



CITY COUNCIL/SUCCESSOR AGENCY TO THE COVINA  
REDEVELOPMENT AGENCY/COVINA PUBLIC FINANCING  
AUTHORITY/COVINA HOUSING AUTHORITY JOINT MEETING  
AGENDA

Tuesday, September 17, 2024, 6:30 p.m.  
125 E. College Street, Covina, California  
Council Chamber of City Hall

**IMPORTANT NOTICE**

*Members of the public may view the meeting live on the City's website at [www.covinaca.gov](http://www.covinaca.gov) or on local cable television, Spectrum Channel 29 and Frontier Channel 42. To view from the website, click [here](#) or scroll down on the home page and click "City Meetings", once on the page, click the highlighted word next to Video Library under the City Council Meeting Agendas and Minutes header. A live banner will appear at the start of the meeting.*

*Public Comments: During the meeting, there will be an opportunity for the public to speak. Public testimony is limited to five (5) minutes per speaker, unless, for good cause, the Mayor/Chairperson amends the time limit; a speaker's time may not be transferred to another speaker. State Law prohibits the Council/Agency/Authority Members from taking action on any item not on the agenda. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed.*

*In Person: To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance of the Council Chamber and give it to the City Clerk. Your name will be called when it is your turn to speak.*

*Meeting Assistance Information: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at [cityclerk@covinaca.gov](mailto:cityclerk@covinaca.gov) or 626-384-5430. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.*

---

Pages

CLOSED SESSION

**CALL TO ORDER**

Council/Agency/Authority Members: Walter Allen, III, Patricia Cortez, Hector Delgado,  
Mayor Pro Tem/Vice Chair Victor Linares, and Mayor/Chair John C. King

## **PUBLIC COMMENTS**

The public is invited to comment on Closed Session items only at this time. To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each, unless, for good cause, the Mayor/Chairperson amends the time limit.

## **CLOSED SESSION**

The City Council/Successor Agency to the Covina Redevelopment Agency/Covina Public Financing Authority/Covina Housing Authority will adjourn to closed session for the following:

### **A. Government Code § 54957.6 – CONFERENCE WITH LABOR NEGOTIATORS**

Update on negotiations with the various Employee Organizations:

American Federation of State, County and Municipal Employees (AFSCME); Police Association of Covina (PAC); Police Management Group (PMG); and Police Supervisors of Covina (PSC), and Unrepresented Employees: Mid-Management, Supervisory and Professional, and Confidential and Technical Employees

### **B. Government Code § 54956.9(d)(1) – CONFERENCE WITH LEGAL COUNSEL - Existing Litigation**

Duran v. City of Covina; Case No. CV23-06507-ODW(AGR<sub>x</sub>)

## **RECESS**

JOINT MEETING—OPEN SESSION 7:30 PM

## **RECONVENE AND CALL TO ORDER**

## **ROLL CALL**

Council/Agency/Authority Members: Walter Allen, III, Patricia Cortez, Hector Delgado, Mayor Pro Tem/Vice Chair Victor Linares, and Mayor/Chair John C. King

## **PLEDGE OF ALLEGIANCE**

Led by Mayor Pro Tem Linares.

## **INVOCATION**

Given by Police Chaplain Steve Martinez.

## **PRESENTATIONS**

**A. Charter Oak School District Update**

**B. DAR Constitution Week**

**C. National Night Out Presentation**

## **CLOSED SESSION REPORT**

## **PUBLIC COMMENTS**

*To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Those wishing to speak on a LISTED AGENDA ITEM will be heard when that item is addressed. Those wishing to speak on an item NOT ON THE AGENDA will be heard at this time. State Law prohibits the Council/Agency/Authority*

*Members from taking action on any item not on the agenda. Individual speakers are limited to five minutes each, unless, for good cause, the Mayor/Chairperson amends the time limit.*

**COUNCIL/AGENCY/AUTHORITY COMMENTS**

*Council/Agency/Authority Members wishing to make any announcements of public interest or to request that specific items be added to future Council/Agency/Authority agendas may do so at this time.*

**CITY MANAGER COMMENTS**

**CONSENT CALENDAR PUBLIC COMMENTS**

*The public is invited to comment on Consent Calendar items only at this time. To address the Council/Agency/Authority please complete a yellow speaker request card located at the entrance and give it to the City Clerk. Your name will be called when it is your turn to speak. Individual speakers are limited to five minutes each, unless, for good cause, the Mayor/Chairperson amends the time limit.*

**CONSENT CALENDAR**

*All matters listed under consent calendar are considered routine, and will be enacted by one motion. There will be no separate discussion on these items prior to the time the Council/Agency/Authority votes on them, unless a member of the Council/Agency/Authority requests a specific item be removed from the consent calendar for discussion.*

<b>CC 1. Payment of Demands</b>	7
Staff Recommendation: Approve Payment of Demands in the amount of \$8,370,812.67.	
<b>CC 2. City of Covina Investment Report for Month Ended August 31, 2024</b>	13
Staff Recommendation: Receive and File.	
<b>CC 3. 2024 Conflict of Interest Code Biennial Update</b>	31
Staff Recommendation: Adopt <b>Resolution CC 2024-85</b> .	
<b>CC 4. Approval of the Transfer Agreement between Los Angeles County Flood Control District and City of Covina for the Safe, Clean Water Municipal Program</b>	47
Staff Recommendation: Adopt <b>Resolution CC 2024-84</b> authorizing the City Manager to enter into the Transfer Agreement between Los Angeles County Flood Control District and City of Covina for the Safe, Clean Water Municipal Program.	
<b>CC 5. Purchase Order Authorization – Purchase of New Trash Receptacles for City Parks</b>	65
Staff Recommendation: Authorize the City Manager, or his designee, to approve a Purchase Order in the amount of \$34,959.09 with TreeTop Products, LLC and purchase New Trash Receptacles for City Parks.	
<b>CC 6. Third Amendment to the Ground Lease between the City of Covina and the Covina Housing Authority for Property Owned by the City Located at the Southeast Corner of the Combined Parcels of 601 E. San Bernardino Road and</b>	69

**534 North Barranca Avenue**

Staff Recommendation:

Authorize the City Manager/Executive Director to execute the third amendment to the Ground Lease (“Lease”) between the City of Covina (“City”), as landlord, and the Covina Housing Authority (“Authority”), as tenant, in substantially the form attached as Attachment “B” with such changes therein as the City Manager/Executive Director may approve, and all related documents, and to take such actions as they deem necessary or proper to effectuate the purpose of the Lease.

**CC 7. Purchase of Five Vehicles for the Police Department**

119

Staff Recommendation:

Approve the purchase of five (5) Dodge Durango and approve **Resolution CC 2024-87** appropriating \$73,624.01 for vehicle purchase and retrofit for the K-9 program.

**CC 8. Badillo Street Water Services Replacement Project – Project No. W2501 – Award of Contract to GRBCON, Inc. for a Not-to-Exceed Amount of \$379,581.20.**

125

Staff Recommendation:

1. Approve plans and specifications for the Badillo Street Water Services Replacement Project;
2. Award a contract for the Badillo Street Water Services Replacement Project to GRBCON, Inc. as the lowest responsive and responsible bidder for a not-to-exceed amount of \$379,581.20 and authorize the City Manager to execute the contract;
3. Authorize a project contingency amount of \$37,958.12 (approximately 10%) for any unforeseen construction expenses; and
4. Award a Professional Services Agreement to Siterep Construction Services, Inc for Inspection Services for an amount not-to-exceed \$25,200 and authorize the City Manager to execute the contract.

**CC 9. Agreement between Covina and Irwindale Employees Regarding Cooperative Dispatching Services**

207

Staff Recommendation:

Approve Agreement between Covina and Irwindale employees regarding cooperative dispatching services and Authorize the City Manager or his designee execute the agreement.

**CC 10. Award of Contract to Siterep Construction Services for the 114 E. Italia Street Restaurant Remodel/Expansion Project – Project No. F2501**

217

Staff Recommendation:

1. Authorize the City Manager to execute all necessary contracts and documents with Siterep Construction Services, Inc. to perform remodel/expansion construction work at the existing City of Covina owned restaurant space located at 114 E. Italia Street;
2. Adopt **Resolution CC 2024-88** to amend the FY 2024-2025 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from available General Fund – Fund Balance to



be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project; and

3. Authorize a project contingency amount of \$33,000 (approximately 20%) for any unforeseen construction expenses.

**CC 11. Purchase Order Authorization – Demolition Work Related to the City Owned Property Located at 114 E. Italia Street** 235

Staff Recommendation:

1. Authorize the City Manager, or his designee, to approve a Purchase Order in the amount of \$24,999 with Siterep Construction Services, Inc for demolition work related to the City owned property located at 114 E. Italia Street; and
2. Adopt **Resolution CC 2024-89** amending the 2024-2025 Capital Improvement Program Budget and appropriating \$24,999 from available Measure CC – Fund Balance to be transferred into the General CIP Fund for use towards this project.

**CC 12. Carryover of Encumbrances and Continuing Appropriations from Fiscal Year 2023-24 to Fiscal Year 2024-25** 239

Staff Recommendation:

Adopt **Resolution CC 2024-90** and **Resolution SA 2024-04** approving the Carryover of Encumbrances and Continuing Appropriations from Fiscal Year 2023-24 to Fiscal Year 2024-25.

**CC 13. Request to Cancel the Regular City Council Meeting of October 1, 2024** 257

Staff Recommendation:

That the City Council consider cancelling the regular scheduled City Council Meeting of October 1, 2024.

**CC 14. Confirm and Approve City Council’s Appointments to the Parks & Recreation Commission and Finance Advisory Commission** 259

Staff Recommendation:

Approve the City Council’s appointments to the Parks & Recreation Commission and Finance Advisory Commission.

**CC 15. Recognition of Congresswoman Grace F. Napolitano** 261

Staff Recommendation:

That the City Council will consider approving a resolution recognizing Congresswoman Grace F. Napolitano.

**NEW BUSINESS**

**NB 1. Covina Irrigating Company – Board of Directors Nominee Selection Process** 265

Staff Recommendation:

1. Nominate Covina Irrigating Company Board of Directors to Represent the City of Covina; and
2. Designate the City Manager or his appointee to represent the City at the Annual Shareholder’s meeting on Thursday, October 24, 2024.

**ADJOURNMENT**

The Covina City Council/Successor Agency to the Covina Redevelopment

Agency/Covina Public Financing Authority/Covina Housing Authority will adjourn to its next regular meeting of the Council/Agency/Authority scheduled for October 15, 2024, at 6:30 p.m. for closed session and at 7:30 p.m. for open session inside the Council Chamber at City Hall, located at 125 East College Street, Covina, California, 91723.



# CITY OF COVINA AND SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY AGENDA ITEM REPORT

ITEM NO. CC 1

**Meeting:** September 17, 2024  
**Title:** Payment of Demands  
**Presented by:** Theresa Franke, Interim Director of Finance  
**Recommendation:** Approve Payment of Demands in the amount of \$8,370,812.67.

## EXECUTIVE SUMMARY/BACKGROUND:

Attached is a list of warrants and demands which are being presented for approval and are summarized as follows:

### Accounts Payable Warrants August 16, 2024 – August 29, 2024

CITY checks/EFTs	\$ 2,152,378.57
CITY payroll	\$ 1,049,774.46
CITY voids	\$ -
Worker’s Comp	\$ 65,660.19
	<u>\$ 3,267,813.22</u>
SACRA checks/EFTs	\$ 5,102,779.53
SACRA payroll	\$ 219.92
	<u>\$ 5,102,999.45</u>
TOTAL checks/EFTs	<u>\$ 8,370,812.67</u>

## DISCUSSION:

The attached reports have been reviewed by the Interim Director of Finance.

## FISCAL IMPACT:

Sufficient funding is available and the related costs are included in the Fiscal Year 23/24 and Fiscal Year 24/25 budgets.

Respectfully submitted,

  
 Theresa Franke  
 Interim Director of Finance



CITY OF COVINA  
Check Register  
Aug 16, 2024 - Aug 29, 2024

Check #	Check Date	Vendor	Name	Amount
5970	08/21/2024	1364	HOME DEPOT CREDIT SERVICES	3,154.77
5971	08/19/2024	487	CALIFORNIA PUBLIC EMPLOYEES'	1,050.00
5972	08/21/2024	1620	LA COUNTY TREASURER TAX COLLECTOR	5,102,770.00
5973	08/29/2024	4003	MidAmerica	2,272.17
20859	08/29/2024	788	COVINA, CITY OF	51,107.12
			<b>subtotal EFT/wires/direct deposits</b>	<b>\$ 5,160,354.06</b>
122802	08/22/2024	82	AIR-BREE HEATING	13,870.00
122803	08/22/2024	84	AIRGAS-WEST	406.48
122804	08/22/2024	219	AT&T	67.69
122805	08/22/2024	381	BOOMERANG BLUEPRINT	102.50
122806	08/22/2024	477	STATE OF CA	5,316.00
122807	08/22/2024	477	DEPT OF INDUSTRIAL RELATIONS	675.00
122808	08/22/2024	572	CATHOLIC CHARITIES OF LOS ANGELES	49,521.00
122809	08/22/2024	649	CINTAS CORP #693	633.58
122810	08/22/2024	654	CITRUS CAR WASH	269.91
122811	08/22/2024	700	COLLEY FORD	3,002.34
122812	08/22/2024	783	CITY OF COVINA WATER	238.08
122813	08/22/2024	970	EDISON CO	3,831.22
122814	08/22/2024	1007	ENVISIONWARE, INC.	1,350.00
122815	08/22/2024	1055	FEDEX	8.78
122816	08/22/2024	1156	THE GAS COMPANY	752.42
122817	08/22/2024	1204	GOLDEN STATE WATER COMPANY	83.61
122818	08/22/2024	1235	GRAINGER	312.03
122819	08/22/2024	1277	CYNTHIA ESTRADA HAEBE	1,045.00
122820	08/22/2024	1429	INLAND EMPIRE STAGES	1,587.86
122821	08/22/2024	1615	REGIONAL TAP SERVICE CENTER	100.00
122822	08/22/2024	1646	LANGUAGE LINE SERVICES INC	2.82
122823	08/22/2024	1707	LIEBERT CASSIDY WHITMORE	31,232.15
122824	08/22/2024	1754	LOWE'S COMPANIES INC	605.30
122825	08/22/2024	1933	MISSION LINEN SUPPLY	18.96
122826	08/22/2024	2091	O REILLY AUTO PARTS	546.88
122827	08/22/2024	2329	PUENTE READY MIX INC	1,247.24
122828	08/22/2024	2335	PYRO-COMM SYSTEMS INC	380.00
122829	08/22/2024	2345	QUILL	122.66
122830	08/22/2024	2407	REGIONAL TAP SERVICE CENTER	432.50
122831	08/22/2024	2426	REYNOLDS MOTOR CORP.	100.95
122832	08/22/2024	2619	SGV EXAMINER	1,837.00
122833	08/22/2024	2736	STAPLES BUSINESS ADVANTAGE	424.10
122834	08/22/2024	2855	CHARTER COMMUNICATIONS	247.43
122835	08/22/2024	2926	TYLER TECHNOLOGIES INC.	800.00
122836	08/22/2024	2966	V & V MANUFACTURING	326.29
122837	08/22/2024	3004	VICTORY EXTERMINATING INC	80.00
122838	08/22/2024	3023	VULCAN MATERIALS COMPANY	1,892.76
122839	08/22/2024	3070	WEST COAST ARBORISTS INC	29,720.00
122840	08/22/2024	3102	WILLDAN FINANCIAL SERVICES	3,124.00
122841	08/22/2024	3134	XEROX CORPORATION	745.29
122842	08/22/2024	3163	GENTRY BROTHERS INC	368,049.00
122843	08/22/2024	3729	SUNBELT RENTALS INC	356.18
122844	08/22/2024	3771	BLACK & WHITE EMERGENCY VEHICLES	215.43
122845	08/22/2024	3988	LANDSCAPE WAREHOUSE III	356.95
122846	08/22/2024	4077	INTERWEST CONSULTING GROUP INC	7,800.00
122847	08/22/2024	4201	OFFICE TEAM - A ROBERT HALF COMPANY	8,701.05

CITY OF COVINA  
Check Register  
Aug 16, 2024 - Aug 29, 2024

Check #	Check Date	Vendor	Name	Amount
122848	08/22/2024	4246	FERGUSON WATERWORKS #1083	9,134.52
122849	08/22/2024	4279	BOSS JANITORIAL SERVICES	13,068.45
122850	08/22/2024	4349	Intelli-Tech	43,878.43
122851	08/22/2024	4350	RKA Consulting Group	31,610.00
122852	08/22/2024	4374	ADMINSURE, INC	8,716.96
122853	08/22/2024	4455	FRONTIER	603.05
122854	08/22/2024	4488	WILCOX SUPPLY INC	484.97
122855	08/22/2024	4571	POWER SECURITY GROUP INC	12,122.50
122856	08/22/2024	4582	USABLUEBOOK	757.42
122857	08/22/2024	4650	GOLDEN BELL PRODUCTS, INC.	15,218.25
122858	08/22/2024	4667	Ocean Blue Environmental Services, Inc.	7,388.60
122859	08/22/2024	4682	Evan Brooks Associates, Inc.	7,985.00
122860	08/22/2024	4688	PCAM, LLC	39,214.50
122861	08/22/2024	4764	UniFirst Corporation	112.23
122862	08/22/2024	4766	HASA, INC.	1,713.34
122863	08/22/2024	4817	Weck Analytical Environmental Services, Inc.	288.00
122864	08/22/2024	4833	Michael R. Hillmann	2,080.00
122865	08/22/2024	4871	HARRINGTON INDUSTRIAL PLASTICS, LLC	55.36
122866	08/22/2024	4979	GRBCON, Inc.	7,425.00
122867	08/22/2024	4983	Ad Valorem Records, Inc.	7,665.27
122868	08/22/2024	4996	Green Giant Landscape, Inc.	540,283.05
122869	08/22/2024	5053	ENVIRONMENTAL SCIENCE ASSOCIATES	8,870.00
122870	08/22/2024	5095	LensLock Inc	104,319.65
122871	08/22/2024	5099	CliftonLarsonAllen LLP	9,555.00
122872	08/22/2024	5138	Ricoh USA, Inc.	532.93
122873	08/22/2024	5169	Occupational Health Centers of California	394.00
122874	08/22/2024	5228	ODP BUSINESS SOLUTIONS, LLC	222.81
122875	08/22/2024	5269	CONTROL AIR ENTERPRISES LLC.	6,476.08
122876	08/22/2024	5394	SIERRA PLUMBING & DRAIN CLEANING	500.00
122877	08/22/2024	5437	BORDERLAN INC	1,575.15
122878	08/22/2024	5464	ADVANCE STORES COMPANY INC	63.95
122879	08/22/2024	5575	LINCO PICTURE FRAMING INC	202.51
122880	08/22/2024	99999	OLGA P. CORTEZ	56.62
122881	08/22/2024	99999	THE MCINTYRE COMPANY	4,000.00
122882	08/29/2024	84	AIRGAS-WEST	735.02
122883	08/29/2024	219	AT&T	567.77
122884	08/29/2024	239	AUTOZONE INC	36.36
122885	08/29/2024	254	AZUSA LIGHT & WATER	6,212.44
122886	08/29/2024	457	CA PARKS AND REC SOCIETY	170.00
122887	08/29/2024	568	CAT SPECIALTIES INC	77.18
122888	08/29/2024	700	COLLEY FORD	821.02
122889	08/29/2024	703	UNIQUE PRINTING	1,784.32
122890	08/29/2024	706	COMMERCIAL DOOR METAL SYSTEMS INC	410.00
122891	08/29/2024	734	CONTROL AUTOMATION DESIGN INC	14,309.34
122892	08/29/2024	835	D & D GOLF CARS INC	1,025.33
122893	08/29/2024	849	DAPEER ROSENBLIT & LITVAK LLP	1,429.05
122894	08/29/2024	970	EDISON CO	90,940.61
122895	08/29/2024	1156	THE GAS COMPANY	21.04
122896	08/29/2024	1235	GRAINGER	4,798.33
122897	08/29/2024	1361	HOLLIDAY ROCK CO INC	680.98
122898	08/29/2024	1571	KING BOLT CO	134.00
122899	08/29/2024	1612	LA CNTY DEPT OF PUBLIC WORKS	11,991.77

CITY OF COVINA  
Check Register  
Aug 16, 2024 - Aug 29, 2024

Check #	Check Date	Vendor	Name	Amount
122900	08/29/2024	1792	MANNING & KASS	34,641.08
122901	08/29/2024	1895	MERRIMAC ENERGY GROUP	32,995.82
122902	08/29/2024	2091	O REILLY AUTO PARTS	192.46
122903	08/29/2024	2345	QUILL	173.58
122904	08/29/2024	2719	SPARKLETTS	161.35
122905	08/29/2024	2755	STETSON ENGINEERS INC	3,048.00
122906	08/29/2024	3070	WEST COAST ARBORISTS INC	23,189.40
122907	08/29/2024	3729	SUNBELT RENTALS INC	303.14
122908	08/29/2024	3749	JCL TRAFFIC SERVICES	902.95
122909	08/29/2024	3801	JONES & MAYER	3,624.27
122910	08/29/2024	3988	LANDSCAPE WAREHOUSE III	588.97
122911	08/29/2024	4077	INTERWEST CONSULTING GROUP INC	2,340.00
122912	08/29/2024	4349	Intelli-Tech	4,639.50
122913	08/29/2024	4360	MOORE IACOFANO GOLTSMAN, INC.	5,941.25
122914	08/29/2024	4389	EMPLOY AMERICA	2,580.00
122915	08/29/2024	4455	FRONTIER	109.47
122916	08/29/2024	4719	O.S.T.S. Inc.	1,125.00
122917	08/29/2024	4764	UniFirst Corporation	993.45
122918	08/29/2024	4766	HASA, INC.	1,426.64
122919	08/29/2024	4824	Occu-Med, Ltd.	514.40
122920	08/29/2024	4979	GRBCON, Inc.	209,283.82
122921	08/29/2024	5080	Spohn Ranch, Inc.	69,427.29
122922	08/29/2024	5109	SITEREP CONSTRUCTION SERVICES, INC.	46,472.50
122923	08/29/2024	5280	ALDERMAN & HILGERS LLP	1,854.00
122924	08/29/2024	5291	AMAZON CAPITAL SERVICES, INC	171.47
122925	08/29/2024	5355	CivicPlus LLC	6,195.32
122926	08/29/2024	5464	ADVANCE STORES COMPANY INC	7.60
122927	08/29/2024	5489	EZ RIG CRANE INC	12,854.04
122928	08/29/2024	5504	4 SEASONS ROOFING INC.	24,982.00
122929	08/29/2024	5528	JAKE MARTINEZ	960.00
122930	08/29/2024	5552	AQUA NET INC.	5,427.50
122931	08/29/2024	5562	SIDEPATH INC.	15,906.56
122932	08/29/2024	99999	ALEC COVEY	58.21
122933	08/29/2024	99999	ALICE LEUNG	41.54
122934	08/29/2024	99999	CHONA TULIAO	26.15
122935	08/29/2024	99999	CHRISTINA BRANTUK	57.86
122936	08/29/2024	99999	COVINA VILLAGE, LLC	4,413.60
122937	08/29/2024	99999	DYLAN DIXON	182.62
122938	08/29/2024	99999	FRANK PFIRRMAN	545.54
122939	08/29/2024	99999	IPERMIT	188.24
122940	08/29/2024	99999	KALU NWAKA	170.72
122941	08/29/2024	99999	MELIA HOMES INC	8,231.50
122942	08/29/2024	99999	P.I PROPERTIESLLC	66.09
122943	08/29/2024	99999	PGC BUILDER INC	479.06
122944	08/29/2024	99999	STEVE EIDE	1,950.00
122945	08/29/2024	4255	RELIASTAR LIFE INSURANCE COMPANY	103.48
			<b>subtotal checks</b>	<b>\$ 2,094,804.04</b>
			<b>subtotal voids</b>	<b>\$ -</b>
			<b>payroll (08/29/24)</b>	<b>\$ 1,049,994.38</b>
			<b>workers' compensation</b>	<b>\$ 65,660.19</b>
<b>TOTAL checks/EFTs</b>				<b>\$ 8,370,812.67</b>







## CC Regular Meeting **AGENDA ITEM REPORT**

**Meeting:** September 17, 2024  
**Title:** City of Covina Investment Report for Month Ended August 31, 2024  
**Presented by:** Theresa Franke, Interim Director of Finance  
Charles Russom, Senior Management Analyst  
**Recommendation:** Receive and File.

### **EXECUTIVE SUMMARY:**

Pursuant to Government Code Section 53600 et seq. and Section 4.0 of the City of Covina's Investment Policy, a monthly investment report must be provided to the City Council and City Manager, containing detailed information of all securities, investments and monies of the City.

### **DISCUSSION:**

The attached report for the City and Successor Agency reflects the portfolio balances for the month ended August 31, 2024. The report is in conformity with the City's Investment Policy as well as Government Code 53601. In accordance with the City's Investment Policy, the City Council authorizes staff to continue investing the City's idle funds in similar securities as those presented in these reports attached hereto. There are sufficient funds to meet the pooled expenditure requirements for all City funds for the next 6 months.

### **FISCAL IMPACT:**

None to receive and file.

Respectfully submitted,

Theresa Franke  
Interim Director of Finance



**CITY OF COVINA INVESTMENT REPORT  
FOR THE MONTH ENDED AUGUST 31, 2024**

<b>CASH AND INVESTMENT BALANCE</b>	<b>7/31/2024</b>	<b>\$96,841,587.25</b>
RECEIPTS	8/1/24-8/31/24	44,747,318.92
DISBURSEMENTS	8/1/24-8/31/24	<u>(47,734,105.76)</u>
<b>CASH AND INVESTMENT BALANCE</b>	<b>8/31/2024</b>	<b><u><u>\$93,854,800.41</u></u></b>
 <b>ANALYSIS OF CASH AND INVESTMENT BALANCE - BOOK VALUE</b>		
INVESTMENT PORTFOLIO	Attachment A-2	\$62,508,897.68
LOCAL AGENCY INVESTMENT FUND	Attachment A-4	<u>23,543,379.31</u>
<b>TOTAL PUBLIC INVESTMENTS</b>		<b><u>86,052,276.99</u></b>
CHECKING / PETTY / STIFEL CASH BALANCES		<u>7,802,523.42</u>
<b>CASH AND INVESTMENT BALANCE</b>	<b>8/31/2024</b>	<b><u>93,854,800.41</u></b>
CASH HELD BY BOND TRUSTEES		<u>3,077,739.08</u>
<b>TOTAL CASH AND INVESTMENT / BOND TRUSTEE CASH BALANCE</b>	<b>8/31/2024</b>	<b><u><u>\$96,932,539.49</u></u></b>

The purpose of this report is to provide readers with the overall cash position of the City. There is sufficient investment liquidity to meet the pooled expenditures of all City's funds for the next 6 months.

**CITY OF COVINA  
CASH AND INVESTMENT SUMMARY  
FOR THE MONTH ENDED AUGUST 31, 2024**

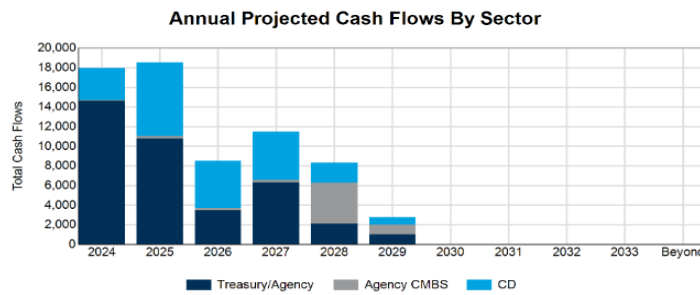
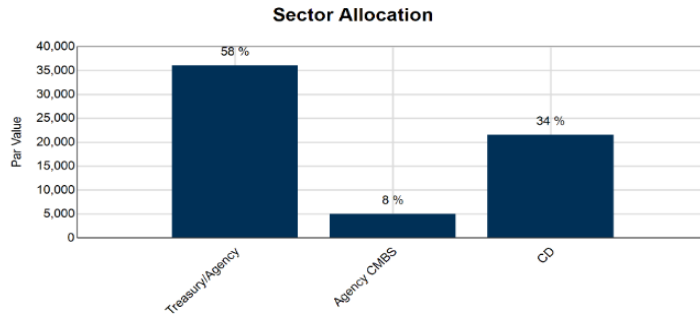
TYPE OF INVESTMENT	ISSUER	BOOK VALUE	ACQUISITION DATE	MATURITY DATE	MARKET VALUE
<b>City of Covina:</b>					
Drawer & Petty Cash	N/A	\$7,780.12	N/A	N/A	\$7,780.12
General - Checking Account	BMO	4,220,887.18	N/A	Demand	4,220,887.18
Public Agency Saving - Parking Fines	BMO	69,087.24	N/A	Demand	69,087.24
Utility Billing Account	BMO	38,924.11	N/A	Demand	38,924.11
Workers' Compensation - Checking Account	BMO	104,523.95	N/A	Demand	104,523.95
Payroll - Checking Account	BMO	333,395.54	N/A	Demand	333,395.54
Money Market	BMO	1,048,898.15	N/A	Demand	1,048,898.15
AFLAC Flexible Spending Account	BMO	17,309.46	N/A	Demand	17,309.46
STIFEL Cash Per GL	Various	1,961,717.67	Various	Various	1,961,717.67
STIFEL Investment Portfolio	Various	62,508,897.68	Various	Various	62,514,466.91
Local Agency Investment Fund	State of California	23,543,379.31	N/A	Demand	23,543,379.31
Subtotal (A)		<b>\$93,854,800.41</b>			<b>\$93,860,369.64</b>
<b>Cash Held With 3rd Party Administrator:</b>					
TRIP 2017A Covina	Wilmington Trust	\$591.08	N/A	Demand	\$591.08
LA County Loan Agreement	U.S. Bank	1,625,007.43	N/A	Demand	1,625,007.43
Other Post-Employment Benefits	Charles Schwab	1,445,415.94	N/A	Demand	1,445,415.94
2021 Taxable Pension Obligation Bonds	U.S. Bank	6,724.45	N/A	Demand	6,724.45
2019 Wastewater Refunding Bonds	U.S. Bank	0.18	N/A	Demand	0.18
Subtotal (B)		<b>\$3,077,739.08</b>			<b>\$3,077,739.08</b>
<b>TOTAL (A+B)</b>		<b>\$96,932,539.49</b>			<b>\$96,938,108.72</b>

The purpose of this schedule is to show the total cash and investments held by the City of Covina by account.

**Exhibit A-2**  
**CITY OF COVINA**  
 Stifel  
 Investment Portfolio as of  
 August 2024

**Portfolio Overview**

Book Value	
# Securities	128
Average Size (Book)	488
Yield at Book	4.96
Market Yield	4.83
\$ Gain/Loss	40
% Gain/Loss	0.1%
Average Life	1.60
Average Life +300bps	2.24
% Price Change +100bps	-1.16
% Price Change +300bps	-4.17
Effective Duration	1.08
Effective Convexity	-0.07
AFS / HTM%	100% / 0%
Fixed / Floating	100% / 0%
ESG/Green Par (000's)	\$0 / \$0



Investment Detail as of  
 August 2024

Issuer	Purchase Date	Market Price Per Share	Total Original Cost		Coupon	CUSIP	Maturity	Trustee
			Qty	Value				
FEDL Agric MTG Corp- Medium Term Note	10/12/22	99.914000	1,000,000	\$ 1,000,000.00	5.1000	3134GX4R2	10/28/2025	Stifel
FEDL Agric MTG Corp- Medium Term Note	06/30/22	93.761000	1,000,000	915,357.70	0.9400	31422XGQ9	10/26/2026	Stifel
FEDL Agric MTG Corp - Medium Term Note	07/02/24	100.214000	1,000,000	1,000,000.00	5.2700	31424WLD2	7/9/2027	Stifel
<b>Total Agricultural Mortgage</b>			<b>3,000,000</b>	<b>\$ 2,915,357.70</b>				
FEDL Farm Credit Bank Bond	02/02/22	98.574000	1,000,000	\$ 998,647.01	1.3200	3133ENLU2	1/21/2025	Stifel
FEDL Farm Credit Bank Bond	02/02/22	94.583000	1,000,000	996,151.59	1.5000	3133ENKV1	1/13/2027	Stifel
Federal Farm Credit Bank Bond	04/07/22	98.368000	1,000,000	1,010,661.76	3.1500	3133EJDV8	3/22/2027	Stifel
FEDL Farm Credit Bank Bond	08/12/24	99.978000	1,000,000	1,000,000.00	4.6200	3133ERNS6	8/12/2027	Stifel
FEDL Farm Credit Bank Bond	01/10/23	99.819000	1,000,000	1,000,000.00	5.1400	3133EN6C9	1/18/2028	Stifel
<b>Total Federal Farm Credit</b>			<b>5,000,000</b>	<b>\$ 5,005,460.36</b>				

Investment Detail as of  
August 2024

Issuer	Purchase Date	Market Price Per Share	Total Original Cost		Coupon	CUSIP	Maturity	Trustee
			Qty	Value				
FEDL Home Loan Bank Bond	06/30/22	98.785000	1,000,000	\$ 952,708.25	1.0000	3130AQF40	12/20/2024	Stifel
FEDL Home Loan Bank Bond	01/09/23	99.879000	2,000,000	2,000,000.00	5.0000	3130AUGG3	1/24/2025	Stifel
FEDL Home Loan Bank Bond	02/21/23	100.005000	1,000,000	1,000,000.00	5.3500	3130AV3C4	3/7/2025	Stifel
FEDL Home Loan Bank Bond	02/02/22	98.007000	1,000,000	1,014,665.94	2.6250	3130A6ZQ3	12/12/2025	Stifel
FEDL Home Loan Bank Bond	02/13/23	100.011000	1,000,000	1,000,000.00	5.6000	3130AUXK5	3/9/2026	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	04/24/23	99.987000	1,000,000	1,000,000.00	5.1500	3134GYQT2	5/1/2026	Stifel
FEDL Home Loan Bank Bond	06/06/23	100.036000	1,000,000	1,000,000.00	5.5000	3130AWD80	6/12/2026	Stifel
FEDL Home Loan Bank Bond	04/07/22	98.153000	1,000,000	1,006,053.26	3.0000	3130A2VE3	9/11/2026	Stifel
FEDL Home Loan Bank Bond	03/25/24	99.954000	1,000,000	1,000,000.00	5.5000	3130B0LF4	9/21/2026	Stifel
FEDL NATL MTG ASSN Note	06/07/24	99.646000	1,000,000	1,000,000.00	5.2600	3135GATR2	6/10/2027	Stifel
FEDL Home Loan Bank Bond	10/12/22	99.997000	1,000,000	1,000,000.00	5.4100	3130ATN94	10/18/2027	Stifel
FEDL Home Loan Bank Bond	10/12/22	99.846000	1,080,000	1,079,730.00	5.5000	3130ATMD6	10/27/2027	Stifel
FEDL Home Loan MTG Corp Medium Term Note	06/01/23	99.939000	1,000,000	1,000,000.00	5.8500	3134GYTL6	12/14/2027	Stifel
FEDL Home Loan Bank Bond	02/22/23	100.009000	1,000,000	1,000,000.00	5.3000	3130AV4C3	3/9/2028	Stifel
FEDL Home Loan Bank Bond	04/10/23	99.938000	1,000,000	1,000,000.00	5.5000	3130AVMT6	4/28/2028	Stifel
FEDL Home Loan MTG Corp- Pool #WN2479	12/04/23	101.134700	1,000,000	993,437.50	4.9400	3132XGXH4	5/1/2028	Stifel
FEDL Home Loan Bank Bond	05/09/23	99.928000	1,000,000	1,000,000.00	5.0500	3130AVZG0	5/15/2028	Stifel
FEDL NATL MTG ASSN- Pool#BSB8718 Balloon	03/05/24	99.827400	1,000,000	986,562.50	4.3800	3140LKVL4	6/1/2028	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	10/23/23	99.919000	1,000,000	1,000,000.00	6.0000	3134H1HY2	10/30/2028	Stifel
FEDL Home Loan MTG Corp- POOL#WN2537	04/16/24	101.394000	1,000,000	989,687.50	4.9000	3132XGZB5	12/1/2028	Stifel
FEDL Home Loan MTG Corp- Pool#WN2534	02/16/24	101.084600	1,000,000	997,187.50	4.9000	3132XGY83	12/1/2028	Stifel
FEDL Home Loan MTG Corp- POOL#WN2559	4/10/2024	100.771500	1,000,000	979,062.50	4.6000	3132XGZZ2	1/1/2029	Stifel
FEDL Home Loan Bank Bond	01/11/24	99.935000	1,000,000	1,000,000.00	5.5000	3130AYFM3	1/12/2029	Stifel
FEDL Home Loan Bank Bond	01/29/24	100.007000	1,000,000	1,000,000.00	5.4000	3130AYJX5	1/23/2029	Stifel
FEDL Home Loan Bank Bond	01/29/24	100.061000	1,000,000	1,000,000.00	5.3500	3130AYM86	1/24/2029	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	02/12/24	99.875000	1,000,000	1,000,000.00	5.3500	3134H1RV7	2/8/2029	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	02/20/24	99.920000	1,000,000	997,570.00	5.2500	3134H1TX1	2/23/2029	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	02/22/24	100.012000	1,000,000	993,939.00	5.0000	3134H1UK7	2/23/2029	Stifel
FEDL Home Loan MTG Corp - Medium Term Note	03/25/24	99.910000	1,000,000	1,000,000.00	5.6250	3134H1WN9	3/27/2029	Stifel
FEDL NATL MTG ASSN Note	05/14/24	99.968000	1,000,000	1,000,000.00	5.7500	3135GASM4	5/15/2029	Stifel
Tennessee Valley Auth- PWR Bond 1995 SER E	06/30/22	102.684000	1,000,000	1,042,449.56	6.7500	880591CJ9	11/1/2025	Stifel
FEDL Home Loan Bank Bond	5/29/2024	100.002000	1,000,000	1,000,000.00	6.0000	3130B1ME4	6/4/2029	Stifel
<b>Total Federal Home Loan</b>			33,080,000	\$ 33,033,053.51				
Bank of Baroda- New York NY CD	05/09/23	99.958000	245,000	\$ 245,000.00	5.0500	06063HQL0	11/15/2024	Stifel
Greenstate Credit Union- North Liberty IA SH CTF	05/11/23	100.029000	245,000	245,000.00	5.1500	39573LEA2	11/18/2024	Stifel
Oklahoma Fedl CR UN- Oklahoma City OK CD	11/14/22	99.989000	245,000	245,000.00	5.0000	67886WAB3	11/22/2024	Stifel
Tech Credit Union- Crown Point in CD CTF	05/15/23	100.031000	245,000	245,000.00	5.1500	87823TAD0	11/25/2024	Stifel
USAlliance FCU- Rye NY SHS CTF	11/14/22	100.024000	245,000	245,000.00	5.0000	90352RCW3	11/29/2024	Stifel
Cross River Bank- Teaneck NJ CD	06/06/23	100.095000	245,000	245,000.00	5.2500	227563CS0	12/16/2024	Stifel
Americu CR UN- Rome NY SHS CTF	06/13/23	100.145000	245,000	245,000.00	5.3500	03065QAP3	12/23/2024	Stifel
Keypoint CR UN- San Jose CA SHS CTF	12/13/23	100.000000	245,000	245,000.00	5.4000	49332PAC4	12/27/2024	Stifel

Investment Detail as of  
August 2024

Issuer	Purchase Date	Market Price Per Share	Total Original Cost		Coupon	CUSIP	Maturity	Trustee
			Qty	Value				
Jefferson Finl FCU-Metirie LA SHS CTF	06/21/23	100.119000	245,000	\$ 245,000.00	5.2500	474067CH6	12/30/2024	Stifel
Western Alliance Bank-Phoenix AZ CD	06/26/23	100.087000	245,000	245,000.00	5.2500	95763PPD7	1/7/2025	Stifel
Knoxville TVA Employees - Credit Union	04/13/23	98.932000	249,000	236,275.11	1.9500	499724AL6	1/16/2025	Stifel
Live Oak Bkg Co - Wilmington NC CD	03/03/22	98.697000	249,000	248,751.00	1.8500	538036HW7	2/14/2025	Stifel
Corp America Family CU-Elgin IL CD	02/13/24	100.000000	245,000	245,000.00	5.0000	219873AA4	2/21/2025	Stifel
Sound CR UN-Tacoma WA SHS CTF	02/06/23	100.203000	245,000	245,000.00	5.1000	83616HAC8	2/21/2025	Stifel
BMW Bank North America - Salt Lake City UT CD	03/01/22	98.549000	245,000	245,000.00	1.8000	05580AK37	3/4/2025	Stifel
American Express Natl BK - Salt Lake City UT CD	03/01/22	98.508000	245,000	245,000.00	1.8000	02589ABP6	3/10/2025	Stifel
Bethpage FED CR UN-Bethpage NY SHS CTF	04/29/24	100.362000	245,000	245,000.00	5.2500	08756MAA8	5/13/2025	Stifel
NexBank Dallas TX CD	05/09/23	100.134000	245,000	245,000.00	5.0500	653344CD1	5/15/2025	Stifel
Centris FEDL CR UN-Omaha NE SHS CTF	05/09/23	100.243000	245,000	245,000.00	5.0000	15643VAB8	5/24/2025	Stifel
Credit Union of Texas-Allen TX SHS CTF	05/11/23	100.103000	245,000	245,000.00	5.1500	22551KAZ5	5/27/2025	Stifel
First Choice FEDL CR UN-New Castle PA SHS CTF	05/17/23	100.242000	245,000	245,000.00	5.0000	31949HAA9	5/27/2025	Stifel
Lafayette FEDL CR UN-Rockville MD SHS CTF	11/22/23	100.668000	245,000	245,000.00	5.5500	50625LBP7	5/30/2025	Stifel
Barclays Bank DE-Wilmington DE CD	05/24/22	98.799000	245,000	245,000.00	3.0500	06740KQS9	6/2/2025	Stifel
Global Federal CR UN-Anchorage AK SHS CTG	06/06/23	100.458000	245,000	245,000.00	5.2000	37892MAL8	6/16/2025	Stifel
SCE FCU-Irwindale CA SHS CTF	12/13/23	100.315000	245,000	245,000.00	5.0000	78413RAJ6	6/20/2025	Stifel
Community West CR UN-Kentwood MI CD	12/12/22	100.325000	245,000	245,000.00	5.0000	20416JAC8	6/23/2025	Stifel
Oregon CMNTY CR UN-Eugene OR SHS CTF	06/16/23	100.458000	245,000	245,000.00	5.1500	68584JAE9	6/23/2025	Stifel
BMO Harris Bank NA-Chicago IL CD	06/23/22	98.873000	245,000	245,000.00	3.2000	05600XGK0	6/24/2025	Stifel
Liberty Fed CR UN-Evansville IN SHS CTF	07/01/23	100.660000	245,000	245,000.00	5.3000	53052LAW9	7/14/2025	Stifel
American First CR UN-Brea CA SHS CTF	06/30/22	98.903000	245,000	245,000.00	3.2500	02616ABJ7	7/15/2025	Stifel
Valley Strong CR UN-Bakersfield CA SHS CTF	01/04/23	100.017000	245,000	245,000.00	5.1000	920133AL9	7/18/2025	Stifel
Technology CR UN-San Jose CA SH CTF	01/09/23	100.069000	245,000	245,000.00	5.1000	87868YAH6	7/21/2025	Stifel
TTCU Federal CR Union-Tulsa OK CD	07/10/23	100.748000	245,000	245,000.00	5.3500	89854LAE3	7/25/2025	Stifel
Communitywide FEDL CR UN-South Bend IN SHS CTF	08/04/23	100.833000	245,000	245,000.00	5.2000	20416TBD3	8/29/2025	Stifel
Flagstar Bank NA - Hicksville NY CD	06/06/24	100.906000	245,000	245,000.00	5.3000	33847GHY1	9/12/2025	Stifel
First Bank - Hamilton NJ CD	06/06/24	100.775000	245,000	245,000.00	5.1500	319137CJ2	9/18/2025	Stifel
Washington State Bank-Washington IA CD	4/2/2024	100.692000	245,000	245,000.00	5.0000	93974LAG5	10/9/2025	Stifel
First Natl Bank of Amer-East Lansing MI CE	05/16/22	98.430000	245,000	245,000.00	3.0000	32110YXE0	11/28/2025	Stifel
Advantage FEDL CR UN-Rochester NY SHS CTF	08/24/23	101.334000	245,000	245,000.00	5.3000	00790JAD4	12/31/2025	Stifel
Southwest Heritage CU-Odessa TX SHS CTF	06/26/23	101.100000	245,000	245,000.00	5.1000	84503PAF7	1/7/2026	Stifel
Jovia FINL FEDL CR UN - Westbury NY CD	7/2/2024	101.026000	245,000	245,000.00	5.0000	48115LAL8	1/20/2026	Stifel
Marine FEDL CR UN-Jacksonvill NC SHS CTF	08/27/24	100.198000	245,000	245,000.00	4.3500	56824JBB9	2/27/2026	Stifel
Truliant FEDL CR UN-Winston Salem NC SHS CTF	03/09/23	101.438000	245,000	245,000.00	5.1500	89789AAH0	3/23/2026	Stifel
Ally Bank - Midvale UT CD	04/27/22	97.904000	245,000	245,000.00	2.8500	02007GQQ9	5/5/2026	Stifel

Investment Detail as of  
August 2024

Issuer	Purchase Date	Market Price Per Share	Total Original Cost		Coupon	CUSIP	Maturity	Trustee
			Qty	Value				
Morgan Stanley PVT BK NA - Purchase NY CD	05/14/24	101.495000	245,000	\$ 245,000.00	5.0500	61768E3X9	5/22/2026	Stifel
Global FED CR UN - Anchorage AK SHS CTF	05/14/24	101.586000	245,000	245,000.00	5.0500	37892MAP9	5/29/2026	Stifel
JPMorgan Chase Bank NA- Columbus OH CD	06/20/24	100.430000	245,000	245,000.00	5.4000	46657VCG3	6/25/2026	Stifel
Inspire FEDL CR UN- Bristol PA SHS CTF	06/29/23	101.643000	245,000	245,000.00	5.0000	457731AQ0	6/30/2026	Stifel
GESA CR UN- Richland WA CD	07/19/23	102.225000	245,000	245,000.00	5.2500	37424PAH7	7/31/2026	Stifel
Pima FEDL CR UN- Tucson AZ SHS CTF	08/02/23	102.406000	245,000	245,000.00	5.3000	722000AC0	8/17/2026	Stifel
Signature Federal Cred U Kodabank- Drayton ND CD	08/16/23	102.465000	245,000	245,000.00	5.3000	82671DAG2	8/28/2026	Stifel
First NATL Bank- Damariscotta ME CD	03/09/23	101.969000	245,000	245,000.00	5.0000	50007DAC3	9/22/2026	Stifel
Austin Telco Fed CR UN- Austin TX SHS CTF	03/09/23	101.972000	245,000	245,000.00	5.0000	32117BFR4	9/23/2026	Stifel
Baxter CR UN- Vernon Hills IL SHS CTF	11/14/22	102.283000	245,000	245,000.00	5.0500	052392CC9	11/27/2026	Stifel
First Foundation Bank - Irvine CA CD	11/14/22	102.198000	245,000	245,000.00	5.0000	07181JAV6	11/30/2026	Stifel
All in FED CR Union- Daleville AL SHS CTF	06/05/24	102.220000	245,000	245,000.00	5.0625	32026U5X0	12/14/2026	Stifel
State Bank of India - New York NY CD	12/07/22	101.042000	245,000	245,000.00	4.4500	01664MAA4	12/21/2026	Stifel
Pentagon Federal CR UN - Tysons Corner VA	02/01/22	94.868000	245,000	245,000.00	1.7500	856285G21	2/9/2027	Stifel
Sallie Mae Bank - Salt Lake City UT CD	02/02/22	94.698000	245,000	245,000.00	1.7000	70962LBE1	2/18/2027	Stifel
Beal Bank - Las Vegas NV CD	02/16/22	95.853000	245,000	245,000.00	2.2000	795451BH5	2/23/2027	Stifel
Beal Bank - Plano TX CD	03/01/22	95.479000	245,000	245,000.00	2.0500	07371CK81	3/3/2027	Stifel
Medallion Bank - Salt Lake City UT CD	03/01/22	95.479000	245,000	245,000.00	2.0500	07371AZQ9	3/3/2027	Stifel
Capitol One Bank USA NA - Glen Allen VA CD	03/01/22	95.436000	245,000	245,000.00	2.0500	58404DNG2	3/8/2027	Stifel
Synchrony Bank - Draper UT CD	04/07/22	96.915000	245,000	245,000.00	2.7000	14042TFJ1	4/13/2027	Stifel
Capital One NA - McLean VA CD	04/07/22	96.913000	245,000	245,000.00	2.7000	87165FK45	4/14/2027	Stifel
Goldman Sachs Bank USA - New York NY CD	04/27/22	97.733000	245,000	245,000.00	3.0500	14042RRA1	5/4/2027	Stifel
Toyota Finl Svgs Bank- Henderson NV CD	04/27/22	97.723000	245,000	245,000.00	3.0500	38149M6Y4	5/11/2027	Stifel
Morgan Stanley Bank NA- Salt Lake City UT CD	05/09/22	98.095000	245,000	245,000.00	3.2000	89235MNH0	5/17/2027	Stifel
Morgan Stanley PVT BK NA- Purchase NY CD	05/16/22	98.221000	245,000	245,000.00	3.2500	61690UJ68	5/19/2027	Stifel
Discover Bank- Greenwood DE CD	05/16/22	98.221000	245,000	245,000.00	3.2500	61768EJR5	5/19/2027	Stifel
Credit Union New Jersey - Ewing NJ SHS CTF	05/20/22	98.088000	245,000	245,000.00	3.2000	254673E36	5/24/2027	Stifel
Workers FEDL Credit UN- Littleton MA SHS CTF	06/25/24	100.693000	245,000	245,000.00	5.4611	22552BAA9	7/9/2027	Stifel
Rogue Credit Union- Medford OR SHS CTF	08/27/24	100.283000	245,000	245,000.00	4.0000	98138MCK4	8/30/2027	Stifel
Ideal Credit Union- Woodbury MN SHS CTF	11/14/22	100.080000	245,000	245,000.00	5.2000	77535MAE3	11/26/2027	Stifel
Alliant Credit Union- Chicago IL SHS CTF	12/07/22	101.921000	245,000	245,000.00	4.5000	45157PAZ3	12/29/2027	Stifel
Cornerstone Bank- Fargo ND CD	12/20/22	103.018000	245,000	245,000.00	4.8500	01882MAA0	12/30/2027	Stifel
Connexus Credit Union- Wausau WI SHS CTF	05/01/23	100.892000	245,000	245,000.00	-	219232CR4	5/10/2028	Stifel
First FEDL S&L ASSN - Lakewood OH CD	06/05/23	100.053000	245,000	245,000.00	5.4000	20825WBN9	6/15/2028	Stifel
	06/20/24	101.167000	245,000	245,000.00	5.3589	32023HBV9	6/28/2028	Stifel



Investment Detail as of  
August 2024

Issuer	Purchase Date	Market Price Per Share	Total Original Cost		Coupon	CUSIP	Maturity	Trustee
			Qty	Value				
CY Fair FCU- Houston TX SHS CTF	06/26/23	101.225000	245,000	\$ 245,000.00	5.3000	23248UAC1	7/14/2028	Stifel
Numerica Credit Union- Spokane VLY WA SHS CTF	07/12/23	104.512000	245,000	245,000.00	5.1000	67054NBK8	7/31/2028	Stifel
GHS FED CR UN- Binghamton NY SHS CTF	08/02/23	100.792000	245,000	245,000.00	5.6000	36266LAB2	8/17/2028	Stifel
Tucson FEDL CR UN- Tucson AZ CD	09/01/23	104.273000	245,000	245,000.00	5.0000	898812AC6	9/8/2028	Stifel
Money One FCU- Largo MD SHS CTF	09/01/23	104.293000	245,000	245,000.00	5.0000	60936TAL3	9/14/2028	Stifel
Dannemora FED CR UN- Plattsburgh NY CD	12/20/23	100.345000	245,000	245,000.00	5.3000	236334AD0	12/28/2028	Stifel
Bridgewater Bank - Bloomington MN CD	06/20/24	100.492000	245,000	245,000.00	5.3500	108622PX3	6/28/2029	Stifel
ClearPath FED CR UN - Burbank CA SHS CTF	07/09/24	100.817000	245,000	245,000.00	5.4000	18507MAD3	7/30/2029	Stifel
Altaone FED CR UN - Ridgecrest CA SHS CTF	8/27/2024	100.000000	245,000	245,000	3.8500	02157RAC1	9/13/2029	Stifel
<b>Total Certificates of Deposit</b>			21,568,000	\$ 21,555,026.11				

<b>Stifel Securities</b>	<b>62,648,000.00</b>	<b>\$ 62,508,897.68</b>
<b>Stifel Cash</b>		1,961,717.67
<b>Stifel Total Value of Portfolio</b>	<b>62,648,000.00</b>	<b>\$ 64,470,615.35</b>

**CITY OF COVINA**  
**Investment Transaction Summary**  
**for the Month Ended August 31, 2024**

**Purchased Investments**

Qty	Purch Date	Maturity	Date of Disposition	Share Price at Purchase Date	Net Trade Amount	Cost Basis		Accrued Interest	Issuer	CUSIP	Held by
						Value	Market Value				
10,000	08/12/24	8/12/2027		100.000000	\$ 1,000,000.00	\$1,000,000.00	\$ 1,000,000.00		FEDL Farm Credit Bank Bond	3133ERNS6	Stifel
2,450	8/27/2024	9/13/2029		100.000000	245,000.00	245,000.00	245,000.00		Altaone FED CR UN - Ridgecrest CA SHS CTF	02157RAC1	Stifel
2,450	8/27/2024	2/27/2026		100.000000	245,000.00	245,000.00	245,000.00		Marine FEDL CR UN- Jacksonvill NC SHS CTF	56824JBB9	Stifel
2,450	08/27/24	8/30/2027		100.000000	245,000.00	245,000.00	245,000.00		Workers FEDL Credit UN- Littleton MA SHS CTF	98138MCK4	Stifel
<b>Total</b>					<b>\$ 1,735,000.00</b>	<b>\$1,735,000.00</b>	<b>\$ 1,735,000.00</b>	<b>-</b>			

**Sold/Matured Investments**

Qty	Purch Date	Maturity	Date of Disposition	Share Price at Sale / Maturity Date	Original Cost Value	Par Value at Sale/Maturity	Gain / (Loss) on		Issuer	CUSIP	Held by
							Sale / Redemption	Interest Earnings Since Purchase			
10,000	02/05/24	2/9/2029	8/9/2024	100.000000	1,000,000.00	1,000,000.00	-	27,500.00		3134H1RR6	Stifel
10,000	02/06/23	2/24/2028	8/26/2024	100.000000	1,000,000.00	1,000,000.00	-	82,500.00		3130AUTV6	Stifel
10,000	05/17/23	5/25/2028	8/26/2024	100.000000	1,000,000.00	1,000,000.00	-	69,222.22		3130AW5P1	Stifel
2,450	06/23/22	8/30/2024	8/30/2024	100.000000	245,000.00	245,000.00	-	17,011.73		87164DTM2	Stifel
<b>Total</b>					<b>\$ 3,245,000.00</b>	<b>\$3,245,000.00</b>	<b>\$ -</b>	<b>\$196,233.95</b>			

**Net Revenue Analysis - for Period Ending August 31, 2024**

Period	Interest Revenue
Previous Month	\$239,956.41
Previous 12 mos.	\$2,707,179.68

California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

September 11, 2024

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

CITY OF COVINA

CITY TREASURER  
 125 E. COLLEGE STREET  
 COVINA, CA 91723-2199

[Tran Type Definitions](#)

**Account Number:** 98-19-219

August 2024 Statement

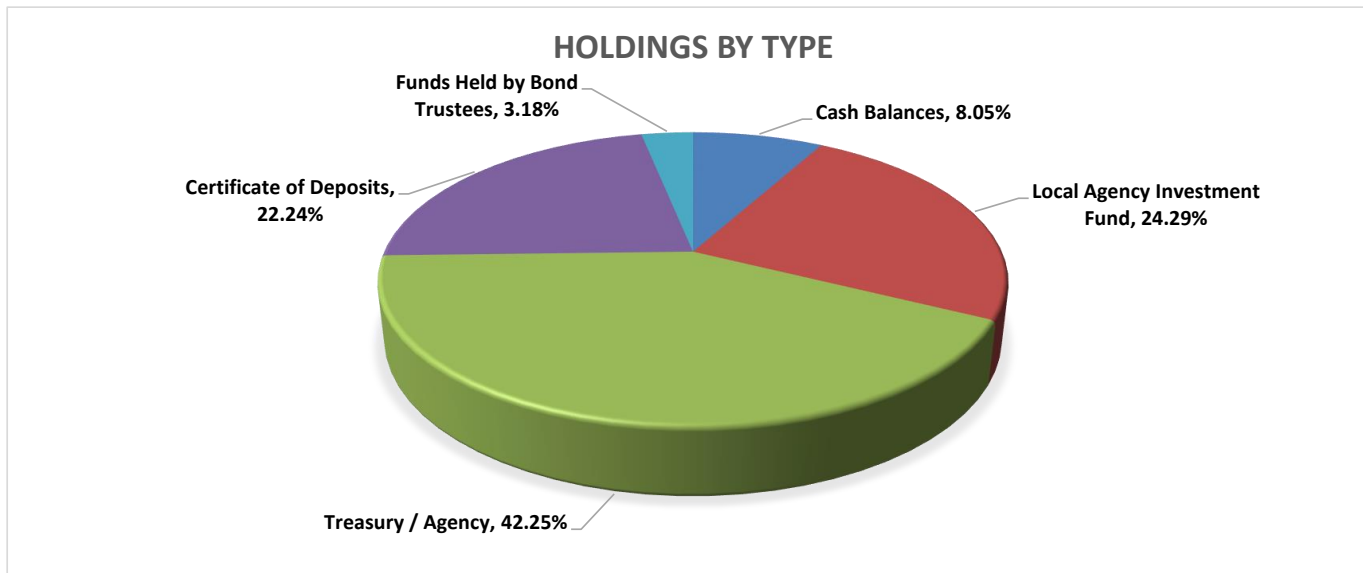
Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
8/16/2024	8/15/2024	RD	1758645	1719159	THERESA FRANKE	10,100,000.00
8/19/2024	8/19/2024	RD	1758674	1719193	THERESA FRANKE	1,400,000.00
8/20/2024	8/20/2024	RW	1758732	1719254	THERESA FRANKE	-5,100,000.00
8/28/2024	8/27/2024	RW	1758951	1719478	THERESA FRANKE	-2,000,000.00

**Account Summary**

Total Deposit:	11,500,000.00	Beginning Balance:	19,143,379.31
Total Withdrawal:	-7,100,000.00	Ending Balance:	23,543,379.31

**CITY OF COVINA**  
**Cash & Investment Holdings by Type as of August 31, 2024**

	Statement Balance	Total Percentage
Cash Balances	\$7,802,523	8.05%
Local Agency Investment Fund	23,543,379	24.29%
Treasury / Agency	40,953,872	42.25%
Certificate of Deposits	21,555,026	22.24%
Funds Held by Bond Trustees	3,077,739	3.18%
<b>Total</b>	<b>\$96,932,539</b>	<b>100.00%</b>



\*Average Investment coupon rate: 4.62% (based on weighted average of Original Cost Value)

**SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY INVESTMENT REPORT  
FOR THE MONTH ENDED AUGUST 31, 2024**

<b>CASH AND INVESTMENT BALANCE</b>	<b>7/31/2024</b>	<b>\$5,738,638.90</b>
RECEIPTS	8/1/24-8/31/24	0.00
DISBURSEMENTS	8/1/24-8/31/24	<u>(5,100,000.00)</u>
<b>CASH AND INVESTMENT BALANCE</b>	<b>8/31/2024</b>	<b><u><u>\$638,638.90</u></u></b>
 <b>ANALYSIS OF CASH AND INVESTMENT BALANCE</b>		
CHECKING ACCOUNT		\$73,817.64
LOCAL AGENCY INVESTMENT FUND	Attachment A-6	564,821.26
<b>AVAILABLE CASH BALANCES</b>		<b><u><u>\$638,638.90</u></u></b>
 CASH HELD BY BOND TRUSTEES		 <u>0.00</u>
<b>TOTAL CASH AND INVESTMENT / BOND TRUSTEE CASH BALANCE</b>	<b>8/31/2024</b>	<b><u><u>\$638,638.90</u></u></b>

The purpose of this report is to provide readers with the overall cash position of the Successor Agency to the Covina Redevelopment Agency (Agency). There is sufficient investment liquidity to meet the pooled expenditures of all Agency's funds for the next 6 months.

**SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY  
CASH AND INVESTMENT SUMMARY  
FOR THE MONTH ENDED AUGUST 31, 2024**

TYPE OF INVESTMENT	ISSUER	BANK VALUE	ACQUISITION DATE	DATE	MARKET VALUE
<b>Successor Agency to the Covina Redevelopment Agency:</b>					
Checking Account	BMO	\$73,817.64	N/A	Demand	\$73,817.64
Local Agency Investment Fund	State of California	564,821.26		Demand	564,821.26
Subtotal (A)		<b>\$638,638.90</b>			<b>\$638,638.90</b>
<b>Cash Held With 3rd Party Administrator:</b>					
(1) 2013 Series A Tax Allocation Bonds Fiscal Agent: U.S. Bank	U.S. Bank*	\$0.0	N/A	Demand	(\$0.00)
(2) 2014 Series A Tax Allocation Bonds Fiscal Agent: U.S. Bank	U.S. Bank*	0.00	N/A	Demand	0.00
(3) 2004 Series B Tax Allocation Bonds Fiscal Agent: U.S. Bank	U.S. Bank*	0.00	N/A	Demand	0.00
Subtotal (B)		<b>(\$0.00)</b>			<b>(\$0.00)</b>
<b>TOTAL (A+B)</b>		<b>\$638,638.90</b>			<b>\$638,638.90</b>

The purpose of this schedule is to show the total cash and investments held by the Successor Agency to the Covina Redevelopment Agency by account.

