

**AGENDA
CITY COUNCIL MEETING**

Tuesday, October 22, 2019

6:30 PM

**City Hall Council Chambers
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024**

*John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member*

*Sue Spears, City Clerk
Michael Amerio, City Treasurer*



CALL TO ORDER/ROLL CALL MEMBERS OF THE CITY COUNCIL:

Mayor Harabedian, Mayor Pro Tem Capoccia, Council Member Arizmendi, Council Member Delmar, and Council Member Goss

PLEDGE OF ALLEGIANCE AND INSPIRATION:

Council Member Gene Goss.

APPROVAL OF MEETING AGENDA:

Vote of the Council to proceed with City business.

MAYOR AND CITY COUNCIL REPORTS:

Reporting of Council Member activities related to City business.

PUBLIC COMMENT:

The Council will listen to the public on any item on the agenda. Under the Brown Act, Council is prohibited from taking action on items not on the agenda, but the matter may be referred to staff or to a subsequent meeting. Each speaker will be limited to three continuous minutes, which may not be delegated. These rules will be enforced but may be changed by appropriate City Council action.

PUBLIC COMMENT FOR ITEMS ON THE AGENDA:

Persons wishing to speak on any item on the agenda will be called at the time the agenda item is brought forward. Persons wishing to speak on closed session items have a choice of doing so either immediately prior to the closed session or at the time for comments on items at the open session.

PRESENTATIONS

Presentation to Sierra Madre Little League in Congratulations for their Championship Win

Presentation in recognition of Retiring Fire Captain Greg Christmas

Update from Sierra Madre CERT

Recognition of Council Member Denise Delmar for her service to the Community of Sierra Madre

ACTION ITEMS

CONSENT

a) **SECOND READING OF ORDINANCE 1416 – ADOPTION OF THE 2019 CALIFORNIA BUILDING CODE**

Staff recommends that the City Council introduce and approve for Second reading by title only, and waive further reading, recommending adoption of Ordinance 1416 pursuant to the 2019 California Building Standards Code amendments

b) **SECOND READING OF ORDINANCE 1417 – ADOPTION OF THE 2019 FIRE CODE**

Staff recommends that the City Council introduce and approve for second reading Ordinance 1417 by title only, recommending adoption of Ordinance 1417 pursuant to the 2019 California Fire Code and International Fire Code amendments.

c) **TREASURERS REPORT- QUARTER ENDING JUNE 30, 2019.**

Staff recommends that the City Council receive and file the Treasurer's Report- Quarter Ending June 30, 2019

d) **AWARD THE PROFESSIONAL SERVICES CONTRACT TO WEST AND ASSOCIATES FOR ENGINEERING DESIGN SERVICES FOR THE DESIGN OF FY 2019-20 STREET IMPROVEMENTS**

Staff recommends that the City Council award a professional services contract to West and Associates Engineering INC. for engineering design service in the amount of \$45,500 and authorize City Manager or their designee to execute the Professional Services Agreement with said firm.

e) **ADOPTION OF RESOLUTION 19-54 OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE APPROVING CERTAIN DEMANDS**

Recommendation that the City Council approve Resolution 19-54 for approval of payment of City warrants in the aggregate amount of \$979,730.07; Sierra Madre Library warrants in an aggregate amount of \$3,929.60; and payroll transfer in the aggregate amount of \$355,105.61 for the fiscal year ending June 30, 2019.

DISCUSSION

1. **WATERWORKS AMENITY IMPROVEMENTS**

Staff recommends the City Council authorize expenditures on amenity improvements not to exceed \$40,000.

2. **MASTER LEASE AGREEMENT WITH TOWERPOINT CAPITAL, LLC, FOR THE SALE OF LEASE INTEREST IN WIRELESS COMMUNICATION SITES ON CITY PROPERTY**

Staff recommends the City Council execute the letter of intent with TowerPoint Capital, LLC for the exclusive option to purchase lease interest in wireless communication sites on City property, and adopt resolution 19-55, a resolution of the City Council of the City of Sierra Madre, California, authorizing the Mayor to execute master lease agreements and other necessary documents for the assignment of certain specified telecommunications leases to TPA III, LLC.

3. CONSIDERATION OF ADOPTING RESOLUTION 19-56 AMENDING THE CITY'S TUITION REIMBURSEMENT PROGRAM AND EDUCATIONAL COSTS ASSISTANCE PROGRAM POLICY

Staff recommends the City Council adopt Resolution 19-56 amending the proposed Tuition Reimbursement Program and Educational Costs Assistance Program policy.

4. OPTIONS FOR FILLING CITY COUNCIL VACANCY

Staff recommends that the City Council provide staff with direction.

ACTION ITEMS

Regardless of staff recommendation on any agenda item, the City Council will consider such matters, including action to approve, conditionally approve, reject, or continue such item.

AVAILABILITY OF AGENDA MATERIALS

Materials related to items on this agenda are available for public inspection on the City's website at www.cityofsierramadre.com, and during normal business hours at City Hall, 232 W. Sierra Madre Blvd. and at the Sierra Madre Public Library, 440 W. Sierra Madre Blvd.

LIVE BROADCASTS

Regular City Council meetings are broadcasted live on Cable Channel 3 and rebroadcast on Wednesday and Saturday at 5:30 p.m.

MEETING ASSISTANCE

If you require special assistance to participate in this meeting, please call the City Manager's office at (626) 355-7135 at least 48 hours prior to the meeting.

ADJOURNMENT

The City Council will adjourn to a Public Hearing at this same place on NOVEMBER 12, 2019.



City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Harabedian and Members of the City Council

FROM: James Guerra, Building Official

REVIEWED BY: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: **SECOND READING OF ORDINANCE 1416 – ADOPTION OF THE 2019 CALIFORNIA BUILDING CODE**

STAFF RECOMMENDATION

Staff recommends Alternative No. 1 that the City Council introduce and approve for Second reading by title only, and waive further reading, recommending adoption of Ordinance 1416 pursuant to the 2019 California Building Standards Code amendments

ALTERNATIVES

1. Introduce and approve for second reading by title only, and waive further reading Ordinance 1416, and direct the City Attorney to prepare a summary ordinance.
2. Introduce and approve for second reading by title only, and waive further reading Ordinance 1416 as amended by the City Council, and direct the City Attorney to prepare a summary ordinance.

SUMMARY

At the meeting on October 8, 2019 the City Council introduced for first reading recommending adoption of Ordinance 1416 adopting the California Building Standards Code (Title 24, California Code of Regulations), which serves as the basis for the design and construction of buildings in California. All parts of the Code are updated every three years with the goal of improved safety, sustainability, maintaining consistency, new technology and construction methods, and reliability.

On January 1, 2020, the updated California Building Code will be become effective statewide. Subsequently, the City of Sierra Madre is required to adopt and enforce the same code with local amendments. Currently, the City is enforcing the 2017 California Buildings Laws with local amendments.

The City Council did not make any modifications to Ordinance 1416, which has been written to amend the Sierra Madre Municipal Code relating to the adoption and amendment of the 2019 California Building Laws to meet State requirements.

After discussion of the proposed amendments, the City Council in a noticed public hearing approved for first reading, Ordinance 1416.

Staff recommends that the City Council introduce and approve for second reading by title only, and waive further reading, recommending adoption of Ordinance 1416 pursuant to the 2019 California Building Standards Code amendment, and direct the City Attorney to prepare a summary of Ordinance 1416 pursuant to Government Code Section 36933(c)(1).

ANALYSIS

Ordinance 1416 amends Title(s): 15.04, 15.06, 15.08, 15.16, 15.20, 15.26, 15.30, 15.34 and 15.36 as follows:

Section 1 Adoption of the California Building Code with specific amendments.

Section 15.04.010 is amended to adopt the 2019 California Building Code with specific amendments applicable to the City of Sierra Madre as the amendments developed by the Los Angeles County Regional Uniform Code Program.

Section 2 Adoption of the California Residential Code with specific amendments.

Section 15.06.010 is amended to adopt the 2019 California Residential Code with specific amendments applicable to the City of Sierra Madre as the amendments developed by the Los Angeles County Regional Uniform Code Program.

Section 3 Adoption of the California Mechanical Code with specific amendments.

Section 15.08.010 is amended to adopt the 2019 California Mechanical Code with specific amendments applicable to the City of Sierra Madre.

Section 4 Adoption of the California Electrical Code with specific amendments.

Section 15.16.010 is amended to adopt the 2019 California Electrical Code with specific amendments applicable to the City of Sierra Madre.

Section 5 Adoption of the California Plumbing Code with specific amendments.

Section 15.20.010 is amended to adopt the 2019 California Plumbing Code with specific amendments applicable to the City of Sierra Madre.

Section 6 Adoption of the Existing Building Code.

Section 15.26.010 is amended to adopt the 2019 International Existing Building.

Section 7 Adoption of the California Green Building Code

Section 15.030.010 is amended to adopt the 2019 California Green Building Code with specific amendments applicable to the City of Sierra Madre as the amendments developed by the Los Angeles County Regional Uniform Code Program Code.

Section 8 Adoption of the California Energy Code.

Section 15.34.010 is amended to adopt the 2019 California Energy Code with specific amendments applicable to the City of Sierra Madre as the amendments developed by the Los Angeles County Regional Uniform Code Program Code.

Section 9 Adoption of the California Referenced Standards Code.

Section 15.36.010 is amended to adopt the 2019 California Referenced Standards Code.

Section 10 Reference to previous code adoptions and continuing legal effect.

Section 11 Continuity of previous codes.

Section 12 Enforceability of code.

