

**JOINT REVOCABLE PERMIT NO. 11-01**

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4 The City of Los Angeles, a municipal corporation duly organized and existing under its  
5 charter and the constitution and laws of the State of California, and the City of Long Beach, a  
6 municipal corporation duly organized and existing under its charter and the constitution and laws of  
7 the State of California (individually, a "City" and together, the "Cities"), by and through their  
8 respective Boards of Harbor Commissioners, jointly own certain real property located in the County  
9 of Los Angeles. Pursuant to a recommendation adopted by the Board of Harbor Commissioners of  
10 the City of Los Angeles under Resolution No. \_\_\_\_\_ at its \_\_\_\_\_, 20\_\_ meeting, and  
11 Resolution No. HD-\_\_\_\_\_ adopted by the Board of Harbor Commissioners of the City of Long  
12 Beach at its \_\_\_\_\_, 20\_\_ meeting, the Cities hereby issue this Joint Revocable Permit (the  
13 "Permit") and grant permission to County Sanitation District No. 2 of Los Angeles County  
14 ("Permittee") to operate and maintain a subsurface pipeline within the area (the "Permit Area") as  
15 shown on Exhibit A attached hereto and by this reference made a part hereof. This Permit shall be  
16 effective upon last execution by the Executive Directors of the respective Harbor Departments of the  
17 Cities (the "Executive Directors"). Such date shall be known as the "Effective Date" for purposes of  
18 this Permit.  
19

20 The Permit Area shall be used and occupied by Permittee subject to the following terms,  
21 conditions and limitations:  
22

23 1. PERMITTED USE. The Permit Area shall be used to operate and maintain on a non-  
24 exclusive basis a subsurface 90" sewer pipeline within the Permit Area and for no other purpose  
25 without the prior written consent of the Executive Directors. Permittee has inspected the Permit  
26 Area and agrees that it is suitable for the uses permitted herein. No officer or employee of either  
27 City has made any representation or warranty with respect to the Permit Area, except as described in  
28 writing and attached hereto as an addendum, and in entering into this Permit, Permittee agrees it  
29 relies only on the provisions of this Permit.  
30

31 2. PERMIT FEE.  
32

33 2.1 Amount and Time of Payment. Permittee shall pay to the Cities, as a permit  
34 fee for the use of the Permit Area, without deduction, set off, demand or prior notice, the sum of One  
35 Thousand Four Hundred Eighty One Dollars and Twenty Five Cents (\$1,462.50) per annum (the  
36 "Permit Fee"). In addition, a one time Permit Processing Fee of Two Thousand Five Hundred  
37 Dollars (\$2,500.00) shall be paid to the Cities to cover costs associated with the administration of  
38 this Joint Revocable Permit. The Permit Processing Fee shall be paid in advance on or before the  
39 Effective Date. The Permit Fee shall be paid in advance on or before the Effective Date and  
40 thereafter on each anniversary of that date. The Permit Fee and the Permit Processing Fee shall be  
41 made payable to Paragon Partners Ltd. FBO Port of LA/ Port of LB and delivered to the Cities'  
42 designated property manager, which shall be Paragon Partners Ltd., 5762 Bolsa Avenue, Suite 201,  
43 Huntington Beach, California 92649, or as otherwise instructed by written notice of Executive  
44 Directors.  
45

1           2.2     Adjustment. The Cities may, in their sole and absolute discretion, increase  
2 the Permit Fee upon sixty (60) days' notice to Permittee. Additionally, the Permit Fee shall be  
3 adjusted as of the anniversary of the Effective Date each year during the term (the "Adjustment  
4 Date"). The phrase "Permit Year" shall mean each twelve (12) consecutive calendar month period  
5 commencing on the Effective Date. The Permit Fee shall be adjusted by comparing the Consumer  
6 Price Index for All Urban Consumers (base year 1982-84=100) for Los Angeles-Riverside-Orange  
7 County, published by the United States Department of Labor, Bureau of Labor Statistics (the  
8 "Index"), which is published for the date nearest the Adjustment Date (the "Current Index"), with  
9 the Index published nearest the Effective Date (the "Beginning Index"). If the Current Index has  
10 increased over the Beginning Index, the Permit Fee for the then-current Permit Year shall be set by  
11 multiplying the Permit Fee set forth above by a fraction, the numerator of which is the Current Index  
12 and the denominator of which is the Beginning Index. In no event shall the Permit Fee be less than  
13 the Permit Fee applicable during the immediately preceding Permit Year. If the Index is  
14 discontinued or revised during the period in which this Permit is in effect, another government index  
15 or computation shall be selected by the Cities and used in order to obtain substantially the same  
16 result as if the Index had not been discontinued. On adjustment of the Permit Fee as provided  
17 herein, the parties shall immediately execute in writing, setting forth the adjusted Permit Fee and  
18 when the writing is executed by both Executive Directors, it shall constitute a legally binding  
19 agreement of the parties without further municipal, corporate or other action.  
20

21           2.3     Late Charge; Default Interest. Permittee acknowledges that if any payment  
22 required under this Permit is not paid within ten (10) days after the same becomes due and payable,  
23 the Cities will incur extra administrative expenses, in addition to expenses incident to receipt of  
24 timely payment, and the loss of the use of funds in connection with the delinquency in payment.  
25 Because, from the nature of the circumstances, the actual damages suffered by the Cities by reason  
26 of such extra administrative expenses and loss of use of funds would be impracticable or extremely  
27 difficult to ascertain, Permittee agrees that five percent (5%) of the amount of the delinquent  
28 payment or \$100.00 (whichever is greater), and the imposition of the default interest rate provided  
29 for below, shall be the amount of damages to which the Cities are entitled, upon such breach, in  
30 compensation therefor. Permittee shall, therefore, in such event, without further notice, pay to the  
31 Cities liquidated damages in the amount of five percent (5%) of the amount of such delinquent  
32 payment or \$100.00 (whichever is greater) and interest as provided below. The provisions of this  
33 Paragraph are intended to govern only the determination of damages in the event of a breach in the  
34 performance of the obligation of Permittee to make timely payments hereunder. Nothing in this  
35 Permit shall be construed as an express or implied agreement by the Cities to forbear in the  
36 collection of any delinquent payment, or be construed as in any way giving Permittee the right,  
37 express or implied, to fail to make timely payments hereunder, whether upon payment of such  
38 damages or otherwise. The right of the Cities to receive payment of such liquidated and actual  
39 damages, and receipt thereof, are without prejudice to the right of the Cities to collect such  
40 delinquent payments and any other amounts provided to be paid hereunder or to declare a default  
41 hereunder. Further any amounts owing under this Permit and not paid when due shall bear interest a  
42 rate equal to ten percent (10%) per annum, payable monthly on the first day of each and every  
43 month.  
44

45           2.4     Books and Records. All books, accounts and other records showing the  
46 affairs of Permittee with respect to its business transacted at, upon or over the Permit Area

1 (collectively, "Permit Records") shall be maintained in Los Angeles County, and shall be subject to  
2 copying, examination, audit and transcription by either City, from time to time. In the event it  
3 becomes necessary to make such copying, examination, audit or transcription at any place other than  
4 within fifty (50) miles of the Permit Area, then all costs and expenses necessary or incident to such  
5 copying, examination, audit or transcription, shall be paid by Permittee. The Permit Records shall  
6 be retained during the term of this Permit so that the Permit Records for the four (4) most recent  
7 years are available. After this Permit terminates, Permittee shall maintain the Permit Records for the  
8 four (4) most recent years for at least two (2) years. Upon request in writing by either City,  
9 Permittee shall, within fifteen (15) days of the request, furnish a statement of the exact location of all  
10 Permit Records and the name and telephone number of the custodian of the Permit Records. Permit  
11 Records will include, but not be limited to, general ledgers, charts of accounts, subledgers including  
12 cash receipts journals, cash disbursement journals and all original receipts and documents which  
13 support the information provided to the Cities.  
14

15 2.5 Security Deposit. Permittee shall provide a cash deposit, certificate of  
16 deposit, surety bond, irrevocable letter of credit or other form of security (the "Security Deposit") in  
17 the name of the Cities and acceptable to the Executive Directors and City Attorneys of the Cities in  
18 the amount of One Thousand Dollars (\$1,000.00), as security for Permittee's faithful performance of  
19 its obligations under this Permit, including but not limited to the restoration of the Permit Area and  
20 the removal of the Improvements (as defined in Paragraph 4.1) by Permittee as required by this  
21 Permit upon any termination, revocation or forfeiture of this Permit. The Security Deposit shall be  
22 in a form acceptable to and subject to the approval of the Cities. The Cities shall pay no interest on  
23 the Security Deposit. If the financial condition of Permittee substantially changes such that  
24 Permittee may not be able to meet its restoration obligations, either Executive Director may require  
25 an increase of the Security Deposit.  
26

### 27 3. REVOCABILITY; TERMINATION. 28

29 3.1 Revocability without Cause. This Permit is revocable by any party upon one  
30 hundred eighty (180) days' notice to the other parties without cause. Upon termination of this  
31 Permit, Permittee shall vacate, and surrender possession of, the Permit Area (subject to Permittee's  
32 obligations under Paragraphs 4 and 6 below). If this Permit is revoked by the Cities pursuant to this  
33 Paragraph 3.1, Permittee shall be entitled to a prorated refund of the Permit Fee for the year in which  
34 such revocation occurs. If this Permit is revoked by Permittee pursuant to this Paragraph 3.1,  
35 Permittee shall not be entitled to receive back any portion of the Permit Fee already paid by it.  
36

37 3.2 Termination. The Executive Director of either City may terminate this  
38 Permit in the event: (i) Permittee fails to perform any term or condition of this Permit within ten (10)  
39 days after notice from the Cities or either of them; (ii) Permittee makes a general assignment or  
40 general arrangement for the benefit of creditors; (iii) a petition for adjudication of bankruptcy or for  
41 reorganization or rearrangement is filed by or against Permittee and is not dismissed within thirty  
42 (30) days; (iv) a trustee or receiver is appointed to take possession of substantially all of Permittee's  
43 assets located at the Permit Area or of Permittee's interest in this Permit and possession is not  
44 restored to Permittee within thirty (30) days; or (v) substantially all of Permittee's assets or if  
45 Permittee's interest in this Permit Area is subjected to attachment, execution or other judicial seizure  
46 which is not discharged within thirty (30) days. If any court having jurisdiction in the matter renders

1 a final decision which prevents the performance by the Cities of any of their obligations under this  
2 Permit, then any party hereto may terminate this Permit by notice to the other party. Additionally, a  
3 seizure of the Permit Area by the Internal Revenue Service shall automatically terminate this Permit.