\* Formerly BNY Mellon

# California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund  
P.O. Box 942809  
Sacramento, CA 94209-0001  
(916) 653-3001

September 11, 2024

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

S/A CITY OF COVINA FOR COVINA  
REDEVELOPMENT AGENCY  
FINANCE DIRECTOR  
125 EAST COLLEGE STREET  
COVINA, CA 91723-2199

[Tran Type Definitions](#)

**Account Number:** 65-19-007

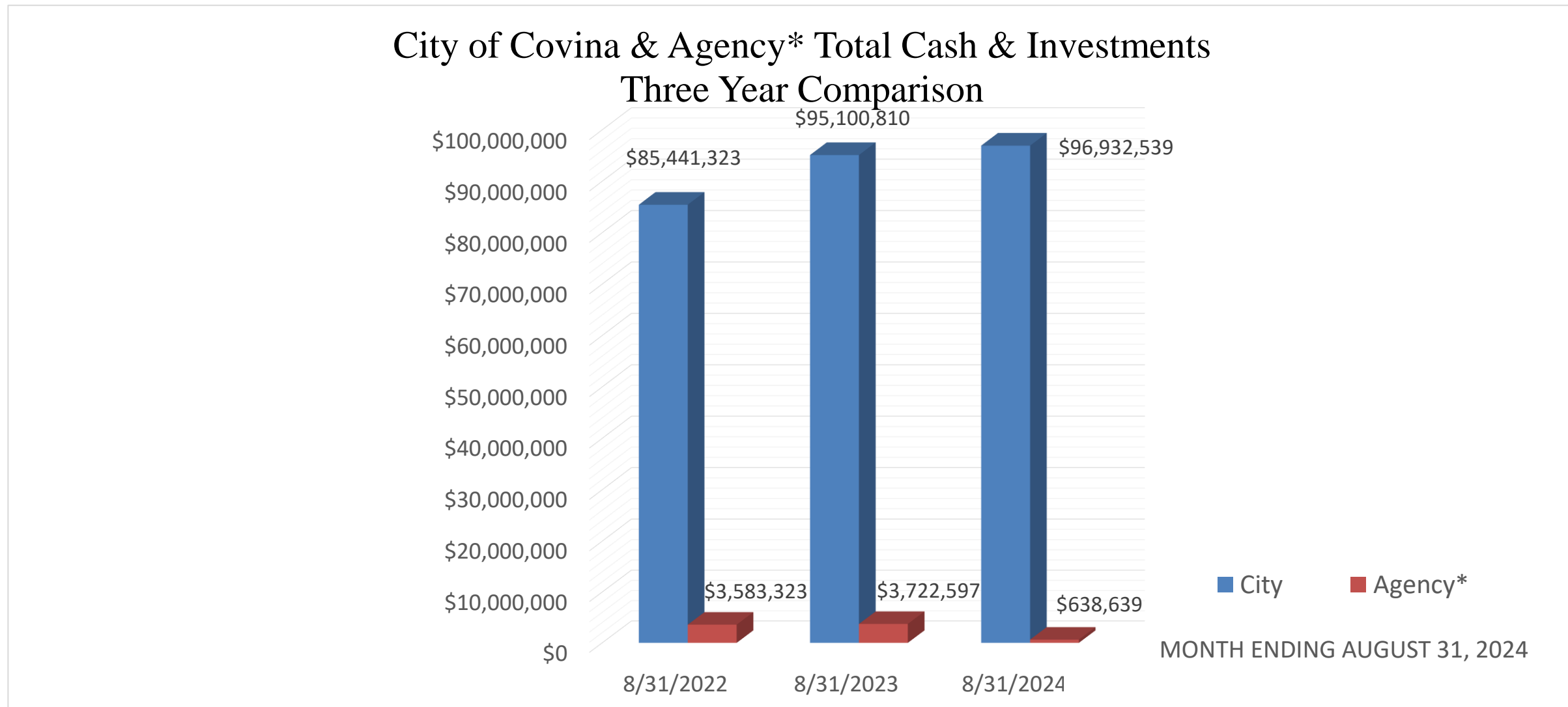
August 2024 Statement

### Account Summary

Total Deposit:	0.00	Beginning Balance:	564,821.26
Total Withdrawal:	0.00	Ending Balance:	564,821.26

**CITY OF COVINA AND SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY  
Cash and Investments Three Year Comparison as of August 31, 2024**

<b>Quarter Ending</b>	<b>City</b>	<b>Agency*</b>
<b>8/31/2022</b>	<b>\$85,441,323</b>	<b>\$3,583,323</b>
<b>8/31/2023</b>	<b>\$95,100,810</b>	<b>\$3,722,597</b>
<b>8/31/2024</b>	<b>\$96,932,539</b>	<b>\$638,639</b>



The purpose of this schedule is to show, for comparison purposes, the total cash and investment values for the last 3 years.

\*Successor Agency to Covina Redevelopment Agency





# State of California Pooled Money Investment Account Market Valuation 8/31/2024

Description	Carrying Cost Plus Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 38,762,111,485.82	\$ 39,291,586,739.00	NA
Notes	\$ 55,200,844,865.61	\$ 55,236,928,686.50	\$ 364,480,741.50
Federal Agency:			
SBA	\$ 240,366,494.48	\$ 245,583,041.80	\$ 1,164,809.28
MBS-REMICs	\$ 1,368,214.04	\$ 1,350,447.78	\$ 5,968.72
Debentures	\$ 7,848,894,725.68	\$ 7,837,807,600.00	\$ 84,163,902.00
Debentures FR	\$ -	\$ -	\$ -
Debentures CL	\$ 2,050,000,000.00	\$ 2,054,902,550.00	\$ 25,868,040.00
Discount Notes	\$ 25,189,108,930.46	\$ 25,528,006,150.00	NA
Supranational Debentures	\$ 2,599,568,038.71	\$ 2,601,212,350.00	\$ 28,168,764.00
Supranational Debentures FR	\$ -	\$ -	\$ -
CDs and YCDs FR	\$ -	\$ -	\$ -
Bank Notes			
CDs and YCDs	\$ 13,350,000,000.00	\$ 13,358,112,156.40	\$ 225,375,180.58
Commercial Paper	\$ 9,467,742,041.75	\$ 9,590,637,541.71	NA
Corporate:			
Bonds FR	\$ -	\$ -	\$ -
Bonds	\$ 842,474,470.22	\$ 836,522,823.00	\$ 8,086,743.53
Repurchase Agreements	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -
Time Deposits	\$ 5,259,000,000.00	\$ 5,259,000,000.00	NA
PMIA & GF Loans	\$ 418,402,000.00	\$ 418,402,000.00	NA
<b>TOTAL</b>	<b>\$ 161,229,881,266.77</b>	<b>\$ 162,260,052,086.19</b>	<b>\$ 737,314,149.61</b>

Fair Value Including Accrued Interest \$ 162,997,366,235.80

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).





# CC Regular Meeting AGENDA ITEM REPORT

**Meeting:** September 17, 2024  
**Title:** 2024 Conflict of Interest Code Biennial Update  
**Presented by:** Fabian Velez, Chief Deputy City Clerk  
**Recommendation:** Adopt Resolution CC 2024-85.

**EXECUTIVE SUMMARY:**

Under the Political Reform Act, all public agencies are required to adopt a conflict of interest code designating positions required to file Statement of Economic Interests (Form 700), and assigning disclosure categories specifying the types of interests to be reported. The Form 700 is a public document intended to inform public officials and members of the public about the types off financial interests that may create conflicts of interests. The conflict of interest code must be reviewed every two years to determine if it is accurate and up-to-date, or if it needs to be amended. The Political Reform Act requires the 2024 Conflict of Interest Code Biennial Notice (Attachment A) to be filed with the agency’s code-reviewing body by October 1, 2024.

**DISCUSSION:**

In accordance with Government Code Section 87306.5, a review has been conducted of the City Conflict of Interest Code applicable to the City Council, the Successor Agency to the Covina redevelopment Agency, the Covina Public Financing Agency and the Covina Housing Authority.

On June 18, 2024, the 2024 Local Biennial Notice form was distributed to the Department Directors for Review. Upon Review, it was determined that changes to the City’s current Conflict of Interest Code are necessary. It is therefore required that the City amend its Conflict of Interest Code to reflect its current structure. Deletions are noted by strike-through and additions are in boldface type in the current code (Attachment B) for City Council consideration. The following is a breakdown of each amendment:

Department	Position	Change
Administration	Information Technology Coordinator	Remove
	Senior Information Technology Coordinator	Remove
	Deputy City Manager	Add
Finance	Deputy Director, Administrative Services - Finance	Add
Human Resources/Risk Management	Deputy Director, Administrative Services – Human Resources	Add
	Management Analyst Trainee	Add
Community Development	Associate Planner	Remove
	Building Official	Remove
	City Planner	Remove
	General Building Inspector I/II	Remove
	Senior Management Analyst	Remove
	Senior Housing/CDBG Development Manager	Remove
	Senior Planner	Remove
	Deputy Director of Community Development/Building Official	Add
	Planning Manager	Add

	Administrative Technician	Add
	Economic Development Manager	Add
	Senior Neighborhood Preservation Officer	Add
	Neighborhood Preservation Officer	Add
Parks & Recreation/Library	Management Analyst	Changing of disclosure category
	Parks and Recreation Manager	Remove
	Recreation and Library Services Manager	Add
Public Works	Parks Maintenance Superintendent	Remove
	Deputy Director, Public Works – Operations and Transportation	Add
	Deputy Director, Public Works/City Engineer	Add
	Parks & Building Superintendent	Add
	Equipment Maintenance Superintendent	Add
Records Management	Deputy City Clerk/Records Manager	Add

**FISCAL IMPACT:**

There is no fiscal impact associated with the updating of the Conflict of Interest Code.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

Not applicable.

Respectfully submitted,

  
 Fabian Velez  
 Chief Deputy City Clerk

# 2024 Local Agency Biennial Notice

Name of Agency: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone No. \_\_\_\_\_

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

**Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.**

This agency has reviewed its conflict of interest code and has determined that *(check one BOX)*:

**An amendment is required. The following amendments are necessary:**

*(Check all that apply.)*

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other *(describe)* \_\_\_\_\_

**The code is currently under review by the code reviewing body.**

**No amendment is required.** (If your code is over five years old, amendments may be necessary.)

---

## Verification (to be completed if no amendment is required)

*This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.*

\_\_\_\_\_  
*Signature of Chief Executive Officer*

\_\_\_\_\_  
*Date*

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2024**, or by the date specified by your agency, if earlier, to:

*(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)*

**PLEASE DO NOT RETURN THIS FORM TO THE FPPC.**



## 2024 REVISIONS

### DESIGNATED EMPLOYEES

The positions listed below are designated positions and the individual occupying each position is deemed to make, or participate in the making of, decisions which may have a material effect on a financial interest of that individual. The individuals occupying the designated positions shall disclose their economic interests in accordance with the corresponding disclosure categories, defined in Exhibit B.\*

DEPARTMENT	POSITION	DISCLOSURE CATEGORIES
Administration		
	Assistant City Manager	1, 2
	Assistant to the City Manager	1, 2
	City Attorney (not filing under GC 87200)	1, 2
	<del>Information Technology Coordinator</del>	5
	Information Technology Services Manager	5
	<del>Senior Information Technology Coordinator</del>	5
	<b>Deputy City Manager</b>	<b>1, 2</b>
Finance		
	Accounting Supervisor	1, 4, 6
	Director of Administrative Services	1, 2, 4, 6
	Finance Director	1, 2, 4, 6
	Finance Manager	1, 4, 6
	Management Analyst	1, 4, 6
	<b>Deputy Director, Administrative Services - Finance</b>	<b>1, 2, 4, 6</b>
Human Resources/Risk Management		
	Human Resources Analyst	5
	Human Resources Director	5
	Human Resources Manager	5
	Risk Manager	5
	Senior Management Analyst	5
	Senior Human Resources Analyst	5
	<b>Deputy Director, Administrative Services – Human Resources</b>	<b>1, 2, 4, 6</b>
	<b>Management Analyst Trainee</b>	<b>5</b>
Community Development		
	Assistant Planner	2, 3, 6
	<del>Associate Planner</del>	<del>1, 2, 3</del>
	<del>Building Official</del>	<del>3, 5, 6</del>
	<del>City Planner</del>	<del>1, 2, 3</del>
	Director of Community Development	1, 2, 3
	<del>General Building Inspector I/II</del>	<del>3, 6</del>
	Management Analyst	2, 3, 6

\*This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position.

Community Development Continued		
	Senior Management Analyst	2, 3, 6
	Planning Technician	2, 3, 6
	Senior Housing/CDBG Development Manager	2, 3, 5
	Senior Planner	1, 2, 3
	<b>Deputy Director of Community Development/Building Official</b>	<b>3, 5, 6</b>
	<b>Planning Manager</b>	<b>1, 2, 3</b>
	<b>Administrative Technician</b>	<b>2, 3, 6</b>
	<b>Economic Development Manager</b>	<b>1, 2, 3</b>
	<b>Senior Neighborhood Preservation Officer</b>	<b>2, 3, 6</b>
	<b>Neighborhood Preservation Officer</b>	<b>2, 3, 6</b>
Parks & Recreation/Library		
	Director of Parks & Recreation and Library Services	1
	Library Services Supervisor	5
	Management Analyst	4 5
	<del>Parks and Recreation Manager</del>	<del>4</del>
	Parks and Recreation Supervisor	5
	Recreation Coordinator	5
	<b>Recreation and Library Services Manager</b>	<b>1</b>
Police		
	Police Captain	5
	Police Chief	5
	Police Lieutenant	5
Public Works		
	Assistant Civil Engineer	5, 6
	Assistant Public Works Director	2, 3, 5
	Associate Civil Engineer	2, 3, 5, 6
	City Engineer	1, 2
	Environmental Services Manager	5
	Equipment Maintenance Supervisor	5
	Management Analyst	5
	<del>Parks Maintenance Superintendent</del>	<del>5</del>
	Public Works Director	1, 2
	Public Works Manager	5
	Senior Equipment Mechanic	5
	Senior Maintenance Foreman	5
	Senior Management Analyst	5
	Street/Sewer Superintendent	5
	Water Distribution Supervisor	5
	Water Utility Superintendent	5
	Water Systems Supervisor	5
	<b>Deputy Director, Public Works – Operations and Transportation</b>	<b>5</b>
	<b>Deputy Director, Public Works/City Engineer</b>	<b>5</b>
	<b>Parks &amp; Building Superintendent</b>	<b>5</b>



	<b>Equipment Maintenance Superintendent</b>	<b>5</b>
Records Management		
	Chief Deputy City Clerk	5
	City Clerk	5
	Deputy City Clerk	5
	<b>Deputy City Clerk/Records Manager</b>	<b>5</b>
Members of Board and Commissions		
	Finance Advisory Commission	1, 2
	Library Board of Trustees	1, 2
	Parks and Recreation Commission	1, 2
	Traffic and Parking Advisory Commission	1, 2

<b>DEPARTMENT</b>	<b>POSITION</b>	<b>DISCLOSURE CATEGORIES</b>
Other		
	Consultants and New Positions	*

\*Consultants shall be defined as and disclose their economic interests in accordance with the corresponding disclosure categories as defined in Exhibit B.

**ARTICLE II FILERS**

**Government Code Section 87200 et seq. [Regs. § 18700.3(b)]**

The Mayor and City Councilmembers (also serve as the Successor Agency to the Covina Redevelopment Agency, Covina Public Financing Authority, and the Covina Housing Authority), Planning Commission, the City Manager, the City Attorney, and the City Treasurer, are NOT included as “designated positions” as the disclosure obligations for these positions are set forth by Government Code Section 87200, et seq. Listed below for reference are their disclosure categories.

<b>POSITION</b>	<b>DISCLOSURE CATEGORY</b>
Mayor and City Councilmembers	Reference GC 87200-87210
Planning Commissioners	Reference GC 87200-87210
City Manager	Reference GC 87200-87210
City Attorney	Reference GC 87200-87210
City Treasurer	Reference GC 87200-87210

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

**Government Code Section 87200 et seq. [Regs. § 18700.3(b)(1)]**

It has been determined that the positions listed below are Other City Officials Who Manage Public Investments. Listed below for reference are their disclosure categories.

<b>POSITION</b>	<b>DISCLOSURE CATEGORY</b>
Finance Director	Reference GC 87200-87210
Financial Consultant	Reference GC 87200-87210



## **RESOLUTION CC 2024-85**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AMENDING THE CITY OF COVINA CONFLICT OF INTEREST CODE AND RESCINDING RESOLUTION CC 2022-83**

**WHEREAS**, the Covina City Council previously adopted Resolution CC 2022-83, adopting by reference the model Conflict of Interest Code set for in Section 18730 of the California Code of Regulations; and

**WHEREAS**, the City Council desires to add positions that must be designated; revise the titles of existing positions; revise the disclosure categories of existing positions; and delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA,  
CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** Any resolutions in conflict with this resolution are hereby rescinded and repealed.

**SECTION 2.** The Political Reform Act, Government Code Section §81000, et seq., requires State and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference and which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 Cal. Code of Regs. Section 18730 and any amendments thereto duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Exhibit A in which public officials and employees are designated and Exhibit B in which disclosure categories are set forth, constitute the Conflict of Interest Code of the City of Covina, which is considered the “agency” within the purview of this code.

**SECTION 3.** Designated employees and officials who manage public investments shall file their statements with the Chief Deputy City Clerk, who shall be and perform the duties of filing officer for the City of Covina. Statements will be available for inspection and reproduction pursuant to Government Code Section 81008. Statements for all designated employees and officials who manage public investments will be retained by the Chief Deputy City Clerk.

**SECTION 4.** Exhibit A (Listing Government Code Section 87200 et seq. [Regs §18730(b)(3)] Article II Filers, Officials Who Manage Public Investments and Designated Employees and their disclosure categories) attached hereto amends and supersedes all previous versions of this attachment to the City’s Conflict of Interest Code.

**SECTION 5.** Exhibit B (Explanation of disclosure categories) amends and supersedes all previous versions of this attachment to the City’s Conflict of Interest Code.

**SECTION 6.** The City Clerk shall certify to the passage and adoption of this resolution

and shall enter the same in the Book of Original Resolutions.

**SECTION 7.** The City Clerk is hereby directed to forward a copy of this resolution to the Human Resources Manager of the City.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September, 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTEST:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-85 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

## 2024 REVISIONS

### DESIGNATED EMPLOYEES

The positions listed below are designated positions and the individual occupying each position is deemed to make, or participate in the making of, decisions which may have a material effect on a financial interest of that individual. The individuals occupying the designated positions shall disclose their economic interests in accordance with the corresponding disclosure categories, defined in Exhibit B.\*

DEPARTMENT	POSITION	DISCLOSURE CATEGORIES
Administration		
	Assistant City Manager	1, 2
	Assistant to the City Manager	1, 2
	City Attorney (not filing under GC 87200)	1, 2
	Deputy City Manager	1, 2
	Information Technology Services Manager	5
Finance		
	Accounting Supervisor	1, 4, 6
	Deputy Director, Administrative Services - Finance	1, 2, 4, 6
	Director of Administrative Services	1, 2, 4, 6
	Finance Director	1, 2, 4, 6
	Finance Manager	1, 4, 6
	Management Analyst	1, 4, 6
Human Resources/Risk Management		
	Deputy Director, Administrative Services – Human Resources	1, 2, 4, 6
	Human Resources Analyst	5
	Human Resources Director	5
	Human Resources Manager	5
	Management Analyst Trainee	5
	Risk Manager	5
	Senior Management Analyst	5
	Senior Human Resources Analyst	5
Community Development		
	Administrative Technician	2, 3, 6
	Assistant Planner	2, 3, 6
	Deputy Director of Community Development/Building Official	3, 5, 6
	Director of Community Development	1, 2, 3
	Economic Development Manager	1, 2, 3
	Management Analyst	2, 3, 6

\*This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position.

Community Development Continued		
	Neighborhood Preservation Officer	2, 3, 6
	Planning Manager	1, 2, 3
	Planning Technician	2, 3, 6
	Senior Neighborhood Preservation Officer	2, 3, 6
Parks & Recreation/Library		
	Director of Parks & Recreation and Library Services	1
	Library Services Supervisor	5
	Management Analyst	4 5
	Parks and Recreation Supervisor	5
	Recreation Coordinator	5
	Recreation and Library Services Manager	1
Police		
	Police Captain	5
	Police Chief	5
	Police Lieutenant	5
Public Works		
	Assistant Civil Engineer	5, 6
	Assistant Public Works Director	2, 3, 5
	Associate Civil Engineer	2, 3, 5, 6
	Deputy Director, Public Works/City Engineer	5
	Deputy Director, Public Works – Operations and Transportation	5
	City Engineer	1, 2
	Environmental Services Manager	5
	Equipment Maintenance Superintendent	5
	Equipment Maintenance Supervisor	5
	Management Analyst	5
	Parks & Building Superintendent	5
	Public Works Director	1, 2
	Public Works Manager	5
	Senior Equipment Mechanic	5
	Senior Maintenance Foreman	5
	Senior Management Analyst	5
	Street/Sewer Superintendent	5
	Water Distribution Supervisor	5
	Water Utility Superintendent	5
	Water Systems Supervisor	5

Records Management		
	Chief Deputy City Clerk	5
	City Clerk	5
	Deputy City Clerk	5
	Deputy City Clerk/Records Manager	5
Members of Board and Commissions		
	Finance Advisory Commission	1, 2
	Library Board of Trustees	1, 2
	Parks and Recreation Commission	1, 2
	Traffic and Parking Advisory Commission	1, 2

DEPARTMENT	POSITION	DISCLOSURE CATEGORIES
Other		
	Consultants and New Positions	*

\*Consultants shall be defined as and disclose their economic interests in accordance with the corresponding disclosure categories as defined in Exhibit B.

**ARTICLE II FILERS**

**Government Code Section 87200 et seq. [Regs. § 18700.3(b)]**

The Mayor and City Councilmembers (also serve as the Successor Agency to the Covina Redevelopment Agency, Covina Public Financing Authority, and the Covina Housing Authority), Planning Commission, the City Manager, the City Attorney, and the City Treasurer, are NOT included as “designated positions” as the disclosure obligations for these positions are set forth by Government Code Section 87200, et seq. Listed below for reference are their disclosure categories.

POSITION	DISCLOSURE CATEGORY
Mayor and City Councilmembers	Reference GC 87200-87210
Planning Commissioners	Reference GC 87200-87210
City Manager	Reference GC 87200-87210
City Attorney	Reference GC 87200-87210
City Treasurer	Reference GC 87200-87210

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

**Government Code Section 87200 et seq. [Regs. § 18700.3(b)(1)]**

It has been determined that the positions listed below are Other City Officials Who Manage Public Investments. Listed below for reference are their disclosure categories.

POSITION	DISCLOSURE CATEGORY
Finance Director	Reference GC 87200-87210
Financial Consultant	Reference GC 87200-87210

## Exhibit B

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.\* Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the City.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the City.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside the jurisdiction of the City.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction, or the acquisition or sale of real property within the jurisdiction of the City.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the City.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, which are subject to the regulatory, permit, or licensing authority of the designated position's department, unit or division.

#### **Consultants: Disclosure Requirements<sup>1</sup>**

<b>Designated Consultants</b>	<b>Disclosure Requirements</b>
<b>Consultants who make (not just recommend) governmental decisions</b> , such as whether to approve a rate, rule, or regulation, whether to issue, deny, suspend, or revoke any permit, license, application, certificate or similar authorization, adopt or	All reportable <u>interests in real property</u> in the jurisdiction; reportable <u>income and business positions</u> ; reportable <u>investments</u> ; and reportable <u>gifts</u> , unless the City Manager determines in writing that a particular consultant is hired to perform a range of duties



grant City approval to a plan, design, report, study, or adopt or grant City approval of policies, standards, or guidelines for the City or any subdivision thereof.	that is limited in scope and thus is not required to fully comply with the disclosure requirements described in the section. <sup>2</sup>
<b>Consultants who serve in a staff capacity with the City</b> , and in that capacity <u>participate in making a governmental decision by providing information, an opinion, or a recommendation</u> for the purpose of affecting the decision <u>without significant intervening substantive review</u> .	Disclosure required at the same level as a comparable designated position in the same or similar City Department identified elsewhere in this Code.
<b>Consultants who perform the same or substantially all the same duties for the City</b> that would otherwise be performed by an individual holding a designated position in the City's Conflict of Interest Code.	Disclosure required at the same level as the comparable designated position identified elsewhere in this Code.

\*This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position. (Reg. 18730.1)

When the consultant is a corporation or partnership, only individuals who fit into one of the three categories of "Designated Consultants" must file disclosure statements.

<sup>1</sup> If the City Manager determines in writing that a particular consultant is not required to fully comply with the requisite disclosure requirements, then such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The City Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.





## CC Regular Meeting **AGENDA ITEM REPORT**

**Meeting:** September 17, 2024  
**Title:** Approval of the Transfer Agreement between Los Angeles County Flood Control District and City of Covina for the Safe, Clean Water Municipal Program  
**Presented by:** Rafael Fajardo, Interim Director of Public Works  
**Recommendation:** Adopt Resolution CC 2024-84 authorizing the City Manager to enter into the Transfer Agreement between Los Angeles County Flood Control District and City of Covina for the Safe, Clean Water Municipal Program.

### **EXECUTIVE SUMMARY/BACKGROUND:**

In November 2018, Measure W was passed by Los Angeles County voters. Also known as the Safe, Clean Water ballot measure, Measure W generates funding for the implementation of activities that increase storm water capture and reduce storm water pollution. The first annual parcel tax was collected by LA County for FY 2019-20.

Safe, Clean Water (SCW) Program funds are distributed by LA County as follows: Ten percent (10%) to the Los Angeles County Flood Control District (LACFCD) to fund County-wide education programs as well as administration of the program; fifty percent (50%) to the nine watershed areas to fund regional multi-benefit projects; and forty percent (40%) to municipalities within the LACFCD. Out of the 40% due to municipalities, Covina's share has been approximately \$730,000 per year.

In order for LA County to disburse the 40% that is due to municipalities, each city must execute a Transfer Agreement with LACFCD. The existing Transfer Agreement between the City and LACFCD covered the first four years of the SCW Program. The proposed subsequent Transfer Agreement will cover the next four years, specifically FY 2024-25 through FY 2027-28.

Upon execution of the Transfer Agreement (Attachment A), LACFCD will annually disburse the City's SCW Program payment. Based on the revenue collected from Covina parcels, it is anticipated the City should receive approximately \$730,000 annually to offset storm water related expenses.

### **DISCUSSION:**

The SCW Program collects a special parcel tax of 2.5 cents per square foot of impermeable surface areas on private property within the LACFCD.

SCW Program funds, in accordance with program guidelines, may be used by cities to offset allowable storm water pollution prevention expenditures. In addition, cities must file annual reports and annual plans, hold funds in a separate interest-bearing account, and conduct an audit every three years to be posted on the LACFCD's publicly accessible website.

Since inception of the SCW Program, Covina has been able to use Program funds to pay for routine street sweeping, catch basin cleaning, storm water education and outreach, waterway testing, and related administration. The SCW Program has also funded select capital improvements such as catch basin debris screens, and the installation of roadway bioswales to reduce urban runoff pollution.

Resolution CC 2024-84 (Attachment B) authorizes the City Manager to execute the Transfer Agreement between the City of Covina and the Los Angeles County Flood Control District for the Safe, Clean Water Municipal Program. Upon full execution of the Transfer Agreement, LA County will disperse the respective payments to the City for FY 2024-25 through FY 2027-28.

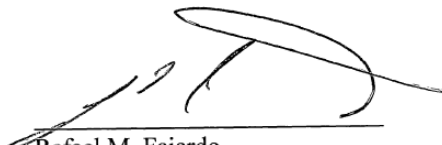
**FISCAL IMPACT:**

Execution of the proposed Transfer Agreement will allow the City of Covina to receive approximately \$730,000 annually in available Safe, Clean Water Municipal Program funds from LA County's Measure W. There are no impacts to the General Fund.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

The action is exempt from the provisions of the California Environmental Quality Act (CEQA).

Respectfully submitted,



Rafael M. Fajardo  
Interim Director of Public Works/City Engineer

**TRANSFER AGREEMENT BETWEEN  
 THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT AND COVINA  
 AGREEMENT NO. 2024MP19  
 SAFE, CLEAN WATER PROGRAM – MUNICIPAL PROGRAM**

This Transfer Agreement, hereinafter referred to as "Agreement," is entered into as of

\_\_\_\_\_ by and between the Los Angeles County Flood Control District, hereinafter referred to as "District," and Covina, hereinafter referred to as "Municipality."

**WHEREAS**, District, pursuant to the Los Angeles Region Safe, Clean Water (SCW) Program ordinance (Chapter 16 of the Los Angeles County Flood Control District Code) and the SCW Program Implementation Ordinance (Chapter 18 of the Los Angeles County Flood Control District Code), administers the SCW Program for the purpose of funding Projects and Programs to increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution in the District;

**WHEREAS**, pursuant to Section 16.04.A.2. of the Los Angeles County Flood Control District Code, forty percent (40%) of annual SCW Program tax revenues shall be allocated to Municipalities within the District, in the same proportion as the amount of revenues collected within each Municipality, to be expended by those cities within the cities' respective jurisdictions and by the County within the unincorporated areas that are within the boundaries of the District, for the implementation, operation and maintenance, and administration of Projects and Programs, in accordance with the criteria and procedures established in this Chapters 16 and 18 of the Los Angeles County Flood Control District Code;

**WHEREAS**, pursuant to Section 16.05.A.1. of the Los Angeles County Flood Control District Code, prior to their receipt of SCW Program funds, Municipalities must enter into an agreement with the District to transfer SCW Program funds;

**WHEREAS**, the County of Los Angeles Board of Supervisors has approved a standard template Agreement, as required by and in accordance with Section 18.09 of the Los Angeles County Flood Control District Code, for the transfer of SCW Program funds to Municipalities.

**NOW, THEREFORE**, in consideration of the promises, mutual representations, covenants and agreements in this Agreement, the District and the Municipality, each binding itself, its successors and assigns, do mutually promise, covenant, and agree as follows:

**I. DEFINITIONS**

The definitions set forth in Sections 16.03 and 18.02 of the Los Angeles County Flood Control District Code shall apply to this Agreement. In addition, the following definitions shall also apply:

"Agreement" means this Transfer Agreement, including all exhibits and attachments hereto.

"Annual Plan" means the plan referred to in Section 18.09.B.5 of the Code that includes the contents specified in Exhibit A.

"Code" means the Los Angeles County Flood Control District Code. "Days" means calendar days unless otherwise expressly indicated.

"Fiscal Year" means the period of twelve (12) months terminating on June 30 of any year.

"Safe Clean Water (SCW) Program Payment" means the Municipality's annual allocation of SCW Program funds as described in Section 16.04.A.2. of the Code disbursed by the District to the Municipality.

"Year" means calendar year unless otherwise expressly indicated.

**II. PARTY CONTACTS**

The District and the Municipality designate the following individuals as the primary points of contact and communication regarding the Municipal Program and the administration and implementation of this Agreement.

Los Angeles County Flood Control District		Municipality: Covina	
Name:	Haris Harouny	Name:	
Address:	900 S Fremont Ave, Alhambra, CA 91803	Address:	
Phone:	(626) 300-2620	Phone:	

Email: hharouny@dpw.lacounty.gov	Email:
----------------------------------	--------

Either party to this Agreement may change the individual identified as the primary point of contact above by providing written notice of the change to the other party.

**III. EXHIBITS INCORPORATED BY REFERENCE**

The following exhibits to this Agreement, including any amendments and supplements hereto, are hereby incorporated herein and made a part of this Agreement:

- EXHIBIT A – ANNUAL PLAN CONTENTS
- EXHIBIT B – GENERAL TERMS AND CONDITIONS
- EXHIBIT C – NATURE-BASED SOLUTIONS (Best Management Practices)
- EXHIBIT D – OPERATIONS AND MAINTENANCE GUIDANCE DOCUMENT

**IV. MUNICIPAL PROGRAM IMPLEMENTATION**

- A. The Municipality shall annually prepare and submit to the District, an Annual Plan. The Annual Plan shall be submitted not later than 90-days prior to the start of the Fiscal Year for which the Plan is prepared.
- B. The Municipality shall utilize the SCW Program Payments in compliance with Chapters 16 and 18 of the Code.
- C. The Municipality shall comply with the terms and conditions in Exhibits B, C, and D, of this Agreement, and all applicable provisions of Chapters 16 and 18 of the Code, specifically including, without limitation, Section 18.06.

**V. SCW PROGRAM PAYMENTS TO MUNICIPALITIES**

- A. SCW Program Payments will generally be available for disbursement by December 31, provided a duly executed transfer agreement is in effect and subject to the Municipality's compliance with the conditions described in paragraph B, below; however the District may, in its discretion, change the date and number of the actual disbursements for any Fiscal Year based on the amount and timing of revenues actually collected by the District.
- B. The District shall disburse the Municipality's SCW Program Payment upon satisfaction of the following conditions: (1) the District has received the Annual Progress/Expenditure Report required pursuant to Section 18.06.D of the Code; (2) the District has received Municipality's Annual Plan for that Fiscal Year, and (3) the Municipality has complied with the audit requirements of Section B-6 of Exhibit B.
- C. Notwithstanding any other provision of this Agreement, no disbursement shall be made at any time or in any manner that is in violation of or in conflict with federal, state, County laws, policies, or regulations.
- D. All disbursements shall be subject to and be made in accordance with the terms and conditions in this Agreement and Chapters 16 and 18 of the Code.

**VI. TERM OF AGREEMENT**

This Agreement shall expire at the end of the 2027-28 Fiscal Year. The parties shall thereafter enter into a new agreement based on the most recent standard template agreement approved by the Board.

**VII. EXECUTION OF AGREEMENT**

This Agreement may be executed simultaneously or in any number of counterparts, including both counterparts that are executed manually on paper and counterparts that are in form of electronic records and are executed electronically, whether digital or encrypted, each of which shall be deemed an original and together shall constitute one and the same instrument.

The District and the Municipality hereby agree to regard facsimile/electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on this Agreement and on any addenda or amendments thereto, delivered or sent via facsimile or electronic mail or other electronic means, as legally sufficient evidence that such original signatures have been affixed to this Agreement and any addenda or amendments thereto such that the parties need not follow up facsimile/electronic transmissions of such documents with subsequent (non-facsimile/electronic) transmission of "original" versions of such documents.

Further, the District and the Municipality: (i) agree that an electronic signature of any party may be used to authenticate this Agreement or any addenda or amendment thereto, and if used, will have the same force and effect as a manual signature; (ii) acknowledge that if an electronic signature is used, the other party will rely on such signature as binding the party using signature, and (iii) hereby waive any defenses to the enforcement of the terms of this agreement based on the foregoing forms of signature.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

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

Name:

Title:

Date: \_\_\_\_\_

LOS ANGELES COUNTY  
FLOOD CONTROL DISTRICT:

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

Name:

Title:

Date: \_\_\_\_\_

## **EXHIBIT A – ANNUAL PLAN CONTENTS**

- A-1. Description of all projects anticipated to be funded using the SCW Program Payment. Include a discussion of how the projects will result in the achievement of one or more SCW Program Goals, including quantitative targets and corresponding metrics for subsequent reporting of all applicable parameters.
- A-2. Description of all programs anticipated to be funded using the SCW Program Payment. Include a discussion of how the programs will result in the achievement of one or more SCW Program Goals; including quantitative targets and corresponding metrics for subsequent reporting of all applicable parameters.
- A-3. Description of all operation and maintenance activities anticipated to be funded using the SCW Program Payment. Include a discussion of how those activities will result in the achievement of one or more SCW Program Goals. Additional operation and maintenance activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-4. Description of the stakeholder and community outreach/engagement activities anticipated to be funded with the SCW Program Payment, including discussion of how local NGOs or CBOs will be involved, if applicable, and if not, why. Additional outreach/engagement activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-5. Description of post-construction monitoring for projects completed using the SCW Program Payment. Additional post-construction monitoring activities, even if funded by other sources, should be referenced to provide an overview of anticipated overall project approach.
- A-6. Provide the status of any projects that have been awarded (or are seeking award of) Institute for Sustainable Infrastructure (ISI) verification, if applicable.
- A-7. Provide the budget for the activities described in provisions A1 through A-5 SCW Program Payment.



## EXHIBIT B – GENERAL TERMS AND CONDITIONS

### B-1. Accounting and Deposit of Funding Disbursement

1. SCW Program Payments distributed to the Municipality shall be held in a separate interest-bearing account and shall not be combined with other funds. Interest earned from each account shall be used by the Municipality only for eligible expenditures consistent with the requirements of the SCW Program.
2. The Municipality shall not be entitled to interest earned on undisbursed SCW Program Payments; interest earned prior to disbursement is property of the District.
3. The Municipality shall operate in accordance with Generally Accepted Accounting Principles (GAAP).
4. The Municipality shall be strictly accountable for all funds, receipts, and disbursements for their SCW Program Payment.

### B-2. Acknowledgement of Credit and Signage

The Municipality shall include appropriate acknowledgement of credit to the District's Safe, Clean Water Program for its support when promoting activities funded with SCW Program funds or using any data and/or information developed SCW Program funds. When the SCW Program Payment is used, in whole or in part, for construction of an infrastructure Project, signage shall be posted in a prominent location at Project site(s) or at the Municipality's headquarters and shall include the Safe, Clean Water Program color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Los Angeles County Flood Control District's Safe, Clean Water Program." At a minimum the sign shall be 2' x 3' in size. The Municipality shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

When the SCW Program Payment is used, in whole or in part, for a scientific study, the Municipality shall include the following statement in the study report: "Funding for this study has been provided in full or in part from the Los Angeles County Flood Control District's Safe, Clean Water Program." The Municipality shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this paragraph.

### B-3. Acquisition of Real Property - Covenant

Any real property acquired in whole or in part with SCW Program funds shall be used for Projects and Programs that are consistent with the SCW Program Goals and with the provisions of Chapter 16 and 18 of the Code.

Any Municipality that acquires the fee title to real property using, in whole or in part, SCW Program funds shall record a document in the office of the Registrar-Recorder/County

Clerk containing a covenant not to sell or otherwise convey the real property without the prior express written consent of the District, which consent shall not be unreasonably withheld.

### B-4. Amendment

Except as provided in Section II of the Agreement, no amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. No oral or written understanding or agreement not incorporated in this Agreement is binding on any of the parties.

### B-5. Assignment

The Municipality shall not assign this Agreement.

### B-6. Audit and Recordkeeping

1. The Municipality shall retain for a period of seven (7) years, all records necessary in accordance with Generally Accepted Accounting Principles to determine the amounts expended, and eligibility of Projects implemented using SCW Program Payments. The Municipality, upon demand by authorized representatives of the District, shall make such records available for examination and review or audit by the District or its authorized representatives. Records shall include accounting records, written policies and procedures, contract files, original estimates, correspondence, change order files, including documentation covering negotiated settlements, invoices, and any other supporting evidence deemed necessary to substantiate charges related to SCW Program Payments and expenditures.
2. The Municipality is responsible for obtaining an independent audit to determine compliance with the terms and conditions of this Agreement and all requirements applicable to the Municipality contained in chapters 16 and 18 of the Code. Municipality shall obtain an independent audit of their SCW Program Payments every three (3) years. Audits shall be funded with Municipal Program funds.
3. Municipality shall file a copy of all audit reports by the ninth (9<sup>th</sup>) month from the end of each three (3) year period

to detail the preceding three (3) years of expenditures. Audit reports shall be posted on the District's publicly accessible website. Due date example below.

Every Third Fiscal Year		
Fiscal Year	Audit Begins	Audit Report Due to District
2023-24	7/1/2027	No later than 3/31/2028

4. Upon reasonable advanced request, the Municipality shall permit the Chief Engineer to examine the infrastructure Projects using SCW Program Payments. The Municipality shall permit the authorized District representative, including the Auditor-Controller, to examine, review, audit, and transcribe any and all audit reports, other reports, books, accounts, papers, maps, and other records that relate to the SCW Program Payments. Examination activities are considered District administration of the SCW Program.
5. Expenditures determined by an audit to be in violation of any provision of Chapters 16 or 18 of the Code, or of this Agreement, shall be subject to the enforcement and remedy provisions of Section 18.14 of the Code.

**B-7. Availability of Funds**

District's obligation to disburse the SCW Program Payment is contingent upon the availability of sufficient funds to permit the disbursements provided for herein. If sufficient funds are not available for any reason including, but not limited to, failure to fund allocations necessary for disbursement of the SCW Program Payment, the District shall not be obligated to make any disbursements to the Municipality under this Agreement. This provision shall be construed as a condition precedent to the obligation of the District to make any disbursements under this Agreement. Nothing in this Agreement shall be construed to provide the Municipality with a right of priority for disbursement over any other Municipality. If any disbursements due to the Municipality under this Agreement are deferred because sufficient funds are unavailable, it is the intention of the District that such disbursement will be made to the Municipality when sufficient funds do become available, but this intention is not binding. If this Agreement's funding for any Fiscal Year is reduced or deleted by order of the Board, the District shall have the option to either cancel this Agreement with no liability occurring to the District or offer an amendment to the Municipality to reflect the reduced amount.

**B-8. Choice of Law**

The laws of the State of California govern this Agreement.

**B-9. Claims**

Any claim of the Municipality is limited to the rights, remedies, and claims procedures provided to the Municipality under this Agreement. Municipal expenditures of a SCW Program Payment that involves the District shall utilize a separate and specific agreement to that Project that includes appropriate indemnification superseding that in this Agreement.

**B-10. Compliance with SCW Program**

The Municipality shall comply with and require its contractors and subcontractors to comply with all provisions of Chapters 16 and 18 of the Code.

**B-11. Compliance with Law, Regulations, etc.**

The Municipality shall, at all times, comply with and require its contractors and subcontractors to comply with all applicable local, state and federal laws, rules, guidelines, regulations, and requirements.

**B-12. Continuous Use of Municipal Projects; Lease or Disposal of Municipal Projects**

The Municipality shall not abandon, substantially discontinue use of, lease, or dispose of all or a significant part or portion of any Project funded in whole or in part with SCW Program Payments during the useful life (defined as 30 years unless specified otherwise in annual plans and subsequent reports) of the Project without prior written approval of the District. Such approval may be conditioned as determined to be appropriate by the District, including a condition requiring repayment of a pro rata amount of the SCW Program Payments used to fund the Project together with interest on said amount accruing from the date of lease or disposal of the Project.

**B-13. Disputes**

Should a dispute arise between the parties, the party asserting the dispute will notify the other parties in writing of the dispute. The parties will then meet and confer within 21 calendar days of the notice in a good faith attempt to resolve the dispute.

If the matter has not been resolved through the process set forth in the preceding paragraph, any party may initiate mediation of the dispute. Mediation will be before a retired judge or mediation service mutually agreeable to the parties.

All costs of the mediation, including mediator fees, will be paid one-half by the District and one-half by the Municipality. SCW Program Payments shall not be used to pay for any costs of the mediation.

The parties will attempt to resolve any dispute through the process set forth above before filing any action relating to the dispute in any court of law.

**B-14. Final Inspection and Certification of Registered Professional**

Upon completion of the design phase and before construction of a project, the Municipality shall provide certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist) that the design has been completed.

Upon completion of the project, the Municipality shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Agreement.

**B-15. Force Majeure.**

In the event that Municipality is delayed or hindered from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials not related to the price thereof, riots, insurrection, war, or other reasons of a like nature beyond the control of the Municipality, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

**B-16. Funding Considerations and Exclusions**

1. All expenditures of SCW Program Payments by Municipality must comply with the provisions of Chapters 16 and 18 of the Los Angeles County Flood Control District Code, including but not limited to the provisions regarding eligible expenditures contained in Section 16.05.A.2 and the provision regarding ineligible expenditures contained in Section 16.05.A.3.
2. SCW Program Payments shall not be used in connection with any Project implemented as an Enhanced Compliance Action ("ECA") and/or Supplemental Environmental Project ("SEP") as defined by State Water Resources Control Board Office of Enforcement written policies, or any other Project implemented pursuant to the settlement of an enforcement action or to offset monetary penalties imposed by the State Water Resources Control Board, a Regional Water Quality Control Board, or any other regulatory authority; provided, however, that SCW funds may be used for a Project implemented pursuant to a time schedule order ("TSO") issued by the Los Angeles Regional Water Quality Control Board if, at the time the TSO was issued, the Project was included in an approved watershed management program (including enhanced watershed management programs) developed pursuant to the MS4 Permit.

**B-17. Indemnification**

The Municipality shall indemnify, defend and hold harmless the District, the County of Los Angeles and their elected and appointed officials, agents, and employees from and against any and all liability and expense, including defense costs, legal fees, claims, actions, and causes of action for damages of any nature whatsoever, including but not limited to bodily injury, death, personal injury, or property damage, arising from or in conjunction with: (1) any Project or Program implemented by the Municipality, in whole or in part, with SCW Program Payments or (2) any breach of this Agreement by the Municipality.

**B-18. Independent Actor**

The Municipality, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the District.

The Municipality shall not contract work with a contractor who is in a period of debarment from any agency within the District. (LACC Chapter 2.202)

**B-19. Integration**

This is an integrated Agreement. This Agreement is intended to be a full and complete statement of the terms of the agreement between the District and Municipality, and expressly supersedes any and all prior oral or written agreements, covenants, representations and warranties, express or implied, concerning the subject matter of this Agreement.

**B-20. Lapsed Funds**

1. The Municipality shall be able to carry over uncommitted SCW Program Payments for up to five (5) years from

- the end of the fiscal year in which those funds are transferred from the District to the Municipality.
2. If the Municipality is unable to expend the SCW Program Payment within five (5) years from the end of the fiscal year in which those funds are transferred from the District to the Municipality, then lapsed funding procedures will apply. Lapsed funds are funds that were transferred to the Municipality but were not committed to eligible expenditures by the end of the fifth (5th) fiscal year after the fiscal year in which those funds were transferred from the District.
  3. Lapsed funds shall be allocated by the Watershed Area Steering Committee of the respective Watershed Area to a new Project with benefit to that Municipality, if feasible in a reasonable time frame, or otherwise to the Watershed Area.
  4. In the event that funds are to lapse, due to circumstances beyond the Municipality's control, then the Municipality may request an extension of up to twelve (12) months in which to commit the funds to eligible expenditures. Extension Requests must contain sufficient justification and be submitted to the District in writing no later than three (3) months before the funds are to lapse.
  5. The decision to grant an extension is at the sole discretion of the District.
  6. Funds still uncommitted to eligible expenditures after an extension is granted will be subject to lapsed funding procedures without exception. Example Below.

<b>Fiscal Year Transferred</b>	<b>Funds Lapse After</b>	<b>Extension Request Due</b>	<b>Commit By</b>
2019-20	6/30/2025	No later than 3/31/2025	No later than 6/30/2026

**B-21. Municipal Project Access**

Upon reasonable advance request, the Municipality shall ensure that the District or any authorized representative, will have safe and suitable access to the site of any Project implemented by the Municipality in whole or in part with SCW Program Payments at all reasonable times.

**B-22. Non-Discrimination**

The Municipality agrees to abide by all federal, state, and County laws, regulations, and policies regarding non-discrimination in employment and equal employment opportunity.

**B-23. No Third-Party Rights**

The parties to this Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or of any duty, covenant, obligation, or undertaking established herein

**B-24. Notice**

1. The Municipality shall notify the District in writing within five (5) working days of the occurrence of the following:
  - a. Bankruptcy, insolvency, receivership or similar event of the Municipality; or
  - b. Actions taken pursuant to State law in anticipation of filing for bankruptcy.
2. The Municipality shall notify the District within ten (10) working days of any litigation pending or threatened against the Municipality regarding its continued existence, consideration of dissolution, or reincorporation.
3. The Municipality shall notify the District promptly of the following:
  - a. Any significant deviation from the submitted Annual Plan for the current Fiscal Year, including discussion of any major changes to the scope of funded projects or programs, noteworthy delays in implementation, reduction in benefits or community engagement, and/or modifications that change the SCW Program Goals intended to be accomplished.
  - b. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Municipality agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the District has determined what actions should be taken to protect and preserve the resource. The Municipality agrees to implement appropriate actions as directed by the District.
  - c. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by District representatives with at least fourteen (14) days' notice to the District.

**B-25. Municipality's Responsibility for Work**

The Municipality shall be responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Municipality shall be responsible for responding to any and all disputes arising out of its contracts for work on the Project. The District will not mediate disputes between the Municipality and any other entity concerning responsibility for

performance of work.

#### B-26. Reporting

The Municipality shall be subject to and comply with all applicable requirements of the District regarding reporting requirements. Municipalities shall report available data through the SCW Reporting Module, once available.

1. Annual Progress/Expenditure Reports. The Municipality shall submit Annual Progress/Expenditure Reports, using a format provided by the District, within six (6) months following the end of the Fiscal Year to the District to detail the activities of the prior year. The Annual Progress/Expenditure Reports shall be posted on the District's publicly accessible website and on the Municipality's website. The Annual Progress/Expenditure Report shall include:
  - a. Amount of funds received;
  - b. Breakdown of how the SCW Program Payment has been expended;
  - c. Documentation that the SCW Program Payment was used for eligible expenditures in accordance with Chapters 16 and 18 of the Code;
  - d. Description of activities that have occurred, milestones achieved, and progress made to date, during the applicable reporting period including comparison to the Annual Plan and corresponding metrics;
  - e. Discussion of any existing gaps between what was planned and what was achieved for the prior year, include any lessons learned;
  - f. Description of the Water Quality Benefits, Water Supply Benefits, and Community Investment Benefits and a summary of how SCW Program Payments have been used to achieve SCW Program Goals for the prior year, including graphical representation of available data and specific metrics to demonstrate the benefits being achieved through the years' investments.
  - g. Discussion of alignment with other local, regional, and state efforts, resources, and plans, as applicable. This includes discussion of opportunities for addressing additional SCW Program Goals, leveraging SCW Program Goals, and increasing regional capacity to supplement the SCW Program.
  - h. Additional financial or Project-related information in connection with activity funded in whole or in part using SCW Program Payments as required by the District.
  - i. Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), that projects implemented with SCW Program Payments were conducted in accordance with Chapters 16 and 18 of the Code.
  - j. Report on annual and total (since inception of program) benefits provided by programs and projects funded by SCW Program Payment. This includes comparisons to annual plans and alignment with corresponding specific quantitative targets and metrics (note that SCW Reporting Module will facilitate calculation of benefits and graphical representation of pertinent data):
    - i. Annual volume of stormwater captured and treated
    - ii. Annual volume of stormwater captured and reused
    - iii. Annual volume of stormwater captured and recharged to a managed aquifer
    - iv. Annual creation, enhancement, or restoration of Community Investment Benefits. If none, discuss considerations explored and reasons to not include.
    - v. Annual acreage increases in Nature-Based Solutions and claimed level of NBS (with matrix demonstrating determination of good, better, best, as outlined in Exhibit C). If none, discuss considerations explored and reasons to not include.
    - vi. Annual expenditures providing DAC Benefits. If none, discuss considerations explored and reasons to not include.
2. Documentation of the Community Outreach and Engagement utilized for and/or achieved with the SCW Program Payment described in the Annual Plan Exhibit A. This information must be readily accessible to members of the public.
3. As Needed Information or Reports. The Municipality agrees to promptly provide such reports, data, and information as may be reasonably requested by the District including, but not limited to material necessary or appropriate for evaluation of the SCW Program or to fulfill any reporting requirements of the County, state or federal government.

#### B-27. Representations, Warranties, and Commitments

The Municipality represents, warrants, and commits as follows:

1. Authorization and Validity. The execution and delivery of this Agreement, including all incorporated documents, by the individual signing on behalf of Municipality, has been duly authorized by the governing body of Municipality, as applicable. This Agreement constitutes a valid and binding obligation of the Municipality, enforceable in accordance with its terms, except as such enforcement may be limited by law.
2. No Violations. The execution, delivery, and performance by the Municipality of this Agreement, including all incorporated documents, do not violate any provision of any law or regulation in effect as of the date set forth on the first page hereof, or result in any breach or default under any contract, obligation, indenture, or other instrument

to which the Municipality is a party or by which the Municipality is bound as of the date set forth on the first page hereof.

3. No Litigation. There are no pending or, to the Municipality's knowledge, threatened actions, claims, investigations, suits, or proceedings before any governmental authority, court, or administrative agency which affect the Municipality's ability to complete the Annual Plan.
4. Solvency. None of the transactions contemplated by this Agreement will be or have been made with an actual intent to hinder, delay, or defraud any present or future creditors of the Municipality. As of the date set forth on the first page hereof, the Municipality is solvent and will not be rendered insolvent by the transactions contemplated by this Agreement. The Municipality is able to pay its debts as they become due.
5. Legal Status and Eligibility. The Municipality is duly organized and existing and in good standing under the laws of the State of California. The Municipality shall at all times maintain its current legal existence and preserve and keep in full force and effect its legal rights and authority.
6. Good Standing. The Municipality must demonstrate it has not failed to comply with previous County and/or District audit disallowances within the preceding five years.

#### B-28. Travel

Any reimbursement for necessary ground transportation and lodging shall be at rates not to exceed those set by the California Department of Human Resources; per diem costs will not be eligible expenses. These rates may be found at <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred by the Municipality. No travel outside the Los Angeles County Flood Control District region shall be reimbursed unless prior written authorization is obtained from the Program Manager.

#### B-29. Unenforceable Provision

In the event that any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable, the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

#### B-30. Withholding of Disbursements and Material Violations

Notwithstanding any other provision of this Agreement, the District may withhold all or any portion of the SCW Program Payment for any Fiscal Year in the event that:

1. The Municipality has violated any provision of this Agreement; or
2. The Municipality fails to maintain reasonable progress in achieving SCW Program Goals, following an opportunity to cure.
3. Failure to remain in Good Standing, described in Section B-26 of Exhibit B.
4. Failure to submit annual reports on meeting SCW Program Goals.

**EXHIBIT C – NATURE BASED SOLUTIONS (NBS) BEST MANAGEMENT PRACTICES**

Municipalities shall consider incorporation of Nature-based solutions (NBS) into their projects. NBS refers to the sustainable management and use of nature for undertaking socio-environmental challenges, including climate change, water security, water pollution, food security, human health, and disaster risk management. As this environmental management practice is increasingly incorporated into projects for the SCW Program, this guidance document may be expanded upon to further quantify NBS practices based on benefits derived from their incorporation on projects. The SCW Program defines NBS as a Project that utilizes natural processes that slow, detain, infiltrate or filter Stormwater or Urban Runoff. These methods may include relying predominantly on soils and vegetation; increasing the permeability of Impermeable Areas; protecting undeveloped mountains and floodplains; creating and restoring riparian habitat and wetlands; creating rain gardens, bioswales, and parkway basins; enhancing soil through composting, mulching; and, planting trees and vegetation, with preference for native species. NBS may also be designed to provide additional benefits such as sequestering carbon, supporting biodiversity, providing shade, creating and enhancing parks and open space, and improving quality of life for surrounding communities. NBS include Projects that mimic natural processes, such as green streets, spreading grounds and planted areas with water storage capacity. NBS may capture stormwater to improve water quality, collect water for reuse or aquifer recharge, or to support vegetation growth utilizing natural processes.

Municipalities are to include in each Annual Progress/Expenditure Report whether and how their project achieves a good, better, or best for each of the 6 NBS methods in accordance with the guidance below. Additionally, Annual Progress/ Expenditure Reports should include discussion on any considerations taken to maximize the class within each method. If at least 3 methods score within a single class, the overall project can be characterized as that class. Municipalities must attach a copy of the matrix for each project with the good, better, or best column indicated for each method, to facilitate District tracking of methods being utilized.

METHODS	GOOD	BETTER	BEST
Vegetation/Green Space	Use of climate appropriate, eco-friendly vegetation (groundcover, shrubs, and trees) / green space 5%-15% covered by new climate-appropriate vegetation	Use of native, climate appropriate, eco-friendly vegetation (groundcover, shrubs, and trees) / green space 16%-35% covered by new native vegetation	Establishment of plant communities with a diversity of native vegetation (groundcover, shrubs, and trees) / green space that is both native and climate-appropriate More than 35% covered by new native vegetation
Increase of Permeability	Installation of vegetated landscape – 25%-49% paved area removed Redesign of existing impermeable surfaces and/or installation of permeable surfaces (e.g. permeable pavement and infiltration trenches)	Installation of vegetated landscape – 50%-74% paved area removed Improvements of soil health (e.g., compaction reduction)	Installation of vegetated landscape – 75%-100% paved area removed Creation of well-connected and self-sustained natural landscapes with healthy soils, permeable surfaces, and appropriate vegetation
Protection of Undeveloped Mountains & Floodplains	<ul style="list-style-type: none"> <li>● Preservation of native vegetation</li> <li>● Minimal negative impact to existing drainage system</li> </ul>	<ul style="list-style-type: none"> <li>● Preservation of native vegetation</li> <li>● Installation of new feature(s) to improve existing drainage system</li> </ul>	<ul style="list-style-type: none"> <li>● Creation of open green space</li> <li>● Installation of features to improve natural hydrology</li> </ul>

<p>Creation &amp; Restoration of Riparian Habitat &amp; Wetlands</p>	<ul style="list-style-type: none"> <li>● Partial restoration of existing riparian habitat and wetlands</li> <li>□ Planting of climate appropriate vegetation between 11 and 20 different climate appropriate or native plant species newly planted</li> <li>● No potable water used to sustain the wetland</li> </ul>	<ul style="list-style-type: none"> <li>● Full restoration of existing riparian habitat and wetlands</li> <li>● Planting of native vegetation - between 21 and 40 different native plant species newly planted</li> <li>● No potable water used to sustain the wetland</li> </ul>	<ul style="list-style-type: none"> <li>● Full restoration and expansion of existing riparian habitat and wetlands</li> <li>Planting of plant communities with a diversity of native vegetation – between 41 and 50 different native plant species newly planted</li> <li>● No potable water used to sustain the wetland</li> </ul>
<p>New Landscape Elements</p>	<p>Elements designed to capture runoff for other simple usage (e.g. rain gardens and cisterns), capturing the 85th percentile 24-hour storm event for at least 50% of the entire parcel</p>	<p>Elements that design to capture/redirect runoff and filter pollution (e.g. bioswales and parkway basins), capturing the 85th percentile 24-hour storm event from the entire parcel</p>	<p>Large sized elements that capture and treat runoff to supplement or replace existing water systems (e.g. wetlands, daylighting streams, groundwater infiltration, floodplain reclamation), capturing the 90th percentile 24-hour storm event from the entire parcel and/or capturing off-site runoff</p>
<p>Enhancement of Soil</p>	<p>Use of soil amendments such as mulch and compost to retain moisture in the soil and prevent erosion Planting of new climate appropriate vegetation to enhance soil organic matter</p>	<p>Use of soil amendments such as mulch and compost that are locally generated to retain moisture in the soil, prevent erosion, and support locally based composting and other soil enhancement activities Planting of new native, climate-appropriate vegetation to enhance soil organic matter</p>	<p>Use of soil amendments such as mulch and compost that are locally generated, especially use of next-generation design with regenerative adsorbents (e.g. woodchips, biochar) to retain moisture in the soil, prevent erosion, and support on-site composting and other soil enhancement activities Planting of new native, climate appropriate vegetation to enhance soil organic matter</p>



## EXHIBIT D – OPERATIONS AND MAINTENANCE GUIDANCE DOCUMENT

Municipalities shall operate and maintain infrastructure projects for the useful life of the project and are to consider using the following guidance for operations and maintenance for infrastructure projects. Operational maintenance is the care and upkeep of Projects that may require detailed technical knowledge of the Project's function and design. Project specific operational and maintenance plans shall consider the activities listed below and set forth specific activities and frequencies (not limited to those below) as determined to be appropriate by the Municipalities and best practices, including stakeholder engagement as applicable. Operational maintenance is to be performed by the operator of the Project with a purpose to make the operator aware of the state of readiness of the Project to deliver stormwater and urban runoff benefits.

### 1. Litter Control

- Regular removal of litter, nonhazardous waste materials, and accumulated debris near planted areas, rock areas, decomposed granite areas, rest areas, fence perimeters, adjoining access roads and driveways, drains, pedestrian trails, viewing stations, shelter houses, and bicycle pathways.
- Regular inspection and maintenance of pet waste stations.
- Maintaining trash receptacles.
- Removal of trash, debris, and blockages from bioswales.
- Inspection and cleaning of trash booms.
- Inspection of weir gates and stop logs to clean debris, as required.

### 2. Vegetation Maintenance

- Weed control
  - Recognition and removal of weeds, such as perennial weeds, morning glory, vine-type weeds, ragweed, and other underground spreading weeds.
  - Avoiding activities that result in weed seed germination (e.g. frequent soil cultivation near trees or shrubs).
  - Regular removal of weeds from landscape areas, including from berms, painted areas, rock areas, gravel areas, pavement cracks along access roads and driveways, drains, pedestrian trails, viewing stations, park shelters, and bicycle paths.
- Tree and shrubbery trimming and care
  - Removal of dead trees and elimination of diseased/damaged growth.
  - Prevent encroachment of adjacent property and provide vertical clearance.
  - Inspect for dead or diseased plants regularly.
- Wetland vegetation and landscape maintenance
  - Installation and maintenance of hydrophytic and emergent plants in perennially wet and seasonal, intermittent habitats.
  - Draining and drawdown of wetland and excessive bulrush removal
  - Weed and nuisance plant control.
  - Removal of aquatic vegetation (e.g. algae and primrose) using appropriate watercraft and harvesting equipment.
  - Wildflower and meadow maintenance.
  - Grass, sedge, and yarrow management.
  - Removal of unwanted hydroseed.

### 3. Wildlife Management

- Exotic species control.
- Provide habitat management; promote growth of plants at appropriate densities and promote habitat structure for animal species.
- Protect sensitive animal species (e.g. protection during critical life stages including breeding and migration).
- Avoid disturbances to nesting birds.
- Avoid spread of invasive aquatic species.

### 4. Facility Inspection

- Inspect project sites for rodent and insect infestations on a regular basis.
- Inspect for and report graffiti in shelter houses, viewing stations, benches, paving surfaces, walls, fences, and educational and directional signs.
- Inspect facilities for hazardous conditions on roads and trails (e.g. access roads and trails, decomposed granite pathways, and maintenance roads).

- Inspect shade structures for structural damage or defacement.
- Inspect hardscapes.
- Inspect and maintain interpretive and informational signs.
- Inspect site furnishings (e.g. benches, hitching posts, bicycle racks).
- Maintain deck areas (e.g. benches, signs, decking surfaces).
- Visually inspect weirs and flap gates for damage; grease to prevent locking.
- Inspect all structures after major storm events, periodically inspect every 3 months, and operate gates through full cycles to prevent them from locking up.

5. Irrigation System Management

- Ensuring automatic irrigation controllers are functioning properly and providing various plant species with proper amount of water.
  - Cycle controller(s) through each station manually and automatically to determine if all facets are functioning properly.
  - Inspection should be performed at least monthly.
  - Recover, replace, or refasten displaced or damaged valve box covers.
  - Inspect and repair bubbler heads.
  - Repair and replace broken drip lines or emitters causing a loss of water (to prevent ponding and erosion).
  - Maintain drip system filters to prevent emitters from clogging. Inspection and cleaning should occur at least monthly.
  - Inspect and clean mainline filters, wye strainers, basket filters, and filters at backflow devices twice a year.
  - Maintain and check function of the drip system.
- Keeping irrigation control boxes clear of vegetation.
- Operating irrigation system to ensure it does not cause excessively wet, waterlogged areas, and slope failure.
- Utilizing infrequent deep watering techniques to encourage deep rooting, drought tolerant plant characteristics to promote a self-sustaining, irrigation free landscape.
- Determine watering schedules based on season, weather, variation in plant size, and plant varieties. At least four times a year (e.g. change of season), reschedule controller systems.
- Turn off irrigation systems at the controller at the beginning of the rainy season, or when the soil has a high enough moisture content.
- Use moisture sensing devices to determine water penetration in soil.

6. Erosion Management and Control

- Inspect slopes for erosion during each maintenance activity.
- Inspect basins for erosion.
- Take corrective measures as needed, including filling eroded surfaces, reinstalling or extending bank protection, and replanting exposed soil.

7. Ongoing Monitoring Activities

- Monitor controllable intake water flow and water elevation.
- Examine inflow and outflow structures to ensure devices are functioning properly and are free of obstructions.
- Water quality sampling (quarterly, unless justified otherwise).
- Checking telemetry equipment.
- Tracking and reporting inspection and maintenance records.

8. Vector and Nuisance Insect Control

- Monitoring for the presence of vector and nuisance insect species.
- Adequate pretreatment of influent wastewater to lessen production of larval mosquitos.
- Managing emergent vegetation.
- Using hydraulic control structures to rapidly dewater emergent marsh areas.
- Managing flow velocities to reduce propagation of vectors.