Section 13 Supplementary of existing law.

Section 14 Modifications of California Building Code.

Section 15 Severability.

Section 16 Effective Date.

Section 17 CEQA exemption.

Section 18 Publication.

Section 19 Certification.

FINANCIAL REVIEW/SOURCE OF FUNDING

There is no fiscal impact related to the adoption of Ordinance 1416. Staff time was incurred in the preparation of the report and draft ordinance.

ENVIRONMENTAL (CEQA)

The project qualifies for an exemption from the California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations as it can be seen with certainty that there is no possibility the adoption of the Ordinance may have a significant effect on the environment, because it will enforce the California Building Standards Code (Title 24 California Code of Regulations) that serve as the basis for the design and construction of buildings in California to improve safety, sustainability, maintaining consistency, new technology and construction methods, and reliability.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. This item has been noticed through the regular agenda notification process. Notice of the hearing was published consistent with the requirements of Government Code Section 65090, including publication of a summary notice of public hearing in the local adjudicated newspaper. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments

Attachment 1: City Council Ordinance 1416

Exhibit A - Sierra Madre 2019 California Building Code Findings

ORDINANCE NO 1416

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE AMENDING THE MUNICIPAL CODE TO ADOPT BY REFERENCE THE 2019 CALIFORNIA BUILDING STANDARDS CODES WITH CERTAIN EXCEPTIONS, MODIFICATIONS AND ADDITIONS

WHEREAS, the City Council of the City of Sierra Madre does hereby find that there is a need to enforce the most current editions of the California Building Standards Code, with the local amendments recited herein for regulating and controlling the design, erection, construction, enlargement, installation, alteration, repair, relocation, removal, use, occupancy, demolition, conversion, height, area, location, maintenance, and quality of materials of all buildings and structures and plumbing, mechanical, electrical and fire suppression systems and certain equipment's within the City;

WHEREAS, pursuant to sections 17922, 17958, 17958.5 and 17958.7 of the California Health & Safety Code, the City may adopt the provisions of the Building, Residential, Green Building Standards, Energy, Referenced Standards Plumbing, Mechanical and Electric Codes, with certain amendments to the provisions of the codes which are reasonably necessary to protect the health, wealth and safety of citizens of Sierra Madre because of local climatic, geological and topographical conditions;

WHEREAS, the City Council of the City of Sierra Madre made the factual findings outlined in Exhibit 1 attached hereto relating to the amendments to the uniform codes recited herein in accordance with Health & Safety Code section 18941.5;

WHEREAS, the City Council also finds that areas within the City are hazardous fire areas that have only limited fire suppression forces and facilities available for the protection of life and property;

WHEREAS, the City Council does hereby further find that the southern California region, which includes the City, is within a very active seismic area and local soil conditions can be highly expansive and subject to local topographic considerations including extensive hillside construction that is prone to erosion;

WHEREAS, the City Council does hereby further find that in accordance with section 15061(b)(3) of the California Code of Regulations, the adoption of local amendments to the California Building Standards Code, and amending the Sierra Madre Municipal Code are exempt from the provisions of the California Environmental Quality Act.

THE CITY COUNCIL OF THE CITY OF SIERRA MADRE DOES ORDAIN AS FOLLOWS:

SECTION 1. Amendments to Chapter 15.04, entitled “Building Code and Permits.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.04.010 Adoption of the 2019 California Building Code.

Subject to the additions, deletions and amendments specified in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled 2019 California Building Code based on the “International Building Code 2018 edition,” promulgated by the International Code Council and referred to and by this reference expressly incorporated herein and made part hereof as fully and for all intents and purposes as though set forth at length, and said 2019 California Building Code is made part of this code and the same shall be designated, known and referred to as the “building code” of and for the city.

15.04.030 Amendment to Section 702 Very High Fire Hazard Severity Zone.

A. The definition of “Very high fire hazard severity zone” in Section 702A of the 2019 California Building Code is amended to provide as follows.

Fire hazard severity zones are geographical areas designated pursuant to California Public Resources Code sections 4201 through 4204 and classified as very high, high, or moderate in state responsibility areas or as local agency very high fire hazard severity zones designated pursuant to California Government Code sections 51175 through 51189. See California Fire Code Article 86.

The California Code of Regulations Title 14 Sections 1280 entitles the maps of these geographical areas as “maps of the fire hazard severity zones in the state responsibility area of California.”

For the purposes of this code, the entire city of Sierra Madre is hereby established as a Fire District and shall contain within it an area designated as a very high fire hazard severity zone, and shall include such territories or portions of said city as outlined in Chapter 15.04 of the Sierra Madre Municipal Code. Whenever in this code, reference is made to any fire zone; it shall be construed to mean the fire zone created by this chapter.

B. Section 704A 2019 California Building Code is revised to add:

Building or structures hereafter erected, constructed, moved within or into the very high fire hazard severity zone shall meet the requirements of this section as follows:

1. Exterior walls of all buildings shall be of one-hour, fire-resistive construction. Exterior glass in such walls shall be double-glazed. Wood shake shingles being used as an exterior wall covering shall be treated with an approved fire retardant chemical.
2. Roof soffits (including eaves), open patios, carports, porches, unenclosed underfloor areas and all open structures, attached or detached, shall be protected on the under side with materials as approved for one-hour fire-resistive construction or shall be of incombustible materials throughout.

Exceptions:

- a. Asphalt composition shingles with Class "B" rating.
- b. When in the opinion of the Building Official, no material increase in fire hazard will occur, additions not exceeding twenty-five percent (25%) of the existing square footage over the life of the building, may be covered with the same materials used on the existing building.
- c. Any roof covering conforming to the specifications of the Underwriters Laboratory (UL) for Class "A" roof covering as published in the Underwriters Laboratory "List of Fire Protection Equipment and Materials" shall be considered a "fire-retardant" roof covering".

15.04.090 Amendment to Section 1505 Roofs – Fire Classifications.

The 2019 California Building Code Section is amended to add the following to Sections 1505:

- A. Any building alteration, replacement or repair, which does not exceed twenty-five percent of the area of the existing roof, over the life of the structure, may use existing like materials on said roof.
- B. Any building alteration, replacement or repair, which exceeds fifty percent of the area of the existing roof, over the life of the structure, shall be made with fire retardant covering as specified in the California Building Code.
- C. Any building alteration, replacement or repair, which exceeds fifty percent of the area of the existing roof, over the life of the structure, shall be made with fire retardant covering as specified in the 2019 California Building Code.
- D. Any building addition, which does not exceed twenty-five percent of the area of the existing roof, over the life of the structure, may use existing like material on the roof addition, and any alteration, replacement or repairs to the existing roof, required by such addition may also use existing like materials.

E. Any building addition, which exceeds twenty-five percent of the area of the existing roof, over the life of the structure, shall be made with fire retardant covering as specified in the 2019 California Building Code, and any alterations, replacements or repairs to the existing roof, required by such addition, shall also be made with such fire retardant roof covering.

F. Wood roofs shall not be considered a Class A covering regardless of the rating of an assembly.

15.04.100 Amendment – Section 202 – Additions, alterations or repairs.

A. The following is added to the end of Section 202 of the 2019 California Building Code:

The phrase “additions, alterations and repairs” as used in this section, and all subsections thereof, shall not be construed to apply to the remodeling of an existing building to provide new facades or other aesthetic embellishments or accouterments which do not modify the structural support or members of such building.

B. Section 3403 of the 2019 California Building Code is amended to include and read as follows:

Section 3403 Buildings or structures to which additions, alterations or repairs are made shall comply with all requirements of this code for new facilities except as specifically provided in this section. See section 907 of the Building Code for provisions requiring installation of smoke detectors in existing Group R, Division 3 Occupancies.

15.04.110 Amendment – Section 109.4 Work commencing before permit issuance.

The following is added to the end of Section 109.4 of the 2019 California Building Code:

Where the work for which permit is required by this code is started or proceeded prior to obtaining said permit, the building permit fee shall be doubled, but the payment of such double fee shall not relieve any persons from fully complying with the requirements of this Code in the execution of the work nor from any penalties prescribed herein.

15.04.115 – Section 105.7 Demolition Permits.

The following is added to Section 105 of the 2019 California Building Code.

Section 105.7 Demolition Permits.

- A. No permit for the demolition of all or any substantial portion of any building in the city shall be issued for a period of thirty days after such application is made. For the purposes of this chapter, demolition shall be considered the alteration, reconstruction, or elimination of 50% or more, of the floor area or monetary value. Projects that involve less than 50% of the alteration, reconstruction, or elimination of the floor area or monetary value may still be subject to requirements of Chapter 8.13 and/or 12.20 of this code.
- B. There is a 30 day wait period after the application is submitted.
- C. Within 10 days of the application, the applicant should submit a mitigation plan for vermin, noise, dust, asbestos, salvage, trash removal, air pollution, historic preservation, and neighborhood peace and enjoyment. Failure to submit such mitigation report may be grounds for denying such permit.
- D. Notice of the application for a demolition permit shall be made available within three days to every city councilmember and city official. Copies of the applicant's mitigation report shall also be made in similar fashion.
- E. Prior to the release of the demolition permit, the applicant shall demonstrate that notification of, and compliance with, the following:
 - 1. South Coast Air Quality Management District (AQMD);
 - 2. Electricity provider;
 - 3. Natural gas provider; and
 - 4. City Department of Public Works (Chapters 8.13 and 12.20.)
- F. Prior to the issuance of a demolition permit, the applicant shall file (in general terms) his/her intended reuse of the property with development services department. Such plan shall indicate the intended use and condition of the property after the demolition of structures requested within the demolition permit is concluded.
- G. Notwithstanding any other provision of this chapter, in the event of an immediate threat to the public health, safety and welfare, the thirty-day "wait" period for the issuance of a demolition permit may be waived. Evidence of such an immediate threat shall be submitted by the applicant to the director of development services. Upon receipt of such information, the director of development services shall determine if an immediate threat to the public

health, safety and welfare exists.