4 Upon termination of this Permit: (i) Permittee shall immediately vacate, and surrender possession  
5 of, the Permit Area and (ii) all rights and obligations hereunder (with the exception of Permittee's  
6 obligations under Paragraphs 4, 6 and 13) shall thereupon terminate.  
7

8 3.3 Application. This Permit is granted pursuant to an application or applications  
9 filed by Permittee with the Cities. If any application or any of the attachments thereto contain any  
10 misstatement of fact, which in the judgment of either Executive Director, affected the decision to  
11 grant this Permit, that Executive Director may terminate this Permit. Termination pursuant to this  
12 Paragraph shall not be termination by forfeiture.  
13

14 3.4 No Relocation Assistance. Permittee understands and agrees that nothing  
15 contained in this Permit shall create any right in Permittee for relocation assistance or payment from  
16 the Cities upon the termination of this Permit. Permittee acknowledges and agrees that it shall not  
17 be entitled to, and waives any right to, any relocation assistance or payment pursuant to the  
18 provisions of Title 1, Division 7, Chapter 16, of the Government Code of the State of California  
19 (Sections 7260 *et seq.*) or any other applicable law with respect to any relocation of its business or  
20 activities upon the termination or revocation of this Permit for any reason whatsoever.  
21

#### 22 4. IMPROVEMENTS; ALTERATIONS. 23

24 4.1 General. Permittee, at its cost, may install, erect or construct buildings,  
25 improvements and structures (collectively, "Improvements") on the Permit Area and alter and repair  
26 such Improvements; provided, however, Permittee shall first obtain the written consent of both  
27 Executive Directors and any necessary permits prior to the commencement of any work of  
28 improvement, alteration or repair. Permittee shall retain title to all such Improvements.  
29

30 4.2 Plans. The Improvements shall be installed only in accordance with  
31 approved plans and specifications previously submitted to the Cities with the application for this  
32 Permit. Permittee shall proceed diligently and in a workmanlike manner in the installation, repair,  
33 relocation, reconstruction or removal of the Improvements. Any and all work shall be done by  
34 Permittee in accordance with all applicable Laws (as defined in Paragraph 8 below).  
35

36 4.3 Damage; Repair. If the Improvements become damaged or malfunction,  
37 Permittee, at its cost, shall immediately make such repairs as will insure the future safe and proper  
38 operation of the Improvements. Permittee shall perform such cleanup and repairs as shall be  
39 required by the Cities.  
40

#### 41 4.4 As-Built Drawings. 42

43 4.4.1 Within thirty (30) days after the completion of the installation of the  
44 Improvements, Permittee shall furnish to Cities four (4) sets of survey notes and "as-built"  
45 drawings, signed by a California licensed land surveyor, who shall certify to the correctness  
46 of the horizontal and vertical alignment of the Improvements.

1                   4.4.2 All of the “as-built” drawings furnished pursuant to Paragraph 4.4.1  
2 shall be drawn to a scale in which the number of feet per inch shall not exceed two hundred  
3 (200). The drawings shall show the accurate alignment of the Improvements by centerline  
4 traverses. The elevations of the tops of the Improvements shall be shown on the drawings.  
5 All survey work, both horizontal and vertical, shall be to the latest third order of accuracy as  
6 established by the National Geodetic Survey.  
7

8                   4.4.3 In the event Permittee is granted permission to install, relocate or  
9 remove pipelines, tanks or pressure vessels, Permittee shall furnish to the Cities, in addition  
10 to the “as-built” drawings thereof required by this Paragraph, four (4) sets of revised  
11 composite drawings drawn to a scale in which the number of feet per inch does not exceed  
12 two hundred (200). The revised composite drawings shall be submitted on or before March  
13 1 of each calendar year this Permit remains in force and effect and shall show all pipelines  
14 owned or operated by Permittee and the total lineal footage thereof in existence as of  
15 December 31 of the calendar year just ended.  
16

17                   4.4.4 Where applicable, as-built drawings shall be available at the Permit  
18 Area at all times and copies thereof shall be provided to the Cities upon thirty (30) days’  
19 written notice.  
20

21                   4.5     Removal Upon Termination; Restoration. No later than the date upon which  
22 this Permit terminates (the “Termination Date”), Permittee, at its cost, shall remove the  
23 Improvements, and any personal property placed by it on the Permit Area and restore the Permit  
24 Area to a condition acceptable by both Cities. Permittee shall repair, at Permittee’s expense, any  
25 damage to the Permit Area caused by the removal of any Improvements or personal property.  
26 Permittee understands and agrees it is responsible for complete restoration of the Permit Area,  
27 including the clean up of any Hazardous Substances (as defined in Paragraph 6.1 below) required  
28 pursuant to Paragraph 6 below on or before the Termination Date. If, for any reason, removal of  
29 Improvements and personal property from the Permit Area or restoration of the Permit Area is not  
30 completed by the Termination Date, then Permittee is obligated to pay the Cities, as compensation  
31 during such restoration, a permit fee in an amount equal to the then fair market rental value of the  
32 Permit Area as reasonably determined by the Cities; however, the new permit fee shall not be less  
33 than provided in Paragraph 2. Additionally, if the Improvements and any personal property of  
34 Permittee have not been removed and the Permit Area not restored to an acceptable condition by the  
35 Termination Date, the Cities shall have the right, but not the obligation, to remove any such property  
36 and to restore the Permit Area at Permittee’s expense. Permittee shall pay to the Cities, upon  
37 demand, all costs incurred by the Cities in removing such property and restoring the Permit Area,  
38 together with interest from the date the Cities incur any cost or expense, at the maximum rate  
39 allowed by law on any such sum. The restoration requirements of Paragraph 4.5 shall apply to  
40 Permittee whether improvements were installed by Permittee or any prior users of the premises.  
41

42                   4.6     Restoration Plan. Upon request of either Executive Director, Permittee shall,  
43 at its expense, provide to the Cities a site characterization study and site restoration plan in a form  
44 acceptable to the Cities. The study and plan shall be used in part by the Cities to determine if  
45 Permittee has breached its obligations pursuant to Paragraph 6 below.  
46

1           4.7     Waiver. The Cities, at their election, may waive the requirement that  
2 Permittee remove all or a portion of the Improvements from the Permit Area and that Permittee  
3 restore the Permit Area. However, unless such waiver is in writing executed by both Cities stating  
4 such waiver is "permanent and final," Cities reserve the right to require Permittee at any time in the  
5 future to remove all or a portion of the Improvements from the Permit Area or to restore the Permit  
6 Area despite such waiver.

7  
8           4.8     Removal; Relocation. Whenever and as often as the Executive Directors  
9 deem convenient or necessary, Permittee, at its cost, shall either remove, relocate or alter the  
10 Improvements constructed on the Permit Area and restore the Permit Area. Permittee shall  
11 commence such removal, alteration or change of location within one hundred eighty (180) days after  
12 notice from the Executive Directors, and shall proceed to complete such work with due diligence.

13  
14           4.9     Failure to Commence Work. In case Permittee fails to commence work in  
15 compliance with the notice given pursuant to Paragraph 4.8 within sixty (60) days after such notice  
16 (unless Permittee is unable to comply with such instructions due to strikes, riots, acts of God or acts  
17 of public enemies), the Executive Directors may, but shall not be required to, cause the work  
18 required in such notice to be done; and Permittee agrees to pay the Cities' cost thereof within thirty  
19 (30) days after delivery of an itemized bill.

20  
21           4.10    Rules Governing Pipelines. After installation, and in any event for the  
22 duration of this agreement, Permittee shall comply with any applicable pipeline testing and  
23 inspection requirements of the Pipeline Code, the Pipeline Safety Act, the California Public Utilities  
24 Code, California Public Utilities Commission regulations for pipelines, any other state and/or federal  
25 agency not mentioned above, and as required by the California State Fire Marshall (CSFM) under  
26 the Pipeline Safety Act. The Cities reserve the right to request tests for facilities not under the direct  
27 authority of the CSFM, the California Public Utilities Commission, the Federal Office of Pipeline  
28 Safety (FOPS), and the State of California Bureau of Conservation/Division of Oil, Gas, and  
29 Geothermal Resources (DOGGR).