**RESOLUTION CC 2024-84**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, TO ENTER INTO A TRANSFER AGREEMENT BETWEEN THE CITY OF COVINA AND THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT (DISTRICT) FOR THE SAFE, CLEAN WATER PROGRAM – MUNICIPAL PROGRAM**

**WHEREAS**, the Safe, Clean Water (SCW) Program, also known as Measure W, was passed by the voters on November 6, 2018; and

**WHEREAS**, the District, pursuant to the Los Angeles Region Safe, Clean Water (SCW) Program Ordinance (Chapter 16 of the Los Angeles County Flood Control District Code) and the SCW Program Implementation Ordinance (Chapter 18 of the Los Angeles County Flood Control District Code), administers the SCW Program for the purpose of funding Projects and Programs to increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution in the District; and

**WHEREAS**, pursuant to Section 16.04.A.2. of the Los Angeles County Flood Control District Code, forty percent (40%) of annual SCW Program tax revenues shall be allocated to Municipalities within the District, in the same proportion as the amount of revenues collected within each Municipality, to be expended by those cities within the cities' respective jurisdictions and by the County within the unincorporated areas that are within the boundaries of the District, for the implementation, operation and maintenance, and administration of Projects and Programs, in accordance with the criteria and procedures established in this Chapters 16 and 18 of the Los Angeles County Flood Control District Code; and

**WHEREAS**, pursuant to Section 16.05.A.1. of the Los Angeles County Flood Control District Code, prior to their receipt of SCW Program funds, Municipalities must enter into an agreement with the District to transfer SCW Program funds; and

**WHEREAS**, the County of Los Angeles Board of Supervisors has approved a standard template Agreement for the Municipal Program, as required by and in accordance with Section 18.09 of the Los Angeles County Flood Control District Code, for the transfer of SCW Program funds to Municipalities.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City hereby approves the Transfer Agreement between the City of Covina and Los Angeles County Flood Control District approved by the Los Angeles Board of Supervisors on June 9, 2020.

**SECTION 2.** The City Council hereby authorizes the City Manager to execute the Transfer Agreement on behalf of the City, substantially in the form attached to the agenda report that accompanied this Resolution.

ATTACHMENT B

**SECTION 3.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September, 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTEST:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-84 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk



# CC Regular Meeting AGENDA ITEM REPORT

**Meeting:** September 17, 2024  
**Title:** Purchase Order Authorization – Purchase of New Trash Receptacles for City Parks  
**Presented by:** Rafael M. Fajardo, Interim Director of Public Works/City Engineer  
**Recommendation:** Authorize the City Manager, or his designee, to approve a Purchase Order in the amount of \$34,959.09 with TreeTop Products, LLC and purchase New Trash Receptacles for City Parks.

### EXECUTIVE SUMMARY:

In the continued effort to enhance public park spaces, the Department of Public Works is striving to standardize trash receptacles across all City Parks. During the FY 2024-25 Budget Process, monies from the City’s Environmental Services Fund were approved in the amount of \$35,000 per annum over the next three (3) fiscal years to accomplish this task. For fiscal year 2024-25, City staff is proposing to order 54 new trash receptacles to replace units currently situated within Covina Park, Hollenbeck Park and Wingate Park.

### DISCUSSION:

Based on recently installed trash receptacles at Banna Park that have proven durable, functional and appealing to the public, the Department of Public Works is planning to use the Banna Park trash receptacle (Attachment A) as a standard for all City Parks and will purchase additional units to replace existing trash receptacles upon City Council approval of a purchase order with TreeTop Products, LLC. Given available funding in FY 2024-25 for this project, City staff will be able to replace 54 antiquated trash receptacles at Covina Park, Hollenbeck Park and Wingate Park with plans to purchase additional replacement units in subsequent fiscal years to ensure all City Parks are eventually outfitted with new trash receptacles.

Informal quotes were obtained to procure new trash receptacles for City Parks and conveyed the following results:

Rank	Company Name	Location	Amount
1	TreeTop Products, LLC	Batavia, IL	\$34,959.09
2	Global Industrial	Port Washington, NY	\$34,963.17
3	Uline	Ontario, CA	\$36,720.00

TreeTop Products, LLC is a part of the Interlocal Purchasing System – Government Purchase Cooperative under TIPS Contract #230301. From this, the City’s formal bid process was not necessary in order to move forward with this purchase.

Upon review of the proposed quotes, City staff recommends that a purchase order be awarded to TreeTop Products, LLC. The City of Covina has previously utilized TreeTop Products, LLC for a variety of park supplies, equipment and recreational products in the past with excellent results.

### FISCAL IMPACT:

Funding allocated for the purchase of new trash receptacles to be installed within City Parks was included in the Department of Public Works’ FY 2024-25 Operating Budget as follows:

<b>Fund</b>	<b>Amount</b>	<b>Account</b>
Environmental	\$35,000	6200-5580-54990

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

Not applicable.

Respectfully submitted,



Rafael M. Fajardo  
Interim Director of Public Works/City Engineer



# Quote

Account Number - 334541

Treetop Products, LLC  
222 State Street  
Batavia IL (866) 511-5642  
[info@treetopproducts.com](mailto:info@treetopproducts.com)

## Estimate # QUOTRE38639

8/21/2024

**Customer**  
Frank Cisneros  
City of Covina  
534 North Barranca Ave  
Covina CA 91723  
(626) 786-8256

**Ship To**  
Frank Cisneros  
City of Covina  
534 North Barranca Ave  
Covina CA 91723  
(626) 786-8256

Item	Qty	Rate	Amount	Estimated Lead Time
<b>4ZB4240</b> Commercial Steel Waste Receptacle/32 Gallon/Rain Bonnet Lid/Portable or Surface Mount/Black	54	\$538.85	\$29,097.90	Ships in 1 to 2 Days

<b>Subtotal</b>	\$29,097.90
<b>Tax Total (%)</b>	\$2,982.53
<b>Shipping</b>	\$2,878.66
<b>Total</b>	\$34,959.09

\*Estimated lead time is based on normal fulfillment time of an order at this moment. Orders with large quantities may require additional time. These estimates are subject to change based on the nationwide supply chain issue.

## PRICING FOR THIS QUOTE IS LOCKED IN FOR 30 DAYS







# CC Regular Meeting AGENDA ITEM REPORT

**Meeting:** September 17, 2024

**Title:** Third Amendment to the Ground Lease between the City of Covina and the Covina Housing Authority for Property Owned by the City Located at the Southeast Corner of the Combined Parcels of 601 E. San Bernardino Road and 534 North Barranca Avenue

**Presented by:** Brian K. Lee, AICP, Director of Community Development

**Recommendation:** Authorize the City Manager/Executive Director to execute the third amendment to the Ground Lease (“Lease”) between the City of Covina (“City”), as landlord, and the Covina Housing Authority (“Authority”), as tenant, in substantially the form attached as Attachment “B” with such changes therein as the City Manager/Executive Director may approve, and all related documents, and to take such actions as they deem necessary or proper to effectuate the purpose of the Lease.

### EXECUTIVE SUMMARY:

The City owns certain property consisting of approximately 20,000 square-feet of land located at the southeast corner of the combined parcels of 601 E. San Bernardino Road and 534 N. Barranca Avenue, which is depicted in the Lease (Attachment “A”) as Exhibit “A” (“Property”). On June 21, 2022 the City Council and Housing Authority Board approved a Lease of the Property from the City to the Authority for a proposed future Navigation Center (“Center”). On December 5, 2023, this Lease was amended to extend certain deadlines within the Lease’s attachments in order to provide additional time for review and public feedback. On June 19, 2024, this Lease was amended to extend the rent repayment by five years, resulting in a total of 23 years of prepaid rent under the 55-year Lease. Exhibit “C” to the Lease is a Schedule of Performance, and is proposed to be amended in order to provide more time for due diligence and research to be completed prior to moving construction forward. At future meetings the Authority Board will consider all aspects of the design, construction, maintenance and operation of the proposed Center and involve public outreach and feedback.

### DISCUSSION:

The Lease between the City as landlord and the Housing Authority as tenants ends 55 years after the commencement of the Lease. The Lease requires the Authority to pay rent to the City in the amount of \$64,000 per year, payable monthly, and subject to annual 3% increases. The obligation to pay rent commences on the earlier of the date when a Navigation Center is completed or the deadline in the Lease for the completion of the Navigation Center, which is currently September 30, 2025, unless the deadline is extended in accordance with the Lease. The Housing Authority is formally requesting that the deadlines within the proposed amendment (“Attachment B”) be extended by amending the Lease in order to provide staff and Council additional time to convene and seek public feedback prior to any construction.

### FISCAL IMPACT:

Amending the existing Lease will not produce a financial impact. The financial obligations of the Lease remain unchanged.

### CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

The proposed action of authorizing the City Manager/Executive Director to execute the Lease amendment on behalf of the City and Authority is Categorically Exempt per Section 15332, Class 32, of the State of California

Environmental Quality Act (“CEQA”) Guidelines because of any future considered development will be infill development consistent with the requirements set forth in CEQA Guidelines Section 15332. The proposed action is also exempt per CEQA Guidelines Section 15061(b)(3) and because this is an administrative activity of government which will not result in direct or indirect physical changes to the environment.

Respectfully submitted,



Brian K. Lee  
Director of Community Development

### **THIRD AMENDMENT TO LEASE**

This THIRD AMENDMENT TO GROUND LEASE (this “Third Amendment”) is dated as of September 17, 2024 (the “Effective Date”) and is entered into by and between the CITY OF COVINA, a municipal corporation (“Lessor”), and the COVINA HOUSING AUTHORITY (“Lessee”).

### **RECITALS**

- A. The Lessor and Lessee are parties to that certain Ground Lease dated June 21, 2022.
- B. The Parties then executed a First Amendment to the Ground Lease on December 5, 2023 and a Second Amendment to the Ground Lease on June 18, 2024.
- C. Lessor and Lessee desire to amend the Lease as hereinafter set forth.

### **AGREEMENT**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

- 1. New Exhibit “C” (Schedule of Performance). Exhibit “C” to the Lease is hereby deleted and the attached new Exhibit “C” is hereby substituted in lieu thereof.
- 2. Section 3.3 of the Lease is hereby deleted and the following is substituted in lieu therefore:

“3.3 Contingent Secured Construction Loan by Landlord from Prepaid Rent. If Tenant is unable, despite good faith efforts, to obtain adequate grant, conditional grant or forgivable loan funds/financing on or before March 30, 2028 to complete the Improvements, then Landlord hereby commits and covenants to make Tenant a conditional secured grant (or forgivable secured loan) from the rent paid by Tenant to Landlord, up to the entire amount of such rent, to the extent needed to finance the completion of the Improvements. Such construction loan shall be disbursed in increments, not more often that once every thirty days, after receipt of a written draw request from Tenant stating the amount of the disbursement requested and including reasonable evidence of the costs to be paid, and subject to other reasonable construction loan disbursement conditions.

Such loan shall be secured by the Tenant’s interest under this Lease, and shall be evidenced by a promissory note and leasehold deed of trust reasonably acceptable to Landlord. The promissory note shall have an interest rate of three percent (3%) per annum and a maturity date that is the expiration or earlier termination of this Lease, and will provide that the loan principal and accrued interest shall be repaid in annual installments from 100% of the annual “residual receipts” (as defined in the promissory note, but consisting of the amount by which income from the Property exceeds costs of

operating the Property and providing services to residents), but that principal outstanding on the maturity date will be forgiven.”

3. Counterparts. This Third Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

4. Time of Essence. Time is of the essence of every provision hereof and the new Exhibit C in which time is a factor.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the date and year first above written.

**LESSOR:**

CITY OF COVINA

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LESSEE:**

COVINA HOUSING AUTHORITY

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
City Clerk

**EXHIBIT "C"**

**SCHEDULE OF PERFORMANCE (DEADLINES)**

1. September 30, 2027: Construction of new signalized intersection entrance from San Bernardino Road into the City of Covina Public Works Yard (with new surface parking lot).
2. March 30, 2028: Installation of perimeter fencing, modular facilities, administrative facilities, utilities and similar features.
3. September 30, 2028: Completion; begin Navigation Center operations.



**GROUND LEASE**

between

**CITY OF COVINA,  
a California municipal corporation**

**("Landlord")**

and

**COVINA HOUSING AUTHORITY,  
a California public entity  
("Tenant")**

June 21, 2022

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
1. Lease of Property .....	1
2. Term of Lease; Possession.....	1
2.1 Term.....	1
2.2 Possession .....	1
3. Rent; Use of Rent by Landlord Upon Failure to Complete Project; Possible Loan by City of Prepaid Rent for Construction of Project.....	2
3.1 Rent.....	2
3.2 Completion/Operation of Project by Landlord Using Prepaid Rent.....	2
3.3 Contingent Secured Construction Loan by Landlord from Prepaid Rent.....	2
3.4 Place for Payment.....	3
4. Utilities.....	3
5. Net Lease .....	3
6. Use; Hazardous Materials; Compliance with Laws; Inspection .....	3
6.1 Use of Property .....	3
6.2 Hazardous Materials .....	4
6.3 Compliance with Applicable Requirements.....	5
6.4 Inspection.....	5
7. Construction and Installation of Improvements.....	6
7.1 Improvements .....	6
7.2 Construction Contracts.....	6
7.3 Review of Plans and Permits .....	6
7.4 Compliance with Law and Quality .....	6



**TABLE OF CONTENTS (cont.)**

	<b><u>Page</u></b>
7.5 Notices of Nonresponsibility .....	7
7.6 Mechanics' Liens .....	7
7.7 Ownership of Improvements.....	7
8. Maintenance and Repairs .....	7
8.1 Maintenance by Tenant.....	7
8.2 Requirements of Governmental Agencies .....	8
8.3 Tenant's Duty to Restore Property .....	8
8.4 Landlord's Rights of Entry .....	9
9. Indemnity and Insurance.....	9
9.1 Exculpation of Landlord .....	9
9.2 Indemnity .....	9
9.3 Liability Insurance .....	10
9.4 Broader Coverage; Increase in Insurance Coverage .....	10
9.5 Fire and Casualty Insurance.....	10
9.6 Specific Perils to Be Insured.....	11
9.7 Evidence of Insurance.....	11
9.8 Additional Insured Status.....	11
9.9 Primary Coverage.....	12
9.10 Notice of Cancellation of Insurance.....	12
9.11 Waiver of Subrogation.....	12
9.12 Verification of Coverage.....	12
9.13 Unavailability of Coverage.....	12
9.14 Self-Insured Retentions.....	12

**TABLE OF CONTENTS (cont.)**

	<b><u>Page</u></b>
9.15 Special Risks or Circumstances.....	12
10. Intentionally Omitted.....	13
11. Assignment and Subletting.....	13
11.1 Landlord’s Consent Required.....	13
11.2 Additional Provisions Regarding Assignment and Transfer.....	13
12. Encumbrance of Leasehold Estate.....	15
12.1 Tenant’s Right to Encumber.....	15
12.2 Notice to and Service on Mortgagee.....	16
12.3 Rights of Mortgagee.....	16
12.4 Right of Mortgagee to Cure Defaults.....	17
12.5 No Merger of Leasehold and Fee Estates.....	17
12.6 Mortgagee as Assignee of Lease.....	17
12.7 Mortgagee as Including Subsequent Security Holders.....	17
12.8 Estoppel Certificates by Landlord.....	18
12.9 New Lease to Mortgagee.....	18
12.10 Surrender or Amendment.....	18
12.11 Subordination.....	19
13. Default and Remedies.....	19
13.1 Events of Default.....	19
13.2 Remedies.....	19
13.3 Landlord’s Performance of Tenant’s Obligations.....	20
13.4 Remedies Cumulative.....	21
13.5 Waiver of Breach.....	21

**TABLE OF CONTENTS (cont.)**

	<b><u>Page</u></b>
14. Miscellaneous .....	21
14.1 Tenant's Duty to Surrender Property .....	21
14.2 Holding Over .....	21
14.3 Survival .....	21
14.4 Force Majeure Delays .....	22
14.5 Interest on Overdue Payments .....	22
14.6 Attorneys' Fees .....	22
14.7 Estoppel Certificates by Tenant .....	22
14.8 Limitation on Landlord's Liability .....	23
14.9 Subordination; Attornment; Non-Disturbance.....	23
14.10 Consents.....	23
14.11 Reservations by Landlord .....	24
14.12 Authority .....	24
14.13 Quiet Enjoyment .....	24
14.14 Notices .....	24
14.15 Successors and Assigns.....	25
14.16 Time of Essence .....	25
14.17 Memorandum of Lease; Notice of Affordability Covenants .....	25
14.18 Counterparts.....	25
14.19 Partial Invalidity.....	25
14.20 Entire Agreement.....	25
14.21 Amendments.....	25
14.22 Construction of Lease.....	26

**TABLE OF CONTENTS (cont.)**

	<b><u>Page</u></b>
14.23 Effect of Delivery .....	26
14.24 Effect on Landlord Governmental Capacity .....	26

TABLE OF EXHIBITS

EXHIBIT "A"	DESCRIPTION OF LAND
EXHIBIT "B"	SCOPE OF DEVELOPMENT (DESCRIPTION OF IMPROVEMENTS)
EXHIBIT "C"	SCHEDULE OF PERFORMANCE
EXHIBIT "D"	PERMITTED HAZARDOUS MATERIALS
EXHIBIT "E"	FORM OF MEMORANDUM OF GROUND LEASE, AND USE RESTRICTIONS
EXHIBIT "F"	FORM OF NOTICE OF AFFORDABILITY COVENANTS

## GROUND LEASE

THIS GROUND LEASE (the "Lease") is dated for reference purposes and entered into as of June 21, 2022, by and between the CITY OF COVINA, a California municipal corporation ("Landlord"), and the COVINA HOUSING AUTHORITY, a California public entity ("Tenant").

### **Recitals**

A. Landlord owns the land more particularly described in Exhibit "A" attached hereto and any improvements thereon ("Property").

B. Tenant desires to lease the Property from Landlord, and complete the construction of the improvements described on Exhibit "B" ("Improvements" or "Project") in accordance with the schedule (deadlines, subject to Force Majeure delays) set forth on Exhibit "C", and Landlord desires to lease the Property to Tenant, and require Tenant to timely complete the construction of such Improvements upon and subject to the terms and conditions set forth in this Lease, and thereafter maintain and operate them as a homeless "navigation center" providing free housing and services to homeless individuals and families who are extremely low income.

C. Construction and operation of the Improvements on the Property and providing homeless services will provide housing to homeless individuals and families, reduce the use by such individuals and families of other public areas as temporary dwelling space, reduce the burdens on the City of policing and cleaning such public areas, encourage new investment, and otherwise improve the economic and physical conditions in the City.

NOW THEREFORE, in consideration of the mutual promises contained herein, Landlord and Tenant agree as follows:

1. Lease of Property.

1.1 Landlord hereby leases the Property to Tenant, and Tenant hereby leases the Property from Landlord, upon and subject to the terms hereinafter set forth.

2. Term of Lease; Possession.

2.1 Term. The term of this Lease (the "Term") shall commence on the date hereof and shall continue until the date that is fifty-five (55) years thereafter; however, the extremely low income affordable housing restrictions herein shall survive the expiration of the Term, and continue until the date that is 55 years after the completion of the Project.

2.2 Possession. Tenant shall be entitled to take possession of the Property upon the later of (i) the commencement of the Term; or (ii) when Tenant provides reasonable evidence to Landlord (such as insurance certificates) that Tenant has obtained and is maintaining the insurance required of Tenant under Section 9 below. Tenant acknowledges that Tenant has inspected the Property and a title report for the Property, and Tenant accepts the Property in its existing condition, "AS IS", without representation or warranty (express or implied) and subject to all matters of record and all defects and conditions, whether patent or latent, and subject further to all legal requirements such as taxes, assessments, zoning, use permit requirements and

building codes, based solely on Tenant's own inspection, analysis and evaluation and not in reliance on any information provided by or on behalf of Landlord.

3. Rent; Prepayment of Rent; Use of Rent by Landlord Upon Failure to Complete Project; Possible Loan by City of Prepaid Rent for Construction of Project.

3.1 Rent. Commencing on the earlier of: (i) the date on which the Project is completed, or (ii) the deadline for completion of the Project in Exhibit "C" as extended pursuant to Section 14.4 if applicable (such earlier date being hereinafter referred to as the "Rent Commencement Date"), Tenant shall pay rent to Landlord for the Property at the rate of Sixty Four Thousand Dollars (\$64,000.00) per year, increased on each anniversary of the Rent Commencement Date by three percent (3%), which shall be prepaid for the first 18 years after the Rent Commencement Date by Tenant prior to the Rent Commencement Date (such prepayment amount being \$1,414,777.81, which was calculated as a present value amount using a discount rate equal to the current LAIF interest rate that Landlord could obtain by investing such funds), and shall be payable for the period after the 18 year prepayment period in equal monthly installments, on the first business day of each calendar month, without notice, deduction or offset.

Tenant may also prepay additional rent at any time by paying the present value of the rent prepaid, using such discount/interest rate then applicable to funds invested by Landlord.

3.2 Completion/Operation of Project by Landlord Using Prepaid Rent. If this Lease is terminated by Landlord due to Tenant's breach of its obligation under Section 7.1 below to timely complete and operate the Improvements, or due to any other uncured Tenant default prior to completion and operation of such Improvements, then except to the extent such rent has been disbursed to Tenant as a construction loan under Section 3.3 below, Landlord shall use the rent paid to Landlord to complete the Improvements itself, or shall use the rent for other affordable housing purposes permitted by California Health and Safety Code Section 34176.1 and shall comply with applicable laws in connection therewith.

3.3 Contingent Secured Construction Loan by Landlord from Prepaid Rent. If Tenant is unable, despite good faith efforts, to obtain adequate grant, conditional grant or forgivable loan funds/financing on or before June 1, 2024 to complete the Improvements, then Landlord hereby commits and covenants to make Tenant a conditional secured grant (or forgivable secured loan) from the rent paid by Tenant to Landlord, up to the entire amount of such rent, to the extent needed to finance the completion of the Improvements. Such construction loan shall be disbursed in increments, not more often than once every thirty days, after receipt of a written draw request from Tenant stating the amount of the disbursement requested and including reasonable evidence of the costs to be paid, and subject to other reasonable construction loan disbursement conditions.

Such loan shall be secured by the Tenant's interest under this Lease, and shall be evidenced by a promissory note and leasehold deed of trust reasonably acceptable to Landlord. The promissory note shall have an interest rate of three percent (3%) per annum and a maturity date that is the expiration or earlier termination of this Lease, and will provide that the loan principal and accrued interest shall be repaid in annual installments from 100% of the annual

“residual receipts” (as defined in the promissory note, but consisting of the amount by which income from the Property exceeds costs of operating the Property and providing services to residents), but that principal outstanding on the maturity date will be forgiven.

The leasehold deed of trust shall be recorded and shall be a first lien on the Property, except that Landlord’s City Manager shall have the authority to execute and record reasonable subordination agreements subordinating the Landlord’s leasehold deed of trust to leasehold deeds of trust securing other financing for the Improvements.

3.4 Place for Payment. All rent and other sums that become payable to Landlord under this Lease (collectively, “Rent”) shall be paid to Landlord on or before the due date in lawful currency of the United States at Landlord’s offices located at 125 E. College Street Covina, CA 91723, Attn: City Manager, or at any other place that Landlord may designate by written notice to Tenant.

4. Utilities. Tenant shall obtain, at Tenant’s expense, all electricity, gas, potable water, fire suppression water, sewer, waste water services and other services and utilities needed to operate the Improvements during the Term.

5. Net Lease. This Lease is a “triple-net” lease; all Rent shall be paid to Landlord absolutely net of all costs and expenses, except to the extent otherwise expressly provided in this Lease. Without limiting the generality of the foregoing, Tenant shall be responsible for all aspects of maintaining and operating the Property, including the payment when and as due of all real property assessments from time to time assessed against the Property, and for all charges for gas, electricity, telephone service, water, sewer service, trash removal and other utilities and services furnished to the Property during the Term; provided, however, that Landlord may at any time, in its discretion, pay any such assessments and charges that Tenant fails to pay when and as due, including, in Landlord’s discretion, any fees, penalties and charges assessed by reason of Tenant’s failure to make timely payment, in which case Tenant shall reimburse Landlord within five (5) business days after Landlord delivers written request for reimbursement. Tenant shall indemnify and hold Landlord’s property, including the Property and any improvements now or hereafter on the Property, free and harmless from any liability, loss, or damage resulting from any taxes, assessments, or other charges required by this Lease to be paid by Tenant and from all interest, penalties, and other sums imposed thereon and from any sales or other proceedings to enforce collection of any such taxes, assessments, or other charges.

LANDLORD HEREBY GIVES TENANT NOTICE, AND TENANT ACKNOWLEDGES RECEIPT OF SUCH NOTICE, AS REQUIRED PURSUANT TO CALIFORNIA REVENUE AND TAXATION CODE SECTION 107.6, THAT THE LEASEHOLD INTEREST CREATED BY THIS LEASE MAY RESULT IN A **POSSESSORY INTEREST TAX** BEING LEVIED AGAINST THE PROPERTY AND/OR TENANT’S LEASEHOLD INTEREST, AND THAT, **UNLESS TENANT IS EXEMPT**, TENANT SHALL BE OBLIGATED TO PAY SUCH TAX.

6. Use; Hazardous Materials; Compliance with Laws; Inspection.



6.1 Use of Property. Tenant shall use the Property for the development, construction, operation and maintenance of the Improvements described in Section 7.1 below as a "navigation center", which shall include housing (for no rent), and ancillary services to homeless individuals and families who are extremely low income (as described in California Health and Safety Code Section 50106), and Tenant shall use reasonable efforts to obtain evidence of their income and shall retain such records to the extent required by law. Tenant shall include at least six (6) units of housing, and all housing shall comply with the preceding sentence. Tenant shall not use or permit the Property or any portion of the Property to be improved, developed, used, or occupied in any manner or for any purpose that is in any way in violation of any federal, state or local law, ordinance, or regulation; and Tenant shall not maintain, commit or permit the maintenance or commission of any fire or health hazards, or any nuisance, as now or hereafter defined by any statutory or decisional law applicable to the Property, on the Property or any part of the Property.

6.2 Hazardous Materials.

(a) Definitions.

"Hazardous Materials" shall mean any substance that now or in the future requires investigation or remediation under, or is regulated or defined as a hazardous waste or hazardous substance by, any governmental authority or instrumentality or any law, regulation, rule or order, or any amendment thereto, including, without limitation, the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. § 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. § 9601 et seq., or that is otherwise toxic, explosive, corrosive, flammable, infectious, mutagenic, radioactive, carcinogenic, a pollutant or a contaminant, including gasoline, diesel, petroleum hydrocarbons, polychlorinated biphenyls (PCBs), asbestos, radon and urea formaldehyde foam insulation.

"Environmental Requirements" shall mean all present and future governmental laws, regulations, rules, orders, permits, licenses, approvals, authorizations and other requirements of any kind applicable to Hazardous Materials, including common law tort principles (such as public and private nuisance and strict liability for conducting abnormally dangerous activities).

"Handle," "Handled" or "Handling" shall mean any installation, handling, generation, storing, treatment, use, disposal, discharge, release, manufacture, refinement, emission, abatement, removal, transportation, presence or migration of any Hazardous Materials brought on the Property by Tenant or Tenant's Representatives, or any other activity or any type in connection with or involving Hazardous Materials.

"Tenant's Representatives" shall mean all Tenant's officers, employees, contractors, representatives, assignees, sublessees, licensees, agents, invitees, and any trespassers on the Property.

(b) Indemnification by Tenant. In addition to, and not in derogation of any other indemnification contained in this Lease, Tenant agrees to indemnify, defend and hold harmless Landlord, its successors and assigns, and its and their directors, officers, shareholders, employees, agents and affiliates from all costs, expenses, damages, liabilities, claims, fines,

penalties, interest, judgments, and losses of any kind arising from or in any way related to Tenant's or Tenant's Representatives' Handling of Hazardous Materials during the Term or failure to comply in full with this Section 6.2 (collectively, "Environmental Losses"), including consequential damages, damages for personal or bodily injury, property damage, damage to natural resources occurring on or off the Property, encumbrances, liens, costs and expenses of investigations, monitoring, clean up, removal or remediation of Hazardous Materials, defense costs of any claims (whether or not such claim is ultimately defeated), good faith settlements, attorneys' and consultants' fees and costs, and losses attributable to the diminution of value, loss or use or adverse effects on marketability or use of any portion of the Property, whether or not such Environmental Losses are contingent or otherwise, matured or unmatured, foreseeable or unforeseeable. If Landlord is ever made a party to any action or proceeding by reason of a matter for which Tenant is obligated to indemnify Landlord, then Tenant, upon notice from Landlord, shall, at Landlord's option, either defend that action or proceeding on behalf of Landlord at Tenant's expense with counsel satisfactory to Landlord or reimburse Landlord for all defense costs Landlord actually incurs in defending against such action or proceeding, whether or not the action or proceeding is ultimately defeated. This indemnity is intended by the parties to be as broad and comprehensive as possible under law and shall apply regardless of the fault (including active or passive negligence) of either Tenant or Landlord.

(c) Landlord's Consent to Handling of Limited Hazardous Materials. Except for Hazardous Materials described on Exhibit "D", Tenant and Tenant's Representatives shall not Handle any Hazardous Materials at or about the Property without Landlord's prior written consent, which consent may be granted, denied, or conditioned upon compliance with Landlord's requirements, all in Landlord's absolute discretion.

(d) Release of Hazardous Materials. In the event of any release, discharge or other event caused or contributed to by the acts or omissions of the Tenant or Tenant's Representatives which poses a threat of damage or contamination to the Property or the environment, whether discovered by Landlord or Tenant, Tenant shall fully document the facts relating to the event, including the circumstances existing prior to and after the occurrence of the event, the precise nature of the release, discharge or event, including specific compounds and quantities involved, and all actions Tenant has taken and will take to remediate the release, discharge or event. Tenant shall provide such documentation to Landlord promptly after the occurrence in question. Tenant shall pay the reasonable costs and fees charged by Landlord's environmental consultants to review such documentation and provide peer review confirming the adequacy of the measures, past and future, taken by Tenant to remediate the problem.

6.3 Compliance with Applicable Requirements. Tenant, shall, at Tenant's sole expense, fully, diligently and in a timely manner, comply with all applicable laws, building codes, regulations, ordinances, rules, directives, covenants, or restrictions of record (collectively, "Applicable Requirements"), without regard to whether such Applicable Requirements are now in effect or become effective hereafter. Tenant shall, within ten (10) days after Landlord delivers written request to Tenant, provide Landlord with copies of all permits and other documents, and other information evidencing Tenant's compliance with any Applicable Requirements specified by Landlord. Tenant shall immediately notify Landlord in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report

pertaining to or involving the failure of Tenant or the Property to comply with any Applicable Requirements.

6.4 Inspection. Landlord's consultants shall have the right, but not the obligation, to enter into the Property at any time in the case of an emergency, and otherwise at reasonable times upon at least 48 hours advance notice, for the purpose of (a) inspecting the condition of the Property and reviewing all permits, reports, plans and other documents regarding the Handling of Hazardous Materials, (b) verifying compliance by Tenant with this Lease and (c) performing Tenant's obligations under Section 6.2 if Tenant has failed to timely do so. The cost of any such inspections shall be paid by Landlord, unless a significant and material violation of Applicable Requirements or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority other than Landlord. In such case, Tenant shall upon request reimburse Landlord for the reasonable cost of such inspections, so long as such inspections are reasonably related to the significant and material violation or contamination. Tenant shall pay, in any case, all such costs incurred pursuant to clause (c) above.

## 7. Construction and Installation of Improvements.

7.1 Improvements. At no cost to Landlord, Tenant shall cause to be performed all construction, alterations, additions and installations, required to complete the work described in the Scope of Development attached hereto as Exhibit "B" (the "Improvements"), and shall comply with the schedule set forth in the Schedule of Performance attached hereto as Exhibit "C". Tenant's failure to meet any of the deadlines in the Schedule of Performance, as the same may be extended in accordance with Section 14.4 of this Lease, shall constitute an "Event of Default" (as defined in Section 13.1). Material alterations to the completed Improvements shall require Landlord's prior written consent, not to be unreasonably withheld.

7.2 Construction Contracts. All Improvements and any alterations thereto ("Work") shall be performed only by competent and qualified contractors duly licensed under the laws of the State of California pursuant to written contracts with such contractors. Tenant shall enter into a general construction contract for any Work (the "General Construction Contract") with a contractor reasonably acceptable to Landlord requiring the contractor to cause the Work to be performed in a manner and timeframe consistent with the terms of this Lease. Without limiting the conditions on which Landlord may grant its consent to any contractor, Landlord may require that such contractor furnish performance and payment bonds issued by a licensed corporate surety on terms and conditions and in amounts satisfactory to Landlord.

7.3 Review of Plans and Permits. Landlord shall not be deemed to have reviewed any plans, drawings or specifications from an engineering or technical standpoint, and Landlord shall have no liability whatsoever to Tenant or any third party based on or arising out of any patent or latent defect in the design or construction of the Work, whether or not such defect is actually known or apparent to Landlord.

7.4 Compliance with Law and Quality. Tenant shall cause all Work to be completed: (a) in a workmanlike manner with only new and high quality building materials, (b) in compliance with all applicable building codes and other applicable laws, ordinances,

regulations, and orders of all federal, state, county, and local governmental agencies or entities having jurisdiction over the Property (including Landlord in its governmental capacity), and (c) in compliance with all applicable insurance requirements. Without limiting the generality of the foregoing provisions, Tenant shall not permit any component of any Work to be commenced until all building permits and other governmental permits, licenses and approvals required in connection with such component of the Work have been issued.

7.5 Notices of Non-responsibility. Landlord shall, at any and all times during the Term, have the right to post and maintain on the Property and to record as required by law any notice or notices of non-responsibility provided for by the mechanics' lien laws of the State of California. Tenant shall give Landlord not less than thirty (30) days' written notice prior to the commencement of any Work (including site preparation work) or the delivery of building materials to the Property.

7.6 Mechanics' Liens. At all times during the Term, Tenant shall keep the Property and all building and improvements now or hereafter located on the Property free and clear of all liens and claims of liens for labor, services, materials, supplies, or equipment performed on or furnished to the Property. Should Tenant fail to pay and discharge or cause the Property to be released from any such lien or claim of lien within thirty (30) days after service on Tenant of written request from Landlord to do so, Landlord may pay, adjust, compromise and discharge any such lien or claim of lien on such terms and manner as Landlord may deem appropriate. In such event, Tenant shall, on or before the first day of the next calendar month following any such payment by Landlord, reimburse Landlord for the full amount paid by Landlord in paying, adjusting, comprising, and discharging such lien or claim of lien, including any attorneys' fees and other costs expended by Landlord, together with interest as provided in Section 14.5 from the date of payment by Landlord to the date of repayment by Tenant.

7.7 Ownership of Improvements. Any and all buildings and improvements placed or erected on the Property as well as any and all other alterations, additions, improvements and fixtures made or placed in or on the Property by Tenant (except for Tenant's furniture and trade fixtures, and any modular improvements or similar improvements that may be removed without substantial damage to the land---and all such items may be removed and relocated by Tenant upon the expiration or earlier termination of this Lease) shall be owned by Tenant only until the expiration or any earlier termination of this Lease, shall be considered part of the real property of the Property, and shall remain on the Property and, without compensation to Tenant, on the expiration or any earlier termination of this Lease shall become the sole property of Landlord or, if Landlord so elects and upon written notice to Tenant, shall be demolished and removed by Tenant from the Property at Tenant's sole expense. Tenant shall not remove any improvements from the Property, commit or permit any waste, or destroy or modify any improvements on the Property except as expressly permitted by this Lease.

## 8. Maintenance and Repairs.

8.1 Maintenance by Tenant. At all times during the Term, Tenant shall, at Tenant's own cost and expense, keep and maintain the Property (including all structural, non-structural, interior, exterior, landscaped areas, systems, equipment, facilities, driveways, parking lots, fences, and signs) in good order, condition and repair (whether or not the portion of the

Property requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such portion of the Property). Tenant's maintenance obligations shall include restorations, replacements and renewals when necessary to keep the Property and all improvements thereon in good order, condition and repair. Tenant shall, during the Term, keep the exterior appearance of all improvements on the Property in a first-class condition consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, exterior repainting. In keeping the Property in good order, condition and repair, Tenant shall exercise and perform good maintenance practices, specifically including the procurement and maintenance at Tenant's expense of service contracts for HVAC equipment, any boiler and pressure vessels, fire protection systems, landscaping and irrigation systems, the roof and drains, and asphalt and parking lots, each with a contractor specializing and experienced in the maintenance of the applicable equipment or improvements. Upon the request of Landlord, Tenant shall provide Landlord with a complete and correct copy of each such service contract and any amendments thereto. Tenant's maintenance obligations under this Section shall not be construed as limiting any right or requirement expressly provided for elsewhere in this Lease for Tenant to alter, modify, demolish, remove or replace any improvement. No deprivation, impairment or limitation of use resulting from any event or work contemplated by this Section shall entitle Tenant to any offset, abatement or reduction in rent nor to any termination or extension of the Term.

**8.2 Requirements of Governmental Agencies.** At all times during the Term, Tenant shall, at Tenant's own cost and expense:

(a) make all alterations, additions, or repairs to the Property (including the improvements and facilities on the Property) required by any law, ordinance, statute, order, or regulation now or hereafter made or issued by any federal, county, local, or other governmental agency or entity;

(b) observe and comply with all laws, ordinances, statutes, orders, and regulations now or hereafter made or issued respecting the Property by any federal, county, local, or other governmental agency or entity; and

(c) indemnify, defend and hold Landlord and the Property free and harmless from any and all liabilities, losses, damages, fines, penalties, claims, and actions resulting from Tenant's failure to comply with the requirements of this Section 8.

**8.3 Tenant's Duty to Restore Property.** Should, at any time during the Term, any buildings or improvements now or hereafter on the Property be destroyed in whole or in part by fire or other casualty, Tenant, at Tenant's own cost and expense, shall promptly proceed to obtain insurance proceeds and take all steps necessary to begin reconstruction and promptly and diligently commence the repair or replacement of the damaged or destroyed buildings or improvements according to the original final plans and specifications therefore or according to any modified plans and specifications that provide for improvements consistent in terms of size, design and quality with the original buildings and improvements. The Parties agree that events or conditions may preclude in some instances delay the immediate making of permanent repairs.

The Parties agree that in those instances Tenant shall make interim repairs that will protect the improvements from further deterioration and permit the continued use of the Property to the extent possible for the purposes for which they were demised, until repairs and replacements can be completed. In such event Tenant, upon demand, shall provide Landlord sufficient information for Landlord to satisfy itself that the time for making permanent repairs must be extended as reasonable beyond the time limits specified hereinbefore. In all other respects, the work of repair and restoration shall be done in accordance with the requirements for the original Improvements set forth in Section 7; provided that Tenant may reconstruct such other improvements on the Property as are consistent with applicable land use regulations and which are: (i) approved by the City in its governmental capacity, and all other governmental agency or agencies with jurisdiction, and (ii) approved by Landlord under this Lease in its reasonable discretion. No deprivation, impairment or limitation of use resulting from any event or work contemplated by this Section shall entitle Tenant to any offset, abatement or reduction in Rent or to any termination or extension of the Term.

8.4 Landlord's Rights of Entry. Landlord and Landlord's agents shall have the right to enter at reasonable hours after prior notice of the time and place of entry into and upon said portions of the Property as necessary for the purpose of ascertaining that the improvements on the Property are kept and maintained in good condition and repair as provided for in this Section 8 and that the terms of this Lease are observed.

9. Indemnity and Insurance.

9.1 Exculpation of Landlord. Landlord shall not be liable to Tenant for any damage to Tenant or Tenant's property for any cause, except for any damage to Tenant or Tenant's property resulting from the negligence and/or willful misconduct of Landlord or its employees, officers, agents or authorized representatives; however, in no event shall Landlord be liable for consequential damages consisting of lost profits or other damages in the nature of lost profits. Tenant waives all claims against Landlord except as provided in the previous sentence. Subject to the foregoing provisions, Landlord agrees to, defend, indemnify and hold Tenant and its officers, directors, employees, agents and affiliates and their respective assets free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of Landlord's failure to perform any of Landlord's obligations under this Lease when and as required by the terms hereof.

9.2 Indemnity. Tenant agrees to, and does hereby defend, indemnify and hold Landlord and its officers, directors, employees, agents and affiliates and their respective assets, including the Property and all improvements now or hereafter on the Property, free and harmless against and from any and all liabilities, claims, losses, damages, and expenses (including attorneys' fees and court costs) resulting from or arising out of Tenant's occupation and use of the Property, and activities of Tenant and its contractors, specifically including any liability, claim, loss, damage, or expense arising by reason of:

(a) The death or injury of any person, including any person who is an employee or agent of Tenant, or the damage to or destruction of any property, including property

owned by Tenant or by any person who is an employee or agent of Tenant, from any cause whatsoever while such person or property is on the Property;

(b) Any work performed on the Property or materials furnished to the Property at the instance or request of Tenant or any person or entity acting for or on behalf of Tenant; or

(c) Tenant's failure to comply with any requirement of law or any requirement imposed on Tenant or the Property by any governmental agency or authority;

(d) Tenant's failure to perform any of Tenant's obligations under this Lease when and as required by the terms hereof; or

(e) The inaccuracy of any representation made by Tenant to Landlord in this Lease.

9.3 **Liability Insurance.** Tenant shall, at Tenant's own cost and expense, secure promptly after execution of this Lease and maintain during the entire Term of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Tenant's operation and use of the leased premises. The cost of such insurance shall be borne by the Tenant. Insurance is to be placed with insurers authorized to conduct business in the state of California with a current A.M. Best's rating of no less than A: VII, unless otherwise acceptable to the Entity, insuring Tenant and Landlord against loss or liability caused by or connected with Tenant's occupation, use, disuse, or condition of the Property under this Lease in amounts not less than:

(a) **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit; and

(b) **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage

(c) **Property insurance** against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

9.4 **Broader Coverage; Increases in Insurance Coverage.** If the Tenant maintains broader coverage and/or higher limits than the minimums shown above, Landlord shall be entitled to the broader coverage and/or the higher limits maintained by the Tenant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to Landlord. Not more frequently than each three years, if, in the reasonable opinion of Landlord, the amount of public liability and property insurance coverage at that time is not adequate, Tenant shall increase the insurance coverage as reasonably required by Landlord.

9.5 Fire and Casualty Insurance. Tenant shall, at Tenant's own cost and expense, at all times during the Term, keep all buildings, improvements, Tenant's personal property and other structures on the Property, as well as any and all additions thereto, insured for their actual cash, full replacement value (as defined below), by insurance companies authorized to issue such insurance in the State of California and having a rating of not less than "A-13" as set forth in the then current Best's Insurance Guide, against loss or destruction by fire and the perils commonly covered under the standard extended coverage endorsement to fire insurance policies in the geographic area in which the Property are located. Each insurance policy shall be issued in the names of Landlord, Tenant and any Mortgagee, as their interests may appear. Each insurance policy shall provide that any loss payable under such insurance shall be payable in Trust to Landlord and Mortgagee as loss payees.

9.6 Specific Perils to Be Insured. Notwithstanding anything to the contrary contained in Section 9.4, the insurance required by Section 9.4 shall, whether or not included in the standard extended coverage endorsement mentioned in Section 9.4, insure all buildings, improvements, and other structures on the Property, as well as any and all additions thereto, against loss or destruction by windstorm, typhoon, tidal wave, explosion, riot, riot attending a strike, civil commotion, acts of terrorism, sabotage or other warlike acts, malicious mischief, vandalism, aircraft, fire, smoke damage and sprinkler leakage. Furthermore, the insurance required by Section 9.4 during the performance of the Work shall have course of construction, vandalism, and malicious mischief clauses attached insuring the Work during construction and all materials delivered to the Property for their actual cash full replacement value. For purposes of this Section 9.5, the "full replacement value" of any building or other improvements to be insured shall be determined by the company issuing the insurance policy at the time the policy is initially obtained. Every two years thereafter, either party hereto shall have the right to notify the other party hereto that it elects to have the replacement value re-determined by any insurance company. The redetermination shall be made promptly in accordance with the rules and practices of the Board of Fire Underwriters, or a like board recognized and generally accepted by the insurance company, and each party shall be promptly notified of the results by such company. The insurance policy or policies shall be adjusted accordingly to reflect the re-determined value.

9.7 Evidence of Insurance. Prior to entering the Premises for any purpose, Tenant shall deliver to Landlord insurance certificates showing that Tenant has obtained and is maintaining the insurance required by this Section 9. Upon written request of Landlord, Tenant shall deliver to Landlord a complete and correct copy of each insurance policy required by this Section 9. All insurance policies required by express provisions of this Lease shall be non-assessable and shall contain language to the effect that (a) any loss shall be payable notwithstanding any act or negligence of Landlord that might otherwise result in the forfeiture of the insurance, (b) that the insurer waives the right of subrogation against Landlord, and (c) the policies are primary and non-contributing with any insurance that may be carried by Landlord.

9.8 Additional Insured Status. The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Tenant including materials, parts, or equipment furnished in connection with such work or operations. General liability



coverage can be provided in the form of an endorsement to the Tenant's insurance (at least as broad as ISO Form CG 20 10).

9.9 Primary Coverage. For any claims related to this contract, the Tenant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the Entity, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Entity, its officers, officials, employees, or volunteers shall be excess of the Tenant's insurance and shall not contribute with it.

9.10 Notice of Cancellation of Insurance. Each insurance policy required by this Section 9 shall contain a provision that it cannot be cancelled or materially changed for any reason unless 30 days' prior written notice of such cancellation or change is given to Landlord in the manner required by this Lease for service of notices on Landlord by Tenant.

9.11 Waiver of Subrogation. Tenant hereby grants to Entity a waiver of any right to subrogation which any insurer of said Tenant may acquire against Landlord by virtue of the payment of any loss under such insurance. Tenant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not Landlord has received a waiver of subrogation endorsement from the insurer.

9.12 Verification of Coverage. Tenant shall furnish Landlord with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Landlord before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Tenant's obligation to provide them. Landlord reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

9.13 Unavailability of Coverage. Notwithstanding anything to the contrary contained in this Section 9, should insurance coverage meeting all the requirements set forth in this Section 9 be unavailable due to circumstances beyond the control of Tenant, Tenant and Landlord shall agree as to substitute coverage which shall to the greatest extent possible meet the requirements set forth in this Section 9, provided that any substitute coverage shall not be less than insurance coverage available to and actually obtained for comparable industrial facilities in the State of California.

9.14 Self-Insured Retentions. Self-insured retentions must be declared to and approved by Landlord. At the option of Landlord, either: The Tenant shall obtain coverage to reduce or eliminate such self-insured retentions as respects Landlord, its officers, officials, employees, and volunteers; or the Tenant shall provide a financial guarantee satisfactory to Landlord guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or Landlord.

9.15 Special Risks or Circumstances. Landlord shall have the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

10. [INTENTIONALLY OMITTED]

11. Assignment and Subletting.

11.1 Landlord's Consent Required. Except as expressly provided within Section 11.1 or in Section 12 below, Tenant shall not voluntarily or by operation of law assign, encumber or otherwise transfer this Lease or any right or interest in, under or to this Lease or the Property, or except for extremely low income homeless individuals and families housed at the Property without charge to them and as needed to provide ancillary services to them, permit all or any portion of the Property to be occupied by anyone other than Tenant, without the express prior written consent of Landlord in Landlord's sole and absolute discretion. Tenant shall promptly deliver copies of all proposed subleases to Landlord. A change in the control of Tenant shall be deemed to constitute an assignment requiring Landlord's consent. The transfer, on a cumulative basis during the Term, of a majority of the voting control of Tenant shall constitute a change in control for this purpose. Any such assignment without the prior written consent of Landlord, whether voluntary or involuntary, by operation of law or otherwise, shall be void and shall constitute an Event of Default. A consent by Landlord to any one assignment or other transfer shall not be deemed to be a consent to any subsequent assignment or transfer. Without limiting the matters that may be considered by Landlord in determining whether to consent to any requested assignment or transfer, Landlord may take into account the proposed assignee's or transferee's financial strength and ability to perform all of the obligations of Tenant under this Lease.

11.2 Additional Provisions Regarding Assignment and Transfer.

(a) Each request for consent to an assignment, subletting or transfer shall be in writing, accompanied by information relevant to Landlord's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or transferee, including the intended use and/or required modification of the Property, if any, together with a fee of \$1,000.00 (increased by three percent (3%) on each anniversary of the date of this Lease) to compensate Landlord for considering and processing such request. Tenant shall also reimburse Landlord for Landlord's reasonable attorneys' fees incurred in connection with any such assignment or subletting for which Landlord's consent is required. Tenant agrees to provide Landlord with such other or additional information and documentation as may be reasonably requested.

(b) Landlord's consent to any assignment, subletting or transfer shall not constitute a consent to any subsequent assignment, subletting or transfer.

(c) Any assignee of this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed

or performed by Tenant during the term of said assignment, other than such obligations as are contrary to or inconsistent with provisions of an assignment to which Landlord has specifically consented to in writing.

(d) No assignee shall have a right further to assign or sublet without complying with this Section 11.

(e) If an assignment is approved by Landlord, then the assigning Tenant shall pay to Landlord one hundred percent (100%) of the amount of any payments and other economic consideration received by Tenant (whether before or after the date of such adjustment) as a result of any assignment, less actual, documented brokerage commissions and reasonable attorneys' fees incurred and paid in connection with the assignment and all reasonable, documented out-of-pocket costs incurred by the assigning Tenant in the design or construction of the Improvements provided all relevant contracts, plans and improvements are assigned and conveyed to the assignee in writing and a copy of the assignment is delivered to Landlord. Such remittance shall be payable to Landlord as additional Rent under this Lease without affecting or reducing any other obligation of Tenant hereunder.

(f) The term of any sublease shall not extend beyond the Term.

(g) Each sublease shall by its own terms be expressly subject to all of the terms, covenants and conditions of this Lease, and Tenant shall remain fully liable to Landlord for the payment of rents and performance of all other obligations under this Lease.

(h) Each sublease shall contain a provision, satisfactory to Landlord, that upon the termination of this Lease for any reason, at Landlord's election either (i) the sublease shall terminate or (ii) the sublessee shall attorn to Landlord and pay rent and perform all of the other obligations of the sublessee under its sublease directly to Landlord.

(i) Each sublease shall contain a provision, satisfactory to Landlord, prohibiting the payment of rent more than one month in advance.

(j) Each sublease shall contain a provision, satisfactory to Landlord, that if Tenant defaults under this Lease and fails to deliver to Landlord any security deposit or prepaid rent paid to Tenant by a subtenant under such sublease, then (i) Landlord shall have no obligation or liability to such subtenant for the return of any security deposit or prepaid rent paid to Tenant, (ii) such subtenant shall be solely responsible to pursue its rights and remedies against Tenant for recovery of any security deposit or prepaid rent paid to Tenant, and (iii) such subtenant shall deliver to Landlord, within thirty (30) days after demand by Landlord, a security deposit in the same amount as set forth in such sublease, and notwithstanding any prepayment by such subtenant of rent to Tenant, shall be obligated to pay to Landlord rent set forth in such sublease commencing upon termination of this Lease and notice thereof to such subtenant by Landlord.

(k) Promptly after execution of any sublease or an amendment to any sublease, Tenant shall deliver to Landlord a complete and correct copy of the fully executed and effective sublease or amendment, including all exhibits and attachments.

(l) Tenant shall not charge rent to homeless individuals or families housed at the Property. Subject to the foregoing, Tenant hereby assigns and transfers to Landlord all of Tenant's interest in all rent payable to Tenant under any sublease, and Landlord may collect such rent and apply same toward Tenant's obligations under this Lease; provided, however, that until an Event of Default shall have occurred under this Lease, Tenant may collect such rent, subject to Section 11.2(g). Landlord shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of any rent thereunder, be deemed liable to the sublessee for any failure of Tenant to perform and comply with any of Tenant's obligations to such sublessee. Tenant hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Landlord stating that an Event of Default exists under this Lease, to pay to Landlord all rent due and to become due under the sublease. The sublessee shall rely upon any such notice from Landlord and shall pay such rent to Landlord without any obligation or right to inquire as to whether such Event of Default exists, notwithstanding any claim from Tenant to the contrary.

(m) Upon the occurrence of any Event of Default under this Lease, Landlord may, at its option, require sublessee to attorn to Landlord, in which event Landlord shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, that Landlord shall not be liable for any prepaid rent or security deposit paid by such sublessee (except to the extent actually paid over to Landlord) or for any prior defaults of such sublessor.

## 12. Encumbrance of Lease.

12.1 Tenant's Right to Encumber. Tenant may, at any time and from time to time during the Term, encumber to any bank, insurance company, governmental entity or other institutional lender or maker of a so-called "conditional grant" or forgivable loan", herein called "Mortgagee," by deed of trust (the "Security Instrument"), all of Tenant's interest under this Lease and the leasehold estate hereby created (the "Leasehold Estate") for any purpose or purposes without the consent of Landlord, provided that:

(a) the Security Instrument and all rights acquired under it shall, by its express terms, be subject to each and all of the covenants, conditions and restrictions stated in this Lease and to all rights and interests of Landlord;

(b) Tenant shall deliver to Landlord: (i) a complete and correct copy of the Security Instrument and all related promissory notes, loan agreements, security agreements, indemnity agreements, guarantees, financing statements and other loan documents executed by Tenant or for Tenant's benefit in connection therewith (the "Loan Documents"), each as fully executed and delivered, within five business days after the execution thereof, and (ii) a complete and correct of the recorded Security Instrument, conformed by the recorder to show the date or recordation and other recording information, within five business days after the date of recordation;

(c) the Security Instrument shall expressly provide that any proceeds from fire or extended coverage insurance shall be used to repair or rebuild the damaged or destroyed improvements on the Property;

(d) the Security Instrument shall contain a provision that all notices of default under the Loan Documents must be sent to Landlord and Tenant and that Landlord shall have ten (10) business days in which to cure any default after the time for Tenant to cure it has expired (provided that if Landlord requires possession of the Property in order to cure the default, then Landlord shall have, in addition to such ten (10) business day period, such further time as is needed to terminate Tenant's right to possession of the Property), and neither Landlord's right to cure any default nor any exercise of such right shall constitute an assumption of liability under any Loan Document;

(e) Tenant shall immediately reimburse Landlord for the cost of any default cured by Landlord with interest thereon as provided in Section 14.5; and

(f) no encumbrance incurred by Tenant pursuant to this Section or otherwise shall, and Tenant shall not have power to incur any encumbrance that will, constitute in any way a lien or encumbrance on Landlord's fee title to the Property or on any other interest of Landlord in the Property.

**12.2 Notice to and Service on Mortgagee.** If Tenant executes any Security Instrument in accordance with Section 12.1, Landlord shall mail to Mortgagee a duplicate copy of any and all notices Landlord may from time to time give to or serve on Tenant pursuant to or relating to this Lease. Tenant shall at all times keep Landlord informed in writing of the name and mailing address of Mortgagee and any changes in Mortgagee's mailing address. Any notices or other communications permitted by this or any other Section of this Lease or by law to be served on or given to Mortgagee by Landlord shall be deemed duly served on or given to Mortgagee when deposited in the United States certified or registered mail, first-class postage prepaid, addressed to Mortgagee at the last mailing address for Mortgagee furnished in writing to Landlord by Tenant or Mortgagee.

**12.3 Rights of Mortgagee.** If Tenant executes any Security Instrument in accordance with Section 12.1 and then defaults under the related Loan Documents, Mortgagee shall have the right during the Term to the extent permitted by the Loan Documents to realize on the security afforded by the Security Instrument by instituting judicial or nonjudicial foreclosure proceedings and pursuing all other remedies available at law or in equity or under the Loan Documents, subject to the following provisions:

(a) Mortgagee shall not acquire or thereafter assign to any third party less than Tenant's entire interest in this Lease;

(b) Mortgagee's acquisition of Tenant's interest under this Lease by purchase at Mortgagee's foreclosure sale, or the acquisition of Tenant's interest under this Lease by mortgagee or an affiliate of Mortgagee (such affiliation to be material and shown by reasonable evidence delivered to Landlord) by acceptance of an assignment in lieu of foreclosure, and Mortgagee's or such affiliate's transfer of such interest to another person or entity after such acquisition, shall not be considered an assignment of this Lease and therefore shall not be subject to any of the conditions and restrictions applicable to assignments contained in Section 11, but from and after the date of such acquisition, Mortgagee and any transferee shall

be bound by all of the terms and conditions of this Lease except as otherwise expressly provided in Section 12.6;

(c) The acquisition of Tenant's interest under this Lease by any person or entity other than Mortgagee by purchase at Mortgagee's foreclosure sale, and the acquisition of Tenant's interest under this Lease by Mortgagee or an affiliate of Mortgagee by acceptance of an assignment in lieu of foreclosure, shall not be considered an assignment of this Lease and therefore shall not be subject to all of the conditions and restrictions applicable to assignments contained in Section 11; and

(d) An acquisition of Tenant's interest under this Lease described in clause (c) above may be financed by such person or entity by encumbering to any new Mortgagee by a new Security Instrument encumbering Tenant's entire Leasehold Estate, provided that such encumbrance and such Mortgagee shall be subject to all of the terms and conditions of this Section 12.

12.4 Right of Mortgagee to Cure Defaults. If Tenant executes any Security Instrument in accordance with Section 12.1, then before Landlord may terminate this Lease because of any default under this Lease by Tenant, Landlord must give written notice of the default to Mortgagee and afford Mortgagee the opportunity after service of the notice to cure the default within (a) five (5) business days after date of notice where the default can be cured by the payment of money to Landlord or some other person or (b) the minimum period of time reasonably required to effect a cure (but in no event more than 90 days) where the default cannot, by its nature, be cured solely by the payment of money. Upon the full performance by Mortgagee of the obligation or obligations the nonperformance of which was the subject of the notice of default given to Mortgagee pursuant to this Section, such default shall be deemed cured and shall no longer give rise to any rights and remedies of Landlord; provided, however, that Mortgagee's cure of any default under this Lease by Tenant shall not excuse or waive any future default under this Lease by Tenant or preclude or limit the exercise of any rights or remedies afforded Landlord under this Lease as a result of such future default.

12.5 No Merger of Leasehold and Fee Estates. While any Security Instrument remains in effect, there shall be no merger without the consent of Mortgagee of the Leasehold Estate and the fee estate in the Property merely because both estates have been acquired or become vested in the same person or entity.

12.6 Mortgagee as Assignee of Lease. No Mortgagee shall be liable to Landlord as the successor to the rights and obligations of Tenant under this Lease unless and until such Mortgagee acquires the Leasehold Estate through foreclosure or other proceedings in the nature of foreclosure or as a result of an assignment in lieu of foreclosure or other action or remedy. Notwithstanding any provision to the contrary contained elsewhere in this Lease, Mortgagee shall not be liable for any Event of Default that may occur after the effective date of any such further assignment.

12.7 Mortgagee as Including Subsequent Security Holders. No transfer by Mortgagee of its lien or security interest on or in the Leasehold Estate shall be valid or effective as against Landlord until Mortgagee shall have given Landlord written notice of the name,

address, telephone number and email address (for notices) of the transferee. The term "Mortgagee" as used in this Lease shall mean not only the initial institutional lender named as beneficiary, mortgagee, or secured party in the Security Instrument, but also any institutional lenders that may subsequently acquire the lien or security interest created by the Security Instrument.

12.8 Estoppel Certificates by Landlord. Landlord from time to time and within ten (10) days the written request of Tenant or any Mortgagee, shall furnish a written statement that this Lease is in full force and effect and that there is no default hereunder by Tenant, or if there is a default, such statement shall specify the default which Landlord claims to exist, provided that Landlord shall not be required to deliver more than three such statements during any 12-month period.

12.9 New Lease to Mortgagee. If, while any Security Instrument is in effect, this Lease shall be terminated prior to the stated expiration hereof for any reason not related to damage or condemnation (including, without limitation, termination in any bankruptcy of the Tenant), then Landlord upon request by Mortgagee will enter into a new lease with Mortgagee for the remainder of the Term, effective as of the date of such termination, at the Rent and on the terms specified in this Lease, subject to the following conditions:

(a) Mortgagee shall make written request to Landlord for such new lease within thirty (30) days after the date of such termination and such written request shall be accompanied by a payment to Landlord of all sums then due to Landlord under this Lease;

(b) Mortgagee shall pay to Landlord, at the time of the execution and delivery of such new lease, any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for its termination, and in addition thereto, any reasonable expenses, including attorneys' fees and court costs, to which Landlord shall have been subject by reason of any default by Tenant;

(c) Mortgagee shall perform all other obligations required to have been performed under this Lease by Tenant to the extent that Tenant shall have failed to perform such obligations;

(d) Upon the execution and delivery of such new lease, any subleases which may have theretofore been assigned and transferred to Landlord shall thereupon be assigned and transferred by Landlord to the new Tenant, without recourse to Landlord; and

(e) The new lease shall commence and rent and all obligations shall accrue as of the date of termination of this Lease. The new lease shall be superior to and have priority over all encumbrances, liens, conveyances and interests upon and in the Property, other than those of record to which this Lease may be subject as of the date hereof.

(f) This Section 12.9 shall survive the termination of this Lease.

12.10 Surrender or Amendment. There shall not be any cancellation, mutual termination, surrender, or acceptance of surrender of this Lease, or any or amendment of this Lease that is materially adverse to Tenant, without the prior written consent of Mortgagee, which

consent shall not be unreasonably withheld and shall be deemed granted if contrary notice is not received by Landlord within five business days after Mortgagee's consent is requested.

12.11 Subordination. Landlord's rights under this Lease with respect to fire or other property insurance proceeds that become payable because of damage to or destruction of any improvements on the Property and with respect to compensation or damages awarded or payable because of the taking of any improvements on the Property by eminent domain shall be subject and subordinate to the rights of Mortgagee under the Security Instrument; provided, however, that nothing in this Section 12.11 shall be construed as a subordination of or encumbrance on Landlord's fee title to the Property.

13. Default and Remedies.

13.1 Events of Default. Any of the following events shall constitute an "Event of Default" under this Lease:

- (a) Tenant fails to timely pay rent;
- (b) Tenant fails to pay any other sums due Landlord within five (5) business days after written notice from Landlord that the same is due and payable;
- (c) Tenant fails to timely construct the Improvements in accordance with the terms of Section 7.1;
- (d) Tenant assigns this Lease or sublets in violation of Section 11; or
- (e) Tenant fails to perform fully and when due any of its other covenants, conditions or obligations under this Lease and after written notice from Landlord specifying the nature of such failure of Tenant, Tenant: (i) does not promptly commence taking all necessary and appropriate actions to remedy such failure, or (ii) does not thereafter diligently and continuously pursue all such remedial actions, or (iii) does not fully cure such failure within the minimum period of time reasonably required under the circumstances to achieve a cure, but in any event within ninety (90) days after Landlord's written notice of such failure, time being strictly of the essence; provided, however, that Tenant shall not be entitled to cure the breach of any covenant that is "non-curable".

13.2 Remedies. Upon the occurrence of any Event of Default, and without the giving of any additional notice not otherwise required hereunder or by law, Landlord may exercise the following rights and remedies in addition to all other rights and remedies provided by law or equity, either cumulatively or in the alternative:

- (a) Maintain this Lease and Tenant's right to possession of the Property in effect and continue to enforce all of Landlord's rights and remedies hereunder, including the remedy described in California Civil Code Section 1951.4 (granting the landlord the right to continue a lease in effect after a tenant's breach and abandonment and to recover all rent as it becomes due if the tenant has the right to sublet or assign, subject only to reasonable limitations) provided that upon Landlord's election of such remedy, Landlord may not unreasonably withhold its consent to any assignment or subletting. Acts of maintenance or



preservation or efforts to re-let the Property or the appointment of a receiver upon initiative of Landlord to protect Landlord's interest under this Lease shall not constitute a termination of this Lease or Tenant's right to possession unless written notice of termination is given by Landlord to Tenant.

