related and Indirect Costs, and reducing the total cost by the total revenue allocated in the budget.

K. **NONDISCRIMINATION.** Both Parties shall comply with all Federal statutes relating to nondiscrimination and all applicable requirements of all other Federal laws. These include, but are not limited to: (a) Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, disability or national origin; (b) Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination on the basis of disabilities.

L. **PRINCIPAL CONTACTS.** The principal contacts for the Agreement are:

LOS ANGELES FIRE DEPARTMENT  
Ralph M. Terrazas, Fire Chief  
200 North Main Street  
Los Angeles, CA 90012  
(213) 978-3800

CITY OF SAN FERNANDO  
Brian Saeki, City Manager  
117 Mac Neil Street  
San Fernando, CA 91340  
(818) 898-1203

4. **PREVIOUS AGREEMENT CANCELLED.** The Parties agree this Agreement supersedes Agreement No. C-49757, which, by execution of this Agreement, is hereby terminated effective June 30, 2012. Any amounts past due to the City of Los Angeles under Agreement C-49757 shall be paid to the City of Los Angeles pursuant to the terms as outlined in Section 3.F of this Agreement.
5. **INSURANCE.** The Parties shall maintain in effect through the term of this contract the coverages and policy limits as stated in Form 146 (Exhibit A). Each Party may satisfy the insurance obligations by a combination of commercial insurance, formal risk pooling under California statutory provision, and/or a self-funded loss reserve in whatever proportions are deemed appropriate by the Parties.
6. **INDEMNIFICATION.** Each of the parties to this Agreement is a public entity. In contemplation of the provisions of Section 895.2 of the Government Code of the State of California imposing certain tort liability jointly upon public entities, solely by reason of such entities being parties to an Agreement as defined by Section 895 of said Code, the parties hereto, as between themselves, pursuant to the authorization contained in Section 895.4 and 895.6 of said Code, will each assume the full liability imposed upon it or upon any of its officers, agents or employees by law, for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement, to the same extent that such liability would be imposed in the absence of Section 895.2. Each party indemnifies and holds harmless the other party solely by virtue of said Section 895.2. The provision of Section 2778 of the California Civil Code is made a part hereto as if fully set forth

herein. Both City of Los Angeles Fire Department and the City of San Fernando certifies that it has adequate commercial insurance or self-insured retention of funds to meet any obligation arising from this Agreement. The provisions of this indemnification shall survive expiration or termination of this Agreement.

7. **DISPUTE RESOLUTION.** In the event of a dispute between the Parties as to the operations, payment or any other issue arising under this Agreement, the parties agree to meet and negotiate in good faith to resolve such dispute. This shall not limit the parties' right to pursue any available remedies at law or in equity.
8. **AMENDMENTS.** Any extension or amendment of this Agreement must be made in writing and executed by the Parties.
9. **TERMINATION.** Both Parties retain the right to terminate their participation under this Agreement by providing a minimum of 180 days written notice to all parties.

The City of San Fernando is responsible, and agrees, to pay, on a pro-rated basis, for all services provided through the effective date of termination.

The City of Los Angeles is responsible to refund, on a pro-rated basis, any fees paid in advance by the City of San Fernando within 60 days from effective date of termination.

10. **LEGAL AUTHORITY.** Both Parties certify that the individuals executing this Agreement on their behalf has the legal authority to enter into this Agreement.
11. **CHILD SUPPORT ASSIGNMENT ORDERS.** This Contract is subject to the Child Support Assignment Orders Ordinance, Section 10.10 of the Los Angeles Administrative Code. Pursuant to this Ordinance, the **CITY OF SAN FERNANDO** certifies that it will (1) fully comply with all State and Federal employment reporting requirements applicable to Child Support Assignment Orders; (2) that the principal owner(s) of **CITY OF SAN FERNANDO** are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code section 5230, et seq.; and (4) maintain such compliance throughout the term of this Contract. Pursuant to Section 10.10.b of the Los Angeles Administrative Code, failure of the **CITY OF SAN FERNANDO** to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of the **CITY OF SAN FERNANDO** to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default by the **CITY OF SAN FERNANDO** under the terms of this Contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to the **CITY OF SAN FERNANDO** by **CITY OF LOS ANGELES**. Any subcontract entered into by the **CITY OF SAN FERNANDO** relating to this Contract, to the extent allowed hereunder, shall be subject to the provisions of this paragraph and shall incorporate the provisions of

the Child Support Assignment Orders Ordinance. Failure of the **CITY OF SAN FERNANDO** to obtain compliance of its subcontractors shall constitute a default by the **CITY OF SAN FERNANDO** under the terms of this Contract, subjecting this Contract to termination where such failure shall continue for more than ninety (90) days after notice of such failure to **CITY OF SAN FERNANDO** by the **CITY OF LOS ANGELES**.

