

AGENDA

DUARTE CITY COUNCIL/DUARTE UNIFIED SCHOOL DISTRICT

SPECIAL JOINT SESSION – TUESDAY, JUNE 28, 2016 – 5:00 p.m.

Duarte Community Center – 1600 Huntington Drive, Duarte

1. CALL TO ORDER
 - A. City Council
 - B. School Board
2. PLEDGE TO THE FLAG
3. ROLL CALL
 - A. City Council
John Fasana, Margaret Finlay, Samuel Kang, Tzeitel Paras-Caracci, Liz Reilly
Darrell George, City Manager
 - B. School Board
Kenneth Bell, Reyna Diaz, Douglas Edwards, Tom Reyes, Cheryl Taylor
Allan Mucerino, Superintendent
4. ADOPTION OF THE AGENDA
 - A. City Council
 - B. School Board
5. INPUT ON AGENDA ITEMS
Anyone wishing to discuss items ON THE AGENDA should come forward to the podium, state name, address, and Agenda item of concern. A 5-minute limit for remarks concerning each item is requested.
6. AGENDA ITEMS
 - A. City Picnic and DUSD participation update
 - B. DUSD Competitive Advantage Program
 - C. Public Safety update
7. ORAL COMMUNICATIONS
Anyone wishing to discuss items NOT ON THE AGENDA may request to speak before the Council/Board. A 5-minute limit for remarks is requested.
8. ITEMS FROM CITY COUNCIL/SCHOOL BOARD/TOWN COUNCIL
9. ADJOURNMENT
 - A. City Council – To Regular Meeting, June 28, 2016
 - B. School Board

MEMORANDUM

TO: City Council
FROM: City Manager
DATE: June 23, 2016
SUBJECT: Comments on Agenda Items, Meeting of June 28, 2016

A special joint session with the City Council and School Board will be held at 5:00 p.m.

ITEM 6. The City Manager, along with staff from the Emergency Operations Center (EOC), will provide an update on the San Gabriel Complex Fire.

ITEM 10.D (Consent). This item recommends that the City Council accept the Las Lomas Road (Royal Oaks Drive to Huntington Drive) Rehabilitation project as completed. This project required the contractor to remove and replace concrete sidewalks, curb and gutters, and driveway approaches that have been damaged by tree roots or other factors throughout various locations citywide.

ITEM 10.E (Consent). This is the second reading of an Ordinance amending the Municipal Code related to a temporary suspension of the City of Duarte Inclusionary Housing Program, to provide a temporary five-year suspension.

ITEM 10.G (Consent). On June 21, 2016, the City Manager, acting as the Director of Emergency Services, proclaimed the existence of a local emergency within the City of Duarte due to the San Gabriel Complex fire. This resolution now must be ratified by the City Council.

ITEM 10.H (Consent). This is a resolution to approve a job description for a Part-Time Recreation Specialist, and establish an hourly rate schedule for the position. As part of the recently approved Fiscal Year 2016/17 budget, the City Council approved funding for the Parks and Recreation Department to hire Recreation Specialists. This part-time position would be under the supervision of Recreation Supervisors and assist with very specific programs and projects as assigned. This position will hold a higher level of responsibility than an entry level Recreation Leader, and a lower level of responsibility than a Recreation Coordinator.

ITEM 12. The City Council is required, each year, to hold a Public Hearing to establish property assessments to pay for the Landscape and Lighting Assessment District. The action covers the Citywide Landscape and Lighting District, as well as all neighborhood landscape districts. In some neighborhood zones, the assessment is allowed to increase by CPI. This year, the December 31, 2015, CPI was 2%. Staff recommends approval of Resolution 16-12 to establish the assessment.

ITEM 13.A. Staff is recommending approval of a Purchase and Sale Agreement with Tipping Investment for the sale of City properties at 1634 Third Street and 1101 Oak Avenue for \$1.9 million. The properties include the north City Yard, the former City Hall building that currently houses Duarte Montessori, the Duarte Chamber of Commerce, the DCTV studio, and Third Street Park. The City would be responsible for the cost of processing a general plan amendment, zone change, and the related environmental documents. That cost would be balanced by a \$50,000 non-refundable deposit required when the sale agreement is signed. There would be an additional \$100,000 refundable deposit when final project approvals are given. The agreement also calls for the relocation and construction of Third Street Park to the corner of Third Street and Oak Avenue. Staff also requests that the City Council authorize the City Manager to sign a Professional Services Agreement in the amount of \$47,985 with Morse Planning Group for environmental services.

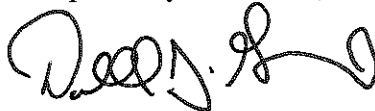
In addition, this item includes a resolution approving the agreement for the purchase and sale of property, park land exchange, and joint escrow instructions for the property located at 1634 Third Street and 1101 Oak Avenue.

ITEM 13.B. This item requests that the City Council review and approve the new proposed Burrtec Waste Services commercial and roll-off rates. The most recent one-year contract extension and rate review took place in December of 2015, when the City Council adopted Amendment No 7 to the Municipal Solid Waste, Recyclables, and Green Waste Services Agreement. As part of Amendment No. 7, the term of the agreement was extended to December 31, 2019, residential refuse and recycling collection rates were not increased, and the monthly rate for residential and commercial street sweeping increased by two cents per month effective January 1, 2016.

In conjunction with the Amendment No. 7 process, Burrtec Waste Services discussed with the City Council a deferral of its annual commercial and roll-off rate review until late Spring 2016 due to the roll-out of the new organics recycling legislation AB 1826 (Attachment 2). Burrtec has taken this time to study the impacts of this new law on its company's operation, and how to best incorporate the costs associated with this new requirement into commercial pricing.

On April 19, 2016, Burrtec submitted its original request for adjustments to its commercial and roll-off rates to become effective July 1, 2016. However, an unexpected mid-year increase from Puente Hills MRF and Transfer station has also impacted the rates. Thus, based on the above two impacts, the standard formula combined with Burrtec's pro-active response to the new organics legislation, the City will be able to furnish an affordable approach to both the organics recycling and the increased refuse rates for our business community. The proposed Burrtec commercial and roll-off rates would increase effective July 1, 2016, and will also result in an increase to the City's Franchise Fee revenues.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Darrell J. George", written in a cursive style.

Darrell J. George
City Manager

MINUTES

JOINT CITY COUNCIL/CITY COUNCIL AS SUCCESSOR AGENCY TO DISSOLVED REDEVELOPMENT AGENCY/HOUSING AUTHORITY/COMMUNITY FACILITIES FINANCING AUTHORITY OF THE CITY OF DUARTE REGULAR MEETING – JUNE 14, 2016

CALL TO ORDER	The City Council/City Council as Successor Agency to Dissolved Redevelopment Agency/Housing Authority/Community Facilities Financing Authority of the City of Duarte met in a regular meeting in the Council Chambers, 1600 Huntington Drive, Duarte, California. Mayor Kang called the meeting to order at 5:16 p.m.
RECORDATION OF ATTENDANCE	The following were in attendance: PRESENT: Fasana, Finlay, Paras-Caracci, Reilly, Kang ABSENT: None ADMINISTRATIVE STAFF PRESENT: City Manager George, City Attorney Cosgrove
ADOPTION OF AGENDA	Paras-Caracci moved, Finlay seconded to adopt the Agenda, as amended to add adoption of the 2016/17 City of Duarte and Housing Authority budget as Business Item 14.A, to remove Consent Calendar Item 11.F, and to add the names Carol Ciminelli, Junior Tongson, Muhammad Ali, and the victims of the Orlando tragedy to Adjournment, and carried unanimously.
WORKSHOP 2016/17 Budget	City Council conducted a workshop to discuss the 2016/17 City of Duarte/Housing Authority budget. Petersen presented highlights of the proposed budget. Duarte Chamber of Commerce Chairman of the Board Bob Cruz presented information about past and future Chamber events, and thanked the City for its continued support. Department Heads discussed proposed personnel positions, and answered questions from City Councilmembers. The workshop concluded at 7:10 p.m. City Council reconvened at 7:20 p.m., with all members present.
PLEDGE TO THE FLAG	Catalina (Bike SGV) led the Pledge of Allegiance to the Flag.
MOMENT OF REFLECTION	A moment of reflection was observed.
FITNESS/MENTAL WARM-UP	Kang and Finlay provided the warm-up.
SPECIAL ITEMS – Proclamation Veterans Appreciation Day	A Proclamation was read and issued for Veterans Appreciation Day, which will be observed on June 25, 2016.
Recognition – Green Home Awards	Cesar Monsalve described the awards program, and introduced judges in attendance, and Recreation Supervisor Lupe Valerio. Mayor Kang and Brian Barreto presented certificates, awards, and gift bags to the winners of the Green Home Awards.
Mayor’s Youth Council update	Felipe Valdez, Mayor’s Youth Council, announced upcoming Teen Center events in June and July.

06/14/16

626 Golden Streets event update	Cesar Monsalve welcomed and introduced 626 Golden Streets mascot Sasquatch, and provided an update of the event, including route, train run, hub area, and shuttle service. Brian Villalobos provided detailed information about the Duarte route, hours, use of deputies, volunteers, and street closures.
ANNOUNCEMENTS	Brian Barreto, Cal Am Water, presented an update on mandatory water conservation measures and upcoming CPUC hearings. Joanna Gee, Duarte Library, announced story times, programs, and classes in June, July, and August. Sheryl Lefmann, Duarte Chamber, announced upcoming events and seminars in June. Karen Herrera presented community announcements, including grand openings, events, and programs in June and July.
ORAL COMMUNICATIONS	The following spoke on items not on the Agenda: Sgt. Haynes – Home invasion and homicide arrests. Steve Hernandez – Arrest in Santa Monica. Alicia Lopez – Clean air Pomona, smoke-free outdoor dining. Jasmine Jimenez – Smoke-free outdoor dining policy. Elisabeth Dugan – Commission support, Recreation Specialists.
CONSENT CALENDAR	It was noted that Item F was removed from the Agenda earlier in the meeting when the Agenda was adopted. Paras-Caracci moved, Reilly seconded to approve the Consent Calendar as follows, and carried with Finlay not on the dais during the vote. Approve Items A, B, C, D, H, I, J, K. Remove Item E, G.
Item D – ORDINANCE NO. 864 Purchase of Supplies (Second Reading)	Council Bill 16-O-04 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, AMENDING CHAPTER 2.36 OF THE DUARTE MUNICIPAL CODE, RELATING TO PURCHASE OF SUPPLIES, EQUIPMENT, AND SERVICES (Second Reading)
ITEM J – RESOLUTION 16-11 Unrepresented Employees	Council Bill 16-R-11 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, RESCINDING RESOLUTION NO. 15-13 AND ESTABLISHING A SALARY SCHEDULE AND COMPENSATION PLAN FOR UNREPRESENTED REGULAR EMPLOYEES
ITEMS REMOVED Item E – Gold Line property deed conveyances	Jason Golding, City Planner, presented a staff report about the item, and responded to questions pertaining to the transfers. Cosgrove provided information about deeds.
ITEM E – APPROVED	Reilly moved, Paras-Caracci seconded to approve the acceptance of the Gold Line property deed conveyances, and carried unanimously.

Item G – Notice of Completion
Pool Improvements Project

ITEM G – APPROVED

PUBLIC HEARING
Council Bill 16-O-05
Temporary suspension of
Inclusionary Housing Program
(First Reading)

BUSINESS ITEMS
2016/17 City/Housing Authority
Budget

Cesar Monsalve responded to questions pertaining to funding for the pool improvements.

Reilly moved, Fasana seconded to approve the acceptance of the Duarte Fitness Center Pool Improvements Project No. 16-3 (Condor, Inc.), and to authorize the City Clerk to initiate the Notice of Completion, and carried unanimously.

Mayor Kang announced this was the time and place set for a Public Hearing to consider Council Bill 16-O-05.

Notice of the hearing was given, the affidavit is on file, and no written communications were received about the matter.

Cosgrove read by title Council Bill 16-O-05:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ADOPTING MUNICIPAL CODE AMENDMENT 16-02, WHICH WOULD AMEND CHAPTER 19.30.050 OF THE DEVELOPMENT CODE RELATING TO A TEMPORARY SUSPENSION OF THE CITY OF DUARTE INCLUSIONARY HOUSING PROGRAM (First Reading)

Jason Golding, City Planner, presented a staff report about the proposed temporary suspension of the City's Inclusionary Housing Program for a period of five years.

Mayor Kang asked if there was anyone in the audience who wished to be heard on the matter. There were none.

Fasana moved, Reilly seconded to close the Public Hearing, and carried unanimously.

Fasana moved, Finlay seconded to introduce Council Bill 16-O-05 for first reading, and carried unanimously.

Reilly moved, Paras-Caracci seconded to adopt the 2016/17 City of Duarte/Housing Authority budget.

There was discussion about deficit spending, \$1.3 million expected from the State of California, proposed new employees, possibility of freezing travel budgets, Rose float, capital improvements, revenue challenges, need to keep up social media, and investments.

Finlay moved, Fasana seconded to cut the Rose float, freeze all travel budgets at the current level, cut the college intern position in the Community Development Department, and cut the college intern position in the City Manager's office.

Fasana moved, Finlay seconded to cut the Rose float, and to freeze all travel budgets at the current level.

It was determined that each proposed cut would be considered separately.

The motion to freeze all travel budgets passed by the following Roll Call vote:

AYES: Kang, Fasana, Finlay

NOES: Paras-Caracci, Reilly

The motion to cut the Rose float carried by the following Roll Call vote:

AYES: Paras-Caracci, Kang, Reilly, Fasana

NOES: Finlay

The motion to cut the college intern position in the Community Development Department failed by the following Roll Call vote:

AYES: Fasana

NOES: Finlay, Reilly, Kang, Paras-Caracci

The motion to cut the college intern position in the City Manager's passed by the following Roll Call vote:

AYES: Kang, Fasana, Finlay

NOES: Paras-Caracci, Reilly

Fasana moved, Kang seconded to approve the 2016/17 City of Duarte/Housing Authority budget, as amended, and carried unanimously.

Donation/Gift Policy

Fasana moved, Finlay seconded to adopt the City of Duarte Donation and Gift Policy, and carried unanimously.

ITEMS FROM CITY COUNCIL/ CITY MANAGER

FINLAY: Inquired about Christmas decorations on Huntington Drive (Monsalve responded), and asked about the bird issue in the riverbed homeless report (Villalobos and Herrera responded).

FASANA: Attended Greener Valleys conference, he would like staff to meet with Valley Light Industries, as they offer work for those with challenges, a great job was done at the pool, things are better at the Teen Center with the fencing, discussed statements made by Muhammad Ali, and asked for a report back about the rights cities have regarding guns and ammunition, and if cities have a role.

REILLY: Stated there is a restaurant in China that uses a robot, residents of Duarte Garden Apartments received notices to vacate as it is no longer Section 8, she thinks we just did a TEFRA item for that and she would like more information, suggested transit schedules be distributed to the library and schools, stated sewing machines at the Senior Center need cabinets and asked if we could look at that, attended SCAG conference, Casino Night was great, she presented sashes to the graduating Mayor's Youth Council members, and congratulated all graduating seniors.

PARAS-CARACCI: Acknowledged Christian Daly in the audience, Rotary did a great job on Casino Night, attended community movie night, she was keynote speaker for West Hollywood recreation division event, discussed construction at Buena Vista and Huntington, inquired about parking lot elevation (Hensley

responded), she received a few complaints about cyclists where the street narrows on Royal Oaks Drive and suggested there could be workshops held to continue that conversation, she noticed a number of shopping carts on Mt. Olive, they are mostly from CVS, and asked if we can have a conversation with retailers or a program for foldable carts.

KANG: Stated Smart & Final and Grocery Outlet are opening soon, there are shrubs in front of the monument sign on Huntington when coming from Monrovia, and stated a great job was done at the pool.

ADJOURNMENT

The meeting was adjourned at 9:58 p.m. in memory of John Martinez, Carol Ciminelli, Muhammad Ali, and the victims of the Orlando tragedy.

Mayor Samuel Kang

ATTEST:

City Clerk



City of Duarte

Council Warrant Register Over \$5000

By Payment Number

Payment Dates 06/15/2016 - 06/28/2016

Payment Number	Payment Date	Vendor #	Description	Vendor Name	Account Number	Project Account Key	Payment Amount
Payment Number	Payable Number	Description	Vendor Name	Account Number	Project Account Key	Item Amount	
205008	6/15/2016	T3555	DSRM CABLE CONSTRUCTION INC				5,000.00
	53151/6-0002	Right of Way Cash Bond Refund-Las L		100-2120			5,000.00
205046	6/22/2016	2461	MOUNTAIN VISTA PLAZA				9,020.32
	6/2016	Public Safety Lease		100-1205-7787			9,020.32
205063	6/28/2016	4935	ALBERT GROVER & ASSOCIATES				5,190.00
	16281-IN	Huntington Dr Capacity & Safety Anal		100-1405-7965			5,190.00
205067	6/28/2016	T3506	BE.GROUP				32,725.00
	32340/5485	Right of Way Cash Bond Refund-1700		100-2120			32,725.00
205070	6/28/2016	5120	CHARLES ABBOTT ASSOCIATES INC				14,568.65
	55780	Building & Safety Services 5/2016		100-1405-7800			14,568.65
205084	6/28/2016	5542	GREENFIELDS OUTDOOR FITNESS INC				21,547.25
	4029	Assembly & Onsite Supervision Assist		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,900.00
	4029	Greenfield Fitness Stations		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		19,647.25
205086	6/28/2016	5477	HUNT DESIGN ASSOCIATES INC				6,823.75
	7493	2919 ATP Gold Line Citywide Wayfind		440-4425-7965	201604-Prof Svcs 440 (ATP)-ATP Design Goldline		2,724.04
	7493	2919 ATP Gold Line Citywide Wayfind		620-6225-7965	201604-Prof Svcs 620 (ATP)-ATP Design Goldline		4,099.71
205091	6/28/2016	4086	LANCE, SOLL & LUNGHARD LLP				10,000.00
	18535	FY16 Interim Audit		100-1805-7654			10,000.00
205094	6/28/2016	0056	LOS ANGELES COUNTY SHERIFF'S DEPARTMENT				290,934.00
	164009NH	Sheriff Contact 4/2016		100-1205-7781	201616-Sheriff Contract-Calgrip FY2016-17		15,291.83
	164009NH	Sheriff Contact 4/2016		100-1205-7781			263,050.37
	164009NH	Sheriff Contact 4/2016		290-2905-7781			11,834.00
	164230JK	Prisoner Maintenance 4/2016		100-1205-7784			757.80
205097	6/28/2016	4620	MIRACLE RECREATION EQUIPMENT CO				11,947.08
	775193	Saddle Seat		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,137.96
	775193	3.5"OD Arch Swing w/2 Belt Seats &		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,980.86
	775193	Miracle KC Play System		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		8,828.26
205099	6/28/2016	0903	CITY OF MONROVIA				11,868.27
	1600454	Fuel-City Manager 4/2016		100-1010-7650			147.53
	1600455	Fuel-Field Services 4/2016		100-1410-7650			1,234.15
	1600456	Fuel-Parks & Recreation 4/2016		100-1605-7650			574.09
	1600457	Fuel-Public Safety 4/2016		100-1205-7650			1,156.06
	1600458	Fuel-Cmty Development 4/2016		100-1405-7650			132.70
	1600459	Fuel-Sheriff's Dept 4/2016		100-1205-7781			3,485.14
	1600460	Fuel-Transit Dept 4/2016		440-4405-7619			5,138.60
205100	6/28/2016	5454	MOORE IACOFANO GOLTSMAN INC				23,127.50
	0044547	Town Ctr Specific Plan 5/2016		100-1405-7965	201603-Prof Svcs-Town Center Proj		13,427.50
	0044569	Town Ctr Specific Plan-Website Servic		100-1405-7965	201603-Prof Svcs-Town Center Proj		9,700.00
205102	6/28/2016	4847	ORTCO INC				34,237.25
	2016-0135	Installation of Miracle Recreation Equ		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		4,290.00
	2016-0135	Demo of Existing Equipment		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,100.00
	2016-0135	Construction of Concrete Curb		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,056.00
	2016-0135	Construction of Turndown Curb		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		3,300.00
	2016-0135	Rubber Prep Area w/ Compacted Bas		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		1,187.50
	2016-0135	Provide Install DG		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi		6,641.25

Council Warrant Register Over \$5000

Payment Dates: 06/15/2016 - 06/28/2016

Payment Number	Payment Date Payable Number	Vendor # Description	Vendor Name	Account Number	Project Account Key	Payment Amount Item Amount
	2016-0135	Demo of Existing rubber, Sub Base &		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi	7,000.00
	2016-0135	Excavation of Existing Sand		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi	3,162.50
	2016-0135	Installation of Greenfield Equipment		100-1610-8100	201620-Other Cap Imprv-SCE Parks Plygrnd Equi	6,500.00
205103	6/28/2016	5357	PERFORMANCE TRUCK REPAIR INC			6,419.26
	11438	Bus 102 Front/Rear Brakes & Speed S		440-4405-7887		6,419.26
205106	6/28/2016	5552	PK CONSTRUCTION			29,188.75
	104	Duarte Sports Pk Parking Lot Improv		260-2605-8061	201602-Const-Spts Park Pkg Lot Imprv (601724-	29,188.75
205111	6/28/2016	0904	RKA CONSULTING GROUP			8,236.25
	24864	Engineering Srvcs-Concrete Repair FY		100-1405-7969		575.00
	24865	Engineering-Las Lomas Rehab 4/2016		100-1405-7969		1,840.00
	24875	Engineering Srvcs 2015/16 ATP 4/201		440-4425-7965	201604-Prof Svcs 440 (ATP)-ATP Design Goldline	1,968.06
	24875	Engineering Srvcs 2015/16 ATP 4/201		620-6225-7965	201604-Prof Svcs 620 (ATP)-ATP Design Goldline	2,961.94
	24898	Engineering-Bus Pad Relocate Hunt/B		100-1405-7969		891.25
205112	6/28/2016	0196	RUTAN & TUCKER LLP			31,846.98
	747859	Retainer Fees 4/2016		100-1015-7680		13,901.30
	747863	NPDES Litigation 4/2016		100-1015-7686		17,945.68
Payment Total:						552,680.31

Report Summary**Fund Summary**

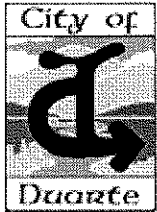
Fund	Payment Amount
100 - GENERAL FUND	488,345.95
260 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDB	29,188.75
290 - SUPPLEMENTAL LAW ENFORCEMENT FUND	11,834.00
440 - PROPOSITION A TRANSIT FUND	16,249.96
620 - COMMUNITY IMPROVEMENT FUND	7,061.65
Grand Total:	552,680.31

Account Summary

Account Number	Account Name	Payment Amount
100-1010-7650	Vehicle Maintenance	147.53
100-1015-7680	City Attorney	13,901.30
100-1015-7686	Other Legal Services	17,945.68
100-1205-7650	Vehicle Maintenance	1,156.06
100-1205-7781	Contract Law Enforceme	281,827.34
100-1205-7784	Prisoner Maintenance	757.80
100-1205-7787	Public Safety Cntr Lease	9,020.32
100-1405-7650	Vehicle Maintenance	132.70
100-1405-7800	Building Department Ser	14,568.65
100-1405-7965	Professional Services	28,317.50
100-1405-7969	City Engineer	3,306.25
100-1410-7650	Vehicle Maintenance	1,234.15
100-1605-7650	Vehicle Maintenance	574.09
100-1610-8100	Other Capital Improvem	67,731.58
100-1805-7654	Audit Services	10,000.00
100-2120	Refundable Deposits	37,725.00
260-2605-8061	ADA Curb Ramps	29,188.75
290-2905-7781	Contract Law Enforceme	11,834.00
440-4405-7619	Fuel And Oil	5,138.60
440-4405-7887	Repairs & Replacements	6,419.26
440-4425-7965	Professional Services (A	4,692.10
620-6225-7965	Professional Services (A	7,061.65
Grand Total:		552,680.31

Project Account Summary

Project Account Key	Payment Amount
None	405,586.90
201602-Const-Spts Park Pkg Lot Imprv (601724-15)	29,188.75
201603-Prof Svcs-Town Center Proj	23,127.50
201604-Prof Svcs 440 (ATP)-ATP Design Goldline	4,692.10
201604-Prof Svcs 620 (ATP)-ATP Design Goldline	7,061.65
201616-Sheriff Contract-Calgrip FY2016-17	15,291.83
201620-Other Cap Imprv-SCE Parks Plygrnd Equip Rep	67,731.58
Grand Total:	552,680.31



City of Duarte

Council Warrant Register by Account By Fund

Payment Dates 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 100 - GENERAL FUND					
100-1005-7614	SMART & FINAL	Website Supervisor Training 6/7/16	205119		19.16
100-1005-7641	U.S. BANK	John Fasana 2016 SGV Economic Outlook 5/10/16	205025		85.00
100-1005-7641	U.S. BANK	John Fasana Hotel SCAG Conference 5/5/16	205025		108.49
100-1005-7642	MARGARET FINLAY	Meeting/Conference Expense Reimbursement	205079		797.92
100-1005-7646	FOOTHILL UNITY CENTER	Tzeitel Paras-Golden Plate Awards Luncheon	205011		45.00
100-1005-7647	FOOTHILL UNITY CENTER	Liz Reilly-Golden Plate Awards Luncheon	205011		45.00
100-1005-7648	U.S. BANK	Sam Kang 2016 SGV Economic Outlook 5/10/16	205025		85.00
100-1005-7980	U.S. BANK	City Anniversary Supplies (Oriental Trading)	205025		72.81
100-1005-7980	U.S. BANK	Contract Cities Gift Card (Target)	205025		50.00
100-1005-7980	U.S. BANK	City Anniversary Paper	205025		24.99
100-1005-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.14
100-1005-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.15
100-1005-7980	VERIZONWIRELESS	Reilly-Granicus iPad 5/19/16 -6/18/16	EFT03064		19.56
100-1005-7980	VERIZONWIRELESS	Paras-Granicus iPad 5/19/16 - 6/18/16	EFT03064		19.56
100-1010-7610	U.S. BANK	Darrell George ICSC Conf Meal 5/23/16	205025		8.92
100-1010-7610	U.S. BANK	Karen Herrera-Airfare ICSC Conf 5/16	205025		191.95
100-1010-7610	U.S. BANK	Darrell George Hotel Deposit ICSC Conf 5/22/16	205025		179.20
100-1010-7610	U.S. BANK	Darrell George Airport Parking ICSC Conf 5/16	205025		13.95
100-1010-7610	U.S. BANK	Darrell George ICSC Conf Monorail Fare	205025		10.00
100-1010-7610	U.S. BANK	Darrell George CCCA Hotel 5/11/16 - 5/14/16	205025		1,127.66
100-1010-7610	U.S. BANK	Darrell George ICSC Vegas Cab Fare	205025		28.21
100-1010-7610	U.S. BANK	Darrell George Hotel SCAG Conference 5/16	205025		346.21
100-1010-7610	U.S. BANK	Darrell George Lunch w/Planning Commissioner	205025		32.61
100-1010-7610	U.S. BANK	Darrell George ICSC Conference Meal 5/22/16	205025		46.04
100-1010-7610	FOOTHILL UNITY CENTER	Darrell George-Golden Plate Awards Luncheon	205011		45.00
100-1010-7650	CITY OF MONROVIA	Fuel-City Manager 4/2016	205099		147.53
100-1010-7650	EXXONMOBIL	Fuel-City Vehicles	205077		33.24
100-1010-7670	SAN GABRIEL VALLEY NEWSPAPERS	Legal Advertising 5/2016	205022		1,598.72
100-1010-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.14
100-1010-7980	VERIZONWIRELESS	JR-Social Media iPad 5/19/16 - 6/18/16	EFT03064		19.55
100-1010-7980	VERIZONWIRELESS	KP-Granicus iPad 5/19/16 - 6/18/16	EFT03064		19.55
100-1010-7980	VERIZONWIRELESS	KH-Social Media iPad 5/19/16 - 6/18/16	EFT03064		19.55
100-1010-7980	VERIZONWIRELESS	DG-Granicus iPad 5/19/16 - 6/18/16	EFT03064		19.55
100-1010-7980	VERIZONWIRELESS	CH-Granicus iPad 5/19/16 - 6/18/16	EFT03064		19.55
100-1010-7980	VERIZONWIRELESS	BV-Granicus iPad 5/19/16 -6/18/16	EFT03064		19.56
100-1010-7980	VERIZONWIRELESS	CM-Granicus iPad 5/19/16 -6/18/16	EFT03064		19.55
100-1015-7680	RUTAN & TUCKER LLP	Retainer Fees 4/2016	205112		13,901.30
100-1015-7686	RUTAN & TUCKER LLP	NPDES Litigation 4/2016	205112		17,945.68
100-1020-7711	SMART & FINAL	Employee Appreciation Party Drinks/Desserts	205119		131.40
100-1020-7715	CURO MANAGED PRINT PRODUCTI	Green Home Award Lawn Signs	205072		472.97
100-1020-7715	FRONTIER HARDWARE	Green Home Awards Winner Certificates	205038		960.00
100-1020-7716	THE TECH MOBILE	626 Golden Streets Game Bus	205057	201631-Spec Events-Golden Streets 626	500.00
100-1020-7716	CIRCUSCLOWNZ.COM	Golden Streets Entertainment	205032	201631-Spec Events-Golden Streets 626	200.00
100-1020-7716	FOOTHILL UNITY CENTER	Dorreon Jones-Golden Plate Awards Luncheon	205011		45.00
100-1020-7716	FOOTHILL UNITY CENTER	DART Officer-Golden Plate Awards Luncheon	205011		45.00
100-1020-7716	QUANTUM ROCK EXTREME SPORT	626 Golden Streets Climbing Wall	205048	201631-Spec Events-Golden Streets 626	975.00
100-1205-7610	DUARTE PUBLIC SAFETY PETTY CAS	Aida Torres Senior Breakfast	205009		25.00
100-1205-7610	FOOTHILL UNITY CENTER	Brian Villalobos-Golden Plate Awards Luncheon	205011		45.00
100-1205-7610	FOOTHILL UNITY CENTER	Aida Torres-Golden Plate Awards Luncheon	205011		45.00
100-1205-7614	U.S. BANK	Office Supplies (Target)	205025		4.68
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	205121		68.48
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	205121		417.70
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	205121		28.87

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Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	205121		272.38
100-1205-7614	STAPLES ADVANTAGE	Office Supplies	205121		5.16
100-1205-7614	STAPLES ADVANTAGE	Credit for Invoice # 3303446237	205121		-9.76
100-1205-7636	FSP DESIGNS	Staff Uniforms	205081		27.25
100-1205-7636	TOM'S CLOTHING & UNIFORMS IN	Joseph Martinez CSO Uniforms	205124		204.92
100-1205-7636	TOM'S CLOTHING & UNIFORMS IN	Frank Alioto CSO Uniforms	205124		204.92
100-1205-7650	DUARTE PUBLIC SAFETY PETTY CAS	Ford Explorer Car Wash	205009		9.00
100-1205-7650	CITY OF MONROVIA	Fuel-Public Safety 4/2016	205099		1,156.06
100-1205-7655	VERIZONWIRELESS	VW-Emergency Radio 4/19/16 - 5/18/16	EFT03062		641.26
100-1205-7761	SUPERIOR CT OF CAL CO OF LOS A	Citation Revenue Tax 5/2016	205122		3,723.25
100-1205-7779	U.S. BANK	A-Team Probation Field Trip (Castle Park	205025	201616-Youth Programs-Calgrip FY 2016-	431.81
100-1205-7779	U.S. BANK	DART Events 4/28/16 & 5/3/16 (Wild Thyme Pizza)	205025		76.99
100-1205-7779	U.S. BANK	Skyzone Field Trip/YMCA Officer Mtg (Wild Thyme)	205025		93.69
100-1205-7779	U.S. BANK	DART After Beach Clean Up-Kayaking Event 5/21/16	205025	201616-Youth Programs-Calgrip FY 2016-	80.00
100-1205-7779	U.S. BANK	In N Out Gift Cards	205025		300.00
100-1205-7779	U.S. BANK	Vinyl Badge Holders	205025		22.74
100-1205-7779	U.S. BANK	Refund-Return of One Unused Ticket (Castle Park)	205025	201616-Youth Programs-Calgrip FY 2016-	-18.04
100-1205-7779	DUARTE PUBLIC SAFETY PETTY CAS	DART Field Trip Parking 5/26/16	205009		10.00
100-1205-7779	CURO MANAGED PRINT PRODUCTI	DART Uniforms	205072	201616-Youth Programs-Calgrip FY 2016-	576.34
100-1205-7779	THE SAUCE CREATIVE SERVICES	Youth Program Uniforms	205115	201616-Youth Programs-Calgrip FY 2016-	120.97
100-1205-7779	FSP DESIGNS	DART Uniforms	205081	201616-Youth Programs-Calgrip FY 2016-	129.71
100-1205-7779	SWANK MOTION PICTURES INC	6/17/16 Movie Night-Minions	205056	201616-Youth Programs-Calgrip FY 2016-	375.00
100-1205-7780	U.S. BANK	Animal Control Postcards	205025		54.35
100-1205-7780	D & D SERVICES INC	Deceased Animal Disposal 5/16	205035		240.00
100-1205-7780	STAPLES ADVANTAGE	Three (3) Field Keyboards	205121		163.47
100-1205-7780	ANIMAL CARE EQUIPMENT & SERVI	Animal Control Equipment	205065		670.71
100-1205-7781	CITY OF MONROVIA	Fuel-Sheriff's Dept 4/2016	205099		3,485.14
100-1205-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contact 4/2016	205094	201616-Sheriff Contract-Calgrip FY2016-1	15,291.83
100-1205-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contact 4/2016	205094		263,050.37
100-1205-7784	LOS ANGELES COUNTY SHERIFF'S D	Prisoner Maintenance 4/2016	205094		757.80
100-1205-7787	MOUNTAIN VISTA PLAZA	Public Safety Lease	205046		9,020.32
100-1205-7887	U.S. BANK	Two (2) Sheriff Radio Batteries (Amazon)	205025		58.84
100-1205-7887	U.S. BANK	Flashlight Battery/Charger Cable (Amazon)	205025		77.48
100-1205-7887	U.S. BANK	Two (2) Sheriff Radio Belt Clip/Knob Sets (Amazon)	205025		23.98
100-1205-7887	U.S. BANK	Flashlight Charger (Amazon)	205025		26.89
100-1205-7980	U.S. BANK	Chris Paull Get Well Arrangement	205025		38.15
100-1205-7980	U.S. BANK	DART Field Trip 5/11/16 (Skyzone)	205025	201616-Other Expenses-CalGrip FY2016-1	140.00
100-1205-7980	DUARTE PUBLIC SAFETY PETTY CAS	Movie Night Supplies (Dollar Tree)	205009		23.98
100-1205-7980	DUARTE PUBLIC SAFETY PETTY CAS	Movie Night Supplies (Dollar Tree)	205009		11.99
100-1205-7980	DUARTE PUBLIC SAFETY PETTY CAS	Teen Movie Night (Home Depot)	205009		3.20
100-1205-7980	DUARTE PUBLIC SAFETY PETTY CAS	Staff Training Lunch (El Mercadito)	205009		37.97
100-1205-7980	LISA DIANE WILSON	CalGrip Evaluation 4/16 - 6/16	205129	201616-Other Expenses-CalGrip FY2016-1	4,720.00
100-1205-7980	DUARTE ELKS LODGE	Bike Helmet Program Sales	205074	201630-Other Expenses-Helmets	90.00
100-1211	CRAIG HENSLEY	Computer Loan	205041		3,000.00
100-1405-7610	U.S. BANK	Metro Meeting Coffee (Starbucks)	205024		14.95
100-1405-7612	U.S. BANK	Craig Hensley APA-AICP Membership	205024		670.00
100-1405-7612	U.S. BANK	Hightail Subscription-Lg Data Format	205024		15.99
100-1405-7614	STAPLES ADVANTAGE	Electronic Stapler	205023		123.61
100-1405-7650	CITY OF MONROVIA	Fuel-Cmty Development 4/2016	205099		132.70
100-1405-7690	SARA VASQUEZ	Planning Commission Mtg Stipend	205126		20.00
100-1405-7690	PAULA WATSON-GARDNER	Planning Commission Mtg Stipend	205127		20.00
100-1405-7690	GEORGE K FARRA	Planning Commission Mtg Stipend	205078		20.00
100-1405-7690	SHERYL LEFMANN	Planning Commission Mtg Stipend	205093		20.00
100-1405-7690	SHAUNA PIERCE	Planning Commission Mtg Stipend	205105		20.00
100-1405-7800	CHARLES ABBOTT ASSOCIATES INC	Building & Safety Services 5/2016	205070		14,568.65
100-1405-7965	MOORE IACOFANO GOLTSMAN INC	Town Ctr Specific Plan 5/2016	205100	201603-Prof Svcs-Town Center Proj	13,427.50
100-1405-7965	MOORE IACOFANO GOLTSMAN INC	Town Ctr Specific Plan-Website Services	205100	201603-Prof Svcs-Town Center Proj	9,700.00
100-1405-7965	ALBERT GROVER & ASSOCIATES	Huntington Dr Capacity & Safety Analysis	205063		5,190.00
100-1405-7965	SORCINELLI ARCHITECTS INCORPO	Design Assistance-Vista Town Ctr	205120		4,200.00
100-1405-7969	RKA CONSULTING GROUP	Engineering Svcs-Concrete Repair FY2015/16	205111		575.00

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100-1405-7969	RKA CONSULTING GROUP	Engineering-Las Lomas Rehab 4/2016	205111		1,840.00
100-1405-7969	RKA CONSULTING GROUP	Engineering-Bus Pad Relocate Hunt/BV 4/2016	205111		891.25
100-1405-7975	U.S. BANK	Facebook Ads	205025		7.99
100-1405-7975	U.S. BANK	Marketing Folders (Curo Printing)	205025		881.10
100-1405-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.15
100-1410-7614	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		21.29
100-1410-7621	AIRGAS USA LLC	Welding Cylinder Rental	205061		43.55
100-1410-7650	CITY OF MONROVIA	Fuel-Field Services 4/2016	205099		1,234.15
100-1410-7650	HOME DEPOT CREDIT SERVICES	Boom Truck Repair	205085		60.42
100-1410-7814	SUPERIOR PROPERTY SERVICES INC	Bradbury Bridge Graffiti Coating	205123		3,500.00
100-1500	GEORGE DANG	Advance-Nature Camp 2016 (3 Sessions)	205007		576.00
100-1605-7614	DUARTE RECREATION PETTY CASH	Active Net Training Snacks	205036		9.40
100-1605-7614	DUARTE RECREATION PETTY CASH	Ribbon	205036		2.71
100-1605-7614	DUARTE RECREATION PETTY CASH	CPR Training Snacks	205036		16.00
100-1605-7614	STAPLES ADVANTAGE	Paper Cutter/Office Supplies	205121		114.88
100-1605-7614	STAPLES ADVANTAGE	Office Supplies	205121		63.35
100-1605-7650	CITY OF MONROVIA	Fuel-Parks & Recreation 4/2016	205099		574.09
100-1605-7650	SHELL	Fuel-City Vehicles	205052		15.01
100-1605-7728	DUARTE RECREATION PETTY CASH	AmeriCorp Scholarship Breakfast	205036	201605 - Duarte's Promise - America's Pr	25.00
100-1605-7728	DUARTE RECREATION PETTY CASH	AmeriCorp Exhibitor Registration	205036	201605 - Duarte's Promise - America's Pr	25.00
100-1605-7728	BOTANICA FLORIST	AmeriCorps Special Event Gift Fee	205004	201605 - Duarte's Promise - America's Pr	54.50
100-1605-7733	DUARTE RECREATION PETTY CASH	SC Special Event Supplies	205036		14.00
100-1605-7733	DUARTE RECREATION PETTY CASH	SC Mother's Day Photos	205036		24.02
100-1605-7733	DUARTE RECREATION PETTY CASH	SC Special Event Supplies	205036		4.36
100-1605-7733	SOUTHEAST CONSTRUCTION PROD	Chalk-SC Softball	205055		7.53
100-1605-7733	SMART & FINAL	SC Refreshments 6/1/16	205119		53.56
100-1605-7733	SMART & FINAL	SC Kitchen Supplies	205119		7.47
100-1605-7735	DUARTE RECREATION PETTY CASH	TC Planter Project	205036		31.54
100-1605-7736	SMART & FINAL	Spring Recital Refreshments/Prizes	205119		222.73
100-1605-7736	BOLSA CHICA CONSERVANCY	Nature Camp Session I Trip	205028		100.00
100-1605-7736	CITY OF LOS ANGELES, ZOO DEPT	Nature Camp Session I Trip 6/28/16	205033		348.00
100-1605-7739	WEBER'S PRINTING	Recital Programs	205128		207.58
100-1605-7745	DUARTE RECREATION PETTY CASH	Fuel-Boxing Excursion	205036		40.38
100-1605-7980	SMART & FINAL	Pool Opening Food & Supplies	205119		110.57
100-1605-7980	SMART & FINAL	Soccer All Star Game Supplies	205119		164.20
100-1605-7980	SMART & FINAL	Staff Training Supplies	205119		41.97
100-1605-7980	RALPHS GROCERY COMPANY	Part Time Employee Recognition	205109		752.15
100-1605-7980	J & J SPORTS & TROPHIES	Ice Packs & Soccer Bags	205088		97.56
100-1605-7980	J & J SPORTS & TROPHIES	Track T-Shirts	205088		272.23
100-1605-7980	HOME DEPOT CREDIT SERVICES	Poolside BBQ	205085		288.78
100-1605-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.15
100-1605-7980	JOSE R SALAZAR	Food-Staff Training 6/9/16 & 6/16/16	205021		720.00
100-1605-7980	S & S WORLDWIDE	Summer Craft Supplies	205114		680.74
100-1605-7980	S & S WORLDWIDE	Summer Craft Supplies	205114		9.92
100-1605-7980	SCMAF-SAN GABRIEL VALLEY	Track Meet Entries	205116		756.00
100-1610-7616	SEA-CLEAR POOLS INC	Pool Motor Repair	205117		491.34
100-1610-7616	POOL & ELECTRICAL PRODUCTS IN	Pool Supplies	205107		199.17
100-1610-7616	POOL & ELECTRICAL PRODUCTS IN	Item Cancelled	205107		-96.79
100-1610-7617	FULLER ENGINEERING INC	Pool Chemicals	205082		492.35
100-1610-7617	FULLER ENGINEERING INC	Pool Chemicals	205082		661.09
100-1610-7617	FULLER ENGINEERING INC	Pool Chemicals	205082		856.63
100-1610-7618	S & G DIVERSIFIED PRODUCTS	Trash Bags (Parks/Bus Stops)	205113	210026 - Bldg Supplies - Bev Recycling Pr	1,340.71
100-1610-7618	HOME DEPOT CREDIT SERVICES	TC Entry Decor Potted Plants	205085		164.92
100-1610-7618	FRONTIER HARDWARE	Pool Clock/Paint Supplies	205080		67.53
100-1610-7618	FRONTIER HARDWARE	Padlocks	205080		179.69
100-1610-7618	FRONTIER HARDWARE	Pool Shower Flange/Bolts & Screws	205080		11.74
100-1610-7618	FRONTIER HARDWARE	Pool Area Repairs	205080		23.76
100-1610-7618	FRONTIER HARDWARE	Misc Pool Supplies	205080		18.51
100-1610-7618	FRONTIER HARDWARE	Pool/Lifeguard Stand Repairs	205080		41.08
100-1610-7618	FRONTIER HARDWARE	Pool Wall Clock/Batteries	205080		-6.55