(b) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the State of California. The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term or by reason of Tenant's occupancy of the Property.

(c) Upon an Event of Default by Tenant, in addition to the foregoing remedies, City shall also be entitled to terminate Tenant's right to possession of the Property by written notice to Tenant, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Property to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the unpaid Rent that had been earned at the time of termination; plus (ii) the worth at the time of award of the amount by which the unpaid Rent that would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus (iv) any other amounts necessary to compensate Landlord for all the detriment caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including the cost of recovering possession of the Property, expenses of re-letting, including necessary renovation and alteration of the Property, reasonable attorneys' fees. The worth at the time of award of the amount referred to in clause (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%). If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding any unpaid Base Rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or any part thereof in a separate suit. If any notice required under Section 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Tenant under the unlawful detainer statute shall also be deemed to constitute the notice required by Section 13.1. In such case, any applicable grace period required by Section 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Tenant to cure the Event of Default within the greater of the two such grace periods shall constitute both an unlawful detainer and an Event of Default entitling Landlord to the remedies provided for in this Lease and/or by said statute. If a notice is required under Section 13.1 is given, Tenant expressly agrees that it shall satisfy the notice requirements of the unlawful detainer statutes and laws.

13.3 Landlord's Performance of Tenant's Obligations. If Tenant fails to perform any affirmative duty or obligation under this Lease within ten (10) days after written notice (or in case of an emergency, without notice), the Landlord may, at its option, perform such duty or obligation on Tenant's behalf, including the obtaining of reasonably required bonds, insurance policies, or governmental permits, licenses and approvals. The costs and expenses of any such performance by Landlord shall be due and payable by Tenant upon Landlord's written

demand. If any check given to Landlord by Tenant shall not be honored by the bank upon which it is drawn, Landlord, at its option, may require that all future payments by Tenant to Landlord be made by bank cashier's check.

13.4 Remedies Cumulative. The remedies given to Landlord in this Section shall not be exclusive but shall be cumulative with and in addition to all remedies now or hereafter allowed by law and elsewhere provided in this Lease.

13.5 Waiver of Breach. The waiver by Landlord of any breach of Tenant of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Tenant either of the same or a different provision of this Lease. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other any contractual right by custom, estoppel or otherwise. The subsequent acceptance of rent pursuant to this Lease shall not constitute a waiver of any preceding default by Tenant other than default in the payment of the particular rental payment so accepted, regardless of Landlord's knowledge of the preceding breach at the time of accepting the rent, nor shall acceptance of rent or any other payment after termination constitute a reinstatement, extension or renewal of the Term or revocation of any notice or other act by Landlord.

14. Miscellaneous.

14.1 Tenant's Duty to Surrender Property. At the expiration or any earlier termination of the Term, Tenant shall surrender to Landlord the possession of the Property and all improvements and fixtures installed or constructed by or for Tenant thereon free and clear of all claims to or against them by Tenant or any third person or party. Subject to the provisions of Section 7.7, Tenant shall leave the surrendered property in good, safe and broom-clean condition. All property that Tenant is required to surrender shall become Landlord's property at termination of this Lease, or, if Landlord so elects and upon written notice to Tenant, shall be demolished and removed by Tenant at Tenant's sole expense, and all property that Tenant is not required to surrender but that Tenant does not remove shall become Landlord's property at termination of this Lease, or, if Landlord so elects and upon written notice to Tenant, shall be demolished and removed by Tenant at Tenant's sole expense. If Tenant fails to surrender the Property at the expiration or earlier termination of this Lease, Tenant shall defend and indemnify Landlord from all liability and expense resulting from the delay or failure to surrender, including claims made by any succeeding tenant or any purchaser or prospective purchaser founded on or resulting from Tenant's failure to surrender.

14.2 Holding Over. This Lease shall terminate without further notice at the expiration of the Term. Notwithstanding Landlord's acceptance of Rent after expiration or any earlier termination of the Term, any holding over by Tenant shall not constitute a renewal or extension of the Term or give Tenant any rights in or to the Property. Nothing contained herein shall be construed as a consent by Landlord to any holding over by Tenant.

14.3 Survival. Each obligation of Tenant's obligations under this Lease that, by its nature, is to be, or may need to be, performed after the expiration or any earlier termination of this Lease shall survive such expiration or termination.

14.4 Force Majeure Delays. Except as otherwise expressly provided in this Lease, should the performance of any act required by this Lease to be performed by either Landlord or Tenant be prevented or delayed by reason of any act of God, strike, war, lockout, labor trouble, or inability to secure materials (but not by reason of delay in the issuance of any required governmental permit, license or approval unless the delay is unusual and unjustified under the circumstances), the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused; provided, however, that that nothing contained in this Section shall excuse the full payment when due of any Rent payable by Tenant or the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act; and provided further that any such extension of the time for performance shall not affect the commencement or expiration of the Term.

14.5 Interest on Overdue Payments. All Rent and other sums of any nature that Tenant fails to pay to Landlord when due under any provision of this Lease or that Landlord pays to any third party on behalf of Tenant pursuant to any provision of this Lease shall bear interest from the date due to Landlord or paid by Landlord, as applicable (the "Due Date"), at the lesser of the maximum rate permitted by law or rate of ten percent (10%) per annum, accruing daily but not compounded. Such interest shall be payable immediately and without the necessity of any demand by Landlord. The fact that Landlord is entitled to interest under this Section shall not be construed to excuse or mitigate any default by Tenant.

14.6 Attorneys' Fees. In the event either party brings a suit, action or other proceeding against the other party that in any way relates to or arises out of this Lease, the prevailing party (meaning the party that obtains substantially the relief sought by it) shall be entitled to have and recover from the other party all costs and expenses of the suit, action or proceeding, including attorneys' fees, from the commencement of the suit, action or proceeding through the entry of judgment. The trial court shall determine which party is the prevailing party as well as the amount of attorneys' fees and costs to be awarded immediately following the entry of judgment (and without awaiting any appeal) in a post-trial proceeding such as is conducted when a cost bill is submitted. If an appeal is timely filed and if the awarding or amount of attorneys' fees and costs is at issue in the appeal, then the appellate court (or the trial court, acting pursuant to an order of the appellate court) shall determine such issue, and the recoverable attorneys' fees and costs shall include those incurred through the entry of final judgment following the appeal.

14.7 Estoppel Certificates by Tenant. Tenant shall within ten (10) days after written notice from Landlord execute, acknowledge and deliver to Landlord an estoppel certificate in writing, in form similar to the then most current "Tenancy Statement" form published by the American Industrial Real Estate Association, plus such additional information, confirmation and statements as may be reasonably requested by Landlord. Any such statement by Tenant may be given by Landlord to any prospective purchaser or encumbrancer of the Property. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct. If Tenant does not deliver such statement to Landlord within such 10-day period, Landlord and any prospective purchaser or encumbrancer may conclusively presume that: (a) the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (b) this Lease has not been canceled or terminated except as otherwise represented by

Landlord; (c) not more than one month's Base Rent has been paid in advance; and (d) Landlord is not in default under this Lease. In such event, Tenant shall be estopped from denying the truth of any such presumption. If Landlord desires to finance, refinance, or sell the Property or any part thereof, Tenant shall deliver to any potential lender or purchaser designated by Landlord such financial statements as may be reasonably required by such lender or purchaser, including Tenant's financial statements for the past three years. All such financial statements shall be received by Landlord and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

14.8 Limitation on Landlord's Liability. The obligations of Landlord under this Lease shall not constitute personal obligations of Landlord's councilmembers, officers, employees or affiliates, and Tenant shall not seek recourse against Landlord's individual councilmembers, officers, employees or affiliates, or any of their personal assets for such satisfaction.

14.9 Subordination; Attornment; Non-Disturbance.

(a) Subordination. Subject to paragraph (c) below, this Lease shall be subject and subordinate to any deed of trust or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed by Landlord upon the Property, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Tenant agrees that the holders of any such Security Devices shall have no liability or obligation to perform any of the obligations of Landlord under this Lease.

(b) Attornment. Subject to paragraph (c) below, Tenant agrees to attorn to any lender or any other party who acquires ownership of the Property by reason of a foreclosure of a Security Device, and in the event of such foreclosure, such new owner shall not (i) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses that Tenant might have against any prior lessor, or (iii) be bound by any prepayment of more than one calendar month's Base Rent.

(c) Non-Disturbance. Tenant's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the lender to the effect that Tenant's possession of the Property shall not be disturbed so long as Tenant is not in default hereunder and attorns to the record owner of the Property.

(d) Self-Executing. The agreements contained in this Section shall be effective without the execution of any further documents; provided, however, that, upon the written request of Landlord or any lender in connection with a sale, financing or refinancing of the Property, Tenant and Landlord shall execute such further writings as may be reasonably required to separately document the subordination, attornment and non-disturbance agreement provided for herein.

14.10 Consents. Whenever the consent, approval, judgment or determination of Landlord is required or permitted under any provision of this Lease, Landlord's City Manager

may give the same provided it is in writing. Landlord's actual reasonable costs and expenses (including architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Tenant for any Landlord consent, including consents to an assignment, a subletting or the presence or use of a Hazardous Materials, shall be paid by Tenant upon receipt of an invoice and supporting documentation therefor. Landlord's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Event of Default by Tenant of this Lease exists, nor shall such consent be deemed a waiver of any then-existing Event of Default, except for any waiver as may be otherwise specifically stated in writing by Landlord at the time of such consent. The failure to specify herein any particular condition to Landlord's consent shall not preclude the imposition by Landlord at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. The review or approval by Landlord of any item to be reviewed or approved by Landlord under the terms of this Lease shall not impose upon Landlord any liability for accuracy or sufficiency of any such item or the quality or suitability of such item for its intended use. Any such review or approval is for the sole purpose of protecting Landlord's interest in the Property or under this Lease, and no third parties, including Tenant or the representatives and visitors or Tenant or any person or entity claiming by, through or under Tenant, shall have any rights hereunder.

14.11 Reservations by Landlord. Landlord reserves to itself the right, from time to time and without the consent or joinder of Tenant, to grant such easements, rights and dedications as Landlord may deem necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Property by Tenant. Tenant agrees to sign any documents reasonably requested by Landlord to effectuate any such easement rights, dedication, map or restrictions.

14.12 Authority. Each individual executing this Lease on behalf of Landlord or Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on such party's behalf. Each party shall, within thirty (30) days after written request, deliver to the other party satisfactory evidence of such authority.

14.13 Quiet Enjoyment. Tenant shall and may peacefully and quietly have, hold and enjoy the Property hereby demised, for the Term, on the terms and subject to the conditions contained in this Lease.

14.14 Notices. All notices required or permitted by this Lease shall be in writing and may be delivered by personal delivery, or overnight courier or may be sent by certified mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner specified in this Section. Until changed by a notice given in accordance with the provisions of this Section, the respective addresses of Landlord and Tenant for the purpose of receiving notices required or permitted by this Lease are as follows:

Landlord: City of Covina  
125 E. College Street  
Covina, CA 91723  
Attention: City Manager

Tenant: Covina Housing Authority  
125 E. College Street  
Covina, CA 91723  
Attention: Executive Director

Any notice sent by certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. Notices delivered by overnight courier that guarantee next day delivery shall be deemed given on the next business day after delivery of the same to the courier. Notices personally delivered shall be deemed delivered upon actual delivery/receipt, as shown by reasonable evidence (such as affidavit of the person who is delivering or receiving on behalf of a party). If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

14.15 Successors and Assigns. This Lease shall be binding on and enforceable by, and shall inure to the benefit of, Landlord and Tenant and their respective successors, and assigns, subject to the provisions of Section 11.

14.16 Time of Essence. Time is of the essence of each provision of this Lease in which time is a factor.

14.17 Memorandum of Lease; Notice of Affordability Covenants. Concurrently with their execution of this Lease, Landlord and Tenant shall execute and acknowledge a memorandum of this Lease in the form of Exhibit "E", and a Notice of Affordability Covenants in the form attached hereto as Exhibit "F", and shall record them in the Official Records of Los Angeles County.

14.18 Counterparts. This Lease may be executed in counterparts, all of which together shall constitute one and the same document.

14.19 Partial Invalidity. Should any provision of this Lease be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.

14.20 Entire Agreement. This Lease constitutes the sole and complete agreement between Landlord and Tenant regarding the subject matter hereof.

14.21 Amendments. This Lease may be modified only by a written instrument signed by the parties in interest at the time of the modification. Tenant agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a lender in connection with any financing or refinancing of the Property, provided that such modifications do not materially change Tenant's obligations hereunder. Landlord agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by Tenant's lender in connection with any financing or refinancing of the Improvements or any Work (including, without limitation, a reasonable additional cure period based on the lender's need to obtain possession by receiver or foreclosure in order to cure non-monetary defaults), provided

that such modifications do not materially increase Landlord's obligations hereunder or materially decrease Landlord's rights.

14.22 Construction of Lease. This Lease shall be construed fairly as to all parties and not in favor of or against any party, regardless of which party prepared this Lease. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections and paragraphs of this Lease are for convenience only and do not define or limit any terms or provisions. Unless otherwise specifically provided, references in this Lease to sections, paragraphs and exhibits shall be to sections, paragraphs and exhibits of or to this Lease. All exhibits hereto are incorporated herein by the references thereto in this Lease. The use in this Lease of the word "include" or any derivative thereof shall be construed as providing examples or illustration only and shall not limited the generality of any provision in which it is used. As used in this Lease, the term "business day" means any day on which commercial banks are open for business in the State of California, and the term "day" means a calendar day when not expressly stated to be a business day. If any period or deadline specified in this Lease ends or falls on a day that is not a business day, such period or deadline shall be extended to end or fall on the next succeeding business day. Wherever used in this Lease, the symbol "\$" refers to dollars in currency of the United States of America.


14.23 Effect of Delivery. The delivery of any unexecuted draft of this Lease shall not constitute an offer by the delivering party or otherwise bind the delivering party or create any enforceable rights in favor of the other party. This Lease shall not be binding or enforceable unless and until it is executed and delivered by both Landlord and Tenant.

14.24 Effect on Landlord Governmental Capacity. Although Landlord is a governmental entity, none of Landlord's consents, approvals or performance of obligations under this Lease shall constitute consents, approvals or acts in the Landlord's governmental capacity, but shall only constitute consents, approvals and acts by Landlord in its proprietary capacity as the landlord under this Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the date first above written.

**LANDLORD:**

CITY OF COVINA,  
a municipal corporation

By:   
Print Name: Chris Marcarello  
Title: City Manager

**TENANT:**

COVINA HOUSING AUTHORITY

By:   
Print Name: Chris Marcarello  
Title: Executive Director

ATTEST:

  
Fabian Velez, ~~City Clerk~~ Deputy City Clerk



**EXHIBIT "A"**

**DESCRIPTION OF LAND**

THAT PORTION OF LOT 53 OF TRACT NO. 14799, IN THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 313, PAGES 9, 10 AND 11, INCLUSIVE OF MAPS AND THAT PORTION OF LOT 2 IN SECTION 13, TOWNSHIP 1 SOUTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF THE SURVEY OF SAID LAND ON FILE IN THE BUREAU OF LAND MANAGEMENT, WHICH IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 53;

THENCE ALONG THE EASTERLY LINE OF SAID LOT 53 AND ITS NORTHERLY PROLONGATION, NORTH 00° 13' 48" WEST, 292.00 FEET;

THENCE DEPARTING SAID NORTHERLY PROLONGATION, SOUTH 89°45'52" WEST, 87.00 FEET;

THENCE SOUTH 00° 13' 48" EAST, 167.67 FEET;

THENCE SOUTH 40° 33' 36" EAST, 60.00 FEET;

THENCE SOUTH 01° 13' 48" EAST, 82.24 FEET TO THE SOUTHERLY LINE OF SAID LOT 53 AND THE NORTHERLY RIGHT-OF-WAY LINE OF SAN BERNARDINO RD. (33.00' NORTHERLY HALF WIDTH);

THENCE ALONG SAID SOUTHERLY LINE OF LOT 53 AND THE NORTHERLY RIGHT-OF-WAY LINE OF SAN BERNARDINO RD., NORTH 85° 25' 51" EAST, 48.31 FEET TO THE POINT OF BEGINNING.

**EXHIBIT "B"**

**SCOPE OF DEVELOPMENT/DESCRIPTION OF IMPROVEMENTS/PROJECT**

The City of Covina Navigation Center will consist of the following major development features:

1. Perimeter fencing of not less than 6 feet in height and not more than 10 feet in height. The perimeter fencing would consist of decorative metal, wood (or synthetic wood), masonry block and/or a combination of all those materials.
2. Administrative Center building consisting of administrative offices, meeting rooms, restrooms, small classroom(s) and computer lab/work stations.
3. Restroom/shower facilities (either permanent or modular).
4. Laundry facility (modular).
5. Warming kitchen (modular).
6. Storage lockers (modular).
7. Modular living quarters---at least 6 units of housing (but all housing built shall be subject to the extremely low income and affordability requirements of the Lease, and such requirements shall survive the expiration of the term of the Lease to the extent provided in the Lease).
8. Dog run.
9. Outdoor dining area.
10. Surface parking/loading area.
11. Utility service (electricity, water, sewage).

**EXHIBIT "C"**

**SCHEDULE OF PERFORMANCE (DEADLINES)**

1. December 1, 2023. Construction of new driveway entrance from San Bernardino Road into the City of Covina Public Works Yard (with new surface parking lot).
2. June 1, 2024. Installation of perimeter fencing, modular facilities, administrative facilities, utilities and similar features.
3. December 1, 2024. Completion; begin Navigation Center operations.

**EXHIBIT "D"**

**PERMITTED HAZARDOUS MATERIALS**

1. Hazardous materials normally and customarily used in the development, construction and operation of developments similar to the project described in this Lease that are used, stored, transported and disposed of in accordance with all applicable laws.
2. Minor quantities of hazardous materials normally and customarily used by tenants/subtenants of developments similar to the Property that are used, stored, transported and disposed of in accordance with all applicable laws.

**EXHIBIT "E"**

**FORM OF MEMORANDUM OF GROUND LEASE AND USE RESTRICTIONS**

(Attached.)

**AMENDMENT TO GROUND LEASE**

This AMENDMENT TO GROUND LEASE (this "Amendment") is dated as of December 5, 2023 (the "Effective Date") and is entered into by and between the CITY OF COVINA, a municipal corporation ("Lessor"), and the COVINA HOUSING AUTHORITY ("Lessee").

**RECITALS**

- A. The Lessor and Lessee are parties to that certain Ground Lease dated June 21, 2022.
- B. Lessor and Lessee desire to amend the Lease as hereinafter set forth.

**AGREEMENT**

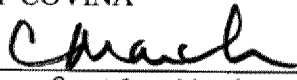
NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows.

- 1. New Exhibit "C" (Schedule of Performance) Exhibit "C" to the Lease is hereby deleted and the attached new Exhibit "C" is hereby substituted in lieu thereof.
- 2. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.
- 3. Time of Essence. Time is of the essence of every provision hereof and the new Exhibit C in which time is a factor

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date and year first above written.

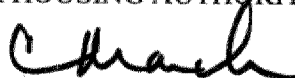
**LESSOR.**

CITY OF COVINA

By:   
Print Name: CHRIS MARCARELLO  
Title: CITY MANAGER

**LESSEE**

COVINA HOUSING AUTHORITY

By:   
Print Name: CHRIS MARCARELLO  
Title: EXECUTIVE DIRECTOR

ATTEST

  
City Clerk

APPROVED AS TO FORM.

  
Candice Lee, City Attorney

**EXHIBIT "C"**

**SCHEDULE OF PERFORMANCE (DEADLINES)**

- 1 September 30, 2024 Construction of new signalized intersection entrance from San Bernardino Road into the City of Covina Public Works Yard (with new surface parking lot)
2. March 30, 2025 Installation of perimeter fencing, modular facilities, administrative facilities, utilities and similar features.
- 3 September 30, 2025 Completion, begin Navigation Center operations.





## SECOND AMENDMENT TO GROUND LEASE

This SECOND AMENDMENT TO GROUND LEASE (this "Amendment") is dated as of June 18, 2024 (the "Effective Date") and is entered into by and between the CITY OF COVINA, a municipal corporation ("Lessor"), and the COVINA HOUSING AUTHORITY ("Lessee").

### RECITALS

- A. The Lessor and Lessee are parties to that certain Ground Lease dated June 21, 2022 and amended it by an Amendment to Ground Lease dated December 5, 2023.
- B. Lessor and Lessee desire to amend the Lease as hereinafter set forth.

### AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Rent. Section 3.1 of the Lease is hereby deleted and the following is substituted in lieu thereof:

"3.1 Rent. Commencing on the earlier of: (i) the date on which the Project is completed, or (ii) the deadline for completion of the Project in Exhibit "C" as extended pursuant to Section 14.4 if applicable (such earlier date being hereinafter referred to as the "Rent Commencement Date"), Tenant shall pay rent to Landlord for the Property at the rate of Sixty Four Thousand Dollars (\$64,000.00) per year, increased on each anniversary of the Rent Commencement Date by three percent (3%), which shall be prepaid for the first 23 years after the Rent Commencement Date by Tenant prior to the Rent Commencement Date (such prepayment amount being \$1,929,835.22, which was calculated as a present value amount using a discount rate equal to the LAIF interest rate of the original Lease reference date of June 21, 2022 that Landlord could obtain by investing such funds), and shall be payable for the period after the 23 year prepayment period in equal monthly installments, on the first business day of each calendar month, without notice, deduction or offset.

Tenant may also prepay more rent at any time by paying the present value of the rent prepaid, using such discount/interest rate then applicable to funds invested by Landlord."

2. Section 3.3 of the Lease is hereby deleted and the following is substituted in lieu therefore:

"3.3 Contingent Secured Construction Loan by Landlord from Prepaid Rent. If Tenant is unable, despite good faith efforts, to obtain adequate grant, conditional grant or forgivable loan funds/financing on or before March 30, 2025 to complete the Improvements, then Landlord hereby commits and covenants to make Tenant a conditional secured grant (or forgivable secured loan) from the rent paid by Tenant to Landlord, up to the entire amount of such rent, to the extent needed to finance the completion of the

Improvements. Such construction loan shall be disbursed in increments, not more often than once every thirty days, after receipt of a written draw request from Tenant stating the amount of the disbursement requested and including reasonable evidence of the costs to be paid, and subject to other reasonable construction loan disbursement conditions.

Such loan shall be secured by the Tenant's interest under this Lease, and shall be evidenced by a promissory note and leasehold deed of trust reasonably acceptable to Landlord. The promissory note shall have an interest rate of three percent (3%) per annum and a maturity date that is the expiration or earlier termination of this Lease, and will provide that the loan principal and accrued interest shall be repaid in annual installments from 100% of the annual "residual receipts" (as defined in the promissory note, but consisting of the amount by which income from the Property exceeds costs of operating the Property and providing services to residents), but that principal outstanding on the maturity date will be forgiven."

3. Counterparts. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

4. Time of Essence. Time is of the essence of every provision of this Lease in which time is a factor.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date and year first above written.

**LESSOR:**

CITY OF COVINA

By: Chris Marcarello  
Print Name: Chris Marcarello  
Title: City Manager

**LESSEE:**

COVINA HOUSING AUTHORITY

By: Chris Marcarello  
Print Name: Chris Marcarello  
Title: Executive Director

ATTEST:

[Signature]  
City Clerk



## CC Regular Meeting

# AGENDA ITEM REPORT

**Meeting:** September 17, 2024  
**Title:** Purchase of Five Vehicles for the Police Department  
**Presented by:** David Povero, Chief of Police  
**Recommendation:** Approve the purchase of five (5) Dodge Durango and approve Resolution CC 2024-87 appropriating \$73,624.01 for vehicle purchase and retrofit for the K-9 program.

### EXECUTIVE SUMMARY:

The police department is requesting the purchase of five (5) 2025 Dodge Durangos (SUVs) from Elk Grove Auto in Elk Grove CA, in the total amount of \$268,120.05 with taxes and fees included or \$53,624.01 each. Three vehicles will be for the traffic Division, one for the replacement of P16 in patrol which was totaled after a traffic collision and one for the canine program.

### DISCUSSION:

These new five vehicle will be assigned as follows.

- Three vehicles will be purchased under the California Highway Patrol's Cannabis Tax Fund Grant Program (CTFGP). The department was awarded \$427,120.68 earlier this year for use in traffic enforcement activities and the purchase of equipment and supplies.
- One vehicle will replace P16 which was involved in a traffic collision last year and was determined to be a total loss.
- One vehicle will be assigned to the Canine unit and will be equipped as such for this particular detail. Upon purchase of the vehicle the K-9 Foundation of Covina will reimburse the City of Covina for the full amount of the vehicle purchase at \$53,624.01 and up to \$20,000 retrofitting as a K-9 vehicle.

In order to evaluate the proposed purchase price for the vehicle, staff closely examined vehicle pricing, options and trim within Los Angeles and Orange Counties for SUV models traditionally used for patrol duties. In the last few years it has been nearly impossible to purchase police vehicles from Ford, Chevy and Dodge due to production delays and high demand for law enforcement vehicles. Covina is fortunate to have located these 2025 Dodges after a thorough search. After our review, we confirmed that the proposed purchase price is fair and roughly within 3% of market range.

Based on the reasonableness of these circumstances, it is requested that the City Council consider waiving competitive bid requirements per Municipal Code 2.20.080 Sections B. This section states that non-competitive proposals may be made only when at least one of the following circumstances applies: 1) The supply, service or equipment is available from only one source; 2) The public exigency or emergency for the supply, service or equipment will not permit a delay resulting from competitive solicitation; and 3) After solicitation of a number of sources, competition is determined inadequate. Sections B2 & B3 apply in this situation. Staff did attempt to solicit bids from multiple dealerships, but no vehicles were available. The Police Department urgently needs vehicles and cannot wait months for availability as it will negatively impact operations.

**FISCAL IMPACT:**

The funds of four of the vehicles have been budgeted for the FY 2024-25 budget. The fifth vehicle is non-budgeted and therefore the police department is requesting an additional \$53,624.01 for the purchase of the vehicle and \$20,000 for the retrofit for a total of \$73,624.01 to be paid from the unallocated general fund balance. This total amount will later be reimbursed by the K-9 Foundation of Covina as donation.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

None

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'David Povero', written over a horizontal line.

David Povero  
Chief of Police





**RESOLUTION CC 2024-87**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, APPROPRIATING FUNDS IN THE AMOUNT OF \$73,624.01 AND INCREASING THE POLICE DEPARTMENT FISCAL YEAR 2024-25 EXPENDITURE BUDGET BY THE SAME AMOUNT**

**WHEREAS**, the City of Covina is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California (“City”); and

**WHEREAS**, the City of Covina police department would like to purchase a K-9 vehicle using unallocated general fund balance; and

**WHEREAS**, utilizing this allocation will increase the Police Department’s appropriation by \$73,624.01; and

**WHEREAS**, the reallocation of appropriations may be made by the City Manager, amendments (increases/decreases) to the Budget shall be by approval and Resolution of the City Council;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1. Amend the fiscal year 2024-25 Police Department Budget as follows:**

<b>Account Number</b>	<b>Account Title</b>	<b>Original Budget</b>	<b>Increase by</b>	<b>Budget Amendment</b>
7010 6010 55550 PD	Police Vehicle	350,000	\$ 73,624.01	\$ 423,624.01

**SECTION 2.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTEST:

\_\_\_\_\_  
FABAIN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-87 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk





# CC Regular Meeting AGENDA ITEM REPORT

- Meeting:** September 17, 2024
- Title:** Badillo Street Water Services Replacement Project – Project No. W2501 – Award of Contract to GRBCON, Inc. for a Not-to-Exceed Amount of \$379,581.20.
- Presented by:** Rafael M. Fajardo, Interim Director of Public Works/City Engineer
- Recommendation:**
1. Approve plans and specifications for the Badillo Street Water Services Replacement Project;
  2. Award a contract for the Badillo Street Water Services Replacement Project to GRBCON, Inc. as the lowest responsive and responsible bidder for a not-to-exceed amount of \$379,581.20 and authorize the City Manager to execute the contract;
  3. Authorize a project contingency amount of \$37,958.12 (approximately 10%) for any unforeseen construction expenses; and
  4. Award a Professional Services Agreement to Siterep Construction Services, Inc for Inspection Services for an amount not-to-exceed \$25,200 and authorize the City Manager to execute the contract.

### EXECUTIVE SUMMARY:

As part of the City’s Fiscal Year 2024-2025 Capital Improvement Program, the City Council approved the Badillo Street Water Services Replacement Project, which is comprised of the installation of two (2) 6-inch main laterals, four (4) commercial fire hydrants, and one (1) 4-inch service lateral manifold to six (6) 1-inch service lines along Badillo Street from Rimsdale Avenue to Lark Ellen Avenue.

Following a public bidding process, it has been determined that the lowest responsive and responsible bidder for the project is GRBCON, Inc. As such, it is recommended that a contract be awarded for the Badillo Street Water Services Replacement Project to GRBCON, Inc. as the lowest responsive and responsible bidder in an amount not-to-exceed \$379,581.20 and authorize the City Manager to execute the contract.

### DISCUSSION:

The water main line on Badillo Street that lies between Rimsdale Avenue and Lark Ellen Avenue was installed circa 1950. The un-lined steel water main has been subject to a significant number of failures and the main line, galvanized services, old valves and hydrants have recently exceeded their useful life. The Badillo Street Water Services Replacement Project will ultimately provide high quality water service to Covina residents and businesses located within the project area for the foreseeable future.

A Notice Inviting Bids was published in the *San Gabriel Valley Examiner* on Thursday, August 26<sup>th</sup> & September 5<sup>th</sup>, 2024. Sealed bids were accepted in the Office of the City Clerk until 10:00 am on Tuesday, September 10, 2024. Beginning at 10:00 a.m. on September 10, 2024, the City Clerk publicly opened and read four (4) sealed bids with the following results:

RANK	BIDDER	LOCATION	TOTAL BID AMOUNT
1	GRBCON, Inc.	Baldwin Park, CA	\$379,581.20

2	Gentry Brothers, Inc.	Irwindale, CA	\$402,096.00
3	Big Ben Engineering, Inc.	Irvine, CA	\$431,750.00
4	Dominguez General Engineering, Inc.	Pomona, CA	\$496,600.00

Staff has reviewed all bid documents for compliance and evaluated the contractors’ professional backgrounds and recently completed projects for competency. As a result, staff recommends a contract award to the lowest responsive and responsible bidder, GRBCON, Inc., given that this firm has completed numerous water main replacement projects for several public agencies in Southern California including Covina.

**FISCAL IMPACT:**

The funding sources allocated for the Badillo Street Water Services Replacement Project as well as associated project expenses are as follows:

**ALLOCATED PROJECT FUNDS IN FY 2024-25**

FUNDS	ALLOCATION	ACCOUNT
Water CIP Fund	\$ 1,250,000	6011-5080-55410-W2501
<b>Total Allocation</b>	<b>\$ 1,250,000</b>	

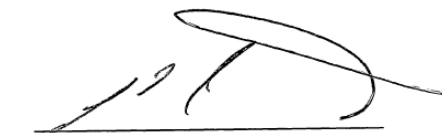
**PROPOSED PROJECT EXPENSES**

DESCRIPTION	AMOUNT
Contract Amount (GRBCON, Inc.)	\$ 379,581.20
Contingency Allowance	\$ 37,958.12
<b>Total Contract Amount</b>	<b>\$417,539.32</b>
Siterep Construction Services, Inc. (Construction Inspection Services)	\$ 25,200.00
<b>Total Fiscal Impact</b>	<b>\$442,739.32</b>

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

This project has been determined to be categorically exempt under CEQA in accordance with Title 14, Chapter 3, Class 1, Sections 15301 and 15302. This exemption includes the minor alteration of existing public facilities involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The project involves negligible or no expansion of an existing use.

Respectfully submitted,



Rafael M. Fajardo  
Interim Director of Public Works/City Engineer

## CONTRACT

### **CITY OF COVINA CONTRACT FOR BADILLO STREET WATER SERVICES REPLACEMENT PROJECT – PROJECT NO. W2501**

THIS CONTRACT (“Contract”) is made and entered this 17<sup>th</sup> day of September, 2024 (“Effective Date”), by and between the CITY OF COVINA, a California municipal corporation (“City”) and GRBCON, Inc., a California corporation (“Contractor”). Contractor’s California State Contractor’s license number is 1012408; Class A. Contractor’s DIR registration number is 1000038691.

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Contract Documents. The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid (including documentation accompanying the Bid and any post-Bid documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. The Contract Documents are attached hereto and incorporated herein by reference. In the event of any conflict between the terms of this Contract and any incorporated documents, the terms of this Contract shall control.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as Badillo Street Water Services Replacement Project – Project No. W2501 (“Project”), as described in this Contract and in the Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, City shall pay Contractor an amount not to exceed Three Hundred and Seventy-Nine Thousand Five Hundred and Eighty-One Dollars and Twenty Cents (\$379,581.20) in accordance with the prices as submitted in the Bid, attached hereto as Exhibit “A” and incorporated herein by this reference.
4. Incorporation by Reference. All of the following documents are attached hereto and incorporated herein by this reference: Workers’ Compensation Certificate of Insurance, Additional Insured Endorsement (Comprehensive General Liability), Additional Insured Endorsement (Automobile Liability), and Additional Insured Endorsement (Excess Liability).
5. Antitrust Claims. In entering into this Contract, Contractor offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. § 15) or under the Cartwright Act (Cal. Bus. & Prof. Code, § 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
6. Prevailing Wages. City and Contractor acknowledge that the Project is a public work to which prevailing wages apply.
7. Workers’ Compensation. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, by signing this Contract, the Contractor certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract.”

8. Trenches and Other Excavations. If this Project involves the digging trenches or other excavations that will extend deeper than four (4) feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to proposers prior to the deadline for submitting proposals; and (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

9. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

10. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

11. Entire Agreement. This Contract, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between City and Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Contract.

12. Counterparts. This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed the Contract the day and year first above written.

[SIGNATURE PAGE FOLLOWS]

CITY OF COVINA

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

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

ATTEST:

By: \_\_\_\_\_  
Chief Deputy City Clerk

Dated: \_\_\_\_\_

\_\_\_\_\_  
("CONTRACTOR")

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**EXHIBIT B  
PAYMENT BOND  
(LABOR AND MATERIALS)**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Covina ("City"), State of California, has awarded to

---

("Principal")  
*(Name and address of Contractor)*

a contract (the "Contract") for the Work described as follows:

**BADILLO STREET WATER SERVICES REPLACEMENT PROJECT – PROJECT NO. W2501**  
*(Project Description/Name)*

WHEREAS, under the terms of the Contract, the Principal is required before entering upon the performance of the Work, to file a good and sufficient payment Bond with the City to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, we, the undersigned Principal, and \_\_\_\_\_

---

---

*(Name and address of Surety)*

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City and all contractors, subcontractors, laborers, material suppliers, and other persons employed in the performance of the Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the penal sum of \_\_\_\_\_ Dollars

(\$ \_\_\_\_\_), for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this Work or labor, that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by City in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this Bond.

Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1741, and upon expiration of the time within which a joint labor management committee may commence an action against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1771.2, if the condition of this Bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract or the Specifications accompanying the same shall in any manner affect its obligations on this Bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: \_\_\_\_\_

“Principal”

“Surety”

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

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

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

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

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

(Seal)

(Seal)

**Note:** *This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. IF CONTRACTOR IS A PARTNERSHIP, ALL PARTNERS MUST EXECUTE BOND. DATE OF BOND MUST NOT BE PRIOR TO DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department’s most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.*





Contract or to the Work or to the specifications. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: \_\_\_\_\_

“Principal”

“Surety”

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

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

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

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

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

(Seal)

(Seal)

**Note:** *This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. IF CONTRACTOR IS A PARTNERSHIP, ALL PARTNERS MUST EXECUTE BOND. DATE OF BOND MUST NOT BE PRIOR TO DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department’s most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.*

## CHECKLIST FOR BIDDERS

The following information is required of all Bidders at the time of Bid submission:

- ✓ | Completed and Signed Bid Cover Form
- ✓ | Completed and Signed Bid Sheets
- ✓ | Completed, Signed and Notarized Questionnaire
- ✓ | Completed References Form
- ✓ | Resume of General Construction Superintendent/On-Site Construction Manager
- ✓ | Completed Subcontractor Designation Form
- ✓ | Completed and Signed Industrial Safety Record Form
- ✓ | Completed, Signed and Notarized Bid Bond or Other Security Form
- ✓ | Signed and Notarized Noncollusion Declaration Form
- ✓ | Completed and Signed Addenda Acknowledgement Form
- ✓ | Evidence satisfactory to the City indicating the capacity of the person(s) signing the Bid to bind the Bidder

Failure of the Bidder to provide all required information in a complete and accurate manner may cause the Bid to be considered non-responsive.

**CONTRACT BID FORMS**

**BADILLO STREET WATER SERVICES REPLACEMENT PROJECT  
FROM RIMSDALE AVENUE AND LARK ELLEN AVENUE  
PROJECT No. W 2501**

**TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF COVINA:**

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Covina to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

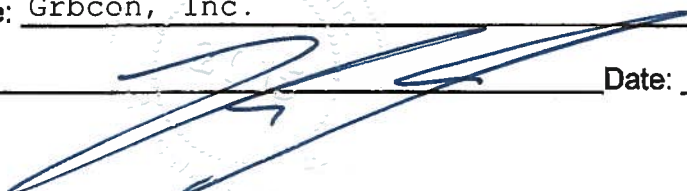
The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

Accompanying this Bid is cash, a cashier's check, a certified check or a Bid Bond in an amount equal to at least ten percent (10%) of the total aggregate Bid price based on the quantities shown and the unit prices quoted. The undersigned further agrees that, should it be awarded the Contract and thereafter fail or refuse to execute the Contract and provide the required evidence of insurance and Bonds within fifteen (15) Days after delivery of the Contract to the undersigned, then the cash, check or Bid Bond shall be forfeited to the City to the extent permitted by law.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses California Contractor's License:

Number 1012408, Class A, C-42, which expires on 3/31/2026.

Bidder's Name: Grbcon, Inc.

Signature:  Date: 9-10-2024

# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Los Angeles )

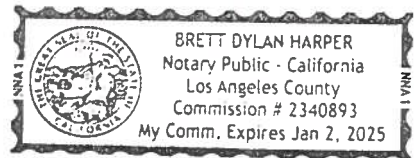
On September 10, 2024 before me, Brett Harper, Notary Public  
(insert name and title of the officer)

personally appeared Kristion Grbavac,  
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)



**CITY OF COVINA**

**BID SCHEDULE  
SCHEDULE OF PRICES FOR  
BADILLO STREET WATER SERVICES REPLACEMENT PROJECT  
FROM RIMSDALE AVENUE AND LARK ELLEN AVENUE  
PROJECT No. W 2501**

Bidder's Name: Grbcon, Inc.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following prices:

**BASE BID SCHEDULE**

ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICES	EXTENDED AMOUNT
1	Clearing and Grubbing	LS	2	\$5,000 -	\$10,000 -
2	Install 4" Service Lateral, meter manifold type and connect to existing downstream piping and install vault per Std W 203. Remove conflicting portion of existing water service and meter vault (See 2a. below)	LF	60	\$1,235.82	\$74,149.20
2a	Remove conflicting portion of existing water service, box and install (6) 1" water services per Covina Std. Dwg. No. W-101. Short side service, approx. 5 feet long.	EA	6	\$2,500 -	\$15,000 -

ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICES	EXTENDED AMOUNT
3	Remove existing fire hydrant and conflicting portions and install Jones Triton 4060-R Commercial Fire Hydrant per Covina Standard Drawing No. W-110 & W-180 Complete.	EA	4	\$41,524-	\$166,096-
4	Install 6" PVC C-900, PC 305 (DR 14) Water Main line Including Trenching per Covina Standard Drawing No. W-180.	LF	160	\$503 -	\$80,480 -
5	Install 6" 45-degree bends per std W-170 Complete.	EA	12	\$1,491-	\$17,892
6	Abandon and seal existing water system in place and cut, plug and cement existing pipe end per Covina Std. Dwg. No. W-020.	EA	2	\$2,982-	\$5,964-
7	Remove and Construct PCC Driveway approach per SPPWC Std. Plan 110-2, Type B or C per plan, including all incidentals complete in place per plans, details, and specifications.	SF	250	\$40 <sup>00</sup>	\$10,000-

\* SEE APPENDIX I FOR ADDRESS LOCATIONS

TOTAL BID PRICE IN DIGITS: \$ 379,581.20

By:

Signature

Kristion Grbavac

Type or Print Name

President

Title

Date

9-10-2024

5114 Elton Street

Business Street Address

Baldwin Park, CA. 91706

City, State and Zip Code

626-699-2380

Telephone Number

Bidder's/Contractor's State of Incorporation: California

Partners or Joint Ventures: Corporation

Bidder's License Number(s): 1012408

Department Industrial Relations  
Registered No. 1000038691

Note: Items may be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities, and if this right is exercised, the Contractor will not be entitled to any additional compensation. Cost of all export of material shall be included in the above unit costs; no additional compensation will be granted for such expenses.



# QUESTIONNAIRE FORM

Fill out all of the following information. Attach additional sheets if necessary.

- (1) Bidder's Name: Grbcon, Inc.
- (2) If the Bidder's name is a fictitious name, who or what is the full name of the registered owner? If the Bidder's name is not a fictitious name, write "N/A" in the response to this question. If you are doing business under a fictitious name, provide a copy of the filed valid Fictitious Business Name Statement.  
N/A
- (3) Business Address: 5114 Elton Street, Baldwin Park, CA. 91706
- (4) Telephone: 626-699-2380 Facsimile: 626-699-2457
- (5) Type of firm - Individual, Partnership, LLC or Corporation: Corporation
- (6) Corporation organized under the laws of the State of: California
- (7) California State Contractor's License Number and Class: 1012408, A, C-42  
Original Date Issued: 3/28/2016 Expiration Date: 3/31/2026
- (8) DIR Contractor Registration Number:  
1000038691
- (9) List the name and title of the person(s) who inspected the Project site for your firm:  
Kristion Grbavac and John Gavigan
- (10) Number of years' experience the company has as a contractor in construction work: 8
- (11) List the names, titles, addresses and telephone numbers of all individuals, firm members, partners, joint ventures, and company or corporate officers having a principal interest in this Bid:

Kristion Grbavac, President, 5114 Elton Street, Baldwin Park, CA. 91706 6266992380

Gordon A Grbavac, Vice President, 5114 Elton Street, Baldwin Park, CA. 91706 6266992380

- (12) List all current and prior D.B.A.'s, aliases, and fictitious business names for any principal having interest in this Bid:

N/A

---

(13) List the dates of any voluntary or involuntary bankruptcy judgments against any principal having an interest in this Bid:

N/A

---

---

---

(14) For all arbitrations, lawsuits, settlements and the like (in or out of court) that the company or any principal having an interest in this Bid has been involved with in the past five (5) years:

a. List the names, addresses and telephone numbers of contact persons for the parties:

N/A

---

---

---

b. Briefly summarize the parties' claims and defenses:

N/A

---

---

---

c. State the tribunal (e.g., Superior Court, American Arbitration Association, etc.), the matter number, and the outcome:

N/A

---

---

---

(15) Has the company or any principal having an interest in this Bid ever had a contract terminated by the owner or agency? If yes, explain.

No

---

---

---

(16) Has the company or any principal having an interest in this Bid ever failed to complete a project? If yes, explain.

No.

---

---

---

- (17) Has the company or any principal having an interest in this Bid ever been terminated for cause, even if it was converted to a "termination of convenience"? If yes, explain.

No

---

---

- (18) For projects that the company or any principal having an interest in this Bid has been involved with in the last five (5) years, did you have any claims or actions:

- a. By you against the owner? Circle one: Yes  No
- b. By the owner against you? Circle one: Yes  No
- c. By any outside agency or individual for labor compliance? Circle one: Yes  No
- d. By Subcontractors? Circle one: Yes  No
- e. Are any of these claims or actions unresolved or outstanding? Circle one: Yes  No

If your answer is "yes" to any part or parts of this question, explain.

No

---

---

- (19) List the last three (3) projects you have worked on or are currently working on for the City of Covina:

Badillo Street and Azusa Avenue Water Main Replacement Project - Project #W240

---

City Wide Manhole/Trench Adjustment Proejct Project No. P2301

---

Sewer Relief Line Project - San Bernardino Rd From Second Ave to Third Ave

---

Upon request of the City, the Bidder shall furnish evidence showing a notarized financial statement, financial data, construction experience, or other additional information.

Failure to provide truthful answers to the questions above or in the following References Form may result in the Bid being deemed non-responsive.

The Bidder certifies under penalty of perjury under the laws of the State of California that the information provided above is true and correct.

[SIGNATURE PAGE FOLLOWS]

Notary Public

Company

Subscribed and sworn to me \_\_\_\_\_

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: President

Date: 9-10-2024

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Signature: \_\_\_\_\_

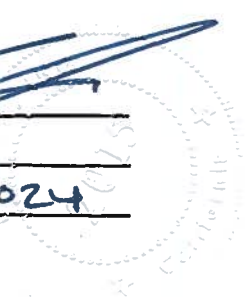
Title: \_\_\_\_\_

Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

(SEAL)



# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

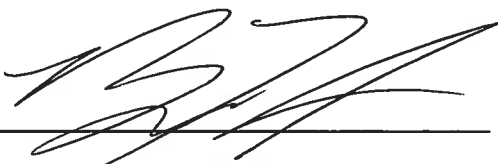
State of California  
County of Los Angeles

On September 10, 2024 before me, Brett Harper, Notary Public  
(insert name and title of the officer)

personally appeared Kristion Grbavac,  
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)



See Attached Project List and SOQ

### REFERENCES FORM

For all public agency projects in excess of \$15,000 that you are currently working on or have worked on in the past two (2) years, provide the following information:

Project 1 Name/ Number See Attached Project List and SOQ

Project Description \_\_\_\_\_

Approximate Construction Dates From: \_\_\_\_\_ To: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

Original Contract Amount: \$ \_\_\_\_\_ Final Contract Amount: \$ \_\_\_\_\_

If final amount is different from original amount, please explain (change orders, extra work, etc.).

\_\_\_\_\_  
\_\_\_\_\_

Did you or any Subcontractor file any claims against the Agency?

Circle one: Yes No

Did the Agency file any claims against you?

Circle one: Yes No

If you answered yes to either of the above two questions, please explain and indicate outcome of claims.

\_\_\_\_\_  
\_\_\_\_\_

Project 2 Name/ Number See Attached Project List and SOQ

Project Description \_\_\_\_\_

Approximate Construction Dates From: \_\_\_\_\_ To: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

Original Contract Amount: \$ \_\_\_\_\_ Final Contract Amount: \$ \_\_\_\_\_

If final amount is different from original amount, please explain (change orders, extra work, etc.).

\_\_\_\_\_  
\_\_\_\_\_

Did you or any Subcontractor file any claims against the Agency?

Circle one: Yes No

Did the Agency file any claims against you?

Circle one: Yes No

If you answered yes to either of the above two questions, please explain and indicate outcome of claims.

\_\_\_\_\_  
\_\_\_\_\_

Project 3 Name/ Number \_\_\_\_\_ See Attached Project List and SOQ \_\_\_\_\_

Project Description \_\_\_\_\_

Approximate Construction Dates From: \_\_\_\_\_ To: \_\_\_\_\_

\_\_\_\_\_

Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

Original Contract Amount: \$ \_\_\_\_\_ Final Contract Amount: \$ \_\_\_\_\_

If final amount is different from original amount, please explain (change orders, extra work, etc.).

\_\_\_\_\_  
\_\_\_\_\_

Did you or any Subcontractor file any claims against the Agency?

Circle one: Yes No

Did the Agency file any claims against you?

Circle one: Yes No

If you answered yes to either of the above two questions, please explain and indicate outcome of claims.

---

---

Project 4 Name/ Number

See Attached Project List and SOQ

Project Description

Approximate Construction Dates

From: \_\_\_\_\_

To: \_\_\_\_\_

Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone: \_\_\_\_\_

Address: \_\_\_\_\_

Original Contract Amount: \$ \_\_\_\_\_

Final Contract Amount: \$ \_\_\_\_\_

If final amount is different from original amount, please explain (change orders, extra work, etc.).

---

---

Did you or any Subcontractor file any claims against the Agency?

Circle one: Yes No

Did the Agency file any claims against you?

Circle one: Yes No

If you answered yes to either of the above two questions, please explain and indicate outcome of claims.

---

---



**Project 5 Name/ Number** See Attached Project List and SOQ

**Project Description** \_\_\_\_\_

**Approximate Construction Dates**                      **From:** \_\_\_\_\_                      **To:**  
\_\_\_\_\_

**Agency Name:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_                      **Telephone:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Original Contract Amount:** \$ \_\_\_\_\_                      **Final Contract Amount:** \$ \_\_\_\_\_

**If final amount is different from original amount, please explain (change orders, extra work, etc.).**  
\_\_\_\_\_  
\_\_\_\_\_

**Did you or any Subcontractor file any claims against the Agency?**

**Circle one:**    Yes    No

**Did the Agency file any claims against you?**

**Circle one:**    Yes    No

**If you answered yes to either of the above two questions, please explain and indicate outcome of claims.**  
\_\_\_\_\_  
\_\_\_\_\_

**Project 6 Name/ Number** See Attached Project List and SOQ

**Project Description** \_\_\_\_\_

**Approximate Construction Dates:**                      **From:** \_\_\_\_\_                      **To:**  
\_\_\_\_\_

**Agency Name:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_                      **Telephone:** \_\_\_\_\_

**Address:** \_\_\_\_\_

Original Contract Amount: \$ \_\_\_\_\_ Final Contract Amount: \$ \_\_\_\_\_

If final amount is different from original amount, please explain (change orders, extra work, etc.).

---

---

Did you or any Subcontractor file any claims against the Agency?

Circle one: Yes No

Did the Agency file any claims against you?

Circle one: Yes No

If you answered yes to either of the above two questions, please explain and indicate outcome of claims.

---

---

## RESUME

Attach to this Bid the experience resume of the person who will be designated as General Construction Superintendent or on-site Construction Manager for the Project.

See Attached Project List and SOQ

# GRBCON

INCORPORATED

## STATEMENT OF QUALIFICATIONS

### *Contract Satisfaction -*

GRBCON, Incorporated (DGS SBE #2002710, CSLB No. 1012408) has the workforce, competence, funding and experience to perform the proposed contract in a judicious, qualified and adequate manner including having available and committed tools of the contracts completed to the extent of:

- Financial resources
- Required licenses
- Experience in personnel
- Technical equipment
- Relationships with responsive, accountable vendors, suppliers and subcontractors to adequately assist in completion of the project

### *Past Contract Performance -*

- No suspension or revocation of any relevant professional licenses, significant fines, penalties or failure to comply with any Federal, State or local requirements.
- No termination for default of any contract, nor significant failure to perform timely or in accordance with the proposal, plans and/or specifications.
- No premeditated failure to comply with labor laws and regulations including laws pertaining to timely payment of wages, payment of prevailing wages, sexual harassment, child labor and timely payment of all obligations to subcontractors, vendors and material suppliers.
- No intentional disregard for the personal safety of anyone on company construction sites, or the public.
- No violations of Workers' Compensation laws.
- No failure to comply with State, Federal and local laws and regulations prohibiting discrimination or promoting equal employment opportunity.
- No significant violation of local, state or federal environmental protection laws, rules, regulations or requirement including those related to the unauthorized or unpermitted discharge of pollutants, including wastewater/SWPPP.

### ***Ethics and Business Practice of our Personnel and Firm -***

GRBCON, Inc. has had no disputes with its reliability and business ethics for the life of the firm and by the officers of the firm including:

- No conviction of a crime involving bidding upon or performance of local, state or federal government contracts.
- No conviction of a crime involving serious moral depravity, a lack of integrity, or the knowing disregard of the law.

### ***Subcontractor Relations -***

The aforementioned business ethics tie into our belief when it comes to dealing with subcontractors including the following:

- Knowledge and understanding with federal, state and local laws and regulations including the California Contract Code pertaining to utilization of subcontractors and business practices toward subcontractors.
- Practicing good faith and fair dealings
- Proving record of intended performance of contractual obligations owing to subcontractors, including timely payment.
- A proven understanding of Davis Bacon, Federal and State funding payroll compliance and respective programs.

### ***Insurance and Bonds -***

GRBCON, Inc., has been in full compliance when it comes to documenting and submitting all necessary bonds and insurance to fulfill the requirements of the agencies we have done business with. There is no history of bonding issues, and we a job has never been taken over by the bonding company or had a claim on our bond. We are backed by Everest Insurance which is rated "A+ Superior" by A.M. Best and listed as a California Admitted Surety. We are currently approved for a \$10.00 MM aggregate program.

Our insurance coverages are as follows:

- *General Liability- Hartford Fire Insurance Company*
  - \$1,000,000.00 Per Occurrence
  - \$300,000.00 Damage to Rented Premises
  - \$5,000.00 Medical Expenses
  - \$1,000,000 Personal/Adv. Injury
  - \$2,000,000 Products/Completed operations
  - \$2,000,000 General Aggregate
- *Auto Liability - Hartford Accident and Indemnity Company*
  - \$1,000,000.00 Combined Single Limit
- *Workers Compensation- Hartford Accident and Indemnity Company*

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

---

- \$1,000,000.00 Each Accident
- \$1,000,000.00 Each Employee
- \$1,000,000.00 Policy Limit
- *Pollution Liability – Westchester Surplus Lines Insurance Co.*
  - \$1,000,000.00 Per Claim/Aggregate
- *Equipment Leased or Rented from Other – Hartford Fire Insurance Company*
  - \$250,000.00 Agg.

### ***Historical Bidding Practices –***

At any time additional information has been requested by an agency or owner on a project before or after the time of bid, GRBCON has furnished all necessary documents within the time frame requested. A historical summary of projects performed by GRBCON personnel is attached to this package for reference.

### ***Our Company History –***

Established in 2015, GRBCON, Inc. is owned by Kristion Grbavac, Gordon Grbavac Jr. and Gordon Grbavac Sr. Combined, a partnership amongst the three men -- a two-generation venture -- bringing both long-standing experience, and current relevancy to the organization. The three Grbavac gentlemen have experience in pipeline related to water, sewer and storm drains of over 30 years dating back to 1990 when Gordon Grbavac first became a C-42 license holder. Since 1990, Gordon Sr. has held ownership roles in three C-42 holding corporations (License No.'s: 592467, 585791, and 907164) and currently holds his own A License. Additionally, Gordon Grbavac Sr. was an officer with California Builders Group (License No: 919166) which formerly held an A license with the State of California. Gordon's experience in Sanitation Systems provides the engineering knowledge and experience of trenching, specifically related to shoring and safety at all levels. He has worked in nearly every county and city in Southern California over the course of his career and will be devoted to the firm's overall success as well as successful project completion.

Since the firm's inception, GRBCON, Inc. has secured numerous Public Works contracts in Sewer, Storm Drain, and Potable Water Line construction. Gordon Grbavac, Jr. and Kristion Grbavac have taken the experience gained at W.A. Rasic and MNR to position GRBCON for market success in Southern California. GRBCON has completed contracts in numerous cities from San Luis Obispo County to Orange County. In 2018, GRBCON, Inc. became Signatory to LIUNA and furthermore gained access to a skilled workforce capable of even the most complex construction tasks. GRBCON's partnership with the Laborers' Union has ensured that employees are well trained in industry standards for construction including but not limited to OSHA regulations, trench safety, and confined space entry procedure.

Given the new arrival of GRBCON as a company, we understand the significant impact adapting a safety culture as a company can have. We strive to impact our

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

employees by teaching them safety is always the number one priority, no matter what.

We also do our part within the underground community by being active members of the Engineering Contractors Association (ECA). Kristion Grbavac currently serves on the board for the ECA and is an active member within several committees. As the industry continues to change, GRBCON practices adapting to the newest standards and regulations with the goal of always being in the know. By taking an active position in industry organizations, the firm can adapt actively to adjust the firm's policy, procedure, and adherence to ever-changing regulation.

***Key Players -***

GRBCON takes pride in the employees we have invested in and trust will assist in providing our clients with the best possible services and results on a project from start to finish. Our key players involved with each successful project are included in the resume's attached to this package.

# Kristion Grbavac

## **EDUCATION**

*University of San Diego, San Diego, CA*

BA in Political Science

- Minors: Communication Studies, Theology and Religious Studies
- Major/Minor GPA: 3.37

## **EXPERIENCE**

*GRBCON, Inc., Baldwin Park, CA*

President

2015 - Present

- Responsible for all clerical aspects of business pertaining to finance, compliance, dispute resolution, and estimating.
- Responsible for project management including but not limited to scheduling, change order resolution, and budgeting.

*W.A. Rasic Construction Co., Inc., Long Beach, CA*

Public Works Department Intern

2013-2015

- Responsible for performing take-off calculations on projects up to \$ 250,000,000
- Contacted potential subcontractors for material quotations
- Responsible for performing Good Faith Effort, aimed at utilizing small minority and women owned enterprises as subcontractors
- Compiled master contact list of over 700 contacts for Estimators to utilize
- Completed job walks and surveyed potential projects for Estimating staff
- Managed RFIs for potential contract opportunities
- Responsible for review of Specification to assist Estimating staff with bidding process
- Assisted in estimation process of following projects:
- Estimated on: City of Temecula Old Town Sewer Improvements, City of Escondido Cemetery Area Water Pipeline Replacement Project, City of Los Angeles North Outfall Sewer (NOS) Rehabilitation Unit 3 – Vermont to Trinity, City of Burbank Beachwood-Sparks Force Main Replacement and Pump Station Upgrade Project, LADWP Construction Of Owens Lake Dust Mitigation Project Phase 9/10, and Chevron Refinery Station Fire Loop Upgrade Project

## **SKILLS/LANGUAGES**

- Proficient in Croatian and English
- Proficient with Bluebeam CAD software and blue print markup
- Confined Space Certification
- CPR/First Aid Certification
- Competent Person Certification
- CSLB Licensed (A) General Engineering Contractor (#1050830)

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

---



# Gordon Grbavac

## **EDUCATION**

*University of Oregon Eugene, OR*

Bachelor of Science June 2017

- General Social Science: Business and Applied Economics
- Cumulative GPA: 3.33

## **EXPERIENCE**

*GRBCON, Inc., Baldwin Park, CA*

VP/Superintendent/Operator

2015 - Present

- Working closely with the estimating department and bringing a more technical point of view during the bid process
- Project scheduling
- Dealing directly with material distributors
- Job cost analysis
- Acting as a mediator between firm and agency
- Operating all forms of heavy equipment

*W.A. Rasic Construction Co., Inc., Long Beach, CA*

2013 -2015

Project Engineer

- Acting as a liaison between project manager and technical disciplines involved with projects
- Schedule preparation
- Resource forecasting for construction and other technical activities
- Job cost analysis
- Team building

*MNR Construction, Inc., Baldwin Park, CA*

2013

Assistant Project Superintendent

- Assistant to Superintendent obtaining plans, specifications and materials
- Responsible for stocking all utility trucks with proper safety equipment and tools needed for sewer and water projects
- Attended pre-construction meetings and asked relevant questions to agency about respective project

## **SKILLS/LANGUAGES**

- Proficient in Croatian and English
- Certified Microsoft Office Specialist
- Confined Space Certification
- CPR/First Aid Certification
- Competent Person Certification
- Heavy Equipment Operator Safety Certified

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

---

# Gordon Grbavac Sr.

## **EDUCATION**

*Pasadena City College 1985-1987*  
Associates Degree in Business Management

## **EXPERIENCE**

*GRBCON, Inc., Baldwin Park, CA*

VP/Head Superintendent 2015 - Present

- Working closely with the estimating department and bringing a more technical point of view during the bid process
- Responsible for project scheduling and job cost analysis
- Handle relationships with material suppliers
- Acting liaison between firm and agency
- Operator for all forms of heavy equipment
- RMO, General Engineering Contractor (A) and C-42

*California Builders Group*

2011 -2012

Officer/Head Estimator/Operator Foreman

- Lead Superintendent of Public Works division
- Estimated and built/ installed projects
- Handled all change orders and resolutions
- Relationship manager for all subcontractors and vendors

*Drina Underground Corp., Baldwin Park, CA*

VP/Head Superintendent 2008-2010

- Estimated all projects
- Handled project scheduling and job costing and change orders
- Dealt directly with material distributors
- Acted as a mediator between firm and agency
- Operated all forms of heavy equipment

*Grgo and Gordon Grbavac Construction Co. Inc., Baldwin Park, CA*

VP/Head Superintendent 1991-2006

- Estimated all projects
- Handled project scheduling and job costing and change orders
- Dealing directly with material distributors
- Acting as a mediator between firm and agency
- Operating all forms of heavy equipment
- Responsible for all accounting matters
- Representative for all labor relations

## **SKILLS/LANGUAGES**

- Proficient in Croatian and English
- Confined Space Certification
- CPR/First Aid Certification
- Competent Person Certification
- Heavy Equipment Operator Safety Certified

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

# Brett Harper

## **EDUCATION**

- University of Arizona, Tucson, AZ*  
BS in Business Administration - Finance
- Major GPA: 3.56

## **EXPERIENCE**

- GRBCON, Inc., Baldwin Park, CA*  
Business Development Manager 2019 - Present
- Responsible for accounts payable, payroll, job costing, and fringe benefit payments.
  - Researches potential markets and explores new opportunities aligned with Grbcon's strategic growth model
  - Provides comprehensive support in the estimating process and assists in the management of public works projects

- Gelt, Inc., Tarzana, CA*  
Asset Management and Aquisitions Intern Summer 2018
- Prepared marketing audits, inspected properties, and compiled information regarding competitors
  - Assisted in the underwriting process by completing estimates and providing market research
  - Collaborated with asset managers on specific ways to cut down on portfolio wide expenses

- Pacific Systems Interiors, Irwindale, CA*  
Accounting Associate Intern Summer 2018
- Efficiently entered invoices into vender accounts to track job cost and payable status
  - Processed check requests and cut weekly checks ranging from \$500,000-\$2,000,000
  - Reconciled monthly job disbursement statements to ensure the correct retention was held and outstanding balances were cleared

- Grbcon, Inc., Baldwin Park, CA*  
Construction Management Intern Summer 2017
- Attended pre-bid meetings to obtain project details and network with subcontractors
  - Participated in the estimating process of public works bid opportunities
  - Prepared monthly schedules and researched jobs listed on various platforms

## **SKILLS/LANGUAGES**

- Proficient or advanced in Word, Excel, PowerPoint, Bluebeam, Xactimate, and Vista.

