

AGREEMENT NO.

AGREEMENT BETWEEN
THE CITY OF LOS ANGELES AND
PBF ENERGY WESTERN REGION, LLC

THIS AGREEMENT (the "Agreement") is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City" or "Harbor Department"), acting by and through its Board of Harbor Commissioners ("Board") and PBF ENERGY WESTERN REGION, LLC ("Tenant").

WHEREAS, on September 20, 2018, the Board approved Order No. 18-7248 ("Order") requiring the removal and/or relocation of pipeline constructed or maintained pursuant to Permit No. 914, granted to PBF Energy Western Region, LLC, by the Board of Harbor Commissioners; and

WHEREAS, subsequent to the issuance of the Order, Tenant entered into Permit No. 936 with City covering the pipeline which are the subject of the Order, including language in Section 106.4 of Permit No. 936 requiring that all associated pipeline removal and protection costs shall be borne by Tenant; and

WHEREAS, Tenant has agreed for Harbor Department to undertake the removal and/or protection of pipeline(s) related to the development of the San Pedro Public Market as described in the Order, that City shall have the right to enter the Premises to remove and/or protect the pipeline, and that Tenant shall reimburse the Harbor Department for the expenses associated with the pipeline removal and/or protection pursuant to Section 106.4 of Permit 936; and

WHEREAS, any work performed under this Agreement shall not alter any rights or obligations of the parties under Permit No. 936.

NOW, THEREFORE, in reliance on the foregoing recitals and in consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Tenant hereby agree as follows:

1. Tenant agrees to pay the City in the amount of One Million One Hundred Fifty Thousand Dollars (\$1,150,000) for performing certain work associated with pipeline removal and/or protection as described in the Order. This work consists of the removal and/or protection of pipelines, excavation, backfill, shoring, soil disposal and related contingencies and construction management costs ("Scope of Work"). If the pipeline is determined to be in a condition other than being empty and purged (i.e. concrete filler, oil residues, etc.), and City requests additional funds ("Additional Funds") to cover any additional costs to complete the Scope of Work, Tenant agrees to reimburse the City in

the amount of the Additional Funds. Tenant shall be immediately notified by City prior to the start of any work on the pipeline that would require Additional Funds. Tenant shall have, for a period not to exceed 2 business days encumbering at least 48hrs after such notification, the right to review the City's planned activities along with estimated cost of Additional Funds prior to City proceeding with any such actions.

2. Tenant retains the right to challenge City's request for Additional Funds within 14-days of written notice from City. This challenge shall be made in writing. In the event that Tenant challenges, pursuant to this section, the applicability or amount of the Additional Funds requested, the determination as to the amount of Additional Funds to be reimbursed by Tenant (if any) shall be at the sole and reasonable discretion of the Harbor Department's Executive Director.

3. City shall have the right to enter the (Permit 936) Premises and to cause the Scope of Work to be performed by City and one or more of City's consultants or contractors.

4. Tenant shall cooperate with providing any data or informational needs reasonably required by City in order to fulfill the Scope of Work.

5. Upon completion of all City work required for the removal of Tenant pipeline, Tenant shall be presented with an invoice certifying completion of the Scope of Work. Tenant agrees to pay City in the amount of One Million One Hundred Fifty Thousand Dollars (\$1,150,000) and any Additional Funds owed for the performance of the Scope of Work. Tenant shall fulfill its obligation by reimbursing the City for the invoice amount. Payment shall be made within thirty (30) days of Tenant's receipt of the invoice.

Invoice shall be submitted to:

PBF ENERGY WESTERN REGION, LLC
c/o Torrance Logistics Company, LLC
Attn: Right of Way Department
12851 E. 166th Street Cerritos, CA 90703

6. Except for physical performance of the Scope of Work addressed herein, the terms and conditions of Permit No. 936 remain unchanged.

7. This Agreement shall become effective on the date of its execution by the Executive Director of the Harbor Department following approval by the Board Harbor Commissioners ("Effective Date"), which approval is subject to review under Section 245 of the City Charter. The term of this Agreement shall not exceed three (3) years, commencing on the Effective Date. This Agreement shall remain in effect until: a) City receives full payment on City's final invoice relating to the performance of Scope of Work; or b) cancelled by either party upon thirty (30) days written notice; or c) three (3) years have elapsed since the Effective Date. Should this Agreement be terminated for any

reason before completion of the Scope of Work, Tenant shall be responsible for completion of the pipeline removal work and reimbursement of all cost incurred by the City including any additional costs, penalties or expenses as may be reasonable and necessary to terminate its activities.

8. This Agreement shall be governed by and construed under the laws of the State of California without regard to conflicts of laws principles. Any action or proceeding arising out of or related to this Agreement shall be filed and litigated in the state or federal courts located in the County of Los Angeles, State of California, in the judicial district mandated by applicable court rules.

9 This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same document, which shall be binding and effective as to each of the parties hereto. A facsimile shall be deemed to be an original.

10 Each individual executing this Agreement hereby represents and warrants that he has the capacity set forth on the signature pages hereof with the full power and authority to bind the party on whose behalf he is executing this Agreement to the terms hereof.

11 Any notice or correspondence to be provided by either party shall be in writing and dispatched by first class mail, registered or certified mail, postage prepaid, return receipt requested, or by electronic facsimile transmission followed by delivery of a "hard" copy, or by personal delivery (including by means of professional messenger service or courier service or by U.S. Postal Service). A notice shall be deemed to have been given, (i) in the case of first class, registered or certified mail, when delivered or the first attempted delivery on a business day, or (ii) in the case of expedited prepaid delivery and facsimile, upon the first attempted delivery on a business day. The following addresses shall serve as the locations to which notices and other correspondences relating to this Agreement between Tenant and Harbor Department shall be sent:

To Tenant: PBF ENERGY WESTERN REGION, LLC
c/o Torrance Logistics Company, LLC 12851 E. 166th Street
Cerritos, CA 90703
Attn: Manager, Right of Way

To City: City of Los Angeles Harbor Department
425 S. Palos Verdes Street San Pedro, CA 90733-0151
Attn: Real Estate Division

With a copy to:

Office of the City Attorney
425 S. Palos Verdes Street San Pedro, CA 90733-0151
Attn: General Counsel

12 This Agreement may be modified only by a written agreement of all parties. Any such modifications are subject to all applicable approval processes required by, without limitation, City's Charter and City's Administrative Code.

////

////

////

////

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its Board of Harbor Commissioners

Dated: _____, 2020

By: _____
EUGENE D. SEROKA
Executive Director

Attest: _____
AMBER M. KLESGES
Board Secretary

Dated: AUGUST 20, 2020

PBF ENERGY WESTERN REGION, LLC

Am
8/20/20

By: *[Signature]*
James E Federa, SUP Logistics
(Print/type name and title)

Attest: *[Signature]*

ARTHUR G. WARDEN III
(Print/type name and title)
VP, DEPUTY GENERAL COUNSEL

APPROVED AS TO FORM AND LEGALITY

[Signature], 2020
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel

By: *[Signature]*
JOHN T. DRISCOLL, Deputy

JTD