- H. The filing of any notice or report, as called for herein, is not intended to vest any discretion (under CEQA or otherwise) in the building official to deny such application. Instead, at the end of the thirty-day period, such permit shall be issued unless such issuance is contrary to any law or regulation applicable at that date.
- I. To the extent, if any, that this Section 115 differs from the 2019 California Building Code (CBC), the city council finds that there are conditions unique to this city that justify such change, including high fire danger, steep hillsides, vermin infestation, wildlife and asbestos levels, the issuance of a demolition permit shall be considered a ministerial duty under the provisions of CEQA Section 15268 except for historical and unique archeological resources as outlined in CEQA Section 15064.5. If the demolition permit is for a historic structure, a cultural resources report shall be prepared at the property owner's expense.
- J. Any person, firm or corporation demolishing a structure without a permit shall be guilty of a misdemeanor, and upon conviction of any such person shall be punishable by a fine of not more than one thousand dollars or by imprisonment in the city jail for not more than one hundred eighty days, or by both such fine and imprisonment.
- K. Demolitions of Historic Structure.
 - 1. If a structure that is deemed to be a historic resource is demolished without a permit:
 - a) The violator shall within one year completely rebuild the demolished structure to pre-existing condition and shall submit a surety bond that shall be in amount equal to the replacement value as calculated by the department of development services;
 - b) The city may rebuild it within said one-year period placing the costs thereof as a lien on the property which shall indemnify the city against all costs so incurred and all liabilities arising there from; or
 - c) No building or construction related permits shall be issued, and no permits or use of the property shall be allowed, from the date of demolition for a specified time period, as follows: for five years, if the structure was listed or deemed eligible for listing on the local, state, or Federal Registry of Historic Resources. In addition, for a historic structure, a cultural resources report shall be prepared at the property owner's expense. For the purposes of this section, the demolition shall be presumed to have occurred on the date the city has actual knowledge of the demolition. The owner shall have the burden of

proving a different date if one is claimed. Such waiting period shall be for the purpose of consideration of rebuilding, relocation, grants, etc., for replacement.

2. The Director Planning and Community Preservation services shall cause notice that this section is applicable to property to be served by mail on the person shown as the owner on the rolls of the tax assessor, and on any other person known to have an interest in the property, as soon as practicable after having knowledge that the provisions of this section are applicable to property. The date the city first had actual knowledge of the demolition shall be stated in the notice. The provisions of this subsection are directory only.
3. The decision of the Director that this section is applicable may be appealed by the property owner to the city council. The city council may grant relief from the requirements of this section if the demolition in violation of this section was not done to any of the following:
 - a) A building or structure deemed eligible for landmark status;
 - b) A building or structure listed or deemed eligible for listing in the National Register of Historic Places;
 - c) A building or structure listed or deemed eligible for listing in the California Register of Historical Resources;
 - d) Any cultural resource determined to have historic significance.

15.04.117 Section 105.2 Work Exempt from Permits.

Section 105.2 Building Exception 2 is hereby deleted and the following is added at the end of Section 105.2 of the 2019 California Building Code:

“All walls, retaining walls and fences regardless of type or height shall require building permits.”

15.04.118 Amendment – Section 903 Automatic Fire Sprinklers.

The following sections within section 903 of the 2019 California Building Code, entitled, “Automatic Sprinkler Systems” are revised to provide as follows:

903.2.1.1 Group A-1. An automatic sprinkler system shall be provided for Group 1 occupancies in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.1.2 Group A-2. An automatic sprinkler system shall be provided for Group A-2 occupancies in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.1.3 Group A-3. An automatic sprinkler system shall be provided for Group A-3 occupancies in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.1.4 Group A-4. An automatic sprinkler system shall be provided for Group A-4 occupancies in accordance with Code Sierra Madre Municipal section 15.24.120.

903.2.1.5 Group A-5. An automatic sprinkler system shall be provided for Group A-5 occupancies in the following areas: concession stands, retail areas, press boxes, and other accessory use areas in accordance with Code section 15.24.120.

903.2.2 Group B ambulatory health care facilities. An automatic sprinkler system shall be provided throughout all buildings containing Group B ambulatory health care occupancy in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.3 Group E. Except as provided for in Sections 903.2 .2 .1 for a new public school campus and 907.2.3.6.1 (fire alarm and detection) for modernization of an existing public school campus building(s), an automatic sprinkler system shall be provided for Group E occupancies in accordance with Code section 15.24.120.

903.2.4 Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.5 Group H. Automatic sprinkler systems shall be provided in high-hazard occupancies as required in Sections 903.2.5.1 through 903.2.5.3.

903.2.5.1 General. An automatic sprinkler system shall be installed in Group H occupancies in accordance with Code section 15.24.120.

903.2.6 Group I. An automatic sprinkler system shall be provided throughout buildings with a Group I in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.7 Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy in accordance with Sierra Madre Municipal Code section 15.24.120.

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R in accordance with Sierra Madre Municipal Code section 15.24.110.

903.2.9 Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 in accordance with Code section 15.24.120.

903.2.9.1 Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages in accordance with the California Building Code.

903.2.9.2 Bulk storage of tires. Buildings and structures with an area for the storage of shall be equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1.

903.2.10 Group S-2. An automatic sprinkler system shall be provided throughout buildings classified as enclosed parking garages in accordance with Section 409.4 of the California Building Code or where physically located beneath other occupancy groups.

903.2.10.1 Commercial parking garages. An automatic sprinkler system shall be provided throughout buildings used for storage of commercial trucks or buses.

15.04.120 Adoption of Los Angeles Regional Code Program – Los Angeles Basin Chapter 2019 Technical Amendments.

The 2019 California Building, Code is hereby amended by adopting by reference the Technical Amendments as published on May 29, 2019 by the Los Angeles Regional Uniform Regional Code Program – International Code Council – Los Angeles Basin Chapter.

SECTION 2. Amendments to Chapter 15.06, entitled “California Residential Code.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.06.010 Adoption of the 2019 California Residential Code.

Subject to the additions, deletions and amendments specified in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled 2019 California Residential Code based on the “International Residential Code 2018 edition,” promulgated by the International Code Council of Whittier, California. and referred to and by this reference expressly incorporated herein and made part hereof as fully and for all intents and purposes as though set forth at length, and said 2019 California Residential Code is made part of this code and the same shall be designated, known and referred to as the “Residential Code” of and for the city.

15.06.020 Amendment - Section R105.2 Work Exempt from Permits.

Section R102.2 Building Exception 2 is hereby deleted and the following is added to the end of Section R105.2 of the 2019 California Residential Code:

“All walls, retaining walls and fences regardless of type or height shall require building permits.”

15.06.030 Amendment - Section R108.6 Work commencing before permit issuance.

The following is added to the end of Section R108.6 of the 2019 California Residential Code:

Where the work for which permit is required by this code is started or proceeded prior to obtaining said permit, the building permit fee shall be doubled, but the payment of such double fee shall not relieve any persons from fully complying with the requirements of this Code in the execution of the work nor from any penalties prescribed herein.

15.06.040 Amendment - Townhouse automatic fire sprinkler systems.

Section R313.1 of the California 2019 Residential Code is amended to provide as follows:

“An automatic residential fire sprinkler system shall be installed in townhouses in accordance with accordance with Sierra Madre Municipal code section 15.24.110.”

15.06.050 Amendment - One and two family dwellings automatic fire systems.

The following is added to the end of Section R313.2 of the 2019 California Residential Code:

“An automatic residential fire sprinkler system shall be installed in one- and two-family dwellings in accordance with accordance with Sierra Madre Municipal code section 15.24.110.”

15.06.060 Amendment – Required sprinkler locations, exception 4.

Section R313.3.1.1, of the California 2019 Residential Code exception 4 is amended to read as follows:

“Detached garages and carports in accordance with Sierra Madre Municipal code section 15.24.110.”

15.06.070 Water flow detector alarm.

A new section R313.3.3.5 of the California 2019 Residential Code is added to the Residential code and shall be entitled “Water flow detector alarm.” That section shall provide:

“Water supply.”

“The flow of one sprinkler shall activate a water flow detector alarm that shall be audible on the exterior of the building.”

15.06.080 Adoption of Los Angeles Regional Uniform Code Program Technical amendments to the 2019 California Residential Code.

The 2019 California Residential Code is hereby amended by adopting by reference the Technical Amendments as published by the Los Angeles Regional Uniform Regional Code Program – International Code Council – Los Angeles Basin Chapter published May 29, 2019.

SECTION 3. Amendments to Chapter 15.08, entitled “California Mechanical Code.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

The following sections of the 2019 California Mechanical Code are amended or added to provide as follows:

15.08.010 Adoption of the California Mechanical Code.

The 2019 California Mechanical Code which is based on the Uniform Mechanical Code, 2018 Edition,” published by the International Association of Plumbing and Mechanical Officials is adopted by reference, together with all indexes and appendixes therefore, except as herein amended in this chapter and said 2013 California Mechanical Code is made part of this code and this chapter shall be designated, as known and referred to as the “mechanical code” of and for the city.