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

---

# Tihomir (Tim) Grbavac

## EDUCATION

Citrus College  
Associates Degree in Business Management

## EXPERIENCE

*GRBCON, Inc., Baldwin Park, CA*

Superintendent/Operator (Local 12) 2019 - Present

- Working closely with the estimating department and bringing a more technical point of view during the bid process.
- Brings over 23 years of sewer and storm drain construction experience to the firm from previous employer(s).
- Working closely with Management to ensure schedules are met.
- Effectively communicates changes in field condition to ensure proper notification to ownership
- Subcontractor management, ensuring adherence to respective city standards
- Handle relationships with material suppliers, dispatch of subcontractors
- Acting liaison between firm's management and agency
- Daily Project Record Keeping, As-Built Management
- Operator for all forms of heavy equipment
- Ensure strict adherence to safety procedure

*Vasilj, Inc., Irwindale, CA*

Superintendent/Operator (Local 12) 2002 -2019

- Working closely with the estimating department and bringing a more technical point of view during the bid process.
- Working closely with Management to ensure schedules are met.
- Effectively communicates changes in field condition to ensure proper notification to ownership
- Subcontractor management, ensuring adherence to respective city standards
- Handle relationships with material suppliers, dispatch of subcontractors
- Acting liaison between firm's management and agency
- Daily Project Record Keeping, As-Built Management
- Operator for all forms of heavy equipment
- Ensure strict adherence to safety procedure
- Construction of Various City of LA SSRP and ESR Projects
- Specified knowledge in Pipe Bursting, CIPP, Point Repairs and DAR Work. **(Media Attached)**

*Grgo and Gordon Grbavac Construction Co. Inc., Baldwin Park, CA*

Foreman/Operator (Local 12)/Driver (Class A) 1996-2002

- Operating all forms of heavy equipment
- Managerial Foreman, responsible for scheduling of subs, material delivery, daily records, as-builts, agency meetings.

## SKILLS/LANGUAGES

- Proficient in Croatian, English and Spanish
- Confined Space Certification
- CPR/First Aid Certification
- Competent Person Certification
- Heavy Equipment Operator Safety Certified
- OSHA 10/30

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

# John Gavigan

## **EDUCATION**

*Pasadena City College*  
Associates Degree in Business Management

## **EXPERIENCE**

*GRBCON, Inc., Baldwin Park, CA*

Vice President/Project Estimator and Manager 2019 - Present

- Estimate and Manage Public Works Project
- Change order dispute management
- Value engineering
- Brings over 30 years of sewer and storm drain construction experience to the firm from previous employer(s)
- Working closely with field management to ensure expedient construction
- Effectively communicates changes in field condition to ensure proper notification to ownership
- Subcontractor management, ensuring adherence to respective city standards
- Handle relationships with material suppliers, dispatch of subcontractors
- Daily Project Record Keeping, As-Built Management

*Vasilj, Inc., Irwindale, CA*

Project Estimator and Manager 2003 - 2019

- Estimate and Manage Public Works Project
- Change order dispute management
- Value engineering
- Working closely with field management to ensure expedient construction
- Effectively communicates changes in field condition to ensure proper notification to ownership
- Subcontractor management, ensuring adherence to respective city standards
- Handle relationships with material suppliers, dispatch of subcontractors
- Acting liaison between firm's management and agency
- Daily Project Record Keeping, As-Built Management
- Specified knowledge in Pipe Bursting, CIPP, Point Repairs and DAR Work. **(Media Attached)**

*E.C. Construction Co., South El Monte, CA*

Laborer, Superintendent, Project Manager/Estimator 1990 - 2003

- Estimate and manage surface restoration project
- Assist the firm with bidding private and public works projects
- Assist the firm with soliciting subcontractor wet utility bids
- Laborer on paving and concrete crews

## **SKILLS/LANGUAGES**

- Proficient in English and Spanish
- Confined Space Certification
- CPR/First Aid Certification
- Competent Person Certification

5114 Elton Street, Baldwin Park, CA 91706 | Office: 626-699-2380 | Fax: 626-699-2457

John Gavigan - Past Project  
Construction List

Emergency Projects

Work Order	Title	work	Dates	Billed Amt
SWC02380	ALVARADO	remove letter	*1/1/3	\$ 5,141.99
SWC02399	GAS TRAP MANHOLES	install SS gas traps	12/13 - 1/14	\$ 29,760.02
SWC02420	HOLLYWOOD BL	replace MH lids	2/14-3/14	\$ 7,910.14
SWC02437	RINALDI	Drop MH	3/14 - 4/14	\$ 39,216.61
SWC02458	AVALON & 59th	18" VCP	*4/14	\$ 58,054.84
SWC02469	309 CHURCH Ln.	point repairs	*5/14	\$ 27,500.21
SWC02488	WILSHIRE BL.	abandon 8" VCP	5/14 - 7/14	\$ 14,236.05
SWC02496	GRAND VIEW	remodel MH	*8/14	\$ 1,149.40
SZS11559	RESEDA Storm Drain	plug SD lateral	*7/14	\$ 8,661.17
SWC02508	CORBIN	l-lock MH removal	*7/14	\$ 1,495.59
SWC02532	KINGSLEY	drop MH	*8/14	\$ 13,429.89
Pasadena	La Loma	lateral repairs	*7/14	\$ 16,955.00
LACSD	301 Rosemead	pothole	*5/14	\$ 23,012.31
Pasadena	1051 Summit	lateral repairs	*8/14	\$ 1,700.00
SWC02646	23720 LUND ST	lateral repairs	*8/14	\$ 4,815.59
SWC02662	3800 Hollyhne	wall & adjust MH	*10/14	\$ 25,442.62
SWC02682	12th	lateral repairs	*11/14	\$ 47,001.41
LACSD	Douglas Ave. Trunk Sink Hole	paving	*11/14	\$ 17,455.04
SWC02697	1608 New Jersey	R&R 8"	*12/14	\$ 62,831.00
SWC02713	1700 West Blvd.	lateral repairs	*1/15	\$ 36,441.72
SWC02728	4100 Marcell	tool removal	*1/15	\$ 50,283.46
SZS11575	Rose	v-gutter	*2/15	\$ 82,663.04
SWC02745	1280 Angelo	manhole	*2/15	\$ 31,779.94
SWC02760	3700 Oak Hill Ave.	8" vcp repair	*3/15	\$ 72,067.48
SZC12722	59th Alley Pothole	31 potholes	*3/15	\$ 91,956.88
SWC02779	10200 W. Sunset Blvd.	325 ft of 8" VCP	*4/15	\$ 184,339.17



SZC12732	Lambert / Locksley	pipe burst	*4/15	\$ 77,140.00
SWC02808	615f Figueroa	drop MH	*5/15	\$ 36,860.46
SZC12737	Queens Rd	repairs & lining	*6/15	\$ 40,572.00
SWC02548	4700 Bonvue	tool removal	*7/15	\$ 34,413.00
SWC02968	9600 Bellanca	8" vcp	*8/15	\$ 4,446.11
SZC12740	10300 Kerwood	CCTV & clean spill	*9/15	\$ 8,041.75
SWC02891	Morningside	point repair	*9/15	\$ 16,176.00
LACSD	Rocket pump station	pipe replacement	*10/15	\$ 16,680.00
SZC12747	75th St.	R&R entire reach	*10/15	\$ 127,100.00
SWC02939	7th st Alley	remove tool & steps	*12/15	\$ 2,557.16
SWC03004	200 Vermont	R&R 8" VCP slurry filled	*12/15	\$ 42,439.00
City of Santa Monica	19th & Olympic	16" water main repair	*1/16	\$ 35,000.00
SZS11607	3649 Berry Dr.	72' of 12" HDPE	*1/16	\$ 167,928.00
SWC03018	Lanfranco	point repairs	*1/16	\$ 27,069.00
SWC03033	3500 N. Division St.	New MH & point repair	*2/16	\$ 59,560.25
LACSD	Valencia pothole	pothole	*2/16	\$ 48,800.00
SWC03047	400 Alameda	8" VCP	*2/16	\$ 41,229.00
SWC03081	69th St.	point repair	*3/16	\$ 51,558.99
SWC03077	Rockingham	lining	*4/16	\$ 16,064.81
LACSD	Pasadena pothole	pothole	*4/16	\$ 18,953.13
Anaheim	Katella lateral	install clean out	*4/16	\$ 5,400.00
Anaheim	Lincoln & Broadway	MH to MH	*4/16	\$ 112,345.00
City of Santa Monica	valve replacement at Pier	new valves	*4/16	\$ 78,029.00
SWC03149	2200 Gaffey	6" point repairs	*4/16	\$ 42,376.00
Pasadena	EI Molino	12" VCP	*4/16	\$ 21,370.00
SWC03164	3900 Drysdale	6" point repair & MH	*5/16	\$ 101,244.32
Anaheim	3146 Graciosa	lateral repair	*5/16	\$ 7,475.00
SWC03179	Doherty Lining	top hat installation	*5/16	\$ 14,300.00
SWC03195	San Vincente	clean & CCTV	*6/2	\$ 137,182.83

City of Santa Monica	Fire Station Lateral	4" lateral	*6/2	\$ 36,455.00	
SWC03208	Trino Way Pacific Palisades	open cut & brick MH	*6/22	\$ 141,000.00	
SWC03225	Van Ness (Paramount Studios)		*6/30	cancelled	
Anaheim	Paseo Real	MH remodel	*6/30	\$ 1,985.00	
Anaheim	Helena St.	wye connection	*7/5	\$ 7,985.00	
SZC12767	Misslon Rd	full reach 35' deep	*7/16	\$ 498,744.00	
SWC03304	Dorcas		*8/15	\$ 61,775.00	
SWC03317	Glennville /	lining	*8/16	\$ 13,290.10	
SWC03332	Jefferson / Rodeo	bulkheads	*8/16	\$ 264,750.00	
SWC03343	Tobin	MH remodels	*9/16	\$ 49,295.00	
SWC03430	ESR Zoo Dr.	MH deck repairs	*10/16	\$ 10,000.00	
anaheim	220 Crescent	lateral repair	*10/16	\$ 7,250.00	
SWC03444	Cahuenga	lining & top hats	*10/16	\$ 25,000.00	
SWC03454	Woodshire	brick MH	*11/16	\$ 23,462.59	
SZC12785	Wonderland Park	R&R 8" reach	*11/16	deleted	
SWC03483	Wheeling	lining	*12/16	\$ 36,490.00	
SZS11629	Wheeling	storm drain CCTV & repair	*12/16		
SWC03498	Medlow	repairs & lining	*12/16		
SZC13165	100 Vermont	bursting of 8"	*12/16	\$ 172,618.00	
SWC03520	737 Basin / Garfey	point repair	*1/17		
SWC03531	1330 MLK / Normandie	sink hole	*1/17	\$ 17,040.00	
SWC03639	Comstock	point repair	*3/17		
Anaheim	321 Vicki	point repair	*3/17	\$ 6,950.00	
anaheim	Palm	new MH	*3/17	\$ 11,250.00	
Anaheim	La Palma	point repair	*3/17	\$ 7,650.00	
SZC13181	La Presa Bursting	burst	*3/17	\$ 228,000.00	
SWC03678	Goodland	lateral repair	*3/17		
SWC03694	Sunshine		*4/17		



Agency/General	Contact / Phone	Job Title	Dates	Value	
LACDPW	Brian Mossberg	Walteria Drain	6/03 - 7/04	\$ 4,500,000.00	4900' of 72" drain
Colonies Crossroads		Upland Offsite sewer	7/04 - 10/04	\$ 1,000,000.00	4000' of 12" open
Lancaster	Roy Kellogg 661-510-4322	Ave I Storm Drain	9/04 - 2/05	\$ 969,000.00	1300' of 66" RCP
Claremont	Kirk Phillips 909-399-5478	Storm Drain	7/04-3/05	\$ 1,100,000.00	2500' of 48" RCP
Yorba Linda Water		Fiesta Sewer	10/04-11/04	\$ 148,000.00	500 of 8" open
Bowden Development		El Monte Elliot Ave.	12/04 - 2/05	\$ 25,000.00	site drainage
Burbank Airport		Wash Pad	3/05 - 3/05	\$ 38,000.00	concrete pad
LACSD	Peter Brennan 661-775-9723	Trunk "F", Lancaster	4/05 - 11/06	\$ 6,155,000.00	8800 lf of 54" open
Pasadena	Yannie Wu 626-744-3762	City Wide Sewer	1/05 - 5/05	\$ 150,000.00	point repairs
Sancon Tech.	Bob Hollingsworth 714-891-2323	West Hollywood Sunset Bl.	7/05 - 8/05	\$ 195,000.00	point repairs
E.C. Const.	Dave Wilhite 626-444-9596	Foothill Transit Storm Drain	7/05 -8/05	\$ 100,000.00	36" storm drain
E.C. Const.	Dave Wilhite 626-444-9596	El Monte Schools	9/05 - 9/05	\$ 80,000.00	fire hydrant lateral
Sully Miller	Victor Hernandez	Glendale Street Resurfacing	9/05 - 10/05	\$ 110,000.00	point repairs
MCEC, Inc.		Arco Station Sylmar	12/05 - 1/06	\$ 115,000.00	lateral
Vernon	Pin Chan	District Blvd. Sewer	1/06 - 5/06	\$ 1,700,000.00	3000 of 12" open
City of Los Angeles	Mohamad Fakih 213-485-5841	Sepulveda Sherman Oaks	3/06 - 2/07	\$ 3,901,000.00	4500 of 15" open
LACSD	Ted Brodeur 562-699-7411	45th Street East, Palmdale	4/06 - 7/06	\$ 920,000.00	1800 of 18" open
LACSD		Joint Outfall "J" Lornita	8/06-7/08	\$ 180,000.00	250' of 18" open
Monterey Park	Vinnie Bermudez	El Mercado Street	8/06 - 9/06	\$ 110,000.00	600 of 8" open
Sully Miller	Victor Hernandez	Pasadena - Raymond Ave.	8/06 - 10/06	\$ 390,000.00	1100' of 15" open
LACSD		Artesia Blvd.	12/06 - 1/07	\$ 32,000.00	potholing
City of Pasadena	Yannie Wu 626-744-3762	Laguna St. Sewer	1/07 - 3/07	\$ 353,000.00	800' of 12" open
E.C. Const.	Dave Wilhite 626-444-9596	Foothill Transit Fire Line	1/07 - 2/07	\$ 56,000.00	250' of 8" water
City of Pasadena		Water Main W/D 06-03	2/07 - 5/07	\$ 801,780.00	5600' of 8" water
Covina	Steve Henley 626-384-5490	Sewer Rehabilitation Phase 1	2/07- 7/07	\$ 1,735,000.00	5000' of 8" open
Kalban, Inc.		Pasadena - Avenue 64	4/07 - 4/07	\$ 40,000.00	point repairs

Torres Const.		LAUSD - Garvanza School	4/07 - 4/07	\$ 20,000.00	lateral
City of Anaheim	Sean Razmy	Katella Ave. phase 1	6/07 - 10/07	\$ 486,000.00	1200' of 12" open
City of Anaheim	Sean Razmy	Katella Ave. phase 2	8/07 - 12/07	\$ 1,735,000.00	2400' of 18" open
City of Pasadena	Yannie Wu	Arroyo Ave. Sewer	9/07 - 01/08	\$ 635,000.00	1600' of 15" open
City of Anaheim	Sean Razmy	Brookhurst Ave.	8/07 - 01/08	\$ 1,996,000.00	3600' of 18" open
City of Hermosa Beach		Sewer Target Areas 2-4	7/07 - 02/08	\$ 435,000.00	repairs & lining
City of Fullerton		Walemmain / Sewer	6/07 - 9/07	\$ 789,000.00	5600' of 8" water
E.C. Const.	Dave Willhite	Citrus College	8/07 - 10/07	\$ 300,000.00	storm drain
City of Los Angeles		CSRP Unit 6	11/07 - 2/08	\$ 635,575.00	3000' of 8" open
City of Garden Grove		Garden Grove Sewer	2/08 - 3/09	\$ 3,592,000.00	5400' of 21" open
RJ Noble Co.		City of Buena Park - Knott Ave.	8/08 - 10/08	\$ 412,000.00	MH on 78" sewer
City of Los Angeles	Felix Madagña	CSRP Unit 5 NE Wilshire	8/08 - 11/08	\$ 1,145,000.00	repairs & lining
City of Anaheim	Sean Razmy	Citywide Sewer	4/08 - 2/09	\$ 1,410,000.00	repairs & lining
City of Los Angeles	Carlton Jones	Menlo Storm Drain	1/08 - 5/08	\$ 478,000.00	500' of HDPE drain
City of Los Angeles	Kola Aljibola	SSRP - Rose Ave. C04	4/08 - 1/11	\$ 1,978,000.00	repairs & lining
City of Los Angeles	David Ventura	SSRP - Willow Glen H28A	5/08 - 6/09	\$ 2,125,000.00	repairs & lining
City of Los Angeles	Lynn Hanami	SSRP - Coliseum A02B	5/08 - 7/09	\$ 2,424,844.00	repairs & lining
City of Los Angeles	Lynn Hanami	SSRP - Venice A02A	5/08 - 7/09	\$ 1,941,795.00	repairs & lining
City of Anaheim	Sean Razmy	Citywide Sewer Phase II	5/09 - 6/09	\$ 1,251,000.00	repairs & lining
City of Anaheim	Bob Palaologus	Lincoln Ave.	1/09 - 5/09	\$ 905,300.00	1800' of 15" open
City of Los Angeles	David Ventura	SSRP - Prosser U19B	5/09 - 6/11	\$ 2,450,745.00	repairs & lining
City of Los Angeles		Cartwright Assessment	1/09 - 2/09	\$ 331,335.00	1000' of 8" open
City of Long Beach	Rene Bracamontes	West Side Storm Drain	7/09 - 7/10	\$ 3,133,000.00	7x4 RCB drain
City of Pasadena	Yannie Wu	Citywide Sewer	7/09 - 9/09	\$ 430,000.00	point repairs
LACDPW		Via Coronel Sewer	7/09 - 8/10	\$ 135,000.00	500' of 8" open
Port of Long Beach	Ramajit Brar	Pier G Sewer	8/09 - 4/10	\$ 679,750.00	18" VCP boring
City of Long Beach	Rene Bracamontes	River Ave. Drain	11/09 - 2/10	\$ 1,021,675.00	78" storm drain
E.C. Const. / Pasadena	Dave Willhite	Walnut Ave. Kinneloa St.	1/10 - 1/10	\$ 192,270.00	storm drain
City of La Puente		Sewer Phase III	11/09 - 4/10	\$ 1,494,000.00	7800' of PVC open

City of Los Angeles	Bryan Choont	213-847-0379	SSRP - Robertson U24	1/10 - 9/10	\$ 758,628.00	repairs & lining
City of Riverside	Daniel Simmons	951-712-4952	Taquesquije Sewer	5/10 - 6/11	\$ 5,625,287.00	5600' of 36 open
Southwest	Justin Duchaineau		SSRP U15	11/10 - 2/11	\$ 65,000.00	repairs & lining
City of Anaheim	Sean Razmy	714-765-5059	CSSSR&R phase 2	8/10 - 1/11	\$ 1,299,982.00	repairs & lining
City of Los Angeles	Christine Sotelo	213-485-1505	SSRP H25 A&B	1/11 - 1/12	\$ 1,454,000.00	repairs & lining
City of Pomona	Paul Mochel	858-444-6804	Various Locations "A"	2/11 - 9/11	\$ 1,574,000.00	10,000 of 8" open
City of Anaheim	Sean Razmy	714-765-5059	CSSSR&R phase 3	5/11 - 12/11	\$ 1,031,000.00	repairs & lining
City of Los Angeles	Tao Yang	213-847-0304	SSRP U09 - U10	7/11 - 6/12	\$ 1,438,000.00	repairs & lining
City of Los Angeles	Christine Sotelo	213-485-1505	SSRP C01B	10/11 - 7/12	\$ 1,100,755.00	repairs & lining
City of Pasadena	Bob Gardner	626-590-4908	2011 Upgrades	10/11 - 2/12	\$ 448,248.00	2200 of 10" open
City of Anaheim	Bob Palaologus	714-765-5285	CSSIP - Orangewood	11/11 - 10/12	\$ 2,515,000.00	7200 of 21" open
City of Covina	Steve Herley	626-384-5490	City Sewer System S-2011	2/12-7/13	\$ 4,318,000.00	30,000 bursting
City of Los Angeles	Christine Sotelo	213-485-1505	SSRP C01A	6/12 - 8/13	\$ 2,032,000.00	repairs & lining
City of Pasadena	Bob Gardner	626-590-4909	2012 Upgrades	8/12 - 4/13	\$ 219,000.00	1000 of 10" open
City of Anaheim	Sean Razmy	714-765-5059	CSSSR&R group 1	9/12 - 11/12	\$ 1,230,000.00	repairs & lining
City of Anaheim	Sean Razmy	714-765-5059	CSSSR&R Group 2	3/13-6/13	\$ 1,013,000.00	repairs & lining
City of Anaheim	Sean Razmy	714-765-5059	CSSIP - Group 5	3/13 - 10/13	\$ 3,949,000.00	9500 lf of 24" VCP
Southwest	Justin Duchaineau		Hemmosa Beach	1/13-2/13	\$ 195,000.00	point repairs
City of Santa Monica	Carlos Rosales		Wasterwater FY12-13	8/13-12/13	\$ 1,181,000.00	3500 of 10" C-900
City of Sana Ana	Kurt		Westminister Sewer	9/13-2/14	\$ 1,228,000.00	3300 of 15" vcp
City of Los Angeles	Lynn Hanami	310-732-4693	SSRP T06A	7/13-4/14	\$ 2,215,000.00	7500 of 15" HDPE
Southwest	Justin Duchaineau		Hemmosa Beach Bayview Ave.	9/13-9/13	\$ 332,000.00	1300 of 8" HDPE
Southwest	Justin Duchaineau		Barstow	7/13-7/13	\$ 120,000.00	200 of 8" vcp
City of Los Angeles	Carla Rinehart		SSRP S07	3/14 - 12/14	\$ 909,000.00	3500 of 8" vcp
City of Fullerton	Allison Tran		Bastanchury	2/14 - 6/14	\$ 1,340,000.00	2600 lf of 15" vcp
City of Pomona	Tim Hampton		Ganesfa Hills	3/14 - 7/14	\$ 765,000.00	2600 of 8" vcp
City of Los Angeles	Lynn Hanami	310-732-4693	SSRP N06AB & N03	8/14 - 6/15	\$ 2,155,000.00	4000 of 8" & 70 MH
LADWP	Marcelo		#8888 lateral reconstruction	8/14 - 9/14	\$ 262,000.00	5 locations
All American	John Manly		Hawthorne Blvd	6/14 - 8/14	\$ 478,000.00	8 to 12" upsizing



Southwest	Rob Bolger		City of Gardena	11/14 - 1/15	\$ 38,000.00	spot repair
City of Los Angeles	Celso Perez	213-847-0334	Pierce Woodman Diversion	10/14 - 2/15	\$ 360,860.00	24" VCP & MH
City of Pomona	Tim Hampton		Phillips Ranch Wall	12/14 - 1/15	\$ 118,000.00	blockwall
City of Santa Monica	Carlos Rosales		Wastewater SP2303	3/15 - 10/15	\$ 1,776,000.00	7,000 of 8" c-900
Southwest	Rob Bolger		Barstow	1/15 - 2/15	\$ 213,000.00	misc. spot repairs
City of Sierra Madre	Bruce Inman		W. Grand View Sewer	1/15 - 4/15	\$ 205,000.00	400 of 10" vcp
LACDPW	Khalad		Carroll Dr. Sewer	4/15 - 7/15	\$ 105,000.00	400 of 8" vcp
City of Hermosa Beach	Victor Chavez		Herondo Water line	3/15 - 4/15	\$ 138,000.00	700 lf of reclaimed
City of Pomona	Tim Hampton		Fairplex Sewer	4/15 - 8/15	\$ 988,000.00	1000 of 15" vcp
City of Fullerton	Brian Korcock		Orangethorpe MH	4/15 - 5/15	\$ 70,000.00	7 new MHs
Southwest	Rob Bolger		Hermosa Beach 14-402	5/15 - 7/15	\$ 208,000.00	point repairs
City of Arcadia	Dean		Sewer Repairs	5/15 - 7/15	\$ 45,000.00	3 point repairs
City of Upland	Daniel Lee		Sewer Rehab	4/15 - 12/15	\$ 303,450.00	30 manholes
City of Long Beach	Jimmy Huang		PCH Sewer	4/15 - 12/15	\$ 1,488,000.00	1000 of bursting
City of Orange	alan Truong		Glassell	8/15 - 10/15	\$ 1,043,300.00	6000 of 8"
City of Anaheim	Kelli Tunnicliff		Katella & Harbor	7/15 - 12/15	\$ 2,598,000.00	5000 of 21 & 24
Rossmoor	Harvey Gobas 714-751-7373		Katella Ave.	11/15 - 4/16	\$ 785,000.00	1800 of 8"
City of Anaheim	Jonathan Heffernan		Anaheim Hills Golf Course	12/15 - 2/16	\$ 195,000.00	60" SD
City of Pasadena	Roubik		2016 Sewer Relining	1/16 - 4/16	\$ 491,500.00	978 of 8" & lining
City of Los Angeles	Carla Rlnehart		SSRP 218A	1/16 - 1/17	\$ 2,481,000.00	
City of Anaheim	Tim Flint		SSRP P08	8/16 - 9/17	\$ 1,804,700.00	
City of Arcadia	Michael		Lincoln Sewer	3/16 - 7/16	\$ 376,000.00	
City of El Segundo			Huntington Dr. bursting	7/16 - 8/16	\$ 326,000.00	2000 of 14" HDPE
City of Anaheim	Kelli Tunnicliff		Illinois	9/16 - 11/16	\$ 414,000.00	2500 of 8"
City of LA			Alomar Sewer	1/17 - 4/17	\$ 739,000.00	1300 of 18"
City of Anaheim	Kelli Tunnicliff		SSRP H22	1/17 - 12/17	\$ 2,262,000.00	
city of LA			Cerritos Sewer	2/17 - 7/17	\$ 2,236,000.00	2800 lf of 24"
City of Arcadia			SSRP P22	6/17 - 2/18	\$ 1,588,392.00	1000 of 15" vcp
			Misc Sewer	5/17 - 6/17	\$ 45,000.00	remodel MH

## PROJECT LIST

Job No	Work Done As:	Project Title	Completion Date	Awarding Body	Awarding Body Address	Awarding Body Contact	Prime Contractor	Phone Number	Pipeline Type	Description	Original Contract Amount	Final Contract Amount
23SW02	GRB CON, Inc.	Main Street Sewer Pipe Replacement Project No. N2M23-24	Dec-23	City of Alhambra	111 S 1st St, Alhambra, CA 91801	Thomas Amare	GRB CON, Inc.	626-300-1562	Sewer	Excavation, 760' of 12" VCP Sewer, 2 EA 60' Manholes, 16 EA Sewer Laterals Bypass, 8 EA Traffic Loops, 50,000 SF Slurry Seal, etc.	\$ 710,879.00	\$ 681,980.10
22SW02	GRB CON, Inc.	Downtown District Sewer	Jan-24	Valley Sanitary District	45-500 Van Buren, Indio, CA 92201	Adrian Contreras	GRB CON, Inc.	760-238-5400	Sewer	Clean/Install 12,065' of 8", 10", and 12" CIPP Liner, Reinstall 135 Lateral Connections, Reinstall 52 Manholes, Construct 1905' of 8" and 6" PVC Sewer.	\$ 2,317,866.00	\$ 2,578,308.95
22SW07	GRB CON, Inc.	Sewer Main Replacement - Portion of Azusa Ave & Citrus Street	Aug-22	City of West Covina	1444 West Garvey Avenue South, West Covina, CA 91790	Okan Demirel	GRB CON, Inc.	714-319-6137	Sewer	460' of 8" HDPE Sewer Installed by Pipe Bursting, 3 new 48" manholes, paving, traffic control, etc.	\$ 358,911.00	\$ 219,994.40
22SW11	GRB CON, Inc.	City-Wide Manhole/Trench Adjustment Project Project No. P2301	IP	City of Covina	125 E College St, Covina, CA 91723	Rafael Fajardo	GRB CON, Inc.	626-672-5991	Sewer	R&R 120' of 8" VCP Sewer, 75' of 4" VCP Sewer Laterals, 4 EA 48" Sewer Manholes.	\$ 125,850.00	\$ 125,850.00
22SW10	GRB CON, Inc.	Storm Drain Repair 2021 Project	Feb-23	City of Pasadena	100 North Garfield Ave, Pasadena, CA 91101	Brent Maue	GRB CON, Inc.	626-744-4307	Storm Drain	250 SF Remove and Reconstruct Catch Basin Deck, 120' Furnish and Install Catch Basin Protection, 2 EA Adjust Culvert Ltd, 15 EA Catch Basin Inserts, etc.	\$ 352,550.00	\$ 352,550.00
22SW02	GRB CON, Inc.	Valley Blvd/Kaiser Sewer Project SB-19-PH-22	Apr-23	City of Fontana	8353 Sierra Avenue, Fontana, CA 92335	Kyle Scobier	GRB CON, Inc.	(909) 350-6530	Sewer	550' of 10" and 15" VCP Sewer, Splicing, 4 EA 48" Poly-Crete Manholes, 2700' of 10" CIPP Lining, and Paving.	\$ 752,829.96	\$ 872,225.55
22SW03	GRB CON, Inc.	Beverlywood Street Storm Drain Project	May-23	City of Los Angeles	200 N Spring Street Room 355, Los Angeles, CA 90012	Hugo Rico	GRB CON, Inc.	(213) 485-4564	Storm Drain	375' of 36" RCP Storm Drain, 16' of 24" RCP Storm Drain, 2 EA Manholes, 1 Catch Basin, and 1 EA House Connection Remodel, etc.	\$ 662,920.00	\$ 546,718.06
22SW04	GRB CON, Inc.	Secondary Sewer Renewal Program D Con 03 (E28 & E30) W.O.SZCH4006	Mar-23	City of Los Angeles	200 N Spring Street Room 355, Los Angeles, CA 90012	Ali Hennaalabadi	GRB CON, Inc.	(213) 847-4756	Sewer	Remove and Replace 514' of 8" VCP, 65' of 8" Spool Repairs, Reconnect 25 EA House Connections, 1835' of Non Structural Lining, and 672' of Structural Lining.	\$ 772,162.00	\$ 825,301.77
22SW05	GRB CON, Inc.	Secondary Sewer Renewal Program D Con 02A (E20) W.O.SZCH4009	IP	City of Los Angeles	200 N Spring Street Room 355, Los Angeles, CA 90012	Brook Tafel	GRB CON, Inc.	(213) 847-4086	Sewer	513' of 8" VCP, 296' of 8" VCP Spool Repairs, 3815' of Structural 8" Lining, Reconnect 38 Laterals, CCTV, and Trench Restrainting.	\$ 1,188,777.00	\$ 1,279,781.01
22SW09	GRB CON, Inc.	North Hollywood West Wethead Treatment Storm Drain Connection	Dec-22	Los Angeles Department of Water and Power	111 N Hope Street Room L-43, Los Angeles, CA 90012-2694	Manuel Perez	GRB CON, Inc.	818-771-4785	Storm Drain	Storm Drain Connection Comprising a Storm Drain Catch Basin Approx. 15' from the new 18" RCP Storm Drain Pipe.	\$ 97,444.00	\$ 100,612.00
22SW06	GRB CON, Inc.	Sewer HC Remodeling For The City Trunk Line North Hill 1 Project	May-23	Los Angeles Department of Water and Power	111 N Hope Street Room L-43, Los Angeles, CA 90012-2694	Ian Lei	GRB CON, Inc.	213-367-3474	Sewer	25 EA Remodel Existing 6" House Connections, Shoring, Backfill, and Paving.	\$ 1,565,271.00	\$ 1,565,271.00
22SW01	GRB CON, Inc.	Sewer Relief Line Project - San Bernardino Rd From Second Ave to Third Ave	Jul-22	City of Covina	125 E College St, Covina, CA 91723	Rafael Fajardo	GRB CON, Inc.	626-672-5991	Sewer	190' of 8" HDPE Sewer, 390' of 10" HDPE Sewer (Pipe Bursting), 875' of 10" HDPE Sewer, 11 Precast Sewer Manholes, 400' of 8" HDPE (Pipe Bursting), and 1 Drop Manhole	\$ 934,666.00	\$ 968,447.47
21SW10	GRB CON, Inc.	Citywide Storm Drain Repairs	Aug-22	City of Ontario	300 E B St, Ontario, CA 91764	Casey Cameron	GRB CON, Inc.	909-241-5467	Storm Drain	1225' of 12", 15", 18", and 24" Storm Drain Repairs between 7 different locations, 6 fiberglass patches (UV Lining), and Paving.	\$ 681,901.00	\$ 681,901.00
21SW10	GRB CON, Inc.	Proj No. 530 Los Nietos, Line D, Sorensen Lateral	Jul-22	LACDPW	900 S. Fremont Ave, Alhambra, CA 91803	Ornid Emam	GRB CON, Inc.	626-607-7444	Storm Drain	86' of 18" RCP, 407' of 30" RCP, 55' LE of Cutb and Gutter, 2 Manholes, 3 Catch Basins, Gird and Overlay, and 2 Junction Structures.	\$ 391,865.00	\$ 409,041.39

## PROJECT LIST

Job No	Work Done As:	Project Title	Completion Date	Awarding Body	Awarding Body Address	Awarding Body Contact	Prime Contractor	Phone Number	Pipeline Type	Description	Original Contract Amount	Final Contract Amount
21SW08	GRB CON, Inc.	Alley Sanitary Sewer Improvement Project - ASSIP - E/O Wilhenna	Apr-22	City of Anaheim	200 S Anaheim Blvd, Anaheim, CA 92805	Tim Finl	GRB CON, Inc.	949-254-7954	Sewer	649' of 8" VCP Sewer Construction, 15 house connections, Construction of (4) 48" sewer manholes, 1,325' SF of Concrete Alley Replacement.	\$ 875,599.00	\$ 665,000.00
21SW04	GRB CON, Inc.	N Atlantic Sewer Main Replacement Project	IP	City of Monterey Park	320 W Neenark Ave, Monterey Park, CA 91754	Cesar Vega	GRB CON, Inc.	626-712-8406	Sewer	3,000' of 12" and 16" Pipe Bursting - Open Cut of 900' of 18" VCP, Various Sewer Structures and MH Rehabilitation, Applicable Grind and Overlay + Restoration.	\$ 2,393,156.00	IP
21SW09	GRB CON, Inc.	6th Street Sewer Main Replacement Project	Dec-21	City of Alhambra	111 S 1st St, Alhambra, CA 91801	Thomas Amare	GRB CON, Inc.	626-300-1582	Sewer	1,321' of 12" VCP Open Cut Replacement, with bypass, 46 house connections, 43,800 SF of asphalt grind and overlay, 4,600 SF of full AC removal, Construction of 6 new 48" manholes with PVC Lining.	\$ 701,847.00	\$ 725,844.00
21PR01	GRB CON, Inc.	Rosa De Castilla Apartments	Dec-21	WPIC/COCA	125 W Maple Ave, Monrovia, CA 91016	Diego DeAndrade	WPIC	626-877-3459	Sewer/Storm Drain	Approx. 1,200' of 8" 8"-10", 12", and 15" Storm Drain Line Construction including junction structures, manholes, and drain boxes, Installation of 60' of 6" Sewer Line and 6" CIP rehab.	\$ 719,000.00	\$ 978,000.00
21SW05	GRB CON, Inc.	Sewer Manhole Restoration at Community Center and Sewer Main Repair on Santa Margarita	May-21	City of Arcadia	11800 Golding Road, Arcadia, CA 91066	Michael Kwok	GRB CON, Inc.	(626) 254-2727	Sewer	Raise Manholes - Perform 2 (8" point repairs)	\$ 24,794.00	\$ 24,794.00
21SW03	GRB CON, Inc.	Sewer Line Installation Project - Zone 10	Jun-21	City of Covina	125 E College St, Covina, CA 91723	Rafael Fajardo	GRB CON, Inc.	626-672-5991	Sewer	Construct 570' of 8", 270' of 4", Construct Two Manholes, 77,000 SF of Overlay, 2 ADA Ramps, Striping and Signage, Traffic Loops	\$ 509,619.70	\$ 522,344.24
21SW02	GRB CON, Inc.	2020 Sewer Replacement Project	Mar-21	City of Stanton	7800 Katella Ave, Stanton, CA 90680	Paul Internet	GRB CON, Inc.	562-673-8143	Sewer	RAR 330' of 8" VCP with 12" VCP, 1 Lateral + Chimney Riser, Manhole Coring for New Pipe, Decorative/Colored PCC Pavement, AC Paving	\$ 199,299.00	\$ 213,128.25
21SW01	GRB CON, Inc.	Sewer Relief Line Project - Badillo Street from Fourth Ave to Hollenbeck Ave	May-21	City of Covina	125 E College St, Covina, CA 91723	Rafael Fajardo	GRB CON, Inc.	626-672-5991	Sewer	Bypass Sewer, Install 1,150' of 12" HDPE + 270' of 18" HDPE w/ pipe bursting method, Reconnect house connections, Construct 260' of 8" VCP + 3 manholes, 4" and 6" house laterals and various grind and overlay.	\$ 501,583.00	\$ 663,466.20
20SW03	GRB CON, Inc.	FV 20 Arenoso Lane Sewer Line Rehabilitation	Mar-21	City of San Clemente	910 Calle Negro, San Clemente, CA 92673	Shawn Ryan	GRB CON, Inc.	760-805-4552	Sewer	Remove and Replace 20' of 8" PVC Pipe, Bypass Sewer Line and Restore Surface, Bypass discharge located at bottom of cliff.	\$ 99,730.00	\$ 99,730.00
21SS02	GRB CON, Inc.	City of Lynwood - Pavement Rehab Phase 2	Mar-21	City of Lynwood	11330 Bufile Road, Lynwood, CA 90252	Lony Henpe	Sequel Contractors, Inc.	310-603-0220	Sewer	30' Open Cut Point Repairs, Bypass, TC, Compaction, Shoring, Backfill	\$ 29,950.00	\$ 29,950.00

**PROJECT LIST**

Job No	Work Done As:	Project Title	Completion Date	Awarding Body	Awarding Body Address	Awarding Body Contact	Prime Contractor	Phone Number	Pipeline Type	Description	Original Contract Amount	Final Contract Amount
20SW05	GRB CON, Inc.	Baldwin Ave. Sewer Project	Dec-20	City of Arcadia	11800 Golding Road, Arcadia, CA 91066	Michael Konk	GRB CON, Inc.	(626) 254-2127	Sewer	Install 1,080' of 16" HDPE by pipebursting. Repair 6 Manholes affected by bursting operations. Use in 23 house connections to newly installed sewer main, modify 8" to 12" drop connection transition, grid and overlay affected payment and restore striping	\$ 424,645.00	\$ 424,645.00
20SS01	GRB CON, Inc.	2020 Sewer Lining Project	Nov-20	City of Pasadena	100 North Garfield Ave, Pasadena, CA 91101	Brent Haue	Southwest Pipeline and Trenchless Corp.	626-744-4307	Sewer	Various Point Repairs on 8", 10", and 12" Pipe. Sewer Bypass. Manhole Remedels. Sinkhole Repairs.	\$ 141,000.00	\$ 181,391.40
20SW02	GRB CON, Inc.	Chapel Ave. Sewer Main Replacement Project	Nov-20	City of Alhambra	111 S 1st St, Alhambra, CA 91801	Thomas Amare	GRB CON, Inc.	626-300-1562	Sewer	700' open cut 12" VCP, 1225' of 14" HDPE by pipebursting, 68 HC Reconnections, 1 New Manhole, 8 Manhole Reliefs with Spray Liner, 85,500 SF of Slurry Seal, Striping, Grid and Overlay, Corral, Sewer Lateral to Lift Station, 360 SF of Exposed Agg PCC Pavement	\$ 1,148,175.00	\$ 1,065,975.00
20EM12	GRB CON, Inc.	Verde Vista Asphalt Repair	Oct-20	City of Monterey Park	320 W Newmark Ave, Monterey Park, CA 91754	Frank Lopez	GRB CON, Inc.	626-307-1323	Paving	Remove and Replace 10,850 SF of Asphalt affected by a blown out water line. Perform outreach, traffic control, removal, disposal of subgrade and asphalt. Replace with new asphalt and compact new subgrade.	\$ 92,008.00	\$ 92,008.00
20SW06	GRB CON, Inc.	Garvey and Atlantic Sewer Repair	Sep-20	City of Monterey Park	320 W Newmark Ave, Monterey Park, CA 91754	Frank Lopez	GRB CON, Inc.	626-307-1323	Sewer	Install 12' of 18" Sewer Pipe to divert flows from one manhole to another; bypass; remodel (2) manholes and coat with zelon liner; perform traffic control, shoring, and paving.	\$ 59,539.00	\$ 54,702.95
20SW04	GRB CON, Inc.	Mt. Olive Lane Sewer Extension Project	Aug-20	City of Bradbury	600 Winston Ave, Bradbury, CA 91008	Michael Lee	GRB CON, Inc.	(909) 594-9702	Sewer	1,030' open cut 8" HDPE, 320' OPEN CUT 4" HDPE, 385' OF 8" HDPE via Horizontal Directional Drilling, 181' of 6" HDPE via HDD, Installation of (3) Sewer Manholes, Installation of 4 (Smart Covers Surcharge Monitor Systems), Construction of 6,500 SF Access Road, Grid and Overlay/Base Pave, and 47,000 SF of Hydrussed	\$ 551,862.00	\$ 555,000.00
20SD01	GRB CON, Inc.	Bicycle and Pedestrian Improvements - Orange Ave Calab Basin Installation	20-May	City of West Covina	1444 W Garvey Ave S, West Covina, CA 91790	Okan Demirci	GRB CON, Inc.	714-319-6137	Storm Drain	20' of 18" RCP Lateral, Junction Structure into 36" RCP, 14' catch basin, ADA ramp, striping, curb and gutter, stamped concrete, sidewalk restoration, and AC Pavement Cap/Sid Trending	\$ 73,235.00	\$ 73,235.00
20SW01	GRB CON, Inc.	FY 20 Priority Sewer Main Replacement	20-Apr	City of Covina	125 E College St, Covina, CA 91723	Rafael Fajardo	GRB CON, Inc.	626-672-5991	Sewer	520' of 10" HDPE DR17 Pipe Bursting, 200' of 6" Laterals, 555' of 8" VCP Open Cut, 105' of 4" Laterals Construction of 4 48" Sewer Manholes, Live Bypass, Shoring, 5,000 SF AC Restoration	\$ 434,630.00	\$ 550,757.85
19SW02	GRB CON, Inc.	Glendale Sewer and Water Improvement Project	20-Feb	City of San Fernando	117 N Maccell St, San Fernando, CA 91340	Patsy Orosco	GRB CON, Inc.	(818) 898-1224	Sewer	2,624' of 15" and 18" VCP, Live Bypass, ADA Ramps, Sidewalk, Curb and Gutter, 1" x 2" Water Services, AC Grid and Overlay, 50+ House Connections	\$ 1,092,496.00	\$ 1,500,000.00
19SW04	GRB CON, Inc.	CD2 - SHERMAN WAY SEWER THE IN	19-Oct	City of Los Angeles, GSD	111 E 1st St, Los Angeles, CA 90012	Todd Dame	GRB CON, Inc.	323-328-6415	Sewer	20' of 6" Lateral - CD2 Facility	\$ 50,600.00	\$ 50,600.00



## PROJECT LIST

Job No	Work Done As:	Project Title	Completion Date	Awarding Body	Awarding Body Address	Awarding Body Contact	Prime Contractor	Phone Number	Pipeline Type	Description	Original Contract Amount	Final Contract Amount
19SS01	GRBICON, Inc.	Annual Sewer CIP	Aug-19	City of San Juan Capistrano	32400 Paseo Adelanto San Juan Capistrano, CA 92675	Mike Mangus	SANCON Engineering, Inc.	949-443-6326	Sewer	Raise Manholes, Cleanouts, 48" of Point Repairs, Paving (Grind and Overlay), Construction of Cleanouts, DMR Repairs	\$ 392,919.70	\$392,919.70
19SW01	GRBICON, Inc.	Sewer Lining 2016	Aug-19	City of San Luis Obispo	919 Palm Street, San Luis Obispo, CA 93401-3218	Hai Nguyen	GRBICON, Inc.	805.791.7109	Sewer	6" CIPP Construction of Point Repairs, Cleanouts, and Manhole Reliefs	\$ 480,000.00	\$480,000.00
19EM01	GRBICON, Inc.	Fairfax and Adams Emergency Sewer Repair	19-April	City of Culver City	9770 Culver Blvd, Culver City, CA 90232	Male Gaspar	GRBICON, Inc.	310-849-9946	Sewer	Construct One 36" Precast Manhole, Remove Existing Sewer Manhole, Construct 6" Sewer Main Point Repair, Restore Existing AC.	\$ 26,335.00	\$26,335.00
19SW03	GRBICON, Inc.	Pacific Ave, Sewer Manhole Relocation	19-April	City of Bellflower	16600 Civic Center Dr. Bellflower, CA 9067	Philip Wang, P.E.	GRBICON, Inc.	562-804-1424 42254	Sewer	Construct (1) 48" Sewer Manhole, Demolish (1) 48" Sewer Manhole, and Abandon 120" of 8" Sewer Pipe	\$ 24,480.00	\$24,480.00
18PR02	GRBICON, Inc.	2900 Wishire - Storm Drain Realignment	18-Dec	2900 Wishire LLC/CAECOM	1999 Avenue of the Stars #2800 Los Angeles, CA 90067	Mike Woody	Aecon/Wishire	213-215-6767	Storm Drain/Sewer	Construction of (2) Junction Structure (NH, JM Type), Installation of 100' of 3000-D 36" RCP, Demolishing, and Removal and Relocation of (1) Sewer Cleanout and Lateral.	\$ 165,000.00	\$568,000.00
18SW02	GRBICON, Inc.	Install Sewer Saddle, 89700R1	Oct-18	LADWP	1111 N Hope St #1603, Los Angeles, CA 90012	Sanjar Ardalan	GRBICON, Inc.	213-792-4854	Sewer	Installation of Sewer Lateral at LADWP Sheldon Power Generating Station - 35' of 6" VCP and applicable asphalt restoration and sidewalk restoration	\$ 125,702.00	\$125,702.00



## PROJECT LIST

Job No	Work Done As:	Project Title	Completion Date	Awarding Body	Awarding Body Address	Awarding Body Contact	Prime Contractor	Phone Number	Pipeline Type	Description	Original Contract Amount	Final Contract Amount
18SD01	GRB CON, Inc.	Alex Ave. Storm Drain Improvement Project	Sep-18	City of Industry	15825 Station St #100, City of Industry, CA 91744	Gery Perez, CNC Engineering	GRB CON, Inc.	626-956-8034	Storm Drain	725' of 24" and 30" RCP Storm Drain Pipe. Construction of 1 Catch Basin, 3 Manholes, and one connection to existing over/under storm drain, 4300 SF of Asphalt Grind and Cap	\$ 289,490.00	\$309,490.00
18SW01	GRB CON, Inc.	Westwood Blvd Sewer Extension Project	Oct-18	City of Culver City	9770 Culver Blvd, Culver City, CA 90232	Mate Gaspar	GRB CON, Inc.	310-849-8946	Sewer	Construction of approximately 40' of 8" Sewer, 2.56' Precast Manholes, Redesign of 4 House Connection Laterals, and Construction of 35' CMU Wall -- all done in backyards (DAR - Difficult Access Reach)	\$ 127,271.00	\$127,271.00
18PP01	GRB CON, Inc.	Tread 31467 - Offsite Sewer and Water Improvements	Aug-18	KB Home Coastal, Inc.	36310 Inland Valley Dr, Wiltona, CA 92504	Dennis Lorton, Murray CM	KB Home Coastal, Inc.	714-493-8831	Sewer, Storm Drain, and Water	20' of 8" SDR-35 sewer, 17' of sewer manholes, (1) Metering Manhole Device Modification, (2) 12" to 10" HotTaps, 300' of 10" C-900 Restrained Joint Pipe, (1) Fire Hydrant, (3) Water Line Relocations, (1) Blowoff, (2) Air Vacs, (4) SD Junction Structures, (2) SD Manholes, (2) Manholes, 20' of 12" RCP, 100' of 24" RCP	\$ 234,530.00	\$912,776.00
18SS02	GRB CON, Inc.	Pasadena CMP Point Repairs and Rehab.	Apr-18	City of Pasadena	100 Garfield Ave., Pasadena, CA 91101	Connor Moore	NuLine Technologies LLC	760-975-5856	Storm Drain	12' of 15" CMP, 30' of 12" CMP, Sidewalk Restoration, Construction of Modified JS	\$ 55,240.00	\$55,240.00
18SW01	GRB CON, Inc.	Sewer Main Rehabilitation Project FY 17/18 Phase 2	Sep-18	City of Norwalk	12700 Norwalk Blvd, Norwalk, CA 90650	Julian Lee	GRB CON, Inc.	562-209-4915	Sewer	8" - 10" and 15" CIPP Lining (8,900'), 263' of PVC Pipe Bursting, Construction of One New Manhole, Rehab of one 48" Manhole, 14 Open-Cut Sewer Point Repairs on 8" VCP,	\$ 635,444.40	\$699,000.40
17SS04	GRB CON, Inc.	4th St. Sewer Main Rehabilitation Project	Dec-17	East Valley Water District	31111 Greenspot Rd, Highland, CA 92346	Eliaso Ochoa	SANCON Engineering, Inc.	909-888-8986	Sewer	Remove and Replace 12' of 8" VCP; Remove Broken Wye; Replace Wye and Reconnect Existing Service Lateral, AC Pavement Restoration	\$ 18,500.00	\$18,500.00
17EM03	GRB CON, Inc.	Misc. Emergency Sewer Repairs	Nov-17	City of Culver City	9770 Culver Blvd #3, Culver City, CA 90232	Mate Gaspar	GRB CON	310-849-8946	Sewer	Construct 2 - 48" Sewer Manholes, Relocate Conduit, Remove and Replace 6" Wye, Convert 3 - Square Access Holes to house 24" Ring and Covers, Relined AC Pavement Restoration	\$ 54,750.00	\$54,750.00
17SS03	GRB CON, Inc.	Sewer Rehabilitation Project	Oct-17	LACDPW	900 Fremont Ave, Alhambra, CA 91803	Issa Adanyia	NuLine Technologies LLC	626-458-3111	Sewer	Remove and Replace 65' of 8" VCP and Reconnect 6 Laterals, Finish AC Pavement	\$ 9,500.00	\$34,285.71
17PP03	GRB CON, Inc.	El Molino Sewer Extension	Nov-17	Gangi Builders	229 Palm Ave, Burbank, CA 91502	Frank Gangi	GRB CON, Inc.	818-482-4551	Sewer	40' of 6" VCP by methods of open cut and tunneling, Concrete Restoration, AC Pavement Restoration	\$ 29,737.00	\$29,737.00
17PP02	GRB CON, Inc.	Country Club Sewer Extension Project	Oct-17	Dorado Enterprises	4188 Avenida De La Pila # 108, Oceanside, CA 92056	Mario Marovic	Dorado Enterprises	949-813-5683	Sewer	120' of 6" SDR-35 Sewer Line, Construction of Cleanouts, Concrete Demolition, and Finish Surface Restoration	\$ 36,140.00	\$36,140.00

# NEWSLETTER

## BOE's Harbor District Completes Major Pipe Bursting Project 6200 Feet of Pipe Sets a New Record for City of L.A.!

As part of the City of Los Angeles' settlement agreement with the U.S. Environmental Protection Agency, California Regional Water Quality Control Board, Santa Monica Baykeeper, et al, the \$2.1M Secondary Sewer Renewal Program (SSRP) T06A Anaheim St & Broad Ave/T06B Fries Ave and Pier A St sewer project rehabilitated aging secondary pipelines in the Wilmington area of the City.

The 3.12 mile long project was bid as open-cut/lining, with much of the open-cut work being the upsizing of existing 8, 10, 12 and 14-inch sewer lines in some of the most congested streets of Wilmington. In an effort to reduce impact to the surrounding neighborhoods, mitigate anticipated groundwater, and deal with the high volume of underground oil lines present in the refinery rich area of Wilmington, the contractor, Vasilj Inc., proposed pipe bursting as a no-cost alternative. Vasilj, with subcontractor Mocon Trenchless, recently completed the installation of approximately 33,000 feet of 10 to 20-inch sewer pipe for the City of Covina which won an APWA Southern California Chapter Project of the Year (2013).

Pipe bursting is a well-established method



l to r: Rob Morrow- President, Mocon Construction, John Cavigan-Project Manager, Vasilj Inc., Tim Grbavac-Superintendent, Vasilj, Inc., Gary Lam-Harbor District Project Manager, Lynn Hanami-Cummings-Harbor District Project Engineer, Rich Clark-Con Ad Project Inspector.

for trenchless replacement of pipe wherein the existing sewer pipe is broken by fracturing or splitting (using a mechanically applied force or bursting tool) and a new pipe of the same or larger diameter is pulled in behind it. Existing house laterals and wyes are reconnected to the new pipe by excavations made at each house location.

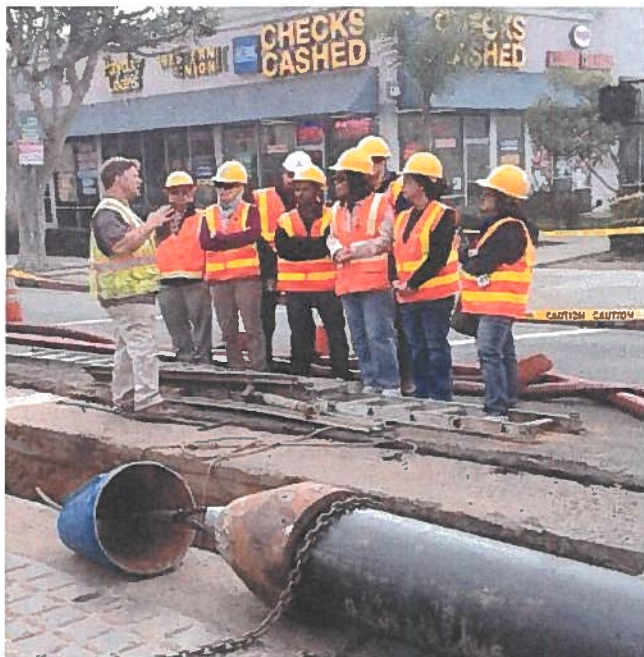
The City has utilized pipe bursting previously on sewer projects, but not to the extent of this project; 22 sewer reaches totaling 6200 LF of pipe set a new record for the City of Los Angeles! A total of 21 bursts were made on the project. The average burst was about 300 feet in length with one as short as 80 feet (to burst under a high pressure hydrogen line) and the longest burst was 450 feet.

Due to the different

conditions present amongst the 22 adjacent sewer reaches, two types of bursting machines were used on the project. A pneumatic system utilizing a bursting tool driven by compressed air was used on the T06A portion of the project where deeper sewers, larger degrees of upsizing and denser soils were encountered. A static system wherein the bursting tool is basically pulled through the existing pipe (no hammering action), was used to pull the larger diameter 16-inch pipe in the T06B portion of the project. Both systems require the construction of pits for inserting and retrieving the bursting tool, except in the case where a reversible type-pneumatic machine is used. The reversible machine is designed to back itself out through the installed pipe and therefore eliminates the need for a retrieval pit. This machine was used in the heavily congested Anaheim-Avalon intersection where traffic would have been highly impacted by the construction of a retrieval pit.

The Bureau of Sanitation has supported the use of pipe bursting because pipe bursting typically utilizes high density polyethylene pipe (HDPE) fused as one continuous piece of pipe. In the long-term, this pipe will provide better protection from root damage and potential groundwater inflow/infiltration. Other construction benefits include less traffic disturbance, shorter replacement time, less

*continued on page 2*



Rob Morrow explains Pipe Bursting to WCED and WCCD Engineers during a site visit.



*Pipe Bursting Project continued from page 1*

business interruption, and reduced surface paving. Negative impacts of using this method of construction include the generation of considerable noise by the pneumatic system, and the need for large work space in relatively close proximity to the work for fusing the 40 foot lengths of pipe into a single length. One caveat is that once pipe bursting operations commence, they must be completed without interruption as the sewer laterals are disconnected during the process and must be reconnected immediately after the new pipe is installed.

John Gavigan and Tim Grhavac of Vasilj, and Rob Morrow of Mocon Trenchless evaluated the conditions present on the project and determined that the soil conditions and sewer characteristics were compatible with pipe bursting. The bursting route on this project went through mainly commercial developments of Wilmington and crossed Harry Bridges Blvd, a main thoroughfare for container truck traffic accessing the Port of Los Angeles (POLA). As POLA was also constructing a major grade separation project and performing shipping terminal renovations, it was a constant challenge to coordinate truck and construction traffic throughout the project. Crystal Killian, Transportation Engineer with the Southern Office of LADOT was instrumental in assisting the project team with the sequencing of lane closures amongst the multiple projects. Staff from Council District 15 met regularly with residents to keep them informed of the construction schedules and impacts.

Kudos to the residents and businesses of Wilmington who endured the noise generated by the pipe bursting activities, but understanding that the result would be a significantly shortened construction time.

There were some unexpected challenges. The first burst of the project took three hours to burst 300 feet of 8-inch pipe being upsized to 10-inch, a rather typical burst for the conditions present. However, the adjacent reach, although being upsized from 8-inch to 12-inch pipe, encountered unknown ground conditions that required close to 30 non-continuous hours to burst.

In other reaches, we unexpectedly found 12" and 14" diameter pipes heavily laden with sediments. During the bursts, intermediary maintenance holes filled 6-8 feet high with sludge which had to be removed by hand before the sewer system could be returned to use. Winching cables were broken a few times, fortunately occurring within retrievable distances of the constructed retrieval pits or near planned excavations for reconnecting sewer laterals.

An undocumented high pressure hydrogen gas line located within a foot of our sewer and in a utility-congested intersection also



*Static Bursting Machine*



*Static Bursting Machine being lowered into pit.*

proved to be quite challenging. Lots of hand digging, utility company "stand-by" alerts and coordination, and adjustment of bursting rates resulted in a successful bursting run. Groundwater was kept at bay by scheduling the work at low tides and with only minor encounters.

Various differing site conditions (contaminated soil, substantially deeper sewer invert depths) were found throughout the project that resulted in change order costs. However, these costs would have been substantially more had the project been built using the contract specified open-trenching methods. The pipe bursting method suggested by Vasilj, Inc. resulted in a savings to the City of about \$150,000.

The project was designed by WCED staff, Sean Zahedi and Romulo Samonte, and construction was managed by Lynn Hana-Cummings and Gary Lam of the Harbor District Office. Inspection was provided by District 4 inspectors with Jim Cassley being the Principal Inspector and Rich Clark being the lead inspector. Survey was provided by

the Harbor District Survey staff of Mark Santistevan, Froilan Nero and Daniel Santistevan. Staff from the BOS-South Yard under the direction of Wayland Marzett assisted with some of the sewer cleanings and Vasilj foreman, Tim Grhavac was exceptional in coordinating the work and keeping the City team informed of necessary changes. Council District 15 staff members, Gabriela Medina and Nicole Wells and BPW Public Works Affairs Officer Ron Charles provided much appreciated communication with the residents of Wilmington.

Kent Welling, representing the Engineer of Design, is currently preparing Pipe Bursting Specifications to be included in the next revision of the Brown Book. This will facilitate future pipe bursting operations by providing quality control and performance requirements. Vasilj hopes to do more pipe bursting projects in the City. As the project was completed on schedule and within budget, they are off to a good start.

Congratulations go to everyone involved with the project.

The city of Covina, CA is populated by more than 49,000 people and is serviced by 121 miles of pipe infrastructure. When the city needed over 6.2 miles of underground sewer pipe replaced in 2011, HDPE provided a reliable, durable, and affordable solution.

On top of the replacement of over 33,000' of vitrified clay pipe, the project had to pass through heavily trafficked areas such as schools, hospitals, residences, and main and secondary streets. HDPE allowed for minimal disturbance to the city and installation in areas with difficult or limited access. The city also experienced tremendous savings on the project, coming in at almost \$8 million under budget instead of cost overruns. Pipe bursting often cost as little as \$71 per linear foot whereas open cut never cost less than \$95 a foot.

Willdan Engineering and Vasilj. Inc. worked with Mocon Trenchless Corporation on the project, which was one of the "larger pipe bursting projects in Southern California" ever attempted. The project totaled 33,112' of 8"-12" DR11 HDPE and ran a complex route under residential, commercial, hospital, and industrial areas. The pipe bursting was divided into 97 runs averaging over 300'. Crews faced additional challenges from a cul-de-sac, trailer park, and baseball field, but reversible bursting tools from TT Technologies allowed them to work without an exit pit for some bursts and avoid the extra construction.



*HDPE allowed the city of Covina to install a new pipeline without disruption important community areas like a hospital, baseball field, neighborhoods, and trailer park.*

In under a year and a half Covina's pipe project was completed, having provided minimal disruption during pipe bursts and saved the city millions. With the durability and resistance to corrosion of the HDPE, the city does not need to replace this pipeline again for the next century.

Source:

<http://ucononline.com/2013/10/02/major-ca-bursting-project-proves-very-cost-effective/>



## Community Lauds Carolina St. Emergency Storm Drain Project

The Carolina Street Emergency Storm Drain Project is substantially complete, significantly ahead of schedule and under budget. The project has received many favorable comments from local constituents.

In 1929, half of Paseo del Mar St. dropped 6-10 feet. The foundation of an abandoned 1920's seaside hotel shows where shore visitors used to admire the view out to Catalina Island, before earth movement forced abandonment of the building. Dubbed by locals the "Sunken City," to the southeast, dropped 30 and more feet, and now has the landscape of the Dakota badlands. The storm drain project picks up stormwater runoff that formerly discharged from the landslide-shortened dead end of Carolina Street. Water that formerly left the end of Carolina St. disappeared into a briar-patched depression and was not seen again.

Nearly 700 feet of heavy solid-wall High Density Polyethylene (HDPE) pipe, weighing up to 43 pounds per foot of length, was installed under Carolina and Shepard Streets to connect to the existing Shepard St-Pacific Ave storm drain. The contractor, Vasilj Inc., did a highly professional job of joining and handling heavy 100 foot sections of fused HDPE. The contractor's traffic control safety and job-site concern for the public was exemplary, limiting inconvenience to the minimum necessary.



*New catch basin with flowline remodeling.*

Said Ted, a resident at the end of Carolina Street, "This project is the best thing that's happened since I bought my house here in the 1960's." A neighboring resident couple said it was "awesome" and "beautiful" and an excellently executed project.

Cindy Fowler of Councilmember Janice Hahn's staff said, "Thank you all. . . The pictures make the cul-de-sac look amazing. Thank you again for getting this done prior to

rainy season (LOL) and to the admiration of the constituents. Thank you for helping our office look good. I will let the Councilwoman know what a great job you all did."

Recognition goes to Vasilj Construction Inc., Josip Vasilj, John Gavigan, Tim Grbavac and crew, under the steady, long-continuing stewardship of Councilmember Janice Hahn, Council District Director Dolores Canizales, and Staff Cindy Fowler, Ana Bozic, and Reginald Zachery, with the management of Susan Shu, Stormwater Group Manager, Ding Lee, Project Manager, and Joe Tyler, Principal Construction Inspector, with assistance of Mark Osborne, Geotechnical, and under the direction and guidance of Lawrence Cuaresma, District Engineer, Roberto de Leon, Civil Engineer, and Lance Graab, Construction Inspector, with the excellent design of Lani Walsh, assistance of Andres DeLaCruz and Alan Lee, construction management of Chris Trinidad and Carlton Jones, and with the invaluable advisement of Pablo Vasquez, Lynn Hanami-Cummings, and Jim Corralejo, and assistance of Arianne Coleman and Donna Preston and the rest of Harbor District staff. (whew!)

Carlton Jones, the project engineer, said, "Vasilj Construction has done beautiful work here, and with the careful oversight of C.I. Lance Graab, produced an economical, top quality project for the City and its residents. Tidying up is in process and final inspection will be in the works shortly."