30  
31           4.11    Location of Subsurface Pipelines and Structures. Upon at least two (2) days'  
32 notice from the Cities, Permittee shall commence exploration for any subsurface structures under  
33 Permittee's control or servicing Permittee's operation within the Permit Area. Exploration and  
34 preparation of all documentation recording the location of substructures shall be completed within  
35 the time specified in the notice. The subsurface exploration shall verify the vertical and horizontal  
36 location of all substructures. Documentation reflecting the results of the exploration shall be  
37 provided to the Executive Directors. If Permittee fails or refuses within the time specified in the  
38 notice to begin or fails to prosecute diligently to complete the work of locating any substructure  
39 under Permittee's control or servicing Permittee's operation within the Permit Area, the Cities shall  
40 have the right to enter onto the Permit Area and perform the work designated in the notice. All  
41 subsurface exploration required by the provisions contained herein, whether performed by Permittee  
42 or the Cities, shall be performed at Permittee's expense. In addition, Permittee agrees to bear the  
43 cost of any and all damage of whatever nature caused by any act, omission or negligence of the  
44 Cities and any and all of their boards, officers, agents, consultants, and employees in the  
45 performance of the subsurface exploration as required by this provision. Notwithstanding any work  
46 performed by the Cities or the Cities' contractors under this provision, Permittee shall remain

1 obligated to maintain the Permit Area in a safe condition, both during and after completion of the  
2 work.

3  
4 4.12 Pipeline Tests or Inspections. Within thirty (30) days from the commencement  
5 date of the permit, Permittee shall provide the Executive Directors with a master schedule showing  
6 dates for pipeline testing and inspection(s) in accordance with the requirements referenced in  
7 Paragraph 4.10 above. The master schedule shall include an itemized list with corresponding line  
8 item reference numbers for each pipeline covered under the subject permit, corresponding required  
9 test(s) or inspection(s), date(s) of test(s) or inspection(s), method(s) of test(s) or inspection(s),  
10 applicable agency, the frequency of required test(s) or inspection(s), and the California State Fire  
11 Marshall Line No. and the California State Fire Marshall Test ID No., if applicable. If Permittee  
12 existing pipelines are modified, or new pipelines are added to Permittee's premises, Permittee shall  
13 provide Ports with written notice, including an updated master schedule with any addition or  
14 subtraction of pipelines. This should cover testing or inspection requirements of all agencies  
15 mentioned in Paragraph 4.10 of the permit, as well as any other additional required test(s) or  
16 inspection(s).

17  
18 If Permittee's pipeline test(s) or inspection(s) are approved by the applicable agency requiring or  
19 overseeing the test(s) or inspections(s), Permittee shall confirm in writing approval of the test(s) or  
20 inspections(s) and/or submit documentation including master schedule reference number for  
21 pipeline(s) being reported on, date(s) of test(s) or inspection(s), method(s) of test(s) or inspection(s)  
22 and general non-technical summary of results

23  
24 Permittee shall submit a summary of its certified test or inspection approval results to the Executive  
25 Directors within thirty (30) days after they have been approved by the agencies which required the  
26 pipeline testing or inspection(s), and the records of such test(s) shall be retained by Permittee for as  
27 long as is required by applicable law, but in any event not less than three (3) years. Records of all  
28 tests will be made available for inspection by the Executive Directors or their designees at their  
29 request.

30  
31 If Permittee's pipeline test(s) or inspection(s) are disapproved, and/or there are irregularities with  
32 Permittee's pipeline test(s) or inspection(s), indicating a leak or other operational deficiency,  
33 Permittee shall notify the Executive Directors within three (3) days of disapproval and/or receipt of  
34 test(s) or inspection(s) results with a non-technical summary of the results including the  
35 circumstances that resulted in the disapproval or test(s)/inspection(s) irregularities as well as all test  
36 documentation produced and a description and schedule for implementation of corrective action as  
37 directed by the applicable agency requiring or overseeing the test(s) or inspection(s).

38  
39 5. MAINTENANCE. The Cities have no duty to make any improvement or repair to  
40 the Permit Area or any improvements thereon. Permittee's sole and exclusive remedy by reason of  
41 any condition of the Permit Area (whether such condition now or hereafter exists) shall be to  
42 terminate this Permit and vacate the Permit Area. Any and all uses of the Permit Area by Permittee,  
43 its agents, contractors and their employees shall be at their sole risk, cost and expense. Permittee, at  
44 its cost, shall keep and maintain the Permit Area and all Improvements thereon during its use and  
45 occupancy thereof, in good order, condition and repair, free and clear of all rubbish, debris and litter.

1           6.     HAZARDOUS SUBSTANCES.

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3           6.1     Hazardous Substances. As used in this Permit, the term “Hazardous  
4 Substance” means any product, substance, chemical, material or waste, the presence, nature, quantity  
5 and/or intensity of which, either by itself or in combination with other materials on the Permit Area,  
6 is either: (i) potentially injurious to the public health, safety or welfare, the environment or the  
7 Permit Area; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential  
8 liability of the Cities to any governmental agency or third party under any applicable statute or  
9 common law theory. Hazardous Substances shall include, but not be limited to, any substance or  
10 material deemed hazardous or toxic pursuant to any federal or state statute or regulation, including  
11 but not limited to hydrocarbons, petroleum, gasoline, crude oil or any products or by-products  
12 thereof. Permittee shall not direct, suffer or permit any of its agents, contractors, employees,  
13 licensees or invitees at any time to handle, use, manufacture, store, release or dispose of any  
14 Hazardous Substances in or about the Permit Area.

15  
16           6.2     Notification; Removal. During its use and occupancy of the Permit Area,  
17 Permittee shall notify the Executive Directors within two (2) days following the release of any  
18 Hazardous Substances onto or from the Permit Area. Upon the release, discharge or spill of any  
19 Hazardous Substances arising from or caused by Permittee, its employees, agents, invitees or  
20 affiliated predecessors in interest, Permittee, at its cost, shall promptly remove and/or remediate and  
21 dispose of all such Hazardous Substances in accordance with the provisions of Paragraph 6.3 below,  
22 and restore the Permit Area to the condition it was in prior to the release of the Hazardous  
23 Substances. Permittee also agrees to provide to the Cities a surety bond to assure removal of such  
24 Hazardous Substances from the Permit Area if at any time the Cities demand such bond.

25  
26           6.3     Excavation. If Permittee discovers or believes that any material being  
27 excavated from the Permit Area contains any Hazardous Substances, Permittee, at its cost, shall: (i)  
28 promptly notify both Executive Directors of Permittee’s discovery or belief; (ii) at the request of  
29 either Executive Director, initiate chemical and/or physical analyses of the suspected Hazardous  
30 Substances; (iii) promptly submit all laboratory or other test results upon receipt thereof to both  
31 Executive Directors; (iv) develop and submit, for approval by both Executive Directors, a  
32 remediation plan providing for the disposal and/or treatment of the hazardous materials; (v) treat and  
33 dispose of or remove the Hazardous Substances in accordance with all applicable Laws; (vi) if  
34 Hazardous Substances are removed, replace the same with clean structurally suitable fill material  
35 and cause the excavation to be backfilled and compacted; and (vii) promptly submit copies of all  
36 waste manifests to both Executive Directors. Waste manifests shall identify Permittee and its  
37 contractors, not the Cities, as the generator of any Hazardous Substances removed pursuant to this  
38 provision.

39  
40           7.     UTILITIES. Permittee shall pay all charges for services or utilities furnished to the  
41 Permit Area or used in connection with its occupancy, and shall pay all deposits, connection fees,  
42 charges and meter rentals required by the supplier of any such service, including the Cities.

43  
44           8.     LEGAL COMPLIANCE. Permittee shall comply with all applicable laws,  
45 regulations, ordinances, rules, regulations, policies, guidelines, specifications, procedures and orders  
46 of any government entities (“Laws”) in connection with its use and occupancy of the Permit Area

1 and obtain all necessary licenses, consents and permits from all federal, state and local governmental  
2 authorities having jurisdiction over the Permit Area and Permittee's activities thereon.

3  
4 9. NO ASSIGNMENT. Permittee shall not assign, sublet or transfer this Permit or any  
5 interest herein (whether by operation of law or otherwise) without the prior written consent of the  
6 Cities. The transfer, on a cumulative basis, of twenty-five percent (25%) or more of the voting  
7 control of Permittee shall constitute an assignment for this purpose. Any attempted transfer or  
8 assignment without the prior written consent of the Cities shall be void and confer no rights  
9 whatsoever upon a transferee or assignee. In addition, Cities shall have the right to terminate this  
10 Permit if any assignment or transfer, whether voluntary, by operation of law, or otherwise is made or  
11 attempted without the prior written consent of the Cities. Each request for consent to an assignment  
12 shall be in writing, accompanied by information relevant to the Cities' determination as to the  
13 financial and operational responsibility and appropriateness of the proposed assignee, including but  
14 not limited to the intended use and/or required modification of the Permit Area, if any, together with  
15 a nonrefundable processing fee of \$3,000 or ten percent (10%) of the current annual Permit Fee  
16 applicable to the Permit Area which is the subject of the proposed assignment, whichever is greater,  
17 as consideration for the Cities' considering and processing the request. Permittee agrees to provide  
18 to the Cities such other or additional information and/or documentation pertaining to the requested  
19 consent as may be reasonably requested by the Cities.