15.08.030 Amendment – Section 110.0 Violation.

Section 110.0 of the 2019 California Mechanical code is amended to include the phrase:

“In addition to the penalties herein above provided, any condition caused or permitted to exist in violation of any of the provisions of this code shall be deemed a public nuisance and may be abated in the manner provided by law as

such. Every day such condition continues shall be regarded as a new separate offense.”

SECTION 4. Amendments to Chapter 15.16, “California Electrical Code.”

A. The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.16.010 Adoption of the 2019 California Electrical Code.

Subject to the additions, deletions, and amendments specified in this chapter, the rules regulations, provisions and conditions set forth in those certain codes entitled, 2019 California Electrical Code which is based “National Electrical Code, 2017 Edition,” therein contained, published by the National; Fire Protection Association is adopted by reference, together with all indexes and appendixes therefore, except as herein amended in this chapter and said 2019 California Electrical Code is made part of this code and this chapter shall be designated, as known and referred to as the “electrical code” of and for the city.

B. Section 15.16.015 is added to the municipal code to provide as follows:

15.16.015 Amendment - Annex H: Administration Section 80.27 Inspectors Qualifications.

Section 80.27 of the 2019 California Electrical Code is amended to provide the phrase “The Building Official is exempt from requiring certification as an electrical inspector.”

SECTION 5. Amendments to Chapter 15.20, entitled “California Plumbing Code.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

Chapter 15.20.10 Adoption of the 2019 California Plumbing Code and Appendixes.

The 2019 California Plumbing Code which is based on The Uniform International Plumbing Code, 2018 Edition, is adopted. That certain document “International Plumbing Code, 2018 Edition,” published by International Association of Plumbing and Mechanical Officials is adopted by reference, together with all indexes and appendixes thereof and therefore, except as herein amended in this chapter and said 2019 California Plumbing code is made part of this code and this chapter shall be referred to as the “plumbing code” of and for the city.

15.20.060 Section 710.1 Drainage of fixtures located below the next upstream manhole or below the main sewer level.

Section 710.1 of the 2019 California Plumbing Code shall be amended to read as follows:

Sewage backflow. Where the flood level rims of plumbing fixtures are below the elevation of the manhole cover of the next upstream manhole in the public sewer, such fixtures shall be protected by a backwater valve installed in the building drain, branch of the building drain or horizontal branch serving such fixtures. Plumbing fixtures having flood rim levels above the elevation of the manhole cover of the next upstream manhole in the public sewer shall not discharge through a backwater valve.

SECTION 6. Amendments to Chapter 15.26, entitled “Existing Building Code.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.26.010 Adoption of the 2018 Existing Building Code.

Subject to any additions, deletions and amendments that may exist in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled "Existing Building Code 2018 Edition," promulgated by the International Code Conference and referred to and by this reference expressly incorporated herein and made a part thereof as fully and for all intents and purposes as though set forth at length, and said Existing Building Code is made a part of this code and the same shall be designated, known and referred to as the "existing building code" of and for the city.

SECTION 7. Amendments to Chapter 15.30, entitled “Green Building Standards Code.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

Section 15.30.010 – Adoption of 2019 California Green Building Standards Code.

Subject to any additions, deletions and amendments that may exist in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled "California Green Building Standards Code 2019 Edition," and referred to and by this reference expressly incorporated herein and made a part thereof as fully and for all intents and purposes as though set forth at length, and said California Green Building Standards Code is made a part of this code and

the same shall be designated, known and referred to as the "green building code" of and for the city.

15.30.030 Adoption of Los Angeles Regional Uniform Code Program Technical Amendments to the 2019 California Green Building Standards Code.

The 2019 California Green Buildings Standards Code is hereby amended by adopting all of the Technical Amendments as published by the Los Angeles Regional Uniform Regional Code Program – International Code Council – Los Angeles Basin Chapter published on May 29, 2019.

SECTION 8. Amendments to Chapter 15.34, entitled “CALIFORNIA ENERGY CODE.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.34.010 – Adoption of 2019 California Energy Code.

Subject to any additions, deletions and amendments that may exist in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled "California Energy Code 2019 Edition," and referred to and by this reference expressly incorporated herein and made a part thereof as fully and for all intents and purposes as though set forth at length, and said California Energy Code is made a part of this code and the same shall be designated, known and referred to as the "energy code" of and for the city.

SECTION 9. Amendments to Chapter 15.36, entitled “REFERENCED STANDARDS CODE.”

The following sections of the Municipal Code are hereby amended or added to provide as follows:

15.36.010 Adoption of the 2019 California Referenced Standards Code.

Subject to any additions, deletions and amendments that may exist in this chapter, the rules, regulations, provisions and conditions set forth in that certain code entitled "California Referenced Standards Code 2019 Edition," promulgated by the International Code Conference and referred to and by this reference expressly incorporated herein and made a part thereof as fully and for all intents and purposes as though set forth at length, and said California Referenced Standards Code is made a part of this code and the same shall be designated, known and referred to as the "referenced standards" of and for the city.

SECTION 10. References in Documents and Continuing Legal Effect. References to prior versions of any portion of the Building Standards Code, or of the Sierra Madre Municipal Code that are amended or renumbered in this Municipal Code, that are cited on notices issued by the City or other documents of ongoing or continuing legal effect, including resolutions adopting or imposing fees or charges, until converted, are deemed to be references to the new counterpart part of the Building Standards Code or amended Municipal Code sections for the purposes of notice and enforcement. The provisions adopted hereby shall not in any manner affect deposits, established fees or other matters of record which refer to, or are otherwise connected with, ordinances which are specifically designated by number, code section or otherwise, but such references shall be deemed to apply to the corresponding provisions set forth in the code sections adopted or amended hereby.

SECTION 11. Continuity. To the extent the provisions of this Ordinance are substantially the same as previous provisions of the Sierra Madre Municipal Code, these provisions shall be construed as continuations of those provisions and not as amendments of the earlier provisions.

SECTION 12. No Effect on Enforceability. The repeal of any sections of the Municipal Code, shall not affect or impair any act done, or right vested or approved, or any proceeding, suit or prosecution had or commenced in any cause before such repeal shall take effect; but every such act, vested right, proceeding, suit, or prosecution shall remain in full force and effect for all purposes as if the applicable provisions of the Municipal Code, or part thereof, had remained in force and effect. No offense committed and no liability, penalty, or forfeiture, either civil or criminal, incurred prior to the repeal or alteration of any applicable provision of the 2019 Code as amended, shall be discharged or affected by such repeal or alteration but prosecutions and suits for such offenses, liabilities, penalties or forfeitures shall be instituted and proceed in all respects as if the applicable provisions of the 2019 Code, as amended, had not been repealed or altered.

SECTION 13. Supplementary of Existing Law. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

SECTION 14. Modifications to California Building Standards Code. All inconsistencies between the Building Standards Code as amended and adopted by this ordinance, and Parts 2, 2.5, 3, 4, 5, 6, 8, and 10 of Title 24 the California Code of Regulations are changes, modifications, amendments, additions or deletions thereto authorized by California Health and Safety Code Sections 17858 and 17858.7.

SECTION 15. Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or

unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 16. Effective Date. This Ordinance shall be effective January 1, 2020.

SECTION 17. CEQA. The project qualifies for an exemption from the California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations as it can be seen with certainty that there is no possibility the adoption of the Ordinance may have a significant effect on the environment, because it will enforce the California Building Standards Code (Title 24 California Code of Regulations) that serve as the basis for the design and construction of buildings in California to improve safety, sustainability, maintaining consistency, new technology and construction methods, and reliability.

SECTION 18. Publication. The City Clerk shall certify to the adoption of this ordinance and shall cause the same to be processed in the manner required by law.

SECTION 19. Certification. The City Clerk shall file a certified copy of this Ordinance with the California Building Standards Commission.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2019
by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Mayor

ATTEST:

Sue Spears, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF SIERRA MADRE)

I, _____, City Clerk of the City of Sierra Madre, hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the ____ day of October 2019, and was approved and adopted by said Council at its regular meeting held on the ____ day of _____ 2019.

SIERRA MADRE BUILDING DEPARTMENT

2019 BUILDING CODE FINDINGS

This report contains the “Findings” to support this ordinance to amend the California Building Standards Code. Each of the proposed amendments to the non-administrative provisions of the building standards code are based on local climatic, geologic and topographical conditions and cause the new code to be more restrictive in nature than the underlying California Building Standards Code.

The amendments address the building problem(s), concern(s), and future direction(s), by which the City can establish and maintain an environment which will afford an adequate level of building and life safety protection to its citizens and guests.

Section 1 of this Exhibit sets forth the various finding.

Section 2 of this Exhibit explains which findings apply to which amendments.

Section 1. General Findings

The following findings apply in the City of Sierra Madre, and explain why the changes to the Building Standards Code are necessary because of climatic, geological and/or topographical condition is in the city.

A. Climatic Conditions

1. Normal rainfall averages 15 inches annually. During the summer and fall months, temperatures average approximately 85 degrees and can exceed 100 degrees for a period of days. Dry winds remove the moisture from vegetation. During late summer and fall, winds can move a fire quickly across the foothills or through residential areas of Sierra Madre. Winter rains often cause floods and the threat of damage due to water runoff.

B. Geologic Conditions

1. The beautiful mountains that border the north of Sierra Madre create a unique hazard. The foothills have become prime sites for residential development because of their scenic beauty. The steep, narrow canyons create narrow winding roads that lengthen response time of emergency vehicles due to the increase in grade. Also, due to the hills and mountainous terrain, it is difficult to ensure proper fence and wall heights and footing depths without requiring inspections and permits.