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100-1610-7618	FRONTIER HARDWARE	Paint	205080		16.32
100-1610-7618	FRONTIER HARDWARE	Misc Supplies/Repairs	205080		38.64
100-1610-7618	FRONTIER HARDWARE	Misc Supplies/Repairs	205080		18.38
100-1610-7618	FRONTIER HARDWARE	Paint Supplies	205080		14.68
100-1610-7618	FRONTIER HARDWARE	Paint Supplies	205080		32.60
100-1610-7618	FRONTIER HARDWARE	Swimming Pool Laundry Clamp	205080		9.98
100-1610-7618	FRONTIER HARDWARE	Misc Supplies/Repairs	205080		22.29
100-1610-7618	SMART & FINAL	Janitorial Supplies	205119		155.00
100-1610-7618	MONROVIA LOCK SHOP	Keys	205098		14.17
100-1610-7618	MONROVIA LOCK SHOP	Keys	205098		43.60
100-1610-7618	KULLY SUPPLY INC	Pool Deck Drinking Fountain	205090		806.45
100-1610-7618	HOME DEPOT CREDIT SERVICES	Pool Deck/Bldg Paint/Repairs	205085		327.83
100-1610-7618	HOME DEPOT CREDIT SERVICES	Rodent Traps/Misc Supplies	205085		52.21
100-1610-7618	GRAINGER	Pool Deck Speaker/Horn	205083		44.17
100-1610-7652	DEWEY PEST CONTROL INC	Pest Control Services 6/2016	205073		38.00
100-1610-7652	UNITED SITE SERVICES	Portable Toilet Rent 5/24/16 - 6/20/16	205125		88.67
100-1610-7652	MERRY PLUMBING COMPANY	Snack Bar Floor Drain Stoppage	205096		126.75
100-1610-7652	MERRY PLUMBING COMPANY	CH/PS Plumbing Repairs	205096		865.58
100-1610-7652	MERRY PLUMBING COMPANY	SC Plumbing Repairs	205096		680.25
100-1610-7652	MERRY PLUMBING COMPANY	Snack Bar Main Line Stoppage	205096		367.50
100-1610-7652	JOE'S JANITORIAL SERVICE	Duarte Pk Bldg Floor Strip/Wax	205089		450.00
100-1610-7652	AIR-TRO INC	HVAC Service Call-CH Phone Room	205062		135.00
100-1610-7652	ALBERTOS PLUMBING	Duarte Pk Drinking Fountain Repair	205064		250.00
100-1610-7652	ALBERTOS PLUMBING	FC Shower Drain Cleaning	205064		220.00
100-1610-7652	DEWEY PEST CONTROL INC	Pest Control Services 6/2016	205073		164.00
100-1610-7652	EXECUTIVE ELEVATOR INC	SC Elevator Maintenance 5/2016	205076		127.00
100-1610-7652	POST ALARM SYSTEMS	S Yard Alarm Monitoring 6/1/16 - 6/30/16	205108		42.00
100-1610-8100	ORTCO INC	Demo of Existing rubber, Sub Base & Turndown	205102	201620-Other Cap Imprv-SCE Parks Plygr	7,000.00
100-1610-8100	ORTCO INC	Provide Install DG	205102	201620-Other Cap Imprv-SCE Parks Plygr	6,641.25
100-1610-8100	ORTCO INC	Rubber Prep Area w/ Compacted Base Material	205102	201620-Other Cap Imprv-SCE Parks Plygr	1,187.50
100-1610-8100	ORTCO INC	Installation of Miracle Recreation Equipment	205102	201620-Other Cap Imprv-SCE Parks Plygr	4,290.00
100-1610-8100	ORTCO INC	Construction of Concrete Curb	205102	201620-Other Cap Imprv-SCE Parks Plygr	1,056.00
100-1610-8100	ORTCO INC	Construction of Turndown Curb	205102	201620-Other Cap Imprv-SCE Parks Plygr	3,300.00
100-1610-8100	ORTCO INC	Excavation of Existing Sand	205102	201620-Other Cap Imprv-SCE Parks Plygr	3,162.50
100-1610-8100	ORTCO INC	Installation of Greenfield Equipment and Signs	205102	201620-Other Cap Imprv-SCE Parks Plygr	6,500.00
100-1610-8100	ORTCO INC	Demo of Existing Equipment	205102	201620-Other Cap Imprv-SCE Parks Plygr	1,100.00
100-1610-8100	AQUATIC DESIGN GROUP INC	Duarte Pool Improv Consultant 5/16	205066	201607-Other Cap Imprv-Pool Rehab	487.50
100-1610-8100	GREENFIELDS OUTDOOR FITNESS I	Assembly & Onsite Supervision Assistance	205084	201620-Other Cap Imprv-SCE Parks Plygr	1,900.00
100-1610-8100	GREENFIELDS OUTDOOR FITNESS I	Greenfield Fitness Stations	205084	201620-Other Cap Imprv-SCE Parks Plygr	19,647.25
100-1610-8100	MIRACLE RECREATION EQUIPMENT	Saddle Seat	205097	201620-Other Cap Imprv-SCE Parks Plygr	1,137.96
100-1610-8100	MIRACLE RECREATION EQUIPMENT	3.5"OD Arch Swing w/2 Belt Seats & 2 Tot Seats	205097	201620-Other Cap Imprv-SCE Parks Plygr	1,980.86
100-1610-8100	MIRACLE RECREATION EQUIPMENT	Miracle KC Play System	205097	201620-Other Cap Imprv-SCE Parks Plygr	8,828.26
100-1750	CALIFORNIA SCIENCE CENTER	Deposit-Adventure Club 8/8/2016	205030		25.00
100-1805-7610	FOOTHILL UNITY CENTER	Kristen Petersen-Golden Plate Awards Luncheon	205011		45.00
100-1805-7614	STAPLES ADVANTAGE	Office Supplies	205121		45.59
100-1805-7614	OFFICE SOLUTIONS INC	Printer Ink	205101		34.87
100-1805-7654	LANCE, SOLL & LUNGHARD LLP	FY16 Interim Audit	205091		10,000.00
100-1805-7980	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		53.14
100-1805-7980	SHRED-IT USA LLC	Document Destruction	205118		138.45
100-1810-7610	MICHELLE BROWN	IPMHA-HR Conference Hotel Fees	205029		22.50
100-1810-7614	STAPLES ADVANTAGE	HR-Binder Clips	205121		14.80
100-1810-7660	CALIFORNIA STATE DEPARTMENT	Fingerprint Apps	205068		320.00
100-1815-7632	CHAD GRENAWALT	Software server Activity Monitoring	205040		99.00
100-1815-7632	CDW GOVERNMENT LLC	Parallels Desktop for Mac Subscription Licenses	205069		1,699.83
100-1815-7980	CDW GOVERNMENT LLC	Raritan Dominion Computer Interface Module	205069		175.93
100-1825-7674	CATHERINE BRATTA	Health Insurance Reimbursement	205005		435.21
100-1825-7674	GINNY JOYCE BELBA	Health Insurance Reimbursement	205003		217.60
100-1825-7674	JACQUELINE BURCKHARD	Health Insurance Reimbursement	205006		217.60
100-1825-7674	DOROTHY MONTGOMERY	Health Insurance Reimbursement	205018		217.60
100-1825-7674	PHILLIP REYES	Health Insurance Reimbursement	205020		217.60

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
100-1825-7674	JIM KIRCHNER	Health Insurance Reimbursement	205015		435.21
100-1825-7674	STEVE ESBENSHADE	Health Insurance Reimbursement	205010		565.78
100-1825-7674	LINDA HENDERSON	Health Insurance Reimbursement	205014		435.21
100-2023	TROY WITTENBROCK	City Kitty-Loss of Father	205059		75.00
100-2120	MIGUEL SANDOVAL	Field Rent Deposit Refund	205051		50.00
100-2120	VICTOR RODRIGUEZ	Field Rent Deposit Refund	205050		50.00
100-2120	BE.GROUP	Right of Way Cash Bond Refund-1700 Hunt Dr	205067		32,725.00
100-2120	HUGO SOLORZANO	Field Rent Deposit Refund	205054		50.00
100-2120	GOAL VISTA SPORTS	Field Rent Deposit Refund	205039		100.00
100-2120	MFGPEOPLE.COM	Field Rent Deposit Refund	205045		100.00
100-2120	MATTHEW FRARY	Field Rent Deposit Refund	205037		100.00
100-2120	AMERICAN YOUTH SOCCER ORGAN	Field Deposit Rent Refund	205026		250.00
100-2120	DSRM CABLE CONSTRUCTION INC	Right of Way Cash Bond Refund-Las Lomas Rd	205008		5,000.00
100-2120	LINCOLN AVENUE CELESTIAL TEMP	Gazebo Rent Deposit Refund	205016		50.00
100-2120	VICTOR CARRASCO	Field Rent Deposit Refund	205031		50.00
100-2120	PAUL ROBERTS COMPANY	Right of Way Cash Bond Refund-1966 Royal Oaks	205019		2,500.00
100-2120	GIRL SCOUTS TROOP 914	Gazebo Rent Deposit Refund	205012		50.00
100-2120	CORINA RAZO	CC Rent Deposit Refund	205110		500.00
100-2120	KARIN CREHAN	Gazebo Rent Deposit Refund	205034		50.00
100-2120	ANGELICA PETITT	Gazebo Rent Deposit Refund	205104		50.00
100-2120	DAVID GRAVEL	TC Bldg Rent Deposit Refund	205013		100.00
100-2120	DAISEY LIM	Gazebo Rent Deposit Refund	205043		50.00
100-2120	GABRIELA MARQUEZ	Gazebo Rent Deposit Refund	205044		50.00
100-2120	CHRISTOPHER BASMADJIAN	Gazebo Rent Deposit Refund	205027		50.00
100-2120	CYNTHIA MCCULLOCH	Gazebo Rent Deposit Refund	205017		50.00
100-2120	GUILLERMO HERNANDEZ	Gazebo Rent Deposit Refund	205042		50.00
100-2120	MARTIN ZAPATA	CC Rent Deposit Refund	205060		500.00
100-2120	KORY WILLIAMS	Gazebo Rent Deposit Refund	205058		50.00
100-2120	CHIA-HAO YANG	Gazebo Rent Deposit Refund	205130		50.00
100-2120	LEO QUINONES	Gazebo Rent Deposit Refund	205049		50.00
100-2120	CORA MENDOZA	TC Rent Deposit Refund	205095		300.00
100-2121	LAWRENCE R MOSS & ASSOCIATES	COH Relandscape @ Buena Vista	205092		875.00
100-4201	SOLARCITY	Permit Refund-3220 Deerlane Dr	205053		143.20
100-4201	SOLARCITY	Permit Refund-1632 Royal Oaks	205053		143.20
100-4202	JODI MURAKAMI	Gazebo Rent Deposit Refund	205047		125.00
100-4406	JODI MURAKAMI	Gazebo Rent Deposit Refund 12/6/15	205047		-75.00
100-4408	DUARTE UNIFIED SCHOOL DISTRICT	Nextel Lease 6/2016	205075		
250004 - Property Rent - Nextel Rent (Oti					1,462.48
Fund 100 - GENERAL FUND Total:					553,400.03

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 240 - LIGHTING AND LANDSCAPE DISTRICT FUND					
240-2405-7888	HOME DEPOT CREDIT SERVICES	Street Light Repairs	205085		20.79
Fund 240 - LIGHTING AND LANDSCAPE DISTRICT FUND Total:					20.79

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 260 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)					
260-2605-8061	PK CONSTRUCTION	Duarte Sports Pk Parking Lot Improv	205106	201602-Const-Spts Park Pkg Lot Imprv (60	29,188.75
Fund 260 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) Total:					29,188.75

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 290 - SUPPLEMENTAL LAW ENFORCEMENT FUND					
290-2905-7781	LOS ANGELES COUNTY SHERIFF'S D	Sheriff Contact 4/2016	205094		11,834.00
Fund 290 - SUPPLEMENTAL LAW ENFORCEMENT FUND Total:					11,834.00

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 440 - PROPOSITION A TRANSIT FUND					
440-4405-7619	CITY OF MONROVIA	Fuel-Transit Dept 4/2016	205099		5,138.60
440-4405-7673	IRWINDALE INDUSTRIAL CLINIC	DOT Physicals	205087		100.00
440-4405-7821	VERIZONWIRELESS	VW-City Hall 5/19/16 - 6/18/16	EFT03063		62.58
440-4405-7887	PERFORMANCE TRUCK REPAIR INC	Bus 102 Front/Rear Brakes & Speed Sensor Connector	205103		6,419.26
440-4405-7887	CREATIVE BUS SALES	Bus Front Air Bag	205071		649.65
440-4405-7887	CREATIVE BUS SALES	Bus Air Dump Valve/Vapor Exhaust Switch	205071		685.00
440-4405-7887	CREATIVE BUS SALES	Bus Air Dump Valve/Vapor Exhaust Switch	205071		693.97
440-4425-7965	RKA CONSULTING GROUP	Engineering Svcs 2015/16 ATP 4/2016	205111	201604-Prof Svcs 440 (ATP)-ATP Design G	1,968.06
440-4425-7965	HUNT DESIGN ASSOCIATES INC	2919 ATP Gold Line Citywide Wayfinding 4/16	205086	201604-Prof Svcs 440 (ATP)-ATP Design G	2,724.04
Fund 440 - PROPOSITION A TRANSIT FUND Total:					18,441.16

Council Warrant Register by Account

Payment Dates: 06/15/2016 - 06/28/2016

Account Number	Vendor Name	Description (Item)	Payment No	Project Key	Amount
Fund: 620 - COMMUNITY IMPROVEMENT FUND					
620-6225-7965	RKA CONSULTING GROUP	Engineering Srvcs 2015/16 ATP 4/2016	205111	201604-Prof Svcs 620 (ATP)-ATP Design G	2,961.94
620-6225-7965	HUNT DESIGN ASSOCIATES INC	2919 ATP Gold Line Citywide Wayfinding 4/16	205086	201604-Prof Svcs 620 (ATP)-ATP Design G	4,099.71
Fund 620 - COMMUNITY IMPROVEMENT FUND Total:					7,061.65
Grand Total:					619,946.38

Report Summary

Fund Summary

Fund	Payment Amount
100 - GENERAL FUND	553,400.03
240 - LIGHTING AND LANDSCAPE DISTRICT FUND	20.79
260 - COMMUNITY DEVELOPMENT BLOCK GRANT (CDB	29,188.75
290 - SUPPLEMENTAL LAW ENFORCEMENT FUND	11,834.00
440 - PROPOSITION A TRANSIT FUND	18,441.16
620 - COMMUNITY IMPROVEMENT FUND	7,061.65
Grand Total:	619,946.38

Account Summary

Account Number	Account Name	Payment Amount
100-1005-7614	Office Supplies	19.16
100-1005-7641	Travel & Exp - Fasana	193.49
100-1005-7642	Travel & Exp - Finlay	797.92
100-1005-7646	Travel & Exp - Paras	45.00
100-1005-7647	Travel & Exp - Reilly	45.00
100-1005-7648	Travel & Exp - Kang	85.00
100-1005-7980	Other Expenses	293.21
100-1010-7610	Travel, Mtgs & Conf	2,029.75
100-1010-7650	Vehicle Maintenance	180.77
100-1010-7670	Legal Notices	1,598.72
100-1010-7980	Other Expenses	190.00
100-1015-7680	City Attorney	13,901.30
100-1015-7686	Other Legal Services	17,945.68
100-1020-7711	Employee Recognition C	131.40
100-1020-7715	Green Home Awards FY	1,432.97
100-1020-7716	Special Community Even	1,765.00
100-1205-7610	Travel, Mtgs & Conf	115.00
100-1205-7614	Office Supplies	787.51
100-1205-7636	Uniforms	437.09
100-1205-7650	Vehicle Maintenance	1,165.06
100-1205-7655	Emergency Services	641.26
100-1205-7761	Parking Ticket Collect	3,723.25
100-1205-7779	Youth Programs	2,199.21
100-1205-7780	Animal Control	1,128.53
100-1205-7781	Contract Law Enforceme	281,827.34
100-1205-7784	Prisoner Maintenance	757.80
100-1205-7787	Public Safety Cntr Lease	9,020.32
100-1205-7887	Repairs & Replacements	187.19
100-1205-7980	Other Expenses	5,065.29
100-1211	Computer Loan Program	3,000.00
100-1405-7610	Travel, Mtgs & Conf	14.95
100-1405-7612	Publications and Dues	685.99
100-1405-7614	Office Supplies	123.61
100-1405-7650	Vehicle Maintenance	132.70
100-1405-7690	Planning Commission	100.00
100-1405-7800	Building Department Ser	14,568.65
100-1405-7965	Professional Services	32,517.50
100-1405-7969	City Engineer	3,306.25
100-1405-7975	Economic Development	889.09
100-1405-7980	Other Expenses	53.15
100-1410-7614	Office Supplies	21.29
100-1410-7621	Other Supplies	43.55
100-1410-7650	Vehicle Maintenance	1,294.57
100-1410-7814	Graffiti Removal	3,500.00
100-1500	Advances	576.00
100-1605-7614	Office Supplies	206.34
100-1605-7650	Vehicle Maintenance	589.10

Account Summary

Account Number	Account Name	Payment Amount
100-1605-7728	Americorp's VIP Progra	104.50
100-1605-7733	Senior Center	110.94
100-1605-7735	Teen Center	31.54
100-1605-7736	Recreation Classes	670.73
100-1605-7739	Publicity	207.58
100-1605-7745	Boxing Program	40.38
100-1605-7980	Other Expenses	3,947.27
100-1610-7616	Pool Supplies	593.72
100-1610-7617	Pool Chemicals	2,010.07
100-1610-7618	Building Supplies	3,437.71
100-1610-7652	Building Maint Services	3,554.75
100-1610-8100	Other Capital Improvem	68,219.08
100-1750	Prepaid Charges	25.00
100-1805-7610	Travel, Mtgs & Conf	45.00
100-1805-7614	Office Supplies	80.46
100-1805-7654	Audit Services	10,000.00
100-1805-7980	Other Expenses	191.59
100-1810-7610	Travel, Mtgs & Conf	22.50
100-1810-7614	Office Supplies	14.80
100-1810-7660	Other Services	320.00
100-1815-7632	Software Maintenance	1,798.83
100-1815-7980	Other Expenses	175.93
100-1825-7674	Retiree Health Insurance	2,741.81
100-2023	EE City Kitty Contributio	75.00
100-2120	Refundable Deposits	42,975.00
100-2121	Pass Through Deposits	875.00
100-4201	Building Permits	286.40
100-4202	Engineering Permits	125.00
100-4406	Restroom & Gazebo Ren	-75.00
100-4408	Property Rental	1,462.48
240-2405-7888	Repairs-Citywide	20.79
260-2605-8061	ADA Curb Ramps	29,188.75
290-2905-7781	Contract Law Enforceme	11,834.00
440-4405-7619	Fuel And Oil	5,138.60
440-4405-7673	Physical Exams	100.00
440-4405-7821	Person'l Computr Suppo	62.58
440-4405-7887	Repairs & Replacements	8,447.88
440-4425-7965	Professional Services (A	4,692.10
620-6225-7965	Professional Services (A	7,061.65
Grand Total:		619,946.38

Project Account Summary

Project Account Key	Payment Amount
None	461,136.99
201602-Const-Spts Park Pkg Lot Imprv (601724-15)	29,188.75
201603-Prof Svcs-Town Center Proj	23,127.50
201604-Prof Svcs 440 (ATP)-ATP Design Goldline	4,692.10
201604-Prof Svcs 620 (ATP)-ATP Design Goldline	7,061.65
201605 - Duarte's Promise - America's Promise Exp	104.50
201607-Other Cap Impr-Pool Rehab	487.50
201616-Other Expenses-CalGrip FY2016-17	4,860.00
201616-Sheriff Contract-Calgrip FY2016-17	15,291.83
201616-Youth Programs-Calgrip FY 2016-17	1,695.79
201620-Other Cap Imprv-SCE Parks Plygrnd Equip Rep	67,731.58
201630-Other Expenses-Helmets	90.00
201631-Spec Events-Golden Streets 626	1,675.00
210026 - Bldg Supplies - Bev Recycling Prog	1,340.71

Project Account Summary

Project Account Key

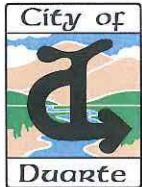
250004 - Property Rent - Nextel Rent (Otis Gordon)

Grand Total:

Payment Amount

1,462.48

619,946.38



MEMORANDUM

To: Mayor and City Council

From: Rafael Casillas, P.E., Public Works Manager *RC*

Date: June 28, 2016

Subject: City Council Acceptance for the Las Lomas Road (Royal Oaks Drive to Huntington Drive) Rehabilitation Project No. 16-0

RECOMMENDED ACTION

Staff recommends that the City Council accept the project "Las Lomas Road (Royal Oaks Drive to Huntington Drive) Rehabilitation Project No. 16-0" and authorize the City Clerk to initiate the Notice of Completion.

BACKGROUND

On March 1, 2016, the City Clerk's Office publicly open bids for the above project. This project required the contractor to remove and replace concrete sidewalks, curb and gutters, and driveway approaches that have been damaged by tree roots or other factors throughout various locations citywide.

PALP, Ind. dba Excel Paving Company at 2230 Lemon Avenue, Long Beach, CA 90806 has satisfactorily completed the above project. The contract for the construction project was awarded to PALP, Ind. dba Excel Paving Company in the amount of \$207,093.74. Three change orders were issued to the Contractor resulting in a net increase of the contract in the amount of \$20,154.35 (10%). The change orders resulted from the extension of the project limits from Gardi Street to the southerly City limits south of Maynard Drive. The additional scope of work consisted of the removal and replacement of asphalt concrete pavement, striping modifications, additional loop detector and installation of Automatic Retractable Screens (ARS) and Connector Pipe Screen (CPS) on catch basins within the vicinity of the extended limits. The final project cost based on actual quantities measured in the field including the change orders is \$260,276.91. The project is funded through an exchange Federal Surface Transportation Program Local Funds (STP-L) for an equal amount of Los Angeles County Metropolitan Transportation Authority (LACMTA) funds authorized by the City Council on June 24, 2013.

DISTRIBUTION: Community Development Director
City Clerk
Staff



MEMORANDUM

Date: June 28, 2016

To: Mayor and City Council

From: Jason Golding, City Planner 

Subject: Adoption of Ordinance 16-O-05 (second reading) - Municipal Code Amendment 16-02; Amendment to Duarte Development Code Section 19.30.050 – a Temporary, Five-Year Suspension of the Enforcement of the City's Inclusionary Housing Program

At its June 14, 2016 meeting, the City Council considered Municipal Code Amendment 16-02 at a duly notified public hearing and introduced Ordinance 16-O-05 to amend Duarte Development Code (DDC) Chapter 19.30.050 (Inclusionary Housing) to provide a temporary, five-year, suspension of the enforcement of the City's Inclusionary Housing Program. The Council voted unanimously to approve the first reading Ordinance 16-O-05.

Staff recommends adoption of the attached Ordinance for second reading. If adopted, Ordinance 16-O-05 will become effective 30 days from the date of adoption.

ORDINANCE NO.**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA ADOPTING MUNICIPAL CODE AMENDMENT 16-02, WHICH WOULD AMEND CHAPTER 19.30.050 OF THE DEVELOPMENT CODE RELATING TO A TEMPORARY SUSPENSION OF THE CITY OF DUARTE INCLUSIONARY HOUSING PROGRAM**

WHEREAS, in 2005, the City enacted what is now Chapter 19.30 of the Duarte Development Code, relating to Inclusionary Housing; and

WHEREAS, over the 10-year history of the Inclusionary Housing program, the amount of in-lieu fees collected have amounted to only approximately \$502,000, which has been insufficient to produce materially effective results towards providing additional affordable housing within the City; and

WHEREAS, sharp downturns experienced in the real estate market beginning in 2008 affected the residential housing market in the City of Duarte negatively, and particularly slowed new housing development; and

WHEREAS, the dissolution of the Duarte Redevelopment Agency as part of the larger dismantling of redevelopment agencies statewide has resulted in the loss of the 20% set-aside funds, which were originally contemplated by the City in 2005 to supplement in-lieu fees to be collected under the Inclusionary Housing program; and

WHEREAS, the Inclusionary Housing set-aside or in-lieu fee requirements appear to be inhibiting residential development within the City, rather than encouraging it; and

WHEREAS, the City's Regional Housing Needs Assessment calls for encouragement of development of residential housing units affordable across the full economic spectrum of affordability, including moderate and above-moderate housing; and

WHEREAS, recent commercial vacancies in the City's Huntington Drive corridor area have negatively impacted the number and range of local businesses available to Duarte residents, and which contribute not only to available goods and services, but to the City's sales tax base; and

WHEREAS, measures that would encourage new housing development may likewise have positive impacts on the City's commercial corridor appeal to business tenants and commercial development; and

WHEREAS, the City remains committed to advancing the cause of providing affordable housing within the City and to the long-term goals of the Inclusionary Housing program, but believes a short-term suspension of the obligations created by that program in the wake of present economic realities may help to serve as a catalyst for new residential development generally, which will provide momentum for ultimate provision of affordable housing; and

WHEREAS, the Planning Commission of the City of Duarte conducted a duly-noticed public hearing on May 16, 2016, pursuant to Development Code Section 19.142.040 to consider MCA 16-02, a city-initiated request to amend Section 19.30.050 of the Duarte Municipal Code, relating to a proposed temporary, five-year suspension of the enforcement of the City's Inclusionary Housing Program; and

WHEREAS, after careful study and the completion of the duly noticed public hearings, the Planning Commission adopted Resolution No. PC 16-08, recommending the City Council approve the proposed Municipal Code Amendment 16-02; and

WHEREAS, notice of a public hearing of the City Council on the proposed Municipal Code Amendment 16-02 was given in accordance with applicable law; and

WHEREAS, on June 14, 2016, the City Council of the City of Duarte held a duly noticed public hearing on the proposed Municipal Code Amendment 16-02, and related environmental review. At the public hearing the City Council received and independently considered the staff report and all of the information, evidence, and testimony presented in connection with the foregoing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, ORDAINS AS FOLLOWS:

SECTION 1. CHAPTER 19.30.050 AMENDED

Amend Chapter 19.30.050, "Inclusionary Housing", of Article 3, "Regulations Applicable to All Zones", to Title 19 of the Duarte Development Code by adding Subsection D, to read as follows:

- D. Any residential development, which secures certificates of occupancy at any time between July 31, 2016, and July 31, 2021.

SECTION 2. CEQA DETERMINATION.

In adopting this Resolution, the Planning Commission finds that the project is both statutorily and categorically exempt from the California Environmental Quality Act (CEQA) pursuant to the following exemptions and each of them independently: Section 15273, relating to "Rates, Tolls, Fares, and Charges", as the modification or restructuring of charges by public agencies is statutorily exempt from CEQA; and Section 15306, relating to "Information Collection", as the collection of data, resource evaluation and research which do not result in serious or major disturbance to an environmental resource is categorically exempt from CEQA. Therefore, no further environmental review is necessary. A notice of exemption will be prepared for this project.

SECTION 3. SEVERABILITY.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase, or portion of this Ordinance is, for any reason, held to be unconstitutional or invalid or ineffective by any court

of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance irrespective of the fact that one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective. To this end the provisions of this Ordinance are declared to be severable.

SECTION 4. POSTING OF ORDINANCE.

The City Clerk shall certify as to the adoption of this Ordinance and shall cause this Ordinance to be posted in the manner provided for in the Duarte Municipal Code.

SECTION 5. EFFECTIVE DATE.

This Ordinance shall take effect thirty (30) days following its second reading.

PASSED, APPROVED, AND ADOPTED after second reading at a regular meeting of the City Council of the City of Duarte this ____ day of _____, 2016.

Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Ordinance No. ____ was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the ____ day of _____, 2016, by the following Roll Call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

City of

Duarte

REASON FOR ABSENCE:

* EXPLANATION OF ABSENCE PERSONAL BUSINESS

(SIGNATURE

DATE _____



City of Duarte

Sixteen Hundred Huntington Drive, Duarte, California 91010-2592
Tel 626-357-7931 FAX 626-358-0018 www.accessduarte.com

To: Mayor and City Council

From: Brian Villalobos; Director of Public Safety Services

Subject: A Resolution of the City Council Confirming the Existence of a Local Emergency

Date: June 22, 2016

BACKGROUND

On Monday, June 20, 2016, at approximately 12:30PM a fire began on the hillsides above Melcanyon Road and Brookridge Road. The "San Gabriel Complex Fire" (originally called the "Fish Fire") spread quickly which necessitated the evacuation of approximately 770 Duarte residences. The City of Duarte activated the Emergency Operations Center (EOC) at 1PM. A shelter was set up and run by the American Red Cross Association at the City of Duarte's Community Center.

The Los Angeles County Fire Department and the Los Angeles County Sheriff Department set up a unified command. The Sheriff's Department deployed 80 deputy personnel to the area to assist in evacuations and to safeguard properties. The Los Angeles County Fire Department deployed 610 firefighters, 12 helicopters, 9 water tenders, 71 fire engines, 20 hand crews and 11 heli-tankers to this incident.

ANALYSIS

Based on the above, the City Manager acting as the Director of Emergency Services determined that there were conditions of extreme peril to the safety of persons and property within the City of Duarte. Under the authority of Ordinance No. 287 of the City of Duarte the Director of Emergency Services proclaimed the existence of a local emergency within the City of Duarte on the 21st day of June, 2016. That Resolution No. 16-14 proclaiming the existence of a local emergency, as issued by the Director of Emergency Services, must be ratified by the Duarte City Council within 7 days pursuant to Section 2.32.060 of the Duarte Municipal Code.

FISCAL IMPACT

None. However, should a local emergency not be declared the City of Duarte could be exempt from receiving reimbursement of costs related to the fire from the Federal and State Government.

RECOMMENDED ACTION

Staff recommends that the City Council ratify Resolution No. 16-14 proclaiming the existence of a local emergency by adopting Resolution No. 16-15.

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE,
CALIFORNIA, CONFIRMING THE EXISTENCE OF A LOCAL EMERGENCY,
AND RATIFYING RESOLUTION NO. 16-14 PROCLAIMING
THE EXISTENCE OF A LOCAL EMERGENCY**

WHEREAS, Ordinance No. 287 of the City of Duarte empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when said City is affected or likely to be affected by a public calamity and the City Council is not in session, subject to ratification by the City Council within seven days; and

WHEREAS, conditions of extreme peril to the safety of persons and property have arisen within the City of Duarte, caused by the "San Gabriel Complex Fire" (originally called the "Fish Fire"), which began on or about 12:30 p.m. on the 20th day of June, 2016; and

WHEREAS, the Director of Emergency Services of the City of Duarte did proclaim the existence of a local emergency within the City of Duarte on the 21st day of June 2016; and

WHEREAS, pursuant to Section 2.32.060 of the Duarte Municipal Code, the City Council must ratify this proclamation within seven days, or after such seven-day period, the proclamation shall have no further force or effect; and

WHEREAS, the Duarte City Council does hereby find that the above described conditions of extreme peril did warrant and necessitate the proclamation of the existence of a local emergency in the City of Duarte;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Duarte:

1. That Resolution No. 16-14 proclaiming the existence of a local emergency, as issued by the Director of Emergency Services, is hereby ratified and confirmed.
2. That the local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council of the City of Duarte.

PASSED, APPROVED, AND ADOPTED this 28th day of June, 2016.

Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution 16-15 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 28th day of June, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

RESOLUTION NO. 16-14**A RESOLUTION BY THE DIRECTOR OF EMERGENCY SERVICES
OF THE CITY OF DUARTE, CALIFORNIA, PROCLAIMING
THE EXISTENCE OF A LOCAL EMERGENCY**

WHEREAS, Ordinance No. 287 of the City of Duarte empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when said City is affected or likely to be affected by a public calamity and the City Council is not in session; and

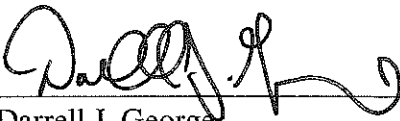
WHEREAS, the Director of Emergency Services of the City of Duarte does hereby find the following:

1. That the conditions of extreme peril to the safety of persons and property have arisen within the City of Duarte, caused by the "San Gabriel Complex Fire" (originally called the "Fish Fire"), which began on June 20, 2016.
2. That these conditions are or are likely to be beyond the control of the services, personnel, equipment, and facilities of the City of Duarte.
3. That the City Council of the City of Duarte is not in session and cannot immediately be called into session.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that a local emergency now exists throughout the City of Duarte; and

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of said local emergency, the powers, functions, and duties of the emergency organization of the City of Duarte shall be those prescribed by State law, ordinances, and resolutions of the City of Duarte, and by the City of Duarte Multihazard Functional Plan approved by the City Council.

DATED: June 21, 2016



Darrell J. George
Director of Emergency Services
City of Duarte

MEMORANDUM

TO: Darrell J. George, City Manager
FROM: Kristen Petersen, Assistant City Manager
DATE: June 21, 2016
SUBJECT: APPROVAL OF JOB DESCRIPTION AND RESOLUTION NO. 16-R-16
ESTABLISHING AN HOURLY RATE SCHEDULE FOR PART-TIME
TEMPORARY RECREATION SPECIALISTS

Background

As part of the recently approved Fiscal Year 2016/17 budget, the City Council approved funding for the Parks and Recreation Department to hire Recreation Specialists. This part-time position would be under the supervision of Recreation Supervisors and assist with very specific programs and projects as assigned. This position will hold a higher level of responsibility than an entry level Recreation Leader, and a lower level of responsibility than a Recreation Coordinator. Attached please find the job description and Resolution No.16-R-16 establishing an hourly rate schedule for the position.

Recommendation

It is recommended that the City Council approve the attached job description and Resolution No.16-R-16, establishing an hourly rate schedule for the part-time temporary recreation specialist position.



RECREATION SPECIALIST

Part-Time Temporary

Definition:

Under the direction of the Recreation Supervisor, organizes and conducts specialized recreation programs for the community.

Essential Job Duties:

The following tasks are essential for this position. Incumbents in this classification may not perform all of these tasks, or may perform similar related tasks not listed here.

1. Assists and participates in the planning, organization, supervision and evaluation of specialized recreation programs, sports programs and special events.
2. Assists with program registration operation, inputs data, and analyzes program data to develop statistical program information.
3. Assists with the policy enforcement and scheduling operations for field and facility uses and rental allocations.
4. Assists with communication between community services program participants and community professional and non-profit partners and the City.
5. Promotes participation to community groups and schools at scheduled activities.
6. Assists with the preparation and maintenance of a variety of records and reports.
7. Assists with promotion, organization and conducting youth excursions and specialized excursion camps.
8. Under the supervision of the Recreation Supervisor, organizes and coordinates a nutrition and healthy activity program including training and assigning of volunteer teen and adult staff.
9. Assists with coordinating with PIO to prepare news releases and public service announcements for department classes, programs, and services.
10. Prepares and distributes promotional materials for department classes, programs, and services.
11. Performs other related duties as required.

Minimum Knowledge, Skill and Ability:

Knowledge of:

- Principles and practices of organizing and conducting public recreation programs.
- Recreational activities.
- Principles and practices of clubs, centers, and parks established to meet the leisure and recreational needs of community groups of all ages.
- Record keeping and reporting procedures.
- Computers and office software applications.
- Functions, policies, and procedures of relevant departments and/or operations.
- Relevant mathematical principles and functions.
- English usage, spelling, grammar, and punctuation.
- Professional writing techniques.

Skill and Ability to:

- Apply sound judgment in the solution of problems related to parks, recreation, and community services activities.
- Plan, organize, prioritize, and perform duties as assigned with minimal supervision.
- Operate standard office equipment, a personal computer, and relevant software in a Mac environment.
- Interpret and apply department policies and procedures.
- Communicate clearly and concisely, both orally and in writing.
- Research and compile information.
- Maintain records.
- Establish and maintain effective working relationships with the public and all levels of staff and management.
- Successfully adapt in a high-volume, fast-paced working atmosphere with multiple activities.

Training and Experience:

Any equivalent combination of training and experience that provides the required knowledge, skills, and abilities could be considered qualifying. A typical way to obtain the knowledge, skills, and abilities would be at least two years of progressively responsible part-time recreation program involvement and current enrollment in a college or university with a focus on related studies.

Physical Requirements and Working Conditions:

- Requires vision (which may be corrected) to read small print.
- Requires the mobility to stand, stoop, reach, and bend. Requires mobility of arms to reach and dexterity of hands to grasp and manipulate small objects.
- Requires the ability to stand for long periods.
- Performs lifting, pushing, and/or pulling which does not exceed 50 pounds and is an infrequent aspect of the job.
- Is subject to inside and outside environmental conditions.
- May be required to use personal vehicle in the course of employment.
- May be required to attend periodic evening meetings and/or to travel within and out of City boundaries.
- May be required to work at a computer for prolonged periods.
- May be required to work evenings, weekends, or holidays.

RESOLUTION NO. 16-16**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ESTABLISHING
AN HOURLY RATE SCHEDULE FOR PART-TIME CLASSIFIED EMPLOYEES**

BE IT RESOLVED by the City Council of the City of Duarte, County of Los Angeles, State of California, as follows:

Section 1. Part-Time Temporary Employees. A part-time temporary employee is defined as one who is hired on a seasonal, temporary, or as-needed basis, maintains at-will employment status, and is limited to working less than 1,000 hours in a fiscal year. The following wage ranges and steps are hereby established:

Classifications	HOURLY RANGES – SALARY STEPS						
	A	B	C	D	E	F	G
Recreation Specialist	\$16.00	\$16.50	\$17.00	\$17.50	\$18.00	\$18.50	\$19.00

Section 2. Except when exempted by law, hourly employees shall be enrolled in the Public Agency Retirement Services – Alternative Retirement System (PARS-ARS) and shall be fully responsible for all contributions. When mandated by virtue of prior membership to be instead enrolled in the California Public Employees Retirement System (CalPERS), hourly employees shall be responsible for paying the full cost of the employee's contribution.