20  
21 10. ACCESS. The Cities' representatives shall have access to and across the Permit Area  
22 during normal business hours and, in the event of an emergency, at any time for inspection, repair of  
23 publicly owned utilities and structures and for fire and police department purposes.

24  
25 11. RIGHTS-OF-WAY. The Permit Area is subject to all existing and future rights of  
26 way and entry thereon for the installation, relocation, removal, operation and maintenance of rail  
27 lines, sewers, pipelines, conduits, and telephone, telegraph, light, heat and power lines (whether  
28 underground or overhead).

29  
30 12. RAILROAD APPROVAL AND NOTICE, EMERGENCY NOTIFICATION.

31  
32 12.1 In non-emergency situations, Permittee shall obtain the written approval from  
33 the rail carriers that operate on the rail line traversing the Permit Area ("Railroads") prior to the  
34 commencement of any work within the Permit Area in connection with the construction, repair,  
35 renewal, modification, reconstruction, relocation or removal of the Improvements, excepting only  
36 periodic inspection of the Improvements. Permittee shall comply with all permits, notifications,  
37 protective and safety requirements imposed by the Railroads, and Permittee shall pay all associated  
38 costs. In addition, the Cities have included in this agreement, certain Safety Protocols, hereto  
39 attached as Exhibit B. Permittee agrees to perform all safety precautions, approvals and notices  
40 associated with activities in the vicinity of the rail lines as set forth in Exhibit B.

41  
42 12.2 If an emergency should arise requiring immediate attention for Permit Areas  
43 in the Alameda Corridor, Permittee shall call the maintenance contractor for the Alameda Corridor,  
44 presently Balfour Beatty at (562) 285-0366; the ACTA Construction and Maintenance Manager at  
45 (310) 650-1651; the Alameda Corridor Transportation Authority ("ACTA") at (310) 233-7480; and  
46 Pacific Harbor Line's ("PHL") Badger Bridge at (310) 830-0660.

1           12.3 If an emergency should arise requiring immediate attention for Permit Areas  
2 in the Pacific Harbor Line, Inc. right-of-way, Permittee shall call PHL's Badger Bridge at (310) 830-  
3 0660, the ACTA Construction and Maintenance Manager at (310) 650-1651, ACTA at (310) 233-  
4 7480 and Balfour Beatty at (562) 285-0366.

5  
6           12.4 If an emergency should arise requiring immediate attention for Permit Areas  
7 in the Union Pacific Railroad Company right-of-way (Former San Pedro Branch), Permittee shall  
8 call the Union Pacific Police at (888) 877-7267.

9  
10          13. INDEMNIFICATION. Permittee shall, indemnify, defend (using counsel selected by  
11 the Cities) and hold harmless: (a) the Cities; (b) ACTA; (c) Railroads; and (d) each of their  
12 respective council members, mayors, trustees, boards, officers, employees, agents, contractors,  
13 property managers, representatives and designees (collectively, "Indemnified Parties") from and  
14 against any and all actions, suits, proceedings, claims, demands, damages, loss, liens, costs  
15 (including court costs and attorneys' fees including the allocated cost of in-house counsel), expenses  
16 or liabilities, of any kind or nature whatsoever, for injury to or death of persons or damage to  
17 property, including property owned by or under the care and custody of the Cities, which may be  
18 brought, made, filed against, imposed upon or sustained by the Indemnified Parties, or any of them,  
19 and arising from or attributable to or caused by any acts or omissions of Permittee or any of the  
20 Indemnified Parties relating to or arising out of the Permit Area, or by reason of any actual or  
21 asserted failure of Permittee to keep, observe or perform any provision of this Permit, except to the  
22 extent that such injury, death or damage is caused by the active negligence or willful misconduct of  
23 the Indemnified Parties or any of them. The indemnity required herein shall survive the termination  
24 or expiration of this Permit.

25  
26          14. INSURANCE.

27  
28          14.1 Specific Coverages Required. Permittee, at its cost and as a condition  
29 precedent to the effectiveness of this Permit, shall procure and maintain in full force and effect while  
30 this Permit shall remain in effect the following policies of insurance:

31  
32           14.1.1 Commercial General Liability Insurance which affords coverage at  
33 least as broad as Insurance Service Office "occurrence" form CG 0001 with minimum limits  
34 of at least \$5,000,000 per occurrence, and if written with an aggregate, the aggregate shall be  
35 double the per occurrence limit. The policy shall contain no provisions or endorsements  
36 limiting coverage for (1) premises and operations; (2) products – completed operations; (3)  
37 contractual liability; (4) contractual liability – railroads; (5) independent contractors; (6)  
38 third party action over claims; (7) explosion, collapse or underground hazard (XCU), if there  
39 is exposure; and (8) defense costs shall be excess of limits.

40  
41           14.1.2 Contractor's Pollution Liability Insurance is required for the  
42 construction phase only. The coverage must include onsite coverage for bodily injury  
43 (including death and mental anguish), property damage, defense costs and cleanup costs with  
44 minimum limits of \$2,000,000 per loss and \$2,000,000 total all losses. Non-owned disposal  
45 site coverage shall be provided if handling, storing or generating hazardous materials or any  
46 material/substance otherwise regulated under environmental laws/regulations.

1 14.1.3 Workers' Compensation Insurance as required by the State of  
2 California and Employer's Liability Insurance with a limit of not less than \$1,000,000 per  
3 accident for bodily injury and disease.  
4

5 14.1.4 Automobile Liability Insurance with coverage at least as broad as  
6 Insurance Services Office Form CA 0001 covering "Any Auto" (Symbol 1) with minimum  
7 limits of \$1,000,000 each accident.  
8

9 Insurance policies will not be in compliance with the Permit if they include any  
10 limiting endorsement that has not been approved in writing by Cities.  
11

12 The policy or policies of insurance for Commercial General Liability and Automobile  
13 Liability shall contain the following provisions or be endorsed to provide the following:  
14

15 (1) The Indemnified Parties shall be additional insureds with regard to  
16 liability and defense of suits or claims arising out of the Permit.  
17

18 Additional insured endorsements shall not:  
19

- 20 i. Be limited to ongoing operations;
- 21 ii. Exclude contractual liability;
- 22 iii. Restrict coverage to the sole liability of Permittee; or
- 23 iv. Contain any other exclusion contrary to the Permit.  
24  
25  
26  
27

28 (2) This insurance shall be primary and any other insurance, deductible, or  
29 self-insurance maintained by the Indemnified Parties shall not contribute with this primary  
30 insurance.  
31

32 (3) The policy shall not be canceled or the coverage reduced until a thirty  
33 (30) day written notice of cancellation has been served upon the Executive Directors of the  
34 Harbor Departments except notice of ten (10) days shall be allowed for non-payment of  
35 premium.  
36

37 The policy or policies of insurance for Workers' Compensation shall be endorsed, as  
38 follows:  
39

40 (1) A waiver of subrogation stating that the insurer waives all rights of  
41 subrogation against the Indemnified Parties.  
42

43 (2) The policy or policies shall not be canceled or the coverage reduced until  
44 a thirty (30) day written notice of cancellation has been served upon the Cities' Executive  
45 Directors of the Harbor Departments except notice of ten (10) days shall be allowed for non-  
46 payment of premium.

1 Any deductible or self-insured retention must be approved in writing by the Cities'  
2 Executive Directors or their designees and shall protect the Indemnified Parties in the same  
3 manner and to the same extent as they would have been protected had the policy or policies  
4 not contained a deductible or self-insured retention.  
5

6 Upon expiration or termination of coverage of required insurance, Permittee shall  
7 obtain and submit to Cities evidence of "tail" coverage or an extended reporting coverage  
8 period endorsement for the period of at least three (3) years from termination or expiration of  
9 this Permit.  
10

#### 11 14.2 General Requirements. 12

13 14.2.1 The insurance required by this Permit shall be issued by an insurance  
14 company or companies with an AM Best rating of A:VII or better and may contain  
15 deductibles in amounts approved by the Cities' Executive Directors or their designees.  
16

17 14.2.2 The policy or policies shall either contain a blanket form of  
18 contractual liability coverage, including contracts and agreements, or there shall be attached  
19 to the policy or policies an endorsement or extension, providing that such insurance as is  
20 provided therein shall apply to the obligations assumed by Permittee under Paragraph 13 of  
21 this Permit.  
22

23 14.2.3 The procuring of such policy or policies of insurance shall not be  
24 construed to be a limitation in any respect upon Permittee's obligations and liabilities under  
25 this Permit.  
26

27 14.2.4 Upon request by either of the Cities, Permittee shall furnish the Cities  
28 with an endorsement issued by the insurance company waiving the insurance company's  
29 right to demand and receive payment of insurance premiums and assessments from either of  
30 the Cities.  
31

32 14.2.5 All insurance shall be on an occurrence basis, not a claims made  
33 basis, unless otherwise agreed to by the Cities. Should any portion of the required insurance  
34 be on a "Claims Made" policy, Permittee shall, at the policy expiration date, whether such  
35 date occurs during or after the term of this Permit, provide evidence that the "Claims Made"  
36 policy has been renewed or replaced with the same limits, terms and conditions of the  
37 expiring policy, or that an extended discovery period has been purchased on the expiring  
38 policy for at least three years after the term of this Permit.  
39

40 14.3 Evidence of Insurance. For the City of Los Angeles, electronic submission is  
41 the required method of submitting Permittee's insurance documents. Track4LA<sup>®</sup> is the City's online  
42 insurance compliance system and is designed to make the experience of submitting and retrieving  
43 insurance information quick and easy. The system is designed to be used primarily by insurance  
44 brokers and agents as they submit client insurance certificates directly to the City. It uses the  
45 standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in  
46 electronic format. The advantages of Track4LA<sup>®</sup> include standardized, universally accepted forms,  
47 paperless approval transactions (24 hours, 7 days per week), and security checks and balances.