2. The city is a densely populated area having buildings and structures over and near major fault systems capable of producing major earthquakes. Thus there are proposed modifications to emphasize designs with seismic-force-resisting elements.

C. Topographic Conditions

1. The topographic element of this report is associated closely with the geologic element noted above. While the geologic features create the topographic conditions, the areas of findings in this Section are, for the most part, a result of the construction and design of Sierra Madre.
2. Sierra Madre has areas that are in high fire hazard zones. As stated above, due to topography, access to structures in these fire hazard zones increases response time and delays fire suppression efforts. Extended response times allow fires to grow beyond the control of initial attack resources. Additionally, large structure fires in the hillside areas have a greater likelihood of starting wild land fires, which exposes additional structures to fire.
3. Clarification of the design parameters for projects subject to the Building Code is necessary to assure that appropriate development is constructed in accordance with the scope and objectives of the International Building Code, as applied in the city of Sierra Madre.

D. Administrative

1. These amendments are necessary for administrative clarification and do not modify any building standards. They establish standards to effectively enforce building standards and therefore need to be incorporated into the code to assure that new building and structures and additions or alteration to existing buildings or structures are designed and constructed in accordance with the scope and objectives of the California Building Standards Code.

Section 2 – Which Findings Apply to Which Amendments

The following amendments to the 2019 Edition of the California Building Standards Code are found reasonably necessary based on the climatic, geologic and/or topographic conditions cited in Section 1 of this Exhibit:

California Building Code Sections	Applicable Findings
Chapter 7	A-1, B-1, C-2
202, 3403	C-3
109.4	D-1
105.2	B-1, D-1

Section 903 (903.2.1.1; 903.2.1.2; 903.2.1.3; 903.2.1.4; 903.2.1.5; 903.2.2; 903.2.3; 903.2.4; 903.2.5; 903.2.5.1; 903.2.6; 903.2.7; 903.2.8; 903.2.9; 903.2.9.1; 903.2.9.2; 903.2.10; 9; 903.2.10.1)	A-1, B-1, C-2
Section 1505 (1505.1; 1505.1.1; 1505.1.2; 1505.1.3; 1505.1.4; 1505.2)	A-1; B-1; C-1; C-2
Technical Amendments	A-1, B-1, B-2, C-1, C-2, D-1
2013 California Residential Code	Applicable Findings
R105.2	B-1, D-1
R108.6	D-1
R313.1	A-1, B-1, C-2
R313.2	A-1, B-1, C-2
R313.3.1.1 exception 4	A-1, B-1, C-2
R313.3.3.5	A-1, B-1, C-2
Technical Amendments	A-1, B-1, B-2, C-1, C-2, D-1
2013 California Mechanical Code	Applicable Findings
110.0	D-1
2013 California Electrical Code	Applicable Findings
Annex H	D-1
2013 California Plumbing Code	Applicable Findings
710.1	B-1, C-1, D-1
2012 Existing Building Code	Applicable Findings
SMMC 15.26.020	D-1
2013 California Green Building Code	Applicable Findings
SMMC 15.30.020	D-1
Technical Amendments	A-1, B-1, B-2, C-1, C-2, D-1
2013 California Energy Code	Applicable Findings
SMMC 15.34.020	D-1
2013 California Referenced Standards Code	Applicable Findings
SMMC 15.36.020	D-1



City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Harabedian and Members of the City Council

FROM: Richard Snyder, Fire Marshal

REVIEWED BY: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: **SECOND READING OF ORDINANCE 1417 – ADOPTION OF THE 2019 FIRE CODE**

STAFF RECOMMENDATION

Staff recommends Alternative No. 1 that the City Council introduce and approve for second reading Ordinance 1417 by title only, recommending adoption of Ordinance 1417 pursuant to the 2019 California Fire Code and International Fire Code amendments.

ALTERNATIVES

1. Introduce and approve for second reading by title only, and waive further reading adopting Ordinance 1417 pursuant to the 2019 California Fire Code and International Fire Code amendments.
2. Introduce and approve for second reading by title only, and waive further reading adopting Ordinance 1417 pursuant to the 2019 California Fire Code as amended by the City Council.

SUMMARY

At the meeting on October 8, 2019 the City Council introduced for first reading recommending adoption of Ordinance 1417 adopting the California Fire Code and International Fire Code amendments, which serves as the basis for fire regulation in the State of California.

On January 1, 2020, The State of California will be adopting a new fire code. Subsequently, the City of Sierra Madre is required to adopt and enforce the same code with local amendments. Currently, the City is enforcing the 2016 California Fire Code with local amendments.

Ordinance No. 1417 has been written to amend Title 15.24 of the Sierra Madre Municipal Code relating to the adoption and amendment of the 2019 California Fire Code to meet with State requirements. Additionally, this Ordinance amends current fire sprinkler requirements.

The City Council did not make any modifications to Ordinance 1417, which has been written to amend the Sierra Madre Municipal Code relating to the adoption and amendment of the 2019 California Fire Code and International Fire Code to meet State requirements.

After discussion of the proposed amendments, the City Council in a noticed public hearing approved for first reading, Ordinance 1417.

Staff recommends Alternative No. 1 that the City Council introduce and approve for second reading Ordinance 1417 by title only, recommending adoption of Ordinance 1417 pursuant to the 2019 California Fire Code and International Fire Code amendments.

ANALYSIS

Ordinance 1417 amends Title 15.24 as follows:

Section 1. Section 15.24.010 is amended to adopt the 2019 California Fire Code.

Section 2. Section 15.24.020 is amended to replace the words “International Fire Code” with “California Fire Code”

Section 3. Section 15.24.070 Amendments to the California Fire Code.

Section 101.1 of the California Fire Code is amended to identify “this code” as the Sierra Madre Fire Code.

Section 110.4 identifies fire code violations and penalties as Administrative Citations as defined in Sierra Madre Municipal Code Title 1.18 - Administrative Enforcement.

Section 112.4 identifies failure to comply penalties as Administrative Citations as defined in Sierra Madre Municipal Code Title 1.18 - Administrative Enforcement.

Section 307.4.2 of the California Fire Code is amended to allow the Fire Code Official to order recreational fires to be discontinued if such fires constitute a hazardous condition or if atmospheric conditions reach critical levels.

Section 503.2.1 of the California Fire Code is amended to require new fire access roads to have a minimum width of 26 feet within 25 feet of each side of a fire hydrant. This requirement will prevent the problem of an access road being blocked when a fire engine is utilizing a fire hydrant.

Sections 903.2.1.1, 903.2.1.2, 903.2.1.3, 903.2.1.4, 903.2.1.5, 903.2.2, 903.2.3, 903.2.4, 903.2.5, 903.2.6, 903.2.7, 903.2.8, 903.2.9, 903.2.9.1, 903.2.9.2, 903.2.10 and 903.2.10.1 of the fire code are amended in order to maintain the current fire sprinkler requirements as set forth in Section 15.24.120 of the Sierra Madre Municipal Code.

APPENDIX D-Fire Apparatus Access Roads is adopted and amended to require new fire access roads to have a minimum width of 26 feet within 25 feet of each side of a fire hydrant. This requirement will help prevent the problem of an access road being blocked when a fire engine is utilizing a fire hydrant.

Section 4. Section 15.24.110 is amended to include additional design options for residential fire sprinklers by adding “Section R313 of the California Residential Code”

Section 5. Section 15.24.120 is amended to remove the requirement for fire sprinklers in residential attics with light weight truss construction.

Sections 6-18. Repeal of Conflicting Ordinances and other legal Code Adoption language.

FINANCIAL REVIEW/SOURCE OF FUNDING

There is no fiscal impact related to this agenda item.

ENVIRONMENTAL (CEQA)

The project qualifies for an exemption from the California Environmental Quality Act review pursuant to Title 14, Section 15061(b)(3) of the California Code of Regulations as it can be seen with certainty that there is no possibility the adoption of this Ordinance may have a significant effect on the environment, because it will enforce the 2019 California Fire Code in compliance with State requirements.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and at the City's website at www.cityofsierramadre.com

Attachments

Attachment 1 - City Council Ordinance 1417 - 2019 Fire Code Adoption

Exhibit A- Sierra Madre Fire Department 2019 Fire Code Findings

ORDINANCE 1417

**AN ORDINANCE OF THE CITY OF SIERRA MADRE
AMENDING TITLE 15.24 OF THE SIERRA MADRE
MUNICIPAL CODE RELATING TO THE ADOPTION
AND AMENDMENTS TO THE 2019 CALIFORNIA FIRE
CODE AND FIRE SPRINKLER REQUIREMENTS**

The City Council of the City of Sierra Madre does hereby ordain as follows:

SECTION 1. Municipal Code Amendment. Section 15.24.010 of the Sierra Madre Municipal Code is hereby amended to read as follows:

SECTION 15.24.010 ADOPTION OF THE CALIFORNIA FIRE CODE

There is hereby adopted by the City Council of the City of Sierra Madre for the purpose of prescribing regulations governing conditions hazardous to life and property from fire or explosion, that certain Code known as the 2019 Edition of the California Fire Code based on the 2018 Edition of the International Fire Code published by the International Code Council except such portions as are hereinafter deleted, modified or amended by Section 15.24.070 of the Sierra Madre Municipal Code and portions of the International Fire Code, From the date on which this ordinance shall take effect, the provisions of the 2019 California Fire Code shall be controlling within the limits of the City of Sierra Madre.

SECTION 2. Municipal Code Amendment. Section 15.24.020 of the Sierra Madre Municipal Code is hereby amended to read as follows:

15.24.020 - Establishment and duties of the bureau of fire prevention.