Section 3. All resolutions, or portions thereof, previously adopted by the City Council and found to be in conflict with the provisions of this resolution are hereby repealed.

Section 4. The effective date of this resolution shall be July 1, 2016. The Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED, AND ADOPTED this 28th day of June 2016.

Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-16 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 28th day of June 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

Pasadena Star-News

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5007700

CITY OF DUARTE
1600 E. HUNTINGTON DRIVE
DUARTE, CA 91010

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA County of Los Angeles

I am a citizen of the United States, and a resident of the county aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of PASADENA STAR-NEWS, a newspaper of general circulation which has been adjudicated as a newspaper of general circulation by the Superior Court of the County of Los Angeles, State of California, on the date of June 22, 1927, Case Number 225647. The notice, of which the annexed is a true printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

05/27/2016

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

Executed at West Covina, LA Co. California
On this 3rd day of June, 2016.

Evangeline Almeida

Signature

PLP-14201/15

Legal No. 0010807487

RESOLUTION NO. 16-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2016-2017 WITHIN THE CITYWIDE LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT, PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972; AND FIXING A TIME AND PLACE FOR THE PUBLIC HEARING TO HEAR OBJECTIONS THERETO

The City Council of the City of Duarte, pursuant to the provisions of the Landscape and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

DESCRIPTION OF WORK

SECTION 1. That the public interest and convenience requires and it is the intention of the City Council of the City of Duarte, California, to levy and collect assessments within the Citywide Landscape and Lighting Maintenance District for Fiscal Year 2016-2017 within which the following work is to be done:

1. Maintenance and servicing of street landscaping and street trees.
2. Maintenance and servicing of street lighting facilities.
3. Maintenance and servicing of traffic signals.
4. The cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti within street right-of-way.
5. Funding for the construction of the Senior Center.
6. Maintenance and servicing of Parks.
7. Any and all work and materials appurtenant thereto.

LOCATION OF WORK

SECTION 2. The foregoing described work is to be located within streets, easements and city-owned property within the City of Duarte, particularly described on a map on file in the City Clerk's office entitled "Landscape and Lighting Maintenance District, Assessment Diagram," said district boundary being the same as the City boundary.

DESCRIPTION OF ASSESSMENT DISTRICT

SECTION 3. That the contemplated work, in the opinion of said City Council, is of benefit to and the said City Council hereby makes the expense of the said work chargeable upon a district, which said district is assessed to pay the costs and expenses thereof and which district is described as follows:

The City Council has determined that pursuant to Section 22925 of the Streets and Highways Code of the State of California that the public utility property is to be assessed.

All that certain property within the City of Duarte, exclusive of public streets.

REPORT OF THE ENGINEER

SECTION 4. The City Council of said City does hereby tentatively approve the report of the Engineer, which indicates the amount of the proposed assessments, the district boundary, assessment zones, detailed description of improvements, and the method of assessment. The report entitled "Engineer's Report, Landscape and Lighting Maintenance District is on file in the Office of the City Clerk and reference to said report is hereby made for all particulars.

ASSESSMENTS

SECTION 5.

- (a) Pursuant to Section 5 of Article XIII D of the California Constitution an assessment existing on November 5, 1996, imposed exclusively to finance capital costs of maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control is exempt from the procedures and approved process set forth in Section 5 of Article XIII D of the California Constitution.
- (b) The proposed assessments relating to Zones 1 through 15 were existing on the effective date of Article XIII D of the California Constitution and were previously imposed and are proposed for fiscal year 2015-2016 to be imposed exclusively to finance the capital costs of maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control.
- (c) The proposed assessments relating to Zones 16 through 18 were voted upon and approved by a majority of property owners in accordance with the requirements of Article XIII D of the California Constitution.
- (d) The assessments are proposed to increase by 2% as allowed for in the formation of the zones and in the Citywide assessment. Zones 4 and 13 will be assessed the entire increase. Based on reduced water cost as a result of drought restrictions the annual assessment in Zones 7, 8, 14, 16, 17 and 18 will be reduced. This assessment is subject to the notice, protest, and hearing requirements of Section 53753 of the Government Code.

TIME AND PLACE OF PUBLIC HEARING

SECTION 6. Notice is hereby given that on the 28th day of June 2016, at the hour of 7:00 p.m., in the Council Chambers of City Hall, 1600 Huntington Drive, Duarte, California, any and all persons having any objections to the work or intent of the assessment district may appear and show cause why said work should not be done or carried out, or why said assessments should not be levied in accordance with this Resolution of Intention. The City Council will consider all oral and written protests.

LANDSCAPING AND LIGHTING ACT OF 1972

SECTION 7. All work herein proposed shall be done in accordance with the Landscape and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California.

NOTICE

SECTION 8. The City Clerk is hereby ordered to give notice in accordance with Section 22626 of the Streets and Highways Code of the State of California.

PASSED, APPROVED and ADOPTED this 24th day of May, 2016.

/s/ Samuel Kang
Mayor Samuel Kang

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF DUARTE

} ss.
}

I, Maria Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-09 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 24th day of May, 2016, by the following vote:

AYES: Councilmembers: Fasano, Finlay, Faras-Caracci, Reilly, Kang
NOES: Councilmembers: None
ABSENT: Councilmembers: None

/s/ Maria Akana
City Clerk Maria Akana
City of Duarte, California

PLEASE PUBLISH PASADENA STAR NEWS: Friday, May 27, 2016
Ad#807487



MEMORANDUM

TO: Mayor and City Council
FROM: Community Development Department *LS*
DATE: June 28, 2016
SUBJECT: Establish property assessments to pay for the Lighting and Landscape Assessment District.

Each year, the City Council is required to hold a Public Hearing to establish property assessments to pay for the Lighting and Landscape Assessment District.

At its May 24th meeting, the City Council adopted Resolution 16-09 that declared the City Council's intention to levy and collect assessments for fiscal year 2016-2017; (2) approved the Engineer's Report indicating the amounts of the proposed assessment, district boundaries, assessment zones, descriptions of improvements, and method of assessment; and (3) set this date for the evening's Public Hearing.

In some neighborhood zones, the assessment is allowed to increase by CPI. This year the December 31, 2015 CPI was 2%. The assessments are proposed to increase by 2% as allowed for in the formation of the zones and in the Citywide assessment. Zones 4 and 15 will be assessed the entire increase. Based on reduced water cost as a result of drought restrictions the annual assessment in Zones 7, 8, 14, 16, 17 and 18 will be reduced.

Staff recommends that the City Council adopt Resolution 16-R-12 providing for the annual levy for fiscal year 2016-2017.

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE
ORDERING THE LEVY AND COLLECTION OF ASSESSMENTS FOR FISCAL
YEAR 2016-2017 WITHIN THE LANDSCAPE AND LIGHTING DISTRICT
PURSUANT TO THE LANDSCAPE AND LIGHTING ACT OF 1972**

The City Council of the City of Duarte, pursuant to the provisions of the Landscape and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

SECTION 1. RECITALS. The City Council of the City of Duarte does hereby find, determine and declare as follows:

- A. On the 24th day of May, 2016, the City Council adopted Resolution No. 16-09 (the "Resolution of Intention") which declared its intent to levy and collect assessments for Fiscal Year 2016-2017 within the District and Zones and set a time and place for a public hearing. The Resolution of Intention was duly and legally published in the time, form and manner as required by law, shown by the Affidavit of Publication of the Resolution of Intention on file in the office of the City Clerk; and
- B. At the time and place for which notice was given, the City Council conducted a public hearing and gave every interested person an opportunity to object to the proposed boundary, work or assessment; and
- C. The City Council, having duly received and considered oral and documentary evidence concerning the jurisdictional facts in this proceeding and concerning the necessity for the contemplated work and benefits to be derived therefrom, has acquired jurisdiction to order the proposed assessment.

SECTION 2. That the proposed assessments relating to the District and Zones 1-15 were existing on the effective date of Article XIID of the California Constitution. Zones 16, 17 & 18 were approved per the requirements of Article XIID of the California Constitution. All zones were previously imposed, and for Fiscal Year 2016-2017 Zones 4 and 15 are proposed to be increased by a CPI of 2.0%, all of which are allowed in the formation of the zones or previously voter approved, Zones 7, 8, 14, 16, 17, and 18 are proposed to be reduced, and all other zones are contemplated to be imposed without increase. Funds are to be used exclusively to finance the capital costs or maintenance and operation expenses for landscaping sidewalks, streets, sewers, water, flood control, drainage systems or vector control. Pursuant to Section 5 (a) of Article XIID of the California Constitution, the proposed assessments to be levied and collected in the District and Zones 1-18 are, therefore, exempt from the procedures and approval process set forth in Section 4 of Article XIID of the California Constitution.

SECTION 3. That the proposed assessments relating to Zones 1-18 were existing on the effective date of Article XIID of the California Constitution or were voter approved and all such assessments were imposed pursuant to a petition signed by the persons owning all of the parcels, subject to the assessment at the time the assessment was initially imposed. Pursuant to Section 5 (b) of Article XIID of the California Constitution, the proposed assessments to be levied and

collected in Zones 1-18 are, therefore, exempt from the procedures and approval process set forth in Section 4 of Article XIID of the California Constitution.

SECTION 4. The Engineer's Report on file with the City Clerk, and each component part of it, including each exhibit incorporated by reference, as amended, if applicable, is hereby finally approved and adopted.

SECTION 5. The diagram and assessment prepared in connection with the District are hereby confirmed.

SECTION 6. The public interest and convenience requires the ordering the levy and collection of assessment for Fiscal Year 2016-2017 and the City Council hereby orders the levy and collection of assessments within the district and the zones, as set forth and described in the Resolution of Intention and in the Engineer's Report.

SECTION 7. The adoption of this Resolution constitutes the levy of the assessments as set forth in the Engineer's Report for Fiscal Year 2016-2017.

SECTION 8. The City Clerk is authorized and directed to file a certified copy of the diagram and assessment with the County Auditor of the County of Los Angeles no later than the 10th day of August, 2016.

SECTION 9. The City Clerk is hereby authorized and directed to certify as to the adoption of this Resolution.

PASSED AND ADOPTED this 28th day of June 2016.

Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-12 was adopted by the City Council of said City of Duarte at a regular meeting of said Council held on the 28th day of June, 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

ENGINEER'S REPORT
SIDEWALKS, STREETS, SENIOR CENTER PAYMENT,
PARK AND SPECIAL ZONES
OF THE CITY OF DUARTE
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICT
2016-2017 ASSESSMENT LEVY

SECTION 1. AUTHORITY FOR REPORT

This report is prepared pursuant to an order of the City Council of the City of Duarte in compliance with the requirements of Article 4, Chapter 1, Landscape and Lighting Act of 1972, being Part 2, Division 15, of the Streets and Highways Code of the State of California (The "Act").

The Act was originally created by the State Legislature in 1972. On June 13, 1978, the City of Duarte created the City of Duarte Landscape and Lighting Maintenance District for the maintenance and servicing of Landscaping and Lighting. Since 1972, the Legislature has expanded the definition of landscaping, lighting, and the work that may be done under the Act. The City of Duarte has, over time; expanded the work to be done by the District to include all the work allowed under the Act.

This Assessment District, by special benefit assessments, provides funding for the maintenance of City-owned parks, for the maintenance of the public landscaping in public owned properties or public right-of-way within the City, graffiti removal, maintenance of public-owned lighting, street lighting, traffic signals within the City, and funding towards the debt service of the Senior Center bond issue.

The voters on November 5, 1996 voted to adopt Proposition 218. Proposition 218 has the potential to have a great impact upon the way special assessments are used and assessed. The City Council has determined that the portion of the assessment devoted to street maintenance and the payment of the Senior Center bond is exempt from Prop. 218. In 1997, by majority vote of the property owners of all single family and condominiums within the City, it was determined to levy a park assessment of \$59.42 against single family and condominium units within the City.

SECTION 2. PLANS AND SPECIFICATIONS FOR THE IMPROVEMENTS

The plans and specifications for the irrigation, landscaping and lighting of streets, traffic signals and easements and authorized improvements within the City are on file in the Department of Community Development. The lighting locations and specifications for Edison-owned lights are on file with Southern California Edison Company. Reference is hereby made to said plans and specifications for the exact location and nature of the landscape and lighting of park improvements. Said plans and specifications by reference are hereby made a part of this report.

SECTION 3. ESTIMATE OF COST OF IMPROVEMENT

The cost of the initial improvements of median island landscaping, street landscaping, traffic signals, street lighting, parking lot lighting, and bike paths were paid for from capital improvement funds, special grants, gas tax, prior assessment districts, subdividers, and general City revenues. The City Council in 1991 and 1992, as a result of two public hearings, determined to fund a portion of the Senior Center construction from the landscape assessment in accordance with the Act. With the exception of the Senior Center, no other facilities are proposed to be funded from the district.

SECTION 4. CITYWIDE STREET AND SIDEWALK LANDSCAPING

The cost to maintain street landscaping, and parkway trees as described in this section. The following is a general description of the areas being maintained:

1. All parkway trees maintained by the City.
2. Trees adjacent to Caltrans right-of-way on Evergreen Avenue, Flower Avenue to Brightside Avenue, Central Avenue, Buena Vista Street to Santo Domingo Avenue and Evergreen Street east of Mountain Avenue.
3. Street Landscaping
 - A. Duarte Road – Highland Avenue to Mountain Avenue hardscape, turf, trees, irrigation and groundcover.
 - B. Buena Vista Street – North and south of the 210 freeway turf, irrigation and groundcover.
 - C. Mountain Avenue – North and south of the 210 freeway turf, irrigation and groundcover.
 - D. Central Avenue – East and west of Buena Vista Street turf, trees, irrigation and groundcover.
 - E. Huntington Drive – Mountain Avenue to the east City limits, hardscape, turf, trees, irrigation and groundcover.
 - F. Encanto Parkway – Huntington Drive to Markwood, west side landscaping and irrigation. Fifty percent only of landscaping along Zone 5.

The cost to maintain shall include, but not limited to, watering, fertilizing, mowing, weed control, shrubbery, tree removal and pruning, maintenance of irrigation facilities, removal or covering of graffiti and repair and replacement of lighting.

The cost to maintain and construct these facilities is considered a general property benefit and is assessed as a unit cost to each lot within the City, and to each apartment unit, hotel/motel room, trailer park space, and nursing home bed.

SECTION 5. CITYWIDE LANDSCAPING AND PARK COSTS

The cost to maintain parks, landscape area, and recreational facilities is described in this section. The following is a general description of the areas, parks and related landscaped areas being maintained as approved in the special assessment vote:

Parks

- A. Bike Trail – Turf, trees, groundcover, asphalt and irrigation.
- B. Thorsen Park – Turf, trees, groundcover and irrigation.
- C. Moore Park – Turf, trees, groundcovers, playground and irrigation.
- D. Entrance Park – Turf, trees, groundcover and irrigation.
- E. Encanto Park – Turf, trees, groundcover, irrigation, tennis courts, basketball courts, athletic courts, restrooms and parking areas.
- F. Beardslee Park – Turf, trees, groundcover, irrigation, hardscape and playground.
- G. Duarte Park – Turf, trees, groundcovers, irrigation, hardscape, recreation building, playground and athletic courts.
- H. Royal Oaks Park and Extension – Turf, trees, groundcover, irrigation, hardscape, recreation building, tennis courts, playgrounds and parking area.
- I. Glenn Miller Park – Turf, trees, groundcover, irrigation, hardscape and playgrounds.
- J. Hacienda Park – Turf, trees, groundcover, irrigation and playground.
- K. Third Street Park – Turf, trees, groundcovers, irrigation, and playground.
- L. Town Center – Turf, trees, groundcover, irrigation, hardscape, swimming pool, recreation building, and parking area.
- M. Northview Park – Turf and irrigation.
- N. Senior Center – Turf, trees, groundcover, irrigation hardscape, recreation area and parking lot.
- O. Otis Gordon Park
- P. Lena Valenzuela Park

The cost to maintain shall include, but not limited to, watering, fertilizing, mowing, weed control, shrubbery, tree removal and pruning, maintenance of irrigation facilities, maintenance of park building and equipment, maintenance and replacement of recreation equipment, removal or covering of graffiti and repair and replacement of lighting.

SECTION 6. SENIOR CENTER

The City Council first in Fiscal Year 1991-92 and reconfirmed in Fiscal Year 1992-93 that it is determined to amend and provide for the inclusion of a senior citizen/community center facility as one of the improvements to be financed with the assessments from the Citywide Landscape and Lighting District. Pursuant to Resolution No. 92-25, the City Council determined that the Senior center would be financed from a portion of the proceeds of a Certificate of Participation advanced by the City which would be repaid to the City in whole or in part from the levy of annual assessments within the District. The maximum number of annual assessments (30 years), the Fiscal years in which such assessments are

levied and the estimated maximum amount of each annual installment of each assessment was set forth in the resolution. The resolution set forth periodic increases in the assessment. The assessment is at the maximum allowed per resolution 92-25 of two-hundred twenty-five thousand dollars (\$225,000). This two hundred twenty-five thousand dollars (\$225,000) is to repay the Senior Center construction, which is allowed under the resolution.

SECTION 7. LIGHTING MAINTENANCE

The cost to maintain shall include, but not limited to, electrical service for all public lighting including parking lighting, repair and replacement of City-owned lights within public right-of-way, servicing of Southern California Edison owned lights as defined by the Act, repair and replacement of traffic signals.

The net amount to be assessed upon lands within the Assessment District in accordance with this Report is apportioned by a formula and method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each lot or parcel from the improvements, namely the maintenance and servicing of public lighting facilities within such District. The maintenance and servicing of public lighting facilities installed and constructed in public places provides a special benefit which is received by each and every assessed lot or parcel within the District, tending to enhance their value. The streets within the District improve access to all lots or parcels assessed. Street lighting also provides advertising visibility for business and commercial establishments. The intensity or degree of illumination provided can have a bearing on the benefits of street lighting. Thus, primary benefits of street lighting are for the convenience, safety, security, and protection of people. Secondary benefits are security or protection to property, property improvements and goods as set forth below:

1. Improvement to traffic circulation.
2. Reduction in night accidents and attendant human misery and economic loss.
3. Less vulnerability to criminal assault at night.
4. Promotion of business during nighttime hours for commercial properties.
5. Increased nighttime safety on roads and highways.
6. Improved ingress and egress to lots and parcels.
7. Reduction in vandalism and other criminal acts.
8. Reduction in burglaries.
9. The enhancement to the value of property which results from the foregoing benefits.

Intensity or degree of illumination provided on streets varies with the type of street, date of installation and the use of the property adjacent thereto.

The majority of parcels within the Lighting District are residential properties. A value of one (1) basis unit has been assigned to a residential unit. A residential unit is defined as a single-family unit, condominium unit, rental unit or apartment unit. Parcels in other land use categories, not used as residential, were then evaluated and rated by comparison with the basis unit.

Each land use evaluation takes into consideration – foot traffic, vehicular traffic, and hours of occupancy. Commercial and industrial properties have been assigned additional units based on the comparative benefits, number of people that would be expected to benefit from the lighting, security and intensity of the lights provided. The average light intensities and energy consumption for commercial areas is greater than that required for residential areas.

SECTION 8. GRAFFITI REMOVAL

The cost for graffiti removal shall include, but not limited to, the cost of cleaning, sandblasting and painting of walls and other improvements to remove or cover graffiti. Graffiti removal is considered a general property benefit and is assessed in the same manner and is included in the Street and Sidewalk Landscape Assessment.

SECTION 9. TRAFFIC SIGNALS

The following traffic signals are entirely or partially maintained by the City.

- * Mountain Avenue and Huntington Drive.
- * Mountain Avenue and Central Avenue.
- * Mountain Avenue and Evergreen Street.
- * Mountain Avenue and Duarte Road.
- * Mountain Avenue at Walmart/Home Depot
- * Mountain Avenue at Best Buy
- * Buena Vista Street and Huntington Drive.
- * Buena Vista Street and Central Avenue.
- * Buena Vista Street and Evergreen Street.
- * Buena Vista Street and Duarte Road.
- * Highland Avenue and Huntington Drive.
- * Mount Olive Drive and Huntington Drive.
- * Las Lomas Road and Huntington Drive.
- * Crestfield Road and Huntington Drive
- * Mountain Vista Plaza at Huntington Drive
- * Huntington Drive and Pops Road

SECTION 10. DIAGRAM FOR THE ASSESSMENT DISTRICT

A copy of the proposed assessment diagram is on file in the City Clerk's office, and includes all the property within the City limits of the City of Duarte. Reference is made to the Los Angeles County Assessor Maps as to parcel location and dimensions. The City Council, at the time of formation of the District of 1978, determined that the public utilities right-of-ways should be assessed based upon the actual benefit to the public utility right-of-ways.

SECTION 11. ASSESSMENT ZONES

Zone 1 All the Property within the City except those Properties in Zones 2 through 18

All properties that are not in a special zone are assessed within this zone. Assessment for areas without street lighting are reduced to reflect the cost component of the City's budget. Areas with street lighting are assessed based upon a unit basis for single family zoned property and residentially used property. Commercial, industrial and multi-residential zone properties are assessed based upon lot size and street frontage.

All of the properties in Zones 3 through 18 are assessed their share of the citywide lighting, street, sidewalk and park maintenance in addition to special maintenance assessment. Zone 2 is assessed specifically for their gas lights.

Street Lighting

The cost for street lighting in all zones is assessed to all residential lots based upon the special benefit and to commercial and industrial based upon frontage and area benefit.

Citywide Park Maintenance

The cost of park maintenance determined as a direct benefit is assessed to all single-family units and all condominium units based upon a unit assessment.

Citywide Street Maintenance Cost

The cost in all zones is assessed to all lots on a unit cost per lot, and to each apartment unit, hotel/motel room, trailer park space, and nursing home bed.

Zone 2 Mesa Area GasLights

This area is served by gaslights. The cost of gas lighting is assessed equally to all lots. The cost to maintain the Rim Road slope constructed in 2008, which was a general fund expense is no longer included in this report. Reserve in this district is held for future fixture replacements and refurbishments over time. A refurbishment project is proposed for this fiscal year.

Zone 3 Emblem House Tract 33532

This zone was created at the request of the Developer (Emblem Homes), in lieu of a homeowner's association. The Developer installed sprinkler guns to irrigate the natural area north of the homes for fire protection. The maintenance of the sprinkler guns is a special benefit to all lots within the subdivision. The areas adjacent to the landscaping are given a benefit of 30% greater than the remainder of the lots.

Lots 1, 2, 18-119 are not adjacent to landscape areas

Lots 3-17 are assessed a 30% surcharge.

As in previous years, the City's General Fund has paid for this fire protection.

Zone 4 Las Lomas Villas Tracts 33964, 34892 & 35709

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The Developer, for the benefit of all lots, installed the landscaping as a special benefit to all lots, within the tract and is assessed equally to all lots. The assessment is based on a voter-approved formula, which provides for an annual C.P.I. increase not to exceed 3%. The C.P.I. for the year ending December 31, 2015 was 2.0%. This would allow for an assessment increase of \$7.49 per parcel to \$381.75 per parcel. A 2.0% increase in the levy is proposed for Fiscal Year 2016-17.

Zone 5 Kaufman and Broad Development Phase 1 – Tract 35415(Encanto Parkway)

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The entrance landscaping on Encanto Parkway was installed by the Developer, as a special benefit to all lots, within the tract and is assessed equally to all lots. Since the extension landscaping along Encanto Parkway is also being considered a Citywide benefit, fifty (50) percent of the cost (\$7,532.00) has been moved to the Citywide Street portion of the Assessment District. An increase in assessment was proposed for Fiscal Year 2010-11. This increase was subject to the requirements of Proposition 208 "the Right to Vote on Taxes Act". The increase was not approved by the property owners. Consequently, the level of maintenance was reduced to balance the expenditures with the assessment.

Zone 6 Kaufman and Broad Development Phase II – Tracts 35631 and 41717 (Rancho Verde)

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit to all lots, and is assessed equally to all lots. An increase in assessment was proposed for Fiscal Year 2010-11. This increase was subject to the requirements of Proposition 208 "the Right to Vote on Taxes Act". The increase was not approved by the property owners. Consequently, the level of maintenance was reduced to balance the expenditures with the assessment.

Zone 7 Amberwood Tract 35711

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit to all lots, and is assessed equally to all lots. The assessment formula is based upon a voter approved formula which provides for an assessment increase (CPI) not to exceed 3% a year. The C.P.I. for the year ending December 31, 2015 was 2.0%. This would allow for an assessment increase of \$8.48 per parcel to a maximum of \$432.23 per parcel. A decrease of \$28.89 is proposed for Fiscal year 2016-17 from Fiscal year 2015-16 due to water savings.

Zone 8 Village at Windsor Tract 39457

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit of all lots, and is assessed equally to all lots. The assessment formula is based upon a voter approved formula which provides for an assessment increase (CPI) not to exceed 3% a year. The C.P.I. for the year ending

December 31, 2015 was 2.0%. This would allow for an assessment increase of \$6.78 per parcel to a maximum of \$345.81 per parcel. A decrease of levy of \$13.39 per parcel is being proposed for Fiscal Year 2016-17 from Fiscal Year 2015-16 due to water savings.

Zone 9 Tract 32993 (Kendick Tract) and Tracts 35135, 35136, 35137 (Hearthstone Homes)

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit of all lots, and is assessed equally to all lots. An increase in assessment was proposed for Fiscal Year 2010-11. This increase was subject to the requirements of Proposition 208 "the Right to Vote on Taxes Act". The increase was not approved by the property owners. The level of maintenance was reduced to balance the budget with the assessment.

Zone 10 Tracts 35138, 35139, 38393 & 39932 (Hearthstone Del Norte)

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The tracts are specially benefited equally by the landscaping installed by the Developer except for the lots adjacent to that landscaping maintained by the district, which has an additional special benefit of 10%. A major brush clearing project with upgrades to the "D" with landscaping is proposed for this fiscal year using previous years surpluses.

Total lot count not assessed the additional 10% = 170 lots

Lots assessed 10% additional benefit:

(2) Lots 18,20 (Tract 35139)

(4) Lots 25-28 (Tract 39932)

(11) Lots 10, 11, 17-20, 31-34, 39 (Tract 38393)

Zone 11 Tract 42150 (TKI Townhomes)

This zone was created at the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit to all lots. The Board of Directors of the Home Owners Association in 2004 requested that the City allow the Home Owners Association to maintain the landscaping. The request was approved. A zero assessment for the landscaping within this zone has thus been shown.

Zone 12 Tract 33704 (Benchmark Homes)

This zone has been eliminated.

Zone 13 Mike's Center

This zone was created, at the request of the property owners, to maintain improvements installed by the City and financed by the property owners with assistance from Community Development Block Grant Funds. The lighting and landscaping was installed as a special benefit to all lots and is assessed based on lot area.

Zone 14 Tract 51911 (Las Brisas Development)

This zone was created upon the request of the Developer in lieu of a homeowner's association maintaining the landscaping. The landscaping was installed by the Developer, for the special benefit to all lots, and is assessed on a per lot basis. This zone was formed in 1995. At the time of the formation of this zone, the assessment was based upon a formula, which recognized the increase of inflation. The C.P.I. for the year ending December 31, 2015 was 2.0%. This would allow for an assessment increase of \$9.76 per parcel to \$497.62 per parcel. For Fiscal Year 2016-17, a Levy of \$470.73 is required to balance the expenses which is less than the maximum allowed assessment of \$497.62 per parcel.

Zone 15 Tracts 52121 and 52255 (Las Posadas Development)

This zone was created in 1997 upon the request of the developer in lieu of a homeowners association maintaining the landscaping. The landscaping was installed by the developer, for the special benefit to all lots, and is assessed on a per lot basis. At the time of formation of the zone, the assessment was based upon a formula which allows for an assessment increase of up to 3 percent per year. The C.P.I. for the year ending December 31, 2015 was 2.0%. This would allow for an assessment increase of \$9.09 per parcel to \$463.34 per parcel. A C.P.I. increase of 2.0% is proposed for Fiscal Year 2016-17.

Zone 16 Tract 52337 (Buena Vista Villas)

This zone was created upon the request of the developer and a vote of the property owner in 1998. The developer installed all the landscaping to specially benefit all lots equally, therefore the assessment is levied on a per lot basis. This zone was created in 1998. The assessment is based upon a formula which provides for an assessment increase of up to 3 percent per year. The C.P.I. for the year ending December 31, 2015 was 2.0%. A C.P.I. increase of 2.0% raises the maximum assessment by \$9.68 per parcel from \$484.10 to \$493.78 per parcel. For Fiscal Year 2016-17, a Levy of \$456.25 per parcel is required to balance expenses which is less than the maximum allowed assessment of \$493.78 per parcel.

Zone 17 Tract 52704 (Citrus Collection)

This zone was created upon the request of the developer and a vote of the property owner in 2000. The developer installed all the landscaping to specially benefit all lots equally, therefore the assessment is levied on a per lot basis. The assessment formula is based upon a formula which provides for an assessment increase of up to 3 percent per year. The C.P.I. for the year ending December 31, 2015 was 2.0%. A C.P.I. increase of 2.0% raises the maximum assessment by \$13.80 per parcel from \$689.89 to \$703.69 per parcel. For Fiscal Year 2016-17, a levy of \$522.73 per parcel is required to balance expenses which is less than the maximum allowed assessment of \$703.69 per parcel.

Zone 18 Tract 52867(Ridgecrest Estates)

This zone was created upon the request of the developer and a vote of the property owners in 2011. The developer installed all the landscaping to specially benefit all lots equally and the drainage improvements to benefit the development specifically and the City generally equally. The development share of the drainage improvements benefits all the lots equally. The assessment is levied thus on a per lot basis. The assessment formula is based upon a formula which provides for an assessment increase based on the CPI with a maximum of 3% per year. The special assessment was approved on December 13, 2011 per Resolution 11-49. The CPI for the year ending December 31, 2015 was 2.0 %. A CPI increase of 2.0% raises the maximum assessment by \$28.63 per parcel from \$1,431.54 to \$1,460.17. For Fiscal Year 2016-17, a Levy of \$1,421.70 per parcel is required to balance expenses which is less than the maximum allowed assessment of \$1,460.17. While it is necessary to maintain a high reserve in this district to provide for brush clearance and flood control basin clearing costs that fluxuate, the current balance without assessing the maximum parcel increase is adequate.

2016-17 CITYWIDE DISTRICT, SENIOR CENTER BOND PAYMENT AND SPECIAL BENEFIT ZONE CALCULATIONS
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Citywide Parks, Lighting and Street and Senior Center Bond Payment

Parks, Lighting, Street & Civic Center Bond Payment Expenses	\$1,243,200.00	
General Fund Contribution (Deficit)	\$ 319,994.00	
<u>Total Citywide Assessment for 2016-2017</u>		\$ 923,206.00

Parks

Park Maintenance*	\$ 408,700.00
General Fund Contribution (Deficit)	\$ (73,690.00)
Total Parks Assessment	\$ 335,010.00

Street Lighting

Lighting Maintenance Cost	\$ 325,900.00
General Fund Contribution (Deficit)	\$ (145,806.00)
Total Citywide Lighting Assessments	\$ 180,094.00

Citywide Street

Street Maintenance Cost	\$ 283,600.00
General Fund Loan Repayment 2010-11	\$ (100,498.00)
Total Citywide Street Assessments	\$ 183,102.00

Senior Center Bond Payment

Bond Payment	\$ 225,000.00
General Fund Contribution	\$ 0
Total Senior Center Bond Payment	\$ 225,000.00

Special Benefit Zone Maintenance Cost

Maintenance Expenses***	\$ 315,247.00***
Credited Surplus from Zones	\$ (30,578.00)
General Fund Obligated Expenses **	\$ (13,554.00)

<u>Total Special District Assessments for 2016-2017</u>	\$ 271,115.00
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<u>Grand Total Citywide Senior Center Bond Payment and Special Benefit Zones Assessments for 2016-17</u>	\$ 1,194,321.00
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* This does not include the sports park maintenance costs which cannot be included in the District.

** Includes \$3,250.00 (Emblem Homes), \$7,532.00 (Encanto Parkway), \$1,772.00 (Mike's Center) and \$1,000.00 (Ridgecrest Estates).

*** Includes \$6,578.00 transfers to Reserve from Assessment

**2016-17 CITYWIDE STREET LIGHTING AND
SENIOR CENTER BOND PAYMENT
AND SPECIAL BENEFIT ZONE CALCULATIONS**

ZONE	DISTRICT	2014-15	2015-16	2016-17
1	Lighting	\$30.44	\$30.44	\$30.44
	Street Maintenance	\$34.96	\$34.96	\$34.96
	Parks	\$59.42	\$59.42	\$59.42
	(Average Single Family)			
	Sub-Total	\$124.82	\$124.82	\$124.82
2	Mesa Area	\$237.60	\$237.60	\$237.60
3	Emblem Homes			
	Base Cost	\$124.82	\$124.82	\$124.82
	Surcharge Lots	\$124.82	\$124.82	\$124.82
4	Las Lomas Villas	\$496.37	\$499.08	\$506.57
5	Encanto Parkway	\$186.56	\$186.56	\$186.56
6	Rancho Verde	\$343.32	\$343.32	\$343.32
7	Amberwood	\$545.50	\$548.57	\$519.68
8	Windsor	\$461.39	\$463.85	\$450.46
9	Kendick, Hearthstone	\$158.27	\$158.27	\$158.27
10	Hearthstone			
	Base Cost	\$270.81	\$270.81	\$270.81
	Surcharge Lots	\$287.03	\$287.03	\$287.03
11	T.K.I. Townhomes	\$124.82	\$124.82*	\$124.82*
12	Benchmark Homes	\$124.82	\$124.82*	\$124.82*

SPECIAL DISTRICT ASSESSMENT COMPARISON

ZONE	DISTRICT	2014-15	2015-16	2016-17
13	Mike's Center			
	8530-018-027	\$2,334.91	\$2,334.91	\$2,334.91
	8530-018-028	\$1,151.76	\$1,151.76	\$1,151.76
	8530-018-029	\$1,198.19	\$1,198.19	\$1,198.19
	8530-018-030	\$ 548.67	\$ 548.67	\$ 548.67
	8530-018-031	\$ 548.67	\$ 548.67	\$ 548.67
	8530-018-032	\$ 548.67	\$ 548.67	\$ 548.67
	8530-018-033	\$2,395.96	\$2,395.96	\$2,395.96
	8530-018-034	\$3,013.36	\$3,013.36	\$3,013.36
	8530-018-054	\$1,880.36	\$1,880.36	\$1,880.36
	8530-018-055	\$9,119.66	\$9,119.66	\$9,119.66
		\$22,743.65	\$22,743.65	\$22,743.65
14	Las Brisas	\$609.14	\$609.14	\$595.55
15	Las Posadas	\$575.78	\$579.07	\$588.16
16	Buena Vista Villas	\$605.41	\$605.41	\$581.07
17	Citrus Collection	\$647.55	\$647.55	\$647.55
18	Ridgecrest Estates	\$1,545.99	\$1,545.99	\$1,545.99

*Citywide only within this Special Benefit Zone.

**ZONE 2 – MESA AREA
(FUND 2430)**

ESTIMATED EXPENSES 2016-17

Gas	\$ 8,500.00	
Repairs and Replacement	\$ 9,000.00	
Personnel	\$ 3,800.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$21,300.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$12,800.00	
Transfer From Reserve	\$ 0.00	
Credited Surplus	\$ 8,500.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$21,300.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$3,389.00
2013	\$4,604.02
2014	\$7,893.02
2015	\$14,044.00
2016	\$5,544.00 (est.)

Zone 2 Information

Number of lots to be assessed	<u>100</u>
GAS LIGHTING – COST PER LOT	\$ 128.00
Intersection Only Lighting – Cost Per Lot	\$ 15.22
Citywide Street Maintenance - Cost Per Lot *	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 237.60

*Includes Senior Center Bond Issue

**ZONE 3 – EMBLEM HOMES
(FUND 2429)**

ESTIMATED EXPENSES 2016-17

Water	\$ 1,400.00	
Electric	\$ 350.00	
Repairs and Replacement	\$ 1,000.00	
Personnel	\$ 1,100.00	
Transfer to Reserve	\$ 0	
Total Expenses		\$3,850.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 0.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 3,250.00	
Total Revenue		\$3,250.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$0
2013	\$0
2014	\$0
2015	\$0
2016	\$0

Zone 3 Information

Number of lots to be assessed	<u>121</u>
<u>LANDSCAPE COST PER LOT</u>	
Base Cost 100	\$ 0
Surcharge Lots 19 + 30%	\$ 0
Street Lighting Cost Per Lot	\$ 30.44
City-Wide Street Maintenance Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	
Base Cost	\$ 124.82
Surcharge	\$ 124.82

*Includes Senior Center Bond Issue

**ZONE 4 – LAS LOMAS VILLAS
(FUND 2421)**

ESTIMATED EXPENSES 2016-17

Water	\$ 12,500.00	
Electric	\$ 500.00	
Repairs and Replacement	\$ 3,500.00	
Landscape Maintenance	\$ 15,600.00	
Personnel	\$ 10,000.00	
Transfer to Reserve	\$ 2,501.00	
Total Expenses		\$48,101.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 48,101.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$48,101.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	(\$2,453.00)
2013	\$2.89
2014	(\$2,453.00)
2015	(\$3,318.00)
2016	(\$ 817.00 est.)

Zone 4 Information

Number of lots to be assessed	<u>126</u>
Landscape Per Lot	\$ 381.75
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot *	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 506.57

*Includes Senior Center Bond Issue

**ZONE 5 – ENCANTO PARKWAY
(FUND 2422)**

ESTIMATED EXPENSES 2016-17

Water	\$ 3,200.00	
Electric	\$ 1,100.00	
Repairs and Replacement	\$ 1,864.00	
Landscape Maintenance	\$ 5,500.00	
Personnel	\$ 3,400.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$15,064.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 7,532.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 7,532.00	
Total Revenue		\$15,064.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$2,594.00
2013	\$1,771.88
2014	\$4,365.25
2015	\$4,247.00
2016	\$0 est.

Zone 4 Information

Number of lots to be assessed	122
Landscape Per Lot	\$ 61.74
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 186.56

*Includes Senior Center Bond Issue

**ZONE 6 – RANCHO VERDE
(FUND 2427)**

ESTIMATED EXPENSES 2016-17

Water	\$ 7,100.00	
Electric	\$ 600.00	
Repairs and Replacement	\$13,100.00	
Landscape Maintenance	\$ 8,600.00	
Personnel	\$ 5,900.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$35,300.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 25,346.00	
Transfer From Reserve	\$ 9,954.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$35,300.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$4,572.00
2013	\$5,249.09
2014	\$9,821.54
2015	\$17,640.00
2016	\$7,686.00 (est.)

Zone 6 Information

Number of lots to be assessed	<u>116</u>
Special Landscape Per Lot	\$ 218.50
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 343.32

*Includes Senior Center Bond Issue

**ZONE 7 – AMBERWOOD
(FUND 2423)**

ESTIMATED EXPENSES 2016-17

Water	\$ 5,600.00	
Electric	\$ 300.00	
Repairs and Replacement	\$ 1,538.00	
Landscape Maintenance	\$10,500.00	
Personnel	\$ 2,200.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$20,138.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 20,138.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$20,138.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$638.00
2013	\$1,177.76
2014	\$1,815.64
2015	\$2,654.00
2016	\$2,654.00 (est.)

Zone 7 Information

Number of lots to be assessed	<u>51</u>
Landscape Per Lot	\$ 394.86
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 519.68

*Includes Senior Center Bond Issue

**ZONE 8 – WINDSOR
(FUND 2424)**

ESTIMATED EXPENSES 2016-17

Water	\$ 2,000.00	
Electric	\$ 300.00	
Repairs and Replacement	\$ 800.00	
Landscape Maintenance	\$ 6,600.00	
Personnel	\$ 2,800.00	
Transfer to Reserve	\$ 200.00	
Total Expenses		\$12,700.00

ESTIMATED REVENUE

Special Zone Assessment 2016-17	\$12,700.00	
Transfer from Reserve	\$ 0.00	
Transfer from General Fund	\$ 0.00	
Total Revenue		\$12,700.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$297.00
2013	\$139.69
2014	\$436.67
2015	\$826.00
2016	\$1,026.00 (est.)

Zone 8 Information

Number of lots to be assessed	<u>39</u>
Special Landscape per Lot	\$ 325.64
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
CITYWIDE ONLY COST PER LOT	\$ 450.46

*Includes Senior Center Bond Issue

ZONE 9 – KENDICK (TRACT 32993)
HEARTHSTONE (TRACTS 35135, 35136, 35137)
(FUND 2420)

ESTIMATED EXPENSES 2016-17

Water	\$ 1,500.00	
Repairs and Replacement	\$ 500.00	
Landscape Maintenance	\$ 4,100.00	
Personnel	\$ 2,162.00	
Transfer to Reserve	<u>\$ 0.00</u>	
Total Expenses		\$8,262.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 8,262.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	<u>\$ 0.00</u>	
Total Revenue		\$8,262.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	(\$104.00)
2013	(\$384.22)
2014	(\$488.28)
2015	(\$1,303.00 est.)
2016	(\$1,303.00 est.)