1 Permittee's insurance broker or agent shall obtain access to Track4LA<sup>®</sup> at <http://track4la.lacity.org/>  
2 and follow the instructions to register and submit the appropriate proof of insurance on Consultant's  
3 behalf.  
4

5 Permittee shall deliver two (2) certified copies of the policy or Certificates of  
6 Insurance and insurance carrier authorized endorsements as required ("Evidence of Insurance") to  
7 the Long Beach Harbor Department Executive Director or his designee for approval as to sufficiency  
8 and to the City of Long Beach City Attorney or designee for approval as to form, and upon request  
9 by either City, Permittee shall deliver a certified copy of any policy. If such coverage is cancelled or  
10 reduced, Permittee shall, within ten (10) days after receipt of notice of such cancellation or reduction  
11 of coverage, file with Track4LA<sup>®</sup> and the Long Beach Harbor Department Executive Director  
12 Evidence of Insurance showing that the required insurance has been reinstated or provided through  
13 another insurance company or companies, and the policy shall be submitted for approval as herein  
14 provided. At least fifteen (15) days prior to the expiration of any such policy, Evidence of Insurance  
15 showing that the insurance coverage has been renewed or extended, shall be filed with Track4LA<sup>®</sup>  
16 and the Long Beach Harbor Department Executive Director. Upon failure of Permittee to provide  
17 Evidence of Insurance as required herein, the Cities have the right, but not the obligation, to  
18 purchase any such insurance and Permittee agrees to pay for such insurance. Permittee agrees, at its  
19 own expense, to suspend and cease all activities on the Permit Area during such periods of time as  
20 Evidence of Insurance has not been provided as set forth herein. Notwithstanding any other  
21 provision of this Permit to the contrary, upon failure to so file such Evidence of Insurance, the Cities  
22 may, without further notice, cancel or terminate this Permit and exercise such other rights as they  
23 may have in the event of Permittee's default.  
24

25 14.4 Adjustment. Not more frequently than once each year, if in the opinion of  
26 either Executive Director, the coverages or the limits of insurances described in this Paragraph are  
27 not adequate, Permittee shall modify the insurance coverage or increase the limits as required by  
28 either Executive Director.  
29

30 14.5 Right to Self-Insure. Upon written approval by the Executive Directors or  
31 their designees, Permittee may self-insure if the following conditions are met:  
32

- 33 1. Permittee has a formal self-insurance program in place prior to execution of  
34 this Agreement. If a corporation, Permittee must have a formal resolution of  
35 its board of directors authorizing self-insurance.  
36
- 37 2. Permittee agrees to protect the Cities, its Boards, officers, agents and  
38 employees at the same level as would be provided by full insurance with  
39 respect to types of coverage and minimum limits of liability required by this  
40 Permit.  
41
- 42 3. Permittee agrees to defend the Cities, its Boards, officers, agents and  
43 employees in any lawsuit that would otherwise be defended by an insurance  
44 carrier.  
45  
46

- 1 4. Permittee agrees that any insurance carried by Cities is excess of Permittee's  
2 self-insurance and will not contribute to it.  
3  
4 5. Permittee provides the name and address of its claims administrator.  
5  
6 6. Permittee submits audited Financial Statements, including a Balance Sheet,  
7 Statement of Cash Flows, and Income Statement prior to the Executive  
8 Directors' consideration of approval of self-insurance and annually thereafter  
9 as evidence of financial capacity to cover the self-insurance.  
10  
11 7. Permittee agrees to inform Cities in writing immediately of any change in its  
12 status or policy which would materially affect the protection afforded Cities  
13 by this self-insurance.  
14  
15 8. Permittee has complied with all laws pertaining to self-insurance.  
16

17 15. TAXATION. THIS PERMIT MAY CREATE A POSSESSORY INTEREST IN  
18 FAVOR OF PERMITTEE, WHICH MAY BE SUBJECT TO TAXES. PERMITTEE SHALL PAY,  
19 PRIOR TO DELINQUENCY, ANY SUCH TAXES, AND ANY OTHER ASSESSMENTS OF  
20 WHATEVER CHARACTER LEVIED UPON ANY INTEREST CREATED BY THIS PERMIT.  
21 PERMITTEE SHALL ALSO PAY ALL LICENSE AND PERMIT FEES REQUIRED FOR THE  
22 CONDUCT OF ITS OPERATIONS. PERMITTEE SHALL DELIVER SATISFACTORY  
23 EVIDENCE OF ALL SUCH PAYMENTS TO EACH EXECUTIVE DIRECTOR UPON  
24 DEMAND.  
25

26 16. NOTICE. Any notice, demand, request, consent or communication that any party  
27 desires or is required to give to the other parties shall be in writing and either be served personally,  
28 by facsimile transmission with electronic verification of transmission or sent by prepaid, certified  
29 mail, addressed as follows:  
30

31 To the Cities: Executive Director  
32 Long Beach Harbor Department  
33 Post Office Box 570  
34 Long Beach, California 90801  
35 Fax No.: (562) 901-1739  
36

37 And: Executive Director  
38 Los Angeles Harbor Department  
39 425 South Palos Verdes Street  
40 San Pedro, California 90731  
41 Fax No.: (310) 831-6936  
42

43 With copies to: The Port of Long Beach  
44 925 Harbor Plaza Drive  
45 Long Beach, California 90802  
46 Attention: Director of Real Estate  
47 Fax No.: (562) 901-1739

1 The Port of Los Angeles  
2 425 South Palos Verdes Street  
3 Post Office Box 151  
4 San Pedro, California 90731  
5 Attention: Director of Real Estate  
6 Fax No.: (310) 547-4611  
7

8 Paragon Partners Ltd.: 5762 Bolsa Avenue, Suite 201  
9 Huntington Beach, CA 92649  
10 Attn: Ports' Property Manager  
11 Fax No.: (714) 373-1234  
12

13 Or such other Property Management firm as may be designated by  
14 the Cities from time to time.  
15

16 To Permittee: County Sanitation District No. 2 of Los Angeles County  
17 1955 Workman Mill Road  
18 Whittier, CA. 90601  
19 Attn: Financial Planning and Property Management  
20 Fax No.: (562) 695-1874  
21 Telephone: (562) 699-7411  
22

23 Any party may change its address by notifying the other parties of the change of address in  
24 accordance with this Paragraph. Notice shall be deemed communicated upon delivery if personally  
25 served or given by facsimile transmission and within seventy-two (72) hours from the time of  
26 mailing if mailed as provided in this Paragraph.  
27

28 17. NO DISCRIMINATION. Permittee promises, and it is a condition to the continuance  
29 of this Permit, that it will not discriminate in its employment practices against any employee or  
30 applicant for employment because of the employee's or applicant's race, religion, ancestry, national  
31 origin, sex, sexual orientation, age, disability, marital status, domestic partner status or medical  
32 condition or in any manner prohibited by any applicable Law, including any Laws established by the  
33 Cities. Permittee hereby agrees to comply with all reporting requirements related to such Laws.  
34 Any contracts relating to the Permit Area entered into by Permittee shall contain this provision. The  
35 provisions of Section 10.8.4 of the Administrative Code of the City of Los Angeles are attached  
36 hereto as Exhibit C, and are hereby incorporated herein and made a part hereof.  
37

38 18. CONFLICT OF INTEREST. It is understood and agreed that the parties to this  
39 Permit have read and are aware of the provisions of Sections 1090 *et seq.* and Sections 87100 *et seq.*  
40 of the Government Code relating to conflict of interest of public officers and employees, as well as  
41 the conflict of interest policies of the Cities. All parties hereto agree that they are unaware of any  
42 financial or economic interest of any public officer or employee of the Cities relating to this Permit.  
43 Notwithstanding any other provision of this Permit, it is further understood and agreed that if such a  
44 financial interest does exist at the inception of or at any time during the continuance of this Permit,  
45 the Executive Director of either City may immediately terminate this Permit by giving notice to  
46 Permittee. Termination pursuant to this Paragraph shall not be termination by forfeiture.