*The location of three converging 18 and 21" solid wall HDPE pipe branches is clearly visible in this photo.*





John Gavigan, Vasily contractor, Mohamad Fakh WCCD, Kendrick Okuda WCCD, Tim Garza-back, Vasily and Jorge Bustamante Contract Administration.

## First Settlement Agreement Project Completed Ahead of Schedule Sepulveda Sherman Oaks Valley Meadow Sewer Project

The City of Los Angeles Has entered into an agreement with U.S. Environmental Protection Agency and others to upgrade its massive wastewater infrastructure. The Sepulveda Sherman Oaks Valley Meadow Sewer Project is being built under this agreement.

The project involves the construction of three contiguous sewer segments of 10-15-inch diameter pipeline and stainless steel secondary containment sleeves; 1500 linear feet of 10-inch, 2000 linear feet of 12-inch and 1400 linear feet of 15-inch diameter VCP pipe; and appurtenant maintenance hole structures. This new segments will relieve the existing sewers in Sepulveda Boulevard between Fiume Street and Sherman Oaks Ave, which are flowing at or above capacity. The existing sewer is approximately 5100 foot in length and 8-inch in diameter. Installation of this project will necessitate abandonment and removal of approximately 2,700 feet of the existing sewer and its appurtenant maintenance hole structure. The entire alignment of the project is paved; construction took place under the existing streets within the public right-of-way at approximately 10 to 18 feet below the ground surfaces. Construction was conducted using the open trench method. Approximately 885 linear feet of 20-inch Secondary Containment Stainless Steel Sleeves was used.

The project was awarded on January 23, 2006 with completion time of 200 working

days, notice to proceed was issued on April 5, 2006. January 31, 2007 was the scheduled construction completion day. Settlement Agreement for the project completion was scheduled for January 30, 2006. That will put the project under the Settlement Agreement penalty if it passes the dead line. With this schedule 179 actual work days left to complete the work from notice to proceed date. The project faced with daily work hour restrictions 9:30 AM to 3:00 PM, includes traffic control set up, removal and cleaning, the actual work hours were five hours per day. With all these restrictions and Utilities interference the project was 100% flow in the main line on December 28, 2006 two days before Settlement Agreement dead line.

All the thanks go to the design engineer **William Briggs**, who was in contact with the project from start to finish; Jorge Bustamante, Senior Construction Inspector who was at the site at all times and used his inspection experience to run this project; **Mohamad Fakh**, the project engineer, who was always in contact with both the design engineer and project inspector; Joan Pelico and Shirin Buckman, Field Deputies from Fifth Council District, for the support and all the help they both provided us as a team in resolving any problems rises in the district; and last but not least, WCCD Managers **Iftexhar Ahmed**, **Somsak Sasnakul** and division head **Kendrick Okuda**, who gave all the support for this project.

## Blood Drive Today

In response to the extreme shortage of blood, the Community Development Department has scheduled a blood drive on:

Wednesday, February 14, 2007

9:00 am to 3:00 pm

1200 W. 7th St. (the Garland Building)

4th floor conference room.

At the present time, there is less than a one-day supply of blood (a five-day supply is recommended). Please consider making an appointment to donate today. Invite a friend or coworker to donate with you. The Garland Building is served by both DASH routes A and E. Walk-ins are also welcome, especially between 11 am and 1 pm.

This year, instead of candy and roses, give the gift of life—give blood!

## Moore on APWA Board

*Public Works Public Affairs Office press release: LOS ANGELES (February 7, 2007) - Los Angeles City Engineer, and Sierra Madre resident, Gary Lee Moore was installed into the 2007 Board of Directors of the American Public Works Association, Southern California Chapter, announces City of Los Angeles Board of Public Works President Cynthia Ruiz. About 300 APWA members and guests attended the recent installation ceremony at the Richard M. Nixon Library in Yorba Linda.*

Now in his second term, the City Engineer serves on a six-member board that governs and oversees the affairs of the APWA Chapter that covers Orange, Los Angeles, Riverside and San Bernardino Counties with branches in the Inland Empire, Coachella Valley and the High Desert.

"APWA is an excellent organization and I'm pleased to serve on the Board of Directors again this year," said Moore. "The Chapter promotes Engineering as a major Public Works component and it's very important to me to give back much of the knowledge and expertise I've gained in this field to help others succeed."

As City Engineer, Moore leads the City's Bureau of Engineering, with a work force of more than 1,100 engineers, architects, surveyors and support staff and an annual operating budget of \$123 million. He oversees 650 active projects totaling \$4 billion and leads the Bureau in design and construction of all public facilities such as fire stations, libraries, police stations, animal care facilities and the zoo. In addition, he is responsible for projects involving parks, streets, wastewater treatment plants, sewers, storm drains and the regulation of private development affecting the public right-of-way.



**Happy Valentine's Day!**

Engineering Newsletter - 2/14/07

**DESIGNATION OF SUBCONTRACTORS**  
**[Public Contract Code Section 4104]**

List all Subcontractors who will perform Work or labor or render service to the Contractor in or about the construction of the Work or improvement, or a Subcontractor licensed by the State of California, who, under subcontract to the Contractor, specially fabricates and installs a portion of the Work or improvement according to detailed drawings contained in the Plans and Specifications, in an amount in excess of one-half percent (0.5%) of the Contractor's total Bid or, in the case of bids or offers for the construction of streets or highways (including bridges), in excess of one-half percent (0.5%) of the Contractor's total Bid or \$10,000, whichever is greater. If all Subcontractors do not fit on this page, attach another page listing all information for all other Subcontractors.

Name under which Subcontractor is Licensed and Registered	CSLB License Number(s) and Class(es)	DIR Contractor Registration Number	Address and Phone Number	Type of Work (e.g., Electrical)	Percentage of Total Bid (e.g., 10%) <sup>1</sup>
Good Ol Boys, Inc.	1065168 C-B	1000590754	641 E Laurel Ave Glendora, CA. 91741	Sawcutting	2%

<sup>1</sup> The percentage of the total Bid shall represent the "portion of the work" for the purposes of Public Contract Code Section 4104(b).

# INDUSTRIAL SAFETY RECORD FORM

Bidder's Name Grbcon, Inc.

	Current Year of Record	2024	2023	2022	2021	2020	Total
Number of contracts	28	20	20	22	12	102	
Total dollar amount of contracts (in thousands of dollars)	10MM	9.8MM	7MM	4.8MM	3.5MM	35.1MM	
Number of fatalities	0	0	0	0	0	0	
Number of lost workday cases	0	0	0	0	0	0	
Number of lost workday cases involving permanent transfer to another job or termination of employment	0	0	0	0	0	0	

The above information was compiled from the records that are available to me at this time and I declare under penalty of perjury under the laws of the State of California that the information is true and accurate within the limitations of those records.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: 

Title: Kristion Grbavac, President

Date: 9-10-2024



Bond No. n/a

**BID BOND**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Covina ("City"), has issued an invitation for Bids for the Work described as follows:

**BADILLO STREET WATER SERVICES REPLACEMENT PROJECT  
FROM RIMSDALE AVENUE AND LARK ELLEN AVENUE  
PROJECT No. W 2501**

WHEREAS GRBCON, Inc., 5114 Elton Street, Baldwin Park, CA 91706

*(Name and address of Bidder)*

("Principal"), desires to submit a Bid to City for the Work.

WHEREAS, Bidders are required to furnish a form of Bidder's security with their Bids.

NOW, THEREFORE, we, the undersigned Principal, and \_\_\_\_\_

Everest Reinsurance Company, 477 Martinsville Road, Liberty Corner, New Jersey 07938

*(Name and address of Surety)*

("Surety"), a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of \_\_\_\_\_  
Ten Percent of the Bid Amount

Dollars (\$ \_\_\_\_\_ 10% of the Bid \_\_\_\_\_), being not less than ten percent (10%) of the total Bid price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal is awarded the Contract for the Work by the City and, within the time and in the manner required by the bidding specifications, enters into the written form of Contract included with the bidding specifications, furnishes the required Bonds (one to guarantee faithful performance and the other to guarantee payment for labor and materials), and furnishes the required insurance coverage, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

In case suit is brought upon this instrument, Surety further agrees to pay all court costs incurred by the City in the suit and reasonable attorneys' fees in an amount fixed by the court. Surety hereby waives the provisions of Civil Code Section 2845.

IN WITNESS WHEREOF, this instrument has been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: September 5, 2024

"Principal"

GRBCON, Inc.

\_\_\_\_\_

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

Its: Kristina Garbowas,  
President

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

Its: \_\_\_\_\_

"Surety"

Everest Reinsurance Company

\_\_\_\_\_

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

Its: Lisa L. Thornton, Attorney in Fact

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

Its: \_\_\_\_\_

Note: *This Bond must be dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached.*

# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.


State of California  
County of Los Angeles )

On September 10, 2024 before me, Brett Harper, Notary Public  
(insert name and title of the officer)

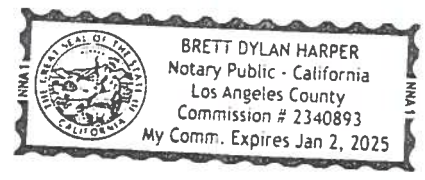
personally appeared Kristion Grbavac,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ are  
subscribed to the within instrument and acknowledged to me that ~~he~~ she/they executed the same in  
~~his~~ her/their authorized capacity(ies), and that by ~~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)



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**Civil Code § 1189**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.


State of California )  
 ) ss  
County of Los Angeles )

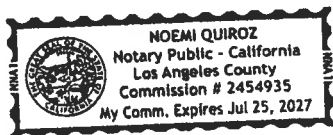
On 9-5-2024, before me, Noemi Quiroz, Notary Public, personally appeared Lisa L. Thornton, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized 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.

(Seal)

Signature:   
Noemi Quiroz, Notary Public





**POWER OF ATTORNEY  
EVEREST REINSURANCE COMPANY  
DELAWARE**

KNOW ALL PERSONS BY THESE PRESENTS: That Everest Reinsurance Company, a corporation of the State of Delaware ("Company") having its principal office located at 477 Martinsville Road, Liberty Corner, New Jersey 07938, do hereby nominate, constitute, and appoint:

**C.K. Nakamura, E.S. Albrecht, Jr., Jeffrey Strassner, Jessica L. Rosser, Lisa L. Thornton, Maria Pena, Natalie K. Trofimoff, Noemi Quiroz, Patricia S. Arana, Tim M. Tomko, Tiffany Coronado**

its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds and undertakings in the nature thereof, for the penal sum of no one of which is in any event to exceed UNLIMITED, reserving for itself the full power of substitution and revocation.

Such bonds and undertakings, when duly executed by the aforesaid Attorney(s)-in-fact shall be binding upon the Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Board of Directors of Company ("Board") on the 28th day of July 2016:

**RESOLVED**, that the President, any Executive Vice President, and any Senior Vice President and Anthony Romano are hereby appointed by the Board as authorized to make, execute, seal and deliver for and on behalf of the Company, any and all bonds, undertakings, contracts or obligations in surety or co-surety with others and that the Secretary or any Assistant Secretary of the Company be and that each of them hereby is authorized to attest to the execution of any such bonds, undertakings, contracts or obligations in surety or co-surety and attach thereto the corporate seal of the Company.

**RESOLVED, FURTHER**, that the President, any Executive Vice President, and any Senior Vice President and Anthony Romano are hereby authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute, on behalf of the Company, bonds and undertakings in surety or co-surety with others, and that the Secretary or any Assistant Secretary of the Company be, and that each of them is hereby authorized to attest the execution of any such power of attorney, and to attach thereto the corporate seal of the Company.

**RESOLVED, FURTHER**, that the signature of such officers named in the preceding resolutions and the corporate seal of the Company may be affixed to such powers of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking, contract or obligation in surety or co-surety with others to which it is attached.

IN WITNESS WHEREOF, Everest Reinsurance Company has caused their corporate seals to be affixed hereto, and these presents to be signed by their duly authorized officers this 28th day of July 2016.



*Nicole Chase*  
Attest: Nicole Chase, Assistant Secretary

Everest Reinsurance Company

*Anthony Romano*  
By: Anthony Romano, Vice President

On this 28th day of July 2016, before me personally came Anthony Romano, known to me, who, being duly sworn, did execute the above instrument; that he knows the seal of said Company; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto; and that he executed said instrument by like order.

LINDA ROBINS  
Notary Public, State of New York  
No 01R06239736  
Qualified in Queens County  
Term Expires April 25, 2023

*Linda Robins*

Linda Robins, Notary Public

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Company, at the Liberty Corner, this 28th day of July 2016

 COPY

GRBCON, Inc.  
*A California Corporation*

Meeting of the Board of Directors  
Dated: January 7<sup>th</sup>, 2016

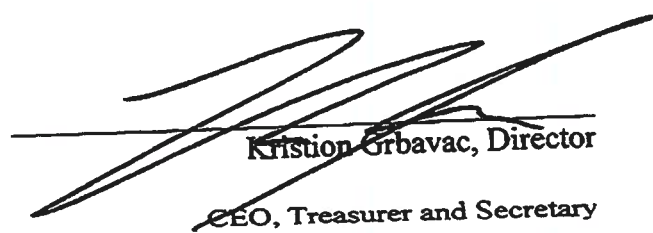
**Corporate Resolution Regarding Contractual Authority**

Following the establishment GRBCON, Inc. on 12/24/15, its Board of Directors has met on January 7<sup>th</sup>, 2016 and have granted Kristion Grbavac the authority to enter into binding agreements on behalf of the Corporation. Kristion Grbavac shall occupy the positions of CEO, Secretary, Treasurer, and member of the board. Gordon Anthony Grbavac shall serve as Vice President and member of the board.

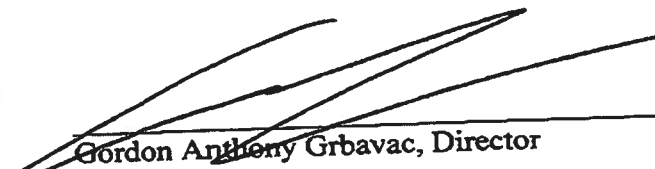
When, and if requested, Kristion Grbavac shall have the ability to enter into contractual agreements on behalf of the firm and to sign in the capacities as the officers mentioned above.

IN WITNESS THEREOF, Gordon Anthony Grbavac and Kristion Grbavac have executed this written consent dated January 7<sup>th</sup>, 2016.

Affix Corporate Seal

  
Kristion Grbavac, Director  
CEO, Treasurer and Secretary

Dated: January 7<sup>th</sup>, 2016

  
Gordon Anthony Grbavac, Director

Vice President

Dated: January 7<sup>th</sup>, 2016

**NONCOLLUSION DECLARATION FORM  
TO BE EXECUTED BY BIDDER AND SUBMITTED WITH BID  
[Public Contract Code Section 7106]**

The undersigned declares:

I am the President of Grbcon, Inc, the party making the foregoing Bid.

The Bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The Bid is genuine and not collusive or sham. The Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham Bid. The Bidder has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham Bid, or to refrain from bidding. The Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the Bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the Bid price, or of that of any other Bidder. All statements contained in the Bid are true. The Bidder has not, directly or indirectly, submitted his or her Bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, Bid depository, or to any member or agent thereof, to effectuate a collusive or sham Bid, and has not paid, and will not pay, any Person or entity for such purpose.

Any person executing this declaration on behalf of a Bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the Bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 9-10-24 [date], at Baldwin Park [city], California [state].

Signature \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature  \_\_\_\_\_

Printed Name: Kristion Grbavac, President

Date: 9-10-24

**This form must be notarized.**



# ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California  
County of Los Angeles )

On September 10, 2024 before me, Brett Harper, Notary Public  
(insert name and title of the officer)

personally appeared Kristion Grbavac  
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)





# ADDENDA ACKNOWLEDGMENT FORM

Bidder's Name: Grbcon, Inc.

The Bidder shall signify receipt of all Addenda here, if any:

Addendum Number	Date Received	Signature
NA		

If there are more Addenda than there is room in the chart above, attach another page acknowledging receipt of the Addenda.



## PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (“Agreement”) is dated September 17, 2024 (“Effective Date”) and is between the City of Covina, a California municipal corporation (“City”) and Siterep Construction Services, Inc., a California corporation (“Consultant”). City and Consultant are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

### RECITALS

A. City desires to utilize the services of Consultant as an independent contractor for inspection services the Badillo Street Water Services Replacement Project – Project No. W2501.

B. Consultant represents that it is fully qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees.

C. City desires to retain Consultant and Consultant desires to serve City to perform these services in accordance with the terms and conditions of this Agreement.

The parties therefore agree as follows:

**1. Term of Agreement.** The term of this Agreement shall be from the Effective Date through June 30, 2025, unless sooner terminated as provided in Section 14 of this Agreement.

**2. Compensation.**

A. Compensation. As full compensation for Consultant’s services provided under this Agreement, City shall pay Consultant a sum not to exceed Twenty-Five Thousand Two Hundred Dollars (\$25,200) (the “maximum compensation”), based on the hourly rates set forth in the Approved Fee Schedule, attached hereto as **Exhibit A**. Any terms in Exhibit A, other than the payment rates and

B. Expenses. The amount set forth in paragraph A shall include reimbursement for all actual and necessary expenditures reasonably incurred in the performance of this Agreement.

C. Additional Services. City shall not allow any claims for additional services performed by Consultant, unless the City Council and the Consultant Representative authorize the additional services in writing prior to Consultant’s performance of the additional services or inurrence of additional expenses. Any additional services or expenses authorized by the City Council shall be compensated at the rates set forth in **Exhibit A**, or, if not specified, at a rate mutually agreed to by the parties. City shall make payment for additional services and expenses in accordance with Section 4 of this Agreement.

**3. Consultant’s Services.**

A. Scope of Services. Consultant shall perform the services described in the Scope of Services, attached as **Exhibit B**. City may request, in writing, changes in the scope of services to be performed. Any changes mutually agreed upon by the parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

B. Party Representatives. For the purposes of this Agreement, the City Representative shall be the City Manager, or such other person designated in writing by the City Manager (the “City Representative”). For the purposes of this Agreement, the Consultant Representative shall be Andre Ortiz, President (the “Consultant Representative”). The Consultant Representative shall directly manage Consultant’s services under this Agreement. Consultant shall not change the Consultant Representative without City’s prior written consent.

C. Time for Performance. Consultant shall commence the services on the Effective Date and shall perform all services by the deadline established by the City Representative or, if no deadline is established, with reasonable diligence.

D. Standard of Performance. Consultant shall perform all services under this Agreement in accordance with the standard of care generally exercised by like professionals under similar circumstances and in a manner reasonably satisfactory to City.

E. Personnel. Consultant has, or will secure at its own expense, all personnel required to perform the services required under this Agreement. All of the services required under this Agreement shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. Consultant shall determine the means, methods, and details by which Consultant’s personnel will perform the services under this Agreement. Consultant shall be solely responsible for the satisfactory work performance of all personnel engaged in performing the services and compliance with the customary professional standards.

F. Compliance with Laws. The Consultant shall keep itself informed of all local, state and federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such ordinances, laws and regulations. The City and its agents shall not be liable at law or in equity occasioned by failure of the Consultant to comply with

G. Permits and Licenses. Consultant shall obtain and maintain during the Agreement term all necessary licenses, permits and certificates required by law for the provision of services under this Agreement, including a business license.

#### **4. Method of Payment.**

A. Invoices. Consultant shall submit to City an invoice, on a monthly basis or less frequently, for actual services performed pursuant to this Agreement. Each invoice shall itemize the services rendered during the billing period, hourly rates charged, if applicable, and the amount due. If City disputes any of Consultant’s fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice.

B. Payment. City shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth in Section 2 of this Agreement. City shall not withhold federal payroll, state payroll or other taxes, or other similar deductions, from payments made to Consultant. For all reimbursements authorized by this Agreement, Consultant shall provide receipts on all reimbursable expenses in excess of Fifty Dollars (\$50) in such form as approved by the Administrative Services Director.

C. Audit of Records. Consultant shall make all records, invoices, time cards, cost control sheets and other records maintained by Consultant in connection with this agreement available during Consultant's regular working hours to City for review and audit by City.

**5. Ownership of Documents.** Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed ("written products") pursuant to this Agreement shall become the sole property of the City without restriction or limitation upon its use and may be used, reused, disseminated or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files containing data generated for the work, Consultant shall make available to the City, upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files. Consultant may take and retain copies of the written products as desired, but the written products shall not be the subject of a copyright application by Consultant.

**6. Independent Contractor.**

A. Consultant is, and shall at all times remain as to City, a wholly independent contractor and not an employee of City. The personnel performing the services under this Agreement on behalf of Consultant shall also not be employees of City and shall at all times be under Consultant's exclusive direction and control. Consultant shall have no power to incur any debt, obligation, or liability on behalf of City. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees. Consultant shall not, at any time, or in any manner, represent that it or any of its officers, agents or employees are in any manner employees of City. Consultant and Consultant's personnel shall not supervise any of City's employees; and City's employees shall not supervise Consultant's personnel. Consultant's personnel shall not wear or display any City uniform, badge, identification number, or other information identifying such individual as an employee of City; and Consultant's personnel shall not use any City e-mail address or City telephone number in the performance of any of the services under this Agreement. Consultant shall acquire and maintain, at its sole cost and expense, such vehicles, equipment, and supplies as Consultant's personnel require to perform any of the services required by this Agreement. Consultant shall perform the services off of City premises at locations of Consultant's choice, except as otherwise may from time to time be necessary in order for Consultant's personnel to receive projects from City, review plans on file at City, pick up or deliver any work product related to Consultant's performance of the services under this Agreement, or as may be necessary to inspect or visit City locations and/or private property to perform the services. City may make a computer available to Consultant from time to time for Consultant's personnel to obtain information about or to check on the status of projects pertaining to the services under this Agreement.

B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall be responsible for and pay all wages, salaries, benefits and other amounts due to Consultant's personnel in connection with their performance of the services under this Agreement and as required by law. Consultant shall be responsible for all reports and obligations respecting such

additional personnel, including, but not limited to: Social Security taxes, other retirement or pension benefits, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance. Notwithstanding any other agency, state, or federal policy, rule, regulation, statute or ordinance to the contrary, Consultant and any of its officers, employees, agents, and subcontractors providing any of the services under this Agreement shall not become entitled to, and hereby waive any claims to, any wages, salaries, compensation, benefit or any incident of employment by City, including, but not limited to, eligibility to enroll in, or reinstate to membership in, the California Public Employees Retirement System ("PERS") as an employee of City, and entitlement to any contribution to be paid by City for employer contributions or employee contributions for PERS benefits.

C. Consultant shall indemnify and hold harmless City and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of City officials, from any and all liability, damages, claims, costs, and expenses of any nature to the extent arising from, caused by, or relating to Consultant's personnel practices. or to the extent arising from, caused by, or relating to the violation of any of the provisions of this Section 6. In addition to all other remedies available under law, City shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this Section 6. This duty of indemnification is in addition to Consultant's duty to defend, indemnify, and hold harmless as set forth in any other provision of this Agreement.

## **7. PERS Compliance and Indemnification.**

A. General Requirements. The parties acknowledge that City is a local agency member of PERS, and as such has certain pension reporting and contribution obligations to PERS on behalf of qualifying employees. Consultant agrees that, in providing its employees and any other personnel to City to perform the services under this Agreement, Consultant shall assure compliance with the Public Employees' Retirement Law, commencing at Government Code Section 20000, the regulations of PERS, and the Public Employees' Pension Reform Act of 2013, as amended. Without limitation to the foregoing, Consultant shall assure compliance with regard to personnel who have active or inactive membership in PERS and to those who are retired annuitants and in performing this Agreement shall not assign or utilize any of its personnel in a manner that will cause City to be in violation of the applicable retirement laws and regulations.

B. Indemnification. Consultant shall defend (with legal counsel approved by City, whose approval shall not be unreasonably withheld), indemnify, and hold harmless City, and its City and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of City officials, from any and all liability, damages, claims, costs, and expenses of any nature to the extent arising from, caused by, or relating to Consultant's violation of any provisions of this Section 7. This duty of indemnification is in addition to Consultant's duty to defend, indemnify, and hold harmless as set forth in any other provision of this Agreement.

**8. Confidentiality.** All data, documents, discussion, or other information (collectively "data") developed or received by Consultant or provided for performance of this Agreement are deemed confidential. Consultant shall keep all data confidential and shall not disclose any data to any person or entity without City's prior written consent. City shall grant such consent if

disclosure is legally required. Consultant shall return all data to City upon the expiration or termination of this Agreement. Consultant's covenant under this Section 8 shall survive the expiration or termination of this Agreement.

**9. Conflicts of Interest.** Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code, § 81000 *et seq.*) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the City Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this Section 9 into any subcontract that Consultant executes in connection with the performance of this Agreement.

**10. Indemnification.**

A. Indemnities for Third Party Claims.

1) To the fullest extent permitted by law, Consultant shall, at its sole cost and expense, defend, hold harmless and indemnify City and its elected officials, officers, attorneys, agents, employees, designated volunteers, successors, assigns and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees"), from and against any and all damages, costs, expenses, liabilities, claims, demands, causes of action, proceedings, expenses, judgments, penalties, liens and losses of any nature whatsoever, including fees of accountants, attorneys or other professionals, and all costs associated therewith, and the payment of all consequential damages (collectively "Liabilities"), in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, agents, servants, employees, subcontractors, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees, as determined by final arbitration or court decision or by the agreement of the parties. Consultant shall defend the Indemnitees in any action or actions filed in connection with any Liability with counsel of the Indemnitees' choice, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant shall reimburse the Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith.

2) Consultant shall pay all required taxes on amounts paid to Consultant under this Agreement, and indemnify and hold City harmless from any and all taxes, assessments, penalties and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall fully comply with the workers' compensation law regarding Consultant and Consultant's employees. Consultant shall indemnify and hold City harmless from any failure of Consultant to comply with applicable workers' compensation laws. City may offset against the amount of any fees due to Consultant under this Agreement any amount due to City from Consultant as a result of Consultant's failure to promptly pay to City any reimbursement or indemnification arising under this Subparagraph A. 2).

3) Consultant shall obtain executed indemnity agreements with provisions identical to those in this Section 10 from each and every subcontractor or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this Agreement. If Consultant fails to obtain such indemnity obligations, Consultant shall be fully responsible and indemnify, hold harmless and defend the Indemnitees from and against any and all Liabilities in law or equity, whether actual, alleged or threatened, which arise out of, are claimed to arise out of, pertain to, or relate to the acts or omissions of Consultant's subcontractor, its officers, agents, servants, employees, subcontractors, materialmen, contractors or their officers, agents, servants or employees (or any entity or individual that Consultant's subcontractor shall bear the legal liability thereof) in the performance of this Agreement, including the Indemnitees' active or passive negligence, except for Liabilities arising from the sole negligence or willful misconduct of the Indemnitees, as determined by final arbitration or court decision or by the agreement of the parties.

B. Workers' Compensation Acts not Limiting. Consultant's indemnifications and obligations under this Section 10, or any other provision of this Agreement, shall not be limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to City, its officers, agents, employees and volunteers.

C. Insurance Requirements not Limiting. City does not, and shall not, waive any rights that it may possess against Consultant because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The indemnities in this Section 10 shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liability, tax, assessment, penalty or interest asserted against City.

D. Survival of Terms. Consultant's indemnifications and obligations under this Section 10 shall survive the expiration or termination of this Agreement.

## **11. Insurance.**

A. Minimum Scope and Limits of Insurance. Consultant shall procure and at all times during the term of this Agreement carry, maintain, and keep in full force and effect, insurance as follows:

1) Commercial General Liability Insurance with a minimum limit of Two Million Dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage and a general aggregate limit of Four Million Dollars (\$4,000,000) per project or location. If Consultant is a limited liability company, the commercial general liability coverage shall be amended so that Consultant and its managers, affiliates, employees, agents and other persons necessary or incidental to its operation are insureds.

2) Automobile Liability Insurance for any owned, non-owned or hired vehicle used in connection with the performance of this Agreement with a combined single limit of Two Million Dollars (\$2,000,000) per accident for bodily injury and property damage. If Consultant does not use any owned, non-owned or hired vehicles in the performance of services under this Agreement, Consultant shall obtain a non-owned auto endorsement to the Commercial General Liability policy required under Subparagraph A. 1) of this Section 11.



3) Workers' Compensation Insurance as required by the State of California and Employer's Liability Insurance with a minimum limit of One Million Dollars (\$1,000,000) per accident for bodily injury or disease. If Consultant has no employees while performing services under this Agreement, workers' compensation policy is not required, but Consultant shall provide an executed declaration that it has no employees.

4) Professional Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) per claim and in aggregate.

B. Acceptability of Insurers. The insurance policies required under this Section 11 shall be issued by an insurer admitted to write insurance in the State of California with a rating of A:VII or better in the latest edition of the A.M. Best Insurance Rating Guide. Self-insurance shall not be considered to comply with the insurance requirements under this Section 11.

C. Additional Insured. The commercial general and automobile liability policies shall contain an endorsement naming the City, its officers, employees, agents and volunteers as additional insureds.

D. Primary and Non-Contributing. The insurance policies required under this Section 11 shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance available to City. Any insurance or self-insurance maintained by City, its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

E. Consultant's Waiver of Subrogation. The insurance policies required under this Section 11 shall not prohibit Consultant and Consultant's employees, agents or subcontractors from waiving the right of subrogation prior to a loss. Consultant hereby waives all rights of subrogation against City.

F. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be approved by City. At City's option, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

G. Cancellations or Modifications to Coverage. Consultant shall not cancel, reduce or otherwise modify the insurance policies required by this Section 11 during the term of this Agreement. The commercial general and automobile liability policies required under this Agreement shall be endorsed to state that should the issuing insurer cancel the policy before the expiration date, the issuing insurer will endeavor to mail thirty (30) calendar days' prior written notice to City. If any insurance policy required under this Section 11 is canceled or reduced in coverage or limits, Consultant shall, within two (2) business days of notice from the insurer, phone, fax or notify City via certified mail, return receipt requested, of the cancellation of or changes to the policy.

H. City Remedy for Noncompliance. If Consultant does not maintain the policies of insurance required under this Section 11 in full force and effect during the term of this Agreement, or in the event any of Consultant's policies do not comply with the requirements under this Section 11, City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may, but has no duty to, take out the necessary insurance and pay, at

Consultant's expense, the premium thereon. Consultant shall promptly reimburse City for any premium paid by City or City may withhold amounts sufficient to pay the premiums from payments due to Consultant.

I. Evidence of Insurance. Prior to the performance of services under this Agreement, Consultant shall furnish City's Risk Manager with a certificate or certificates of insurance and all original endorsements evidencing and effecting the coverages required under this Section 11. The endorsements are subject to City's approval. Consultant may provide complete, certified copies of all required insurance policies to City. Consultant shall maintain current endorsements on file with City's Risk Manager. Consultant shall provide proof to City's Risk Manager that insurance policies expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Consultant shall furnish such proof at least two (2) weeks prior to the expiration of the coverages.

J. Indemnity Requirements not Limiting. Procurement of insurance by Consultant shall not be construed as a limitation of Consultant's liability or as full performance of Consultant's duty to indemnify City under Section 10 of this Agreement.

K. Subcontractor Insurance Requirements. Consultant shall require each of its subcontractors that perform services under this Agreement to maintain insurance coverage that meets all of the requirements of this Section 11.

## **12. Mutual Cooperation.**

A. City's Cooperation. City shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for Consultant's proper performance of the services required under this Agreement.

B. Consultant's Cooperation. In the event any claim or action is brought against the City relating to Consultant's performance or services rendered under this Agreement, Consultant shall render any reasonable assistance that City requires.

**13. Records and Inspections.** Consultant shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of five (5) years. Consultant shall, without charge, provide City with access to the records during normal business hours. City may examine and audit the records and make transcripts therefrom, and inspect all program data, documents, proceedings and activities.

## **14. Termination or Suspension of Agreement.**

A. Right to Terminate or Suspend. City may terminate or suspend this Agreement at any time, at will, for any reason or no reason, after giving written notice to Consultant at least seven (7) calendar days before the termination or suspension is to be effective. Consultant may terminate this Agreement at any time, at will, for any reason or no reason, after giving written notice to City at least sixty (60) calendar days before the termination is to be effective.

B. Obligations upon Termination. Consultant shall cease all work under this Agreement on or before the effective date of termination specified in the notice of termination. In the event of City's termination of this Agreement due to no fault or failure of performance by

Consultant, City shall pay Consultant based on the percentage of work satisfactorily performed up to the effective date of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement.

**15. Force Majeure.** Consultant shall not be liable for any failure to perform its obligations under this Agreement if Consultant presents acceptable evidence, in City's sole judgment, that such failure was due to strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

**16. Notices.** Any notices, consents, requests, demands, bills, invoices, reports or other communications which either party may desire to give to the other party under this Agreement must be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by reputable document delivery service or courier service during Consultant's and City's regular business hours, or (c) five business days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the party to be notified as set forth below:

If to City:  
Attn: Public Works, Engineering  
City of Covina  
125 E. College Street  
Covina, California 91723

If to Consultant:  
Attn: Andre Ortiz  
Siterep Construction Services, Inc.  
301 E. Arrow Highway, Suite 105  
San Dimas, CA 91773

**17. Non-Discrimination and Equal Employment Opportunity.** In the performance of this Agreement, Consultant shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation or other basis prohibited by law. Consultant will take affirmative action to ensure that subcontractors and applicants are employed, and that employees are treated during employment, without regard to their race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information or sexual orientation.

**18. Prohibition of Assignment and Delegation.** Consultant shall not assign any of its rights or delegate any of its duties under this Agreement, either in whole or in part, without City's prior written consent. City's consent to an assignment of rights under this Agreement shall not release Consultant from any of its obligations or alter any of its primary obligations to be performed under this Agreement. Any attempted assignment or delegation in violation of this Section 18 shall be void and of no effect and shall entitle City to terminate this Agreement. As used in this Section 18, "assignment" and "delegation" means any sale, gift, pledge, hypothecation, encumbrance or other transfer of all or any portion of the rights, obligations, or liabilities in or arising from this Agreement to any person or entity, whether by operation of law or otherwise, and regardless of the legal form of the transaction in which the attempted transfer occurs.

**19. No Third-Party Beneficiaries Intended.** Except as otherwise provided in Section 10, this Agreement is made solely for the benefit of the parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

**20. Waiver.** No delay or omission to exercise any right, power or remedy accruing to City under this Agreement shall impair any right, power or remedy of City, nor shall it be construed as a waiver of, or consent to, any breach or default. No waiver of any breach, any failure of a condition, or any right or remedy under this Agreement shall be (1) effective unless it is in writing and signed by the party making the waiver, (2) deemed to be a waiver of, or consent to, any other breach, failure of a condition, or right or remedy, or (3) deemed to constitute a continuing waiver unless the writing expressly so states.

**21. Exhibits. Exhibits A, & B** constitute a part of this Agreement and are incorporated into this Agreement by this reference. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, the provisions of this Agreement shall control.

**22. Entire Agreement.** This Agreement and all exhibits referred to in this Agreement constitute the final, complete and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersede all other prior or contemporaneous oral or written understandings and agreements of the parties. No party has been induced to enter into this Agreement by, nor is any party relying on, any representation or warranty except those expressly set forth in this Agreement.

**23. Amendment of Agreement.** This Agreement may be amended only by a writing signed by both parties. The City Manager is authorized to sign an amendment to this Agreement on the City Council's behalf and without the City Council's prior approval to make the following non-substantive modifications to the Agreement: (a) name changes; (b) extensions of time; (c) non-monetary changes in the scope of work; and (d) termination of the Agreement.

**24. Headings.** The headings in this Agreement are included solely for convenience of reference and shall not affect the interpretation of any provision of this Agreement or any of the rights or obligations of the parties to this Agreement.

**25. Word Usage.** Unless the context clearly requires otherwise, (a) the words "shall," "will" and "agrees" are mandatory and "may" is permissive; (b) "or" is not exclusive; and (c) "includes" or "including" are not limiting.

**26. Time of the Essence.** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

**27. Governing Law and Choice of Forum.** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by and construed in accordance with the laws of the State of California, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in interpreting this Agreement. Any dispute that arises under or relates to this Agreement (whether contract, tort or both) shall be resolved in a municipal, superior or federal court with geographic jurisdiction over the City of Covina.

**28. Attorneys' Fees.** In any litigation or other proceeding by which on party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party shall be awarded reasonable attorneys' fees together with any costs and expenses, to resolve the dispute and to enforce the final judgment.

**29. Severability.** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, invalid or unenforceable for any reason, the validity of and enforceability of the remaining provisions of this Agreement shall not be affected and continue in full force and effect.

**30. Authority to Execute Agreement.** The person or persons executing this Agreement on behalf of Consultant warrants and represents that he or she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

*[SIGNATURE PAGE FOLLOWS]*

The parties, through their duly authorized representatives, are signing this Agreement on the date stated in the introductory clause.

City:

City of Covina,  
a California municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Name: Fabian Velez  
Title: Chief Deputy City Clerk

Consultant:

Siterep Construction Services, Inc.  
a California corporation

By: \_\_\_\_\_  
Name: Andre Ortiz  
Title: President

By: \_\_\_\_\_  
Name: Andre Ortiz  
Title: Secretary

*(Two signatures of corporate officers required for corporations under Corporations Code Section 313, unless corporate documents authorize only one person to sign this Agreement on behalf of the corporation.)*

**EXHIBIT A**  
**APPROVED FEE SCHEDULE/SCOPE OF SERVICE**

**September 10, 2024**

**City of Covina**

Michael Flores  
125 East College St.  
Covina, CA 91723


**RE: *Badillo Street Water Services Replacement Project***

Dear Mr. Flores,

Thank you for the opportunity to provide this proposal for inspection services as they pertain to the above mentioned project. Please see our price below to perform full time oversight/inspection for a duration of 5-6 weeks. Please feel free to contact me should you have any questions.

**TOTAL: \$25,200.00**

Sincerely,

A handwritten signature in black ink that reads "Andre Ortiz". The signature is written in a cursive, flowing style.

Andre Ortiz  
President  
Siterep Construction Services, Inc.



City of Covina

Public Works Department - Engineering Division

Badillo Street Water Services Replacement Project

From Rimsdale Avenue and Lark Ellen Avenue

Bid Opening - Tuesday, September 10, 2024 - 10:00AM

Base Bid				GRBCON, Inc.		Gentry Brothers, Inc.		Big Ben Engineering, Inc.		Dominguez General Engineering, Inc.	
Item	Description	Quantity	Unit	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Clearing and Grubbing	2	LS	\$ 5,000.00	\$ 10,000.00	\$ 91,498.00	\$ 182,996.00	\$ 500.00	\$ 1,000.00	\$ 10,000.00	\$ 20,000.00
2	Install 4" Service Lateral, meter manifold type and connect to existing downstream piping and install vault per Std W 203. Remove conflicting portion of existing water service and meter vault (See 2a. Below)	60	LF	\$ 1,235.82	\$ 74,149.20	\$ 900.00	\$ 54,000.00	\$ 1,500.00	\$ 90,000.00	\$ 1,700.00	\$ 102,000.00
2a	Remove conflicting portion of existing water service, box and install (6) 1" water services per Covina Std. Dwg. No. W-101. Short side service, approx. 5 feet long.	6	EA	\$ 2,500.00	\$ 15,000.00	\$ 4,500.00	\$ 27,000.00	\$ 4,100.00	\$ 24,600.00	\$ 6,000.00	\$ 36,000.00
3	Remove existing fire hydrant and conflicting portions and install Jones Triton 4060-R Commercial Fire Hydrant per Covina Standard Drawing No. W-110 & W-180 Complete.	4	EA	\$ 41,524.00	\$ 166,096.00	\$ 22,000.00	\$ 88,000.00	\$ 46,000.00	\$ 184,000.00	\$ 46,500.00	\$ 186,000.00
4	Install 6" PVC C-900, PC 305 (DR 14) Water Main Line Including Trenching per Covina Standard Drawing No. W-180.	160	LF	\$ 503.00	\$ 80,480.00	\$ 160.00	\$ 25,600.00	\$ 565.00	\$ 90,400.00	\$ 585.00	\$ 93,600.00
5	Install 6" 45-degree bends per std W-170 Complete.	12	EA	\$ 1,491.00	\$ 17,892.00	\$ 1,000.00	\$ 12,000.00	\$ 1,250.00	\$ 15,000.00	\$ 2,500.00	\$ 30,000.00
6	Abandon and seal existing water system in place and cut, plug, and cement existing pipe end per Covina Std. Dwg. No. W-020.	2	EA	\$ 2,982.00	\$ 5,964.00	\$ 2,500.00	\$ 5,000.00	\$ 4,000.00	\$ 8,000.00	\$ 2,500.00	\$ 5,000.00
7	Remove and Construct PCC Driveway approach per SPPWC Std. Plan 110-2, Type B or C per plan, including all incidentals complete in place per plans, details, and specifications.	250	SF	\$ 40.00	\$ 10,000.00	\$ 30.00	\$ 7,500.00	\$ 75.00	\$ 18,750.00	\$ 96.00	\$ 24,000.00
<b>Total</b>					\$ 379,581.20		\$ 402,096.00		\$ 431,750.00		\$ 496,600.00





## CC Regular Meeting **AGENDA ITEM REPORT**

**Meeting:** September 17, 2024  
**Title:** Agreement between Covina and Irwindale Employees Regarding Cooperative Dispatching Services  
**Presented by:** David Povero, Chief of Police  
**Recommendation:** Approve Agreement between Covina and Irwindale employees regarding cooperative dispatching services and Authorize the City Manager or his designee execute the agreement.

### **EXECUTIVE SUMMARY:**

This agreement intends to provide additional personnel resources for critical dispatch positions which can be difficult to fill and require months of training. This agreement will be mutually beneficial to both agencies similar to the previous 2020 agreement between Covina and La Verne which allowed trained dispatch staff to fill vacant shifts in both jurisdictions

Public safety dispatchers are highly trained employees who are an essential element of any modern law enforcement operation. Recruiting, training, and maintaining personnel with the skills to perform this work is a challenge for many police agencies. The necessity to staff 911 call centers twenty-four hours per day requires each unfilled position to be staffed by others on overtime. During periods of staffing shortages, the fatigue on existing employees is compounded by the mandatory overtime and everyday job stress experienced as part of the profession. From experience, staffing shortages were partially mitigated by collaborating with other agencies such as La Verne and allowing personnel to work in each other's communications centers when mutually beneficial.

### **DISCUSSION:**

Covina and Irwindale operate communications centers that are substantially similar in terms of technology and standard operating procedures. Common computer-aided dispatch/records management systems and common police radio equipment are used by each agency. Allowing personnel from each department to work in the other communication center can be easily accomplished successfully in both agencies.

The agreement included in this agenda item would allow Covina dispatchers to work in Irwindale and Irwindale dispatchers to work in Covina on an overtime basis at a rate agreed upon by both cities. This agreement would allow the terms to be extended for two additional one-year terms upon mutual agreement of both cities.

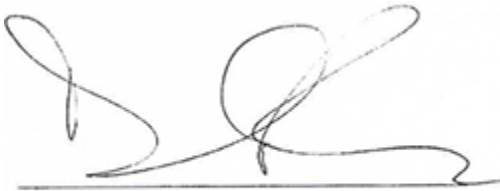
### **FISCAL IMPACT:**

This MOU limits the amount reimbursed for services to \$25,000/yr. Any reimbursement would come from the existing Communications operating budget.

### **CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

None.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Povero', written over a horizontal line.

David Povero  
Chief of Police

**AGREEMENT  
FOR SUPPLEMENTAL LAW ENFORCEMENT SERVICES**

**Parties: City of Irwindale and City of Covina**

This Agreement for supplemental Law Enforcement services ("Agreement"), entered into this 17<sup>th</sup> day of September, 2024 ("Execution Date"), by and between the City of Irwindale, a California municipal corporation ("Irwindale") and the City of Covina, a California municipal corporation ("Covina"), is made with reference to the following:

**RECITALS**

**WHEREAS**, Irwindale is desirous of contracting with Covina for the performance of supplemental law enforcement functions relating to police dispatching services ("Police Dispatch"), this agreement is reciprocating; and

**WHEREAS**, Covina is desirous of contracting with Irwindale for the performance of supplemental law enforcement functions relating to police dispatching services ("Police Dispatch"), and

**WHEREAS**, Irwindale is agreeable to rendering such services on the terms and conditions set forth in this Agreement, and

**WHEREAS**, Covina is agreeable to rendering such services on the terms and conditions set forth in this Agreement,

**NOW THEREFORE**, in consideration of mutual covenants contained herein, and for good and valuable consideration, the parties mutually agree as follows:

**1. Term.**

This Agreement shall have a term ("Term") that begins on the Execution Date and shall remain in effect through January 1, 2026, unless sooner terminated or extended in whole or in part as provided herein.

**2. Scope of Services.**

2.1 Covina agrees, through its Police Department, to provide supplemental law enforcement services to Irwindale for Police Dispatch as requested by Irwindale. The amount of supplemental law enforcement services provided by Covina to Irwindale shall be subject to availability as determined by Covina in its sole and absolute discretion. Irwindale acknowledges, understands and agrees that Covina may decline to provide supplemental law enforcement services for Police Dispatch based on such determinations of availability. Irwindale shall notify Covina of its anticipated supplemental law enforcement needs for Police Dispatch at least twenty-four (24) hours prior to the date of the Police Dispatch need. Thereafter, Covina will notify Irwindale indicating the amount of supplemental law enforcement services Covina will provide for Police Dispatch along with any other parameters established by the Covina Chief of Police. Covina shall be under no obligation to consider requests for services that have not been requested by Irwindale in a timely manner. Notices provided by Irwindale indicating the type and

amount of supplemental services that will be provided by Covina for Police Dispatch must be authorized by the Chief of Police in order to be valid and binding on Covina.

2.1a Irwindale agrees, through its Police Department, to provide supplemental law enforcement services to Covina for Police Dispatch as requested by Covina. The amount and of supplemental law enforcement services provided by Irwindale to Covina shall be subject to availability as determined by Irwindale in its sole and absolute discretion. Covina acknowledges, understands and agrees that Irwindale may decline to provide supplemental law enforcement services for Police Dispatch based on such determinations of availability. Covina shall notify Irwindale of its anticipated supplemental law enforcement needs for Police Dispatch at least twenty-four (24) hours prior to the date of the Police Dispatch need. Thereafter, Irwindale will notify Covina indicating the amount of supplemental law Enforcement services Irwindale will provide for Police Dispatch along with any other parameters established by the Irwindale Chief of Police. Irwindale shall be under no obligation to consider requests for services that have not been requested by Covina in a timely manner. Notices provided by Covina indicating the type and amount of supplemental services that will be provided by Irwindale for Police Dispatch must be authorized by the Chief of Police in order to be valid and binding on Irwindale.

2.2 Irwindale hereby grants to Covina and its personnel the right to transmit and broadcast communications to the Irwindale Police Department's units via the Irwindale Police Department's primary dispatch frequency and/or any other law enforcement frequency for which Irwindale is licensed by the Federal Communications Commission.

2.2a Covina hereby grants to Irwindale and its personnel the right to transmit and broadcast communications to the Covina Police Department's units via the Covina Police Department's primary dispatch frequency and/or any other- law enforcement frequency for which Covina is licensed by the Federal communications commission.

2.3 Under no circumstances shall Irwindale's inability or failure to provide supplemental law enforcement services because of an emergency, disaster, or other incident constitute a breach of this Agreement.

2.3a Under no circumstances shall Covina's inability or failure to provide supplemental law enforcement services because of an emergency, disaster, or other incident constitute a breach of this Agreement.

2.4 Irwindale shall furnish and supply all necessary labor, personnel, equipment and supplies necessary to provide supplemental law enforcement services for Police Dispatching. Notwithstanding the foregoing, the services performed by Irwindale, the discipline of Irwindale dispatchers, and other matters incident to the performance of services, including the control of personnel so employed shall remain with Irwindale and shall be performed pursuant to Irwindale Police Department's policies and procedures.

2.4a Covina shall furnish and supply all necessary labor, personnel, equipment and supplies necessary to provide supplemental law enforcement services for Police

Dispatching. Notwithstanding the foregoing, the services performed by Covina, the discipline of Covina dispatchers, and other matters incident to the performance of services, including the control of personnel so employed shall remain with Covina and shall be performed pursuant to Covina Police Department's policies and procedures.

2.5 All services shall be performed to the satisfaction of Irwindale.

2.5a All services shall be performed to the satisfaction of Covina.

2.5b Compensation for personnel from Irwindale and Covina will begin the time they arrive at their respective assignment.

### **3. Personnel.**

The classification, approximate numbers of personnel and number of hours shall be determined and mutually agreed upon by the Parties prior to the provision of the requested supplemental law enforcement services.

### **4. Compensation.**

Irwindale will compensate Covina for the services performed in an amount not to exceed Twenty Five Thousand Dollars (\$25,000.00) during the Term of this Agreement, and at the billing rate set forth below:

Communications Officer - \$58.50 per hour

Covina will compensate Irwindale for the services performed in an amount not to Exceed Twenty Five Thousand Dollars (\$25,000.00) during the Term of this Agreement, and at the billing rate set forth below:

Communications Officer - \$58.50 Per hour

### **5. Administration of Personnel.**

Irwindale shall not be liable or legally responsible for the direct payment to any of Covina's personnel for salaries, wages, or other compensation for services performed pursuant to this Agreement or for any claims made by Covina's personnel for personal injuries, including but not limited to Workers' Compensation claims or benefits, arising in connection with services rendered pursuant to this Agreement. All Covina employees who work in conjunction with Irwindale pursuant to this Agreement shall remain employees of Covina and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from Irwindale based on this Agreement. No Covina employees shall become employees of Irwindale.

Covina shall not be liable or legally responsible for the direct payment to any of Irwindale's personnel for salaries, wages, or other compensation for services performed pursuant to this Agreement

or for any claims made by Irwindale's personnel for personal injuries, including but not limited to Workers' Compensation claims or benefits, arising in connection with services rendered pursuant to this Agreement. All Irwindale employees who work in conjunction with Covina pursuant to this Agreement shall remain employees of Irwindale and shall not have any claim or right to employment, civil service protection, salary, or benefits or claims of any kind from Covina based on this Agreement. No Irwindale employees shall become employees of Covina.

**6. Maximum Cost.**

The maximum cost for Irwindale's supplemental law enforcement services must not exceed Twenty five Thousand Dollars (\$25,000.00.) during the term of this Agreement.

The maximum cost for Covina's supplemental law enforcement services must not exceed Twenty five Thousand Dollars (\$25,000.00.) during the term of this Agreement.

**7. Indemnification.**

7.1 Covina Indemnification and Hold Harmless

To the fullest extent permitted by law, Covina shall indemnify, defend, and hold harmless Irwindale, its governing body, its elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Covina's acts and/or omissions arising from and/or relating to this Agreement.

7.2 Irwindale Indemnification and Hold Harmless

To the fullest extent permitted by law, Irwindale shall indemnify, defend, and hold harmless Covina, its governing body, its elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Irwindale's acts and/or omissions arising from and/or relating to this Agreement.

7.3 Limitation

The Indemnification and Hold Harmless provisions above shall be limited in duration to the Term of this Agreement. However, each entity's obligation to indemnify, defend, and hold harmless shall apply to any and all injuries, losses, or damages which occur or accrue during the date(s) of service provided for Police Dispatch, but which are reported after this Agreement's ending date.

**8. Invoices.**



Within forty-five (45) calendar days from each scheduled Police Dispatch event, Irwindale will deliver to Covina an invoice for the services and Covina will pay any undisputed amount within thirty (30) calendar days from the date of Irwindale's invoice. The invoice and payment shall each be delivered pursuant to the Notice requirements in Section 9.

Within forty-five (45) calendar days from each scheduled Police Dispatch event, Covina will deliver to Irwindale an invoice for the services and Irwindale will pay any undisputed amount within thirty (30) calendar days from the date of Covina's invoice. The invoice and payment shall each be delivered pursuant to the Notice requirements in Section 9.

**9. Notice.**

All notices, invoices, requests or approvals to be given under this Agreement, must be in writing and will be deemed served when delivered personally, by email, or on the third business day after deposit in the United States mail, postage prepaid, registered or certified, addressed as follows:

All notices, demands, requests or approvals to Covina:  
City of Covina Police Department  
Attention: Capt. Ric Walczak  
444 N. Citrus Avenue  
Covina, California 91723

All notices, demands, requests or approvals to Irwindale:  
City of Irwindale Police Department  
Attention: Capt. John Fraijo  
5050 N. Irwindale Ave.  
Irwindale, CA 91706

**10. Integrated Contract.**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties. Any preliminary negotiations and agreements of any kind or nature are merged into this Agreement. No oral agreement or implied covenant may be held to vary the provisions of this Agreement. This Agreement may be modified only by written agreement signed by Irwindale and Covina and approved as to form by the City Attorneys for both cities.

**11. Insurance.**

Each party agrees to either self-insure in an amount not less than specified below or insure against damages or injuries which may arise from the activities contemplated by this Agreement by purchasing and maintaining for the term of this Agreement a commercial general liability insurance policy, and automobile policy, both with a combined single limit of not less than two million dollars (\$2,000,000), which policy shall include or be endorsed to include the other party as an additional insured. The Parties agree to provide evidence of such insurance upon request. Each party shall also carry Worker's Compensation Insurance for its own employees as required by law.

**12. Waiver.**

A waiver of any breach of this Agreement may not be deemed a waiver of any subsequent breach of the same or any other term, covenant, or condition of this Agreement.

**13. Default and Termination.**

**13.1 Failure to Perform**

If Irwindale fails or refuses to perform any of the provisions of this Agreement, Covina may immediately terminate this Agreement by written notice to Irwindale.

If Covina fails or refuses to perform any of the provisions of this Agreement, Irwindale may immediately terminate this Agreement by written notice to Covina.

**13.2 Option to Terminate for Convenience**

A Party to this Agreement may, at its sole discretion and without cause, terminate this Agreement for convenience by giving ten (10) calendar days' prior written notice to the other Party. Upon termination of this Agreement, Covina will pay Irwindale any compensation earned and unpaid up to the effective date of termination.

Equally, upon termination of this Agreement, Irwindale will pay Covina any compensation earned and unpaid up to the effective date of termination.

**14. Governing Law.**

This Agreement will be interpreted and governed according to the laws of the State of California.

**15. Venue and Jurisdiction.**

Irwindale and Covina agree that the Services will take place in Los Angeles County. Any litigation arising out of this Agreement may only be brought in either the United States District Court, Central District of California, or the Superior Court of California, County of Los Angeles, as appropriate. The parties agree that venue exists in either court and each party expressly waives any right to transfer to another venue. The parties further agree that either court will have personal jurisdiction over the parties to this Agreement.

**16. Survival of Provisions and Obligations.**

Any provision of this Agreement, which by its nature must be exercised after termination of this Agreement, will survive termination and remain effective for a reasonable time. Any obligation that accrued prior to termination of this Agreement will survive termination of this Agreement.

This Agreement may be signed in counterpart by each party.

CITY OF IRWINDALE, a Municipal Corporation

By: \_\_\_\_\_  
Julian A. Miranda  
City Manager

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Adrian Guerra  
City Attorney

CITY OF COVINA, a Municipal Corporation

By: \_\_\_\_\_  
Chris Marcarello  
City Manager

Date: \_\_\_\_\_

APPROVED AS TO FORM:

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





# CC Regular Meeting AGENDA ITEM REPORT

- Meeting:** September 17, 2024
- Title:** Award of Contract to Siterep Construction Services for the 114 E. Italia Street Restaurant Remodel/Expansion Project – Project No. F2501
- Presented by:** Chris Marcarello, City Manager  
 Brian K. Lee, Director of Community Development  
 Rafael Fajardo, Interim Director of Public Works/City Engineer
- Recommendation:**
1. Authorize the City Manager to execute all necessary contracts and documents with Siterep Construction Services, Inc. to perform remodel/expansion construction work at the existing City of Covina owned restaurant space located at 114 E. Italia Street;
  2. Adopt Resolution CC 2024-88 to amend the FY 2024-2025 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from available General Fund – Fund Balance to be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project; and
  3. Authorize a project contingency amount of \$33,000 (approximately 20%) for any unforeseen construction expenses.

## EXECUTIVE SUMMARY/BACKGROUND

On August 20, 2024, the Covina City Council selected the Union Restaurant Group as the preferred operator for the City-owned restaurant located at 114 E. Italia Street. The restaurant lease/operating agreement including several landlord (City) required site improvements to the existing restaurant space. The necessary site improvements include creating a new enclosed outdoor garden lounge, converting the existing covered patio space into an enclosed dining space, and corresponding upgrades in HVAC, water, electrical, and similar features. The tenant is responsible for the fixturing of the kitchen, bar area, and existing dining room space.

## DISCUSSION:

The Department of Public Works, solicited bids from qualified contractors to facilitate the construction of the aforementioned site improvements. All proposals were required to provide the City with a lump sum cost for construction. On September 10, 2024, project construction cost proposals were to be submitted to the Department of Public Works. Staff received bids from one (1) reputable construction company with the following result:

Contractor	Amount
Siterep Construction Services, Inc.	\$165,000
Green Giant Landscape, Inc.	Non-responsive
FS Contractors, Inc	Non-responsive

Only one (1) construction bid was received, which was submitted by Siterep Construction Services, Inc. After a comprehensive review of the proposal, the City Engineer and Building Official determined the construction bid proposal submitted by Siterep Construction Services, Inc. is consistent with industry standards and therefore Siterep Construction Services, Inc. was determined to be the lowest, responsive and responsible bidder for this project.

The proposed construction cost for the 114 E. Italia Street Restaurant Remodel/Expansion project is \$165,000; which includes the construction of a new enclosed outdoor lounge, installation of new windows and doors, the

conversion of the existing covered patio space into an enclosed dining space, and corresponding upgrades to the HVAC, water, electrical and similar features. The project is proposing a 20% contingency for any unforeseen tenant improvement construction expenses that should arise. The 114 E. Italia Street Restaurant Remodel/Expansion Project is set to be completed by November 2024.

**FISCAL IMPACT:**

The adoption of Resolution CC 2024-88 will amend the FY 2024-2025 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from General Fund – Fund Balance to be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project. The following is a summary of project funding as well as associated project expenditures:

**PROJECT FUNDING**

Source Funds	Amount	Account
General CIP	\$198,000	4010-4000-55100-F2501

**PROJECT EXPENDITURES**

Description	Amount
Contract Base Bid (Siterep Construction Services, Inc.)	\$165,000
Contingency Allowance (20%)	\$33,000
<b>Total Fiscal Impact</b>	<b>\$198,000</b>

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

This project has been determined to be categorically exempt under CEQA in accordance with Section 15301 Existing Facilities (Class 1). The project involves negligible or no expansion of an existing use.

Respectfully submitted,

  
 Chris Marcarello  
 City Manager

  
 Brian K. Lee  
 Director of Community Development

**RESOLUTION CC 2024-88**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AMENDING THE FISCAL YEAR 2024-2025 CAPITAL IMPROVEMENT PROGRAM AND CAPITAL IMPROVEMENT PROGRAM BUDGET APPROPRIATING \$198,000 FROM AVAILABLE GENERAL FUND - FUND BALANCE TO BE TRANSFERRED INTO THE GENERAL CIP FUND FOR USE TOWARDS THE 114 E. ITALIA STREET RESTAURANT REMODEL/EXPANSION PROJECT – PROJECT NO. F2501**

**WHEREAS**, the City of Covina (“City”) is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California; and

**WHEREAS**, the budget for the City of Covina for fiscal year commencing July 1, 2024, and ending on June 30, 2025 was approved on June 4, 2024; and

**WHEREAS**, the approved budget is in accordance with all applicable ordinance of the City and all applicable statues of the State; and

**WHEREAS**, on occasion, the City Council will deem it necessary to amend the Capital Improvement Program Budget to create a budget allocation to facilitate a project the City Council deems necessary and important; and

**WHEREAS**, those amendments (allocations) to the Budget shall be by approval and memorialized by Resolution of the City Council; and

**WHEREAS**, The City Council of the City of Covina desires to amend the FY 2024-25 Capital Improvement Program and Capital Improvement Program Budget appropriating \$198,000 from available General Fund – Fund Balance to be transferred into the General CIP Fund for use towards the 114 E. Italia Street Restaurant Remodel/Expansion Project.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** Amend the Fiscal Year 2024-2025 General Fund and Capital Improvement Program Budgets as follows:

Account No.	Account Description	Amount (\$)	Increase/Decrease
1010-4000-59140-F2501	GF-Comm Dev Admin-Transfers Out-ITALIA	\$198,000	Increase
4010-4000-49110-F2501	General CIP-Comm Dev Admin-Transfer In-ITALIA	\$198,000	Increase
4010-4000-55100-F2501	General CIP-Comm Dev Admin-Buildings and Structures-ITALIA	\$198,000	Increase

**SECTION 2.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September, 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN KING, Mayor

ATTEST:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-88 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk







## CONTRACT

### **CITY OF COVINA CONTRACT FOR ITALIA STREET RESTAURANT IMPROVEMENTS PROJECT – PROJECT NO. F2501**

THIS CONTRACT (“Contract”) is made and entered this 17<sup>TH</sup> DAY OF SEPTEMBER, 2024 (“Effective Date”), by and between the CITY OF COVINA, a California municipal corporation (“City”) and Siterep Construction Services, Inc., a California corporation (“Contractor”). Contractor’s California State Contractor’s license number is 1094220; Class A, B, C-34. Contractor’s DIR registration number is 1000729663.

In consideration of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. Contract Documents. The Contract Documents consist of this Contract, the Notice Inviting Bids, Instructions to Bidders, Bid (including documentation accompanying the Bid and any post-Bid documentation submitted before the Notice of Award), the Bonds, permits from regulatory agencies with jurisdiction, General Provisions, Special Provisions, Plans, Standard Plans, Standard Specifications, Reference Specifications, Addenda, Change Orders, and Supplemental Agreements. The Contract Documents are attached hereto and incorporated herein by reference. In the event of any conflict between the terms of this Contract and any incorporated documents, the terms of this Contract shall control.
2. Scope of Services. Contractor shall perform the Work in a good and workmanlike manner for the project identified as Italia Street Restaurant Improvements Project (“Project”), as described in this Contract and in the Contract Documents.
3. Compensation. In consideration of the services rendered hereunder, City shall pay Contractor an amount not to exceed One Hundred and Sixty Five Thousand Dollars (\$165,000) in accordance with the prices as submitted in the Bid, attached hereto as Exhibit “A” and incorporated herein by this reference.
4. Incorporation by Reference. All of the following documents are attached hereto and incorporated herein by this reference: Workers’ Compensation Certificate of Insurance, Additional Insured Endorsement (Comprehensive General Liability), Additional Insured Endorsement (Automobile Liability), and Additional Insured Endorsement (Excess Liability).
5. Antitrust Claims. In entering into this Contract, Contractor offers and agrees to assign to City all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. § 15) or under the Cartwright Act (Cal. Bus. & Prof. Code, § 16700 *et seq.*) arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time City tenders final payment to Contractor without further acknowledgment by the parties.
6. Prevailing Wages. City and Contractor acknowledge that the Project is a public work to which prevailing wages apply.
7. Workers’ Compensation. California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, by signing this Contract,

the Contractor certifies as follows:

“I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the Work of this Contract.”

8. Trenches and Other Excavations. If this Project involves the digging trenches or other excavations that will extend deeper than four (4) feet below the surface, Contractor shall promptly, and before the following conditions are disturbed, notify City, in writing, of any: (1) material that Contractor believes may be material that is hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II, or Class III disposal site in accordance with provisions of existing law; (2) subsurface or latent physical conditions at the site differing from those indicated by information about the site made available to proposers prior to the deadline for submitting proposals; and (3) unknown physical conditions at the site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Contract.