**CITY OF SAN FERNANDO** shall comply with the Child Support Compliance Act of 1998 of the State of California Employment Development Department. The **CITY OF SAN FERNANDO** assures that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees, and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in subdivision (1) of the Public Contract Code 7110.

12. **CITY STANDARD PROVISIONS.** The City of Los Angeles acknowledges the City of San Fernando, is a municipal corporation within the State of California, and as such, is required to comply with Federal and State laws. The City of Los Angeles further acknowledges that it has made formal inquiry of the Bureau of Contract Administration, and in concurrence with the City Attorney's Office, the City of Los Angeles has determined that Standard Provisions for City Contracts, unless otherwise included in this agreement, are not applicable.
13. **ENTIRE AGREEMENT.** This Agreement contains the full and complete Agreement between the two Parties. No verbal agreement or conversation with any officer or employee of either Party will affect or modify any of the terms and conditions of this Agreement.

This Agreement is executed in four (4) originals. This Agreement includes seven (7) pages (including the signature page); with two (2) Attachments and one (1) Exhibit, which together constitute the entire understanding and agreement of the Parties.

(Signature Page to Follow)

**IN WITNESS WHEREOF**, the parties hereto have caused the Agreement to be executed by their respective duly authorized representatives.

**CITY OF LOS ANGELES****CITY OF SAN FERNANDO**

By \_\_\_\_\_  
Eric Garcetti  
Mayor

By \_\_\_\_\_  
Sylvia Ballin  
Mayor

Date \_\_\_\_\_

Date \_\_\_\_\_

**APPROVED AS TO FORM:****ATTEST:**

Michael N. Feuer, City Attorney

Holly Wolcott, City Clerk

By \_\_\_\_\_  
Anthony-Paul Diaz  
Assistant City Attorney

By \_\_\_\_\_  
Deputy City Clerk

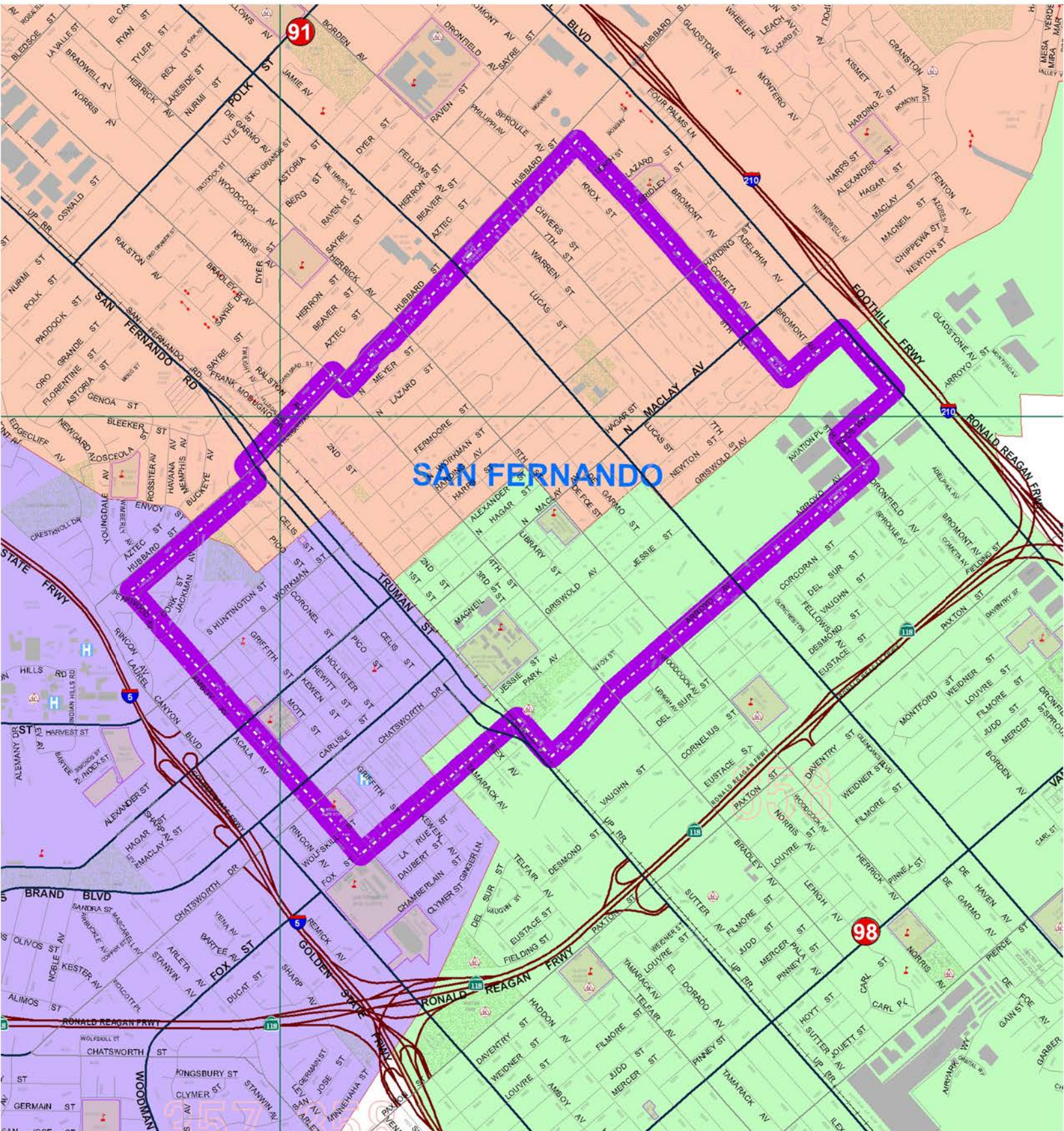
Date \_\_\_\_\_

Date: \_\_\_\_\_

Attachment A, Geographical Map of the Boundaries of the City of San Fernando  
Attachment B, Comparable Share of the Total Cost for Fire and EMS services  
Attachment C, Insurance Requirements - Form 146  
Addendum No. 1 to Agreement for Comprehensive Fire and Emergency Medical  
Services between the City of Los Angeles and the City of San Fernando



# Attachment "A"



SAN FERNANDO BOUNDARY

## LAFD FIRST-IN DISTRICTS





## Attachment B

City of Los Angeles  
Fire Department  
Comparable Share of the Total Cost  
As of April 29, 2013

<b>San Fernando</b>	Estimated	Actual	Estimated
Assessment Value Note 1	2012	2012	2013
City of Los Angeles	\$ 409,073,085,384	\$ 419,126,705,477	\$ 419,126,705,477
San Fernando	1,470,621,856	1,522,404,747	1,522,404,747
Ratio	0.360%	0.360%	0.360%
Fire Department Budget Note 2			
