

TERMINATION AGREEMENT REGARDING
REVOCABLE PERMIT 12-11 BETWEEN THE CITY OF LOS ANGELES
AND THE JANKOVICH COMPANY

This Termination Agreement ("Termination Agreement") regarding Revocable Permit 12-11 is entered into by and between the City of Los Angeles ("City") acting by and through its Board of Harbor Commissioners ("Board") and the Jankovich Company ("Jankovich" or "Tenant").

RECITALS

WHEREFORE, City through Board and Jankovich entered into Revocable Permit 12-11 ("RP 12-11" or "Permit") on or about July 9, 2013 for certain premises ("Premises") within the Harbor District as described in Section 1 and Exhibit "A" to the Permit and commonly known as Berth 74 for the purpose of operating and maintaining a retail marine fueling service station including the operation of a commercial watercraft mooring facility and purposes incidental there, as described in Section 2 of the Permit.

WHEREFORE, Jankovich relocated its marine fueling operations to Berth 73A pursuant to the request of City's Harbor Department, operating under a different permit.

WHEREFORE, Jankovich has been undertaking restoration of the Premises required by the Permit including the cleanup of contamination.

WHEREFORE, restoration of the Premises has been substantially completed and the parties desire to terminate the Permit and make arrangements regarding Jankovich's responsibility for the cleanup of the remaining residual contamination including within the groundwater and soil.

WHEREFORE, the parties desire to terminate RP 12-11, and enter into this Agreement to document the termination of the Permit and the remaining responsibilities of Jankovich that shall continue after the termination, on the terms and conditions below.

In consideration of the covenants and conditions within this agreement, the parties agree, as follows:

AGREEMENT

1. Termination of RP 12-11. The parties agree that RP 12-11 shall terminate effective upon execution by the Executive Director of City's Harbor Department ("Executive Director"), subject to the approval of Board and any other City approvals, as needed, except for duties that continue under the Permit (e.g., indemnity) and at law. Notwithstanding the termination, Jankovich shall have the continued duties provided in this Termination Agreement.

2. Responsibility for Remaining Soil Contamination. Jankovich shall be responsible for the removal and disposal or compensation for the removal and disposal of the remaining residual soil contamination at the Premises to the satisfaction of City's Harbor Department and if applicable, any governmental agency.
3. Monitoring and Remediation of Groundwater. Jankovich shall complete the planned assessment and remediation (if City determines it is warranted) of residual groundwater contamination. Jankovich shall:
 - (i) conduct active monitoring for groundwater contamination;
 - (ii) install four (4) groundwater monitoring wells;
 - (iii) conduct for one year, quarterly sampling and reporting followed by one year of semi-annual sampling and reporting at the locations approved by the City
 - (1) If TPH concentrations indicate declining trends over the monitoring period and/or TPH concentrations reach the target of 210 micrograms per liter (ug/L), or which can be projected via a trend analysis conducted by a licensed professional approved by City to reach this goal within 24 months, then sampling will be determined to be completed. Otherwise, sampling will continue on a semi-annual period until 2 consecutive sampling events produce results that are below (i.e., better than) the recommended levels.
 - (2) If after the second quarterly event of groundwater monitoring and sampling, concentrations in the groundwater are in excess of 1,000 ug/L and not showing a decreasing trend, then Jankovich shall permit, install and operate biosparging of the Premises within sixty (60) days. Biosparging shall continue until groundwater concentrations show a declining trend and are approaching a target TPH average concentration of 210 ug/L with no one well containing greater concentrations 500 ug/L.
 - (iv) remove wells and all associated equipment within one year of the completion of the sampling requirements, above. Wells shall be removed in accordance with California Well Standards.
4. Other related mitigation and/or contamination. Jankovich shall be responsible for any other contamination or mitigation discovered on the site.
5. Security Deposit. Jankovich shall deliver to City a security deposit in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) for the purposes of securing the complete remediation of RP 12-11 premises. The \$350,000 security deposit is not a cap on Jankovich's liability; Jankovich shall be responsible for all contamination related to the Premises, known or unknown.

6. Rent Suspension Agreement. Pursuant to the Rent Suspension Agreement entered into on or about May 19, 2020, City waives all rent that was suspended beginning December 9, 2019.
7. Costs. Jankovich shall reimburse City (City's Harbor Department) for any cost incurred by City's Harbor Department relating to this Agreement, including the cost to monitor, review documents, consultant services and other fees, Jankovich is responsible for all costs of cleanup of the soil contamination, groundwater monitoring, and any other cost associated with the cleanup and restoration of the Premises including further remediation, if necessary.
8. Indemnity. Jankovich shall defend, indemnify and hold City (including City's Harbor Department, employees, executives, agents, Board) from any and all claims, consultant's fees and all costs arising out of the cleanup of contamination related to the Premises.
9. Notices. All notices pertaining to this Termination Agreement shall be sent to the parties, as follows:

To City: Los Angeles Harbor Department
P.O. Box 151
San Pedro, California 90733-0151
Attention: Director of Waterfront Real Estate

With a copy to: Office of City Attorney—Harbor Department
425 S. Palos Verdes Street
San Pedro, California 90731
Attention: General Counsel

To Tenant: The Jankovich Company
Attention: Tom J. Jankovich, President

P.O. BOX 670
SAN PEDRO, CAL. 90731

The Parties shall send all notices or other communication necessary under this Agreement in writing by personal service, or express mail, Federal Express, DHL, UPS or any other similar form of airborne/overnight delivery service, or mailing in the United States mail, postage prepaid, certified and return receipt requested, addressed to the Parties at their respective addresses as follows:

If to City (or its Harbor Department):

Port of Los Angeles
425 South Palos Verdes Street
San Pedro, California 90731
Attn: Executive Director

with copies to:

Los Angeles City Attorney's Office
425 South Palos Verdes Street
San Pedro, California 90731

and to:

Real Estate Division
P.O. Box 151
San Pedro, CA 90733-0151
Attention: Director, Waterfront and Commercial Real Estate

If to Tenant:

The Jankovich Company
Attention: Tom Jankovich, President
PO Box 670
San Pedro, CA 90733

Any such notice shall be deemed to have been given upon delivery or two business days after deposit in the mail as aforesaid. Either Party may change the address at which it desires to receive notice upon giving written notice of such request to the other Party.

10. Captions. Any and all captions in this Termination Agreement are for convenience and reference, and in no way, limit, extend, or define the scope of this Agreement.
11. Performance of Additional Acts. Each party agrees that it shall deliver any and all documents and perform any and all acts which may be reasonably necessary to effectuate, complete and facilitate the provisions of this Termination Agreement.

[signatures on next page]


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

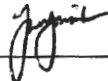
Dated: _____, 2021

By: _____
EUGENE D. SEROKA
Executive Director

Attest: _____
AMBER M. KLESGES
Board Secretary

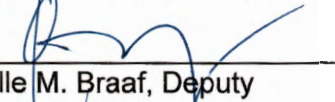
THE JANKOVICH COMPANY

By 
TOM J. JANKOVICH
President

Attest: 
Tommy Jankovich v/p
Print Name/Title of Officer

APPROVED AS TO FORM AND LEGALITY

2023
_____, 2021
MICHAEL N. FEUER, City Attorney
JANNA B. SIDLEY, General Counsel

By: 
Eselle M. Braaf, Deputy