9. Titles. The titles used in this Contract are for convenience only and shall in no way define, limit or describe the scope or intent of this Contract or any part of it.

10. Authority. Any person executing this Contract on behalf of Contractor warrants and represents that he or she has the authority to execute this Contract on behalf of Contractor and has the authority to bind Contractor to the performance of its obligations hereunder.

11. Entire Agreement. This Contract, including the Contract Documents and any other documents incorporated herein by specific reference, represents the entire and integrated agreement between City and Contractor. This Contract supersedes all prior oral or written negotiations, representations or agreements. This Contract may not be modified or amended, nor any provision or breach waived, except in a writing signed by both parties that expressly refers to this Contract.

12. Counterparts. This Contract may be executed in counterpart originals, duplicate originals, or both, each of which is deemed to be an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed the Contract the day and year first above written.

[SIGNATURE PAGE FOLLOWS]

CITY OF COVINA

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

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

ATTEST:

By: \_\_\_\_\_  
Chief Deputy City Clerk

Dated: \_\_\_\_\_

\_\_\_\_\_  
("CONTRACTOR")

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**EXHIBIT B  
PERFORMANCE BOND**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Covina ("City"), has awarded to \_\_\_\_\_  
\_\_\_\_\_ ("Principal")

*(Name and address of Contractor)*

a contract (the "Contract") for the Work described as follows:

**ITALIA STREET IMPROVEMENTS PROJECT – PROJECT NO. F2501**

*(Project Description/ Name)*

WHEREAS, Principal is required under the terms of the Contract to furnish a Bond for the faithful performance of the Contract.

NOW, THEREFORE, we, the undersigned Principal, and \_\_\_\_\_

\_\_\_\_\_

*(Name and address of Surety)*

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City in the penal sum of \_\_\_\_\_

\_\_\_\_\_ Dollars (\$ \_\_\_\_\_), this amount being not less than the total Contract Price, in lawful money of the United States of America, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors executors and administrators, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if the hereby bounded Principal, his, her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the Contract and any alteration thereof made as therein provided, on the Principal's part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by City in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered. Surety hereby waives any statute of limitations as it applies to an action on this Bond.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or of the Work to be performed thereunder or the specifications accompanying the same shall in anywise affect its obligations under this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the Work or to the specifications. Surety hereby waives the provisions of California Civil Code Sections 2845 and 2849. The City is the principal beneficiary of this Bond and has all rights of a party hereto.

ATTACHMENT B

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: \_\_\_\_\_

“Principal”

“Surety”

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

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

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

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

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

(Seal)

(Seal)

**Note:** *This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. IF CONTRACTOR IS A PARTNERSHIP, ALL PARTNERS MUST EXECUTE BOND. DATE OF BOND MUST NOT BE PRIOR TO DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department’s most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.*



**EXHIBIT C  
PAYMENT BOND  
(LABOR AND MATERIALS)**

KNOW ALL PERSONS BY THESE PRESENTS that:

WHEREAS the City of Covina ("City"), State of California, has awarded to

---

("Principal")  
*(Name and address of Contractor)*

a contract (the "Contract") for the Work described as follows:

**ITALIA STREET IMPROVEMENTS PROJECT – PROJECT NO. F2501**  
*(Project Description/Name)*

WHEREAS, under the terms of the Contract, the Principal is required before entering upon the performance of the Work, to file a good and sufficient payment Bond with the City to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

NOW, THEREFORE, we, the undersigned Principal, and \_\_\_\_\_

---

*(Name and address of Surety)*

("Surety") a duly admitted surety insurer under the laws of the State of California, as Surety, are held and firmly bound unto the City and all contractors, subcontractors, laborers, material suppliers, and other persons employed in the performance of the Contract and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the penal sum of \_\_\_\_\_ Dollars

(\$ \_\_\_\_\_), for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this Work or labor, that the Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this Bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorneys' fees, incurred by City in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this Bond.

Upon expiration of the time within which the California Labor Commissioner may serve a civil wage and penalty assessment against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1741, and upon expiration of the time within which a joint labor management committee may commence an action against the principal, any of its subcontractors, or both the principal and its subcontractors pursuant to Labor Code Section 1771.2, if the condition of this Bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the

ATTACHMENT B

terms of the Contract or the Specifications accompanying the same shall in any manner affect its obligations on this Bond, and it does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, two (2) identical counterparts of this instrument, each of which shall for all purposes be deemed an original hereof, have been duly executed by Principal and Surety, on the date set forth below, the name of each corporate party being hereto affixed and these presents duly signed by its undersigned representative(s) pursuant to authority of its governing body.

Dated: \_\_\_\_\_

“Principal”

“Surety”

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

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

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

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

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

(Seal)

(Seal)

**Note:** *This Bond must be executed in duplicate and dated, all signatures must be notarized, and evidence of the authority of any person signing as attorney-in-fact must be attached. DATE OF BOND MUST NOT BE BEFORE DATE OF CONTRACT. IF CONTRACTOR IS A PARTNERSHIP, ALL PARTNERS MUST EXECUTE BOND. DATE OF BOND MUST NOT BE PRIOR TO DATE OF CONTRACT. Surety companies executing Bonds must appear on the Treasury Department’s most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.*



## **REQUEST FOR BIDS**

**FOR**

### **ITALIA STREET RESTAURANT IMPROVEMENTS PROJECT FISCAL YEAR 2024-2025**

**NOTICE IS HEREBY GIVEN** that the City of Covina, California (“City”) invites sealed Bids for the Project. The City will receive such Bids at City Hall, 125 E. College Street, Covina, California 91723-2199 up to **Tuesday, 10:00 am on September 10<sup>th</sup>, 2024.**

All Bids must be made on the form furnished by the City. Each Bid must be submitted in a sealed package addressed to the City Clerk with the Project name typed or clearly printed on the lower left corner of the package. Bids must remain valid and shall not be subject to withdrawal for sixty (60) calendar days (“Days”) after the Bid opening date. **No Bid Bond required.**

#### **SCOPE OF WORK**

The project consists of the renovation of existing restaurant at Italia Street (Giovanni’s) – 114 E Italia Street, Covina CA 91723 and other related work as described in the Plans, Specifications, and Contract Documents, by this reference, made a part hereof.

#### **LIQUIDATED DAMAGES**

The Engineer’s estimate for this project is \$100,000. The successful bidder shall have THIRTY (30) calendar days to complete the work. Liquidated damages shall be \$500.00 per working day.

#### **PREVAILING WAGES**

In accordance with Labor Code Section 1770 *et seq.*, the Project is a “public work”. The successful Bidder (Contractor) and any Subcontractors shall pay wages in accordance with the determination of the Director of the Department of Industrial Relations (“DIR”) regarding the prevailing rate of per diem wages. Copies of those rates are on file with the Director of Public Works, and are available to any interested party upon request. The Contractor shall post a copy of the DIR’s determination of the prevailing rate of per diem wages at each job site. This Project is subject to compliance monitoring and enforcement by the DIR.

#### **BIDDING PROCESS**

The City reserves the right to reject any Bid or all Bids, and to waive any irregularities or informalities in any Bid or in the bidding, as deemed to be in its best interest.

**BID SCHEDULE**

**ITALIA STREET RESTAURANT IMPROVEMENTS PROJECT  
FISCAL YEAR 2024-2025**

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF COVINA:

The undersigned, as Bidder, declares that: (1) this Bid is made without collusion with any other person and that the only persons or parties interested as principals are those named herein; (2) the undersigned has carefully examined the Contract Documents (including all Addenda) and the Project site; and (3) the undersigned has investigated and is satisfied as to the conditions to be encountered, the character, quality and quantities of Work to be performed, and the materials to be furnished. Furthermore, the undersigned agrees that submission of this Bid shall be conclusive evidence that such examination and investigation have been made and agrees, in the event the Contract be awarded to it, to execute the Contract with the City of Covina to perform the Project in accordance with the Contract Documents in the time and manner therein prescribed, and to furnish or provide all materials, labor, tools, equipment, apparatus and other means necessary so to do, except as may otherwise be furnished or provided under the terms of the Contract Documents, for the following stated unit prices or lump-sum price as submitted on the Bid herein.

The undersigned submits as part of this Bid a completed copy of its Industrial Safety Record. This Safety Record includes all construction Work undertaken in California by the undersigned and any partnership, joint venture or corporation that any principal of the undersigned participated in as a principal or owner for the last five (5) calendar years and the current calendar year before the date of Bid submittal. Separate information is being submitted for each such partnership, joint venture, or corporate or individual Bidder. The undersigned may attach any additional information or explanation of data that it would like to be taken into consideration in evaluating the Safety Record. An explanation of the circumstances surrounding any and all fatalities is attached.

The undersigned certifies to have a minimum of three (3) consecutive years of current experience in the type of Work related to the Project and that this experience is in actual operation of the firm with permanent employees performing a part of the Work as distinct from a firm operating entirely by subcontracting all phases of the Work. The undersigned also certifies to be properly licensed by the State as a contractor to perform this type of Work. The undersigned possesses California Contractor's License:

Number 1094220, Class A, B, C-34, which expires on 7/31/2026.

Bidder's Name: SITEREP CONSTRUCTION SERVICES INC.

Signature:  Date: 9/10/2024

**CITY OF COVINA**  
**BID SCHEDULE**  
**SCHEDULE OF PRICES FOR**  
**ITALIA STREET RESTAURANT IMPROVEMENTS PROJECT**  
**FISCAL YEAR 2024-2025**

Bidder's Name: SITEREP CONSTRUCTION SERVICES INC.

To the Honorable Mayor and Members of the City Council:

In compliance with the Notice Inviting Bids, the undersigned hereby agrees to execute the Contract to furnish all labor, materials, equipment, and supplies for the Project in accordance with the Contract Documents to the satisfaction and under the direction of the City Engineer, at the following prices:

**BASE BID SCHEDULE**

ITEM NO.	DESCRIPTION	UNIT	QTY.	UNIT PRICES	TOTAL
1.	Renovate existing restaurant at Italia Street as indicated on the attached construction plans and note below.	LS	1	\$165,000.00	\$165,000.00
<b>TOTAL BASE BID PRICE</b>				\$ 165,000.00	
Dollar Amount in Written Form <b>ONE HUNDRED SIXTY FIVE THOUSAND &amp; <math>\frac{00}{100}</math></b>					

**\*\*\*Note: Material callouts in construction plans can be replaced with alternative materials/fixtures.**

Note: Items may be adjusted or deleted. Therefore, regardless of total actual volume (percentage) compared to estimated quantities, the unit prices provided above by the Bidder shall be applied to the final quantity when payment is calculated for these items. No adjustment in the unit prices will be allowed. The City reserves the right to not use any of the estimated quantities, and if this right is exercised, the Contractor will not be entitled to any additional compensation.

By: Andre Ortiz  
Signature

ANDRE ORTIZ - PRESIDENT  
Type or Print Name - Title

301 E. ARROW HWY., STE. 105  
Business Street Address

SAN DIMAS, CA 91773  
City, State and Zip Code

909.418.8690  
Telephone Number

9/10/24  
Date

Bidder's/Contractor's State of Incorporation: CA

Partners or Joint Ventures: \_\_\_\_\_

Bidder's License Number(s): 1094220

Department Industrial Relations  
Registered No. 1000729663



# CC Regular Meeting AGENDA ITEM REPORT

**Meeting:** September 17, 2024

**Title:** Purchase Order Authorization – Demolition Work Related to the City Owned Property Located at 114 E. Italia Street

**Presented by:** Chris Marcarello, City Manager  
Brian K. Lee, Director of Community Development

**Recommendation:** 1. Authorize the City Manager, or his designee, to approve a Purchase Order in the amount of \$24,999 with Siterep Construction Services, Inc for demolition work related to the City owned property located at 114 E. Italia Street; and  
2. Adopt Resolution CC 2024-89 amending the 2024-2025 Capital Improvement Program Budget and appropriating \$24,999 from available Measure CC – Fund Balance to be transferred into the General CIP Fund for use towards this project.

### EXECUTIVE SUMMARY:

In August 20, 2024, the Covina City Council selected the Union Restaurant Group as the preferred operator for the City-owned restaurant located at 114 E. Italia Street. The restaurant lease/operating agreement including several landlord (City) required site improvements to the existing restaurant space. Briefly, the necessary site improvements include the creation of a new enclosed outdoor garden lounge, the conversion of the existing covered patio space into an enclosed dining space, and corresponding upgrades in HVAC, water, electrical and similar features. The tenant is responsible for the fixturing of the kitchen, bar area and existing dining room space.

### DISCUSSION:

Preliminary to the actual remodel/expansion effort for the 114 E. Italia Street restaurant site, initial demolition and site preparation is necessary. The aforementioned construction effort includes the removal/demolition of existing asphalt of a portion of the existing parking lot immediately adjacent to the 114 E. Italia Street site. The parking lot demolition and demolition to portions of the existing patio would allow for construction of the new restaurant concept to commence upon approval of the construction contract.

Informal quotes were obtained to secure demolition services for the City owned property located at 114 E. Italia Street and conveyed the following results:

Rank	Company Name	Location	Amount
1	Siterep Construction Services, Inc.	San Dimas, CA	\$24,999
2	I Build Construction Corporation	Walnut, CA	No response
3	Gentry Brothers, Inc.	Irwindale, CA	No response

Upon review of the proposed quote, City staff recommends that a purchase order be awarded to Siterep Construction Services, Inc. Siterep Construction Services, Inc has previously completed other projects in the City including the Hollenbeck Park Pickleball Court Construction Project and the Covina Theater Seating Rail/Restaurant Construction Project.

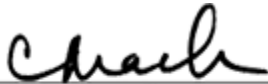
**FISCAL IMPACT:**

The adoption of Resolution CC 2024-89 will appropriate \$24,999 from available Measure CC – Fund Balance to be transferred into the General CIP Fund account number 4010-4000-55150 for use towards the demolition work related to the City owned property located at 114 E. Italia Street.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

This project has been determined to be categorically exempt under CEQA in accordance with Section 15301 Existing Facilities (Class 1). The project involves negligible or no expansion of an existing use.

Respectfully submitted,



Chris Marcarello  
City Manager



Brian K. Lee  
Director of Community Development



**RESOLUTION CC 2024-89**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, AMENDING THE FISCAL YEAR 2024-2025 CAPITAL IMPROVEMENT PROGRAM BUDGET AND APPROPRIATING \$24,999 FROM THE MEASURE CC FUND BALANCE TO BE TRANSFERRED INTO THE GENERAL CIP FUND FOR USE TOWARDS THE DEMOLITION WORK RELATED TO THE CITY OWNED PROPERTY AT 114 E. ITALIA STREET**

**WHEREAS**, the City of Covina (“City”) is a municipal corporation duly organized and existing pursuant to the Constitution and laws of the State of California; and

**WHEREAS**, the budget for the City of Covina for fiscal year commencing July 1, 2024, and ending on June 30, 2025 was approved on June 4, 2024; and

**WHEREAS**, the approved budget is in accordance with all applicable ordinance of the City and all applicable statues of the State; and

**WHEREAS**, on occasion, the City Council will deem it necessary to amend the Operating Budget to create a budget allocation to facilitate a project the City Council deems necessary and important; and

**WHEREAS**, those amendments (allocations) to the Budget shall be by approval and memorialized by Resolution of the City Council; and

**WHEREAS**, The City Council of the City of Covina desires to amend the FY 2024-2025 Capital Improvement Program Budget and appropriate \$24,999 from Measure CC – Fund Balance to be transferred into the General CIP for use towards the demolition work related to the City owned property located at 114 E. Italia Street.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** Amend the Fiscal Year 2024-2025 Capital Improvement Program Budget as follows:

Account No.	Account Description	Amount (\$)	Increase/Decrease
1095-0000-59110	Measure CC-Transfers Out	\$24,999	Increase
4010-4000-49110	General CIP-Comm Dev Admin-Transfer In	\$24,999	Increase
4010-4000-55150	General CIP-Comm Dev-Demolition	\$24,999	Increase

**SECTION 2.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September, 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTEST:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-89 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk



## CC Regular Meeting

# AGENDA ITEM REPORT

**Meeting:** September 17, 2024  
**Title:** Carryover of Encumbrances and Continuing Appropriations from Fiscal Year 2023-24 to Fiscal Year 2024-25  
**Presented by:** Theresa Franke, Interim Finance Director  
Charles Russom, Senior Management Analyst  
**Recommendation:** Adopt Resolution CC 2024-90 and Resolution SA 2024-04 approving the Carryover of Encumbrances and Continuing Appropriations from Fiscal Year 2023-24 to Fiscal Year 2024-25.

### EXECUTIVE SUMMARY:

The carryover of continuing appropriations is necessary when appropriation and encumbrance balances from a fiscal year that has ended remain unspent. These amounts are required to be carried forward into the next fiscal year to facilitate the completion of projects, contracts or activities for which the funds were originally awarded.

### BACKGROUND:

Covina's Municipal Code Section 2.08.160 states that the City Manager shall be responsible for the administration of the budget after its final adoption. The City Manager shall be authorized to amend the budget between cost centers within each fund. City Council authorization shall be required for increases in total fund appropriations. Continuing appropriations for year-end encumbrances, contractual commitments, and capital projects shall be automatically carried forward. All other appropriations shall lapse at year-end unless carried forward by City Council action. The City Manager shall keep the City Council informed with respect thereto. (Ord. 00-1872, 2000; Ord. 1232 § 1, 1973; 1964 Code § 2.26.)

### DISCUSSION:

As part of the year-end process, the Finance Department collaborates with all departments to analyze outstanding purchase orders, contracts, and remaining budget balances to determine which purchase orders and unspent appropriations should be carried over into the new fiscal year. Exhibit A of Resolution CC 2024-90 and Exhibit A of Resolution SA 2024-04 is the proposed Schedule of Encumbrance and Continuing Appropriation Carryovers which staff recommends for City Council and Successor Agency approval. These appropriations primarily relate to grant funds and capital improvement projects that were budgeted in Fiscal Year 2023-24 that were not completed before the end of the fiscal year, making it necessary to carry over the available budget balances to Fiscal Year 2024-25 to facilitate completion of the projects.

### FISCAL IMPACT:

The city's fiscal impact is an increase in appropriations in Fiscal Year 2024-25 in the amounts of the necessary available carryover balances totaling \$28,908,919.46 in revenues and \$59,110,549.18 in expenditures. Additionally, there is increase in appropriations in Fiscal Year 2024-25 of \$5,110,000 for the Successor Agency. The majority of these funds are committed to Capital Improvement Programs. The impact to each fund is detailed in Exhibit A of Resolution CC 2024-90 and in Exhibit A of Resolution SA 2024-04.

### CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

Not applicable.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Theresa Franke', written over a horizontal line.

Theresa Franke  
Interim Director of Finance

**RESOLUTION CC 2024-90**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, APPROVING THE CARRYOVER OF ENCUMBRANCES AND CONTINUING APPROPRIATIONS FROM FISCAL YEAR 2023-2024 TO FISCAL YEAR 2024-25**

**WHEREAS**, the City of Covina has certain operations and projects initiated prior to the fiscal year commencing July 1, 2024, which remain incomplete and will carryover from the previous fiscal year to the current fiscal year; and

**WHEREAS**, the City Council desires to appropriate the necessary carryover funds for the continuation and completion of certain City operations and projects and to set forth and appropriate certain expenses.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** Certain Encumbrance and Appropriations (listed in Exhibit A) are carried over from Fiscal Year 2023-24 to Fiscal Year 2024-25 and the City Manager is authorized to implement the same.

**SECTION 2.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED and PASSED** this 17<sup>th</sup> day of September 2024.

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTEST:

\_\_\_\_\_  
FABAIN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-90 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Chief Deputy City Clerk

**RESOLUTION SA 2024-04**

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY OF THE CITY OF COVINA, CALIFORNIA, APPROVING THE CARRYOVER OF ENCUMBRANCES AND CONTINUING APPROPRIATIONS FROM FISCAL YEAR 2023-2024 TO FISCAL YEAR 2024-25**

**WHEREAS**, the Successor Agency has certain operations and projects initiated prior to the fiscal year commencing July 1, 2024, which remain incomplete and will carryover from the previous fiscal year to the current fiscal year; and

**WHEREAS**, the Successor Agency desires to appropriate the necessary carryover funds for the continuation and completion of certain agency operations and projects and to set forth and appropriate certain expenses.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COVINA REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** Certain Encumbrance and Appropriations (listed in Exhibit A) are carried over from Fiscal Year 2023-24 to Fiscal Year 2024-25 and the Executive Director is authorized to implement the same.

**SECTION 2.** The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September 2024.

Successor Agency to the Covina  
Redevelopment Agency of Covina,  
California

BY: \_\_\_\_\_  
JOHN C KING, Chair

ATTEST:

\_\_\_\_\_  
FABIAN VELEZ, Agency Secretary

**CERTIFICATION**

I, Fabian Velez, Secretary of the Successor Agency to the Covina Redevelopment Agency, do hereby certify that Resolution SA 2024-04, was duly adopted by the Successor Agency to the Covina Redevelopment Agency at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           BOARD MEMBERS:  
NOES:           BOARD MEMBERS:  
ABSTAIN:       BOARD MEMBERS:  
ABSENT:        BOARD MEMBERS:

Dated:

\_\_\_\_\_  
FABIAN VELEZ, Agency Secretary



**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

Encumbrances Fund	Account Number	PO#	Department	Requested Amount	Description	
1010 -General Fund	1010-01-0400-0000-51200-	20240775	City Manager	\$ 3,431.32	Ongoing Litigation	
	1010-01-0500-0000-51005-	20240889	Finance	4,000.00	Munis Employee Access Upgrade	
	1010-01-0500-0000-51005-	20240882	Finance	10,965.00	Fee Study Project	
	1010-10-1130-0000-54430-	20240742	Police Administration	5,706.81	Police Department Portable Radios	
	1010-10-1450-0000-52480-	20240157	Police Administration	35,736.54	Retrofits for Police Department Vehicles	
	1010-10-1450-0000-52480-	20240380	Police Administration	3,650.00	Police Department Cameras Project	
	1010-20-2100-0000-51990-	20240750	Engineering	7,817.25	Utility Impact Fee Study	
	1010-30-3500-0000-52400-	20241033	Parks and Rec Admin	1,415.55	Senior Center Front Counter Unit Project	
	1010-30-3500-0000-55100-	20241033	Parks and Rec Admin	19,050.27	Senior Center Front Counter Unit Project	
	1010-48-4750-0000-53787-	20240745	Community Dev Admin	5,500.00	Business Capital Improvement	
	1010-40-4000-0000-51005-	20240845	Community Dev Admin	4,250.00	Front Street Appraisal Project	
	1010-40-4000-0000-51005-THETR	20240847	Community Dev Admin	2,043.71	Theater Restaurant Consulting	
	1010-40-4000-0000-51005-	20240917	Community Dev Admin	5,850.00	Front Street Appraisal Project	
	1010-40-4000-0000-51005-	20220844	Building Inspection	3,883.51	NBS Development Impact Fee Study	
	1010-40-4200-0000-51990-	20240902	Community Dev Admin	27,562.93	LA County Unlicensed Street Vending Project	
	1010-48-4750-0000-53787-	20240322	Community Dev Admin	3,684.13	Business Assistance Program	
				<b>\$ 144,547.02</b>		
	2020- Housing Bond Proceeds *Not appropriated expenditure (is a liability)	2020-00-0000-0000-22250-*	20230565	Community Dev Admin	\$ 122.50	Compliance Monitoring
		2020-45-4700-0000-52990-	20230155	Redev and Hsg Admin	1,414,777.81	Nav Center Lease Lump Payment
		2020-45-4700-0000-52990-	20241039	Community Dev Admin	515,057.41	Nav Center Lease
2020-45-4700-0000-51205-		20240330	Community Dev Admin	803.74	Ongoing Litigation	
2020-45-4700-0000-51205-HMLS		20240957	Community Dev Admin	33,883.56	Homelessness Program Litigation	
2020-45-4700-0000-51005-		20240660	Community Dev Admin	5,600.00	Traffic Signal & Driveway Relocation Improvement	
			<b>\$ 1,970,245.02</b>			
2230- Other State Grants	2230-10-1130-0000-54430-	20240742	Police Administration	\$ 100,000.00	Police Department Portable Radios	
	2230-40-4100-0000-51005-SOLAR	20240765	Community Dev Admin	3,500.00	Online Solar Plan Checking Project	
			<b>\$ 103,500.00</b>			
2400- Prop A	2400-43-4300-0000-55310-	20240748	Streets	\$ 15,043.61	Replacement Bus Shelter	
	2400-43-4350-TO01-51990-	20220594	Engineering	74,274.85	Quiet Zone Implementation Project - In Progress	
			<b>\$ 89,318.46</b>			

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

Encumbrances Fund	Account Number	PO#	Department	Requested Amount	Description
2405- Prop C	2405-43-2200-0000-55340-P2408	20240497	Engineering	\$ 22,037.90	Traffic Signal Improvements Project - Design
	2405-43-2200-0000-55310-P2311	20230764	Engineering	21,284.00	Design - Barranca Ave/Cienega Rehab Project
				<b>\$ 43,321.90</b>	
2420- Measure M	2420-43-2200-0000-55310-P2405	20240337	Engineering	\$ 36,187.82	Street Residential Resurfacing Project - Design
				<b>\$ 36,187.82</b>	
2510- Measure W	2510-56-5600-0000-55330-WM211	20210310	Environmental Services	\$ 121,323.23	Wingate Park Regional EWMP Project
	2510-56-5600-0000-55330-WM211	20210311	Environmental Services	940.79	Wingate Park Regional EWMP Project
	2510-56-5600-0000-55330-WM211	20220545	Environmental Services	73,014.06	Wingate Park Regional EWMP Project
				<b>\$ 195,278.08</b>	
2990- ARPA	2990-40-4000-0000-55700-	20230751	Building Inspection	\$ 106,773.19	Clariti Permitting Software Project
	2990-10-1130-0000-55700-	20241013	Police Administration	25,063.32	PD Telecommunication Hardware/Software
				<b>\$ 131,836.51</b>	
4050*- Development Project Deposit *Not appropriated expenditure (is a liability)	4050-22409-CEQA	20220769	Community Dev Admin	\$ 7,992.06	AVID Hotel. Project is still active.
	4050-22416-CEQA	20240488	Community Dev Admin	2,666.38	Vitapakt Phase II CEQA
				<b>\$ 10,658.44</b>	
4600- Parks & Recreation CIP	4600-40-2250-0000-51005-	20240848	Community Dev Admin	\$ 10,110.00	Royal Oak - Civic Engagement Active SGV
	4600-30-3400-0000-55200-P2403	20240967	Engineering	55,710.00	Cons Mgmt & Insp Svcs - Hollenbeck Park Urban Greening Revitalizati
	4600-30-3400-0000-55200-P2403	20240844	Engineering	1,308,875.19	Hollenbeck Park Urban Greening Revitalization Project
				<b>\$ 1,374,695.19</b>	
6010- Water Utility	6010-50-5000-0000-51005-	20240263	Streets	\$ 12,000.00	Water Quality Audit
	6010-50-5060-0000-52425-	20240472	Streets	24,998.36	Rehabilitation of Pump for Roycove
				<b>\$ 36,998.36</b>	
6011- Water CIP	6011-50-5080-0000-55410-W2401	20240691	Engineering	\$ 950,214.00	Covina Heights Water Improvement Project
	6011-50-5080-0000-55410-W2401	20240338	Engineering	10,778.25	Covina Heights Water Main Replacement Project - Design
	6011-50-5080-0000-55410-W2304	20240616	Engineering	17,032.00	Hurst Ave Water Line Replacement Project - Design
	6011-50-5080-0000-55410-W2402	20240386	Engineering	25,080.00	Inspection Services - Badillo / Azusa Ave Water Main
	6011-50-5080-0000-55410-W2401	20240901	Engineering	24,640.00	Inspection - Covina Heights Water Main Replacement Project
	6011-50-5080-0000-55410-W2402	20240385	Engineering	299,899.05	Badillo St/Azusa Ave Water Main Replacement Project
				<b>\$ 1,327,643.30</b>	
6300- Sewer Utility	6300-57-2700-0000-52420-	20240927	Engineering	\$ 7,425.00	Sewer Manhole Sidewalk Upgrades
				<b>\$ 7,425.00</b>	
	6400-30-3800-0000-51005-	20240847	Community Dev Admin	912.58	Theater Restaurant Consulting
			<b>\$ 912.58</b>		
7010- Central Equipment Operations	7010-60-6010-0000-55550-	20230663	Streets	\$ 27,663.46	Vehicle Upfitting for PD
	7010-60-6010-0000-55550-	20240965	Police Administration	160,000.00	Retrofit for Police Department Vehicles
	7010-60-6010-0000-55550-	20240474	Cent Yard Equip Admin	153,219.51	3 Police Department Vehicles
				<b>\$ 340,882.97</b>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

Encumbrances Fund	Account Number	PO#	Department	Requested Amount	Description
7020- Building Maintenance	7020-61-6100-0000-55100-	20240874	Streets	\$ 5,390.00	Gym Flooring - Parks
	7020-61-6100-0000-55100-	20240992	Engineering	20,929.98	Carpet Replacement - In Progress
	7020-61-6100-0000-55100-	20241012	Engineering	23,315.65	Cubicle/Desk Replacement - In Progress
	7020-61-6100-0000-52400-	20241025	IT Administration	3,300.00	Public Works Servers & Cameras Project
	7020-61-6100-0000-55100-F2301	20240769	Engineering	193,184.47	PD Locker Room Renovation Project
	7020-61-6100-0000-55100-F2301	20240843	Engineering	232,866.00	PD Locker Room Renovation Project
	7020-61-6100-0000-52400-	20240828	Engineering	43,673.15	Covina Park- Training Pool, Pool Heater Replacemet
	7020-61-6100-0000-52400-	20240939	Engineering	164,993.00	PW Yard Roof Repairs - In Progress
				<b>\$ 687,652.25</b>	
	7200- Information Technology	7200-62-6200-0000-51795-	20240997	IT Administration	\$ 1,350.00
7200-62-6200-0000-55700-		20240641	IT Administration	23,722.11	Microsoft 365 Migration
7200-62-6200-0000-51005-		20230049	IT Administration	9,575.00	Ongoing Server Replacement
7200-62-6200-0000-55700-		20240951	IT Administration	45,000.00	Microsoft 365 Migration
			<b>\$ 79,647.11</b>		
7370- Public Liability	7370-00-0870-0000-51200-	20240719	Community Dev Admin	\$ 2,477.50	Ongoing Litigation
				<b>\$ 2,477.50</b>	
<b>Total Encumbrance Carryover</b>				<b>\$ 6,583,227.51</b>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
1010- General Fund	10104000-51005-COWRK	\$ 21,797.75	Consulting Fees COWRK.
	10104010-55100	56,043.32	Buildings & Structures. This is earmarked for CRV Mural
	10102250-59140	24,900.00	Transfer Out - Local Match for Grant
	1010CP20-50030	42,679.00	AB109 Youth
	10104000-55010	5,110,000.00	KIA Land Purchase
	10104750-53788	200,000.00	Business Assistance Job Creation Program
	10104750-53787	61,980.02	Business Capital Improvement
	<b>General Fund Expenditure Total</b>	<u>\$ 5,517,400.09</u>	
2100- Community Development Block Grant	21004750-42050-23620	\$ 10,000.00	Microenterprise Co-Work Program
	<b>Community Development Block Grant Revenue Total</b>	<u>\$ 10,000.00</u>	
	21004750-53750-23620	\$ 10,000.00	Microenterprise Co-Work Program
	<b>Community Development Block Grant Expenditure Total</b>	<u>\$ 10,000.00</u>	
2120- Permanent Local Housing Allocation	21204700-42290	\$ 1,445,313.00	Grant Awards PLHA
	<b>Permanent Local Housing Allocation Revenue Total</b>	<u>\$ 1,445,313.00</u>	
	21204700-53750	\$ 1,445,313.00	Grant Awards PLHA
	<b>Permanent Local Housing Allocation Expenditure Total</b>	<u>\$ 1,445,313.00</u>	
2230- Other State Grants	22304100-42190-SOLAR	\$ 60,000.00	Reimbursement (CEC)
	<b>Other State Grant Revenue Total</b>	<u>\$ 60,000.00</u>	
	22304100-50010-SOLAR	\$ 44,958.75	Staff Time- SOLAR Project
	22304100-51005-SOLAR	3,000.00	Consulting Fees COWRK
	22304100-53990-SOLAR	5,000.00	Other (Outreach) SOLAR
	22301130-54990-OWMHG	13,909.17	Officer Health/Wellness Grant
	<b>Other State Grant Expenditure Total</b>	<u>\$ 66,867.92</u>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
2246- Supplemental Law	22461130-54420	\$ 8,456.27	Tactical equipment
	<b>Supplemental Law Expenditure Total</b>	<u>\$ 8,456.27</u>	
2270- Other Federal Grants	22704000-42090	\$ 113,100.00	Micro Transit Program
	<b>Other Federal Grant Revenue Total</b>	<u>\$ 113,100.00</u>	
	22704000-55550	\$ 113,100.00	Motor Vehicles Micro Transit Program
	<b>Other Federal Grant Expenditure Total</b>	<u>\$ 113,100.00</u>	
2278- Homeland Security Grant	22781130-42035-SHP22	\$ 45,577.00	State Homeland Security Grant
	<b>Homeland Security Grant Revenue Total</b>	<u>\$ 45,577.00</u>	
	22781130-55700-SHP22	\$ 45,577.00	State Homeland Security Grant
	<b>Homeland Security Grant Expenditure Total</b>	<u>\$ 45,577.00</u>	
2285- COPS Grant	22851130-42030	\$ 250,000.00	COPS 23 Grant
	<b>COPS Grant Revenue Total</b>	<u>\$ 250,000.00</u>	
	22851130-50010	\$ 250,000.00	COPS 23 Grant
	<b>COPS Grant Expenditure Total</b>	<u>\$ 250,000.00</u>	
2300- State Gas Tax	23002200-55310	\$ 276,718.00	Covina Heights Water Main Replacement & Paving Project
	<b>Gas Tax Expenditure Total</b>	<u>\$ 276,718.00</u>	
2310- Road Maintenance & Rehab	23102200-55310	\$ 1,268,519.00	Barranca Avenue Street Resurfacing Project
	23102200-55310	262,159.00	Cienega Avenue Resurfacing Project
	<b>Road Maintenance &amp; Rehab Expenditure Total</b>	<u>\$ 1,530,678.00</u>	
2400- Prop A	24004300-55310	\$ 84,956.39	Glendora/Grand Sustainable Multimodal Improvement Project
	2400TO01-55100	500,000.00	Quiet Zone Implementation Project
	<b>Prop A Expenditure Total</b>	<u>\$ 584,956.39</u>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

Fund	Account Number	Requested Amount	Description
2405- Prop C	24052200-55310	\$ 500,000.00	Sunflower Avenue Street Rehabilitation Project
	24052200-55310-P2311	139,796.81	Barranca Avenue Street Resurfacing Project
	24052200-55340-P2408	47,320.00	Traffic Signal Improvement Project, San Bernardino Rd/Grand Ave & Cypress Ave/Citru
	<b>Prop C Expenditure Total</b>	<u>\$ 687,116.81</u>	
2410- Measure R	24102200-55310	\$ 841,698.00	Covina Heights Water Main Replacement & Paving Project
	<b>Measure R Expenditure Total</b>	<u>\$ 841,698.00</u>	
2420- Measure M	24204300-48431	\$ 1,000,000.00	Glendora/Grand Sustainable Multimodal Improvement Project
	<b>Measure M Revenue Total</b>	<u>\$ 1,000,000.00</u>	
	24202200-55310	\$ 237,841.00	Cienega Avenue Resurfacing Project
	24202200-55310-P2008	31,806.15	Traffic Calming Improvements Project
<b>Measure M Expenditure Total</b>	<u>\$ 269,647.15</u>		
2510- Measure W	25105600-55320	\$ 100,000.00	Barranca Avenue Street Resurfacing Project
	25105600-55320	100,000.00	Cienega Avenue Resurfacing Project
	25105600-55200-P2202	300,000.00	Covina Recreation Village Project
	25105600-55330-WM211	14,449,129.90	Wingate Park Regional EWMP Project
	<b>Measure W Expenditure Total</b>	<u>\$ 14,949,129.90</u>	
2800- Literacy Grant	28003900-50015	\$ 5,000.00	PT Salaries Literacy Grant
	28003900-54100	2,000.00	Book Funds Literacy Grant
	<b>Literacy Grant Expenditure Total</b>	<u>\$ 7,000.00</u>	
2810-Equipment Reserve Fund	28103900-54030	\$ 2,600.00	Broadband Reimbursement Program
	<b>Equipment Reserve Expenditure Total</b>	<u>\$ 2,600.00</u>	
2830- Other Library Grant	28303900-54100	\$ 6,759.67	Rec & Read Grant funds for Books
	28303900-54350	7,954.18	Rec & Read Grant funds for Recreational Supplies
	28303900-55550	4,172.17	Rec & Read Grant funds for Vehicle Customization
	<b>Other Library Grant Expenditure Total</b>	<u>\$ 18,886.02</u>	
2927- Police Explorer Donations	29271110-53100	\$ 1,500.00	Explorer Program Dues
	29271110-54430	1,397.28	Explorer Program Equipment
	<b>Police Explorer Donations Expenditures Total</b>	<u>\$ 2,897.28</u>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
2990- ARPA	29901130 51795	\$ 3,001.71	Software
	29901130 55700	19,707.79	Computer Hardware
	29905080-55410-W2402	5,795.00	Badillo St/Azusa Avenue Water Main Replacement Project
	<b>ARPA Expenditure Total</b>	<u>\$ 28,504.50</u>	
4010- General CIP	40104000-49110-COWRK	\$ 436,893.30	Cowork Incubator space
	<b>General CIP Revenue Total</b>	<u>\$ 436,893.30</u>	
4010- General CIP	40104000-55100-COWRK	\$ 436,893.30	Cowork Incubator space
	<b>General CIP Expenditure Total</b>	<u>\$ 436,893.30</u>	
4200- Public Works CIP	42002200-48990-P2405	\$ 260,241.80	Street Residential Resurfacing Project
	<b>Public Works CIP Revenue Total</b>	<u>\$ 260,241.80</u>	
	42002200-55310-P2405	\$ 260,241.80	Street Residential Resurfacing Project
	<b>Public Works CIP Expenditure Total</b>	<u>\$ 260,241.80</u>	
4300- Transportation CIP	43002200-42222-P2010	\$ 72,261.53	Citrus Avenue Rehabilitation Project
	43002200-42090	3,500,000.00	Metrolink Pedestrian Bridge Project
	<b>Transportation CIP Revenue Total</b>	<u>\$ 3,572,261.53</u>	
	43002200-55310	\$ 3,500,000.00	Metrolink Pedestrian Bridge Project
	<b>Transportation CIP Expenditure Total</b>	<u>\$ 3,500,000.00</u>	

**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
4600- Parks CIP	46002250-42190	\$ 175,310.00	Reimbursement account for Royal Oak CalFIRE Grant Funded Project (CalFIRE)
	46002250-42990	25,000.00	Reimbursement Account for Royal Oak CalFIRE Grant Funded Project (COUSD)
	46002250-49110	24,900.00	Transfer In - Park Impact Fund (Covina) for Royal Oak CalFIRE Grant Funded Project
	46003400-42240-P2101	40,000.00	Covina Park Walking/Bike Trail
	46003400-42240-P2103	125,000.00	Cougar Park Improvement Project
	46003400-49110-P2202	329,806.48	Covina Recreation Village Project
	46003400-42600-P2403	1,955,179.99	Hollenbeck Park Urban Greening Revitalization Project
	460039CM-49110-P2202	2,688,510.00	Covina Recreation Village Project
	460039ST-42190-P2202	5,377,020.00	Covina Recreation Village Project
	4600CNRG-42177-P2202	2,500,000.00	Covina Recreation Village Project
	4600OMNI-42090-P2202	3,000,000.00	Covina Recreation Village Project
	4600PR68-42177-P2202	4,845,299.00	Covina Recreation Village Project
	4600PR68-42177-P2303	200,000.00	Cougar Park Parking Lot Improvement Project
	<b>Parks CIP Revenue Total</b>	<u>\$ 21,286,025.47</u>	
	46002250-51005	\$ 205,269.00	Royal Oak CalFIRE Grant Funded Project
	46003400-55100-P2202	315,436.48	Covina Recreation Village Project
	46003400-55200-P2403	235,340.00	Hollenbeck Park Urban Greening Revitalization Project
	460039CM-55100-P2202	2,688,510.00	Covina Recreation Village Project
	460039ST-55100-P2202	5,377,020.00	Covina Recreation Village Project
	4600CNRG-55100-P2202	2,500,000.00	Covina Recreation Village Project
	4600OMNI-55100-P2202	3,000,000.00	Covina Recreation Village Project
	46003400-55200-P2202	14,370.00	Covina Recreation Village Project
	4600PR68-55100-P2202	4,816,111.00	Covina Recreation Village Project
	<b>Parks CIP Expenditure Total</b>	<u>\$ 19,152,056.48</u>	
4704- Impact Fees - Park Facilities Admin	47043400-51005	\$ 39,000.00	Covina Park Master Plan Update
	<b>Impact Fees - Park Facilities Admin Expenditure Total</b>	<u>\$ 39,000.00</u>	
4707- Stormwater CFD	47075600-51005	\$ 6,796.04	Stormwater CFD - Consulting Fees
	<b>Stormwater CFD Expenditure Total</b>	<u>\$ 6,796.04</u>	
6011- Water Capital	60115080-55410-W2304	\$ 50,440.00	Hurst Tract Water Main Replacement Project
	60115080-55410-W2401	681,888.71	Covina Heights Water Main Replacement & Paving Project
	60115080-55410-W2402	749.57	Badillo St/Azusa Avenue Water Main Replacement Project
	<b>Water Capital Expenditure Total</b>	<u>\$ 733,078.28</u>	



**City of Covina**  
**Schedule of Encumbrance and Continuing Appropriation Carryovers**  
**From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
6200- Environmental	62005540-55310-P2013	\$ 56,505.86	Street Sweeping Sign Pilot Project - Phase II
	<b>Environmental Expenditure Total</b>	<u>\$ 56,505.86</u>	
6300- Sewer Utility	63002700-55310	\$ 100,000.00	Cienega Avenue Resurfacing Project
	63002700-55350	200,000.00	Covina Heights Water Main Replacement & Paving Project
	63002700-55350	100,000.00	Sewer Main Replacement Project
	63002700-55350-S2401	750,000.00	CCTV Inspection Project
	<b>Sanitary Sewer Expenditure Total</b>	<u>\$ 1,150,000.00</u>	
6400- Covina Theater	64003800-55100	\$ 380,857.11	Covina Theater Improvement Project
	<b>Covina Theater Expenditure Total</b>	<u>\$ 380,857.11</u>	
7010- Central Equipment Operations	70106010-55550	\$ 64,020.73	PD Vehicle Purchase Unit P16
	<b>Central Equipment Operations Expenditure Total</b>	<u>\$ 64,020.73</u>	
7020- Building Maintenance	70206100-49110	\$ 429,507.36	PD Locker Room Renovation
	<b>Building Maintenance Revenue Total</b>	<u>\$ 429,507.36</u>	
	70206100-55100-F2301	\$ 2,192.22	PD Locker Room Renovation Project
	70206100-55100-F2403	1,264.67	Police Department Flooring
	<b>Building Maintenance Expenditure Total</b>	<u>\$ 3,456.89</u>	
7200- Information Technology	72006200-55700	\$ 70,000.00	M365, Licensing, VMWare Licensing/Migration
	7200IT10-55700	17,868.85	Computer Hardware/MDC printer/citation handheld devices
	<b>Information Technology Expenditure Total</b>	<u>\$ 87,868.85</u>	
	<b>Total Revenues Carryover</b>	<u>\$ 28,908,919.46</u>	
	<b>Total Expenditures Carryover</b>	52,527,321.67	
	<b>Total Encumbrance Carryover</b>	6,583,227.51	
	<b>Total Expenditure Encumbrance and Continuing Appropriation Carryover</b>	<u><b>59,110,549.18</b></u>	



**City of Covina Successor Agency  
Continuing Appropriation Carryover  
From FY 2023-24 to FY 2024-25**

**Appropriations**

<b>Fund</b>	<b>Account Number</b>	<b>Requested Amount</b>	<b>Description</b>
S531- SACRA Land Proceeds	S5314450-53990	\$ 5,110,000.00	KIA Proceeds to County
	<b>SACRA Land Proceeds Expenditure Total</b>	<u>\$ 5,110,000.00</u>	
	<b>Total Continuing Appropriation Carryover</b>	<u><u>5,110,000.00</u></u>	





## CC Regular Meeting **AGENDA ITEM REPORT**

**Meeting:** September 17, 2024  
**Title:** Request to Cancel the Regular City Council Meeting of October 1, 2024  
**Presented by:** Chris Marcarello, City Manager  
**Recommendation:** That the City Council consider cancelling the regular scheduled City Council Meeting of October 1, 2024.

### **DISCUSSION:**

The City Council has legal authority to establish meeting dates and times and to cancel or reschedule such meetings with proper and timely public notice. On the evening of October 1, 2024, the Police Department will be hosting its National Night Out event with the community. As such, it is recommended that the City Council consider cancelling its regularly scheduled meeting on October 1, 2024, and direct the City Clerk's Office to post the required notice of cancellation.

### **FISCAL IMPACT:**

None.

### **CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

Not applicable.

Respectfully submitted,

Chris Marcarello  
City Manager





# CC Regular Meeting AGENDA ITEM REPORT

**Meeting:** September 17, 2024  
**Title:** Confirm and Approve City Council’s Appointments to the Parks & Recreation Commission and Finance Advisory Commission  
**Presented by:** Chris Marcarello, City Manager  
 Fabian Velez, Chief Deputy City Clerk  
**Recommendation:** Approve the City Council’s appointments to the Parks & Recreation Commission and Finance Advisory Commission.

### EXECUTIVE SUMMARY/ BACKGROUND:

Public involvement is crucial to the City’s decision-making process, and appointed advisory bodies are an important and valued part of City government. There are particular areas of decision-making which benefit from the advice and counsel of qualified residents. By advising the City Council and staff, bringing new ideas to the table, and representing all of the diverse elements of our community, advisory bodies assist the City Council in making the best, most informed decisions possible, for the benefit of the entire Covina community. The Covina Municipal Code provides for the establishment of advisory bodies including commissions, committees, and boards to advise the City Council and provide ongoing citizen input into policies and issues affecting the Covina community.

### DISCUSSION:

Appointed members of boards and commissions serve at the pleasure of the City Council, pursuant to Government Code Section 36506. The City Council shall have the authority to appoint, reappoint, and/or make changes to existing positions.

The following actions are being considered for approval:

- Reappointment of Lynda Noriega to the Finance Advisory Commission for a 4-year term ending June 30, 2028.
- Reappointment of Denaee Amaya to the Parks & Recreation Commission for a 4-year term ending June 30, 2028.

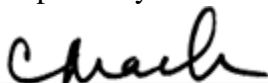
### FISCAL IMPACT:

None.

### CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

Not applicable.

Respectfully submitted,

  
 \_\_\_\_\_  
 Chris Marcarello  
 City Manager

  
 \_\_\_\_\_  
 Fabian Velez  
 Chief Deputy City Clerk







## CC Regular Meeting

# AGENDA ITEM REPORT

---

**Meeting:** September 17, 2024  
**Title:** Recognition of Congresswoman Grace F. Napolitano  
**Recommendation:** That the City Council will consider approving a resolution recognizing Congresswoman Grace F. Napolitano.

### EXECUTIVE SUMMARY:

The City Council will consider approving a resolution recognizing Congresswoman Grace F. Napolitano for her decades of service to the Covina community and residents in the 31<sup>st</sup> District of California.

### FISCAL IMPACT:

None.

### CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):

Not applicable.



**RESOLUTION CC 2024-86**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COVINA,  
CALIFORNIA, HONORING THE RETIREMENT OF  
CONGRESSWOMAN GRACE F. NAPOLITANO**

**WHEREAS**, The Honorable Congresswoman Grace F. Napolitano, began her political career in 1986 as a member of the Norwalk City Council, serving until 1992, when she was elected to the California Assembly, and has honorably served as a distinguished Member of the House of Representatives in the United States Congress since 1998, representing the people of Los Angeles County; and

**WHEREAS**, Congresswoman Napolitano, was the highest-ranking California member and Hispanic member of the U.S. House Committee on Transportation and Infrastructure where she served as Ranking Member on the Subcommittee on Water Resources and Environment, which oversees EPA’s Clean Water Act and U.S. Corps of Engineers water programs; and

**WHEREAS**, Congresswoman Napolitano, has honorably served the 31<sup>st</sup> District of California throughout her 26 years in Congress and has earned the reputation and respect of her colleagues and the public she served for being a hard worker and a policy champion for veterans and families, mental health, water, environmental protection, immigration, international trade and economic expansion, and women’s issues.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINA,  
CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The City Council hereby acknowledges and honors Congresswoman Grace F. Napolitano for her 28 years of distinguished public service as a Norwalk City Councilmember, California State Assemblymember and Member of the House of Representatives in the United States Congress.

**SECTION 2.** The City Council commemorates the legacy that Congresswoman Grace F. Napolitano leaves in California politics as a leader and advocate for water, transportation, mental health, veterans and women’s issues.

**SECTION 3.** The City Council hereby expresses its gratitude and esteem for Congresswoman Grace F. Napolitano and wishes her good health and a fulfilling retirement from the United States House of Representatives.

**APPROVED** and **PASSED** this 17<sup>th</sup> day of September, 2024

City of Covina, California

BY: \_\_\_\_\_  
JOHN C. KING, Mayor

ATTACHMENT A

ATTEST:

---

FABIAN VELEZ, Chief Deputy City Clerk

**CERTIFICATION**

I, Fabian Velez, Chief Deputy City Clerk of the City of Covina, do hereby certify that Resolution CC 2024-86 was duly adopted by the City Council of the City of Covina at a regular meeting held on the 17<sup>th</sup> day of September, 2024, by the following vote:

AYES:           COUNCIL MEMBERS:  
NOES:           COUNCIL MEMBERS:  
ABSTAIN:       COUNCIL MEMBERS:  
ABSENT:        COUNCIL MEMBERS:

Dated:

---

FABIAN VELEZ, Chief Deputy City Clerk



## CC Regular Meeting

# AGENDA ITEM REPORT

<b>Meeting:</b>	September 17, 2024
<b>Title:</b>	Covina Irrigating Company – Board of Directors Nominee Selection Process
<b>Presented by:</b>	Chris Marcarello, City Manager
<b>Recommendation:</b>	<ol style="list-style-type: none"><li>1. Nominate Covina Irrigating Company Board of Directors to Represent the City of Covina; and</li><li>2. Designate the City Manager or his appointee to represent the City at the Annual Shareholder's meeting on Thursday, October 24, 2024.</li></ol>

### BACKGROUND:

The City of Covina owns 4,219 shares of the Covina Irrigating Company (CIC) stock and the total shares of CIC amount to 10,000 shares. As a shareholder, the City derives the majority of its water from the CIC and as a major shareholder of CIC stock, the City may nominate and hold four seats on the CIC Board of Directors. Each year, CIC holds an annual meeting of shareholders to select its Board; this year the meeting will be held on October 24, 2024. At that meeting or by proxy vote beforehand the City needs to vote its shares for the nine (9) directors' seats.

The 2023-24 Board of Directors are currently comprised of four (4) Directors nominated by the City: Jorge Marquez, Lynda Noriega, Kevin Stapleton, and Michael Touhey. The remaining five (5) Directors are comprised of Andrew McIntyre, William McIntyre Jr., Steven Renders, Michael Quinn and Richard Rich.

### DISCUSSION:

The next annual meeting of shareholders to elect Directors to the CIC Board is slated for October 24, 2024, at 12:00 PM and will be held at the CIC offices. Prior to the annual meeting CIC staff asks the City if there will be any changes to their respective Directors so CIC can send out a correct version of the proxy document for printing, mailing, and voting.

The City Council has the authority to appoint individuals to a board or commission. Appointed members of boards and commissions serve at the pleasure of the City Council, pursuant to Government Code Section 36506. As such, there are several options for the City Council to consider:

1. Keep the existing City representatives on the CIC board.
2. Solicit applications from interested parties (including existing Directors) for the CIC Board of Directors. Applications must be submitted to the City Clerk's Office and provided to the City Council for consideration of an appointment.
3. City Council reviews applications and nominates Directors at its regular City Council on October 15, 2024 so the approved nominations may be transmitted to CIC staff and they may, in turn, produce materials necessary to conduct their election process.

As it relates to the election process, the City may vote for Directors in two ways; either by (1) submittal of a proxy ballot in advance of the meeting or (2) designating the City Manager or his appointee to represent the City at the Annual Shareholders meeting on October 24, 2023. The staff at CIC recommends that the proxy slips be

completed and returned prior to the shareholders meeting even if its representative intends to attend the meeting. This is to ensure the presence of a quorum and, in the event that the City's designated representative is unable to attend the actual meeting, the City's shares would be voted in the manner that the Council intends.

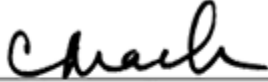
**FISCAL IMPACT:**

There is no fiscal impact in voting City's shares for the CIC Board of Directors.

**CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT):**

Not applicable.

Respectfully submitted,



---

Chris Marcarello  
City Manager

**Articles of Incorporation**

**- AND -**

**B Y - L A W S**

**(Most recently amended to August 12, 2015)**

**of the**

**Covina Irrigating Company**

**(Formerly known as Azusa Water Development  
and Irrigation Company)**

**AND THE**

**Compromise Agreement**

**Signed January 26, 1889**

**Recorded November 2, 1889,  
Book 607, Pg. 138 Deeds  
Los Angeles County**

**Restated**  
**Articles of Incorporation**  
**- of -**  
**Covina Irrigating Company**

**First:** The name of this Corporation shall be COVINA IRRIGATING COMPANY (formerly known as Azusa Water Development and Irrigation Company):

**Second:** The Corporation's only purpose shall be to develop, distribute, supply or deliver water for irrigation and domestic uses to or for the benefit of its shareholders, at cost plus necessary expenses, in proportion to the number of shares of stock held by them respectively.

In carrying out said purpose; it shall have no obligation to construct any delivery facilities nor to deliver any water, for whatever purpose, to share holders or their designees, outside the area or territory described as follows, to wit:

**BEGINNING** at a point on the main "Covina Cement Ditch" at the intersection of said "Covina Ditch" with North Citrus Avenue or the extension thereof, thence following the line of said "Covina Ditch," in a southeasterly direction to its intersection with Dawson Avenue; thence east along the center line of Dawson Avenue to the center line of Glendora Avenue in Rancho Addition to San Jose; thence south following the center line of Glendora Avenue to the center line of Gladstone Avenue; thence west on the center line of Gladstone Avenue to its intersection with the said "Covina Ditch"; thence along said "Covina Ditch" in a southeasterly direction to its intersection with the Covina San Jose pipe line just south of Juanita Avenue; thence southeasterly following the Covina San Jose pipe line to its intersection with the center line of Banna Street; thence southerly along the center line of Banna Street to the northerly line of Lot 3, Block 3, Hollenbeck Ranch Partition; thence easterly along said northerly line of Lot 3, Block 3, to the easterly line of said lot; thence southerly along said easterly line of said Lot 3, Block 3, to the center of Badillo Avenue; thence easterly following the center line of Badillo Avenue to the east line of Lot 7, Block 2, of the Hollenbeck Ranch Partition Tract, in the Rancho La Puente; thence southerly along said easterly line of Lot 7, Block 2, to the southeast corner of said Lot 7 thence 20 feet west from the southeast corner of Lot 7, Block 2, to the southeast corner of said Lot 7; thence 20 feet west from the southeast corner of Lot 7, Block 2; thence south 310 20' West, 250.39 feet; thence following the eastern boundary line of the "Masonic Homes for Children" properties on a curve concave to the south 332.7 feet; thence on a curve concave to the west 66.98 feet; thence south 74.2 feet to the north line of Puente Street; thence south across Puente Street to the northeasterly corner of Lot 4, Block 1, Shouse and Chapman Tract, Rancho La Puente; thence southerly along the easterly line of said Lot 4, Block 1, Shouse and Chapman Tract to its intersection with the northeast boundary line of Lots 3 and 5 of the Chaffey Tract; thence following along said northeasterly boundary of the Chaffey Tract to the point farthest east in said Lot 5 of the said Chaffey Tract; thence in a southerly and southwesterly direction following the easterly boundary line of said Lot 5 of the said Chaffey Tract to its intersection with the center line of a road known as the "Pomona and Covina Road", also known as Covina Hills Road; thence northwesterly and westerly along the center line of said "Pomona and Covina Road" to its intersection with the east line, or the northerly prolongation thereof, of Lot 21, McCarthy Co.'s subdivision of Block 1, Hollenbeck Tract, in the Rancho La Puente; thence south along said easterly line of Lot 21 to its intersection with the southerly line of said Lot 2 1; thence westerly along said southerly line of said Lots 21, 20, 19, 18, Block 1, McCarthy Co.'s subdivision and the southerly line of Lot 8, Block 25, Phillips Tract, Rancho La Puente, to its intersection with the easterly line of Lot 11 of Tract No. 2371; thence southerly along said east line of Lot 11 and Lot 12, Tract No. 23 7 1, to its intersection with the center line of Virginia Avenue; thence Westerly and Northwesterly along the center line of Virginia Avenue until it intersects with Barranca Avenue; thence northerly along the center line of Barranca Avenue



to its intersection with Walnut Creek Wash; thence along and following the center line of the stream bed of the said Walnut Creek Wash in a southwesterly direction until said Walnut Creek Wash intersects with the center line of Glendora Avenue, Rancho La Puente; thence along the center line of Glendora Avenue in a northeasterly direction to its intersection with the center line of Arroyo Avenue, also known as the San Bernardino Freeway; thence northerly across Arroyo Avenue to the southwest corner of Block 30, Phillips Tract; thence northerly following the westerly boundary lines, or prolongation thereof, of Lot 7 and Lot 2, Block 30; Lot 7 and Lot 2, Block 19; Lot 7 and Lot 2, Block 18; Lot 7 and Lot 1, Block 7; and Lot 1, Block 6, all of the Phillips Tract, Rancho La Puente, to their intersection with Covina Boulevard, sometimes known as San Bernardino Road; thence easterly following the center line of San Bernardino Road to its intersection with the center line of Azusa Avenue; thence along the center line of Azusa Avenue in a northerly direction to its intersection with the south line of the branch line of the Southern Pacific Railroad tracks; thence along said southerly line of the said Southern Pacific Railroad tracks in an easterly direction until it intersects with the southerly prolongation of the westerly line of the N.E. 1/2 of the W. 1/2 of the southeast 1/4 of the southeast 1/4 of Sec. 11, Township I South, Range 10 West; thence along said westerly line in a northerly direction to its intersection with the center line of Cypress Avenue; thence along the center line of Cypress Avenue in a westerly direction to its intersection with Azusa Avenue; thence northerly along the center line of Azusa Avenue until it would intersect with the easterly prolongation of the southerly line of the northeast 1/4 of the southeast 1/4 of Section 10; thence following the southerly and westerly boundary lines of the said northeast 1/4 of the southeast 1/4 of Section 10 to the northwest corner of said property; thence along the northerly line of said property and its prolongation in an easterly direction until it intersects with the center of Citrus Avenue at Section Center Avenue, now known as New Covina Boulevard, thence north along the center line of Citrus Avenue to the center line of Bonita Avenue, also known as Arrow Highway; thence along the center line of Bonita Avenue to the center line of Cerritos Avenue; thence northerly along the center line of Cerritos Avenue to the northwest corner of the west 1/2 of the southwest 1/4 of the southwest 1/4 of Section 2, Township I South, Range 10 West, S.B.B. & M.; thence easterly along said north line of the said property to the southwest corner of the northeast 1/4 of the southwest 1/4 of the southeast 1/4 of said Section 2; thence north along said westerly boundary line of said property to the northwest corner of said property; thence east along the north line of said property and its prolongation to an intersection with the center line of Citrus Avenue; thence south along the center line of Citrus Avenue to the center line of Bonita Avenue; thence east along the center line of Bonita Avenue to its intersection with Ben Lomond Avenue and the main "Azusa Ditch"; thence following the said "Azusa Ditch" in a northerly and northwesterly direction until it intersects with the center line of Citrus Avenue; thence north along the center line of Citrus Avenue to the said "Covina Ditch," the point of beginning; all in the County of Los Angeles, State of California; and said company shall not be required to furnish water to any stockholder from any of its ditches, pipe lines or conduits outside of the said area; PROVIDED, that wheresoever any stockholder shall have heretofore been receiving and using water from this Company upon lands outside of said area, such stock may continue to receive and use such water on the same lands in the future.

The boundaries of and the property to be included within said area may be changed at any annual shareholders' meeting or special shareholders' meeting called for that purpose.

**Third:** Unless and until changed by the By-Laws, as hereinafter provided, the number of directors shall be Nine (9); and authority is hereby conferred upon and reserved to the shareholders to adopt, repeal and amend the By-Laws, wherein and whereby the number of directors of the Corporation at any time shall be as fixed and provided in the By-Laws then in force, and such number may be changed from time to time by a By-Law adopted by the shareholders as other By-Laws are adopted.

**Fourth:** The corporation is authorized to issue 10,000 shares of capital stock, all of one class, of the par value of \$40.00, to be designated "Common Stock."

**Fifth:** The Board of Directors may, in its discretion, levy and collect assessments upon all issued shares of the corporation. Such assessments shall be a lien upon the shares assessed from the time of the levy. The levies of assessments and assessments shall be in conformity with Corporations Code Section 423. In the event of non-payment of any assessment, the Corporation may sell or forfeit the shares against which the assessment was levied, in the manner now, or as may be hereafter provided by the laws of the State of California. The Board of Directors may levy and collect from the shareholders water tolls and charges, and withhold delivery of water while any such tolls or charges are delinquent; and make such tolls and charges a lien against the shares; and withhold transfer of any shares while subject to the lien of any unpaid tolls, assessments or charges. The Board of Directors may adopt, repeal, modify, from time to time change, and enforce all rules and regulations which it may deem advisable for carrying out any and/or all of the foregoing purposes and powers, including the right to provide and determine when, where and in what manner delivery of water is to be made, and also the right to provide for and enforce the imposition of penalties for violation of such rules and regulations, as well as to discontinue the delivery of water for such violation or for failure to pay any charges, tolls or assessments.

The foregoing purposes and powers are subject to the express limitation and condition that the Corporation shall carry on its business without the distribution of any gains, profits or dividends to its shareholders except upon dissolution.

**Sixth:** Notwithstanding any other provisions in these Articles, fifty percent (50%) of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on any matter shall be the act of the shareholders.

#### **By-Laws**

**Of  
Covina Irrigating Company**

**ARTICLE I  
California General Corporation Law Applicable**

The term "General Corporation Law" is used in these By-Laws with the same meaning as defined in Section 100 of the Corporations Code of the State of California; and words, phrases and terms are used in these By-Laws with the same meaning as used or defined in the General Corporation Law.

**ARTICLE II  
By-Law Amendments**

These By-Laws may be repealed or amended or new By-Laws adopted by (a) the vote of a majority of a quorum of shareholders, represented in person or by proxy, at a shareholders' meeting, at which such meeting fifty percent (50%) of the issued shares of the Company shall constitute a quorum, or, (b) the written assent of shareholders entitled to exercise a majority of the voting power, filed with the Secretary; or (c) by a two-thirds (2/3) vote of the Board of Directors.