1           19.    MISCELLANEOUS PROVISIONS.  
2

3           19.1.   Effect of Waiver. No waiver by any party at any time of any terms or  
4 conditions of this Permit shall be a waiver at any subsequent time of the same or any other term or  
5 condition. The acceptance of a late Permit Fee by the Cities shall not be deemed a waiver of any  
6 other breach by Permittee of any term or condition of this Permit other than the failure of Permittee  
7 to make timely the particular payment so accepted.  
8

9           19.2   Termination of Prior Agreements. This Permit supersedes Agreement Nos.  
10 N/A between N/A and Permittee, each as of the effective date of this Permit. This Permit shall not  
11 operate to extinguish the indemnity and hazardous materials and premises restoration obligations  
12 imposed by said Agreements.  
13

14           19.3   Costs of Cities. Whenever this Permit requires Permittee to reimburse the  
15 Cities for costs of the Cities, such costs are agreed to include all direct and indirect costs which the  
16 Cities incur whether with the Cities' own forces or with independent contractors. These costs  
17 include salaries and all other costs the Cities incur for their employees, including attorneys, all  
18 material and equipment costs, together with an administrative handling charge and allocation of  
19 general overhead expense as determined by the Cities in good faith.  
20

21           19.4   No Joint Venture. Nothing contained in this Permit shall have the effect of  
22 creating a joint venture or partnership between or among the parties, or of rendering one liable for  
23 any of the debts or obligations of any other, unless expressly provided in this Permit. Further,  
24 nothing contained in this Permit shall have the effect of creating a joint venture or partnership  
25 between the Cities or to render either of such entities liable for the debts, obligations or actions of  
26 the other, nor shall either the City of Los Angeles or the City of Long Beach be liable or responsible  
27 hereunder for any default, failure of performance, action or inaction of the other solely as a result of  
28 this Permit.  
29

30           19.5   Actions of the Cities. All actions (except as otherwise specified in this  
31 Permit), approvals, decisions and consents of the Cities under this Permit shall require the consent of  
32 both the City of Los Angeles and the City of Long Beach in the Cities' sole and absolute discretion.  
33

34           19.6   Governing Law; Venue. This Permit shall be governed by and construed in  
35 accordance with the laws of the State of California, without reference to the conflicts of law rules  
36 and principles of such State. The parties agree that all actions or proceedings arising in connection  
37 with this Permit shall be tried and litigated exclusively in the State and Federal courts located in the  
38 County of Los Angeles, State of California, in the judicial district required by court rules. The  
39 aforementioned choice of venue is intended by the parties to be mandatory and not permissive in  
40 nature, thereby precluding the possibility of litigation between the parties with respect to or arising  
41 out of this Permit in any jurisdiction other than that specified in this Paragraph, except that the Cities  
42 or either of them may in their sole and absolute discretion file and pursue actions in other forums in  
43 order to obtain such relief as the Cities or either of them deem appropriate.  
44

45           19.7   Construction; Headings. The language in all parts of this Permit shall be in all  
46 cases construed simply according to its fair meaning and not strictly for or against any of the parties.

1 Paragraph headings in this Permit are solely for convenience of reference and shall not govern the  
2 interpretation of any of the provisions of this Permit. Whenever required by the context of this  
3 Permit, the singular shall include the plural, the plural shall include the singular and the masculine,  
4 feminine and neuter genders shall each include the other. References in this Permit to days shall  
5 mean calendar days unless otherwise expressly provided.  
6

7 19.8 Severability. Each provision of this Permit shall be interpreted so as to be  
8 effective and valid to the fullest extent possible. In the event, however, that any provision contained  
9 herein shall for any reason be held invalid, illegal or unenforceable in any respect, then, in order to  
10 effect the purposes of this Permit it shall be construed as if such provision had never been contained  
11 herein.  
12

13 19.9 Amendments; Waiver. No provision of this Permit shall be altered, amended,  
14 revoked or waived except by an instrument in writing signed by the party to be charged with such  
15 alteration, amendment, revocation or waiver.  
16

17 19.10 No Liens. Permittee shall pay or cause to be paid all costs and charges for  
18 work done by it or caused to be done by it in, on or to the Permit Area and for all materials furnished  
19 for or in connection with such work. Permittee shall keep the Permit Area free from any mechanics'  
20 liens, vendors' liens or any other liens arising out of any work performed, materials furnished or  
21 obligations incurred by Permittee. In the event that there shall be recorded against the Permit Area  
22 or the property of which the Permit Area is a part any claim or lien arising out of any such work  
23 performed, materials furnished or obligations incurred by Permittee and such claim or lien is not  
24 removed or discharged, or Permittee has not provided a bond therefor, within ten (10) days of filing,  
25 the claim or lien shall constitute a default hereunder and the Cities shall have the right but not the  
26 obligation to pay and discharge the lien without regard to whether such lien shall be lawful or  
27 correct. Nothing contained in this Permit shall be deemed the consent or agreement of the Cities to  
28 subject to the Cities' interest in the Permit Area to liability under any mechanics' or other lien law.  
29

30 19.11 Signs. Except for signs, markings and notices required by agencies with  
31 jurisdiction, Permittee shall not install, place, inscribe, paint or otherwise attach any sign,  
32 advertisement, notices, marquee or awning on any part of the Permit Area without the prior written  
33 consent of the Cities.  
34

35 19.12 Security Measures. Permittee hereby acknowledges that the Permit Fee  
36 payable to the Cities hereunder does not include the cost of guard service or other security measures,  
37 and that the Cities have no obligation whatsoever to provide security. Permittee assumes all  
38 responsibility for the security and protection of the Permit Area, Permittee, its agents and invitees  
39 and their property from the acts of third parties.  
40

41 19.13 Small Business Development Program. It is the policy of the City of Los  
42 Angeles to provide Small Business Enterprises (SBE) and Minority-Owned, Women-Owned and all  
43 Other Business Enterprises (MBE/WBE/OBE) an equal opportunity to participate in the  
44 performance of all City of Los Angeles contracts in all areas where such contracts afford such  
45 participation opportunities. Permittee shall assist the City of Los Angeles in implementing this  
46 policy and shall use its best efforts to afford the opportunity for SBEs, MBEs, WBEs, and OBEs to

1 achieve participation in subcontracts where such participation opportunities present themselves and  
2 attempt to ensure that all available business enterprises, including SBEs, MBEs, WBEs, and OBEs,  
3 have equal participation opportunity which might be presented under the Permit.  
4

5 19.14 Service Contract Worker Retention and Living Wage Policy. The Board of  
6 Harbor Commissioners of the City of Los Angeles adopted Resolution No. 5771 on January 13,  
7 1999 agreeing to adopt the provisions of Los Angeles City Ordinance No. 171004 relating to Service  
8 Contract Worker Retention (SCWR) as the policy of the Harbor Department. Further, Charter  
9 Section 378 requires compliance with the City's Living Wage (LW) requirements. Permittee shall  
10 comply with these policies wherever applicable. Violation of this provision, where applicable, shall  
11 entitle the City to terminate this Permit and otherwise pursue legal remedies that may be available.  
12

13 19.15 Business Tax Registration Certificates. Permittee represents that it has  
14 obtained and presently holds the Business Tax Registration Certificates required by the City of Los  
15 Angeles and/or the City of Long Beach, as applicable. Permittee will provide each City evidence  
16 that such certificates have been obtained. Permittee shall maintain all such certificates required of it  
17 by each of the Cities and shall not allow any such certificates to be revoked or suspended.  
18

19 19.16 Manager; Representatives. The Cities may designate one or more property  
20 managers, representatives, designees or employees to serve as their respective contact person or  
21 persons for purposes of this Permit. Permittee agrees to cooperate with any other persons or entities  
22 occupying, managing, using or performing work on the various portions of the Permit Area,  
23 including but not limited to ACTA and its designees.  
24

25 19.17 Equal Benefits Policy. The Board of Harbor Commissioners of the City of  
26 Los Angeles adopted Resolution No. 6328 on January 12, 2005, agreeing to adopt the provisions of  
27 Los Angeles City Ordinance 172,908, as amended, relating to Equal Benefits, Section 10.8.2.1 et  
28 seq. of the Los Angeles Administrative Code, as a policy of the Harbor Department.  
29 Consultant/Contractor shall comply with the policy wherever applicable. Violation of the policy  
30 shall entitle the City to terminate any agreement with Consultant/Contractor and pursue any and all  
31 other legal remedies that may be available.  
32

33 20. ADDITIONS. There is attached to this permit an addendum, consisting of numbered  
34 Paragraphs N/A, inclusive, the provisions of which are made a part of this permit as though set forth  
35 herein in full.  
36

37 21. DELETIONS. Paragraph(s) N/A (is, are) deleted and (is, are) not to be considered as  
38 constituting a part of this permit, and (it, they) (is, are) so marked.  
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This Permit shall be effective upon the date of last execution by the Executive Directors.