Zone 9 Information

Number of lots to be assessed	<u>247</u>
Special Landscape Per Lot	\$ 33.45
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance – Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 158.27

*Includes Senior Center Bond Issue

ZONE 10 – HEARTHSTONE DEL NORTE
(TRACTS 35128, 35139, 38393, 39932)
(FUND 2425)

ESTIMATED EXPENSES 2016-17

Other Services	\$ 5,300.00	
Water	\$ 9,200.00	
Electric	\$ 3,100.00	
Repairs and Replacements	\$ 500.00	
Landscape Maintenance	\$ 6,400.00	
Brush Clearance & Related Maintenance	\$ 12,000.00	
Personnel	\$ 3,200.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$39,700.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 27,576.00	
Transfer From Reserve	\$ 12,124.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$39,700.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$9,654.00
2013	\$4,194.33
2014	\$3,848.32
2015	\$23,854.00
2016	\$11,730.00 (est.)

Zone 10 Information

Number of lots to be assessed	<u>187</u>
LANDSCAPE COST PER LOT	
Base Cost (170)	\$ 145.99
Surcharge Lots (17)	\$ 162.21
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42

ZONE 10 – HEARTHSTONE DEL NORTE
(TRACTS 35128, 35139, 38393, 39932)
(FUND 2425)

TOTAL COST PER LOT

Base Cost	\$ 270.81
Surcharge Lots	\$ 287.03

*Includes Senior Center Bond Issue

**ZONE 11 – T.K.I. TOWNHOMES
(FUND 2428)**

ESTIMATED EXPENSES 2016-17 **\$0**

ESTIMATED REVENUE 2016-17 **(\$0)**

Zone 11 Information

Number of lots to be assessed	<u>17</u>
LANDSCAPE COST PER LOT	\$ 0
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance Cost Per Lot*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
 TOTAL COST PER LOT	 \$ 124.82

*Includes Senior Center Bond Issue

**ZONE 13 – MIKE’S CENTER
(FUND 2426)**

ESTIMATED EXPENSES 2016-17

Parking Lot Sweeping	\$ 9,000.00	
Water	\$ 700.00	
Electric	\$ 7,200.00	
Repairs and Replacements	\$ 700.00	
Landscape Maintenance	\$ 2,200.00	
Personnel	\$ 2,600.00	
Transfer to Reserve	\$ 0.00	
Total Expenses		\$22,400.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$20,628.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 1,772.00	
Total Revenue		\$22,400.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	(\$258.00)
2013	(\$806.56)
2014	(\$1,064.10)
2015	(\$952.00)
2016	(\$2,724.00 est.)

Zone 13 Information

Number of lots to be assessed	<u>10</u>
LANDSCAPE COST PER LOT	
TOTAL COST PER AREA:	\$0.09503/sq. ft.

**ZONE 13 – MIKE’S CENTER
(FUND 2426)**

Parcel Number	Square Feet	2016/17 Landscape Assessment	Frontage Feet	2016/17 Citywide Street Maintenance	2016/17 Total Assessment
8530-018-027	22,216	\$2,111.24	89.21	\$223.67	\$2,334.91
8530-018-028	10,890	1,034.90	43.92	116.86	1,151.76
8530-018-029	11,325	1,076.24	46.08	121.65	1,198.19
8530-018-030	5,125	487.04	20.50	61.63	548.67
8530-018-031	5,125	487.04	20.50	61.63	548.67
8530-018-032	5,125	487.04	20.50	61.63	548.67
8530-018-033	23,087	2,194.01	80.00	201.95	2,395.96
8530-018-034	28,750	2,732.18	115.00	284.50	3,013.36
8530-018-054	17,860	1,697.28	72.00	183.08	1,880.36
8530-018-055	<u>87,560</u>	<u>8,321.03</u>	<u>333.00</u>	<u>798.63</u>	<u>9,119.66</u>
	217,063	\$20,628.00	840.71	\$2,115.23	\$22,743.65

**ZONE 14 – LAS BRISAS HOMES
(FUND 2431)**

ESTIMATED EXPENSES 2016-17

Water	\$ 2,700.00	
Electric	\$ 400.00	
Repairs and Replacements	\$ 2,700.00	
Landscape Maintenance	\$ 9,600.00	
Personnel	\$ 3,500.00	
Transfer to Reserve	\$ 400.00	
Total Expenses		\$19,300.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 19,300.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$19,300.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	(\$453.00)
2013	\$1,934.33
2014	\$1,481.40
2015	\$6,162.00
2016	\$6,562.00 (est.)

Zone 14 Information

Number of lots to be assessed	41
Landscape Per Lot	\$ 470.73
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 595.55

*Includes Senior Center Bond Issue

**ZONE 15 – LAS POSADAS HOMES
(FUND 2432)**

ESTIMATED EXPENSES 2016-17

Water	\$ 2,400.00	
Electric	\$ 300.00	
Repairs and Replacements	\$ 1,355.00	
Landscape Maintenance	\$ 10,000.00	
Personnel	\$ 6,500.00	
Transfer to Reserve	\$ 759.00	
Total Expenses		\$21,314.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 21,314.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	\$ 0.00	
Total Revenue		\$21,314.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	(\$620.00)
2013	(\$827.00)
2014	(\$1,446.57)
2015	(\$2,658.00 est.)
2016	(\$1,899.00 est.)

Zone 15 Information

Number of lots to be assessed	<u>46</u>
LANDSCAPE COST PER LOT	\$ 463.34
Street Lighting Cost Per Lot *	\$ 30.44
City-wide Street Maintenance	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 588.16

*Includes Senior Center Bond Issue

**ZONE 16 – BUENA VISTA VILLAS
(FUND 2433)**

ESTIMATED EXPENSES 2016-2017

Water	\$ 3,100.00	
Electric	\$ 300.00	
Repairs and Replacements	\$ 1,100.00	
Landscape Maintenance	\$ 6,400.00	
Personnel	\$ 3,700.00	
Transfer to Reserve	<u>\$ 0.00</u>	
Total Expenses		\$14,600.00

Estimated Revenue 2016-17

Special Zone Assessment 2016-17	\$ 14,600.00	
Transfer From Revenue	\$ 0.00	
Transfer From General Fund	<u>\$ 0.00</u>	
General Revenue		\$14,600.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$1,038.00
2013	\$2,148.50
2014	\$3,186.40
2015	\$6,523.00
2016	\$6,523.00 (est.)

Zone 16 Information

Number of lots to be assessed	<u>32</u>
LANDSCAPE COST PER LOT	\$ 456.25
Street Lighting Cost per Lot	\$ 30.44
Citywide Street Maintenance*	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 581.07

*Includes Senior Center Bond Issue

**ZONE 17 – CITRUS COLLECTION
(FUND 2434)**

ESTIMATED EXPENSES 2016-17

Water	\$ 1,700.00	
Electric	\$ 1,300.00	
Repairs and Replacements	\$ 1,200.00	
Landscape Maintenance	\$ 4,400.00	
Personnel	\$ 2,900.00	
Transfer to Reserve	<u>\$ 0.00</u>	
Total Expenses		\$11,500.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$ 11,500.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund	<u>\$ 0.00</u>	
Total Revenue		\$11,500.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND

Fiscal Year Ending	Balance
2012	\$665.00
2013	\$2,026.35
2014	\$2,691.54
2015	\$2,444.00
2016	\$2,444.00 (est.)

Zone 17 Information

Number of lots to be assessed	<u>22</u>
LANDSCAPE COST PER LOT	\$ 522.73
Street Lighting Cost Per Lot	\$ 30.44
Citywide Street Maintenance *	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$ 647.55

*Includes Senior Center Bond Issue

**ZONE 18 – RIDGECREST ESTATES
(FUND 2435)**

ESTIMATED EXPENSES 2016-17

Fuel Modification	\$ 4,500.00	
Water	\$ 4,500.00	
Electric	\$ 400.00	
Repairs and Replacements	\$ 500.00	
Landscape Maintenance	\$ 6,200.00	
Debris Basins/Storm Drain System***	\$ 2,000.00	
Personnel	\$ 1,500.00	
Reserve/Contingency (15%)	\$ 2,700.00	
Transfer to Reserve	<u>\$ 18.00</u>	
Total Expenses		\$22,318.00

ESTIMATED REVENUE 2016-17

Special Zone Assessment 2016-17	\$21,318.00	
Transfer From Reserve	\$ 0.00	
Transfer From General Fund***	<u>\$ 1,000.00</u>	
Total Revenue		\$22,318.00

5-YEAR CAPITAL LANDSCAPE RESERVE FUND****

Fiscal Year Ending	Balance
2012	\$0
2013	\$14,203.09
2014	\$14,203.09
2015	\$38,158.00
2016	\$38,176.00 (est.)

Zone 18 Information

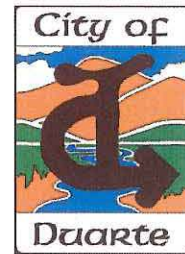
Number of lots to be assessed	<u>15</u>
LANDSCAPE COST PER LOT	\$1,421.17
Street Lighting Cost per Lot	\$ 30.44
Citywide Street Maintenance *	\$ 34.96
Park Assessment Per Lot	\$ 59.42
TOTAL COST PER LOT	\$1,545.99

*Includes Senior Center Bond Issue

**Previously approved by Resolution 11-49.

***One half actual estimated cost, City general fund contributing one half for General benefit.

****Reserve Fund necessary for extraordinary debris removal from debris basins resulting from high intensity storms not experienced in the last 10 years.



MEMORANDUM

TO: Mayor and City Council
FROM: Craig Hensley, Community Development Director *CH*
DATE: June 28, 2016
SUBJECT: Purchase and Sale Agreement – City of Duarte and Tipping Investment
1634 Third Street and 1101 Oak Avenue (North Yard and Old City Hall)
Authorize City Manager to a Professional Services Agreement with
Morse Planning Group for Environmental Services for \$47,985

For the past several months, Staff has been in the process of developing a plan to sell the City Owned properties on Third Street and Oak Avenue. The properties include the north City Yard; the former City Hall building that currently houses Duarte Montessori, the Duarte Chamber of Commerce, the DCTV studio and Third Street Park. The motivation for the sale of the property is the significant cost associated with necessary upgrades for accessibility and general building maintenance.

Tipping Investment , LLC is owned and operated by Richard Tipping who was formerly with Bowden Development and has served as project manager on other projects in the city such as townhouses at the site of the former Trails Restaurant and Duarte Gardens, the townhouses adjacent to Andres Duarte Plaza across Huntington Drive from the Senior center. Mr. Tipping is a well qualified development partner.

Staff and Tipping Investment have been working towards this PSA for some time. The City Council approved an exclusive negotiating agreement in January of 2015. Since that time, Staff and Tipping have met with neighbors and had several discussion about project design. Staff has also worked through details for moving current tenants from the building.

The PSA includes the following deal points:

Developer Responsibility –

Property Sale Price: \$1.9 Million
\$50,000 non-refundable deposit required when PSA is signed
and additional \$100,000 non-refundable deposit is required
when project approvals are given.

Park Relocation: Third Street Park will be relocated to the corner of Third St. and Oak Ave.

Plan Submittal: Project application will be submitted in July 2016 with action anticipated in December 2016.

City Responsibility –

Entitlement Processing: City will be responsible for processing of General Plan Amendment, Zone Change and Environmental (Mitigated Negative Declaration). The environmental work would be completed via City contract with Morse Planning Group (see accompanying memorandum).

Building Tenants: The City shall deliver the property unoccupied.

The buildings currently provide space for four users: Field Services Division, Chamber of Commerce, DCTV and Duarte Montessori. The lease for Duarte Montessori ends on June 30, 2016 and the tenant will vacate the space. Administration has been working with DCTV and the current plan is to move the operation to a joint facility at the High School. Staff proposes that the Field Services operation be relocated to the south yard and that new storage and office facilities be constructed with a portion of the proceeds from this project. Staff has had initial discussions with the Chamber of Commerce and has three potential locations for relocation: available office space at the school district administration building, the recreation building in Duarte Park or the available retail space at 1735 Huntington Drive (northeast corner of Huntington Drive and Oak Avenue). Final details for each of the moves will be brought back to Council for action and/or information in the next few weeks as the entitlement process for the Tipping Project moves forward.

There are several positives that the sale of these properties and the proposed development will bring to Duarte:

Building Condition. The current building buildings on Third Street and Oak Avenue are in poor condition. Each building has accessibility issues that would need to be resolved and are in need of major maintenance. A few years ago, the Chamber office needed to be relocated because the building on Oak was so deficient of ADA access.

Improved Park Facilities. Third Street Park is a mid-block park that has not been upgraded in years. It's secluded location is not a benefit and the proposed new park will have new facilities and a more visible and useable location. Final details for the park will be developed during the application process and will be reviewed by the Parks & Recreation Commission with final approval by City Council.

Compatible Use. The development concept for the area is for residential use. This use will be better compatible with the current residential use on Third Street and the high density residential use to the south along Huntington Drive. The plan is for a project that exhibits quality Spanish Colonial architecture with rich details.

Revenue for Economic Development. The project should generate about \$1.85 million (\$1.9 million sales price less the \$47,985 for the environmental work). There will also be some other costs that will be incurred: new storage and office buildings at south yard, new location for chamber office and relocation of the repeater tower currently on the property. Staff recommends that the funds that remain, which are anticipated to be over one million, be used for economic development projects such as development of the northeast corner of Huntington Dr. and Buena Vista and seed funds to spur a major façade enhancement to the balance of the Vista Town Center Shopping Center (Grocery Outlet Center).

The anticipated project timing is: plan submittal July 2016, Planning Commission hearing November 2016, City Council hearing December 2016, construction late Spring 2017.

Staff recommends that City Council adopt Resolution 16-R-13 approving the Purchase and Sale Agreement with Tipping Investment and authorize the City Manager to sign a Professional Services Agreement with Morse Planning Group for environmental services necessary for application processing.

Attachments: Resolution 16-R-13

Purchase and Sale Agreement – City – Tipping Investment LLC

Memo Regarding Morse Planning Group and Preparation of Mitigated Negative Declaration w/ Proposal

RESOLUTION NO. 16-R-13

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DUARTE APPROVING AN AGREEMENT FOR PURCHASE AND SALE OF PROPERTY, PARK LAND EXCHANGE, AND JOINT ESCROW INSTRUCTIONS FOR PROPERTY LOCATED AT 1634 THIRD STREET AND 1101 OAK AVENUE, DUARTE, CALIFORNIA

WHEREAS, the City of Duarte, as a general law City, has the statutory power to hold and dispose of real property for the common benefit and as may be necessary or proper for municipal purposes, under power of Government Code sections 37350, 37351, and other provisions of law; and

WHEREAS, the City of Duarte owns certain real property located generally at the intersection of Third Street and Oak Avenue within the City of Duarte; and

WHEREAS, achievement of the common benefit and municipal purposes includes undertaking activities to encourage the generation of new housing within the City, both in furtherance of the City's housing element and toward achieving the City's Regional Housing Needs Assessments; and

WHEREAS, the City has undertaken negotiations with a housing developer, Tipping Investment, LLC, for the potential transfer of property the City owns at Third Street and Oak Avenue, for the purposes of developing some eighteen (18) new residential units; and

WHEREAS, the City undertook a real estate valuation study performed by RSG, Inc., dated February 10, 2016, which identified a reasonable range for the fair market value of the property; and

WHEREAS, negotiations between the City and Tipping Investment, LLC have resulted in a proposed "Agreement for Purchase and Sale of Property, Park Land Exchange, and Joint Escrow Instructions, with a Purchase Price within the range of fair market value identified by the City's valuation study; and

WHEREAS, implementation of the sale of property and facilitating the construction of residential units on the property contemplated to be transferred to Tipping Investment, LLC will require a series of additional implementing steps and conditions to closing, all of which are further defined in the draft of the Agreement; and

WHEREAS, the City now determines that it both in the common benefit and appropriate for municipal purposes to enter into the "Agreement for Purchase and Sale of Property, Park Land Exchange, and Joint Escrow Instructions," with Tipping Investment, LLC.

NOW, THEREFORE, IN CONSIDERATION OF ALL OF THE FOREGOING, by City Council of the City of Duarte does hereby resolve as follows:

Section 1. The "Agreement for Purchase and Sale of Property, Park Land Exchange, and Joint Escrow Instructions" in the form attached to this Resolution as Exhibit "A" is hereby approved.

Section 2. The City Manager and the Community Development Director are hereby authorized by the City Council to undertake such additional activities, communications, and document preparation as may be necessary or appropriate to meet those terms and conditions of the ""Agreement for Purchase and Sale of Property, Park Land Exchange, and Joint Escrow Instructions, " including approving minor modifications to the form of the agreement that do not materially change any of its business terms, as may be necessary to close escrow on the transfer of the property, consistent with the terms, conditions, and limitations stated therein.

Section 3. Section 3 of this Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED this 28th day of June, 2016.

Mayor Samuel Kang

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss.
CITY OF DUARTE)

I, Marla Akana, City Clerk of the City of Duarte, County of Los Angeles, State of California, hereby attest to the above signature and certify that Resolution No. 16-13 was adopted by the City Council of the City of Duarte at a regular meeting of said Council held on the 28th day of June 2016, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

City Clerk Marla Akana
City of Duarte, California

**AGREEMENT FOR PURCHASE AND SALE OF PROPERTY, PARK LAND
EXCHANGE, AND JOINT ESCROW INSTRUCTIONS**

THIS AGREEMENT FOR PURCHASE AND SALE OF PROPERTY, PARK LAND EXCHANGE, AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is made and entered into as of June 28, 2016 (“**Effective Date**”), by and between CITY OF DUARTE, a public body, corporate and politic (“**City**”), and TIPPING INVESTMENT, LLC and/or its assignee, a California corporation (“**Buyer**”). City and Buyer are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.” In consideration of the mutual agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City desires to sell, and Buyer desires to purchase, the Property consisting of Los Angeles County Assessor Parcel Nos. 8530-011-911; -912; -913; 914; 915; and 8530-017-905, all as more specifically described below, for the Purchase Price and upon the terms and conditions set forth below:

ARTICLE 1

CERTAIN DEFINITIONS AND FUNDAMENTAL PROVISIONS

This Article 1 sets forth certain definitions and fundamental provisions for purposes of this Agreement.

1.1 “Buyer’s Address” means:

With copy to:

Tipping Development, Inc.
911 S. Primrose Ave., Unit P.
Monrovia, CA 91016
Attn: Richard Tipping, President
Telephone: 626.239.7900
Facsimile: 888.323.7004

Collins Collins Muir + Stewart, LLP
1100 El Centro St.
South Pasadena, CA 91030
Attn: David E. Barker
Telephone: (626) 243-1100
Facsimile: (626) 243-1111

1.2 “City’s Address” means:

With copy to:

City of Duarte
1600 Huntington Drive
DUARTE, CA 92885-8714
Attn: City Manager
Telephone: (626) 357-7931
Facsimile: (626) 358-0018

Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626
Attention: David B. Cosgrove, Esq.
Telephone: (714) 641-5100
Facsimile: (714) 546-9035

1.3 **“Closing Date”** means the date that is thirty (30) days after the date (i) the “Buyer Conditions to Closing” (as herein defined) have been satisfied, or waived by Buyer, and (ii) the “City Conditions to Closing” (as herein defined) have been satisfied, or waived by City. The terms the **“Close of Escrow”**, and/or the **“Closing”** are used herein to mean the time the Grant Deed is recorded in the Office of the County Recorder of Los Angeles County, California. In no event should the Closing Date occur after one (1) year following the Effective Date, and to the extent Closing has not occurred by that date, this Agreement shall terminate unless extended in writing by the Parties. .

1.4 **“Deposit”** means: The total of Fifty Thousand Dollars (\$50,000.00) earnest money deposit made by Buyer in accordance with the terms of Section 2.2 below, together with any interest earned thereon. City and Buyer acknowledge that Buyer has already paid Twenty Five Thousand Dollars (\$25,000) of this Deposit to City as consideration for the exclusive right to negotiate this Agreement as between Buyer and City. , The Deposit, shall be credited to the Purchase Price upon Closing.

1.5 **“Opening of Escrow”** means: The date upon which Escrow Holder receives a fully executed copy of this Agreement, which date shall be identified by Escrow Holder by written notice delivered to City and Buyer. The Opening of Escrow shall take place within three (3) business days after the execution of this Agreement by Buyer and City.

1.6 **“Escrow Holder”** means Chicago Title Company, whose address is:

Chicago Title Company
725 S. Figueroa St. Suite 200
Los Angeles, CA 90017
Attn: Min Thian
Telephone: (213) 392-9076
Email: min.thian@ctt.com

1.7 **“Due Diligence Period”** means the period commencing upon the Opening of Escrow and continuing for a period of ninety one (91) days thereafter.

1.8 **“Purchase Price”** means the purchase price to be paid by Buyer to Seller for Buyer’s purchase of the Property from Seller. The Purchase Price shall be determined as described in Section 2.1 below.

1.9 **“Title Company”** means Chicago Title Company, whose address is:

Chicago Title Company
725 S. Figueroa St. Suite 200
Los Angeles, CA 90017
Attn: Min Thian
Telephone: (213) 392-9076
Email: min.thian@ctt.com

1.10 **“Project Approvals”** means any General Plan Amendment, Specific Plan or Zoning Amendment, or environmental approval under the California Environmental Quality

Act (“CEQA”) to be provided by City in order to permit the Project to go forward on the Property. The cost of all Project Approvals shall be borne by the City. City shall, at no cost to Buyer, provide Buyer with copies of all public, non-privileged reports, studies, materials, applications, and approvals procured, generated or obtained by City as a part of the Project Approvals. Notwithstanding anything in this Agreement, Buyer acknowledges that the Project Approvals implicate exercises of the City of Duarte’s legislative and administrative discretion, and nothing in this Agreement constitutes, nor shall be read as, any indication, promise, warranty, representation, or guarantee to Buyer as to whether, or how, such discretion will be exercised. The Project Approvals may only be granted after City’s compliance with legislative and administrative processes prescribed by California law and City of Duarte ordinance, after public notice and hearings, as applicable. City cannot and does not contract away any portion of its discretion over such matters, and Buyer fully recognizes and understands that nothing herein creates any right, entitlement, or expectation by Buyer in any specific outcome of any such proceedings.

1.11 “**Project Entitlements**” means any tentative tract map under the Subdivision Map Act, Site Plan and Design Review case, Precise Plan, or other quasi-adjudicatory discretionary entitlement required to be obtained before Buyer may proceed with the development, construction, or use of the Project, including, but not limited to site development permits, conditional use permits, temporary use permits, minor use permits, with all such entitlements, permits, and approvals, as they may be amended from time to time, and all conditions of approval issued in connection with any of such entitlements, permits, and approvals. The Project Entitlements shall include that there shall be no in-lieu fee for low income housing. The cost of all Project Entitlements shall be borne by the Buyer. Notwithstanding anything in this Agreement, Buyer acknowledges that the Project Entitlements implicate exercises of the City of Duarte’s administrative discretion, and nothing in this Agreement constitutes, nor shall be read as, any indication, promise, warranty, representation, or guarantee to Buyer as to whether, or how, such discretion will be exercised. The Project Entitlements may only be granted after City’s compliance with administrative processes prescribed by California law and City of Duarte ordinance, after public notice and hearings, as applicable. City cannot and does not contract away any portion of its discretion over such matters, and Buyer fully recognizes and understands that nothing herein creates any right, entitlement, or expectation by Buyer in any specific outcome of any such proceedings.

1.12 “**Property**” means that certain real property located in the City of Duarte, County of Los Angeles, more particularly described on **Exhibit A** attached hereto. Notwithstanding the foregoing, City and Buyer acknowledge and agree that the sole purpose for which City is selling to Buyer the Property is to facilitate the development of a multi-family residential development (the “**Project**”), which will help implement the City’s Housing Element and secure units toward meeting the City’s Regional Housing needs Assessment (“RHNA”). A conceptual site plan depicting the Project is attached hereto as **Exhibit B** (the “**Project Conceptual Site Plan**”). Development of the Project will necessitate Seller terminating the use of a portion of the Property as an existing public park, and Buyer irrevocably dedicating and improving a replacement park site contiguous to the Project, consistent with the **Park Improvement Plan** to be developed by Buyer and subject to the approval of City. .

1.13 **“Predevelopment Schedule”** means the proposed schedule of Project Approval and Project Entitlement activities, and other benchmarks for the securing construction and other financing for ultimate development and construction of the Project, attached hereto as **Exhibit C**.

1.14 **“Replacement Park Property”** means that certain parcel of real property, to be located generally at the intersection of Third and Oak Streets in the City of Duarte, and which will be more specifically identified by both City and Buyer, and described in the legal description to be generated by the Buyer, all in connection with the Project Entitlement processing. Buyer shall submit into escrow, for recordation immediately after the recordation of the Grant Deed conveying the Property to Buyer, an Irrevocable Offer of Dedication of the Replacement Park Property in a form acceptable to City, or provide evidence satisfactory to City that such dedication will be effectuated through mapping, or other appropriate approval to allow separate transfer of the Replacement Park Property from Buyer to the City, as part of the conditions to Closing. The Replacement Park Property will be dedicated and improved by Buyer as a public park, to serve as exchanged park property for those portions of the Property formerly used as a public park.

1.15 **“Additional Deposit”** means the sum of One Hundred Thousand Dollars (\$100,000.00) to be deposited into escrow by Buyer within three (3) business days of Buyer’s review and written approval of the Project Approvals and the Project Entitlements, including all conditions imposed thereon. The Additional Deposit shall be credited to the Purchase Price at closing, but in the event closing does not occur after Buyer’s written approval of the Project Approvals and the Project Entitlements, such Additional Deposit shall be treated in the same manner as the Deposit, and shall be similarly nonrefundable as, and under the same conditions governing, the Deposit.

1.16 **“Park Improvement Plan”** means the plan to be developed by Buyer, in conjunction with and subject to the approval of City, for the improvement of the Replacement Park Property as a public park, in order to effectively replace the portions of the Property that were used for public park purposes as of the Effective Date. Buyer shall submit the Park Improvement Plan and proposed legal description of the Replacement Park Property to City simultaneously with Buyer’s Project Entitlement application under Section 3.2.6 below. The Park Improvement Plan and dedication of the Replacement Park Property shall be in lieu of the imposition of any Quimby Act fees on Buyer, this transaction or the Project..

ARTICLE 2

CONSIDERATION

2.1 **Purchase Price.** Consistent with the range of values indicated in a valuation study commissioned by City by RSG, Inc., dated February 10, 2016, the purchase price for the Property shall be One Million Nine Hundred Thousand Dollars (\$1,900,000.00) (the **“Purchase Price”**).

The Purchase Price shall be payable in cash to City net of all previous creditable deposits by Buyer, at the Closing, subject to prorations and adjustments at the Closing Date as provided in

this Agreement, which funds must be delivered in a manner to permit Escrow Holder to deliver “good funds” (as used in this Agreement, the term “**good funds**” shall mean a confirmed wire transfer of immediately available funds, cashier’s or certified check drawn on or issued by the office of a financial institution located in Los Angeles County, or cash) to City or its designee on the Closing Date.

2.2 **Deposit.** Within two (2) business days after the expiration of the Due Diligence period, Buyer shall deposit with Escrow Holder in good funds the remaining portion (\$25,000.00) of the Deposit. The Deposit shall be non-refundable, except as expressly provided in Sections 3.2.3, 4.11, 4.12, 7.2.1, 9.1, and 9.2 below, and in the case of City’s material default which results in a failure to close.

2.3 **Additional Deposit** Within three (3) business days of Buyer’s written approval of the last of the required Project Approvals and Project Entitlements, including any conditions thereto, as provided in Sections 8.3 and 8.4 below, Buyer shall deposit with Escrow Holder in good funds the Additional Deposit. The Deposit shall be non-refundable, except as expressly provided in Sections 3.2.3, 4.11, 7.2.1, 9.1, and 9.2 below, and in the case of City’s material default which results in a failure to close .

2.4 **Independent Contract Consideration.** Notwithstanding anything to the contrary set forth in this Agreement, City and Buyer agree that Buyer shall deposit One Hundred Dollars (\$100.00) (“**Independent Contract Consideration**”) immediately upon Opening of Escrow, which has been bargained for as consideration for City’s execution and delivery of this Agreement and Buyer’s right to approve or disapprove any Buyer contingencies set forth in this Agreement. The Independent Contract Consideration is in addition to and independent of any other consideration or payment provided for in this Agreement, is not credited toward the Purchase Price, and is non-refundable in all events.

ARTICLE 3

FEASIBILITY PERIOD AND TITLE

3.1 **Due Diligence Period.** During the Due Diligence Period specified in Section 1.7 and subject to compliance with the requirements of this Section 3.1, Buyer shall have the right to inspect the Property, to have the Property inspected by its engineers, and to undertake environmental surveys and assessments of the Property at Buyer’s sole cost and expense, all as Buyer deems appropriate, provided however, that any invasive testing of the Property shall be subject to City’s prior written consent, which consent may be withheld or provided at City’s sole discretion. However City shall provide to Buyer reasonable access to the Property to accommodate Buyer’s to undertaking of any testing or surveys Buyer deems appropriate to determine the presence of Asbestos, or Asbestos Containing Materials (“ACM”). Buyer shall use care and consideration in connection with all of its inspections and testing and restore the Property to substantially its same physical condition as existed prior to such testing and inspections, and shall hold City harmless, and indemnify City, for any third party claims for damages to persons or property arising out of Buyer’s inspection activity.

3.1.1 Prior to any entry on the Property by Buyer pursuant to this Section 3.1, Buyer shall secure and maintain: (a) a comprehensive general liability and property damage policy in an amount of not less than One Million Dollars (\$1,000,000.00) which will cover the activities of Buyer and its agents, employees, consultants and contractors on the Property and shall name City as an additional insured thereunder, and (b) workers' compensation and employer's liability insurance in accordance with the provisions of California law. On request by City, Buyer shall provide a certificate of insurance evidencing the insurance required in this Section.

3.1.2 Buyer shall conduct all of Buyer's inspections and studies at its sole cost and expense and in accordance with all applicable laws.

3.1.3 Buyer shall defend, reimburse, indemnify and hold City harmless (with counsel satisfactory to City) from all liability, damage, cost and expense (including reasonable attorneys' fees) arising from the negligence or misconduct of Buyer, Buyer's agents, contractors and/or subcontractors on the Property, and/or from any and all investigation, assessment, testing, monitoring or inspection, or other activities conducted upon the Property as contemplated herein excluding the discovery of existing hazardous materials or other existing conditions. Buyer shall take all steps, including filing appropriate bonds if necessary, to keep the Property free of mechanic's liens as a result of Buyer's activities contemplated herein. The indemnity under this Section shall survive the Closing or the termination of this Agreement for any reason.

3.1.4 Buyer shall deliver to City a copy of all third party reports, materials, studies and investigations conducted by Buyer on or concerning the Property ("**Buyer Reports**") within three (3) business days following the termination or deemed termination of this Agreement by Buyer or the termination of this Agreement by City. True and complete copies of the Buyer Reports shall be delivered by Buyer to City, at no cost to City and lien-free, but without any representation or warranty by Buyer as to the quality, completeness or accuracy of the contents of the Buyer Reports.

3.1.5 During the Due Diligence Period, Buyer may, in its sole discretion for any reason, terminate this Agreement; provided City and Escrow Holder are notified of such termination in writing on or before expiration of the Due Diligence Period. In such event, City shall retain the Deposit and Independent Contract Consideration, Buyer and City shall each pay one-half (½) of any Escrow Cancellation Charges, and neither party shall have any further liability to the other, except for Buyer's indemnity of City under this Section 3.1, Buyer's delivery to City of the "Buyer Reports" (as defined above) and any other obligations which expressly survive the termination of this Agreement. As used herein, "**Escrow Cancellation Charges**" means all fees, charges and expenses incurred by Escrow Holder or third parties engaged by Escrow Holder, but excluding all expenses related to the services of the Title Company in connection with the issuance of the "Preliminary Report" (as that term is defined in Section 3.2.1 below) and other title matters. If Buyer does not wish to proceed with this Agreement, Buyer shall deliver written notice of termination to City and Escrow Holder prior to expiration of the Due Diligence Period. Buyer's failure to provide a written notice of termination to Escrow Holder and City electing to terminate this Agreement prior to or on the expiration of the Due Diligence Period shall constitute Buyer's approval of all of the due diligence items and its decision to close the Escrow.

3.1.6 During the Due Diligence Period, Buyer shall review the “**Title Documents**” and inform the Escrow Holder and City in writing of whether Buyer will accept title subject to the Permitted Exceptions (defined below) pursuant to Section 3.2 below.

3.1.7 City has represented to Buyer it has no environmental reports, surveys, tests, studies and other reports pertaining to the physical condition of the Property of which City is aware and which are in City’s possession, to the extent obtained by City as a result of City’s ownership of the Property and not in City’s capacity as a regulatory agency (collectively “**City’s Environmental Documents**”). City represents and warrants to Buyer it has made an inquiry among City staff, employees, agents, and representatives for the purpose of identifying and/or locating any existing City’s Environmental Documents.

3.2 **Title Review and Survey.** Title to the Property shall be conveyed by City to Buyer at the Closing free and clear of all liens, restrictions, easements, encumbrances and title objections, except for the “**Permitted Exceptions**” as defined below.

3.2.1 Substantially concurrent with the Opening of Escrow, Buyer and City shall request that Escrow Holder (also referred to herein from time to time as “**Title Company**”) prepare and promptly deliver to Buyer a preliminary title report describing the state of title of the Property (“**Preliminary Report**”) together with copies of all recorded instruments specified therein (collectively, the “**Title Documents**”).

3.2.2 Buyer shall review the Title Documents, and within thirty (30) days from the later to occur of (i) the Opening of Escrow, or (ii) Buyer’s receipt of the Preliminary Report and Title Documents, deliver to City in writing its approvals and objections with regard to anything contained or set forth therein. Any items not expressly objected to by Buyer on or before such date shall be deemed approved. All items so approved or deemed approved by Buyer shall be referred to as “**Permitted Exceptions.**”

3.2.3 If City notifies Buyer within ten (10) business days after receiving Buyer’s notice of written objections that City is unable or unwilling to cure such defects, then Buyer, at any time prior to the termination of the Due Diligence Period, may (a) terminate this Agreement by written notice to City, or (b) notify City that Buyer will close subject to such uncured objections as Permitted Exceptions. Buyer’s failure to elect either alternative within the prescribed period shall be deemed an election to close subject to such uncured objections as Permitted Exceptions in accordance with Clause (b) above.

3.2.4 On or prior to the Closing, City shall use reasonable efforts to deliver to the Title Company, any and all documentation required by the Title Company to commit to issue to Buyer at Closing a CLTA standard coverage owner’s title policy, subject only to the Permitted Exceptions, in the amount of the Purchase Price showing title vested in Buyer (the “**Owner’s Policy**”). Buyer may elect to obtain an ALTA extended coverage owner’s policy of title insurance (provided Buyer shall be responsible for any survey and additional policy costs associated therewith). Should Buyer opt to require ALTA coverage, the issuance of ALTA extended coverage shall be a condition precedent to Buyer’s obligation to close the Escrow.

3.2.5 Upon the issuance of any amendment or supplement to the Preliminary Report which adds additional exceptions (“**Additional Exceptions**”), Buyer shall have the right to review and approve such amendment or supplement within ten (10) business days of Buyer’s receipt thereof. Any items not expressly objected to by Buyer within said ten (10) business day period shall be deemed approved. In the event Buyer disapproves of any Additional Exceptions within said ten (10) business day period, Buyer shall have the right to **terminate** this Agreement and obtain a return of the Undisbursed Portion of the Deposit and any “Extension Deposits” (as defined in Section 4.1 below). Notwithstanding the preceding sentence, Buyer shall allow City at least three (3) business days following written notice of termination to either remove or commit in writing to remove such disapproved title matter to Buyer’s reasonable satisfaction. If City removes such matters or commits in writing to do so within said three (3) business day period, Buyer’s termination notice shall be of no force or effect and Escrow Holder shall proceed with the Closing as contemplated herein (provided that removal of such objectionable item at or prior to the Closing shall be a condition precedent for Buyer’s benefit). If City does not either remove such matters or commit in writing to do so within said three (3) business day period, this Agreement shall terminate as provided for above.

3.2.6 Buyer shall, within thirty (30) days of the Opening of Escrow, complete and file Buyer’s application for the Project Entitlements, which application shall be in substantial conformity with the preliminary drawings and documents submitted by Buyer to City and attached hereto as Exhibit B. Notwithstanding any other provision of law, City shall have sixty (60) days after the filing of the Buyer’s application to determine the completeness of Buyer’s applications, and each of them, for the Project Entitlements. Should City fail to accept the application for the Project Entitlements (including preliminary tract map, preliminary grading plans and drainage plans) as complete within such sixty (60) day period, then Buyer may, in Buyer’s sole discretion, terminate this Agreement. Acceptance of the application for the Project Entitlements shall be distinct from approval of the applications therefor. City may concurrently schedule both the Project Approvals and the Project Entitlements, both of which approvals are a condition of closing. Upon acceptance of the application for the Project Entitlements as complete, City shall schedule the Project for all appropriate public hearings and review periods expeditiously.

ARTICLE 4

CLOSING

4.1 **Closing Date.** The Closing of the purchase and sale contemplated hereby shall be held at the offices of Escrow Holder on the Closing Date. Buyer may request to extend the Closing Date for up to ninety (90) days. Such request shall be made by written notice delivered by Buyer to City at least fifteen (15) days before the Closing Date, setting forth the extension requested, the purpose for the extension, and evidence that Buyer is diligently proceeding with its requirements hereunder. In the event Buyer is in compliance with this Agreement, including, without limitation, all of the submittal and re-submittal timeframes set forth in the predevelopment schedule attached hereto and incorporated herein as **Exhibit C** (the “**Predevelopment Schedule**”), and Buyer has provided evidence reasonably satisfactory to City that Buyer is diligently proceeding with its requirements hereunder, then City shall approve the requested extension, and such extension shall thereafter become effective upon Buyer’s deposit

of Fifty Thousand Dollars (\$50,000) with Escrow Holder, in good funds (the “**Extension Deposit**”). The Extension Deposit shall be released to City immediately upon Escrow Holder’s receipt thereof, and shall be (i) non-refundable, except as expressly provided in Sections 4.11, 7.2.1, 9.1, and 9.2 below, or in the case of City’s material default which results in a failure to close, and (ii) applicable to the Purchase Price at Closing.

4.2 **City Deliveries.** At least one (1) business day prior to the Closing Date, City shall execute and/or deliver (or cause to be delivered) to Escrow Holder the following:

4.2.1 One (1) original grant deed in the form of **Exhibit D (“Grant Deed”)** executed and acknowledged by City.

4.2.2 One (1) original California Form 593-C Real Estate Withholding Exemption Certificate (“**California Residency Affidavit**”).

4.2.3 A certified copy of the Duarte City Council Resolution effectuating the termination of the portion of the Property formerly used as a public park.

4.2.4 Documentation that City has cured any objections by Buyer to the Preliminary Report or the Additional Exceptions, if any, that City has agreed to cure.

4.2.5 Documentation that all Project Approvals required for the Project Entitlements to go forward have been reviewed, passed, and approved by City.

4.3 **City Costs and Expenses.** At Closing, City shall pay the following costs and expenses: (i) the premium for the Owner’s CLTA Policy; (ii) the recording and filing fees for the Grant Deed (if any); (iii) any documentary transfer taxes on the Grant Deed and any other conveyance instruments; and (iv) one-half (1/2) of the customary escrow charges.

4.4 **Buyer Deliveries.** At least one (1) business day prior to the Closing Date, Buyer shall execute and/or deliver (or cause to be delivered) to Escrow Holder the following:

4.4.1 One (1) original Preliminary Change of Ownership Statement.

4.4.2 One (1) original Irrevocable Offer of Dedication for the Replacement Park Property, or evidence satisfactory to the City that the Replacement Park property will be dedicated via recordation of the tentative tract map, or some other appropriate vehicle of dedication of property for public use, acceptable to City.

4.4.3 A Performance Bond or Letter of Credit in a form acceptable to City, in favor of City, in an amount that is equivalent to one and one-half times the amount required to complete the development of the Replacement Park Property in the manner provided in the Park Improvement Plan. Such security may be waived by City if the Replacement Park Property is, at the time of Close of Escrow, developed consistent with the Park Improvement Plan in a manner satisfactory to City.