The California Fire Code shall be enforced by the bureau of fire prevention in the fire department of the city which is established and which shall be operated under the supervision of the chief of the fire department.

SECTION 3. Municipal Code Amendment. Section 15.24.070 of the Sierra Madre Municipal Code is hereby amended to read as follows:

SECTION 15.24.070 AMENDMENTS TO THE 2019 CALIFORNIA FIRE
CODE

A. Section 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the *Fire Code* of the City of Sierra Madre, hereinafter referred to as "this code".

B. Section 110.4 is amended to read as follows:

110.4 Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of an Administrative Violation in accordance with Sierra Madre Municipal Code Section 1.18.010.

C. Section 112.4 is amended to read as follows:

112.4 Failure to comply. Any person who shall continue any work after having been served with a stop work order, except such work as that person is directed to perform to remove a violation or unsafe condition, shall be liable to a fine in accordance with Sierra Madre Municipal Code Section 1.18.070.

D. Section 307.4.2 is amended to read as follows:

307.4.2 Recreational fires. Recreational fires shall not be conducted within 25 feet (760mm) of a structure or combustible material. Conditions which could cause a fire to spread within 25 feet (7620 mm) of a structure shall be eliminated.

Discontinuance. The fire code official or his representative is authorized to require that recreational fires be immediately discontinued if such fires are determined by the chief to constitute a hazardous condition or if atmospheric conditions reach critical levels as specified in the policies and procedures of the fire prevention bureau.

E. Section 503.2.1 is amended to read as follows due to local topographical conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:

503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 20 feet (6096 mm), except for approved security gates in accordance with section 503.6, and an unobstructed vertical clearance of not less than 13 feet 6 inches (4115mm).

1. When fire hydrants are required, fire apparatus access roads shall have an unobstructed width of not less than 26 feet (4114 mm) within a linear distance of 25 feet (7620 mm) each side of the hydrant.

F. Section 903.2.1.1 is amended to read as follows due to local topographical, geological and climatic conditions as identified in

the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:

903.2.1.1 Group A-1. An automatic sprinkler system shall be provided for Group A-1 occupancies in accordance with Code section 15.24.120.

- G. Section 903.2.1.2 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.1.2 Group A-2. An automatic sprinkler system shall be provided for Group A-2 occupancies in accordance with Code section 15.24.120.

- H. Section 903.2.1.3 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.1.3 Group A-3. An automatic sprinkler system shall be provided for Group A-3 occupancies in accordance with Code section 15.24.120.

- I. Section 903.2.1.4 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.1.4 Group A-4. An automatic sprinkler system shall be provided for Group A-4 occupancies in accordance with Code section 15.24.120.

- J. Section 903.2.1.5 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.1.5 Group A-5. An automatic sprinkler system shall be provided for Group A-5 occupancies in the following areas: concession stands, retail areas, press boxes, and other accessory use areas in accordance with Code section 15.24.120.

- K. Section 903.2.2 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.2 Group B Ambulatory health care facilities. An automatic sprinkler system shall be provided throughout all buildings containing ambulatory health care facilities in accordance with Code section 15.24.120.

- L. Section 903.2.3 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.3 Group E. An automatic sprinkler system shall be provided throughout all buildings containing a Group E occupancy in accordance with Code section 15.24.120. (exception: For public school state-funded construction projects see Section 903.2.19)

- M. Section 903.2.4 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.4 Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy in accordance with Code section 15.24.120.

- N. Section 903.2.5 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.5 Group H. Automatic sprinkler systems shall be provided in high-hazard occupancies as required in Sections 903.2.5.1 through 903.2.5.3.

903.2.5.1 General, An automatic sprinkler system shall be installed in Group H occupancies. in accordance with Code section 15.24.120.

- O. Section 903.2.6 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.6 Group I. An automatic sprinkler system shall be provided throughout buildings with a Group I in accordance with Code section 15.24.120.

- P. Section 903.2.7 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.7 Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy in accordance with Code section 15.24.120.

- Q. Section 903.2.8 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.8 Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area and in accordance with Code section 15.24.110.

- R. Section 903.2.9 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.9 Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 in accordance with Code section 15.24.120.

- S. Section 903.2.9.1 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.9.1 Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages in accordance with Code section 15.24.120.

- T. Section 903.2.9.2 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.9.2 Bulk storage of tires. Buildings and structures with an area for the storage of shall be equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1.

- U. Section 903.2.10 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.10 Group S-2. An automatic sprinkler system shall be provided throughout buildings classified as enclosed parking garages in accordance with Section 406.4 of the *California Building Code* or where located beneath other groups.

- V. Section 903.2.10.1 is amended to read as follows due to local topographical, geological and climatic conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

903.2.10.1 Commercial parking garages. An automatic sprinkler system shall be provided throughout buildings used for storage of commercial trucks or buses in accordance with Code section 15.24.120

- W. APPENDIX D-Fire Apparatus Access Roads is adopted and amended to read as follows due to local topographical conditions as identified in the 2019 Fire Code Findings of Fact as filed with the California Building Standards Commission:**

D103.1 Access road width with a fire hydrant. Where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 26 feet (7925 mm), within a linear distance of 25 feet (7620 mm) each side of the hydrant, exclusive of shoulders.

SECTION 4. Municipal Code Amendment. Section 15.24.110 of the Sierra Madre Municipal Code is hereby amended to read as follows:

15.24.110 - Automatic life safety support sprinkler system.

An approved automatic life safety support sprinkler system shall be installed in all occupancies and locations as set forth in this section and shall meet all designated National Fire Protection Association (NFPA) code requirements, or Section R313 of the California Residential Code as Adopted by the State of California and the policies and procedures of the Sierra Madre Fire Prevention Bureau as currently specified and amended by the Sierra Madre Municipal Code:

SECTION 5. Municipal Code Amendment. Section 15.24.120 of the Sierra Madre Municipal Code is hereby amended to read as follows:

15.24.120 - Automatic fire extinguishing systems.

An automatic fire sprinkler systems shall be installed in the following occupancies:

- A. In all new buildings within the City of Sierra Madre except group U.
- B. All new Group U as classified in the International Fire Code, which are located within thirty five (35) feet of any exposure.
- C. All buildings classified as a Group A, B, E, F, H, I, M, S, U when renovated over seventy five percent (75%) of their existing square footage.
- D. All buildings classified as a Group A, B, E, F, H, I, M, S, U were an addition of fifty percent of their existing square footage is being accomplished.
- E. All Group R occupancies shall install an automatic life safety fire sprinkler system in accordance with Code Section 15.24.110.

SECTION 6. Repeal of Conflicting Ordinances. All existing ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance or the California Fire Code adopted are hereby repealed.

SECTION 7. References in Documents and Continuing Legal Effect. References to prior versions of the California Fire Code, or of the Sierra Madre Municipal Code that are amended or renumbered in this Municipal Code, that are cited on notices issued by the City or other documents of ongoing or continuing legal effect, including resolutions adopting or imposing fees or charges, until converted, are deemed to be references to the new counterpart 2019 Fire Code or amended Municipal Code sections for the purposes of notice and enforcement. The provisions adopted hereby shall not in any manner affect deposits, established fees or other matters of record which refer to, or are otherwise connected with, ordinances which are specifically designated by number, code section or otherwise, but such references shall be deemed to apply to the corresponding provisions set forth in the code sections adopted or amended hereby.

SECTION 8. Continuity. To the extent the provisions of this Ordinance are substantially the same as previous provisions of the Sierra Madre Municipal Code, these provisions shall be construed as continuations of those provisions and not as amendments of the earlier provisions.

SECTION 9. No Effect on Enforceability. The repeal of any sections of the Municipal Code, shall not affect or impair any act done, or right vested or approved, or any proceeding, suit or prosecution had or commenced in any cause before such repeal shall take effect; but every such act, vested right, proceeding, suit, or prosecution shall remain in full force and effect for all purposes as if the applicable provisions of the Municipal Code, or part thereof, had remained in force and effect. No offense committed and no liability, penalty, or forfeiture, either civil or criminal, incurred prior to the repeal or alteration of any applicable provision of the 2016 Code as amended, shall be discharged or affected by such repeal or alteration but prosecutions and suits for such offenses, liabilities, penalties or forfeitures shall be instituted and

proceed in all respects as if the applicable provisions of the 2016 Code, as amended, had not been repealed or altered.

SECTION 10. Supplementary of Existing Law. The City Council intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

SECTION 11. Modifications to California Fire Code. All inconsistencies between the Municipal Fire Code, as adopted by this ordinance, and Part 9 of Title 24 the California Code of Regulations are changes, modifications, amendments, additions or deletions thereto authorized by California Health and Safety Code Sections 17858 and 17858.7.

SECTION 12. Findings. The City Council hereby adopts the findings attached hereto as Exhibit A by this reference fully incorporated herein. These modifications to the 2019 California Fire Code, incorporating the 2018 International Fire Codes are reasonably necessary due to the local climatic, geological, and topographical reasons set forth in Exhibit A.

SECTION 13. Severability. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance; it being hereby expressly declared that this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 14. Effective Date. This Ordinance shall take effect thirty days following its adoption as provided by Government Code Section 36937, or January 1, 2020 whichever is later.

SECTION 15. Copy with Clerk. The City Clerk shall maintain a copy of the California Fire Code, 2019 Edition, as amended by this ordinance, for use and examination by the public.

SECTION 16. CEQA. This Ordinance has been determined to be exempt from the California Environmental Quality Act pursuant to State Guidelines §15061 (b) (3) as a project that has no potential for causing a significant effect on the environment.