Operating Budget	472,597,193	472,597,193	513,444,773
Related and Indirect Costs	354,548,383	354,548,383	355,764,172
Total Budget	827,145,576	827,145,576	869,208,945
Less Revenue Note 3	(142,193,562)	(142,193,562)	(169,707,771)
	684,952,014	684,952,014	699,501,174
<b>Proposed Fee</b>	<b>\$ 2,465,827</b>	<b>\$ 2,465,827</b>	<b>\$ 2,518,204</b>

Note 1: The Assessment values for both the City of Los Angeles and the City of San Fernando are obtained from the Los Angeles County Office of the Assessor's Annual Report located in the County of Los Angeles' website.

Note 2: The information for the Fire Department Budget is obtained from the annual budget submitted by the Mayor and Modified and Adopted by the City of Los Angeles Council.

Note 3: The Revenue for the Fire Department is obtained from the Revenue Outlook book, a supplemental to the Proposed Budget.

**ATTACHMENT C****Required Insurance and Minimum Limits**Name: Los Angeles Fire DepartmentDate: 03/28/2013Agreement/Reference: City of San Fernando - Mutual Aid Agreement

Evidence of coverages checked below, with the specified minimum limits, must be submitted and approved prior to occupancy/start of operations. Amounts shown are Combined Single Limits ("CSLs"). For Automobile Liability, split limits may be substituted for a CSL if the total per occurrence equals or exceeds the CSL amount.

Limits

☒ **Workers' Compensation - Workers' Compensation (WC) and Employer's Liability (EL)**
WC StatutoryEL \$1,000,000☐ Waiver of Subrogation in favor of City☐ Longshore & Harbor Workers☐ Jones Act
☒ **General Liability**
\$2,000,000☒ Products/Completed Operations☐ Sexual Misconduct☐ Fire Legal Liability☒ \$5,000,000 Aggregate
☐ **Automobile Liability** (for any and all vehicles used for this contract, other than commuting to/from work)

☐ **Professional Liability** (Errors and Omissions)
Discovery Period 12 Months After Completion of Work or Date of Termination
☐ **Property Insurance** (to cover replacement cost of building - as determined by insurance company)
☐ All Risk Coverage☐ Flood☐ Earthquake☐ Boiler and Machinery☐ Builder's Risk☐ Fine Arts - Cover value of exhibit
☐ **Pollution Liability**
☐
☐ **Surety Bonds - Performance and Payment (Labor and Materials) Bonds**
100% of the contract price
☐ **Crime Insurance**
**Other:** General Notes:

1) If a contractor has no employees and decides to not cover herself/himself for workers' compensation, please complete the form entitled "Request For Waiver of Workers' Compensation Insurance Requirement" located at: <http://cao.lacity.org/risk/InsuranceForms.htm>

2) In the absence of imposed auto liability requirements, all contractors using vehicles during the course of their contract must adhere to the financial responsibility laws of the State of California.