4.4.4 The Project Budget.

4.4.5 **The Evidence of Financing.**

4.4.6 Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

Buyer's Costs and Expenses. At Closing, Buyer shall pay the following costs and expenses: (i) the balance of the Purchase Price (e.g., the Purchase Price less the remaining creditable portions of Buyer's deposits and the Extension Deposits, if any); (ii) the recording and filing fees for any financing placed on the Property by Buyer; (iii) one-half (1/2) of the customary escrow charges; and (iv) all title charges for any extended coverage in excess of the title charges for standard coverage, ALTA survey, title endorsements or other title protections selected by Buyer.

4.5 **Property Taxes.** City is exempt from the payment of property taxes and has not been required to pay any taxes for the Property. Buyer shall pay all property taxes and assessments for the Property from and after the Closing Date.

4.6 **Escrow Holder's Actions.** Upon the Closing Date, when Escrow Holder holds the items required to be deposited by City and Buyer as described above and Title Company is prepared to issue and deliver to Buyer the applicable Owner's Policy, Escrow Holder is instructed and authorized to: (a) record the Grant Deed and any Irrevocable Offer of Dedication of the Replacement Park Property in the Office of the County Recorder of the County of Los Angeles, consistent with the sequence specified in Section 4.12 below; (b) pay any transfer taxes; (c) instruct the County Recorder to return the original of the Grant Deed to Buyer; (d) instruct the County Recorder to return the original of the Irrevocable Offer of Dedication of the Replacement Park Property to City; (e) disburse to City from the funds deposited into Escrow by Buyer the Purchase Price less the City's escrow costs and expenses; (f) disburse from funds deposited by Buyer amounts toward payment of all other items chargeable to the account of Buyer hereunder, and disburse the remaining balance of such funds, if any, to Buyer; (g) deliver to Buyer one duplicate original of the California Residency Affidavit and Irrevocable Offer of Dedication, and the Owner's Policy and (h) deliver to City one duplicate original of the Grant Deed and California Residency Affidavit.

4.7 **Escrow Cancellation Charges.** If the Closing does not occur due to a default by one of the Parties, the defaulting Party shall bear all Escrow Cancellation Charges. If the Closing does not occur for any reason other than the default of a Party, then Buyer and City shall each pay one-half (½) of any Escrow Cancellation Charges.

4.8 **Possession Upon Closing.** Upon Closing, City shall deliver possession of the Property to Buyer, free and clear of any tenancies, licensees, or other occupants except for the Permitted Exceptions. Possession of the Replacement Park Property shall be conveyed after Closing from Buyer to City upon City's acceptance of the Irrevocable Offer of Dedication, or upon recordation of the Final Subdivision Map after Closing.

4.9 **City Conditions.** The following conditions are conditions precedent to City's obligation to close the purchase of the Property (the "**City Conditions to Closing**");

4.9.1 There shall exist no pending or threatened actions, suits, arbitrations, claims, attachments, proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization or other proceedings, against the Buyer that would materially and adversely affect the Buyer's ability to unconditionally perform its obligations under this Agreement.

4.9.2 Buyer shall have delivered the funds required hereunder and all of the documents to be executed by Buyer set forth in Section 4.4 and shall not be in default under this Agreement.

4.9.3 Buyer shall have approved any conditions, exactions, and requirements imposed upon the Project Approvals in writing, in accordance with Section 8.3 below, and Buyer shall have obtained all of the Project Entitlements, and shall have provided written approval of all terms and conditions thereto, in accordance with Section 8.4 below.

4.9.4 Buyer shall have deposited into escrow a fully executed Irrevocable Offer of Dedication relating to the Replacement Park Property, or provided evidence satisfactory to the City that the Replacement Park Property will be dedicated along with recordation of the Final Subdivision Map for the Project, and Buyer shall either have completed development of such Replacement Park Property consistent with the Park Improvement Plan, or posted in favor of City a Performance Bond or Letter of Credit in an amount that is equivalent to one and one-half times the amount required to complete the development of the Replacement Park Property in the manner provided in the Park Improvement Plan.

4.9.5 Buyer shall have submitted to City and obtained City's approval of Buyer's Evidence of Financing, and shall have closed, or shall close concurrently with the Closing, on all financing set forth therein.

4.9.6 Buyer shall have submitted to City and obtained City's approval of a copy of a fee-based construction contract or guaranteed maximum price construction contract between Buyer and its general contractor for construction of the Project, certified by Buyer to be a true and correct copy thereof.

4.9.7 Buyer is not in material default of any term or condition of this Agreement.

4.9.8 All final construction plans and reports must have been stamped by any applicable government agency or authority as approved and ready for issuance of construction permit.

4.9.9 The final map under the Subdivision Map Act must be ready for recordation.

In the event any of the foregoing conditions are not satisfied on or before the date specified for satisfaction of each respective condition, or expressly waived by City in writing, City shall have the right to terminate this Agreement in accordance with Section 4.11.

4.10 **Buyer Conditions.** The following conditions are conditions precedent to Buyer's obligation to close the purchase of the Property (the "**Buyer Conditions to Closing**"):

4.10.1 The Title Company has irrevocably committed to issue the Owner's Policy as required by Section 3.2.4.

4.10.2 City shall have completed the Project Approvals, and Buyer shall have approved any conditions, exactions, and requirements thereon in writing, as called for under Section 8.3 below.

4.10.3 City shall have delivered all of the documents and other items required pursuant to Section 4.2 and not be in default under this Agreement.

4.10.4 The Property shall be free and clear of any leases, tenancies, occupancies, licensees, or any other claimants to any possessory rights thereto.

4.10.5 Buyer shall have obtained all of the Project Entitlements, and Buyer shall have approved any conditions, exactions, and requirements thereon in writing, as called for under Section 8.4 below. Included in such Entitlements will be authorization for Buyer to remove the oak tree located near the south east corner of the existing public park and replacement of said oak tree with either three (3) twenty four inch (24") box oak or one (1) seventy two inch (72") box oak planted on the site or in other locations in the City, **with final selection and location to be made by the Community Development Director.**

4.10.6 Buyer shall have obtained City approval of grading, site plans, and construction drawings (including drawings for grading, landscaping and building construction).

4.10.7 Buyer shall have obtained City's approval of Buyer's Evidence of Financing, and shall have closed, or shall close concurrently with the Closing, on all financing set forth therein.

4.10.8 Buyer shall have obtained City's approval of a copy of a fee-based construction contract or guaranteed maximum price construction contract between Buyer and its general contractor for construction of the Project, certified by Buyer to be a true and correct copy thereof.

4.10.9 On the Closing Date, all representations and warranties made by City hereunder shall be true and correct in all material respects as if made on and as of the Closing Date.

4.10.10 In the event any of the foregoing conditions are not satisfied on or before the date specified for satisfaction of each respective condition, or expressly waived by Buyer in writing, Buyer shall have the right to terminate this Agreement in accordance with Section 4.11. In the event Buyer terminates this Agreement as set forth in the preceding sentence, and Buyer is not otherwise in default hereunder, Buyer shall be entitled to refund of the Undisbursed Portion of the Deposit and Extension Deposits (if any) plus interest earned on the Deposit while held in Escrow.

4.11 **Failure of Conditions.** In the event any condition to the obligation of Buyer to purchase the Property, or to the obligation of City to sell the Property, has not been satisfied on or before the dates specified herein or, if no date has been specified, on or before the Closing Date, Buyer (if such condition is for the benefit of Buyer) or City (if such condition is for the benefit of City) shall have the right to terminate this Agreement and the Escrow by delivery of written notice to the other Party and to Escrow Holder. In the event of such termination, the Undisbursed Portion of the Deposit and Extension Deposits (if any) shall be returned to Buyer along with all interest earned thereon while held in Escrow (except in the case of a failure of condition due solely to Buyer's material default or any other material default of Buyer which results in a failure to close, in which case City shall retain the Undisbursed Portion of the Deposit, Additional Deposit, and Extension Deposits (if any) as liquidated damages pursuant to Section 7.2). In the event of a failure of condition due solely to Buyer's material default or any other material default of Buyer which results in a failure to close, and which occurs after the grant and approval by City of the Project Approvals and the Project Entitlements, City shall retain the Undisbursed Portion of the Deposit, Additional Deposit, and Extension Deposits, and the Project Entitlements shall become the sole property of City, without further compensation required to be paid by City to Buyer, and this obligation shall survive the termination of escrow. In the event of any termination, neither Party shall thereafter have any obligations to, or rights against, the other under this Agreement, except for the indemnity obligations of Buyer under Section 3.1 above, and any other obligations that expressly survive the termination of this Agreement. Notwithstanding anything to the contrary in the foregoing, this Section 4.11 shall not apply in the event of breach of this Agreement by Buyer or City, in which event the provisions of Article 7 shall instead apply.

4.12 **Order of Recordation of Documents at Closing.** At Closing, Escrow Agent shall record the following documents in the following order:

4.12.1 The Grant Deed in favor of Buyer to the Entire Property; then

4.12.2 Any Irrevocable Offer of Dedication of the Replacement Park Property in favor a City, if such dedication does not occur by recordation of the Final Subdivision Map for the Project.

ARTICLE 5

NATURAL HAZARD DISCLOSURE

Buyer and City acknowledge that City is required to disclose if the Property lies within the following natural hazard areas or zones: (a) a special flood hazard area designated by the Federal Emergency Management Agency; (b) an area of potential flooding; (c) a very high fire hazard severity zone; (d) a wild land area that may contain substantial forest fire risks and hazards; (e) an earthquake fault or special studies zone; or (f) a seismic hazard zone. Buyer and City hereby instruct Escrow Holder, or an affiliate thereof (who, in such capacity, is herein called the "**Natural Hazard Expert**") to examine the maps and other information specifically made available to the public by government agencies for the purposes of enabling City to fulfill its disclosure obligations with respect to the natural hazards referred to above and to report the results of its examination to Buyer and City in writing. Escrow Holder shall provide a written

report prepared by the Natural Hazard Expert regarding the results of its examination no later than twenty (20) days prior to the expiration of the Due Diligence Period. The written report prepared by the Natural Hazard Expert regarding the results of its examination fully and completely discharges City from its disclosure obligations referred to herein, and, for the purposes of this Agreement, the provisions of Civil Code Section 1103.4 regarding the non-liability of City for errors and/or omissions not within its personal knowledge shall be deemed to apply, and the Natural Hazard Expert shall be deemed to be an expert dealing with matters within the scope of its expertise with respect to the examination and written report regarding the natural hazards referred to above. All reasonable cost or expense associated with the Natural Hazard Expert shall be paid solely by City.

ARTICLE 6

REPRESENTATIONS, DISCLAIMERS, RELEASE AND INDEMNITY

6.1 **Buyer Representations.** Buyer hereby represents and warrants to City that the following statements are true and correct as of the Effective Date and will remain true and correct until such time as Buyer has completed construction of the Project:

6.1.1 Buyer is duly organized and existing in good standing under the laws of the state in which it is organized. Buyer has the power to own property and to carry on its business as now being conducted and is duly qualified to do business and is in good standing in every jurisdiction in which the nature of its business makes such qualification necessary. Buyer is duly and legally authorized to enter into this Agreement and carry out and perform all covenants to be performed by it hereunder and its right to execute this Agreement is not limited by the existence of any other contracts or agreements whatsoever.

6.1.2 Buyer represents and warrants that except for the limited representations expressly set forth in Section 6.2 below, neither City, nor any of its employees, agents or representatives have made any representations, warranties or agreements to or with Buyer as to any matters concerning the Property, the present use thereof, or the suitability of Buyer's intended or contemplated use of the Property, or the availability of government permits or approvals of any kind. Buyer further represents and warrants to City that it and its representatives and employees have made or will make their own independent inspection and investigation of the Property and further acknowledge and agree the Property shall be purchased, conveyed and accepted by Buyer in its present condition, **AS-IS**, and that no patent or latent physical condition of the Property, whether or not known or discovered shall affect the rights of either party hereto.

6.2 **City Representations.** City makes the following limited representations with respect to the Property. City represents and warrants to Buyer that:

6.2.1 City has authority to enter into this Agreement and sell the Property.

6.2.2 The execution and delivery of this Agreement and the performance of its obligations hereunder will not constitute a default or a breach under any contract, agreement or order to which City is a party or by which it is bound.

6.2.3 City has no actual knowledge of any litigation against City with respect to the Property.

6.2.4 City has no actual knowledge of any violations of law with respect to the Property.

6.2.5 To City's actual knowledge, City has provided Buyer with copies of, or made available to Buyer for Buyer's review, all documents in City's possession that pertain to the environmental condition of the Property.

Throughout this Agreement, terms such as "to City's actual knowledge," "City has no actual knowledge," or like phrases mean the actual present and conscious awareness or knowledge, without a duty to inquire or investigate, of the City Manager of the City of DUARTE, and the Community Development Director of the City of DUARTE.

6.3 Disclaimer. It is understood and agreed that with the exception of the limited representations expressly set forth in Section 6.2 above, City has not at any time made and is not now making, and City specifically disclaims, any warranties or representations of any kind or character, express or implied, with respect to the Property, or any improvements thereon, including, but not limited to, warranties or representations as to (a) matters of title, (b) environmental matters relating to the Property or any portion thereof, including, without limitation, the existence or lack thereof of Hazardous Materials (as defined below) in, on, under or in the vicinity of the Property, or migrating to or from the Property, either in soil, vapors or surface water or groundwater, (c) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water, and geologic faults and the resulting damage of past and/or future faulting, (d) whether, and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, wetlands, flood prone area, flood plain, floodway or special flood hazard, (e) drainage, (f) soil conditions, including the existence of instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, or the sufficiency of any undershoring, (g) the presence of endangered species or any environmentally sensitive or protected areas, (h) zoning or building entitlements to which the Property or any portion thereof may be subject, except to the extent that pursuant to this Agreement City is to secure Project Approvals as a condition to Closing (i) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric, (j) the permitted uses and restrictions on uses on the Property, except to the extent that pursuant to this Agreement City is to secure Project Approvals as a condition to Closing, (k) usages of adjoining property, (l) access to the Property or any portion thereof, (m) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, suitability, structural integrity, operation, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (n) the condition or use of the Property or compliance of the Property with any or all past, present or future federal, state or local ordinances, rules, regulations or laws, building, fire or zoning ordinances, codes or other similar laws, except to the extent that City is pursuant to this Agreement, to secure Project Approvals as a condition to Closing (o) the existence or non-existence of underground storage tanks, surface impoundments, or landfills, (p) the

merchantability of the Property or fitness of the Property for any particular purpose, (q) tax consequences, or (r) any other matter or thing with respect to the Property.

6.4 Sale "AS IS, WHERE IS, WITH ALL FAULTS". Except with respect to the Replacement Park Property. Buyer acknowledges and agrees that City is selling and conveying to Buyer, the Property, "AS IS, WHERE IS, WITH ALL FAULTS," and that with the exception of the limited representations expressly set forth in Section 6.2 above Buyer has not relied on and will not rely on, and City has not made and is not liable for or bound by, any express or implied warranties, guarantees, statements, representations or information pertaining to the Property or relating thereto, made or furnished by City or any real estate broker, agent or third party representing or purporting to represent City, to whomever made or given, directly or indirectly, orally or in writing, except that Buyer is entitled to rely on the Project Approvals which are a condition to Closing pursuant to this Agreement. Buyer represents that it is a knowledgeable, experienced and sophisticated purchaser of real estate, and that Buyer is relying solely on its own expertise and that of Buyer's consultants and representatives in purchasing the Property, and shall make an independent verification of the accuracy of any documents and information provided by City. Buyer will conduct such inspections and investigations of the Property as Buyer deems necessary, including, but not limited to, the physical and environmental conditions thereof. By failing to terminate this Agreement prior to the expiration of the Due Diligence Period, Buyer acknowledges that City has afforded Buyer a full opportunity to conduct all such investigations of the Property as Buyer deemed necessary to satisfy itself as to the condition of the Property and the existence or non-existence or removal or remediation action to be taken with respect to any Hazardous Materials in, on, within or migrating to or from the Property.

BUYER'S INITIALS: _____

6.5 Release. Buyer hereby acknowledges that it will have had full opportunity to investigate, assess, test, and inspect the Property during the Due Diligence Period, and during such period, to observe the physical and environmental characteristics and existing conditions, including but not limited to, the opportunity to conduct such investigation, assessment, testing, monitoring and study on and of the Property and of adjacent areas, as Buyer deems necessary, in accordance with law. Buyer, therefore, individually and collectively, for itself and its members, partners, officers, directors, employees, agents, successors, assigns, and all entities related to any of the foregoing, and on behalf of all persons claiming any interest in the Property or this Agreement, including but not limited to any and all future owners, lessees, and/or operators, of the Property and their successors, hereby expressly waives, releases, discharges and forever relinquishes any and all claims, rights of action, causes of action, rights and/or remedies Buyer has or hereafter may have, whether known or unknown, fixed or contingent, against City and City and their respective members, officers, officials, attorneys, employees, representatives, and agents (a) regarding any matters affecting all portions of the Property except for the Replacement Park Property and any condition of all portions of the Property except for the Replacement Park Property whatsoever; and (b) regarding: (i) the existence or potential existence of any Hazardous Materials in, on, under, within or migrating to or from all portions of the Property except for the Replacement Park Property, either in soil, vapor, surface water or groundwater; and (ii) any violations or alleged violations of Environmental Laws regarding all portions of the Property except for the Replacement Park Property. BUYER

HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BUYER ACKNOWLEDGES AND AGREES THAT IT MAY HEREAFTER DISCOVER FACTS OR LAW DIFFERENT FROM OR IN ADDITION TO THOSE WHICH IT NOW BELIEVES TO BE TRUE WITH RESPECT TO THE RELEASE OF CLAIMS. BUYER ACKNOWLEDGES AND AGREES THAT THE RELEASE IT IS PROVIDING SHALL REMAIN EFFECTIVE IN ALL RESPECTS NOTWITHSTANDING SUCH DIFFERENT OR ADDITIONAL FACTS OR LAW OR ANY PARTIES' DISCOVERY THEREOF. BUYER SHALL NOT BE ENTITLED TO ANY RELIEF IN CONNECTION THEREWITH, INCLUDING BUT NOT LIMITED TO ANY DAMAGES OR ANY RIGHT OR CLAIM TO SET ASIDE OR RESCIND THIS AGREEMENT.

BY INITIALING BELOW, BUYER HEREBY WAIVES AND RELEASES ANY AND ALL RIGHTS PROVIDED UNDER THE PROVISIONS OF SECTION 1542 AND ALL SIMILAR OR RELATED STATUTES THERETO, IN CONNECTION WITH THESE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES:

BUYER'S INITIALS: _____

6.6 Replacement Park Property Reservation of Rights. With respect to the Replacement Park Property only, both City and Buyer reserve all rights and remedies, at law or in equity, with respect to Hazardous Materials, contaminated soil and/or water in, on or under the Replacement Park Property discovered by Buyer following the Close of Escrow. This Section 6.6 shall survive the Closing Date and shall remain a binding contract between Buyer and Seller. This reservation of rights includes, but is not limited to, any claim that Buyer may have against City for indemnity or defense arising out of any claim, demand, or allegation related to Hazardous Materials, contaminated soil, and/or water, in, on or under the Replacement Park Property, or any other form of environmental liability, cost, expense, or exposure as against Buyer related to the Replacement Park Property.

6.7 Integral Part of Agreement. Buyer acknowledges and agrees that the disclaimers, waivers and releases along with the other agreements set forth in this Section 6, are all an integral part of this Agreement, and City would not have agreed to enter into this Agreement without such terms, and that all such terms shall survive the Close of Escrow.

6.8 **Definitions.**

6.8.1 As used in this Agreement, the term “**Hazardous Material(s)**” includes, without limitation, any hazardous or toxic material, substance, irritant, chemical, or waste, including without limitation (a) any material defined, classified, designated, listed or otherwise considered under any Environmental Law, including, without limitation, as defined in California Health & Safety Code Section 25260, as a “hazardous waste,” “hazardous substance,” “hazardous material,” “extremely hazardous waste,” “acutely hazardous waste,” “radioactive waste,” “biohazardous waste,” “pollutant,” “toxic pollutant,” “contaminant,” “restricted hazardous waste,” “infectious waste,” “toxic substance,” or any other term or expression intended to define, list, regulate or classify substances by reason of properties harmful to health, safety or the indoor or outdoor environment, (b) any material, substance or waste which is toxic, ignitable, corrosive, reactive, explosive, flammable, infectious, radioactive, carcinogenic or mutagenic, and which is or becomes regulated by any local governmental authority, any agency of the State of California or any agency of the United States Government, (c) asbestos, and asbestos containing material, (d) oil, petroleum, petroleum based products and petroleum additives and derived substances, (e) urea formaldehyde foam insulation, (f) polychlorinated biphenyls (PCBs), (g) freon and other chlorofluorocarbons, (h) any drilling fluids, produced waters and other wastes associated with the exploration, development or production of crude oil, natural gas or geothermal resources, (i) mold, fungi, viruses or bacterial matter, and (j) lead-based paint.

6.8.2 For the purposes of this Agreement, the term “**Environmental Laws**” means any and all federal, state and local laws, statutes, ordinances, orders, rules, regulations, guidance documents, judgments, governmental authorizations, or any other requirements of governmental authorities, as may presently exist, or as may be amended or supplemented, or hereafter enacted, relating to the presence, release, generation, use, handling, assessment, investigation, study, monitoring, removal, remediation, cleanup, treatment, storage, transportation or disposal of Hazardous Materials, or the protection of the environment or human, plant or animal health, including, without limitation, the following statutes and their underlying regulations, as they have been amended from time to time, and the following referenced common laws: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. § 9601), the Hazardous Materials Transportation Act (49 U.S.C. § 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Oil Pollution Act (33 U.S.C. § 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 et seq.), the Porter-Cologne Water Quality Control Act (Cal. Wat. Code § 13000 et seq.), the Toxic Mold Protection Act (Cal. Health & Safety Code § 26100, et seq.), the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65 – Cal. Health & Safety Code § 25249.5 et seq.), the California Hazardous Waste Control Law (Cal. Health & Safety Code § 25100 et seq.), the Hazardous Materials Release Response Plans & Inventory Act (Cal. Health & Safety Code § 25500 et seq.), the Carpenter-Presley-Tanner Hazardous Substances Account Act (California Health and Safety Code, Section 25300 et seq.), the California Underground Storage of Hazardous Substances Laws (Chapter 6.7 of Division 20 of the Cal.

Health and Safety Code, §25280 et seq.) and the California common laws of nuisance, trespass, waste and ultra-hazardous activity.

ARTICLE 7

DEFAULT; REMEDIES

7.1 **Default.** The term “**City Default**” shall mean: (a) the failure of City to perform in any material respect, any material act to be performed by City, or to refrain from performing in any material respect any material act prohibited hereby, if such failure has not been remedied by City within five (5) business days following receipt of written notice from Buyer to City and Escrow Holder identifying such failure. The term “**Buyer Default**” shall mean the failure of Buyer to perform in any material respect any material act to be performed by Buyer if such failure has not been remedied by Buyer within five (5) business days following receipt of written notice from City identifying such failure.

7.2 **Liquidated Damages.**

7.2.1 **CITY’S DEFAULT.** IN THE EVENT THE CLOSE OF ESCROW AND THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT DO NOT OCCUR BY REASON OF A MATERIAL DEFAULT OF CITY, BUYER, AS ITS SOLE AND EXCLUSIVE REMEDIES WILL BE ENTITLED TO (I) A RETURN OF THE UNDISBURSED PORTION OF THE DEPOSIT TOGETHER WITH ANY INTEREST EARNED THEREON WHILE HELD BY ESCROW HOLDER AND ANY EXTENSION DEPOSITS, PLUS THE SUM OF TWENTY FIVE THOUSAND DOLLARS (\$25,000) AS LIQUIDATED DAMAGES, OR (II) BRING AN ACTION FOR SPECIFIC PERFORMANCE OF THIS AGREEMENT. THE PARTIES AGREE THAT (A) RETURN OF THE UNDISBURSED PORTION OF THE DEPOSIT AND ANY EXTENSION DEPOSITS AND PAYMENT OF TWENTY FIVE THOUSAND DOLLARS (\$25,000) TO BUYER IS INTENDED TO COMPENSATE BUYER FOR DAMAGES IT WILL SUFFER AS A RESULT OF CITY’S BREACH HEREOF AND NOT AS A PENALTY OR FORFEITURE; (B) BUYER’S DAMAGES IN THE EVENT OF CITY’S DEFAULT ARE IMPOSSIBLE OR EXTREMELY DIFFICULT TO ACCURATELY ASCERTAIN AND THAT PROOF OF SUCH AMOUNT WOULD BE COSTLY, TIME-CONSUMING AND INCONVENIENT; (C) THE SUM OF THE UNDISBURSED PORTION OF THE DEPOSIT AND ANY EXTENSION DEPOSITS AND TWENTY FIVE THOUSAND DOLLARS (\$25,000) IS FAIR AND REASONABLE IN LIGHT OF ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT AND AT THE TIME OF PAYMENT, INCLUDING THE RELATIONSHIP OF SUCH AMOUNT TO THE RANGE OF HARM TO BUYER THAT REASONABLY COULD BE ANTICIPATED; (D) THIS CLAUSE HAS BEEN THE SUBJECT OF SPECIFIC NEGOTIATION; (E) EACH PARTY HAS HAD THE OPPORTUNITY TO HAVE COUNSEL FULLY EXPLAIN THE CONSEQUENCES OF THE CLAUSE; (F) EACH PARTY FULLY UNDERSTANDS THE CONSEQUENCES OF THIS CLAUSE; AND (G) SUCH LIQUIDATED DAMAGES SHALL BE BUYER’S SOLE AND EXCLUSIVE REMEDY FOR MONETARY DAMAGES FOR CITY’S DEFAULT AND CITY SHALL HAVE NO OTHER OR FURTHER OBLIGATION OR LIABILITY UNDER THIS AGREEMENT TO BUYER ON ACCOUNT OF SUCH DEFAULT OR BREACH. ; .

INITIALS: CITY : _____ BUYER: _____

7.2.2 **BUYER'S DEFAULT.** IN THE EVENT OF A "BUYER DEFAULT" AS DEFINED IN SECTION 7.1 ABOVE, THE SUM OF (I) THE UNDISBURSED PORTION OF THE DEPOSIT AND ADDITIONAL DEPOSIT AND ANY ACCRUED INTEREST THEREON, (II) ANY EXTENSION DEPOSITS, AND (III) TWENTY FIVE THOUSAND DOLLARS (\$25,000) (COLLECTIVELY, THE "BUYER'S LIQUIDATED DAMAGES PAYMENT") SHALL BE PAID TO CITY (OR, TO THE EXTENT ALREADY PAID TO CITY, RETAINED BY CITY) AS LIQUIDATED DAMAGES. THE PARTIES AGREE THAT (A) PAYMENT OF THE BUYER'S LIQUIDATED DAMAGES AMOUNT TO CITY IS INTENDED TO COMPENSATE CITY FOR DAMAGES IT WILL SUFFER AS A RESULT OF BUYER'S BREACH HEREOF AND NOT AS A PENALTY OR FORFEITURE; (B) CITY 'S DAMAGES IN THE EVENT OF BUYER'S DEFAULT ARE IMPOSSIBLE OR EXTREMELY DIFFICULT TO ACCURATELY ASCERTAIN AND THAT PROOF OF SUCH AMOUNT WOULD BE COSTLY, TIME-CONSUMING AND INCONVENIENT; (C) THE AMOUNT OF THE BUYER'S LIQUIDATED DAMAGES PAYMENT IS FAIR AND REASONABLE IN LIGHT OF ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT AND AT THE TIME OF PAYMENT, INCLUDING THE RELATIONSHIP OF SUCH AMOUNT TO THE RANGE OF HARM TO CITY THAT REASONABLY COULD BE ANTICIPATED; (D) THIS CLAUSE HAS BEEN THE SUBJECT OF SPECIFIC NEGOTIATION; (E) EACH PARTY HAS HAD THE OPPORTUNITY TO HAVE COUNSEL FULLY EXPLAIN THE CONSEQUENCES OF THE CLAUSE; (F) EACH PARTY FULLY UNDERSTANDS THE CONSEQUENCES OF THIS CLAUSE; (G) SUCH LIQUIDATED DAMAGES AND DEPOSIT AMOUNTS, AS WELL AS TRANSFER OF ANY PROJECT ENTITLEMENTS UNDER SECTION 4.11 ABOVE SHALL BE CITY 'S SOLE AND EXCLUSIVE REMEDY FOR BUYER'S DEFAULT AND BUYER SHALL HAVE NO OTHER OR FURTHER OBLIGATION OR LIABILITY UNDER THIS AGREEMENT TO CITY ON ACCOUNT OF SUCH DEFAULT OR BREACH; AND (H) CITY HEREBY WAIVES THE RIGHT TO SPECIFIC PERFORMANCE OF THIS AGREEMENT.

INITIALS: CITY : _____ BUYER: _____

ARTICLE 8

DEVELOPMENT/USE OF THE PROPERTY

8.1 **Transaction for Project Purposes.** Buyer acknowledges and agrees that City is selling the Property to Buyer for purposes of Buyer developing thereon the Project.

8.2 **Site Availability; Map Processing.** On or before expiration of the Due Diligence Period, City shall commence activities required to clear the Property of any then-existing tenants or occupants, including any proceedings that may be required or appropriate to facilitate the exchange of the portion of the Property formerly used as public park land with the Replacement Park Property. Concurrently with such site preparation activities, and within the time set forth in the Predevelopment Schedule, Buyer shall commence processing a Site Plan and Design Review case and tentative map for the Property (collectively the "**Tentative Map**").

Within the time set forth in the Predevelopment Schedule, Buyer shall process through the City the Tentative Map and obtain City's approval thereof. As one of the Buyer Conditions to Closing and the City Conditions to Closing, the Tentative Map shall be approved by City and processed through the City. As a further condition to Closing, the final map shall be ready for recordation.

8.3 Project Approvals. Within the time set forth in the Predevelopment Schedule, City shall initiate the necessary proceedings for any and all Project Approvals. City's approval of the Buyer's receipt of the Project Approvals shall be one of the Buyer Conditions to Closing and one of the City Conditions to Closing. In addition, Buyer shall have three (3) business days after the approval by City of each of the Project Approvals to review all aspects of same, and to indicate to City in writing its approval of all conditions, exactions, and requirements imposed thereon. Such approval shall be final for the purposes of meeting any of Buyer's condition to Closing based upon City's approval of Project Approvals. In the event Buyer fails to approve such conditions, exactions, and requirements, Buyer may terminate this Agreement pursuant to Section 4.11 above.

8.4 Project Entitlements. Within the time set forth in the Predevelopment Schedule, Buyer shall submit to City for review and approval any applications, deposits, plans and drawings which may be required by the City with respect to any **Project Entitlements**, and such plans for the Project as required by the City in order for Buyer to obtain building and grading permits for the Project. Buyer's receipt of the Project Entitlements shall be one of the Buyer Conditions and one of the City Conditions to Closing. In addition, Buyer shall have three (3) business days after the approval by City of each of the Project Entitlements to review all aspects of same, and to indicate to City in writing its approval of all conditions, exactions, and requirements imposed thereon. Such approval shall be final for the purposes of meeting any of Buyer's condition to Closing based upon City's approval of Project Entitlements. In the event Buyer fails to approve such conditions, exactions, and requirements, Buyer may terminate this Agreement pursuant to Section 4.11 above.

8.5 Project Budget. Prior to the Closing, and as one of the City Conditions to Closing, Buyer shall submit to City for review and approval a detailed budget and pro forma which sets forth the costs to develop, construct, and operate the Project, including the sources and uses of the funding (the "**Project Budget**").

8.6 Evidence of Financing. Within the time set forth in the Predevelopment Schedule, Buyer shall submit to City for review and approval evidence satisfactory to the City that Buyer has obtained binding commitments for the financing necessary to develop the Project in accordance with the Specific Plan (the "**Evidence of Financing**"). City's approval of the Evidence of Financing shall be one of the Buyer Conditions to Closing and one of the City Conditions to Closing.

8.7 Relocation Indemnity. Notwithstanding anything in any other section or provision of this Agreement, City shall defend, reimburse, indemnify, protect, and hold harmless Buyer and Buyer's officers, members, directors, employees, agents, and representatives (collectively, the "**Buyer Indemnitees**") for any and all claims of any kind (including reasonable attorneys' fees incurred in connection with any of the foregoing and

incurred in connection with enforcing this provision), penalties or fines, of any kind whatsoever, paid, incurred, or suffered by or asserted against any of the Buyer Indemnitees by any person, arising out of or resulting in any way whatsoever from the displacement and/or relocation of the any lessee, licensee, or other lawful occupant of the Property prior to the date of Closing.

ARTICLE 9

RISK OF LOSS

9.1 **Condemnation.** If, at any time on or before the Closing, any action or proceeding is filed or threatened under which the Property or any portion thereof may be taken pursuant to any law, ordinance or regulation or by condemnation or the right of eminent domain, then at the sole option of Buyer (a) this Agreement shall be null and void and the Undisbursed Portion of the Deposit and any Extension Deposits delivered by Buyer to Escrow Holder shall be promptly returned to Buyer, or (b) this Agreement shall remain in full force and effect and City, at the time of Closing hereunder, shall transfer and assign all of City's rights, title and interests in and to any proceeds received or which may be received by reason of such taking, or a sale in lieu thereof, which option shall be exercisable by Buyer by delivering to City written notice on or before the tenth (10th) business day following the date on which Buyer receives notice that such suit has been filed or is threatened. If such ten (10) business-day period extends beyond the date of Closing, as herein provided, Buyer shall have the right to extend the date of Closing, to allow Buyer the full ten (10) business days in which to exercise its options hereunder. Buyer's failure to respond in such ten (10) business-day period shall conclusively constitute Buyer's election of the option described in clause (b) above in this Section 9.1.

9.2 **Casualty.** If there is material damage to the Property or if the Property is destroyed or materially damaged by earthquake, flood, landslide, or other casualty prior to the Closing Date, then Buyer shall have the right, by written notice delivered to City and Escrow Holder within ten (10) business days after Buyer receives written notice of such damage or destruction, to terminate this Agreement and cancel Escrow. Otherwise, if Buyer does not so elect to terminate this Agreement and cancel Escrow by written notice delivered to City and Escrow Holder within such ten (10) business day period, then this Agreement shall remain in full force and effect, and, at the sole election of Buyer: (a) all insurance proceeds payable to City with respect to such damage or destruction, if any, shall be assigned and delivered by City to Buyer at the Close of Escrow hereunder; (b) the Purchase Price to be paid by Buyer to City may be re-negotiated to a reduced price in order to account for the damaged or lost Property; or (c) a combination of (a) and (b).

ARTICLE 10

MISCELLANEOUS

10.1 **Non-Liability of Officials and Employees of the Parties.** No officer, official, member, employee, agent, owner, representative, or volunteer of City or Buyer shall be personally liable to the other Party to this Agreement or any successor in interest, in the event of

any default or breach by such Party or for any amount which may become due to Buyer or City or its successors, or on any obligations under the terms of this Agreement.

10.2 **Relationship Between City and Buyer.** It is hereby acknowledged that the relationship between City and Buyer is not that of a partnership or joint venture and that City and Buyer shall not be deemed or construed for any purpose to be the agent of the other.

10.3 **City Approvals and Actions.** This Agreement shall be administered by the Community Development Director of City, or his or her designated representative, following approval of this Agreement by City. The Community Development Director or his or her authorized representative shall have the authority to issue interpretations, waive provisions and enter into amendments of this Agreement on behalf of City that do not materially increase the risks or costs to be incurred by City hereunder.

10.4 **Further Assurances.** Each of the Parties shall execute and deliver any and all additional papers and documents, as may be reasonably necessary and required by Escrow Holder to comply with this Agreement.

10.5 **Beneficiaries.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, legal representatives, successors and assigns.

10.6 **Applicable Laws.** This Agreement shall be governed by the internal laws of the State of California, without regard to conflict of law principles.

10.7 **Assignment of Agreement.** Buyer shall have no right to assign its rights and obligations under this Agreement except to a limited liability company or corporation owned and controlled by Buyer, or the owners of Buyer, and only if City is promptly notified in writing thereof prior to the assignment and the assignee assumes, in writing, Buyer's obligations under this Agreement. Subject to the foregoing limitations, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, administrators and assigns. Notwithstanding the foregoing, no assignment shall relieve the assigning party from its liability under this Agreement.

10.8 **Time of Essence.** Time is of the essence in the performance of all obligations hereunder.

10.9 **Unavoidable Delay; Extension of Time of Performance.** Performance by either Party under this Agreement shall not be deemed to be in default, or considered to be a default, where any delay or default is beyond the reasonable control of both City and Buyer, including, but not limited to, delays caused by strikes, acts of God, acts of terrorism, inclement weather, inability to obtain labor or materials, labor disputes, utility or communication facility failure, inability to obtain governmental permits or approvals or governmental restrictions (excepting therefrom any governmental permits or approvals or restrictions required of Buyer by the City that would generally apply to any individual or entity in the same or similar business as Buyer for use of the Property), civil disobedience or uprising, earthquakes, war, or fire (any of the foregoing, an "Unavoidable Delay"). An extension of time for any Unavoidable Delay shall be for the period of time that the Unavoidable Delay exists and shall commence to run from the

date of occurrence of the Unavoidable Delay, but only if the Party asserting the existence of the Unavoidable Delay provides the other Party with written notice of the occurrence of the Unavoidable Delay, within ten (10) calendar days of the commencement of the asserted Unavoidable Delay. The Parties expressly acknowledge and agree that changes in either general economic conditions or changes in the economic assumptions of either of them that may have provided a basis for entering into this Agreement and that occur at any time after the execution of this Agreement, do not constitute an Unavoidable Delay and do not provide any Party with grounds for asserting the existence of an Unavoidable Delay in the performance of any covenant or undertaking arising under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement.

10.10 **Counterparts.** This Agreement may be executed in counterparts each of which shall constitute an original and all of which together shall have the same full and binding effect as a single executed copy. Photocopy, facsimile, electronic, or other copies shall have the same effect for all purposes as an ink-signed original.

10.11 **Notices.** All notices, requests, demands and other communications under this Agreement shall be in writing and must be delivered either by personal service or by first-class mail, registered or certified, postage prepaid, return receipt requested, or by such expedited courier service where receipt by addressee can be confirmed by said courier service in writing (Federal Express, Express Mail, telecopy, etc.), and properly addressed as specified in Section 1.1 and Section 1.2. Notices shall be deemed received by the addressee upon the earlier to occur of (i) actual receipt; (ii) two (2) business days after mailing by registered or certified mail; (iii) one (1) business day after sending by reputable overnight courier that provides a receipt with the time and date of delivery; or (iv) the same day if sent by facsimile, provided a copy of such notice is thereafter sent in accordance with one of the foregoing methods, all in accordance with the terms of this paragraph. Either party may change its address for notice purposes by giving written notice of such new address to the other party.

10.12 **Validity; Waiver.** The invalidity of any provision of this Agreement shall not affect the validity of the remainder of this Agreement. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver or be binding unless executed in writing by the waiving party.

10.13 **Construction.** Each party and its counsel have reviewed and revised this Agreement. The normal rule of construction that ambiguities are resolved against the drafting party shall not be employed in interpreting this Agreement or any amendments or exhibits thereto.

10.14 **Attorneys' Fees.** In the event of a dispute between the parties hereto relating to this Agreement, its enforcement or its interpretation, the prevailing party shall be entitled to recover all reasonable attorneys' fees, and all costs and expenses incurred in connection with such dispute, including expert witness fees.

10.15 **Incorporation Of Exhibits.** All exhibits attached and referred to herein are by such reference incorporated herein and made part hereof.

10.16 **Entire Agreement.** All prior understandings and agreements between the parties respecting this transaction are merged in this Agreement and the exhibits attached hereto, which fully and completely express the agreement of the parties. No change, addition to or modification of this Agreement or any part hereof shall be valid unless in writing and signed by or on behalf of all of the parties.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

“City ”

CITY OF DUARTE, a public body, corporate and politic

Dated: _____

By: _____

ATTEST:

By: _____

APPROVED AS TO FORM:
RUTAN &TUCKER, LLP

David B. Cosgrove, City Attorney

“Buyer”

TIPPING DEVELOPMENT, INC.
a California corporation

Dated: _____

By: _____

APPROVED AS TO FORM:

_____, Buyer’s Counsel

ACCEPTANCE BY ESCROW HOLDER

The undersigned hereby acknowledges that it has received originally executed counterparts or a fully executed original of the foregoing Purchase and Sale Agreement and Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

Dated: _____, 2016

_____- **ESCROW**

By: _____
_____ Escrow Holder

LIST OF EXHIBITS

Exhibit A - Legal Description

Exhibit B – Project Conceptual Site Plan

Exhibit C – Predevelopment Schedule

Exhibit D – Grant Deed

EXHIBIT "A"

LEGAL DESCRIPTION

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

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 1, THE NORTH 13 FEET OF LOT 2, AND THE NORTH 61.5 FEET OF LOTS 6 AND 7, ALL IN BLOCK 8, OF TOWN OF DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 83, PAGE 21, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THE 10-FOOT ALLEY ADJOINING THE NORTH 61.5 FEET OF LOT 7 ON THE WEST, AS VACATED BY THE CITY COUNCIL OF THE CITY OF DUARTE IN RESOLUTION NO. 82-4, RECORDED JANUARY 15, 1982 AS INSTRUMENT NO. 82-48736, OF OFFICIAL RECORDS.