SECTION 17. Certification. The City Clerk shall certify to the adoption of this ordinance and shall cause the same to be processed in the manner required by law.

SECTION 18. Filing with State. The City Clerk shall file a certified copy of this Ordinance with the California Building Standards Commission.

PASSED, APPROVED AND ADOPTED, this ____ day of _____, 2019

AYES:
NOES
ABSTAIN:
ABSENT:

John Harabedian, Mayor

ATTEST:

Susan Spears, City Clerk

I, Susan Spears, City Clerk of the City of Sierra Madre, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Sierra Madre held on the ____ day of _____ 2019, and was adopted at its regular meeting of _____, 2019 by the following vote:

EXHIBIT A

2019 FIRE CODE FINDINGS

Pursuant to Section 13869.7 of the California Health and Safety Code, the report contained herein shall be the "Findings" document to support City of Sierra Madre Ordinance No. 1417 Under this adopting ordinance, specific amendments have been established which are more restrictive in nature than those sections adopted by the State of California (State Building Standards Code, and State Housing and Community Development Code) commonly referred to as Title 24 and Title 25 of the California Administrative Code.

The amendments to the 2019 California Fire Code have been recognized by the City of Sierra Madre. The amendments address the fire problem(s), concern(s), and future direction(s), by which the City can establish and maintain an environment which will afford an adequate level of fire and life safety protection to its citizens and guests.

Under the provisions of Section 13869.7 of the Health and Safety Code, local amendments shall be based on climatic, geographical, or topographical conditions. The "Findings" contained herein shall address each of these situations and shall present the local situation, which, either singularly, or in combination, cause the established amendments to be adopted.

SIERRA MADRE COMMUNITY PROFILE

The City of Sierra Madre was established in 1881. Sierra Madre encompasses an area of approximately 3.2 square miles at an elevation ranging from 700 to 800 feet above sea level. The residential population is approximately 10,800. The physical location of Sierra Madre is bordered by the city of Pasadena to the west, Arcadia to the south and east and the Angeles National Forest to the north.

The majority of Sierra Madre is residential housing, with a number of small businesses and light industrial, four elementary schools, a middle school, a high school and six churches.

Based on this profile of Sierra Madre, the Sierra Madre Fire Department established certain requirements to increase the level of fire safety to the citizens and guests of Sierra Madre, as well as the buildings within its boundaries. The following points were established as factors, which caused concern to the Sierra Madre Fire Department, and are herein established and submitted as its "Findings:"

1. CLIMATIC

Normal rainfall averages 15 inches annually. During the summer and fall months, temperatures average approximately 85 degrees and can exceed 100 degrees for a period of days. Dry winds remove the moisture from vegetation. During late summer and fall, winds can move a fire quickly across the foothills or through residential areas of Sierra Madre.

Because of periods of high temperatures, accompanied by low humidity and high winds each year. These conditions create an environment in which the Fire Department commits the majority of its fire fighting resources to the control and extinguishment of wildland fires. During such periods, the limited available firefighting resources may have great difficulty in controlling fires in structures with wood roofs and structures not having built-in fire protection.

2. GEOLOGICAL

Sierra Madre has within its boundaries active seismic hazards with respect to the San Andreas and Sierra Madre faults. While systems have been developed to study and monitor the activity of earthquakes, science has not yet been able to predict with reliability the potential for activity on these or on any other active fault.

While minor seismic activity within Sierra Madre occurs yearly without damage, the potential for severe damage does exist with these active faults, particularly with the Sierra Madre fault, which traverses the City.

The potential for earthquakes influences fire protection planning. A major seismic event would create a community-wide demand on fire protection services, which would be beyond the response capability of the Fire Department. This potential problem can be partially mitigated by requiring initial fire control through the installation of automatic fire protection systems.

Although the water system in Sierra Madre is rated Class 4 by the Insurance Services Offices, with the above noted hazard, it is possible that major fire flow requirements could be disrupted and automatic fire suppression systems requiring much less water would be the only means of extinguishment.

3. TOPOGRAPHICAL

The mountains that border the north of Sierra Madre create a beautiful backdrop, and at the same time, create a unique hazard. As one approaches the mountains, the elevation increases, and this lengthens the response time of emergency vehicles due to the increase in grade. Additionally, the steep, narrow canyons create narrow winding roads that also lengthen response times. The foothills have become prime sites for residential development because of their scenic beauty. These same scenic hills create barriers for accessibility by fire suppression forces.

The topographical layout of Sierra Madre's hillside areas creates hazardous conditions should a storm cause trees to fall and block roadways within Sierra Madre, again making accessibility difficult until properly cleared. These conditions have occurred in the past and have the potential to happen again.

During a fire, fire engines need to utilize the water from the many fire hydrants found in the canyons along these narrow roads. While using these hydrants, the access on the road is severely restricted. These conditions have occurred

in the past and have the potential to happen again. This potential problem can be partially mitigated by requiring new roads to have additional width to the roadway in the vicinity of fire hydrants.

Sierra Madre has areas that are in high fire hazard zones. As stated above, due to topography, access to structures in these fire hazard zones increases response time and delays fire suppression efforts. Extended response times allow fires to grow beyond the control of initial attack resources. Additionally, large structure fires in the hillside areas have a greater likelihood of starting wildland fires, which exposes additional structures to fire.

The value of the land in Sierra Madre is near the top in the County and maximum usage of the land is important to investors and developers. The multi-residential zones located within Sierra Madre encourage developers to seek maximum return on their investment. The most effective method of achieving this is to allow maximum density. This creates buildings that provide minimum required clearances between structures and maximum allowable height. This results in "barriers" that hinder fire-fighting operations, and restrict the movement of emergency personnel and equipment in the vicinity of the structure.

STATEMENT OF THE PROBLEM

The Fire Department is charged with the task of providing a reasonable degree of fire and life safety in Sierra Madre with minimum budget and staffing levels.

The City of Sierra Madre places a high value on protection of human life against hazards of fire. While smoke detectors are intended to give an early warning that allow occupants to escape or defend themselves from the hazard of fire, automatic sprinklers are meant to control or extinguish a developing fire to enable occupants to better escape. Sprinkler systems have been found to be highly effective systems for the protection of human life and should be used whenever feasible.

The water supply in Sierra Madre makes extensive use of automatic sprinkler systems feasible. Most of the City is ideally located below the 6 reservoirs, which supply the gravity flow water system with storage capacity in excess of 6 million gallons. Many of our fire service installations maintain static pressures in excess of 80 pounds per square inch. The City of Sierra Madre water distribution system is the major contributing factor toward the fire suppression capabilities of the Sierra Madre Fire Department. There are jurisdictions within the State, which have difficulty providing required water flows for automatic fire sprinkler systems, making the operation of such sprinkler systems less feasible than in the City of Sierra Madre.

The City of Sierra Madre is also subject to certain dangers, making the use of automatic sprinkler systems a more significant factor in fire suppression. The City of Sierra Madre is located in one of the most active earthquake fault systems in the United States. Major damage corresponding to magnitude 7 or higher earthquake can be expected. Severe seismic action would place extreme demands on the limited resources of our small fire department. Communications could be disrupted. Damage to gas and water mains is to be expected. As previously mentioned, the City

of Sierra Madre water system is the key to sprinkler supply. The City of Sierra Madre water system is constructed in a grid to reduce the effect of a single pipe or area of pipes breaking. Therefore, entire system failure due to earthquake is more unlikely than a partial failure. Automatic fire sprinkler systems will operate on much less pressure than normally available in Sierra Madre. Although sprinklers may only partially control a fire, this would be important in reducing the fire problem or delayed response that may be created by broken communications and obstructed access. Automatic fire sprinkler systems would therefore reduce demands on firefighting forces during emergency earthquake conditions.

The Sierra Madre Fire Department's first alarm assignment dependent on mutual aid companies from surrounding cities. Most jurisdictions consider three engine companies, two truck companies a rescue squad/ambulance, and a Chief Officer to be a minimum for a single-family structure fire.

Because Sierra Madre's Fire Department staffing is dependent upon mutual aid companies from other cities, it is imperative that developers and builders provide built-in fire protection within buildings covered by the City of Sierra Madre Sprinkler Ordinance. Unless fires are kept in their incipient stages, which automatic fire sprinkler systems achieve, the fire department, as presently staffed and equipped cannot function effectively against large or numerous fires. Large or numerous fires necessitate the immediate call for mutual aid, which if available, will be delayed.

Additionally, due to the winding narrow roads that are found in our canyon areas, it is imperative that access on these roads be maintained at all times, especially during a fire when the fire hydrants are being used.

While the adoption of regulations may not prevent incidents of fire, the implementation of the various regulations and/or requirements will reduce the severity and potential loss of life and property in our community.

The serious concerns based on these "Findings", support the imposition of built-in fire protection requirements greater than those set forth in the International Building and Fire Codes. Additionally, Sierra Madre Ordinance No. 1417 will provide effective protection of the populace and property, and help reduce the ravages of fire.

The Sierra Madre Fire Department submits these "Findings" and requests acceptance of same as defined under Section 13869.7 of the State of California Health and Safety Code.

Prepared and submitted by:

Captain Richard Snyder,
Sierra Madre Fire Marshal

Date _____



City of Sierra Madre Agenda Report

*John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member*

*Sue Spears, City Clerk,
Michael Amerio City Treasurer*

TO: Honorable Mayor and Members of the City Council

FROM: Michael Amerio, City Treasurer
Satnam Rait, Accountant

REVIEWED BY: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: Treasurer's Report – Quarter Ending June 30, 2019

STAFF RECOMMENDATION

Receive and file the Treasurer's Report for the cash and investment portfolio for quarter ending June 30, 2019.