**ADDENDUM NO. 1 TO AGREEMENT FOR COMPREHENSIVE FIRE  
AND EMERGENCY MEDICAL SERVICES      ATTACHMENT "3"  
BETWEEN      CONTRACT NO. 1757(a)  
THE CITY OF LOS ANGELES  
AND  
THE CITY OF SAN FERNANDO**

THIS ADDENDUM is made and entered into on \_\_\_\_\_, 2014 by and between the City of Los Angeles a municipal corporation acting by and through the Los Angeles Fire Department (hereinafter referred to as "the LAFD") and the City of San Fernando a municipal corporation, acting by and through its City Council.

**WITNESSETH:**

**WHEREAS**, the City of San Fernando seeks to enter into an agreement with the City of Los Angeles for the LAFD to provide Comprehensive Fire and Emergency Medical Services within its jurisdictional limits; and,

**WHEREAS**, the LAFD currently provides the City of San Fernando with Comprehensive Fire and Emergency Medical Services in the City of San Fernando, a municipal corporation within the County of Los Angeles, and adjacent to the City of Los Angeles; pursuant to a December 14, 1978 agreement, including one amendment, between the City of Los Angeles and the City of San Fernando (Contract # 49757) and,

**WHEREAS**, the provision of Comprehensive Fire and Emergency Medical Services in the City of San Fernando is advantageous for the public safety of both cities; and,

**WHEREAS**, the LAFD is agreeable to provide comprehensive fire services and EMS to the City of San Fernando for compensation; and,

**WHEREAS**, the City of San Fernando is agreeable to paying the City of Los Angeles for LAFD's services provided; and,

**WHEREAS**, the City of San Fernando agrees to repay the City of Los Angeles for past services provided in accordance to an agreed upon schedule contained herein.

**NOW THEREFORE**, it is agreed as follows:

1. **PURPOSE**

The purpose of this Addendum is for the City of San Fernando to reimburse the City of Los Angeles for Services provided in Fiscal Year 2010-11, for which a portion of the payment is unpaid, and provides a payment schedule by which the City of San Fernando agrees to compensate the City of Los Angeles through direct payment, or through credits applied by the Los Angeles Fire Department for services provided between Fiscal Years 2011-12 to 2014-15 as indicated in the repayment schedule (included herein as Attachment A).

2. **ALL OTHER TERMS AND CONDITIONS**

All other terms and conditions of Agreement No. C-\_\_\_\_\_, between the City of Los Angeles and City of San Fernando remain in effect.

(Signature Page to Follow)

**IN WITNESS WHEREOF**, the parties hereto have caused the Agreement to be executed by their respective duly authorized representatives.

**CITY OF LOS ANGELES**

By \_\_\_\_\_  
Eric Garcetti  
Mayor

Date \_\_\_\_\_

**APPROVED AS TO FORM:**

Michael N. Feuer, City Attorney

By \_\_\_\_\_  
Anthony-Paul Diaz  
Assistant City Attorney

Date \_\_\_\_\_

**CITY OF SAN FERNANDO**

By \_\_\_\_\_  
Sylvia Ballin  
Mayor

Date \_\_\_\_\_

**ATTEST:**

Holly Wolcott, Interim City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Date: \_\_\_\_\_

Attachment A, Repayment Schedule

## ATTACHMENT A

**SAN FERNANDO  
REPAYMENT SCHEDULE FOR FIRE SERVICES  
FISCAL YEAR 2011-12 TO FISCAL YEAR 2014-15**

<b>FISCAL YEAR</b>	<b>COST OF SERVICES</b>	<b>AMOUNT RECEIVED</b>	<b>CREDIT OR OUTSTANDING BALANCE</b>	<b>CUMULATIVE OUTSTANDING BALANCE</b>
2011-12	\$ 3,159,358.92	\$ 2,632,799.10	\$ (526,559.82)	\$ (526,559.82)
2012-13 *	\$ 2,448,254.00	\$ 2,632,799.20	\$ 184,545.20	\$ (342,014.62)
2013-14 *	\$ 2,672,712.00	\$ 2,721,897.00	\$ 49,185.00	\$ (292,829.62)
2014-15 **	\$ 2,672,721.00	\$ 2,965,550.62	\$ 292,829.62	\$ 0.00
<b>TOTALS</b>	<b>\$ 10,953,045.92</b>	<b>\$ 10,953,045.92</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>

**NOTES:**

\* FY 2012-13 (and beyond) Cost of Services is based on New Contract methodology

\*\* FY 2014-15 Cost of Services and Payments Received are estimated.