PARCEL 2:

THE SOUTHERLY 80 FEET OF THE EASTERLY 40 RODS OF THAT PORTION OF LOT 11 OF SECTION 30, OF THE SUBDIVISION OF THE RANCHO ASUZA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 80 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, THAT LIES NORTHERLY OF THE NORTH LINE OF THE PROPERTY DEEDED TO THE SOUTHERN PACIFIC RAILROAD COMPANY BY DEED RECORDED IN BOOK 1044 PAGE 272 OF DEEDS.

EXCEPT THEREFROM ANY PORTION LYING WITHIN THE LINES OF PARCEL MAP NO. 20463, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 229, PAGES 15 AND 16 OF PARCEL MAPS, IN SAID COUNTY RECORDER'S OFFICE.

PARCEL 3:

THAT PORTION OR LOT 11 OF SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, IN THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 80, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH 50.00 FEET OF SAID LOT 11 THAT IS DISTANT ALONG SAID NORTH LINE, SOUTH 89° 33'30" WEST 292.01 FEET FROM THE EAST LINE OF SAID LOT; THENCE ALONG THE WEST LINE OF THE EAST 292.00 FEET OF SAID LOT, NORTH 0° 07' 29" EAST 221.87 FEET TO THE TRUE POINT OF BEGINNING; THENCE PARALLEL WITH THE SOUTH LINE OF SAID LOT, SOUTH 89° 33' 30" WEST 104.83 FEET, MORE OR LESS, TO THE EAST LINE OF THE LAND DESCRIBED IN THE DEED TO CHARLES A. BROWN, RECORDED ON JANUARY 17, 1902 AS INSTRUMENT NO. 5 IN BOOK 1535 PAGE 111 OF DEEDS, RECORDS OF SAID COUNTY; THENCE ALONG SAID EAST LINE NORTH 0° 01' 45" EAST TO THE SOUTH LINE OF THE LAND DESCRIBED IN THE DEED TO SOUTHERN PACIFIC RAILROAD COMPANY RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, RECORDS OF SAID COUNTY; THENCE EASTERLY ALONG SAID SOUTH LINE TO THE WEST LINE OF THE EAST 389 FEET OF SAID LOT 11; THENCE PARALLEL WITH THE EAST LINE OF SAID LOT NORTH 0° 07' 29" EAST TO THE NORTH LINE OF THE LAND DESCRIBED IN THE DEED TO SOUTHERN PACIFIC RAILROAD COMPANY RECORDED IN BOOK 1044 PAGE 272 OF SAID DEED RECORDS; THENCE EASTERLY ALONG SAID NORTH LINE, 97 FEET TO THE WEST LINE OF THE EAST 292 FEET OF SAID LOT 11; THENCE PARALLEL WITH THE EAST LINE OF SAID LOT, SOUTH 0° 07' 29" WEST TO THE TRUE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 4:

THE WEST 41-1/2 FEET OF THE EAST 430-1/2 FEET OF THOSE PORTIONS OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 80 TO 82 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, INCLUDED WITHIN THE NORTH 30 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, AS DESCRIBED IN THE DEED FROM THE SCOTTISH CALIFORNIAN ORANGE AND VINEYARD COMPANY LIMITED, TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, IN SAID COUNTY RECORDER'S OFFICE, AND WITHIN THE SOUTH 30 FEET OF THE NORTH 30 ACRES OF SAID LOT 11, AS DESCRIBED IN THE DEED FROM SOPHRONIA A. CRANE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1044 PAGE 272 OF DEEDS, AND IN THE DEED FROM THOMAS S. MCKEE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1071, PAGE 251 OF DEEDS.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 5:

THE WEST 42 OF THE EAST 292 FEET OF THOSE PORTIONS OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 80 TO 82 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, INCLUDED WITHIN THE NORTH 30 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, AS DESCRIBED IN THE DEED FROM THE SCOTTISH CALIFORNIAN ORANGE AND VINEYARD COMPANY LIMITED, TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, IN SAID COUNTY RECORDER'S OFFICE, AND WITHIN THE SOUTH 30 FEET OF THE NORTH 30 ACRES OF SAID LOT 11, AS DESCRIBED IN THE DEED FROM SOPHRONIA A. CRANE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1044 PAGE 272 OF DEEDS, AND IN THE DEED FROM THOMAS S. MCKEE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1071, PAGE 251 OF DEEDS.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 6:

THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING EASTERLY OF A LINE 90 FEET EASTERLY OF AND PARALLEL TO THE EASTERLY LINE OF TRACT NO. 16308 AND ITS SOUTHERLY PROLONGATION, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 389, PAGES 9 AND 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY:

THAT PORTION OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 6, PAGES 80 AND 81 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF SOUTHERLY LINE OF SAID LOT WITH THE EASTERLY LINE OF WEST 400.00 FEET OF SAID LOT; THENCE ALONG SAID EASTERLY LINE NORTH 0° 01' 45" EAST 372.02 FEET TO THE SOUTHERLY LINE OF TRACT 16308, AS PER MAP RECORDED IN BOOK 389, PAGES 9 AND 10 OF MAPS; THENCE EASTERLY ALONG THE LAST MENTIONED SOUTHERLY LINE 264.73 FEET, MORE OR LESS,

TO THE SOUTHEAST CORNER OF SAID TRACT 16308; THENCE SOUTHERLY ALONG THE SOUTHERLY PROLONGATION OF THE EAST LINE OF SAID TRACT 16308, TO A LINE THAT IS PARALLEL WITH AND DISTANT NORTHERLY 30.00 FEET, MEASURED AT RIGHT ANGLES FROM THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, SAID PARALLEL LINE BEING THE NORTH LINE OF THE RIGHT-OF-WAY OF THE SOUTHERN PACIFIC RAILROAD COMPANY, AS ESTABLISHED BY DEEDS RECORDED IN BOOK 1059, PAGE 89 OF DEEDS, IN BOOK 1044, PAGE 272 OF DEEDS AND IN BOOK 1071, PAGE 251 OF DEEDS; THENCE ALONG SAID NORTH LINE NORTH 89° 31' 48" EAST 231.47 FEET, MORE OR LESS, TO THE WESTERLY LINE OF THE EAST 430.50 FEET OF SAID LOT 11; THENCE ALONG SAID WESTERLY LINE SOUTH 0° 07' 29" WEST 60.00 FEET TO THE SOUTH LINE OF SAID RIGHT-OF-WAY ESTABLISHED BY THE ABOVE MENTIONED DEEDS; THENCE ALONG SAID SOUTH LINE SOUTH 89° 31' 48" WEST 304.01 FEET, MORE OR LESS, TO THE EASTERLY LINE OF THE WEST 592.13 FEET OF SAID LOT 11; THENCE ALONG THE LAST MENTIONED EASTERLY LINE SOUTH 0° 01' 45" WEST 301.70 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT, THENCE ALONG SAID SOUTHERLY LINE SOUTH 89° 33' 30" WEST 192.13 FEET, TO THE POINT OF BEGINNING.

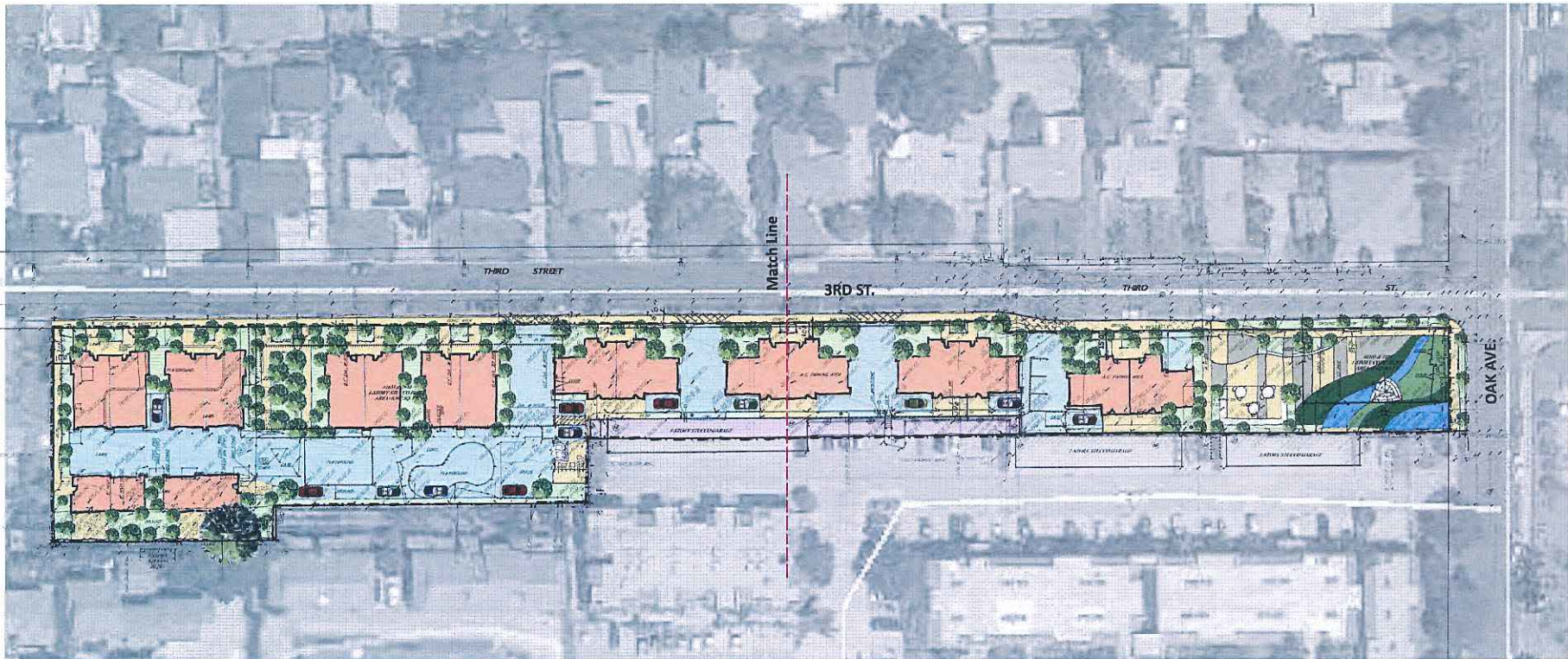
EXCEPT THAT PORTION THEREOF DESCRIBED AS PARCEL 2 IN QUITCLAIM DEED RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OF OFFICIAL RECORDS.

APN: 8530-011-911,913,914,915, 912, 8530-017-905

EXHIBIT “B”

PROJECT CONCEPTUAL SITE PLAN S

[See following document]



PROPOSED PROJECT SUMMARY

SITE AREA 71,730 SF (1.647 acres including park) * **LOT COVERAGE**

Existing Site Encroachment: 3024 SF

ZONING EXISTING PF and O

UNIT COUNT

Type A & A1 - 3 Bedroom 8

Type B - 3 Bedroom 10

Total Units 18

DENSITY SCHEME B3 18 Units (11 du/acre)

MAX. HEIGHT 30 FT (2 Stories)

EXIST. Bldg Encroachment: 1,048 SF

Proposed Bldg. Footprint: 19,240 SF

Lot Coverage: 28%

SETBACKS FRONT 10 FT

REAR 10 FT

SIDE (INTERIOR) 10 FT

ORIGINAL PARK AREA (excluding walkway and deep slope south portion) 12,781 SF

PROPOSED PARK AREA 9,399 SF

OPEN SPACE

Common Open Space: 10,199 SF (566 SF/du)

Private Open Space: 2,080 SF (115/du)

PARKING

36 Private Garage

14 On-Site Parking

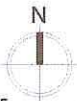
Total: 50

BIKE SPACE 6

* Per Survey Performed by Southland Civil Engineering & Survey LLP, received September 08, 2015

Site Plan Scheme B3

1"=60"



November 3, 2015

3RD and OAK



Tipping Development, Inc.

feng xiao | architect, inc.

© 2015 Feng Xiao Architect, Inc. 12275 Huntington Dr. #345, San Marino, 91108 626.380.7096

EXHIBIT “C”

PREDEVELOPMENT SCHEDULE

[Parties to confer re fixing dates with more certainty]

The Community Development Director shall have the authority to provide Buyer with extensions of time not to exceed, on a cumulative basis, ninety (90) days. In the event Buyer is unable to complete one of the Tasks listed above by the Finish date for that Task, and Buyer provides evidence to City that Buyer is diligently proceeding to complete the Task, then, subject to the immediately preceding sentence, the Community Development Director may provide Buyer with a reasonable extension to complete the Task.

<u>Event</u>	<u>Agreement Reference</u>	<u>Timing</u>	<u>Date</u>
Effective Date	Preamble	Upon Council Approval	June 28
Opening of Escrow	§ 1.4	Within three (3) business days or Effective Date	July 1
Buyer to Deposit \$100.00 Initial Contract Consideration	§ 2.3	Concurrently with Opening of Escrow	July 1
Seller Requests Title Report	§ 3.2.1	Concurrently with Opening of Escrow	July 1
Beginning of Due Diligence Period	§ 1.7	Concurrently with Opening of Escrow	July 1
Escrow holder to provide Natural "Hazard Expert Report"	§ 5	Twenty (20) Days before Expiration of due Diligence Period	September 18
Buyer to review title Documents and written disapproval of any exceptions	§ 3.2.2	Later of within thirty (30) days of Opening of Escrow, or thirty (30) days of receipt of title documents.	August 1 (July 30 is Saturday) or 30 days after receipt of title if later
Buyer to respond to Amendment or Supplement to title Report with any disapproval	§ 3.2.5	Within five (5) business days of Buyer's receipt thereof	August 8 (or 5 days following Buyer's receipt)

City to respond to Buyer disapproval of Amended/Supplemental Title Report	§ 3.2.5	Within three (3) business days of receipt of Buyer's written disapproval	August 11 (or 3 days following receipt of disapproval)
Seller to Respond to Disapproved Exceptions to Title by Buyer	§ 3.2.3	Within ten (10) business days of Buyer's written disapproval	August 21 (or 10 days following receipt of disapproval)
Buyer to submit application for Project Entitlements to City with Park Improvement Plan and legal description of Replacement Park Property	§§1.14; 1.16; 3.2.6	Within thirty (30) days of Opening of Escrow	July 28
Expiration of Due Diligence Period	§ 1.7	Ninety (90) days after Opening of Escrow	September 30
City to accept Buyer's application for Project	§3.2.6	Within ninety (90) days of Opening of Escrow	September 30
City to initiate proceedings for discontinuance of portion of Property as a public park	§ 8.2	At expiration of Due Diligence Period	On or before October 31
City to Complete Project Approvals	§ 4.11.2		Estimated: December 29
Buyer to Provide Written Approval of all Conditions, Requirements, and Exactions on Project Approvals	§ 8.3	Within three (3) business days of City's approval of each Project Approval	Estimated: January 2, 2017
Buyer to Complete Project Entitlements	§ 4.10.3		Estimated: December 29
Buyer to Provide Written Approval of all	§ 8.4	Within three (3) business days of City's	Estimated: January 2, 2017

Conditions, Requirements, and Exactions on Project Entitlements		approval of each Project Entitlement	
Buyer to Deposit One Hundred Thousand Dollars (\$100,000.00) Additional Deposit	§ 2.3	Within three (3) business days of Buyer's written approval of the last Project Approval and Project Entitlement required.	Estimated: January 5, 2017
Deadline for Buyer to Request ninety (90) day extension of Closing and payment of non-refundable \$50,000 deposit	§§ 1.3; 4.1	No later than fifteen (15) days prior to the first Closing Date; which is 15 days after completion of conditions to closing, but no later than June 13, 2017. ,	
Buyer to Fund Deposit	§ 2.2	Within two (2) business days after completion of the Due Diligence period.	October 1
Buyer to provide the Project Budget	§§ 4.4.4; 8.5	Simultaneously with deposit of Additional Deposit	Estimated January 5, 2017
Buyer to Provide Evidence of Financing	§§4.4.5; 8.6	Simultaneously with deposit of Additional Deposit	Estimated January 5, 2017
Buyer to Provide Buyer Deliveries into Escrow	§ 4.4	Within one (1) business day prior to Close of Escrow	
City to Provide City Deliveries in to Escrow	§ 4.2	Within one (1) business day prior to Close of Escrow	
Closing	§ 1.3	Thirty (30) days following completion of all of City's Conditions to Closing and Buyer's Conditions to closing; but not later than June	

		28, 2017.	
City to pay City Costs and Expenses	§ 4.3	At Closing	
Buyer to pay Buyer Costs and Expenses	§ 4.5	At Closing	

EXHIBIT D

GRANT DEED

[See following document]

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Tipping Investment LLC
Tipping Development, Inc.
911 S. Primrose Ave., Unit P.
Monrovia, CA 91016

AND ALL TAX STATEMENTS TO:

SAME AS ABOVE

**DOCUMENTARY TRANSFER TAX IS NOT OF PUBLIC RECORD
AND IS SHOWN ON A SEPARATE SHEET ATTACHED TO THIS DEED**

SPACE ABOVE THIS LINE
FOR RECORDER'S USE

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, CITY OF DUARTE, a public body, corporate and politic ("**Grantor**"), hereby grants to TIPPING INVESTMENT LLC a California Limited Liability Company ("**Grantee**"), the real property located in the City of DUARTE, County of Los Angeles, State of California, described on Exhibit 1 attached hereto and made a part hereof (the "**Property**"), with all improvements thereon, subject to all matters of record and subject to the following:

Grantee, on behalf of itself and its successors and assigns to all or any portion of the Property, covenants and agrees as follows:

1. Nondiscrimination Covenants. That there shall be no discrimination against or segregation of any person, or group of persons on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or any part thereof, nor shall Grantee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property, or any part thereof. The foregoing covenants shall run with the land.

2. Nondiscrimination Clauses in Agreements. Grantee agrees for itself and any successor in interest that Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Property, or contracts relating to the Property, on the basis of race, color, creed, religion, sex, marital status, ancestry, or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

i. In deeds: “The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

ii. In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: “That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

iii. In contracts relating to the sale, transfer, or leasing of the land or any interest therein: “There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

The foregoing nondiscrimination covenants shall remain in effect in perpetuity.

[Signatures on next page]

GRANTOR:

CITY OF DUARTE,

Dated: _____

By: _____

ATTEST:

By: _____

APPROVED AS TO FORM:
RUTAN &TUCKER, LLP

David B. Cosgrove, Esq. City Attorney

GRANTEE:

TIPPING INVESTMENT, LLC,
a California Limited Liability Company

Dated: _____

By: _____

State of California)
County of _____)

On _____, before me, _____, Notary Public,
(here insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

State of California)
County of _____)

On _____, before me, _____, Notary Public,
(here insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit 1 to Grant Deed

Legal Description

Real property in the City of DUARTE, County of Los Angeles, State of California, described as follows:

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 1, THE NORTH 13 FEET OF LOT 2, AND THE NORTH 61.5 FEET OF LOTS 6 AND 7, ALL IN BLOCK 8, OF TOWN OF DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 83, PAGE 21, OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

TOGETHER WITH THE 10-FOOT ALLEY ADJOINING THE NORTH 61.5 FEET OF LOT 7 ON THE WEST, AS VACATED BY THE CITY COUNCIL OF THE CITY OF DUARTE IN RESOLUTION NO. 82-4, RECORDED JANUARY 15, 1982 AS INSTRUMENT NO. 82-48736, OF OFFICIAL RECORDS.

PARCEL 2:

THE SOUTHERLY 80 FEET OF THE EASTERLY 40 RODS OF THAT PORTION OF LOT 11 OF SECTION 30, OF THE SUBDIVISION OF THE RANCHO ASUZA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 80 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, THAT LIES NORTHERLY OF THE NORTH LINE OF THE PROPERTY DEEDED TO THE SOUTHERN PACIFIC RAILROAD COMPANY BY DEED RECORDED IN BOOK 1044 PAGE 272 OF DEEDS.

EXCEPT THEREFROM ANY PORTION LYING WITHIN THE LINES OF PARCEL MAP NO. 20463, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 229, PAGES 15 AND 16 OF PARCEL MAPS, IN SAID COUNTY RECORDER'S OFFICE.

PARCEL 3:

THAT PORTION OF LOT 11 OF SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, IN THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGE 80, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTH 50.00 FEET OF SAID LOT 11 THAT IS DISTANT ALONG SAID NORTH LINE, SOUTH 89° 33'30" WEST 292.01 FEET FROM THE EAST LINE OF SAID LOT; THENCE ALONG THE WEST LINE OF THE EAST 292.00 FEET OF SAID LOT, NORTH 0° 07' 29" EAST 221.87 FEET TO THE TRUE POINT OF BEGINNING; THENCE PARALLEL WITH THE SOUTH LINE OF SAID LOT, SOUTH 89° 33' 30" WEST 104.83 FEET, MORE OR LESS, TO THE EAST LINE OF THE LAND DESCRIBED IN THE DEED TO CHARLES A. BROWN, RECORDED ON JANUARY 17, 1902 AS INSTRUMENT NO. 5 IN BOOK 1535 PAGE 111 OF DEEDS, RECORDS OF SAID COUNTY; THENCE ALONG SAID EAST LINE NORTH 0° 01' 45" EAST TO THE SOUTH LINE OF THE LAND DESCRIBED IN THE DEED TO SOUTHERN PACIFIC RAILROAD COMPANY RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, RECORDS OF SAID COUNTY; THENCE EASTERLY ALONG SAID SOUTH LINE TO THE WEST LINE OF THE EAST 389 FEET OF SAID LOT 11; THENCE PARALLEL WITH THE EAST LINE OF SAID LOT NORTH 0° 07' 29" EAST TO THE NORTH LINE OF THE LAND DESCRIBED IN THE DEED TO SOUTHERN PACIFIC RAILROAD COMPANY RECORDED IN BOOK 1044 PAGE 272 OF SAID DEED RECORDS; THENCE EASTERLY ALONG SAID NORTH LINE, 97 FEET TO THE WEST LINE OF THE EAST 292 FEET OF SAID LOT 11; THENCE PARALLEL WITH THE EAST LINE OF SAID LOT, SOUTH 0° 07' 29" WEST TO THE TRUE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 4:

THE WEST 41-1/2 FEET OF THE EAST 430-1/2 FEET OF THOSE PORTIONS OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 80 TO 82 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, INCLUDED WITHIN THE NORTH 30 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, AS DESCRIBED IN THE DEED FROM THE SCOTTISH CALIFORNIAN ORANGE AND VINEYARD COMPANY LIMITED, TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, IN SAID COUNTY RECORDER'S OFFICE, AND WITHIN THE SOUTH 30 FEET OF THE NORTH 30 ACRES OF SAID LOT 11, AS DESCRIBED IN THE DEED FROM SOPHRONIA A. CRANE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1044 PAGE 272 OF DEEDS, AND IN THE DEED FROM THOMAS S. MCKEE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1071, PAGE 251 OF DEEDS.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 5:

THE WEST 42 OF THE EAST 292 FEET OF THOSE PORTIONS OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGES 80 TO 82 INCLUSIVE OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, INCLUDED WITHIN THE NORTH 30 FEET OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, AS DESCRIBED IN THE DEED FROM THE SCOTTISH CALIFORNIAN ORANGE AND VINEYARD COMPANY LIMITED, TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1059 PAGE 89 OF DEEDS, IN SAID COUNTY RECORDER'S OFFICE, AND WITHIN THE SOUTH 30 FEET OF THE NORTH 30 ACRES OF SAID LOT 11, AS DESCRIBED IN THE DEED FROM SOPHRONIA A. CRANE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1044 PAGE 272 OF DEEDS, AND IN THE DEED FROM THOMAS S. MCKEE TO THE SOUTHERN PACIFIC RAILROAD COMPANY, RECORDED IN BOOK 1071, PAGE 251 OF DEEDS.

EXCEPT THEREFROM THAT PORTION DESCRIBED IN THE QUITCLAIM DEED TO TKI GROUP, A LIMITED PARTNERSHIP, RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OFFICIAL RECORDS.

PARCEL 6:

THAT PORTION OF THE FOLLOWING DESCRIBED PARCEL LYING EASTERLY OF A LINE 90 FEET EASTERLY OF AND PARALLEL TO THE EASTERLY LINE OF TRACT NO. 16308 AND ITS SOUTHERLY PROLONGATION, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 389, PAGES 9 AND 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY:

THAT PORTION OF LOT 11 IN SECTION 30, TOWNSHIP 1 NORTH, RANGE 10 WEST, OF THE SUBDIVISION OF THE RANCHO AZUSA DE DUARTE, IN THE CITY OF DUARTE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 6, PAGES 80 AND 81 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF SOUTHERLY LINE OF SAID LOT WITH THE EASTERLY LINE OF WEST 400.00 FEET OF SAID LOT; THENCE ALONG SAID EASTERLY LINE NORTH 0° 01' 45" EAST 372.02 FEET TO THE SOUTHERLY LINE OF TRACT 16308, AS PER MAP RECORDED IN BOOK 389, PAGES 9 AND 10 OF MAPS; THENCE EASTERLY ALONG THE LAST MENTIONED SOUTHERLY LINE 264.73 FEET, MORE OR LESS,

TO THE SOUTHEAST CORNER OF SAID TRACT 16308; THENCE SOUTHERLY ALONG THE SOUTHERLY PROLONGATION OF THE EAST LINE OF SAID TRACT 16308, TO A LINE THAT IS PARALLEL WITH AND DISTANT NORTHERLY 30.00 FEET, MEASURED AT RIGHT ANGLES FROM THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30, SAID PARALLEL LINE BEING THE NORTH LINE OF THE RIGHT-OF-WAY OF THE SOUTHERN PACIFIC RAILROAD COMPANY, AS ESTABLISHED BY DEEDS RECORDED IN BOOK 1059, PAGE 89 OF DEEDS, IN BOOK 1044, PAGE 272 OF DEEDS AND IN BOOK 1071, PAGE 251 OF DEEDS; THENCE ALONG SAID NORTH LINE NORTH 89° 31' 48" EAST 231.47 FEET, MORE OR LESS, TO THE WESTERLY LINE OF THE EAST 430.50 FEET OF SAID LOT 11; THENCE ALONG SAID WESTERLY LINE SOUTH 0° 07' 29" WEST 60.00 FEET TO THE SOUTH LINE OF SAID RIGHT-OF-WAY ESTABLISHED BY THE ABOVE MENTIONED DEEDS; THENCE ALONG SAID SOUTH LINE SOUTH 89° 31' 48" WEST 304.01 FEET, MORE OR LESS, TO THE EASTERLY LINE OF THE WEST 592.13 FEET OF SAID LOT 11; THENCE ALONG THE LAST MENTIONED EASTERLY LINE SOUTH 0° 01' 45" WEST 301.70 FEET, MORE OR LESS, TO THE SOUTHERLY LINE OF SAID LOT, THENCE ALONG SAID SOUTHERLY LINE SOUTH 89° 33' 30" WEST 192.13 FEET, TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF DESCRIBED AS PARCEL 2 IN QUITCLAIM DEED RECORDED OCTOBER 30, 1981 AS INSTRUMENT NO. 81-1075448, OF OFFICIAL RECORDS.

APN: 8530-011-911,913,914,915, 912, 8530-017-905

MEMORANDUM



TO: Honorable Mayor and City Council

FROM: Jason Golding, City Planner

DATE: June 28, 2016

SUBJECT: Award of Contract for Preparation of an Initial Study and Mitigated Negative Declaration for a Residential Project at the Southwest Corner of Oak Avenue and Third Street (Former City Hall Property, 3rd Street Park and North City Yard) to Morse Planning Group

Staff recommends that the City Council authorize the City Manager to execute a standard professional services agreement with Morse Planning Group to prepare a mitigated negative declaration (MND) for the proposed residential development of City-owned properties (former City Hall building, north yard and Third Street Park) at the southwest corner of Oak Avenue and Third Street ("Property") with a contract amount of \$47,985.

In March of this year, the City Council agreed to terms for the sale and disposition of the Third Street Properties with Tipping Development for a proposed residential development. The development is proposed as 18, market-rate, attached townhomes and the reconstruction of Third Street park at the easterly portion of the Property (nearest Oak Avenue).

The proposal by Morse Planning Group would entail the preparation of an Initial Study and a MND that would consider the environmental impacts associated with the demolition of the existing buildings and development of the residential project. The proposal includes a number of meetings with Staff and the applicant, and the required public hearings associated with project consideration before the Planning Commission and City Council. The project will require future public hearings for the Tentative Tract Map, Precise Plan of Design and Site Plan and Design Review of the residences.

Staff is recommending Morse Planning Group as the lead consultant because of the firm's proven success in preparing defensible environmental documents, the speed and efficiency in completing the required CEQA documents, and Staff's experience in dealing with the lead project manager, Collette Morse. Ms. Morse is a respected professional in the world of environmental document preparation and was the prime CEQA consultant (formerly with RBF) in the successful production of the Duarte Station Specific Plan EIR. This experience, coupled with a fair price and quick turnaround, make Morse Planning Group an excellent choice for this project.

Attachments:

Morse Planning Group Proposal

June 6, 2016

Mr. Craig Hensley, AICP, Community Development Director
Mr. Jason Golding, City Planner
CITY OF DUARTE
1600 Huntington Drive
Duarte, CA 91010

Transmitted Via Email

**Subject: Proposal for Environmental Analysis:
CEQA Document for 3rd & Oak Residential Project**

Dear Mr. Hensley and Mr. Golding:

Thank you for meeting with Morse Planning Group last month to provide an overview of the proposed project and share available site plans and site information. Morse Planning Group has prepared the attached proposal to prepare the CEQA documentation for the proposed project.

The Team members and their roles for this project include:

Morse Planning Group:	Project Management, CEQA Documentation
Albert Grove Associates.:	Traffic
Duke Cultural Resources Management:	Cultural Resources, Tribal Consultation
Pomeroy Environmental Services:	Air Quality, Greenhouse Gas, and Noise

Additional firm or staff information about any of the Team members can be provided upon request.

We greatly appreciate the opportunity to be considered for this project. Please do not hesitate to contact Collette Morse at 949.466.9283 / cmorseplan@dslextreame.com if you have any questions or would like additional information.

Respectfully submitted,



Collette L. Morse, AICP
Principal

**PROPOSAL FOR
CONSULTING SERVICES**

**Preparation of a
Mitigated Negative Declaration
for
Residential Project at Southwest
Corner of Oak Avenue and Third Street**

**Submitted to:
City of Duarte**

**Submitted by:
Morse Planning Group**

June 6, 2016

I. PROJECT UNDERSTANDING AND APPROACH

The City of Duarte is seeking to retain an environmental consultant to prepare an Initial Study/Mitigated Negative Declaration for the proposed residential development.

The Applicant is proposing to relocate Third Street Park and develop 18 residential units on the 1.65-acre project site, which is located at the southwestern corner of 3rd Street and Oak Avenue.

The following scope of services reflects the work program for Morse Planning Group to prepare the Initial Study/Mitigated Negative Declaration that addresses the proposed project. Morse Planning Group is assuming that the site plans, floor plans and other illustrations, as well as any technical studies generated by the Applicant, would be available in electronic form and forwarded to Morse Planning Group for use in the environmental document.

II. SCOPE OF WORK

Assumptions

Based upon information provided to date, Morse Planning Group has assumed that proposed project warrants the preparation of an Initial Study/Mitigated Negative Declaration in compliance with the California Environmental Quality Act (CEQA). This is also based upon the assumption that all the technical studies are able to conclude that impacts are either less than significant or less than significant with mitigation. Should any of the technical studies conclude that impacts are significant and unavoidable, the proposed project would warrant the preparation of an Environmental Impact Report, which would require a revised scope of services and cost estimate.

The Morse Planning Group Team has assumed that no modifications to the project description would occur after the development of the project description as part of Task 2.0. Any modifications to the project description after it has been approved by City Staff would constitute a change in the work program, and would require a modification to the scope and fee. Any modifications to the work program would be performed on a time and materials basis as extras to the contract.

1.0 CEQA KICK-OFF MEETING

The work program will be initiated with a formal kick-off meeting with City Staff and the Applicant Team to discuss the project features in greater detail. This initial meeting is vital to the success of the CEQA and entitlement process and will be a key milestone in order to confirm the parameters of the analysis, project construction program assumptions, proposed buildout conditions, scheduling and overall communications. Morse Planning Group will prepare a kick-off meeting agenda.

2.0 PRELIMINARY PROJECT DESCRIPTION

Based upon the detailed project information obtained at the project kick-off meeting, Morse Planning Group will draft a preliminary project description for review by the Applicant Team, and review and approval by City Staff.

3.0 TECHNICAL STUDIES

A number of plans or studies will need to be prepared for the proposed project. Morse Planning Group is assuming that the Applicant and/or City of Duarte will provide the following plans or studies, in both hard copy and electronic form:

- Site Plan
- Grading Plan
- Lighting Plan
- Landscape Plan
- Phase I Environmental Site Assessment
- Hydrology/Drainage Analysis
- Preliminary Water Quality Management Plan/SUSMP
- Geology/Soils Analysis

Following completion of the preliminary project description in Task 2.0, the Morse Planning Group Team will commence preparation of several technical studies that will be incorporated into the CEQA documentation. The following technical studies will be prepared for the proposed project:

- Traffic
- Air Quality
- Greenhouse Gas
- Noise
- Cultural Resources

3.1 TRAFFIC

Albert Grover & Associates (AGA) will prepare a Trip Generation letter/memo for the proposed project, which includes the following tasks:

- Develop trip generation calculations for the existing buildings and land uses. Applicant, City Staff and/or Morse Planning Group to provide AGA with the current uses and square footages.
- Develop trip generation calculations for the new proposed residential and open space uses.
- Prepare and submit a brief letter report/memo to the City of Duarte for review, and respond to their comments.

3.2 AIR QUALITY, GREENHOUSE GAS & NOISE

Pomeroy Environmental Services (PES) services include the preparation of technical modeling and impact analyses (i.e., Initial Study Checklist questions) for air quality, greenhouse gases, and noise. Our proposed work product will consist of complete Technical Appendices to be included and circulated with the Draft IS/MND, including the associated modeling calculation and data sheets in support of the Initial Study Checklist questions related to Air Quality, GHGs, and Noise. All analyses and study methodologies will be pursuant to CEQA and consistent with the City's standard protocol for the implementation of CEQA.

Data Collection & Review

PES will collect and review all pertinent data provided by Morse Planning Group, the Applicant, the City, and any other responsible agencies essential for preparation of the environmental documentation, as well as any other appropriate informational documents prepared for projects in the vicinity. To enable

the PES Team to proceed with this first task, the following information should be provided (to the extent available) to clearly define the project description and conduct the environmental analysis:

- Final Traffic Analysis
- Existing and Proposed Site Plans (in pdf format)
- Building elevations and sections (in pdf format)
- Landscape plans
- Grading plans
- Construction schedule, phasing, assumptions and equipment used (PES will utilize model defaults/standards for a project of this size, type and location if no other information is readily available)
- Project Design Features, LEED Certification Goals, etc.
- Demolition Disposal/Haul Route Information; including demolition debris in tons or square footage of buildings to be removed, and any soil import/export in cubic yards

Air Quality Modeling

PES will conduct air quality modeling to address the project's construction and operational air quality impacts. Impacts will be primarily assessed using the California Emissions Estimator Model (CalEEMod) and SCAQMD's Localized Significance Thresholds (LST) Methodology. CalEEMod is a statewide land use emissions computer model designed to provide a uniform platform for government agencies, land use planners, and environmental professionals to quantify potential criteria pollutant and greenhouse gas (GHG) emissions associated with both construction and operational from a variety of land use projects. With respect to operational traffic impacts, PES will utilize the data provided in the Project Traffic Memorandum to estimate air quality emissions generated by motor vehicles accessing the project.

With respect to CO Hotspots, it is unlikely the project would result in potentially significant CO "hot spots." Generally, a project-specific carbon monoxide (CO) "hot spots" analysis is not needed to reach this conclusion. It has long been recognized that CO exceedances ("hot spots") are caused by vehicular emissions, primarily when idling at intersections. Vehicle emissions standards have become increasingly more stringent in the last twenty years. With the turnover of older vehicles, introduction of cleaner fuels and implementation of control technology on industrial facilities, CO concentrations have steadily declined. Accordingly, with the steadily decreasing CO emissions from vehicles, even very busy intersections do not result in exceedances of the CO standard. As such, this proposal does not include CO Hotspot modeling. Should the need for CO hotspot analyses become requested or required, our scope and cost proposal will need to be amended accordingly.

Greenhouse Gas Emissions Modeling

PES proposes to quantify the potential GHG emissions associated with the project in compliance with the CEQA Guidelines. Using CalEEMod as described previously, the specific tasks to be performed will include the following:

- Calculate existing Project Site GHG emissions
- Calculate the Project's construction GHG emissions
- Calculate the Project's Net Increase in GHG emissions
- Evaluate if the Project would conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases

Noise Measurements and Modeling

PES will prepare a technical noise analysis to address both construction and operational noise impacts for the project. Baseline 15-minute Leq noise measurements will be recorded at up to 5 total locations and any sensitive receptors in the site's vicinity will be identified and mapped. Based on a preliminary review of existing noise sources in the project site vicinity, it does not appear long-term (24 hour measurements) will be necessary. If 24-hour noise measurements become requested or required, our scope and cost estimate will need to be revised accordingly. Construction noise and vibration impacts will be quantified and appropriate mitigation measures will be identified, as needed. Operational noise and vibration impacts will be analyzed to address the noise impacts from the vehicles accessing the site, parking noise, stationary noise, and off-site roadway noise. Based on the size, type, and location of the project, it is anticipated that off-site roadway noise will be evaluated with screening methodology and detailed roadway modeling is not expected to be required. Should this task become required, our scope and cost proposal will need to be amended accordingly.

Report Preparation

PES will prepare the impact discussion for the air quality, greenhouse gas, and noise sections, based on the Initial Study Checklist Questions contained in Appendix G to the State CEQA Guidelines and consistent with City protocol. Each issue area will include a description of the existing baseline conditions, identification of sensitive receptors in the project area that may be impacted by the project, a detailed impact analysis against state, regional and/or local thresholds, and identification of relevant and necessary mitigation measures. The level of discussion in the analysis would be satisfactory in addressing the required impact areas and the responses to the CEQA Checklist questions would be concise and to the point, focusing on the impact analysis with an abbreviated discussion on the regulatory environmental setting as needed. Calculation and modeling data would be provided as appendices to the IS/MND. The use of graphics would be kept to a minimum and used only as necessary to detail or explain the project impacts.

Responses to Team & City Comments/Review – Screencheck Document

PES will revise the Air Quality, GHG and Noise analyses as needed based on Project Team and City review. This proposal estimates up to 4 hours of professional time for revisions per Project Team and City comments. Should additional professional time be required for this task, our cost proposal will need to be amended accordingly.

Responses to Comments

After public review of the Draft IS/MND, PES is available to prepare responses to any comments received on our draft technical analyses and/or Initial Study checklist responses. This proposal estimates up to 4 hours of professional time for responses to comments. Should additional professional time be required for this task, our cost proposal will need to be amended accordingly.

Meetings & Hearings (Optional Task)

This proposal identifies attendance at project meetings and/or hearings as an optional task. A flat fee of \$750.00 per hearing has been identified, and attendance at any project meetings would be billed on a time-and-materials basis consistent with our attached hourly rate sheet. Should additional professional time become required for this task, our cost proposal will need to be amended accordingly.

3.3 CULTURAL RESOURCES

Duke Cultural Resources Management (DUKE CRM) will prepare a cultural resources assessment.

Research

DUKE CRM will conduct searches through the South Central Coastal Information Center (SCCIC) for archaeological and historical resources. In addition, research will be conducted through other local (city and county) and internet sources to assist in understanding the history of the project area.

Native American Coordination

Upon receipt of the NAHC letter, DUKE CRM will support the City by providing draft letters for city review and to be put on city letter-head. Upon receipt of the letter back from the City DUKE CRM will send letters to Tribes via U.S. Certified Mail initiating the consultation process under AB-52 and SB-18. DUKE CRM will follow-up twice with each group via e-mail or telephone. DUKE CRM does not anticipate the need for any meetings. DUKE CRM will attach a summary of consultation matrix to the project report below.

Site Visit

DUKE CRM's historian will conduct a reconnaissance survey of the property. The primary purpose is to document the buildings on Department of Parks and Recreation (DPR 523) forms and the local setting. The historian will take photographs of each building and project overviews in order to document the project setting.