“PERMITTEE”

County Sanitation District No. 2 of  
Los Angeles County

April 10, 2013

By: *David W Armenta*  
Name: DAVID W ARMENTA  
Title: CHAIR

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

ATTEST:

By *Kimberly S. Compton*  
Secretary to the Board

APPROVED AS TO FORM:

LEWIS, BRISBOIS, BISGAARD & SMITH LLP

By *J.B.*  
District Counsel



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“CITIES”

THE CITY OF LONG BEACH, a municipal corporation, acting by and through its Board of Harbor Commissioners

\_\_\_\_\_, 20\_\_

By: \_\_\_\_\_  
Richard D. Steinke, Executive Director  
Long Beach Harbor Department

Approved as to form this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

ROBERT E. SHANNON, City Attorney

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

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THE CITY OF LOS ANGELES, a municipal corporation, acting by and through its Board of Harbor Commissioners

\_\_\_\_\_, 20\_\_

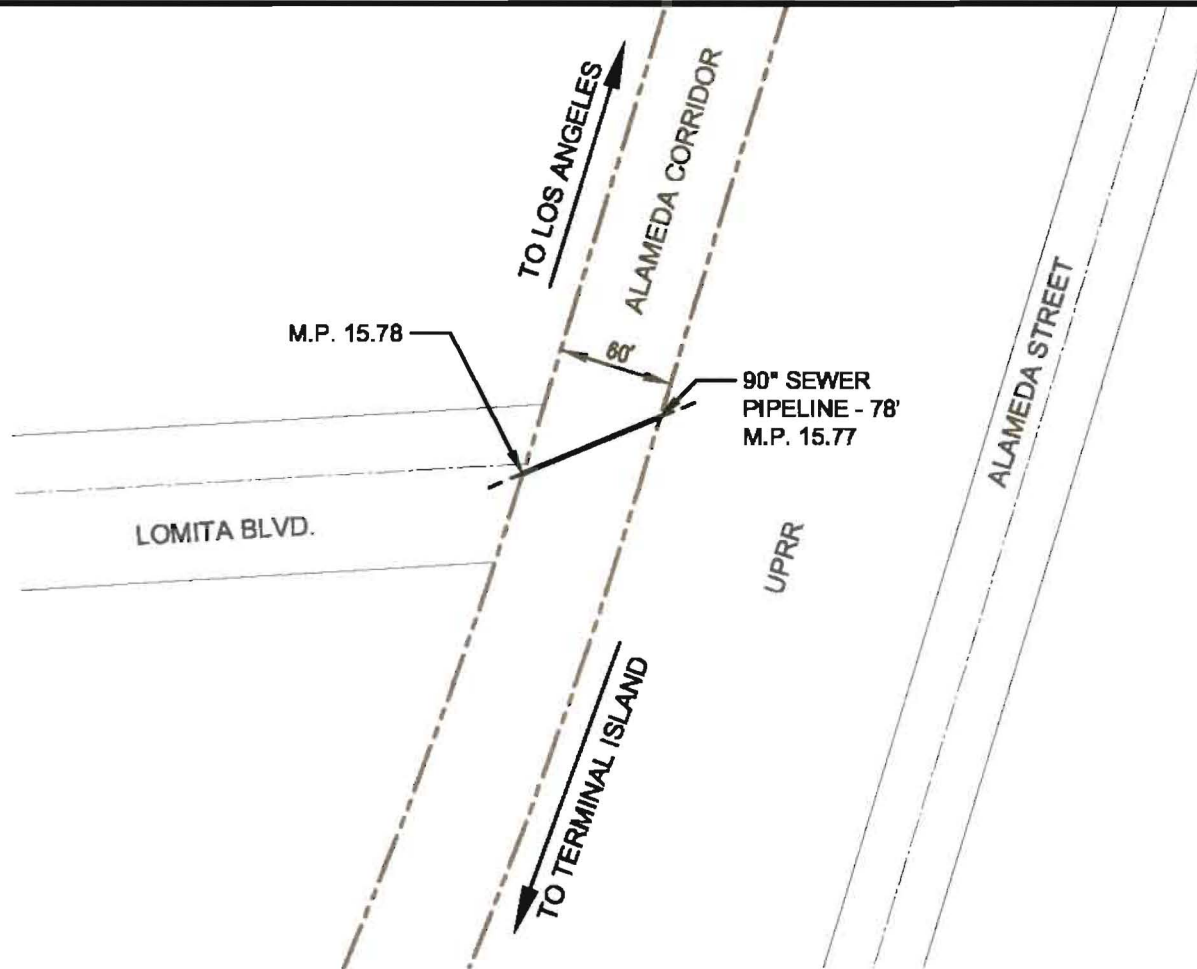
By: \_\_\_\_\_  
Geraldine Knatz, Ph.D., Executive Director  
Los Angeles Harbor Department

Attest: \_\_\_\_\_  
Secretary

Approved as to form this 25<sup>th</sup> day of April, 2013.

CARMEN A. TRUTANICH, City Attorney  
By:   
Deputy City Attorney

# EXHIBIT A



50' 25' 0" 50' 100'

1" = 100'

LEGEND	
CITIES' R/W LINE	----
FACILITY INSIDE CITIES' R/W	=====
FACILITY OUTSIDE CITIES' R/W	-----
STREET R/W LINE	====
STREET CENTERLINE	-----

<i>Paragon Partners Ltd.</i> 5762 Bolsa Avenue, Ste. 201 Huntington Beach, CA 92649				PORT OF LONG BEACH/PORT OF LOS ANGELES	
				PERMITTEE COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY	90° SEWER PIPELINE
RR: ALAMEDA CORRIDOR		15' - PERMIT AREA WIDTH		78' - TOTAL PERMIT AREA LENGTH	
MP 15.77 - 15.78		1,170 Sq. Ft. - TOTAL APPROXIMATE PERMIT AREA			
CITY CARSON & LOS ANGELES (WILMINGTON)		COUNTY LOS ANGELES		PAGE 1 OF 1	
SCALE AS SHOWN		THOMAS GUIDE 794-H3	DATE 09-07-10	PREPARED BY ESM	

EXHIBIT B

LOS ANGELES  
CALIFORNIA

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

LONG BEACH  
CALIFORNIA

**Alameda Corridor Transportation Authority Right-of-Way Work Permit Protocols**

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The Alameda Corridor Transportation Authority (ACTA) railroad right-of-way is owned by the Harbor Departments of the Cities of Los Angeles and Long Beach (Cities). These Work Permit Protocols are applicable to the Permittee and any of their contractors, agents or other parties entering the Right-of-Way pursuant to the Permit.

1.0 Conditions for Physical Access to the ACTA Property.

All Permittees, whether under an existing permit or a newly issued JRP must conform to the following conditions for physical access to the ACTA Property.

1.1 ACTA is responsible for track integrity within the railroad right-of-way. Permittee is responsible for any damage to the existing track or right-of-way due to any construction, alteration and/or operations. A pre-inspection of the site prior to work is required to verify existing conditions.

1.2 A Railroad work plan shall be submitted to the Cities and ACTA for approval of any access to the ACTA railroad right-of-way. A copy of the required Work Plan is included as Attachment 2 of this Exhibit B.

1.3 The Permittee or their Contractor must make arrangements for access with ACTA’s Manager of Corridor Rail Facilities (See Attachment 1 of this Exhibit B). Failure to do so or failure to abide by his requirements and instructions will be cause for termination of the JRP/license and will result in personnel being removed from the right-of-way.

1.4 At the Cities or ACTA’s discretion, a full time qualified inspector, employed by the Cities, Paragon or ACTA and paid by the entity requiring access for any work or access to the Cities owned railroad property may be required.

1.5 Daily written email or faxed reports of work within the Cities owned railroad property may be required. These reports will include all activity within the railroad right-of-way (including work force, equipment, date/time, and actual work performed) and a description of any injuries, accidents, or unusual circumstances, which occurs. Paragon to distribute the daily reports to ACTA and Cities.

## EXHIBIT B

1 1.6 Any work within 25-feet measured perpendicular from centerline of the  
2 nearest track (including the length of crane boom) within the railroad right-of-  
3 way shall require a Flagperson. This includes above and below ground work.  
4 The Flagperson shall be provided by ACTA and paid for by the entity doing  
5 work or requiring access to the Cities owned railroad property. The request for  
6 a Flagperson shall require no less than a 14-day advance notice to ACTA from  
7 the entity doing work or requiring access. ACTA will provide a Flagperson at  
8 their own discretion. The ACTA contact for a Flagperson on the ACTA  
9 railroad right-of-way shall be the Manager of Corridor Rail Facilities (See  
10 Attachment 1 of this Exhibit B).

11 1.7 Daily contact shall be required between ACTA and the entity doing work or  
12 access to the railroad property. The ACTA contact is the Manager of Corridor  
13 Rail Facilities.

14 1.8 All excavations shall be continuously shored. Temporary shoring shall be  
15 designed for a minimum of E80 loading using AREMA standards and the  
16 method of Shoring shall be approved by Paragon engineering and/or ACTA's  
17 Engineer at Permittee's expense. Prior to the start of work, the approved plans  
18 shall be sent to the Cities and ACTA. The full length of all excavations on the  
19 railroad right-of-way shall have trench plate covering when unattended.  
20

21 1.9 All work shall be performed during daylight hours, Monday through Friday,  
22 unless approved otherwise in writing by the Cities and ACTA. Work shall  
23 progress in a manner that all work shall be completed in the least possible  
24 time.

25 1.10 Temporary Horizontal Construction Clearances

26 A minimum temporary horizontal construction clearance of 12 feet, measured  
27 perpendicular from the centerline of the nearest track, to all physical  
28 obstructions including but not limited to formwork, stockpiled materials,  
29 parked equipment, bracing or other construction supports, shall be provided.  
30 Temporary horizontal construction clearance shall provide space for drainage  
31 ditches parallel to the standard roadbed section or provide alternative system  
32 that maintains positive drainage. Greater clearances may be required for  
33 special cases to satisfy local operating conditions such as required sight  
34 distance for signals. All access roads along the right-of-way shall remain  
35 unobstructed at all times so that maintenance and emergency vehicles may  
36 pass unrestricted through work areas. The work and storage areas shall be  
37 kept free of tripping hazards at all times. All excavated materials shall be  
38 stockpiled in an area approved by the Cities and ACTA. The temporary  
39 horizontal clearances are subject to local operating requirements and ACTA  
40 approval.

41

**EXHIBIT B**

1           1.11   Temporary Vertical Clearances

2                   A minimum temporary vertical construction clearance of 21 feet measured  
3                   above top of high rail for all tracks shall be provided. The temporary vertical  
4                   clearance shall not be violated due to deflection of formwork. Greater  
5                   temporary vertical clearances may be required. The temporary vertical  
6                   clearances are subject to local operating requirements and ACTA approval.