2. AMENDMENT BY DIRECTORS. Subject to the rights of the shareholders to adopt, amend or repeal Bylaws as provided in Section 1 of this Article II, Bylaws, other than a Bylaws amendment changing the authorized number of directors, may be adopted, amended or repealed by the board of directors.

**ARTICLE III  
Meetings of Shareholders**

**Section 1. Provisions of the General Corporation Law Applicable.** Except in those particulars and to the extent hereinafter expressly provided for, all of the provisions (whether mandatory or permissive) of the General Corporation Law of the State of California, as now or hereafter existing, are approved, adopted, and made applicable to the Company; and whenever no express provision is contained herein with respect to any matter authorized to be regulated, fixed, or established by or in the By-Laws, it is intended to adopt and approve the statutory provisions pertaining thereto and regulating or providing for the same.

**Section 2. Annual Meeting.** A meeting of shareholders to be known as the "annual meeting," shall be held each year on a day and time to be determined by board action. The vote of a majority of the shares represented at the meeting, in person or by proxy, shall be the act of the shareholders.<sup>1</sup>

**Section 3. Special Meetings.** Special meetings of the shareholders, for any purpose whatever, may be held at any time upon call, which shall be made by the Chairman, or by the Board of Directors, by resolution adopted by majority vote, or by the written assent of a majority of all the acting directors filed with the Secretary, or by one or more shareholders holding not less than one-tenth of the voting power of the Company.

**Section 4. Place of Meetings.** Unless some other place shall be appointed in any instance or instances, as hereinafter provided, meetings of shareholders, both annual and special, shall be held at the principal office of the Company.

Authority is hereby conferred upon the Board of Directors, by resolution adopted by majority vote of all its members, or by written assent of a majority of such members, filed with the Secretary, to fix or designate (and from time to time change) the place for any shareholders' meeting, or meetings, one, or more, or all, whether annual or special. Any place so designated shall be within the County where the principal office is situated, and in such instance said meeting, or meetings, shall be held at the place so fixed or designated.

**Section 5. Notice of Meeting.** Written notice of each meeting of shareholders, whether annual or special, shall be given to each shareholder entitled to notice, not more than sixty (60) days, nor less than ten (10) days, before the meeting, in any of the following ways:

First: By delivering such notice personally; or,

Second: By mailing such notice, charges prepaid, addressed to such shareholder at his address appearing on the books of the Company. If no address appears on the books of the Company, then the notice shall be addressed to the shareholder at the place where the principal office of the Company is situated.

**Section 6. Form of Notice and Statement of Purpose.** Notice of the meeting shall specify the place, the day and the hour of the meeting. In the case of special meetings, the general nature of the business to be transacted shall be stated in the notice, but in the case of the annual meeting need not be stated; provided, however, the provisions of Section 601 of the Corporations Code requiring notice to the shareholders of special proposals to be submitted at a meeting, whether annual or special, shall always be observed.

**Section 7. Shareholders Entitled to Notice.** All notices of any meeting shall be mailed on the same day and at the same time. Where notice of any shareholders' meeting is to be mailed, notice shall be given to those who appear from the stock records as record holders at 12 o'clock, Noon, on the day immediately preceding the day of mailing; and 12 o'clock Noon on the day immediately preceding the day of mailing is the record date and time for the determination of shareholders entitled to notice of the meeting.

**Section 8. Proxies.** Every shareholder entitled to vote or execute consents or assents shall have the right to do so either in person by an agent or agents authorized by written proxy executed by the shareholder, or by the duly authorized agent of such shareholder, filed with the Secretary of the Company on or before the date of the meeting for which such proxy is being submitted. Proxy blanks shall be sent to each shareholder along with notice of meeting. All proxies which appoint the Secretary or Assistant Secretary of the Company as the holder thereof shall be used for quorum purposes only, unless the maker of such proxy shall in writing instruct otherwise; in which event it shall be voted by the Secretary or Assistant Secretary in accordance with such written instructions, and this provision as to the Secretary voting proxies shall be noted on the blank proxies sent to the shareholders.

**Section 9. Shareholders Entitled to Vote.** 12 o'clock Noon on the day next preceding the day first appointed for a shareholders' meeting is hereby fixed as the time for the close of the stock books and the determination of those entitled to vote at the meeting, and, subject to the provisions of law, only persons in whose names and the shares stand on the stock records of the Company, at the close of stock books, as aforesaid, shall be entitled to vote at that meeting, or any adjournment thereof.

No transfer of shares shall be made on the stock records of the Company during the period elapsing between said close of stock books and adjournment of the meeting on the day first appointed therefor. If a

meeting be adjourned to a subsequent date, the stock books shall open upon adjournment so as to permit transfer, but not so as to affect the right of voting, determined as above provided.

**Section 10. Business to Be Transacted.** At the annual meeting, directors to the number authorized shall be elected, reports of the affairs of the company shall be considered, and any other business may be transacted which is within the powers of the shareholders, including the amendment, repeal and adoption of By-Laws, the approval and ratification of amendments of the Articles of Incorporation, and action upon or with respect to any or all questions and matters requiring the vote, consent or approval of the shareholders, or with respect to which the shareholders are permitted to act, subject, however, to the provisions of Section 601 of the Corporations Code, requiring notice to the shareholders of special proposals. At a special meeting, any business may be transacted of the general nature specified in the notice thereof, but not otherwise.

**Section 11. Manner of Voting at Shareholders' Meetings.** At meetings of shareholders, all questions, other than an election of directors, or except as otherwise expressly provided by statute, or by these By-Laws, shall be determined by majority vote of the shares represented at the meeting, and all voting shall be viva voce, unless a majority in voting power of the shares represented shall demand a vote by written ballot

**Section 12. Election of Directors and Cumulative Voting.** In an election of directors, the entire number to be elected shall be elected at the same time and upon a single vote or ballot, and directors shall not be elected separately or in any number less than the entire number to be elected.

At such election cumulative voting shall obtain, and a shareholder shall have a number of votes equal to the number of shares held by him multiplied by the number to be elected, and may cast all of his votes in favor of one or more candidates not exceeding the number to be elected.

If there has been nominated for the office of director more than the number to be elected, or upon the demand of any shareholder represented at the meeting, or if voting by mail has been provided for, the election shall be by written ballot, otherwise, it shall be viva vote.

**Section 13. Directors Elected at Special Meeting.** Whenever, for any reason, no election of directors has been had for more than one year a Board of Directors may be elected at a special meeting of the shareholders called for that (in addition to any other) purpose, by the person or persons, in the manner and upon the notice in these By-Laws provided for calling and noticing special meetings of shareholders.

The terms of directors elected at a special meeting shall expire at the same time as though they had been elected at the annual meeting next preceding such special meeting.

**Section 14. Inspectors of Elections.** Inspectors or an Inspector, of Elections may be appointed and shall have and exercise the powers and authority provided by provisions of law and these By-Laws.

**Section 15. Quorum of Shareholders.** The presence in person or by proxy of the holders of fifty percent (50%) of the shares entitled to vote at any meeting shall constitute a quorum for the transaction of business including the election of directors; provided, if at any time a larger percentage shall be required by law to constitute a quorum, then a quorum shall consist of the smallest percentage permissible by law at that time.

#### ARTICLE IV Directors

**Section 1. Provisions of the General Corporation Law.** Except in those particulars and to the extent hereinafter expressly provided for, all provisions (whether mandatory or permissive) of the General Corporation Law, as now or hereafter existing, are approved, adopted and made applicable to the Company; and whenever no express provision is contained herein with respect to any matter authorized or permitted to be regulated, fixed or established by or in the By-Laws, it is intended to adopt and approve the statutory provisions pertaining thereto and regulating or providing for the same.

**Section 2. Qualifications and Term.** No person shall be eligible for election as a member of the Board of Directors unless he is a bona fide owner of at least one share of the Capital Stock of the Company; provided that any business entity or public agency shareholder may assign at least one share of Capital Stock of the Company to any person designated by such business entity or public agency to enable such designated person to serve on the Board of Directors.<sup>2</sup> No regular employee of the Company who receives a salary shall serve on the Board of Directors. The term of office of a director shall begin immediately upon his election or appointment; and each director so elected or appointed and qualifies, or until he resigns or is removed from office, whichever shall first occur.

**Section 3. Organization Meeting.** A meeting of the Board of Directors (to be known as the "Organization Meeting") shall be held within one month following the adjournment of the shareholders' meeting at which directors are elected.<sup>3</sup>

**Section 4. Regular Meetings.** Meetings of the Board of Directors, to be known as "Regular Meetings," shall be held at such date and time as the Board of Directors shall determine from time to time.<sup>4</sup> If the date appointed for a regular meeting falls upon a legal holiday, it shall be held at the same hour on the next succeeding business day.

**Section 5. Special Meetings; Emergency Meetings.** Special meetings of the Board of Directors may be held from time to time, in accordance with the notice provisions of Section 6, below, upon call by the Chairman or if he be absent or be unable or refuse to act, by any Vice Chairman; and it shall be the duty of the Chairman, or, if he be absent or be unable or refuse to act, then of any Vice Chairman, to call a special meeting upon the written request of two directors, specifying the purpose; and in the event neither the Chairman nor Vice Chairman shall call such meeting upon said request, then the same may be called by said two directors. The call, in any instance, shall be delivered to the Secretary or person whose duty it is to give notice. An emergency meeting of the Board may be called by the Chairman, or by any two directors other than the Chairman, if there are circumstances that could not have been reasonably foreseen which require immediate attention and possible action by the Board, and which of necessity make it impracticable to provide notice as required by Section 6.<sup>5</sup>

**Section 6. Notice of Board Meetings; Open Board Meetings; Executive Sessions.** All Board of Directors' meetings shall be open to attendance by Eligible Persons ("Eligible Persons" shall mean shareholders, except for executive sessions of the Board to discuss (a) litigation; (b) contracts to be formed with third parties; (c) shareholder discipline; provided that the shareholder that is the subject of any fine, penalty or other discipline has the right to attend the executive session; (d) personnel matters; or (e) a shareholder's payment of assessments where the shareholder requests to meet in executive session. Any matters discussed in executive session of a Board meeting must be generally noted in the minutes of the

immediately following meeting. Any Eligible Person who desires to attend a Board of Directors' meeting must provide at least twenty-four (24) hours' prior written notice of his or her intent to attend that meeting. Any Eligible Person who attends a Board meeting must be allowed to speak at the meeting, although the Board can establish a reasonable time limit for such comments.

Notice of the time and place of all Board meetings must be provided, as specified in this paragraph, to all Eligible Persons at least four (4) days before the meeting; provided, that if the Board meeting only consists of an executive session, the notice must be given at least two (2) days before the meeting. Notice of the meeting must specify the time and place of the meeting and must include an agenda for the meeting, specifying the items to potentially be discussed and upon which action may be taken. Notice of the meeting shall be posted at the outside of the Company's office, may be provided by e-mail to any Eligible Person if the Eligible Persons consents, and must be provided by mail to any Eligible Person who has requested mailed notice of the meetings; provided that the Company may recover from the recipient the reproduction and mailing costs for that requested notice.

Notices of meetings shall be delivered at least four (4) days before the meeting to directors personally, by facsimile, by electronic mail or by telephone to each director or sent by first-class mail, charges prepaid, addressed to each director at that director's address as it is shown on the records of the Company, or as may have been given to the Company by the director for purposes of notice, or, if such address is not shown on such records or is not readily ascertainable, at the place where the meetings of the directors are regularly held.<sup>6</sup>

**Section 7. Place of Directors' Meetings; Meetings by Telephone or Electronic Transmission.** Meetings of the Board of Directors, whether regular or special, shall be held at such place within the State of California as has been designated from time to time by motion or resolution of the Board; and, in the absence of such designation, shall be held at the principal office of the Company. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as notice of the teleconferenced meeting is provided (including identifying at least one physical location where Eligible Persons, as defined in Section 6, above, may attend) and all directors participating in the meeting, and any Eligible Person attending the meeting, can hear one another. All directors participating by teleconference shall be deemed to be present in person at the meeting. The Board may not conduct a meeting by a series of electronic transmissions, except in the event of an emergency meeting, as described in Section 5, above, where all directors consent in writing to the action.<sup>7</sup>

**Section 8. Limitation on Board Action and Discussion.** Other than for the exceptions listed in subdivision (i) of Corporations Code Section 14305, the Board of Directors may not discuss or take action on any item at a non-emergency Board meeting that is not placed on the agenda included in the notice for that meeting. Directors are also prohibited from taking action on any items outside of a Board meeting unless the item has been delegated by the Board to another person.<sup>8</sup>

**Section 9. Vacancies.** Any vacancy in the office of director, however created or arising, may be filled by a majority of the remaining directors, though less than a quorum; and the shareholders may fill any vacancy existing at any time and not filled by the directors.

**Section 10. Quorum.** A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business; and, unless otherwise required by law or these By-Laws, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors.

**Section 11. Performance of Duties by Director; Liability.**

(a) A director shall perform the duties of a director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the Company and its shareholders and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(1) One or more officers or employees of the Company whom the director believes to be reliable and competent in the matters presented.

(2) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence.

(3) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

(c) A person who performs the duties of a director in accordance with subdivisions (a) and (b) shall have no liability based upon any alleged failure to discharge the person's obligations as a director.<sup>9</sup>

**Section 12. Compensation of Directors.** Directors shall receive no stated salary for their services as directors, but each director shall be paid for each regular or special meeting attended by him such sum as may be fixed by the shareholders or fixed by the Board of Directors, from time to time, at any meeting thereof. In the event a director cannot attend an assigned outside committee meeting as the voting representative the appointed voting alternate shall be compensated in his place, receiving the same amount of compensation.<sup>10</sup> A director shall also be allowed his reasonable expenses (which includes transportation, meals and lodging) when actually engaged in the business of the Company, to be audited, allowed and paid as other claims against the Company.

Each Director of the corporation shall be paid the amount fixed as compensation for attendance at regular meetings of the Board and the annual meeting even though he may be absent from such meeting; provided, however, that such compensation shall be paid for a maximum of two absences from such meetings during any one fiscal year of the corporation.<sup>11</sup>



## ARTICLE V Notices

**Section 1. Applies to All Notices.** Except as in conflict with law, or other provisions of these By-Laws, including Section 6 of Article IV with respect to notice of Board of Directors' meetings, the provisions of this Article are intended to, and shall apply to, all notices required, or permitted, to be given, including notices of shareholders' meetings and assessments.

**Section 2. By Whom Given, Method of Making, and Signing.** Notices shall be given by the Secretary, or by an Assistant Secretary, if such assistant be so directed by either the Secretary, the President, or the directors. If the person whose duty it is to give any notice shall fail or refuse so to do, then it shall be given by any person thereto directed by the Chairman or the directors; or in the event of a called meeting, it may be given (in the event of such refusal by the one directed so to do) by the person or persons calling the meeting. Whenever a written notice is required to be given, or is given, under these By-Laws, or pursuant to any provision of law, it may be made by any method appropriate for such purpose, including longhand writing, printing, stamping, multigraphing, mimeographing, typing, sent by e-mail transmission in accordance with applicable law, or by one or more or all of such methods, or in part by one method and in other parts by another or other methods.<sup>12</sup>

No notice need be actually signed or subscribed by the hand of the person giving it, and in lieu of actual signing, the name of such person may be made by the method used in making any other portion of the notice, or by any method by which any portion of the notice might be made as hereinbefore provided.

**Section 3. Where Notice Is to Be Mailed.** When resort is had to giving any notice by mail, such notice shall be deposited in the United States Post Office in the city or community in which the principal office of the Company is situated, or in a United States Post Office within not more than fifty miles from said principal office, with postage thereon prepaid, and directed to the person to be served at the address of such person, if such address appears on the records of the Company; and if same does not appear on such records, then addressed to such person at the Post Office at or from which delivery of mail is made at the principal office of the Company. The notice shall be deemed to have been deposited in said Post Office, when deposited in a letterbox, or other mail receptacle from which mail is regularly collected for said Post Office.

**Section 4. Method, Publication and Form.** The Board of Directors shall have power, subject to provisions of law, or of these By-Laws specifically regulating the matter, from time to time and at any time, to determine and order, with respect to notices, or any notice, as follows:

- (a) Where two or more methods are available, which method shall be used, and use of one method as to one or more persons to be served, and another method, or methods, as to others;
- (b) The newspaper in which publication is to be made;
- (c) The date, or dates, of publication;
- (d) The form and contents of the notice; and
- (e) The date of mailing of the notice.

If the time has arrived when the person charged with the duty desires to give notice, and the board has failed to determine any of the above, the same shall then be determined by such person; and the power

reserved to, and conferred upon the Board, as above stated, shall be exercised, and the determination made, by the person giving the notice.

## ARTICLE VI Officers

**Section 1. Number of Officers.** The officers of the Company (herein called “regular officers”) shall be elected by the directors, and shall consist of a Chairman of the Board, a Vice-Chairman of the Board, a President, a Chief Financial Officer, a Secretary and a Treasurer. The Company shall also have, at the discretion of the Board of Directors, one or more additional Vice Chairmen's, one or more Assistant Secretaries, one or more assistant Financial Officers, and such other officers as they deem desirable for the transaction of the business of the Company.

The Chairman of the Board and the Vice-Chairman of the Board must be members of the Board of Directors.<sup>13</sup>

Any two or more of said officers, except the Chairman of the Board and Secretary, may be held by the same person. Regular officers shall be elected at the organizations meeting of the Board. Unless sooner removed by the Board of Directors, or unless they resign or become or be disqualified, all of the officers shall hold office until their successors are chosen and qualified. The Chairman of the Board, Vice-Chairman of the board and any other officer, whether elected or appointed by the Board of Directors, may be removed at any time by the affirmative vote of a majority of the whole Board of Directors, and the Chairman of the Board, Vice-Chairman of the Board and each other regular officer shall take and hold office subject to the right of removal by the Board of directors.<sup>14</sup>

**Section 2. Chairman of the Board.** The Chairman of the Board shall, if present:

- (a) Preside at all meetings of the Board and at all Shareholder meetings. Such shall not prevent him from voting, either at shareholders’ meetings or as a director at directors’ meetings upon any question.
- (b) Unless otherwise directed by the Board of Directors, sign as Chairman of the Board all deeds and all other instruments in writing which have been first approved or authorized by the Board of Directors.
- (c) Have, subject to the advice of the directors, general and active supervision of the business and affairs of the corporation, and shall have power to cause the orders and resolutions of the Board to be carried into effect, and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by law or by these By-Laws.<sup>15</sup>

**Section 3. Vice-Chairman of the Board.** The Vice-Chairman of the board shall, in the absence or disability of the Chairman of the Board, perform the duties exercise the powers of the Chairman of the Board, and shall perform such other duties as the board of Directors.<sup>16</sup>

**Section 4. President.** Subject to the supervisory powers of the Chairman of the Board and/or the Vice-Chairman of the Board, if there be such an officer, the President shall have (1) general supervision,

direction, and control of the day to day business and affairs of the Company, including the supervision and direction of other employees of the Company; (2) the power to enter into contracts on behalf of the Company as may from time to time be authorized by the Board of Directors; (3) subject to the prior approval of the Chairman of the Board or the Directors, the power to employ and discharge all agents and employees of the Company other than the duly appointed officers, and the Chairman and Vice-Chairman of the Company; and (4) such other powers and duties as may be prescribed by the Board or by these By-Laws. Within this authority and in the course of his duties, he shall:<sup>17</sup>

- (a) Be ex officio a member of all Board committees unless appointed by the Board as a regular member.
- (b) As from time to time directed by the Board of Directors, sign contracts and all other instruments in writing which have been first approved or authorized by the Board of Directors.<sup>18</sup>

**Section 5. Secretary.** The Secretary shall:<sup>19</sup>

- (a) Attend all sessions of the Board, and all meetings of the shareholders, and record all votes and minutes of all proceedings in a book to be kept for that purpose, and perform like duties for the standing committees *when required*;
- (b) Keep the corporate seal of the Company and books of blank certificates of stock, fill up and countersign all certificates issued, and affix the corporate seal to all papers requiring a seal; and
- (c) Keep proper account books and such records and books pertaining to the issuance and transfer of shares as may be required by law, or these By-Laws, or as the Board of Directors shall prescribe, and discharge such other duties as pertain to his office, or which may be required by law, or by these By-Laws, or by the Board of Directors.

**Section 6. Chief Financial Officer.** The Chief Financial Officer shall:

- (a) Have custody of the corporate funds and securities and keep full and accurate accounts of receipts and disbursements in books belonging to the Company and deposit all moneys and other valuable effects, in the name and to the credit of the Company, in such depositories as may be designated by the Board of Directors;
- (b) Disburse the funds of the Company as may be ordered by the Board, taking proper vouchers for such disbursements, and render to the Chairman of the Board and Directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Chief Financial Officer and of the financial condition of the Company; provided, the Board may prescribe the manner in which funds shall be withdrawn from and paid out by any depository; and
- (c) Give the Company a bond if required by the Board of Directors in a sum, and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of his office, and for the restoration to the Company, in case of death, resignation, retirement, or removal from office, of all

books, papers, vouchers, money and other property of what ever kind in his possession or under his control belonging to the Company.<sup>20</sup>

**Section 7. Duties of Officers May Be Delegated.** In case of the absence of any officer of the Company, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, the powers or duties, or any of them, of such officer, to any other officer, or to any director, provided a majority of the entire Board concur therein.<sup>21</sup>

## ARTICLE VII Certificates and Transfers of Shares

**Section 1. By Whom Signed.** Certificates for shares shall be signed by the Chairman of the Board or Vice-Chairman of the Board and the Secretary, or by the President, if such assistant be thereto authorized by the Board of Directors.<sup>22</sup>

**Section 2. Form.** Subject to the provisions of law, and these By-Laws, certificates for shares shall be of such form and device as the Board of Directors may direct.

The person to whom issued shall be denominated therein as the "record holder," or by such other designation as shall be ordered by the Board pursuant to any provision of law.

The person in whose name a pledge of shares may be registered on the certificate (and on the stock records of the Company) shall be known as the "registered pledgee." Each certificate shall be issued and held upon and subject to all of the conditions and provisions thereon stated, all of which shall be binding upon the record holder, and registered pledgee (if any) and any transferee or person claiming any interest in the shares, or any of them, evidenced thereby.

**Section 3. Registration of Pledge.** Upon surrender to the Secretary of a certificate, accompanied by proper and satisfactory evidence of an assignment in pledge, the Company shall issue a new certificate stating therein the name of the record holder, and also the name of the one registered as pledgee, and cancel the old certificate, and record the transaction (with the name of the pledgee) on its books. More than one pledgee may be registered, their priority being indicated by the expressions "first pledgee," "second pledgee," and so forth.

**Section 4. Charges Are Liens on Shares.** Each charge or toll for water delivered to or for the record holder of any shares by virtue of or in respect of ownership of such shares is a lien against said shares from the time when furnished until paid. Said lien may be foreclosed in the manner now or as may be hereafter provided by law of the State of California for foreclosure of pledge. Notice of the time and place appointed for the sale of any shares upon foreclosure of such lien shall be mailed to the record holder of said shares at the address of such record holder as it then appears upon the books of the Company, and if no address appears, then mailed to said record holder at the city or community where the principal office is situate. No demand for payment or other notice of sale to the record or to any person appearing by the records of the Company to have an interest in said shares need be given other than as provided by law or as herein before provided. At any such sale or sales the Company may bid and purchase.

**Section 5. No Transfer While Unpaid Liens.** No transfer of the shares of the Company can or will be made on the books of the Company while any assessment, charge or toll there against remains or is unpaid.

**Section 6. Assessments and Liens.** An assessment shall be a lien upon the shares assessed from the time of the levy. Subject to provisions of law applicable thereto, there shall be on the face of each certificate a statement in form, meaning and effect, substantially as follows:

"Shares evidenced by this certificate are Assessable. No shares are transferable when:

- (a) An assessment currently due and payable is unpaid; or
- (b) When a registered holder is indebted to the Corporation.

If an assessment is payable in installments over a period of time, no shares subject to that assessment will be transferable until the installments which will become due and payable in the then current fiscal year of the Corporation are paid."<sup>23</sup>

**Section 7. Penalties, Interest and Collection Costs.** Each shareholder shall be liable for payment of and shall pay to the Company, upon its demand, all expenses incurred by the Company in collecting or enforcing payment from such shareholder of any delinquent assessment, charge, toll or other indebtedness. Included in such expenses are attorney's fees in any proceeding for the enforcement of any lien herein provided for, or the collection of such indebtedness; whether by court action or otherwise, and all expenses of any sale.

If payment is made after a stock assessment has become delinquent and before the sale of such stock, the shareholder shall pay a penalty of five percent (5%) of the amount of the assessment on the shares in addition to the assessment. All penalties on delinquent assessments, interest on overdue charges, tolls or other indebtedness, and expenses of collection, as above provided for, shall be added to the principal debt, and shall become and be a lien upon and against the shares, and be secured thereby and enforced in the same manner and with the same effect as the principal debt.

Whenever elsewhere in these By-Laws or in the share certificates, the terms assessment, charge, toll, or any of them, shall be used, such terms shall be deemed to include, in each and every instance whenever such construction is possible or permissible, all penalties, interest and collection expenses pertaining to such assessment, charge or toll, or attaching, accruing or resulting from the nonpayment thereof when due.

**Section 8. Record Holder Liable for Tolls and Charges.** The record holder of any shares shall be entitled to the delivery of all water apportioned to such shares within the area described in the Articles of Incorporation, subject to suspension or discontinuance, as herein provided, and shall be personally liable for the payment of all tolls, charges, interest, costs and penalties in respect of or on account of such shares during the time the same are registered in his name on the books of the Company.

## ARTICLE VIII Powers of Board of Directors

**The Board of Directors**, subject to restrictions laws, the Articles of Incorporation, of these By-Laws, shall exercise all of the powers of the Company, and without prejudice to or limitation upon their general

powers, it is hereby expressly provided that the Board of Directors shall have, and they are hereby given, full power and authority, in their unlimited discretion (to be exercised by motion or resolution adopted by majority vote of all the members of the Board whether denominated a rule or regulation, or otherwise), in respect other matters, and as hereinafter set forth, to-wit

**1. Seal.** To adopt, use and at will alter, a corporate seal of form and device approved by the Board; provided, there shall be set forth on said seal, the name of the Company and the State and date of incorporation. Said seal shall be affixed to the share certificates and such other instruments as the Board shall direct.

**2. Share Register.** To prescribe the form and provide for keeping a share register and records pertaining to the issuance, registration and transfer of shares.

**3. Financial Reports; Annual Review; Budget.** To prescribe the form, and provide for making and giving financial statements and reports to the shareholders. No balance sheet with statement of income and profit and loss, or other report need be sent to the shareholders. The Board shall cause the Company to engage a certified public accountant or public accountant to conduct an annual review in accordance with generally accepted accounting principles of the Company's financial statements and financial reports. The Board shall adopt a budget prior to the commencement of the Company's fiscal year.<sup>24</sup>

**4. Rules and Regulations.** To adopt, repeal, modify, from time to time change, and enforce, all rules and regulations not inconsistent with the laws of the State of California, or with the Articles of Incorporation, or with these By-Laws, by them deemed essential or desirable for the management or conduct of the Company's business and affairs, or the exercise of their powers. Said rules and regulations may, in addition to any other things, provide for and regulate any of the matters in this Article referred to, and authorized to be determined by the Board of Directors.

**5. Transfer Fee.** To provide for the payment of a transfer fee, to be fixed by the Board of Directors, for the transfer of shares upon the books of the Company.<sup>25</sup>

**6. Compulsory Exchange of Certificates.** To require the respective holders of outstanding share certificates, or of any of such certificates, to surrender and exchange them for new certificates within a period to be fixed by the Board, not less than thirty (30) days from the giving of notice, whenever the Articles of Incorporation have been amended in any way affecting the statements contained in the outstanding share certificates, or whenever it becomes desirable for any reason, in the discretion of the board, to cancel any outstanding share certificate and issue a new certificate therefor conforming to law or to the rights of the holder. In any order requiring such surrender and exchange, the Board may provide that no holder of any such certificate ordered to be surrendered shall be entitled to vote or to receive any water or exercise any of the other rights of the shareholders of record until he shall have complied with such order, but such order shall only operate to suspend such rights after notice and until compliance. Notice of such order shall be given in the manner prescribed in these By-Laws for notice of meetings of shareholders, provided that mailing of notice shall in any instance be sufficient and no publication thereof need be made. Such duty of surrender may also be enforced by action at law and any shareholder having the ability, or other person having the possession and control, refusing or failing to surrender and exchange any certificate in accordance with the order of the Board of Directors shall be liable to the Company for all damages incurred

by it from such refusal or failure, including reasonable attorney's fees incurred by the Company, in enforcing such duty.

**7. Committees.** The Board of Directors, by action approved by a majority of the authorized number of directors, may designate one or more committees, including an Audit Committee, each consisting of two or more directors, to be appointed by the Chairman to serve on any committee. The Chairman also shall designate one or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Any committee, to the extent provided in the Board's action, shall have all the authority of the Board, except with respect to:

- (a) The approval of any action which, under the General Corporation Law of California, also requires shareholders' approval or approval of the outstanding shares;
- (b) The filling of vacancies on the Board of Directors or in any committee;
- (c) The fixing of compensation of the directors for serving on the Board or on any committee;
- (d) The amendment or repeal of By-laws or the adoption of new By-laws;
- (e) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not amendable or repealable;
- (f) A distribution to the shareholders of the Company, except at a rate or in a periodic amount or within a price range set forth in the articles of incorporation or determined by the Board of Directors; or
- (g) The appointment of any other committees of the Board of Directors or the members of these committees.

The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, the committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or the committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provision of Article IV applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.<sup>26</sup>

**8. Delegation of Powers.** To delegate to the Chairman, President, any superintendent or other employee or agent of the Company, the enforcement of the rules and regulations of the Company, and the determination of all matters of a ministerial nature.<sup>27</sup>

**9. Tolls and Assessments.** To fix and from time to time change the charges or tolls payable for water furnished, or other service rendered; and to levy, collect and enforce assessments against the shares of stock.

It shall lie within the discretion of the Board of Directors to determine what part of the revenue of the Company shall be raised by assessments, and what part by tolls or rates, and what amount or items shall be charged to current operating expense, and what to permanent additions or betterments.

**10. Delinquency and Interest.** To provide the time when tolls, charges and accounts shall be due, and when delinquent, and for the payment of interest on past due tolls, charges and accounts at the rate of not to, exceed two percent (2%) per month.

**11. Suspension of Services.** To provide for the suspension of water service and for discontinuance of water delivery for violation of the rules and regulations, or for failure to pay any charges, tolls, assessments, costs, interest, penalties or other sums payable to the Company, and the time when the conditions upon which such delivery or service shall be resumed. Such discontinuance may be solely with respect to the delinquent shares, or with respect to all shares of the shareholder, whether delinquent or not.

**12. Measuring and Diversion Devices.** To provide for, determine and fix the location and installation of the measuring gates, hydrants, weirs and meters for turning out or measuring the water to which the respective share holders may be entitled, and that no gate, hydrant, weir or meter shall be installed or changed without the consent and approval of the Board, and that each new installation of such gate, hydrant, weir or meter shall be installed by the Company at the expense of the shareholder or share holders using the same. Any such appliance shall be owned by, be under the control of the Company, and be deemed a part of the Company's distribution system.

No shareholder, by virtue of the ownership of shares, shall be entitled to connect with the distributing system, used by the Company for delivery of water, or to take water therefrom, except with the consent, and upon and subject to the rules and regulations of the Company pertaining thereto; and the Company reserves and shall have full control over all storing, distributing, measuring and diversion appliances, and over all water until it shall have been actually released or delivered for or to the shareholder.

**13. Regulations of Water Service.** To provide, determine and fix, at such time or times, and in such manner as the Board shall determine, and to change, any or all of the following with respect to delivery of water, to-wit:

- (a) The amount of water available for distribution to the shareholders, and the amount apportioned for and to be delivered for or to each share for any season, year or period of time. In making such determination the Board shall take into consideration all factors by them deemed relevant, and their determination, in good faith shall be conclusive upon each and every shareholder.<sup>28</sup>

**14. Extension of Distribution System.** To provide and determine the place or places where, and the points to which the water distributing system or any other system, service, or appliances of the Company shall be located or extended. The holding of shares of the Company shall confer no right upon the shareholder to have any pipeline, water conduit, or other appliance of the Company enlarged or extended without the consent of the Board of Directors, and the Board of Directors shall at all times, be the exclusive judge of the necessity and expediency of constructing, enlarging, changing and extending the water distribution system or other appliances of the Company, and such expediency and necessity shall, at all times, be determined by and subject to the sole and uncontrolled discretion of the Board of Directors. Provided, however, that irrespective of where used, water is to be delivered by the Company, for whatever purpose, to shareholders solely within the area or territory described in the Company's Articles of Incorporation and



no extension of Company delivery facilities shall be provided for an extension of water service or delivery of water outside said area.

## **ARTICLE IX Miscellaneous**

**Section 1. Fractional Shares Prohibited.** Shares may not be divided, and certificates for fractional shares shall not be issued or permitted, except in cases where fractional shares have heretofore been issued and are still outstanding. Shares sold or forfeited to the Company for nonpayment of an assessment and any penalty thereon shall also be for full shares, except for outstanding fractional shares.

**Section 2. Company Fiscal Year.** The Company's fiscal year for allocating its water among shareholders and for accounting purposes shall be the period July I through the following June 30. The Board of Directors by Resolution may change the Company's fiscal year at any time and from time to time.

**Section 3. Shareholders' Right Of First Refusal To Company Owned Water.** The Company has been adjudicated to be the owner of a right to annually produce water from the Main San Gabriel Groundwater Basin and its relevant watershed. The quantitative right of such production depends upon rainfall and other relevant factors prescribed by the Court in said adjudication action and by the Main San Gabriel Basin Watermaster appointed by said Court. For each fiscal year, the said Watermaster establishes the Operating Safe Yield of the Basin and the share thereof of each Basin producer, including the Company.

Each Company shareholder is entitled to the delivery of his individual proportionate share of the Company's owned water, based upon such shareholder's percentage of ownership of Company capital stock. All Company shareholders shall have a right of first refusal to all Company owned water and water entitlement, as hereinafter set forth.

Each year, pursuant to an operational calendar established by the Board of Directors and after the Main San Gabriel Basin Watermaster has notified the Company of the quantitative amount of its entitlement to water from said Basin during the next fiscal year, the Company shall notify each of its shareholders of the amount of his proportional entitlement to Company water during said fiscal year. Such Company notification to its shareholders shall include a questionnaire requiring each shareholder to timely advise the Company of his intention to use more than (designating the amount), all, some (designating the amount), or none of his said share of Company water from his said Company entitlement. Each shareholder shall complete said questionnaire and return it to the Company within 30 days of its receipt. Failure of a shareholder to timely return said questionnaire to the Company shall be deemed a designation by such shareholder that he will temporarily lease all of his company owned shares of stock through the "Pooled-Water" program established and maintained by the Company and not use any of his company entitlement water during the next fiscal year.

All Company allocated water which is designated as not to be used by the original shareholders entitled thereto, shall be classified as "Pooled-Water" and first made available, proportionately, for temporary lease of the shares of said original shareholder as "Pooled Water" and the water entitlement use thereof by other Company shareholders, as herein provided.

Any Company shareholder desiring delivery of more than his original proportionate and allocated share of Company water in the next fiscal year shall be entitled to temporarily lease non-user shares of stock and purchase his proportionate share of Pooled-Water, to the whole of shareholders' allocated but currently not to be used water.

Such non-user stock and Pooled-Water shall be so available to other Company shareholders at a price to be reviewed and determined annually based on the Main San Gabriel Basin Watermaster's cost of Replacement Water during the then current fiscal year and, in addition thereto, the Company's charge for water delivery at the time of such delivery.<sup>29</sup>

The purchase price paid by Company shareholders for such leased shares and Pooled-Water shall be allocated between the offering shareholders and the Company whereby the Company's delivery charge shall be retained by the Company and the balance paid proportionately to or for the benefit of the shareholders making such stock and additional water available to the other shareholders by way of the Company's Pooled-Water program.

In the event of over-subscription of Pooled-Water whereby more water is requested by Company shareholders from Pooled-Water than is available from the pool, Pooled-Water shall be made available to requesting shareholders in the proportion that each requesting shareholders' stock ownership bears to the total of the shares requesting delivery from the Pooled-Water.

Both requesting and releasing shareholders shall be notified by the Company, within thirty (30) days of its receipt of the above mentioned questionnaire, whether the Pooled-Water is over or under-subscribed and the effect thereof, individually, upon each requesting and releasing shareholder.

In the event of under-subscription of Pooled-Water whereby more water is made available by non-user shareholders that is requested by other Company shareholder's, the Pooled-Water requested to be delivered by the Company (and the said shares therefor, minus Company delivery charges,) shall be appointed among the releasing or non-using shareholders in the fraction of an individual shareholders' released amount over the total so released, multiplied by the total requested temporary stock leases and Pooled-Water purchased.

The proportionate balance of a shareholders' un-subscribed but offered to release amount of water, if any, shall be available to him for other disposition, through his own temporary lease of his Company stock and the Company's temporary transfer of its water rights, at such shareholder's request to the Company, to his own negotiated stock leasee-water purchase, at his own negotiated price and conditions and without any additional Company incurred non-reimbursable expense.

In the event a shareholders' total water needs are not met through his individual entitlement and his request for Pooled-Water, such additional amount of water shall be delivered by the Company at a cost to such shareholder of the Main San Gabriel Basin Watermaster's Replacement Water Assessment for over production during the then current fiscal year plus the Company's then current charge for water delivery.

Any and all Pooled-Water which has been subscribed for by Company shareholder(s) but which has not been delivered by the Company to such subscribing shareholder(s) in the requested fiscal year, for any reason not occasioned by the aside subscribing shareholder, shall be carried over to the credit of the said shareholder(s) for delivery by the Company in the next fiscal year at the price charged by the Company on to its users in the year in which the water is delivered.<sup>30</sup>

In the event a shareholder does not take deliver or otherwise makes use\* of all or part of his remaining proportionate and allocated share of subscribed Company Pooled-Water for a particular fiscal year, as

herein provided, such remaining an unused amount of water shall accrue to the general benefit of the Company and all of its shareholders. \*The word "use" as used in the foregoing paragraph shall be understood to include use of a shareholder's share of Company water by any person or entity leasing said stock.<sup>31</sup>

Nothing in these By-Laws shall be deemed to prohibit any shareholder from independently leasing all or any portion of his stock in the Company and the accompanying right to the delivery of his pro-rata share of Company water to any other person or entity that is a shareholder within the Company for such price and upon such conditions as he shall determine.<sup>32</sup>

## ARTICLE X INDEMNIFICATION OF AGENTS

**Section 1. Agents, Proceedings, and Expenses.** For the purposes of this Article, "agent" means any person who is or was a director, officer, employee, or other agent of this Company, or is or was serving at the request of this Company as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Section 4 or Section 5(c) of this Article.

**Section 2. Actions other than by the Company.** This Company shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this Company) by reason of the fact that such person is or was an agent of the Company, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this Company and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Company or that the person had reasonable cause to believe that the person's conduct was unlawful.

**Section 3. Actions by the Company.** The Company shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this Company to procure a judgment in its favor by reason of the fact that such person is or was an agent of this Company, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of that action if such person acted in good faith, in a manner such person believed to be in the best interests of the Company and its shareholders. No indemnification shall be made under this Section for any of the following:

- (a) In respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to this Company in the performance of that person's duty to the Company and to its shareholders, unless and only to the extent that the court in which that action was brought shall determine upon application that, in view of all the circumstances of the case, that person is

fairly and reasonably entitled to indemnity for expenses and then only to the extent which the court shall determine;

- (b) Of amounts paid in settling or otherwise disposing of a pending action without court approval; or
- (c) Of expenses incurred in defending a pending action which is settled or otherwise disposed of without court approval.

**Section 4. Successful Defense by Agent.** To the extent that an agent of the Company has been successful in the merits in defense of any proceeding referred to in Section 2 or 3 of this Article, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

**Section 5. Required Approval.** Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this Company only if authorized in the specific case on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article, by any of the following:

- (a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;
- (b) If such a quorum of directors is not obtainable, by independent legal counsel in a written opinion;
- (c) Approval by the affirmative vote of a majority of the shares of the Company entitled to vote represented at a duly held meeting at which a quorum is present or by the written consent of holders of a majority of the outstanding shares entitled to vote. For this purpose, the shares owned by the person to be indemnified shall not be considered outstanding or entitled to vote thereon; or
- (d) The court in which the proceeding is or was pending, on application made by the Company or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Company.

**Section 6. Advance of Expenses.** Expenses incurred in defending any proceeding may be advanced by the Company before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay such amount of the advance if it shall be determined ultimately that the agent is not entitled to be indemnified as authorized in this Article.

**Section 7. Other Contractual Rights.** The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent such additional rights to indemnification are authorized in the articles of incorporation. The rights to indemnity hereunder shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person. Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this Company may be entitled by contract or otherwise.

**Section 8. Limitations.** No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5(d), in any circumstance where it appears:

- (a) That it would be inconsistent with a provision of the Articles, the Bylaws, a resolution of the shareholders, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

**Section 9. Insurance.** Upon and in the event of a determination by the Board of Directors to purchase such insurance, the Company shall purchase and maintain insurance on behalf of any agent of the Company against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Company would have the power to indemnify the agent against that liability under the provisions of this section.<sup>33</sup>

### Compromise

This Agreement between the Azusa Irrigating Company, a corporation duly organized and existing under the laws of the State of California, party of the first part, and the Azusa Water Development and Irrigation Company, a like corporation, party of the second part, The Duarte Mutual Irrigation and Canal Company, and The Beardslee Water Ditch Company, like corporations, parties of the third part, and the Azusa Land and Water Company and the Azusa Agricultural Water Company, like corporations, and Kate S. Vosburg and Louise S. Macneil, parties of the fourth part, and E. P- Thompson, J. W. Marshall, George E. Gard and other parties hereto signing this agreement individually and known as old users, parties of the fifth part; Witnesseth:

That Whereas the aforesaid parties own or claim waters of the San Gabriel Canyon, developed or hereafter to be developed above the upper end of the tunnel of parties of the first and third part as well as that flowing on the surface in the San Gabriel Canyon, in the County of Los Angeles, and whereas the party of the second part has instituted a suit in the Superior Court of, Los Angeles County, Cal., vs. some of the parties hereto and others, wherein it is alleged that the defendants therein have appropriated and used waters from the San Gabriel river, and whereby it is sought to limit the use by defendants of the waters of

said river and establish the rights of the plaintiff in water collected and brought out in its tunnel as well as in the surface flow; and whereas disputes exist as to the extent of the respective rights of the parties hereto in said waters; and whereas it is desired to settle all disputes, and, to a certain extent, pipe the water and divert it in a common aqueduct for amicable division and use:

Now, Therefore, it is hereby mutually agreed that out of all the waters of the San Gabriel river, including the water now or hereafter coming from or through the tunnel, run under the bed of the San Gabriel river by the party of the second part, and all waters now or hereafter taken by or in the interest of or used by either of the parties hereto, taken from any point above the tunnel of the said parties of first and third part, from said canon or river or its tributaries by any works, means or methods, the aforesaid parties shall take for and on account of their claims to the waters aforesaid, water in the following proportions: So long as there may be an amount equal to the flow of 1700 inches, miners' measurement under four-inch pressure, or any lesser amount at the point of division between the party of the third part and the other parties hereto, then seventy-two, seven hundred and twentieths (72-720) shall be taken by the party of the second part. Two hundred and sixteen, seven hundred and twentieths (216-720) shall be taken by the party of the third part. Forty-five, seven hundred and twentieths (45-720) shall be taken by the Azusa Land and Water Company. Fifty-four, seven hundred and twentieths (54-720) shall be taken by the Azusa Agricultural Water Company. Twenty-seven, seven hundred and twentieths (27-720) shall be taken by Kate S. Vosburg and Louise S. Macneil. Three hundred and six, seven hundred and twentieths (306-720) shall be divided into as many parts as there are acres in the tract hereafter agreed to be known as "The Azusa Water District" and taken by parties of the fifth part and by the parties of the first and second parts pro rata in proportion to acreage represented therein by said first, second and fifth parties. Said parties of the first and second parts shall each represent all the acreage and take the water of an lands of the so-called old users who have turned over to such corporation the management and control of the water to which they are entitled. Parties of the first, second and fifth parties hereto agree among themselves that the following are the boundaries of such acreage: Beginning at the N. W. comer of Section 36, T. 1 N., K 16 and west center line of Section 2, T. 1 S., K 10 W., S. B. M.; thence west through the center of Sections 2 and 3 to the west line of Section 3; thence south to N. E. comer of Section 9, same township and range; thence west along north line of said Section 9, twenty chains; thence south forty chains; thence west twenty chains, to center of Section 9; thence south twenty chains; thence west twenty chains; thence south twenty chains to south line of Section 9; thence due west thirty chains to a point due north of a sycamore tree, the N. W. comer of the land of Humphries; thence south to the southwest comer of Humphries' land; thence east along the south line of the land of Humphries and the land formerly known as the Bonebrake tract to the S. E. comer of said tract; thence north a little east to the San Bemardino road at the northeast comer of the Bonebrake tract; thence east by north along said road to where it is crossed by the east line of Section 13, same township and range; thence north along said east line and continuing north on east line of section 12, to point of intersection with the west boundary line of the San Jose Addition; thence north by west along said boundary line to the northwest comer of said ranch; thence north by east along said ranch to point of intersection with east and west center line of Section 1; thence west to center of Section 1; thence north twenty chains; thence east twenty chains; thence north twenty chains; thence east twenty chains; thence south to the intersection with the north line of the San Jose Addition; thence east by north along said line to the point of intersection with the cement ditch; thence north by west along the cement ditch to point of intersection with the east and west fine through the center of Section 3 1, T. 1 N., R. 9 W., S. B. M.; thence west thirty chains; thence north fifteen chains; thence west ten chains; thence north to the point of intersection with the east and west line through the center of the south half of Section 25; thence west along said line to the west line of said Section 25; thence south along said west line to point of beginning; said tract being the Azusa Water District It is further agreed that all said waters shall be run through the upper tunnel and to the point of division between the party of the third part and the other parties hereto, and 3/10ths of said first 1,700 inches of said water or of a less amount if there is less at said point, turned out to party of third part. The

remaining 7-10ths of said first 1700 inches of said water shall run in the ditch, tunnels and flumes of the said party of the second part as herein provided. When said waters at said point of division between the party of the third part and the other parties are in excess of said 1700 inches such excess shall be divided as follows:

241-720ths of such excess to party of second part.

160-720ths of such excess to party of third part.

33-720ths of such excess to Azusa Land and Water Company.

40-720ths of such excess to Azusa Agricultural Water Company.

226-720ths of such excess to fifth party and to the parties of first and second parts, divided between said parties of the first, second and fifth parts pro rata, as the 306-720ths of the aforesaid 1700 inches, are divided among said parties, and said water above 1700 inches shall be conveyed by the same means by which said first 1700 inches is conveyed, except as herein otherwise provided. The said Azusa Land and Water Company and Azusa Agricultural Water. Company of the fourth part, may take their parts of the water at four places, or any one or more of them between the point of division with the Duarte and the part of the long flume immediately over the greatest depression of the Arroyo, one of said four places for division, being at said point over said Arroyo, and also at any two places on the old main ditch, such places to be designated by the said parties of the fourth part within six months from the date hereof. That said Kate S. Vosburg and Louise S. Macneil can take any portion of their proportions of water from the cement ditch at a separate gate for each, between said long flume and the east line of said ranch, or at one of the places established for the corporations of the fourth part on the cement ditch, at or west of said long flume, or at one place, for each on the old ma ditch. Parties hereto agree that the water belonging to parties west of the east line of Section 3 and west of its due south extension, and all water represented and controlled as herein apportioned by party of the first part and by old users not under contract, if so requested and without reference to location of land may be dropped from the cement ditch from said main flume into the old main ditch, subject to right of the Azusa Land and Water Company to use and control for water power as herein after provided. That such use and control of the water for water power shall be such that when so used for water power by the Azusa Land and Water Company, it shall be dropped by the said company at such point, that it can be taken up by the parties in interest and used by them in the old main ditch, the squatters' ditch, and the pipe line provided for on Cerritos Avenue and from said old main ditch, such part as the parties are entitled to and may be desired may be dropped from the old main ditch into and run in the natural water course south by west, to within about 260 yards of the center of the track of the Santa Fe Railroad; thence south to within twenty-five feet of the said center line; thence west parallel to said line to the intersection with the squatters' ditch, said water hereafter to be used as part of the water power hereinafter provided for, and for irrigation had from the old main ditch, and for three years as much as may be desired by parties not exceeding their proportions in the squatters' ditch. Said Azusa Land and Water Company further grants a right of way for a pipe of capacity sufficient to carry, not exceeding 500 inches of water, measured under four inch pressure from the point on the old main ditch where the forth prolongation of Cerritos Avenue intersects said ditch, thence south along said prolongation through said Avenue to the south line of the Azusa Ranch, the top of said pipe to be buried at least fifteen inches below the general surface of the ground, and completed within three years from the date hereof, and from and after said three years from the date he of all the parties hereto abandon to said

Azusa Land and Water Company all right of way for what is known as the squatters' ditch, and for that part of the old main ditch lying west of the drop for water power.

And it is further agreed and mutually understood between the parties that for the purpose of water power and mechanical purposed to be owned and enjoyed by the Azusa Land and Water Company, the said company may, as soon as it is prepared to use the said power, take from said cement ditch at a gate in the main long flume, an amount of water which added to the quantity of water belonging to the party of the fourth part and to that herein specially provided to be dropped from the cement to the old main ditch for use of other parties for irrigation, shall not, when so computed exceed in amount two-thirds of the water belonging to and at such time possessed by the east side of the river out of said first 1700 inches, and convey the same into the old main ditch, and during the fall and transfer, the Azusa Land and Water Company shall control and use the same for power and mechanical purposes as it may desire, but said company shall not deteriorate the quality, or diminish the quantity in said use. The water in excess of the 7-10ths of the said first 1700 inches of the water, unless in the judgment of the owner, or the company with which he is associated, is required for irrigation by the owner or the irrigation company with which he is associated, shall flow by the east line of the Azusa Ranch in the ditch of the Azusa Water Development and Irrigation Company. That such portion of said water so dropped belonging to said parties of the fourth part as may not be desired for any purpose on said Azusa Ranch, may flow past the line of said ranch, in said old main ditch, or in the squatters' ditch for the next three years, said Azusa Land and Water Company and Azusa Agricultural Water Company having the right to divert any portion of its part of such water at any two points on said ranch, on the said main ditch, or during the transfer between the cement ditch, and the old main ditch.

The parties of the fourth part grant to the other parties hereto, the right of way for all purposes of this contract above the point of division with the third party, and also the parties of the fourth part grant to the parties hereto, other than the third party, the right of way for said cement ditch, tunnels and flumes, subject to any right of way heretofore given, and subject to and reserving to said party of the fourth part, the right for road crossings and water conduits, across said cement ditch wherever desired to run the portion of water belonging to said party as herein before stated, through and -take out the same therefrom as above set out. Parties of the first and third parts grant to each of the other parties the right of enjoyment and use with themselves of their tunnel and approaches, and said second party grants to the other parties hereto the use and enjoyment and with itself, of its tunnels, ditches and flumes to the gate provided for in the long flume of said party of the second part, and to the party of the fourth part said right to the east line of the Azusa Ranch for conveying water as provided in this agreement, but the 724ths interest now owned in said ditch by said party of the fourth part shall to that extent be used in the conveyance of said water.

The cost of protecting and defending the tide and possession of all said waters from this day forward, including the litigation now pending with parties claiming adversely to the water rights herein adjusted, and the expense of development in the canyon to the extent of \$10,000, and of constructing a pipe line of about two miles in length of sufficient capacity to carry twenty-eight hundred and eighty inches of water, miners' measurement under four-inch pressure, said pipe line not to cost exceeding twenty-seven thousand dollars, and work of development and piping to be done within two years of this date, and the expense of keeping dams, tunnels, flumes and ditches in repair to the said point of division, between the party of the third part and the other parties hereto, and the general expense incurred above the point of division, shall be paid by all the parties hereto, in the following proportions: by party of the second part, 165 parts; by party of the third part, 180 parts; by party of the fourth part, to-wit Azusa Land and Water Company, 39 parts; Azusa Agricultural Water Company, 47 parts; Kate S. Vosburg and Louise S. Macneil, 23 parts; and by old users, 266 parts, one-half the said 266 parts to be apportioned between said old users in the same proportion that



the first 1700 inches of water is divided among them, and the other half in the same proportion that the excess of water over 1700 inches is divided among them, and the cost of repairs below the first division to the gate in the long flume shall be paid in the same proportion, except that the party of the third part does not contribute thereto, and each of said parties mutually agrees with the others to pay its respective proportion of said expenditures, to and on demand of the committee of nine, selected as follows: party of the first part shall elect two members, party of the second part shall elect one member, party of the third part shall elect two members, party of the fourth part shall elect two members, and the old users under contract, with the party of the second part, as well as those not at time of election under contract, shall voting by acreage and with a right of cumulative voting elect the remaining two members. The said election of said nine members, shall, within thirty days, from the date hereof, be severally made by the respective parties, and such members' names certified to John Scott of Duarte, when a day shall be appointed by said Scott, for the meeting and organization of the committee, and five days' notice thereof given by him by mail to each member and to any member of any party hereto for whom no representative has been certified. Said committee shall organize and shall provide for regular meetings, at least once a month, and make such regulations and provisions as it deems necessary to carry into effect, and maintain this agreement, and subsequently members of the committee shall be elected annually on the second Tuesday of January in each year thereafter.

Six members shall constitute a quorum, but no business shall be transacted that does not receive the concurrent vote of at least five members of said committee; and each party hereto shall be bound by the acts of said committee, to the extent of the work hereinbefore provided to be done by said committee, whether represented or not. Said committee shall keep regular minutes of the proceedings, and regular account of all receipts and disbursements, subject to inspection of any party in interest, and shall have charge of all work of the parties hereto, in reference to water from the Duarte division box, to the source of supply, and especially of the character, construction and location of the pipe line, and of all work in the canyon and general repairs above the division with the parties of the third part, and of all litigation affecting the water, other than litigation that may arise between the parties hereto, and of all future developments, it being agreed that none of the parties hereto will enter at any point above the tunnel of the parties of the first and third parts into any independent development in said canon. It is further agreed that any of the parties hereto may free itself from assessments for the cost of development and piping, to wit: \$ 10,000 and \$27,000 by an assignment to other parties hereto, or to one of them, of the interest in said water in excess of said 1700 inches, the assignee assuring said cost, and all who fail to pay said amount assessed by said committee for developments and pipe line in 60 days after due, shall be held to have assigned the interest of said party in the water in excess of 1700 inches, to whomsoever of the parties hereto, who may pay said amounts so in default, even though part of the expenditure had been previously paid by the party in default. Said committee shall not have the power to bind any party to this agreement for any sum beyond the proportions fixed herein, nor for future developments beyond the amount fixed herein; and in contracting for said pipe line or lines, the contract shall be so drawn that each party shall be liable only for the proportions established herein; and the contractor and material man shall waive all lien and claim upon said pipe line or lines. Said committee shall provide and maintain correct division works at the lower end of the tunnel of the party of the first and third parts, so constructed as to measure to the party of the third part, the proportion of the water provided to be taken by it. Water gates shall be constructed on the Azusa Ranch to accurately measure the water diverted at any point of diversion under this contract. The action of said committee in the measurement of the water shall not be conclusive, but either party, upon showing error in this respect, shall have the right to have the means of measurement corrected by the committee; and if for the purpose of correcting the measurement any party hereto shall employ skilled labor, or engineers, and succeed in showing error, then the cost of such investigation shall be borne by all the parties in proportion as the other expenses are borne. Each party hereto shall pay any committee man representing it, and no claim for services shall be made by any member of said committee against any of the parties hereto, other

than the party hereto which he represents. All suits between the parties hereto relative to said water rights shall be dismissed, each party paying his own cost. The parties hereto respectively acknowledge the right of either party to further separate and divide its or their portion of said water according to their respective rights in this contract. And nothing herein shall be construed as depriving any of the parties hereto of the right to maintain a suit or action in any of the parties hereto of the right to maintain a suit or action in any court of competent jurisdiction for the enforcement or protection of his right under this agreement. This agreement shall bind the heirs, assigns and successors of the respective parties hereto.

In witness whereof, etc.

In Witness Whereof, the parties hereto have hereunto caused to be set their names and seals, this 26th day of January, 1889.

**Azusa Land and Water Company,  
By J. S. Slauson, President, and James Slauson, Secretary.**

**Azusa Agricultural Water Company,  
By J. S. Slauson, President, and  
James Slauson, Secretary.**

Louise S. Macneil. (Seal)

Kate S. Vosburg. (Seal)

**Beardslee Water Ditch Company,  
By Thomas Wardall, President, and  
A. T. Taylor, Secretary.**

**Duarte Mutual Irrigation and Canal Company,  
By Jno. Scott, President. (Seal) and Wm. Chippendale, Secretary.  
I certify that said Company has no formal Seal.**

**Azusa Irrigating Company,  
By E. F. Badger, Vice-President, and H. D. Briggs, Secretary.**

**Azusa Water Development and Irrigation Company,  
By M. Baldridge, President, and Chas. E. Bemis, Secretary.**

**W. B. Kemper, W. E. Parker, Henry Bohannon, T. B. Goodnight, J. Loder, J. D. Bradford, Guadalupe Ruelas, J. M. Trujillo, Samuel Willits, J. P. Hanes, L. M. McNish, C. C. Bohannon, F. M. Bohannon, Lucy Bohannon, J. C. Jones, D. A. Ames, E. S. Harris, George Wright, C. R. Gatton, Jessie Justice, J. B. Beardslee, W. T. Barker, R. J. Pollard, Joshua King, J. B. Reichard, Jose G. Padilla, F. L. Hostetler, C. M. L. Hostetler, Warner L. Keller, J. Corrello, William T. Keller, Mary A. Marshall, L. Lestrade, James M. Riley, Walter Thomason, Elmer Thomason, L. C. Pollard, by J. W. Marshall, E. R. Thompson, George E. Gard, as attorneys in fact of said thirty-seven signers**

J. W. Marshall,

Samuel McCurdy,

H. D. Briggs,

Fred I. Smith,

William Forbes,

W. J. DeShields,

Allen Poe,

John Bohannon,

S. D. Woodworth,  
Alfred Spruce,  
M. Larkin,  
Daniel Houser,  
T. F. Griswold,  
C. Vaughn,  
S. Huges,  
T. R. Monje,  
A. M. Park,  
E. R. Thompson, J  
P. Bohannan,  
Geo. E. Gard,  
James Cleminson,  
Thos. A. Smith, his Conrad A. X Smith, Mark Witness S. P. Rees, N.P.  
Wm. Y. Earle, E. R. Coffman,  
Geo. T. Ott,  
O. Streshly,  
Geo. C. Egan,  
J. R. Elliott,  
M. Wakefield,  
G. N. Lewis, his Rafael X Montallo, Mark S. P. Rees, Witness  
J. P. Wade,  
Anna E. Logan.

The execution is acknowledged by the parties to the agreement.

Recorded at the request of James Slauson, November 2<sup>nd</sup>, 1889, in Book 607, page 138 of Deeds, County Recorder's office of Los Angeles County.

#### Footnotes

- <sup>1</sup> This recommendation to add language to Article III, Section 2 was approved by Board action at the August 12, 2015 Board Meeting
- <sup>2</sup> This recommendation to Article IV, Section 2 to add language was approved by Board action at the August 12, 2015 Board Meeting.
- <sup>3</sup> This recommendation to amend language in Article IV, Section 3 was approved by Board action at the August 12, 2015 Board Meeting
- <sup>4</sup> This recommendation to amend language in Article IV, Section 4 was approved by Board action at the August 12, 2015 Board Meeting.
- <sup>5</sup> This recommendation to add language in Article IV, Section 5 was approved by Board action at the August 12, 2015 Board Meeting.
- <sup>6</sup> Amendment to all language in Article IV, Section 6, to be AB240 compliant, approved by Board action at the August 12, 2015 Board Meeting.
- <sup>7</sup> Amendment to language in Article IV, Section 7, to be AB240 compliant was approved by Board action at the August 12, 2015 Board Meeting.
- <sup>8</sup> Amendment to all language in Article IV, Section 8, to be compliant with AB240 was approved by Board action at the August 12, 2015 Board Meeting.
- <sup>9</sup> Amendment to all language in Article IV, Section 11, to be compliant with AB240 was approved by Board action at the August 12, 2015 Board Meeting.

- <sup>10</sup> This recommendation to add language in Article IV, Section 12 was approved by Board action at the October 14, 2015 Board Meeting.
- <sup>11</sup> This resolution was adopted at the September 14, 1995 Board Meeting
- <sup>12</sup> This recommendation to add language in Article V, Section 2 was approved by board action at the August 12, 2015 Board Meeting.
- <sup>13</sup> This recommendation to add language in Article VI, Section 1 was approved by board action at the August 12, 2015 Board Meeting.
- <sup>14</sup> Amendment proposed at the October 10, 2002 Board Meeting. Approved at the November 14, 2002 Board Meeting.
- <sup>15</sup> Amendment proposed at the October 10, 2002 Board Meeting. Approved at the November 14, 2002 Board Meeting.
- <sup>16</sup> Amendment proposed at the October 10, 2002 Board Meeting. Approved at the November 14, 2002 Board Meeting.
- <sup>17</sup> This recommendation to amend language in Article VI, Section 4 was approved at the August 12, 2015 Board Meeting.
- <sup>18</sup> New Section proposed at the October 10, 2002 Board Meeting. Approved at the November 14, 2002 Board Meeting.
- <sup>19</sup> Section 4 changed to Section 5 due to the action taken at the October 10, 2002 Board Meeting. Amendment made at the November 14, 2002 Board Meeting.
- <sup>20</sup> Section 5 changed to Section 6 due to the action taken at the October 10, 2002 Board Meeting. Amendment made at the November 14, 2002 Board Meeting.
- <sup>21</sup> Section 6 changed to Section 7 due to the action taken at the October 10, 2002 Board Meeting. Amendment made at the November 14, 2002 Board Meeting.
- <sup>22</sup> Proposed and made effective at the October 10, 2002 Board Meeting. Amendment made at the November 14, 2002 Board Meeting.
- <sup>23</sup> Article VII, Section 6 was amended at the August 15, 1995 Board Meeting.
- <sup>24</sup> Amendment to add language to Article VIII, Section 3, to be AB240 compliant, approved by Board action at the August 12, 2015 Board Meeting.
- <sup>25</sup> Article VIII, Section 5 was amended at the August 12, 2015 Board Meeting.
- <sup>26</sup> Article VIII, Section 7 titled "Dismissal of Employees" was removed in its entirety due to language added in VI Section 3. The new section Committees was incorporated in order to be compliant with AB240, and approved at the September 8, 2015 Board Meeting.
- <sup>27</sup> Article, VII, 8 amendment proposed at the October 10, 2002 Board Meeting. Approved at the November 14, 2002 Board Meeting.
- <sup>28</sup> Article VIII, Section 13 was amended, taking out section (b) at the September 8, 2015 Board Meeting
- <sup>29</sup> Article IX, Section 3 was amended and approved at the August 12, 2015 Board Meeting.
- <sup>30</sup> Article IX, Section 3 was amended and approved at the May 12, 1994
- <sup>31</sup> Article IX, Section 3 was amended and approved at the May 14, 1991
- <sup>32</sup> Article IX, Section 3 additional language was added at the August 12, 2015 Board Meeting
- <sup>33</sup> Article X, all sections were amended and approved to incorporate AB240 at the August 12, 2015 Board Meeting