Report

DUKE CRM will prepare a cultural resources assessment report. The report will include an introduction, setting, methods, results, and recommendations sections. The report will include photographs, maps, and DPR forms. DUKE CRM will prepare one draft of the report and DPR Forms for review by the CLIENT and City. A revised final report and DPR forms will be submitted to the CLIENT. The report will be provided in PDF and/or MS Word electronic format. No hard copies or reproductions are included.

Data Needs

The City or Morse Planning Group will need to provide project data, including a project description, project maps, and site plans in electronic format (PDF). In addition, background historical information and cultural resources studies relevant to the project area should be provided.

Associated Tasks and Costs

DUKE CRM does not anticipate attendance at any project meetings. If needed, attendance will be billed on a time and materials basis at the project manager's rate. If additional cultural resources are discovered during the records search or site visit additional tasks may be necessary. These items are not included in this scope of work.

4.0 INITIAL STUDY/MITIGATED NEGATIVE DECLARATION

4.1 CEQA INITIAL STUDY/ENVIRONMENTAL ASSESSMENT

Morse Planning Group will prepare an Initial Study in accordance with CEQA and the CEQA Guidelines. The Initial Study will include detailed explanations of all checklist determinations, discussions of potential environmental impacts, and mitigation measures, if applicable. The Initial Study analysis shall be in accordance with all applicable sections of CEQA and the CEQA Guidelines. The environmental document report will be presented with the following sections: Introduction, Project Description, Initial Study Checklist, Environmental Analysis, and Initial Study Determination. Morse Planning Group's approach to the analysis portion of the document is to provide thorough, detailed, and conclusive impact analysis. The document will incorporate the Applicant-provided technical studies, as well as the technical studies in Task 3.0. The topics to be reviewed include:

- | | |
|---------------------------------------|--------------------------------------|
| ▪ Aesthetics, Light, and Glare | ▪ Land Use and Relevant Planning |
| ▪ Agricultural and Forestry Resources | ▪ Mineral Resources |
| ▪ Air Quality | ▪ Noise |
| ▪ Biological Resources | ▪ Population and Housing |
| ▪ Cultural Resources | ▪ Public Services |
| ▪ Geology and Soils | ▪ Recreation |
| ▪ Greenhouse Gas Emissions | ▪ Traffic |
| ▪ Hazards and Hazardous Materials | ▪ Utilities |
| ▪ Hydrology and Water Quality: | ▪ Mandatory Findings of Significance |

4.2 ADMINISTRATIVE DRAFT INITIAL STUDY

Morse Planning Group will submit the Administrative Draft Initial Study for review and comment by the City. Morse Planning Group will also submit one "check copy" of the draft document, which will incorporate one complete set of comments received from the City. Changes to the draft document will be highlighted to assist the review, if desired by the City.

4.3 PUBLIC REVIEW DRAFT INITIAL STUDY

Morse Planning Group will submit the Public Review Draft Initial Study to the City, which will be distributed for public review.

4.4 FINAL INITIAL STUDY

A. Response to Comments

Morse Planning Group will respond to written comments received on the Public Review Draft Initial Study during the public review period, and prepare thorough, reasoned and sensitive responses to relevant environmental issues. Morse Planning Group will prepare the Administrative Responses to Comments for review and comment by the City. Morse Planning Group will submit one "check copy" of the final Responses to Comments document, which will incorporate one complete set of comments received from the City on the Administrative Responses to Comments. For budgeting purposes, Morse Planning Group has assumed a maximum of eight hours to prepare the Responses to Comments.

Should the comments be excessive and require more than the budgeted time, this task and associated costs would be revisited.

B. Mitigation Monitoring and Reporting Program

Morse Planning Group will prepare the mitigation monitoring and reporting program (MMRP) pursuant to CEQA Section 21081.6. Morse Planning Group will submit a draft version for City Staff review and will follow with a final MMRP.

C. Completion of Final Environmental Document

Following City Council approval, Morse Planning Group will prepare a Final environmental document for City review and approval. The Final document will consist of the revised Public Review Draft Initial Study text, as necessary to address the comments received during the public review period. Also included in the final document is the MMRP.

4.5 CEQA NOTICES

Morse Planning Group will be responsible for the preparation of CEQA notices (Notice of Availability/Notice of Intent, Notice of Completion, Negative Declaration (or Mitigated Negative Declaration), and Notice of Determination). The Notice of Availability/Notice of Intent and Negative Declaration or Mitigated Negative Declaration will be attached to the Initial Study to fully explain the proposed project and its affects.

City Staff will work with Morse Planning Group to prepare the agency distribution list. Morse Planning Group has assumed that City Staff will be responsible for public noticing to comply with City requirements, such as radius mailings, posting notices, or newspaper notices. Morse Planning Group will circulate notices to designated reviewing agencies. Morse Planning Group will circulate notices to designated reviewing agencies.

Morse Planning Group will file the NOD with the County Clerk and State, as needed. This task excludes the required California Department of Fish and Wildlife (CDFW) fees.

5.0 MEETINGS AND PUBLIC HEARINGS

Morse Planning Group Staff will attend up to two meetings with City Staff and the Applicant, and two public hearings with the Duarte Planning Commission and City Council. This task includes a budget of 8 hours for meetings, and 12 hours for public hearings.

6.0 PROJECT COORDINATION

The project will be managed by Collette Morse. This task includes a budget of 8 hours for project coordination.

ANTICIPATED DELIVERABLES

- 5 copies of Administrative Draft Initial Study
- 1 copy "Check Copy" of Draft Initial Study
- 35 copies of Public Review Draft Initial Study
- 1 PDF version on CD of Draft Initial Study for City Files
- 35 CDs with PDF version of Public Review Draft Initial Study, Graphics and Technical Appendices (including 15 copies for State Clearinghouse)
- 10 Copies of Final Initial Study
- 1 CD with PDF version of Final Initial Study, Graphics, and Technical Appendices
- Notice of Availability/Notice of Intent
- Notice of Completion
- Negative Declaration (or Mitigated Negative Declaration)
- Notice of Determination
- 1 Electronic Copy of Draft Mitigation Monitoring Program
- 1 Electronic Copy of Final Mitigation Monitoring Program

II. PROJECT TEAM

The following identifies the key Morse Planning Group Team members and their roles on the proposed project.

Morse Planning Group

Project Role: Project Management and Environmental Analysis

<u>Staff</u>	<u>Project Assignment</u>
Collette L. Morse, AICP	Overall Project Management, MND Manager

ALBERT GROVER AND ASSOCIATES

Project Role: Traffic Analysis

<u>Staff</u>	<u>Project Assignment</u>
Chad A. Veinot, TSOS	Project Manager

POMEROY ENVIRONMENTAL SERVICES

Project Role: Air Quality, Greenhouse Gas, and Noise Analysis

<u>Staff</u>	<u>Project Assignment</u>
Brett Pomeroy	Project Manager

DUKE CULTURAL RESOURCES MANAGEMENT

Project Role: Cultural and Historic Resources Analysis, Tribal Consultation

<u>Staff</u>	<u>Project Assignment</u>
Curt Duke, M.A., RPA	Project Manager, Principal/Archaeologist
Dana Supernowicz, M.A., RPA	Project Historian

III. STATEMENT OF FINANCIAL CONDITIONS AND COST ESTIMATE

This proposal shall be valid for a period of 90 days. Progress billings will be forwarded based on payment criteria established by the City of Duarte (City). These billings will include the fees earned for the billing period. The City shall make every reasonable effort to review invoices within fifteen (15) working days from the date of receipt of the invoices and notify Consultant in writing of any particular item that is alleged to be incorrect.

The fees proposed herein shall apply until April 30, 2017. Due to annual increases in costs associated with inflation, staff wage increases and increases in direct costs, Consultant will increase those portions of the contract fee for which work must still be completed after April 30, 2017, by fifteen percent (15%).

Deviations or modifications from the Scope of Work will result in potential re-evaluation of the associated fees. Items not specifically stated in the proposal will be considered an additional work item.

All work will be performed at a "Not to Exceed" contract price, which will become the fixed price upon completion of negotiations with the City Staff authorized to negotiate an agreement. The total budget includes all miscellaneous costs for travel/mileage, reproduction, telephone, postal, delivery, reference materials, and incidental expenses.

The budget provides a breakdown of our estimated cost of performing the services described in this Scope of Work. Our Scope of Work and its associated cost are based on several key assumptions, including the following:

1. All aspects of Morse Planning Group's proposal, including costs, have been determined independently, without consultation with any other prospective Consultant or competitor for the purpose of restricting competition.
2. All declarations in Morse Planning Group's proposal and attachments are true and constitute a warranty, the falsity of which shall entitle the City to pursue any remedy by law.
3. The Morse Planning Group team agrees to provide the City of Duarte with any other information that the City determines to be necessary for an accurate determination of the Consultant's ability to perform services as proposed.
4. As with any and all agreements Morse Planning Group enters into with an agency/client, if Morse Planning Group is selected for this and all other assignments with the City, Morse Planning Group will comply with all applicable rules, laws, and regulations.

5. Morse Planning Group has a dedicated team whom maintains the in-house Library/Filing Management System. All project related files are categorized and independently filed to preserve the integrity of the Administrative Record. Documentation of all project transactions is kept in a central file readily accessible to project team members. Any public records act or Administrative Record requests are coordinated with the Lead Agency, and implemented per applicable laws and regulations.
6. City will develop the mailing list for distribution and noticing. The City will be responsible for newspaper cost of publication of notices, which will be billed directly to the City, so they are not included in the proposed budget.
7. Photocopy costs included in the proposal are for the specified number of copies of deliverables and reasonable incidental and in-team photocopying. If additional copies of deliverables are needed, they can be provided with an amendment to the proposed budget.
8. Review cycles for preliminary documents are presented in the scope of work. Additional review cycles or additional versions of administrative drafts are assumed to not be needed.
9. The proposed work addresses CEQA requirements of the proposed action. Work related to NEPA compliance, Section 404 compliance, or other permitting processes is not included (although these can be added, as needed, with a contract amendment). Work concludes at the acceptance by the City of the final deliverable.
10. The budget is based on completion of work within an agreed upon schedule. If substantial delay occurs, an amendment of the budget would be warranted to accommodate additional project management time and other costs. Substantial delay is normally defined as 90 days or more.
11. Costs are included for the number of meetings specified in the scope of work. If additional meetings are needed, they can be included with an amendment of the budget.
12. The extent of public comment is not predictable. The proposed budget includes a reasonable, preliminary estimate time to respond to comments. Morse Planning Group will consult with the City after the valuation of the comments to determine if the preliminarily estimated budget is sufficient. An excessive amount of comments is generally considered to be more than ten commenting agencies/individuals and/or over 20 comments that require answers other than "Comment is noted."
13. Costs have been allocated to tasks to determine the total budget. Morse Planning Group may reallocate costs among tasks, as needed, as long as the total budget is not exceeded.

Proposal to City of Duarte

Environmental Documentation for 3rd & Oak Residential Project

TASK	C. Morse	GrA/WP	Total Hours	Albert Grover	Duke CRM	PES	Total Cost
1.0 CEQA KICK-OFF MEETING	150	75	6				\$900
2.0 PRELIMINARY PROJECT DESCRIPTION	8		8				\$1,200
3.0 TECHNICAL STUDIES							\$16,485
3.1 Traffic				\$1,855			\$1,855
3.2 Air Quality, Greenhouse Gas & Noise						\$8,640	\$8,640
3.3 Cultural Resources					\$5,990		\$5,990
4.0 INITIAL STUDY/MITIGATED NEGATIVE DECLARATION							\$22,650
4.1 CEQA Initial Study/Environmental Assessment	64		64				\$9,600
4.2 Screencheck Draft Initial Study	24	16	40				\$4,800
4.3 Public Review Draft Initial Study	12	16	28				\$3,000
4.4 Final Initial Study							
A. Responses to Comments	8	4	12				\$1,500
B. Mitigation Monitoring and Reporting Program	8	2	10				\$1,350
C. Final Environmental Document	8	4	12				\$1,500
4.5 CEQA Notices	6		6				\$900
5.0 MEETINGS & PUBLIC HEARINGS	20		20				\$3,000
6.0 PROJECT COORDINATION	8		8				\$1,200
REIMBURSABLES/DELIVERABLES							\$3,750
TOTAL COSTS	\$24,900	\$3,150		\$1,855	\$5,990	\$8,640	\$47,985

Note: All work will be performed at a "Not to exceed" contract price, which will become the firm fixed price upon completion of negotiations with the Client. The total budget includes miscellaneous costs for travel/mileage, reproduction, reimbursables, telephone, postal, delivery, reference materials and incidental expenses. Morse Planning Group will receive payment on a percentage basis by task monthly billing. The Morse Planning Group project manager reserves the right to make adjustments to staff allocations as necessary within the overall budget.

IV. PRELIMINARY PROJECT SCHEDULE

A preliminary project schedule is provided below. Morse Planning Group anticipates meeting with the City and the Applicant Team to refine the project schedule to meet any objectives the City has established for the proposed project. Morse Planning Group is open to developing a more expedited CEQA schedule after discussing how to achieve such a schedule with both City Staff and the Applicant Team.

PRELIMINARY PROJECT SCHEDULE	Jul-2016	Aug-2016	Sep-2016	Oct-2016	Nov-2016	Dec-2016	Jan-2017
PROJECT INITIATION							
Project Kick-Off Meeting & Field Reconnaissance							
Project Description							
City Staff and Applicant Review of Preliminary Project Description							
PREPARATION OF TECHNICAL STUDIES							
Traffic							
Air Quality and Greenhouse Gas							
Noise							
Cultural Resources							
INITIAL STUDY/MITIGATED NEGATIVE DECLARATION							
CEQA Initial Study/Environmental Assessment							
Prepare Screencheck Draft Initial Study							
City Staff Review of Draft Initial Study							
Prepare Proofcheck Draft Initial Study							
City Staff Review of Proofcheck Draft Initial Study							
Prepare Public Review Draft Initial Study							
Produce and Distribute Public Review Draft Initial Study							
20-Day Public Review Period							
Prepare Responses to Comments							
City Staff Review of Responses to Comments							
Prepare Mitigation Monitoring and Reporting Program							
City Staff Review of Mitigation Monitoring and Reporting Program							
Prepare Final Environmental Document							
PUBLIC HEARINGS							
Planning Commission Hearing (1)							
City Council Hearing (1)							
30-Day Notice of Determination							



AGENDA MEMO

TO: MAYOR KANG & MEMBERS OF THE DUARTE CITY COUNCIL
FROM: Karen A. Herrera, Deputy City Manager
SUBJECT: Burrtec Waste Services Commercial Rate Review
DATE: June 17, 2016

RECOMMENDATION:

That the City Council, by motion, approve the proposed Burrtec Waste Services commercial and roll-off rates as set forth in the attached schedule (Attachment 1) effective July 1, 2016.

BACKGROUND:

The most recent one-year contract extension and rate review took place in December of 2015 when the Council adopted Amendment No. 7. As part of Amendment No. 7 to the Municipal Solid Waste, Recyclables and Green Waste Services Agreement between the City of Duarte and Burrtec Waste Services, the term of the agreement was extended to December 31, 2019, residential refuse and recycling collection rates were not increased, and the monthly rate for residential and commercial street sweeping increased by 2 cents per month effective January 1, 2016.

In conjunction with the Amendment No. 7 process, Burrtec Waste Services discussed with the City Council a deferral of its annual commercial and roll-off rate review until late Spring 2016 due to the roll-out of the new organics recycling legislation AB 1826 (Attachment 2). Burrtec has taken this time to study the impacts of this new law on their company's operation and how to best incorporate the costs associated with this new requirement into commercial pricing.

On average, Californians throw away nearly 6 million tons of food scraps each year. Acceptable food waste materials are identified as dairy products, fruits and vegetables, meats and bones, seafood, poultry, breads and grains, coffee grounds, plant trimmings and soiled paper products. To date, two forms of organics processing have emerged as best practices in the industry:

- Composting – Includes controlled decomposition of organic material such as leaves, twigs, grass clippings, and food scraps.
- Anaerobic Digestion (AD) – Energy conversion from Biogas that can be burned and converted to electricity.

During this period, there has been an additional development related to Puente Hills MRF rates, resulting in a rate increase. This increase resulted from an increase in the Orange County Landfill Delivery agreement. (See Attachment 3)

DISCUSSION:

Organics Impact - AB 1826 solid waste/organic waste recycling was signed by Governor Brown in late 2014 and requires each jurisdiction to implement an organic waste recycling program that is appropriate for that jurisdiction and designed specifically to divert organic waste generated by businesses of 8 cubic yards per week or more. The recycling requirement phases in from 2016 to 2020. Specifically, the bill decreases the threshold amount of organic waste from 8 or more to 4 cubic yards effective January 1, 2017. After January 1, 2019, a business that generates 4 cubic yards or more of commercial solid waste per week must also arrange for organic waste recycling services. (Attachment 2)

Over the last six months, Burrtec has been analyzing the effects of this legislation on the City of Duarte business community. The program development process has included account identification, identifying a practical processing location that makes sense for Duarte businesses and creating a stabilized pricing structure that encourages program participation. Currently, organics processing costs are more than 50% that of regular trash disposal. Specifically, trash is \$46 per ton and organics are \$69.20 per ton at Burrtec's West Valley Composting facility. By comparison, the Puente Hills MRF charges \$85 per ton for organics recycling. Many components impact the cost of organics processing. For example, material density ie: refuse is 100 pounds per yard versus food waste which is 300 pounds per yard; establishing organics routing and collection efficiencies; creating new outreach and educational materials and the administration of the new law. Thus, the most cost effective disposal option for the Duarte business community is utilizing Burrtec Waste Industries West Valley, Fontana Facility, which operates a compost operation and prepares food waste for Anaerobic Digestion.

Disposal Fee Increase Impacts

As you might recall, the Puente Hills landfill closure of 2012 was expected to have significant impacts to regional disposal costs. The timing of the closure combined with the expanded Puente Hills MRF operation did not have the impact on rates as expected at that time. Most recently, the Los Angeles County Sanitation District mailed out a facilities rate increase letter for new rates to be established July 1, 2016. Please note that a 2016 rate increase had already occurred effective January 1, 2016. An increase two times in one year has never occurred prior to this. Thus, all cities are now faced with higher disposal fees that are now truly representative of Puente Hills higher MRF and Transfer operations fees. The new quoted gate rates at Puente Hills MRF effective July 1 is \$55.50 per ton (versus \$52.75 effective January 1, 2016, and prior rate of \$49.25).

As a result of this latest development, Burrtec began exploring alternative disposal options to Puente Hills in order to guarantee the best rates for its commercial customers. Research and subsequent negotiations resulted in a more cost effective option for the City of Duarte. Under these difficult circumstances, Burrtec was able to negotiate a lower tipping fee at the Azusa Waste Management MRF. Specifically, trash is \$46 a ton compared to the \$55.50 gate rate at Puente Hills.

Rate Review Overview

The original Burrtec contract sets forth a specific formula by which rates are to be adjusted over time. The City's responsibility is to review the rates proposed by Burrtec and confirm that the calculations are correct. The basic contract rate review provisions are as follows:

- Rates are to be adjusted annually effective each January 1.
- Rates are adjusted up or down based on the contract formula that accounts for various cost factors, including Consumer Price Index (CPI), fuel prices and tipping fees.
- Burrtec may request an adjustment in excess of 4%, when justified.

On April 19, 2016, Burrtec submitted its original request for adjustments to its commercial and roll off rates to become effective July 1, 2016. However, as mentioned above, the unexpected mid-year increase from Puente Hills MRF and Transfer station has also impacted the rates. Thus, based on the above two impacts, the standard formula combined with Burrtec's pro-active response to the new organics legislation, the City will be able to furnish an affordable approach to both the organics recycling and the increased refuse rates for our business community.

The approach to organics processing costs being proposed by Burrtec is an equalized rate model. An equalized rate proposal is described as a rate structure whereby trash collection rates are equal to food waste collection rates. Based on this model organics program, approximately 30 businesses could join the program in year one. Duarte currently has approximately 63 licensed restaurants/food establishments. The proposed program can also accommodate small generators who want to begin recycling food waste even though the law does not apply to them; simply because it is environmentally responsible.

Should Burrtec have proposed a direct rate approach where trash rates would only have reflected trash disposal costs while pricing organic waste disposal at a “true cost” rate (which is approximately 50% more than trash disposal rates), the result would have been a rate structure that discourages businesses from participating in the new program. Thus, even though organics recycling is required by law, many food waste generators would not be motivated to subscribe to the service due to the high cost.

In contrast, the equalized rate approach spreads the cost among all commercial trash generators, making the food waste program attainable to any commercial food waste generator regardless of their food waste volume.

Commercial Refuse, Organics and Recycling Rate Analysis

Since receiving Burrtec’s request and the subsequent unexpected second rate increase from the Puente Hills MRF, City staff has been reviewing the submitted cost data and the rate increase information, and confirms the calculations are in compliance with the contract provisions.

Besides the change in tipping fees (\$42.58 to \$46 per ton), the other main components included in the rate calculation are: CPI (which is 1.4%), and the average price per gallon of fuel based on the US Dept. of Energy Alternative Fuel Pricing Report, which remained unchanged.

Green waste rates processing fees were also impacted during this rate review period. The current green waste commercial bin rates include a processing fee of \$33.90 and are adjusting to \$43.00 per ton. The impact to customers is expected to be minimal as there are fewer than three green waste bin customers.

Refuse and Recycling Rate Contract Adjustment

Attachment 1 to this report contains a table that lists all of the current refuse collection and recycling rates charged by Burrtec Waste Services and the proposed rates when adjusted by the contract formula and including the proposed commercial organics recycling program. Thus, resulting in the most commonly used Commercial Refuse Service (One, 3-yard bin serviced 1x per week) experiencing a 10.3% increase and Commercial Green Service rate experiencing a 8.6% increase.

FISCAL IMPACT

In the event of approval, the proposed Burrtec commercial and roll-off rates would increase effective July 1, 2016, resulting in an increase to the City’s Franchise Fee revenues.

ATTACHMENTS: Attachment 1: Proposed Commercial Rate Sheet
 Attachment 2: AB 1826 – Commercial Organics Recycling Program
 Attachment 3: Solid Waste Management Facility Rates Correspondence

City of Duarte
 Burrtec Waste Services
 Annual Refuse Collection and Recycling Rate Adjustment
 Effective July 1, 2016

ATTACHMENT 1

		Current Rates	Proposed New Rates	Change
Commercial Service:				
Wheeled toter (90/60 - once per week)		26.36	26.73	1.4%
Wheeled toter (60 recycling only - once per week)		11.29	11.45	1.4%
Wheeled toter (90/60 green waste only - once per week)		15.53	15.75	1.4%
Extra Pickup - Barrel		7.04	7.14	1.4%
Refuse bin collection:				
	Times			
<u>Bin Size</u>	<u>per Week</u>			
1.5	1	105.33	113.81	8.1%
1.5	2	175.04	191.12	9.2%
2	1	133.15	144.31	8.4%
2	2	214.66	235.61	9.8%
3	1	149.53	164.98	10.3%
3	2	240.05	269.47	12.3%
3	3	351.86	395.73	12.5%
3	4	452.93	511.02	12.8%
3	5	553.99	626.31	13.1%
3	6	655.09	741.65	13.2%
4	1	199.49	220.07	10.3%
4	2	316.71	355.82	12.3%
4	3	433.89	491.52	13.3%
4	4	551.02	627.16	13.8%
4	5	668.22	762.87	14.2%
4	6	785.38	898.55	14.4%
6	1	299.35	330.26	10.3%
6	2	446.93	504.88	13.0%
6	3	594.47	679.49	14.3%
6	4	742.06	854.15	15.1%
6	5	889.67	1,028.84	15.6%
6	6	1,037.24	1,203.48	16.0%

Recycling bin collection:

	Times			
<u>Bin Size</u>	<u>per Week</u>			
1.5	1	69.05	70.91	2.7%
1.5	2	93.79	96.38	2.8%
1.5	3	134.97	138.74	2.8%
2	1	86.21	88.54	2.7%
2	2	116.14	119.39	2.8%
2	3	167.09	171.79	2.8%
2	4	251.98	259.01	2.8%
3	1	103.92	106.76	2.7%
3	2	148.71	152.92	2.8%
3	3	214.82	220.94	2.8%
3	4	270.28	278.05	2.9%
3	5	325.78	335.16	2.9%
3	6	381.19	392.22	2.9%

City of Duarte
 Burrtec Waste Services
 Annual Refuse Collection and Recycling Rate Adjustment
 Effective July 1, 2016

		Current Rates	Proposed New Rates	Change
Food Waste bin collection:				
	Times			
<u>Bin Size</u>	<u>per Week</u>			
1.5	1		113.81	0.0%
1.5	2		191.12	0.0%
1.5	3		261.76	0.0%
1.5	4		327.70	0.0%
1.5	5		393.64	0.0%
1.5	6		459.57	0.0%
2	1		144.31	0.0%
2	2		235.61	0.0%
2	3		323.26	0.0%
2	4		405.26	0.0%
2	5		487.27	0.0%
2	6		569.29	0.0%
Barrel				
65g	1		36.21	0.0%
65g	2		60.01	0.0%
65g	3		87.63	0.0%
65g	4		113.29	0.0%
65g	5		138.98	0.0%
65g	6		164.64	0.0%
Green waste bin collection:				
	Times			
<u>Bin Size</u>	<u>per Week</u>			
1.5	1	69.61	75.47	8.4%
2	1	98.36	106.32	8.1%
2	2	196.71	212.60	8.1%
3	1	135.80	147.42	8.6%
3	2	215.48	237.34	10.1%
3	3	313.64	346.14	10.4%
3	4	402.49	445.45	10.7%
3	5	491.35	544.75	10.9%
3	6	580.28	644.15	11.0%
Split Bin:				
	Times			
<u>Bin Size</u>	<u>per Week</u>			
3	1	185.84	191.91	3.3%
3	2	277.93	287.80	3.6%
3	3	403.90	418.33	3.6%
3	4	512.74	531.41	3.6%
3	5	621.59	644.45	3.7%
3	6	730.54	757.54	3.7%

City of Duarte
 Burrtec Waste Services
 Annual Refuse Collection and Recycling Rate Adjustment
 Effective July 1, 2016

			Current Rates	Proposed New Rates	Change
Bin push rates:					
<u>Distance</u>	<u>Times per Week</u>				
0'-25'	1		0.00	0.00	0.0%
0'-25'	2		0.00	0.00	0.0%
0'-25'	3		0.00	0.00	0.0%
26'-50'	1		5.94	6.02	1.3%
26'-50'	2		11.85	12.02	1.4%
26'-50'	3		17.79	18.04	1.4%
51'-75'	1		8.89	9.02	1.5%
51'-75'	2		17.79	18.04	1.4%
51'-75'	3		26.67	27.05	1.4%
76'-100'	1		11.85	12.02	1.4%
76'-100'	2		23.71	24.04	1.4%
76'-100'	3		33.06	33.53	1.4%
101'-125'	1		14.82	15.03	1.4%
101'-125'	2		29.65	30.06	1.4%
101'-125'	3		44.48	45.10	1.4%
126'-150'	1		17.79	18.04	1.4%
126'-150'	2		35.57	36.07	1.4%
126'-150'	3		53.37	54.11	1.4%
151'-175'	1		20.76	21.05	1.4%
151'-175'	2		41.50	42.08	1.4%
151'-175'	3		62.25	63.12	1.4%
176'-200'	1		23.71	24.04	1.4%
176'-200'	2		47.68	48.34	1.4%
176'-200'	3		71.14	72.13	1.4%
200'+	1	(per foot)	0.13	0.13	0.0%
200'+	2	(per foot)	0.24	0.24	0.0%
200'+	3	(per foot)	0.37	0.37	0.0%
Refuse rolloff containers:					
<u>Size</u>	<u>Tonnage</u>				
20	5		462.60	488.05	5.5%
30	5		462.60	488.05	5.5%
40	5		462.60	488.05	5.5%
Compactor	5		520.53	547.44	5.2%
Recycling rolloff containers:					
<u>Size</u>	<u>Tonnage</u>				
40	0		212.14	217.46	2.5%
Compactor	0		270.07	276.85	2.5%
Green waste rolloff containers:					
<u>Size</u>	<u>Tonnage</u>				
40	5		420.87	499.94	18.8%
Clean Inert containers:					
<u>Size</u>	<u>Tonnage</u>				
10	10		400.29	405.82	1.4%
20/40	10		400.29	405.82	1.4%
Construction & Demolition containers					
<u>Size</u>	<u>Tonnage</u>				
10/40	5		592.92	619.95	4.6%

City of Duarte
 Burrtec Waste Services
 Annual Refuse Collection and Recycling Rate Adjustment
 Effective July 1, 2016

	Current Rates	Proposed New Rates	Change
Extra Bin Services:			
Extra refuse bin collection/service	43.13	43.73	1.4%
Lock installed	4.76	4.83	1.5%
Lock removed - damaged by customer	26.22	26.59	1.4%
Recycling contamination (1 grace per year)	43.13	43.73	1.4%
Steam Clean	95.00	96.33	1.4%
Tilthopper	37.48	38.00	1.4%
Temporary Bin Services:			
3 Cubic Yd (7 day use)	130.61	132.43	1.4%
Dump & Return	130.61	132.43	1.4%
Commercial Street Sweeping Service	2.82	2.89	2.5%



AB-1826 Solid waste: organic waste. (2013-2014)

Assembly Bill No. 1826

CHAPTER 727

An act to add Chapter 12.9 (commencing with Section 42649.8) to Part 3 of Division 30 of the Public Resources Code, relating to solid waste.

[Approved by Governor September 28, 2014. Filed with Secretary of State
September 28, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1826, Chesbro. Solid waste: organic waste.

(1) The California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, establishes an integrated waste management program that requires each county and city and county to prepare and submit to the department a countywide integrated waste management plan. The act requires a business, which is defined as a commercial or public entity, that generates more than 4 cubic yards of commercial solid waste per week or is a multifamily residential dwelling of 5 units or more, to arrange for recycling services. Existing law also requires jurisdictions to implement a commercial solid waste recycling program meeting specified elements.

This bill would, commencing April 1, 2016, require a business that generates a specified amount of organic waste per week to arrange for recycling services for that organic waste in a specified manner. The bill would decrease the amount of organic waste under which a business would be subject to those requirements from 8 cubic yards or more to 4 cubic yards or more on January 1, 2017. The bill would also require a business that generates 4 cubic yards or more of commercial solid waste per week, on and after January 1, 2019, to arrange for organic waste recycling services and, if the department makes a specified determination, would decrease that amount to 2 cubic yards, on or after January 1, 2020.

This bill would require the contract or work agreement between a business and a gardening or landscaping service to require the organic waste generated by those services to comply with the requirements of this act.

This bill would require each jurisdiction, on and after January 1, 2016, to implement an organic waste recycling program to divert organic waste from the businesses subject to this act, except as specified with regard to rural jurisdictions, thereby imposing a state-mandated local program by imposing new duties on local governmental agencies. The bill would require each jurisdiction to report to the department on its progress in implementing the organic waste recycling program, and the department would be required to review whether a jurisdiction is in compliance with this act.

This bill would authorize a local governmental agency to charge and collect a fee from an organic waste generator to recover the local governmental agency's costs incurred in complying with this act.

This bill would require the department to identify and recommend actions to address permitting and siting challenges and to encourage the continued viability of the state's organic waste processing and recycling

infrastructure, in partnership with the California Environmental Protection Agency and other specified state and regional agencies. The bill also would require the department to cooperate with local jurisdictions and industry to provide assistance for increasing the feasibility of organic waste recycling and to identify certain state financing mechanisms and state funding incentives and post this information on its Internet Web site.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 12.9 (commencing with Section 42649.8) is added to Part 3 of Division 30 of the Public Resources Code, to read:

CHAPTER 12.9. Recycling of Organic Waste

42649.8. For purposes of this chapter, the following terms shall apply:

(a) "Business" means a commercial or public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for-profit or nonprofit entity, or a multifamily residential dwelling.

(b) "Commercial waste generator" means a business subject to subdivision (a) of Section 42649.2.

(c) "Organic waste" means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

(d) "Organic waste generator" means a business subject to subdivision (a) of Section 42649.81.

(e) "Rural jurisdiction" means a jurisdiction that is located entirely within one or more rural counties, or a regional agency comprised of jurisdictions that are located within one or more rural counties.

(f) "Rural county" means a county that has a total population of less than 70,000 persons.

(g) "Self-hauler" means a business that hauls its own waste rather than contracting for that service and "self-haul" means to act as a self-hauler.

42649.81. (a) (1) On and after April 1, 2016, a business that generates eight cubic yards or more of organic waste per week shall arrange for recycling services specifically for organic waste in the manner specified in subdivision (b).

(2) On and after January 1, 2017, a business that generates four cubic yards or more of organic waste per week shall arrange for recycling services specifically for organic waste in the manner specified in subdivision (b).

(3) On and after January 1, 2019, a business that generates four cubic yards or more of commercial solid waste, as defined in Section 42649.1, per week, shall arrange for recycling services specifically for organic waste in the manner specified in subdivision (b).

(4) On or after January 1, 2020, if the department determines that statewide disposal of organic waste has not been reduced to 50 percent of the level of disposal during 2014, a business that generates two cubic yards or more per week of commercial solid waste shall arrange for the organic waste recycling services specified in paragraph (3), unless the department determines that this requirement will not result in significant additional reductions of organics disposal.

(5) A business located in a rural jurisdiction that is exempted pursuant to paragraph (2) of subdivision (a) of Section 42649.82 is not subject to this chapter.

(b) A business subject to subdivision (a) shall take at least one of the following actions:

(1) Source separate organic waste from other waste and subscribe to a basic level of organic waste recycling service that includes collection and recycling of organic waste.

(2) Recycle its organic waste onsite or self-haul its own organic waste for recycling.

(3) Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste.

(4) Make other arrangements consistent with paragraph (3) of subdivision (b) of Section 42649.84.

(c) A business that is a property owner may require a lessee or tenant of that property to source separate their organic waste to aid in compliance with this section.

(d) A business generating organic waste shall arrange for the recycling services required by this section in a manner that is consistent with state and local laws and requirements, including a local ordinance or local jurisdiction's franchise agreement, applicable to the collection, handling, or recycling of solid and organic waste.

(e) When arranging for gardening or landscaping services, the contract or work agreement between a business subject to this section and a gardening or landscaping service shall require that the organic waste generated by those services be managed in compliance with this chapter.

(f) (1) A multifamily residential dwelling that consists of fewer than five units is not a business for purposes of this chapter.

(2) A business that is a multifamily dwelling is not required to arrange for the organic waste recycling services specified in subdivision (b) for food waste that is generated by the business.

(g) If separate organic waste collection and recycling services are not offered through a local ordinance or local jurisdiction's franchise agreement, a business generating organic waste may arrange for separate organic waste collection and recycling services, until the local ordinance or local jurisdiction's franchise agreement includes organic waste recycling services.

42649.82. (a) (1) In addition to the requirements of Section 42649.3, on and after January 1, 2016, each jurisdiction shall implement an organic waste recycling program that is appropriate for that jurisdiction and designed specifically to divert organic waste generated by businesses subject to Section 42649.81, whether or not the jurisdiction has met the requirements of Section 41780.

(2) (A) A county board of supervisors of a rural county may adopt a resolution, as prescribed in this paragraph, to make the rural county exempt from the requirements of this section. If a rural jurisdiction is a city, the city council may adopt a resolution, as prescribed in this paragraph, to make the rural jurisdiction exempt from this section. If a rural jurisdiction is a regional agency comprised of jurisdictions that are located entirely within one or more rural counties, the board of the regional agency may adopt a resolution, as prescribed in this paragraph, to make the rural jurisdiction is exempt from the requirements of this section.

(B) A resolution adopted pursuant to subparagraph (A) shall include findings as to the purpose of and need for the exemption.

(C) A resolution to exempt a rural jurisdiction pursuant to subparagraph (A) shall be submitted to the department at least six months before the operative date of the exemption.

(D) On or after January 1, 2020, if the department determines that statewide disposal of organic waste has not been reduced to 50 percent of the level of disposal during the 2014 calendar year, all exemptions authorized by this paragraph shall terminate unless the department determines that applying this chapter to rural jurisdictions will not result in significant additional reductions of disposal of organic waste.

(b) If a jurisdiction, as of January 1, 2016, has in place an organic waste recycling program that meets the requirements of this section, it is not required to implement a new or expanded organic waste recycling program.

(c) The organic waste recycling program required by this section shall be directed at organic waste generators and may include, but is not limited to, one or more of the following:

(1) Implementing a mandatory commercial organic waste recycling policy or ordinance that addresses organic waste recycling.

(2) Requiring a mandatory commercial organic waste recycling program through a franchise contract or agreement.

(3) Requiring organic waste to go through a source separated or mixed processing system that diverts material from disposal.

(d) (1) The organic waste recycling program shall do all of the following:

(A) Identify all of the following:

(i) Existing organic waste recycling facilities within a reasonable vicinity and the capacities available for materials to be accepted at each facility.

(ii) Existing solid waste and organic waste recycling facilities within the jurisdiction that may be suitable for potential expansion or colocation of organic waste processing or recycling facilities.

(iii) Efforts of which the jurisdiction is aware that are underway to develop new private or public regional organic waste recycling facilities that may serve some or all of the organic waste recycling needs of the commercial waste generators within the jurisdiction subject to this chapter, and the anticipated timeframe for completion of those facilities.

(iv) Closed or abandoned sites that might be available for new organic waste recycling facilities.

(v) Other nondisposal opportunities and markets.

(vi) Appropriate zoning and permit requirements for the location of new organic waste recycling facilities.

(vii) Incentives available, if any, for developing new organic waste recycling facilities within the jurisdiction.

(B) Identify barriers to siting new or expanded compostable materials handling operations, as defined in paragraph (12) of subdivision (a) of Section 17852 of the Title 14 of the California Code of Regulations, and specify a plan to remedy those barriers that are within the control of the local jurisdiction.

(C) Provide for the education of, outreach to, and monitoring of, businesses. The program shall require the jurisdiction to notify a business if the business is not in compliance with Section 42649.81.

(2) For purposes of subparagraph (A) of paragraph (1), an "organic waste recycling facility" shall include compostable materials handling operations, as defined in paragraph (12) of subdivision (a) of Section 17852 of Title 14 of the California Code of Regulations, and may include other facilities that recycle organic waste.

(e) The organic waste recycling program may include any one or more of the following:

(1) Enforcement provisions that are consistent with the jurisdiction's authority, including a structure for fines and penalties.

(2) Certification requirements for self-haulers.

(3) Exemptions, on a case-by-case basis, from the requirements of Section 42649.81 that are deemed appropriate by the jurisdiction for any of the following reasons:

(A) Lack of sufficient space in multifamily complexes or businesses to provide additional organic material recycling bins.

(B) The current implementation by a business of actions that result in the recycling of a significant portion of its organic waste.

(C) The business or group of businesses does not generate at least one-half of a cubic yard of organic waste per week.

(D) Limited-term exemptions for extraordinary and unforeseen events.

(E) (i) The business or group of businesses does not generate at least one cubic yard of organic waste per week, if the local jurisdiction provides the department with information that explains the need for this higher exemption than that authorized by subparagraph (C).

(ii) The information described in clause (i) shall be provided to the department with the information provided pursuant to subdivision (f).

(iii) This subparagraph shall not be operative on or after January 1, 2020, if the department, pursuant to paragraph (4) of subdivision (a) of Section 42649.81, determines that statewide disposal of organic waste has not been reduced to 50 percent of the level of disposal during the 2014 calendar year.

(f) (1) Each jurisdiction shall provide the department with information on the number of regulated businesses that generate organic waste and, if available, the number that are recycling organic waste. The jurisdiction shall include this information as part of the annual report required pursuant to Section 41821.

(2) On and after August 1, 2017, in addition to the information required by paragraph (1), each jurisdiction shall report to the department on the progress achieved in implementing its organic waste recycling program, including education, outreach, identification, and monitoring, on its rationale for allowing exemptions, and, if applicable, on enforcement efforts. The jurisdiction shall include this information as part of the annual report required pursuant to Section 41821.

(g) (1) The department shall review a jurisdiction's compliance with this section as part of the department's review required by Section 41825.

(2) The department also may review whether a jurisdiction is in compliance with this section at any time that the department receives information that a jurisdiction has not implemented, or is not making a good faith effort to implement, an organic waste recycling program.

(h) During a review pursuant to subdivision (g), the department shall determine whether the jurisdiction has made a good faith effort to implement its selected organic waste recycling program. For purposes of this section, "good faith effort" means all reasonable and feasible efforts by a jurisdiction to implement its organic waste recycling program. During its review, the department may include, but is not limited to, consideration of the following factors in its evaluation of a jurisdiction's good faith effort:

(1) The extent to which businesses have complied with Section 42649.81, including information on the amount of disposal that is being diverted from the businesses, if available, and on the number of businesses that are complying with Section 42649.81.