7           1.12   All personnel of the Permittee and or its contractors and/or subcontractors  
8                   shall possess a valid railroad Roadway Worker Card if work is to be  
9                   performed within 25-feet of the nearest track and shall abide by all safety  
10                  rules and instructions from the Flagperson and the Cities and/or ACTA  
11                  Engineers. Public safety and safeguarding the tracks and the trains that operate  
12                  on those tracks are paramount. Work over or near the tracks will require one  
13                  or more of the following personnel at the Cities and/or ACTA's sole  
14                  discretion and at the Permittee's cost.

15                           1.12.1   Flagperson, Signal Maintainer, Inspector, and/or Engineer:  
16   Requires a 14-day advance notice and will be provided at  
17   the current ACTA rate to be provided at time of service.

18                           1.12.2   ACTA Approval: Before entering upon or performing work  
19   of any kind on the permit area, Permittee shall obtain the  
20   written approval of ACTA for the permit area. Permittee  
21   shall comply with all permit, notification, protective, and  
22   safety requirements imposed by ACTA, and Permittee shall  
23   pay all associated costs.

24           1.13   The Permittee or Permittee's representative will keep a copy of the Ports'  
25                   fully executed agreement, exhibits and all attachments including a complete  
26                   Railroad Work Plan at the job site at all times during the encroachment on the  
27                   Property. Failure to provide the necessary information or documents at the  
28                   job-site will result in the removal of the Permittee, their employees and  
29                   equipment from the ACTA Property.

30           1.14   A final job walkthrough shall be provided within 14-days upon written  
31                   notification to the Cities and ACTA of completion of the work. ACTA and  
32                   Permittee shall prepare a list of the items remaining to be completed. The  
33                   Permittee shall promptly remedy the defective and/or uncompleted portions of  
34                   the work to ACTA's satisfaction. The ACTA contact is the Manager of  
35                   Corridor Rail Facilities. Written confirmation to be provided to the Cities and  
36                   ACTA that all items of the final job walkthrough have been completed to the  
37                   satisfaction of ACTA. Failure to promptly complete the final job walkthrough  
38                   list of items remaining to be completed, shall result in the work being  
39                   completed by ACTA, and Permittee shall pay all associated costs.

**EXHIBIT B**

1 1.15 Paragon Partners shall follow-up and be provided, by Permittee, As-built  
2 drawings within 30-days upon completion of the work. The As-built drawings  
3 shall be provided to ACTA with copies to the Cities. The ACTA contact for  
4 the As-builts is the Manager of Technical Services (See Attachment 1 of this  
5 Exhibit B). ACTA shall keep current utility As-builts to date with copies  
6 made available to the Cities.

7 1.16 See the following additional attachments: Contact List (Attachment 1) and  
8 Railroad Work Plan (Attachment 2). While the Cities make every effort to  
9 update and keep the Contact List current (Attachment 1), Permittee shall  
10 verify the accuracy of Attachment 1 by contacting Paragon Partners and  
11 requesting verification.

12 1.17 Notices to Member Agency Contacts in Writing:

13 The Port of Long Beach  
14 925 Harbor Plaza Dr.  
15 Long Beach, California 90801  
16 Attention: Director of Real Estate  
17 Fax No. 562-901-1739

18  
19 Port of Los Angeles  
20 425 South Palos Verdes Street  
21 San Pedro, California 90731  
22 Attention: Director of Real Estate  
23 Fax No. 310-547-1725

24  
25 Alameda Corridor Transportation Authority  
26 One Civic Plaza, Suite 350  
27 Carson, California 90745  
28 Attn: Manager of Corridor Rail Facilities  
29 Fax No. 310-816-0464

30  
31 Paragon Partners Ltd.  
32 5762 Bolsa Avenue, Suite 201  
33 Huntington Beach, California 92649  
34 Attn: Ports Property Manager  
35 Fax no. 714-373-1234

36 Or such other Property Management firm as may be designated by the Cities  
37 from time to time.

38 These protocols are approved on this date, February 21, 2009.

EXHIBIT B (Attachment 1)

LOS ANGELES  
CALIFORNIA

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

LONG BEACH  
CALIFORNIA

**Alameda Corridor Track Contact List – December 2009**

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**1. Alameda Corridor Transportation Authority:**

- Director of Planning : Art Goodwin (310/847-4303) [agoodwin@acta.org](mailto:agoodwin@acta.org)
- Manager of Technical Services: Lu Hersh (310/816-0460 x190) [hersh@trenchteam.com](mailto:hersh@trenchteam.com)
- Manager of Corridor Rail Facilities: Dan Davis (213/507-4867) [davis@trenchteam.com](mailto:davis@trenchteam.com)
- Railroad Crossing/Signals: Mike Mejia (310/863-0860) [mmejia@bbri.com](mailto:mmejia@bbri.com)

**2. Badger Bridge**

- For Alameda Corridor Emergency, also call: 310/830-0660

**3. Balfour Beatty**

- For Alameda Corridor Emergency, also call: 562/285-0366

**4. Port of Long Beach**

- Real Estate: Mari Takahashi (562/590-4162) [takahashi@polb.com](mailto:takahashi@polb.com)
- Engineering: Carlo Luzzi (562/590-4410) [luzzi@polb.com](mailto:luzzi@polb.com)

**5. Port of Los Angeles**

- Real Estate: Regner Globus (310/732-3291) [rglobus@portla.org](mailto:rglobus@portla.org)
- Real Estate: George Koury (310/732-3865) [gkoury@portla.org](mailto:gkoury@portla.org)
- Real Estate: Frank Sanchez (310/732-3471) [ffsanchez@portla.org](mailto:ffsanchez@portla.org)
- Engineering: Ron Groves (310/732-3648) [rgroves@portla.org](mailto:rgroves@portla.org)

**6. Paragon Partners**

- Jim Lemont (714/379-3376) [jiml@paragon-partners.com](mailto:jiml@paragon-partners.com)
- Marcus Garvey (714/379-3376) [mgarvey@paragon-partners.com](mailto:mgarvey@paragon-partners.com)

**This Contact List shall change from time to time. Permittee shall be at all times responsible for contacting Paragon Partners for the most current list.**

**EXHIBIT B (Attachment 2)**

LOS ANGELES  
CALIFORNIA

ALAMEDA CORRIDOR  
TRANSPORTATION AUTHORITY

LONG BEACH  
CALIFORNIA

**Alameda Corridor Railroad Work Plan – Date:** \_\_\_\_\_

**REQUIREMENTS WHEN WORKING WITHIN, ADJACENT TO, ABOVE, OR  
BENEATH RAILROAD RIGHT-OF-WAY**

**START DATE:** \_\_\_\_\_

**DURATION (Start & End Date):** Start on \_\_\_\_\_ and Ending on \_\_\_\_\_

**TRACK LOCATION:** track number \_\_\_\_\_ track located  
\_\_\_\_\_ (See attached plan.)

**START & STOP TIMES:** Begin each day at \_\_\_\_\_ and end at \_\_\_\_\_

**DESCRIPTION OF WORK:** The work includes  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (See attached plan.)

**WORK CREW:** The work will be performed by \_\_\_\_\_. The equipment used  
will be \_\_\_\_\_.

**SAFETY PROTECTION:**

The work plan is submitted ten (10) days in advance of any work within twenty five (25) feet of track centerline. ACTA will confirm if a Flagperson or watchman is required.

If a Flagperson is required or if equipment is within twelve (12) feet from the nearest track measured perpendicular to the centerline, then flagging to be provided by ACTA. When a Flagperson is required, a new work plan request will be submitted to ACTA a minimum of fourteen (14) working days prior to any work being performed. If a full track closure/outage is necessary, a minimum notice of twenty one (21) working days will be provided to the ACTA for each track closure. The Railroad track closure will be at the full discretion of the ACTA and the railroads who operate on ACTA tracks. The ACTA primary contact is the Manager of Corridor Rail Facilities (213-507-4867). The ACTA secondary contact is the Manager of Technical Services (310-816-0460 x190).

**Note:** The Contractor shall submit the Railroad Work Plan to the Paragon Partners’ Ports Property Manager (714-379-3376). All related permits shall be obtained prior to submitting the work plan.

## EXHIBIT C

### **AFFIRMATIVE ACTION PROGRAM PROVISIONS**

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#### **Sec. 10.8.4 Affirmative Action Program Provisions.**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such contract:

- A. During the performance of City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
  - 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
  - 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
  - 3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the

## EXHIBIT C

purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

- E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be

## EXHIBIT C

used by an awarding authority of the City to accomplish this contract compliance program.

- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.
- K. The Contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
  - 1. Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
  - 2. A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding

## EXHIBIT C

authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
  2. Classroom preparation for the job when not apprenticeable;
  3. Pre-apprenticeship education and preparation;
  4. Upgrading training and opportunities;
  5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
  6. The entry of qualified women, minority and all other journeymen into the industry; and
  7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's workforce to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the workforce or replacement of those employees who leave the workforce by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

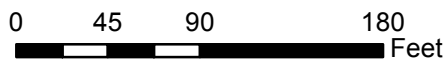
## EXHIBIT C

- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

# Proposed LACSD Sewer Line



Transmittal 2



Harbor Department  
Planning & Economic Development  
Map Produced 4/2013