(2) The recovery rate of the organic waste from the material recovery facilities that are utilized by the businesses, all information, methods, and calculations, and any additional performance data, as requested by the department from the material recovery facilities pursuant to Section 18809.4 of Title 14 of the California Code of Regulations.

(3) The extent to which the jurisdiction is conducting education and outreach to businesses.

(4) The extent to which the jurisdiction is monitoring businesses and notifying those businesses that are not in compliance.

(5) The appropriateness of exemptions allowed by the jurisdiction.

(6) The availability of markets for collected organic waste recyclables.

(7) Budgetary constraints.

(8) In the case of a rural jurisdiction, the effects of small geographic size, low population density, or distance to markets.

(9) The availability, or lack thereof, of sufficient organic waste processing infrastructure, organic waste recycling facilities, and other nondisposal opportunities and markets.

(10) The extent to which the jurisdiction has taken steps that are under its control to remove barriers to siting and expanding organic waste recycling facilities.

42649.83. (a) If a jurisdiction adds or expands an organic waste recycling program to meet the requirements of Section 42649.82, the jurisdiction shall not be required to revise its source reduction and recycling element or obtain the department's approval pursuant to Article 1 (commencing with Section 41800) of Chapter 7 of Part 2.

(b) If an addition or expansion of a jurisdiction's organic waste recycling program is necessary, the jurisdiction shall include this information in the annual report required pursuant to Section 41821.

42649.84. (a) This chapter does not limit the authority of a local governmental agency to adopt, implement, or enforce a local organic waste recycling requirement, or a condition imposed upon a self-hauler, that is more stringent or comprehensive than the requirements of this chapter.

(b) This chapter does not modify, limit, or abrogate in any manner any of the following:

(1) A franchise granted or extended by a city, county, city and county, or other local governmental agency.

(2) A contract, license, or permit to collect solid waste previously granted or extended by a city, county, city or county, or other local governmental agency.

(3) The existing right of a business to sell or donate its recyclable organic waste materials.

(c) Notwithstanding any other requirement of this chapter, nothing in this chapter modifies, limits, or abrogates the authority of a local jurisdiction with respect to land use, zoning, or facility siting decisions by or within that local jurisdiction.

42649.85. A local governmental agency may charge and collect a fee from an organic waste generator to recover the local governmental agency's costs incurred in complying with this chapter.

42649.86. (a) The department shall identify and recommend actions to address, with regard to both state agencies and the federal government, the permitting and siting challenges associated with composting and anaerobic digestion, and to encourage the continued viability of the state's organic waste processing and recycling infrastructure, in partnership with the California Environmental Protection Agency and other state and regional agencies. These other state and regional agencies shall include, but are not limited to, the State Air Resources Board, the State Energy Resources Conservation and Development Commission, the Public Utilities Commission, the Department of Food and Agriculture, the State Water Resources Control Board, California regional water quality control boards, and air pollution control and air quality management districts.

(b) The department shall cooperate with local governmental agencies and industry to provide assistance for increasing the feasibility of organic recycling by promoting processing opportunities and the development of new infrastructure of sufficient capacity to meet the needs of generators, and developing sufficient end-use markets throughout the state for the quantity of organic waste required to be diverted.

(c) The department shall identify and post on its Internet Web site state financing mechanisms and state funding incentives that are available for in-state development of organic waste infrastructure to help the state achieve its greenhouse gas reduction goals and waste reduction goals.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.



ATTACHMENT 3

COUNTY SANITATION DISTRICTS
OF LOS ANGELES COUNTY

1955 Workman Mill Road, Whittier, CA 90601-1400
Mailing Address: P.O. Box 4998, Whittier, CA 90607-4998
Telephone: (562) 699-7411, FAX: (562) 699-5422
www.lacsd.org

GRACE ROBINSON HYDE
Chief Engineer and General Manager

May 26, 2016

Dear Solid Waste Facility Customer:

Solid Waste Management Facilities Rates

This is to advise you of new municipal solid and inert waste (MSW) rates to be charged at the Puente Hills Materials Recovery Facility (MRF), the Downey Area Recycling and Transfer (DART) Facility, and the South Gate Transfer Station, effective July 1, 2016. The Sanitation Districts boards were briefed in April and the Board of Sanitation District No. 2, the administrative district, adopted a revised rate ordinance on May 25, 2016.

The MSW rates at the Puente Hills MRF, DART, and SGTS are based on projected costs for waste processing and transport for disposal at the landfills in Orange County. The MSW rate at the Puente Hills MRF would increase from \$52.75 per ton to \$55.50 per ton. The MSW rate at the DART Facility would increase from \$55.64 per ton to \$58.39 per ton. The MSW rate at the SGTS would increase from \$55.91 per ton to \$58.66 per ton. Similar changes to the rates for hard-to-handle, bulky items, minimum load charges and pull-offs at these facilities would also be implemented. The increases are needed to offset increased disposal and transportation costs at Orange County Landfills.

A copy of the new rate schedule is enclosed. If you have any questions regarding the rates, please call Felicia Petrie at (562) 908-4288, extension 2759.

Very truly yours,

Charles E. Boehmke
Department Head
Solid Waste Management Department

CEB:FP:bw
Enclosure
cc: Boards of Directors

COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY
SCHEDULE OF RATES FOR SOLID WASTE MATERIALS RECOVERY, TRANSFER AND DISPOSAL FACILITIES

	CURRENT RATE	RATE July 1, 2016
PUENTE HILLS MATERIALS RECOVERY FACILITY (MRF), Whittier ⁽¹⁾		
Municipal Solid and Inert Waste	\$52.75 /ton	\$55.50 /ton
Hard-to-Handle, Bulky Items	62.75 /ton	65.50 /ton
Minimum Charge MSW	44.84 per load	47.18 per load
Minimum Charge Hard-to-Handle	54.84 per load	57.18 per load
Segregated Uncontaminated Green Waste (1-ton minimum charge)	41.50 /ton	41.50 /ton
Pull-Offs	42.00 each	44.75 each
SOUTH GATE TRANSFER STATION, South Gate ⁽¹⁾		
Municipal Solid and Inert Waste	\$55.91 /ton	\$58.66 /ton
Hard-to-Handle, Bulky Items	65.91 /ton	68.66 /ton
Minimum Charge MSW	47.52 per load	49.86 per load
Minimum Charge Hard-to-Handle	57.52 per load	59.86 per load
Pull-Offs	42.00 each	44.75 each
DOWNNEY AREA RECYCLING AND TRANSFER (DART) FACILITY, Downey ⁽¹⁾		
Municipal Solid and Inert Waste	\$55.64 /ton	\$58.39 /ton
Hard-to-Handle, Bulky Items	65.64 /ton	68.39 /ton
Minimum Charge MSW	47.29 per load	49.63 per load
Minimum Charge Hard-to-Handle	57.29 per load	59.63 per load
Segregated Uncontaminated Green Waste (1-ton minimum charge)	43.50 /ton	43.50 /ton
Pull-Offs	42.00 each	44.75 each
CALABASAS LANDFILL, Agoura ⁽¹⁾⁽²⁾		
Municipal Solid and Inert Waste	\$47.32 /ton	\$47.32 /ton
Hard-to-Handle, Bulky Items	57.32 /ton	57.32 /ton
Tires	84.82 /ton	84.82 /ton
Special Handling	82.32 /ton	82.32 /ton
Minimum Charge MSW	45.50 per load	45.50 per load
Pull-Offs	42.00 each	42.00 each
Segregated Uncontaminated Green Waste (1-ton minimum charge)	31.88 /ton	31.98 /ton
Asphalt	20.00 /ton	20.00 /ton
-Minimum Charge	50.00 per load	50.00 per load
SCHOLL CANYON LANDFILL, Glendale ⁽¹⁾⁽³⁾		
Municipal Solid and Inert Waste	\$49.18 /ton	Effective May 2, 2018 \$49.18 /ton
Hard-to-Handle, Bulky Items	58.24 /ton	58.24 /ton
Tires	92.93 /ton	92.93 /ton
Special Handling	66.99 /ton	66.99 /ton
Minimum Charge MSW	48.44 per load	48.44 per load
Pull-Offs	40.00 each	40.00 each
Segregated Uncontaminated Green Waste (1-ton minimum charge)	32.04 /ton	32.04 /ton
Asphalt	8.50 /ton	8.50 /ton
-Minimum Charge	30.00 per load	30.00 per load
Clean Dirt	7.00 /ton	9.00 /ton
-Minimum Charge	40.00 per load	45.00 per load
SOUTHEAST RESOURCE RECOVERY FACILITY (SERRF), Long Beach ⁽⁴⁾		
Municipal Solid and Inert Waste (1-ton minimum charge)	\$62.00 /ton	\$62.00 /ton
COMMERCE REFUSE TO ENERGY FACILITY, Commerce ⁽¹⁾⁽⁵⁾		
Refuse	\$69.00 /ton	\$69.00 /ton
-Minimum Charge	40.00 per load	40.00 per load
High Energy Refuse ⁽⁶⁾	50.00 /ton	50.00 /ton
-Minimum Charge	40.00 per load	40.00 per load
Certified Destruction	120.00 per load plus	120.00 per load plus
-Per Ton Rate	130.00 /ton	130.00 /ton
-Minimum Tonnage Charge	40.00 per load	40.00 per load
USDA Regulated Waste ⁽⁷⁾	180.00 per load plus	180.00 per load plus
-Per Ton Rate	180.00 /ton	180.00 /ton
-Minimum Tonnage Charge	40.00 per load	40.00 per load

Uncovered Loads Capable of Producing Litter: Calabasas Landfill, Puente Hills MRF, South Gate, DART - \$4.40/ton surcharge; \$4.40 minimum
Scholl Canyon Landfill - \$5.00/ton surcharge; \$5.00 minimum, Commerce⁽⁸⁾ - \$6.00/ton

Non-manifested Tire Loads: Calabasas Landfill - \$4.40/ton surcharge; \$4.40 minimum
Scholl Canyon Landfill - \$5.00/ton surcharge; \$5.00 minimum

⁽¹⁾ All rates excluding pull-offs, green waste, asphalt, and clean dirt include the following fees, as appropriate:

California Integrated Solid Waste Management Fee:	\$1.40 per ton
Los Angeles County Solid Waste Management Fee:	\$1.50 per ton
Los Angeles County Department of Health Services Regulatory Service Fee:	\$0.36 per ton

⁽²⁾ All rates and surcharges include the Los Angeles County Business License Tax, as appropriate:
10% of gross receipts, excluding state and local fees and taxes

⁽³⁾ All rates and surcharges (except for Clean Dirt) include the City of Glendale - Scholl Canyon Landfill Assessment:
25% of gross receipts; vehicles owned and operated by the City of Glendale are exempt

⁽⁴⁾ Rate effective January 1, 2013; Rates subject to change pursuant to SERRF Joint Powers Agreement.

⁽⁵⁾ Rates effective as noted; Call facility regarding AS939 transformation credit calculation for high energy refuse; Rates subject to change pursuant to Commerce Refuse-to-Energy Facility Operating Agreement.

⁽⁶⁾ High Energy Waste means waste that generates high amounts of energy, such as dry scrap wood, textile waste, unrecyclable paper and cardboard, and additional unrecyclable material.

⁽⁷⁾ USDA Regulated Waste is destruction of regulated foreign waste in accordance with the regulations of the United States Department of Agriculture (USDA) and the terms of the Facility USDA compliance agreement.

Table 1

Discount Factors Applied to Gate Rates for MSW Transfer

Monthly Tonnage Commitment delivered to District's Facilities		Year 1 - Discount Factors			Year 2 - Discount Factors			Year 3 and subsequent years - Discount Factors		
at least the following tons per month	but less than the following tons per month	PHMRF	DART	SGTS	PHMRF	DART	SGTS	PHMRF	DART	SGTS
Gate Rates		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
450	1,000	12.40%	11.73%	7.88%	8.00%	7.58%	5.64%	3.60%	3.43%	3.41%
1,000	2,000	13.58%	13.32%	9.18%	9.49%	9.66%	7.57%	5.41%	5.99%	5.97%
2,000	3,000	15.42%	15.01%	10.51%	11.76%	11.78%	9.52%	8.11%	8.56%	8.52%
3,000	5,000	18.46%	18.03%	12.75%	15.54%	15.44%	12.77%	12.61%	12.84%	12.79%
5,000	7,000	20.52%	19.80%	14.09%	17.92%	17.61%	14.71%	15.32%	15.41%	15.34%
7,000	not applicable	23.17%	22.44%	15.42%	20.37%	20.12%	16.58%	17.57%	17.79%	17.75%

MSW Transfer Tip Fees Examples

Monthly Tonnage Commitment delivered to District's Facilities		Years 1 - MSW Transfer Contract Tip Fees (\$/ton)			Years 2 - MSW Transfer Contract Tip Fees (\$/ton)			Year 3 and subsequent years - MSW Transfer Contract Tip Fees (\$/ton)		
at least the following tons per month	but less than the following tons per month	PHMRF	DART	SGTS	PHMRF	DART	SGTS	PHMRF	DART	SGTS
Gate Rates ¹		\$55.50	\$58.39	\$58.66						
450	1,000	\$48.62	\$51.54	\$54.04	\$51.06	\$53.97	\$55.35	\$53.50	\$56.39	\$56.66
1,000	2,000	\$47.97	\$50.61	\$53.28	\$50.23	\$52.75	\$54.22	\$52.50	\$54.89	\$55.16
2,000	3,000	\$46.94	\$49.63	\$52.49	\$48.97	\$51.51	\$53.08	\$51.00	\$53.39	\$53.66
3,000	5,000	\$45.25	\$47.86	\$51.18	\$46.88	\$49.38	\$51.17	\$48.50	\$50.89	\$51.16
5,000	7,000	\$44.11	\$46.83	\$50.40	\$45.56	\$48.11	\$50.03	\$47.00	\$49.39	\$49.66
7,000	not applicable	\$42.64	\$45.29	\$49.61	\$44.20	\$46.64	\$48.93	\$45.75	\$48.00	\$48.25

Mixed Waste Processing

Tipping Fee for guaranteed Mixed Waste Processing is equal to the Mixed Waste Processing Fee plus the applicable tiered contract rate for MSW Transfer

The Mixed Waste Processing Fee in Year 1 is \$20.00 per ton and will be adjusted annually by the percent change in the gate rate for MSW transfer

Food Waste

The tipping fee for source separated food waste is \$85 per ton

Discount Factors and Tip Fees for Greenwaste

Monthly Tonnage Commitment delivered to District's Facilities		Year 1 and subsequent years - Discount Factors		Year 1 and subsequent years - Greenwaste Contract Tip Fee (\$/ton)	
at least the following tons per month	but less than the following tons per month	PHMRF	DART	PHMRF	DART
Gate Rates ¹				\$41.50	\$43.50
450	1,000	3.60%	3.43%	\$40.00	\$42.01
1,000	2,000	5.41%	5.99%	\$39.26	\$40.89
2,000	3,000	8.11%	8.56%	\$38.14	\$39.78
3,000	5,000	12.61%	12.84%	\$36.27	\$37.91
5,000	7,000	15.32%	15.41%	\$35.14	\$36.80
7,000	not applicable	17.57%	17.79%	\$34.21	\$35.76

Footnote 1: Subject to ordinance modification in the second year and subsequent years by the Sanitation Districts' Board of Directors. Gate rate changes other than pass through fees or taxes will be limited to once per year

Maximum cap for annual increases in gate rates other than fees or taxes is 5 percent

Minimum term is four years

Table 2
Prices for Commingled Recyclables

Table 2.1: Characterization and Gross Composite Unit Value

	A	B	C	D = B + C	E = A x D	F
	Example Characterization ¹	May 2016 Scrap value unit price (\$/ton) ²	Unit CRV (\$/ton) ³	Total unit value (\$/ton)	Weighted Value (\$/ton)	
1						
2	50.28%	\$124.00	\$0.00	\$124.00	\$62.35	OCC/Kraft paper/Kraft bags
3	14.55%	\$93.00	\$0.00	\$93.00	\$13.53	Mixed paper
4	2.13%	\$104.46	\$0.00	\$104.46	\$2.23	Miscellaneous metal
5	7.02%	\$120.00	\$0.00	\$120.00	\$8.43	Mixed rigid plastics
6	2.47%	\$1.00	\$182.13	\$183.13	\$4.53	Mixed Glass Bottles (CRV)
7	0.62%	\$1,020.00	\$3,015.31	\$4,035.31	\$24.94	Aluminum cans (CRV)
8	2.53%	\$60.00	\$1,681.13	\$1,741.13	\$44.02	PETE Containers (CRV)
9	2.58%	\$650.00	\$152.89	\$802.89	\$20.75	HDPE Natural Containers (CRV)
10	1.57%	\$340.00	\$152.89	\$492.89	\$7.75	HDPE Color Containers (CRV)
11	16.24%	(\$45.25)	\$0.00	(\$45.25)	(\$7.35)	Residual Waste (everything that is not listed above) ⁵
12					\$181.17	Gross Composite Unit Value (\$/ton) ⁴

Footnote 1: This is an example characterization. Actual characterizations using the commodities listed above for each jurisdiction would be performed by the District at least quarterly.

Footnote 2: Scrap values are the latest prices that the Districts received from the sale of each type of commodity prior to the beginning of each calendar month. For Residual Waste, the scrap value is the tiered contract MSW transfer tipping fee applicable to the Company's tonnage commitment. Numbers in parentheses means a negative number.

Footnote 3: Subject to change upon notice from CalRecycle

Footnote 4: Changes based on scrap value from the most recent sale price prior to the beginning of each calendar month, characterization, changes in CRV, and changes in MSW tipping fee changes. This number is the sum of all items above it in Column E.

Footnote 5: In order to qualify for the rates identified in Table 2, the maximum residual waste content is 35 percent. If the residual waste content is over 35 percent, the tipping fee will be determined at the sole discretion of the Districts' Chief Engineer and General Manager.

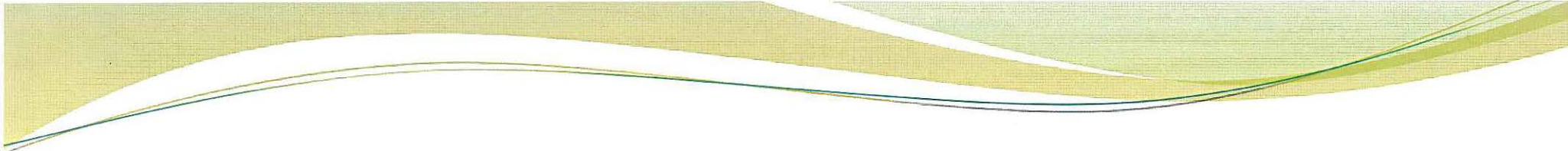
Table 2.2: Net Rebate

Puente Hills MRF		
	G	H
1	\$181.17	Gross Composite Unit Value (\$/ton) = E12
2	(\$93.00)	Processing Cost (\$/ton) ¹
3	\$88.17	Gross Rebate (\$/ton): G3 = G1 + G2
4	50%	Proportion Factor ²
5	\$44.09	Net Rebate (\$/ton): G5 = G3 x G4

DART		
	G	H
1	\$181.17	Gross Composite Unit Value (\$/ton) = E12
2	(\$113.00)	Processing Cost (\$/ton) ¹
3	\$88.17	Gross Rebate (\$/ton): G3 = G1 + G2
4	50%	Proportion Factor ²
5	\$34.09	Net Rebate (\$/ton): G5 = G3 x G4

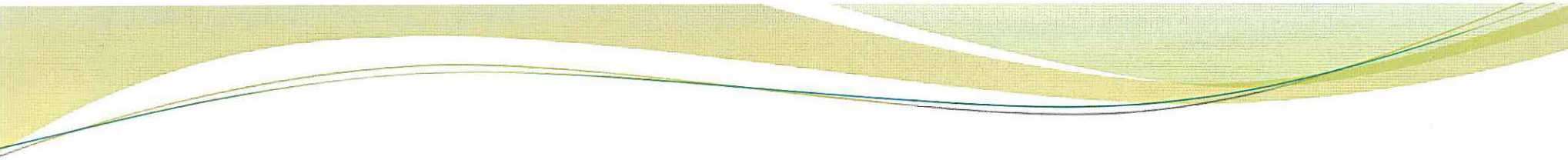
Footnote 1: Will be adjusted by percent change in the posted gate rates for MSW for each facility

Footnote 2: If the Processing Cost is greater than the Gross Composite Unit Value, then the Proportion Factor is 100%, otherwise it is 50%



Commercial Organics Recycling Program & 2016 Rate Review

Presented to the City of Duarte



Agenda

- Background
- Organics Legislation (AB1826)
- Compliance
- Program Overview
- Rate Review Impacts
- 2016 Rate Review
- Street Sweeping Fee

Background - Diversion and Recycling Compliance

- 50% Waste Reduction (AB939)
- 2020 Goal of 75% (AB341)
& Commercial Recycling
- Food Waste/Organics (AB1826)

 **RECYCLABLES ONLY • RECICLABLES SOLAMENTE** 

				
Paper & Mail Papel y Correo	Glass Bottles & Jars Botellas y Tarros de Vidrio	Aluminum & Metal Cans Latas de Aluminio y de Metal	Cardboard Carton	Plastic Bottles Botellas de Plastico

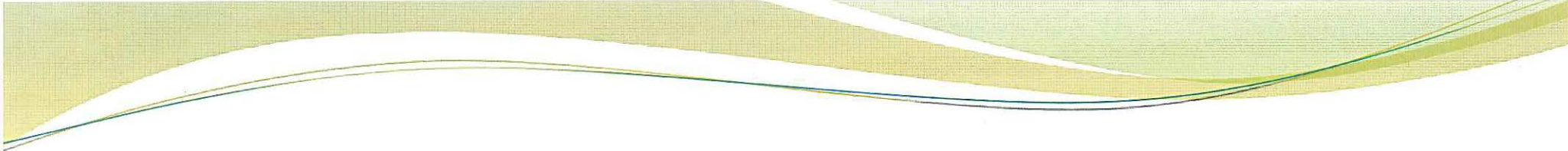
NO GARBAGE, GREEN WASTE, HAZARDOUS, LIQUID OR ELECTRONIC WASTE
BASURA, DESECHOS VERDES, DESECHOS PELIGROSOS, LIQUIDOS O ELECTRONICOS NO SERAN RECOLECTADOS

 **BURRTEC**
"We'll Take Care Of It"

951-786-0639

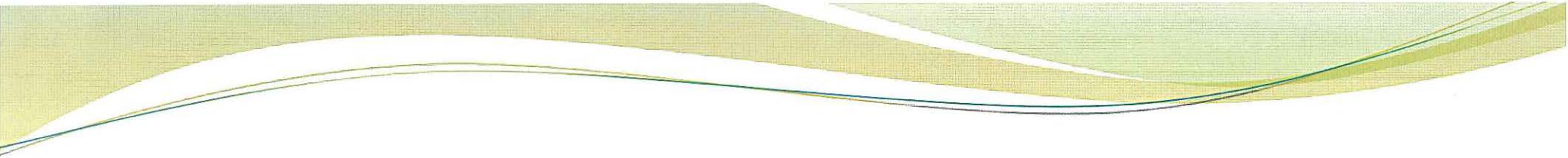
Food Waste ONLY  **BURRTEC**
"We'll Take Care Of It"





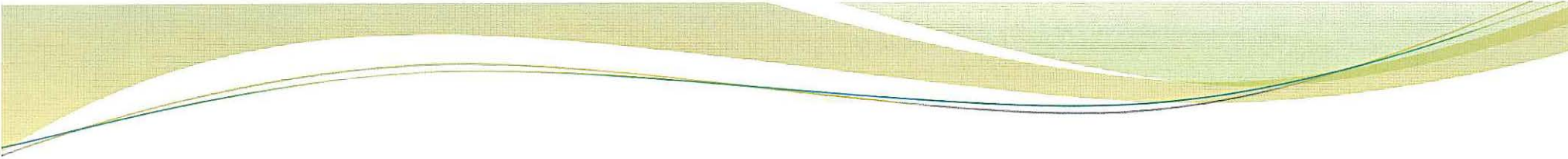
Background

- Californians throw away nearly 6 million tons of food scraps each year
- Greenhouse gas reductions 20-30 MMT
- Methane
- Landfill conservation
- Beneficial use



Commercial Organics AB 1826

- January 1, 2016, Jurisdictions must implement an Organic Waste recycling program for food waste and green waste
- April 1, 2016, Businesses that generate **8 cubic yards (cy) or more a week of organics**
- January 1, 2017, Businesses generating **4 cy or more per week of organics**
- January 1, 2019, Business that generates **4 cy or more of commercial solid waste** per week



Business Compliance

- Food Rescue: Donate food to food banks
- Self haul to organics processor
- Subscribe to City's organics program

Material Diversion Types (cont'd)

Food Waste Collection

Acceptable food waste materials

Dairy products
Fruits and vegetables
Meats and bones
Seafood
Poultry
Breads and grains
Coffee grounds
Plant trimmings
~~Soiled paper~~

All Food

Dairy products, fruits, vegetables, meat, bones, seafood, poultry, breads, grains, coffee grounds, plant trimmings.

Toda Comida

Frutas, verduras, carnes, mariscos, pescados, huevos, arroz, frijoles, pastas, pan, quesos, cáscaras de huevo.

NO!

- Plastic bags/wrap/straws
- Styrofoam
- Bottles and cans
- Aluminum foil
- Liquids
- Hazardous waste
- Glass

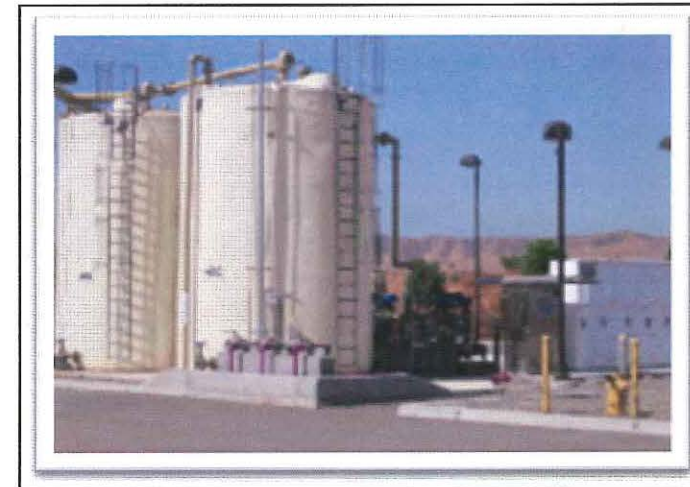
¡NO!

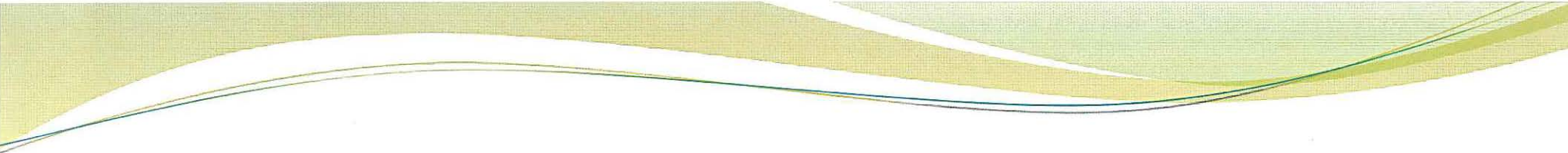
- Bolsas/envolturas/pajitas de plástico
- Espuma de poliestireno
- Botellas y latas
- Papel de aluminio
- Líquidos
- Desechos peligrosos
- Vidrio



Organics Processing

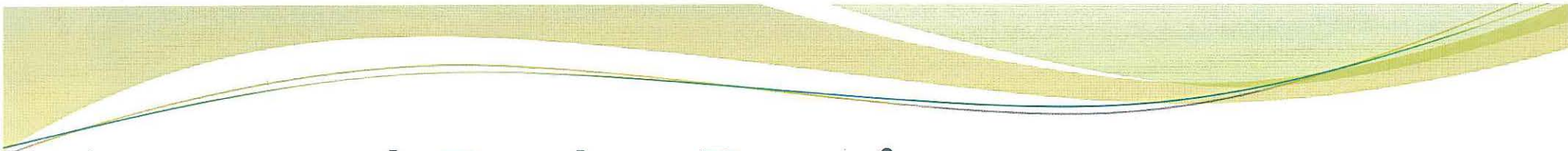
- Compost
 - Includes controlled decomposition of organic material such as leaves, twigs, grass clippings, and food scraps.
- Anaerobic Digestion (AD)
 - Renewable Energy: Biogas is burned and converted to electricity





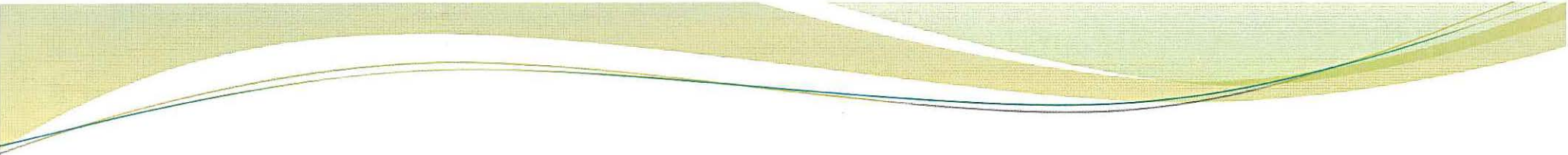
Organics Program Cost Impacts

- Processing Food Waste versus Trash Disposal
 - Trash: \$43.01 per ton
 - Organics: \$69.20 per ton (West Valley – Fontana)
- Material Density
 - Trash: 100 pounds per yard
 - Food Waste: 300 pounds per yard
- Routing/Collections
 - Bins & Trucks
- Outreach & Education & Administration



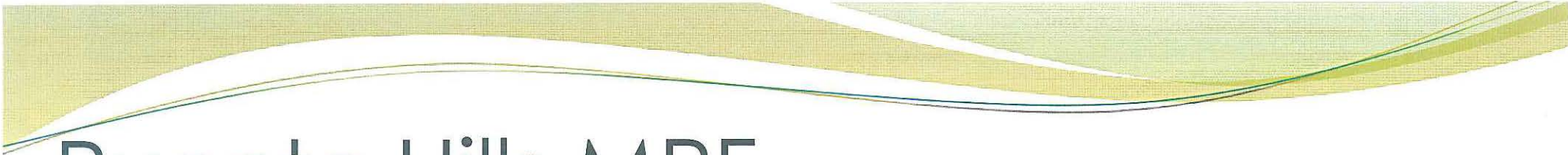
Annual Rate Review

- October/November Cost Analysis/Review with January Implementation
- Adjustments:
 - Service CPI
 - Disposal and processing cost components
 - Trash, Green Waste, Recyclables, Construction & Demolition
 - City Fees



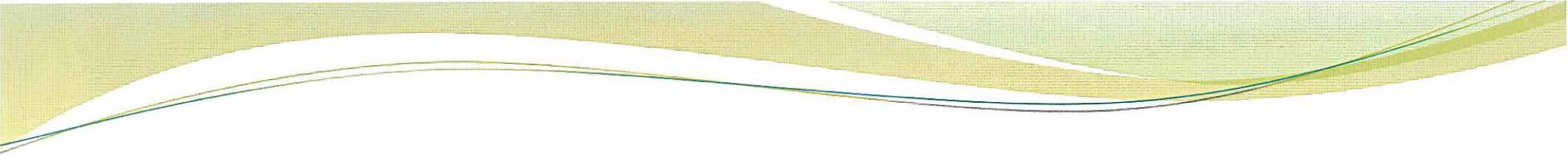
2016 Rate Review Impacts

- Service: Consumer Price Index Change of 1.4% based on July 2015
- Fuel CNG Index: no change 2014 vs 2015
- Disposal and Processing
 - Puente Hills MRF Trash and Green Waste Final Rates **pending**
- Recyclables



Puente Hills MRF Disposal and Processing

Cost Component	January 2015	January 2016	July 2016
Trash	\$42.58	\$43.01	\$46.94
Green Waste	\$33.90	\$34.24	\$38.14



Disposal and Processing

	Puente Hills MRF			WMX Azusa
Cost Component	January 2015	January 2016	July 2016	July 2016
Trash	\$42.58	\$43.01	\$46.94	\$46.00
Green Waste	\$33.90	\$34.24	\$38.14	\$43.00

Recyclables

Declining Markets

Burrtec Waste Industries, Inc.

Commodity Price History - Export*

Mixed Paper, OCC, ONP

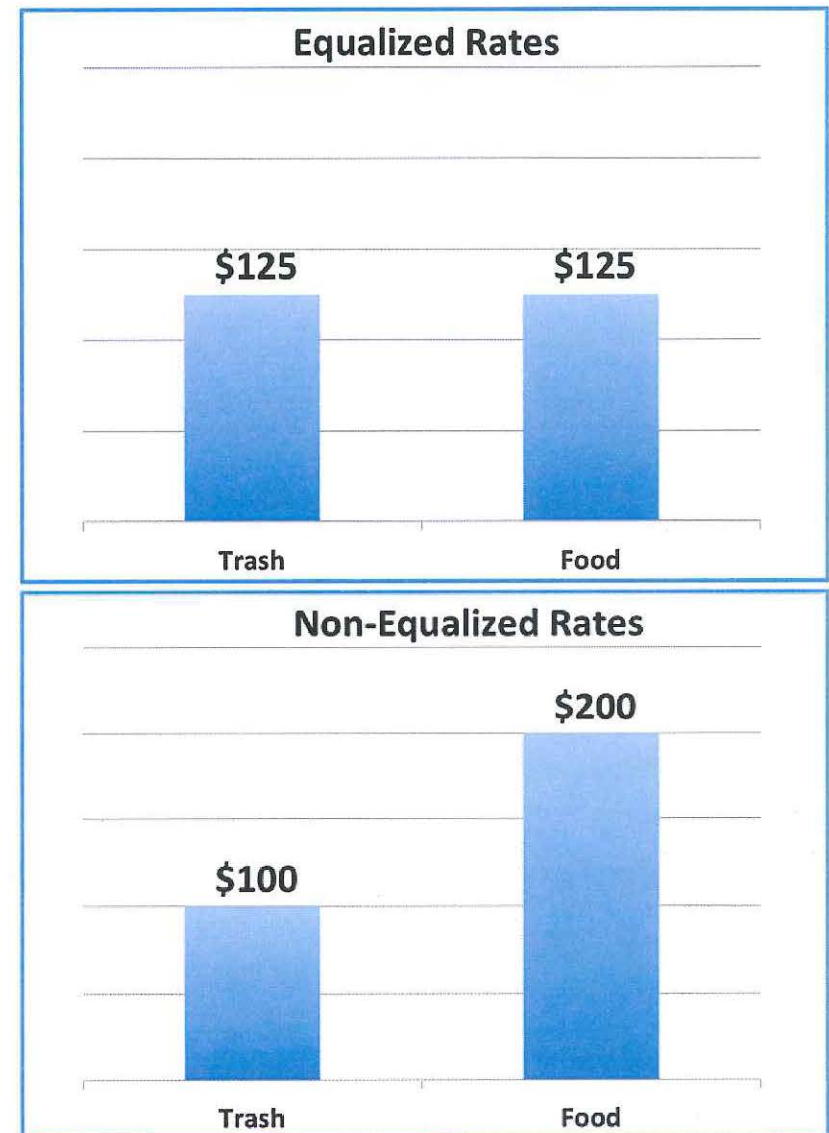
12-Month Average Price Per Ton				
	Mixed Paper (2)	OCC (11) (Cardboard)	ONP (8) (Newspaper)	
2011	\$ 181	\$ 220	\$ 198	
2012	137	180	148	
78% 2013	131	183	142	
73% 2014	124	171	133	
Nov 2015 YTD	108	152	118	

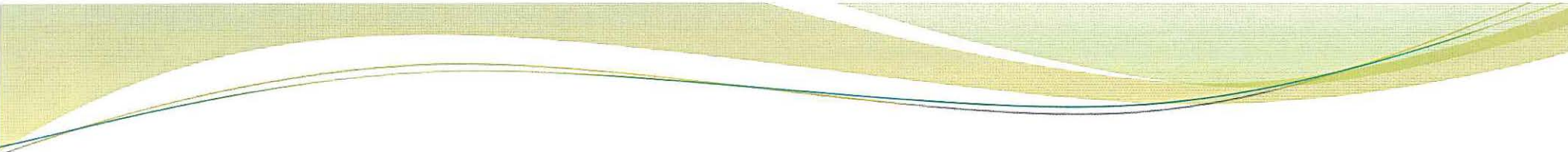
Percentage Inc/(Dec)				
	Mixed Paper (2)	OCC (11) (Cardboard)	ONP (8) (Newspaper)	
2011	Base	Base	Base	
2012	(24.01)%	(18.22)%	(25.53)%	
2013	(4.85)%	1.53%	(3.84)%	
2014	(5.29)%	(6.21)%	(6.29)%	
Nov 2015 YTD	(13.67)%	(11.97)%	(12.07)%	
Cumm from 2011	(40.33)%	(30.99)%	(40.55)%	

* Source: PPI Pulp & Paper Week

Food Waste Rates

- Equalized Rates
 - High Participation
 - More Flexibility
 - Minimizes cost impacts
- Non-Equalized Rates
 - Minimal Participation
 - High Cost Impacts
 - Triggers Prop 218

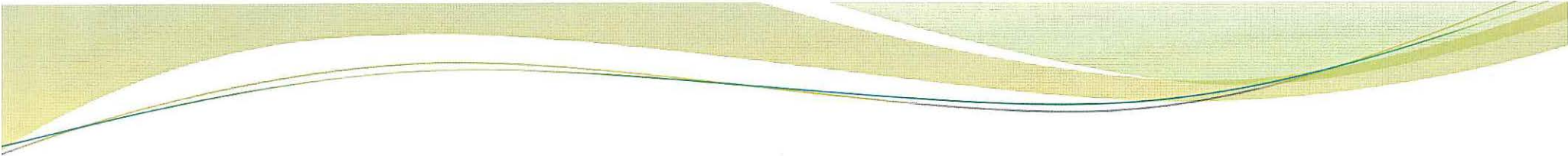




Food Waste Rates Options

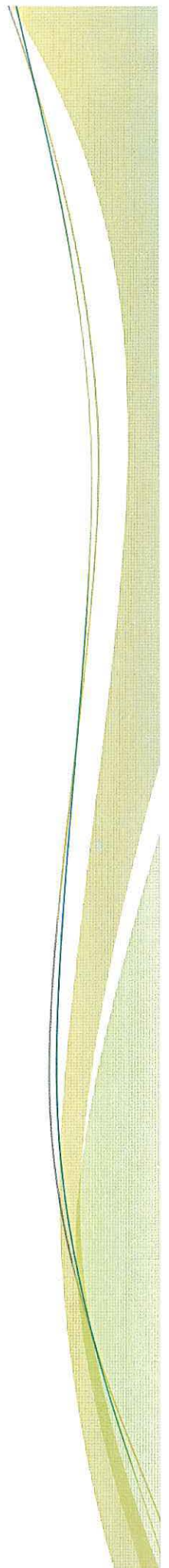
- Equalized Rates 1- 1.5 yd-1x (participation estimated)
 - Trash or Food Waste: \$113.81
- Non-Equalized rates: 1-1.5 yd-1x (Current)
 - Trash: \$109.38
 - Food Waste: \$200.28
- Impact on 1-3yd –1x trash bin (Current \$149.53)
 - Equalized: \$198.39
 - Non-Equalized: \$164.98

***Above rates include the PMF Option 2 Rates



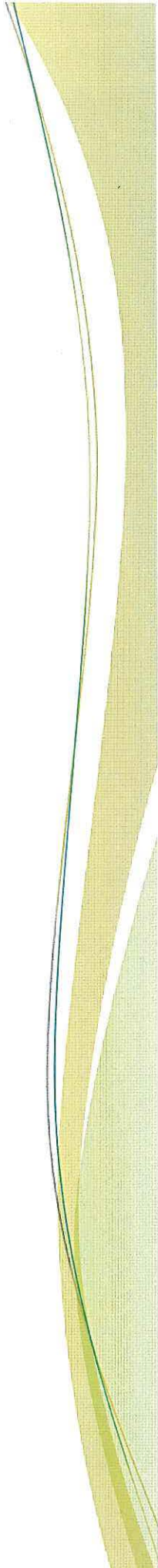
Rates Options

- Different rates: 1-2yd-x
 - Trash: \$134.76
 - Food Waste: \$240.18
- Equalized Rates 1- 2yd-1x
 - Trash or Food Waste: \$140.88
- Impact on 1-3 yd –1x
 - Trash only: \$151.31
 - Food Waste option: \$160.48



Next Steps

- Program Approval
- Food waste generator notification
- Program Promotion
- Food Waste Diversion



Questions

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Next Steps