SUMMARY

Attached is the 4th quarter of the Treasurer's Report for the 2018-19 fiscal year.

ANALYSIS

The fiscal officer is presenting to the City Council a quarterly treasurer's report along with a statement that the City has sufficient investment liquidity and revenues to be able to meet the City's expenditure requirements for the next three months. In addition, the statement verifies that the investments are in compliance with the City's Statement of Investment Policy.

Cash held in demand deposit accounts are kept at a level to ensure that all city outstanding warrants are covered, to maximize interest income and to minimize bank fees. Idle cash is invested in LAIF and other investments in compliance with the City's Investment Policy.

FINANCIAL REVIEW

No fiscal impact from this action.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachment(s):

Treasurer's Report for April - June 2019

FOR CITY COUNCIL AGENDA _____

ITEM NUMBER _____

**CITY OF SIERRA MADRE
TREASURER'S REPORT
CASH AND INVESTMENT PORTFOLIO
April - June 2019**

CITY CASH

ACCOUNT	INSTITUTION	BALANCE	RATE
ALL	BANK OF THE WEST	\$ 1,490,921.16	0.000%
	TOTAL	\$ 1,490,921.16	

ACCOUNT NAME	INSTITUTION	BEGINNING BALANCE	+ DEPOSITS	(-) WITHDRAWALS	ENDING BALANCE
General Account	BANK OF THE WEST	2,001,995.28	7,769,928.63	(8,281,002.75)	1,490,921.16
	TOTAL	\$ 2,001,995.28	\$ 7,769,928.63	\$ (8,281,002.75)	\$ 1,490,921.16

CITY INVESTMENT

ISSUER	BOOK VALUE	FACE VALUE	MARKET VALUE	PERCENT OF PORTFOLIO	STATED RATE
LOCAL AGENCY INVESTMENT FUND	\$ 11,714,169.16	\$ 11,714,169.16	\$ 11,714,169.16	57.73%	2.428%
BANK OF THE WEST -BNP PARIBAS	\$ 8,485,028.12	\$ 8,600,000.00	\$ 8,576,959.00	42.27%	See Attached
TOTAL	\$ 20,199,197.28	\$ 20,314,169.16	\$ 20,291,127.16	100.00%	

ISSUER	BEGINNING BALANCE	+ DEPOSITS	(-) WITHDRAWALS	ENDING BALANCE	STATED RATE
LOCAL AGENCY INVESTMENT FUND	\$ 9,511,329.69	\$ 2,652,839.47	(450,000.00)	\$ 11,714,169.16	2.428%
BANK OF THE WEST -BNP PARIBAS	\$ 8,511,231.96	\$ 1,071,068.92	(1,097,272.76)	\$ 8,485,028.12	See Attached
TOTAL	\$ 18,022,561.65	\$ 3,723,908.39	\$ (1,547,272.76)	\$ 20,199,197.28	

CITY - TOTAL CASH AND INVESTMENT \$ 21,690,118.44

FISCAL AGENT

ISSUER	BOOK VALUE	FACE VALUE	MARKET VALUE	PERCENT OF PORTFOLIO	STATED RATE
BNY MELLON	409,463.76	\$ 409,463.76	\$ 409,463.76	100.00%	0.00%
TOTAL	\$ 409,463.76	\$ 409,463.76	\$ 409,463.76	100.00%	

ISSUER	BEGINNING BALANCE	+ DEPOSITS/ PURCHASES	(-) WITHDRAWALS/ SALES/ MATURITIES	ENDING BALANCE	STATED RATE
BNY MELLON/ Tax 1998 Reserve Fund	407,776.60	20,250.43	(18,563.27)	409,463.76	0.00%
TOTAL	\$ 407,776.60	\$ 20,250.43	\$ (18,563.27)	\$ 409,463.76	

CITY - TOTAL FISCAL AGENT \$ 409,463.76

In compliance with the California Code Section 53646, as the City Treasurer of the City of Sierra Madre, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's expenditure requirements for the next six months and that all investments are in compliance to the City's Statement of Investment Policy.
I also certify that this report reflects all Government Agency pooled investments and all City's bank balances.

Michael Amerio 9/10/19

Michael Amerio, City Treasurer

Date

**City of Sierra Madre
Treasurer's Report
Cash Balances by Fund
For the Quarter Ended June 30, 2019**

Fund No.	Fund	Balance 4/1/2019	Receipts	Disbursements	Balance 6/30/2019
10000	General	5,423,494	4,937,187	3,164,493	7,196,187
26002	Misc Grants	(12,195)	-	-	(12,195)
32XXX	Assessment Districts	982,672	88,389	61,375	989,686
34002	Development Impact Fees	1,405,475	-	328,491	1,078,984
34003	Art In Public Places	59,258	-	-	59,258
35003	Police Donations	4,939	-	-	4,939
35004	PSAF	248,206	34,700	128,229	154,677
35005	State COPS Grant	260,350	2,225	76,543	186,031
36002	Fire Department Donations	3,581	33	-	3,614
37001	Community Arts Commission	6,347	-	-	6,347
37003	Recreation Donations	40,461	-	704	39,756
37004	Prop A	340,546	52,416	51,165	341,797
37005	Open Space Fund	(72,990)	12,395	-	(60,595)
37006	Senior Center	199,101	995	8,076	192,019
37007	SM Community Foundation	40,883	-	-	40,883
37008	Youth Activity Center	60,173	-	-	60,173
37009	Prop C	164,943	42,959	111,365	96,537
37010	County Prop A Park Dev	-	-	13,763	(13,763)
38001	CA Beverage Container	38,947	-	-	38,947
38002	CDBG	-	-	-	-
38003	AQMD	48,590	3,716	40,153	12,153
38004	Environmental Fund	(46,711)	43,789	7,463	(10,384)
38005	Gas Tax	(80,305)	147,080	71,973	(5,219)
38006	TDA Fund	(1,351)	53	5,991	(7,289)
38007	Measure R	130,736	32,130	95,513	67,353
38012	Measure M	110,786	36,337	70,051	77,072
38013	RMRA	118,585	49,938	124,152	44,369
38014	Traffic Congestion Relief Program	24,905	-	-	24,905
39002	Library Gift & Memorial	253,951	357	1,482	252,827
39006	Friends of the Library	(12,394)	15,790	12,936	(9,540)
40000	Capital Projects Fund	648,257	25,913	119,738	554,432
47000	Low & Mod Housing	2,570	-	-	2,570
50001	Debt Service	(79,620)	92,000	-	12,380
50003	Successor Agency	199,916	-	13,648	186,267
60000	Internal Svcs - Fleet	587,696	102,048	87,373	602,370
60001	Internal Svcs - Facilities	1,501,500	128,936	115,717	1,514,720
60002	Internal Svcs - Admin	879,312	222,348	175,007	926,653
60003	Internal Svcs - Technology	973,226	228,900	163,297	1,038,828
60007	IS-Personnel & Risk Mgmt	2,544,256	1,324,582	1,332,731	2,536,107
60008	General Plan Update	98,174	-	-	98,174
71000	Water	1,771,063	1,540,892	1,235,686	2,076,268
72000	Sewer	1,177,225	294,789	180,193	1,291,820
77001	Aquatics	-	-	-	-
77003	Special Events	-	-	-	-
77004	Movie Details Services	-	-	-	-
	TOTALS	20,024,557	9,460,872	7,796,310	21,690,118

Account	Amount
Local Agency Investment Fund	11,714,169
Investments Bank of the West - Partbas	8,485,028
Checking - Bank of the West	1,490,921
	21,690,118

City of Sierra Madre
 Bank Reconciliation
 General Account- Bank of the West
 Period Ending 6/30/19

General Ledger Beginning Balance		
+Deposits	\$	1,761,738.65
-Withdrawals/Debits/Checks		1,481,917.13
General Ledger Ending Balance:	\$	<u>1,752,734.62</u>
		<u>1,490,921.16</u>
Bank Statement Ending Balance:	\$	1,763,895.58
+Deposits in Transit		32,059.21
-Outstanding Checks/Withdrawals		(305,033.63)
Other Reconciling Items		-
General Ledger Ending Balance:	\$	<u>1,490,921.16</u>
	\$	-

**City of Sierra Madre
 Schedule of Investments
 As of June 30, 2019**

#	Investment	Purchase	Maturity	Amount	Yield	Annual Interest Income
1	LAIF (Estimate)	Various	Any time	\$ 11,714,169	2.428%	\$ 284,420
2	US Treasury	4/12/2017	10/15/2019	1,100,000	1.10%	12,100
3	US Treasury	4/12/2017	3/31/2020	1,100,000	1.20%	13,200
4	US Treasury	10/23/2017	10/15/2020	1,100,000	1.55%	17,050
5	US Treasury	10/23/2017	4/30/2021	1,000,000	1.68%	16,800
6	US Treasury	10/23/2017	11/30/2021	1,000,000	1.75%	17,500
7	US Treasury	5/24/2018	4/30/2022	1,100,000	2.60%	28,600
8	US Treasury	11/1/2018	11/15/2022	1,100,000	2.75%	30,250
9	US Treasury	4/15/2019	5/31/2023	1,100,000	2.30%	25,300
	Total			\$ 20,314,169		\$ 445,220

Investment Income Illustration

2015	\$ 20,000
2016	\$ 80,000
Projected Future Investment Income	\$ 445,220

Investment Maturity Illustration

	Annual Maturities
2019	\$ 12,814,169
2020	2,200,000
2021	2,000,000
2022	2,200,000
2023	1,100,000
Total	\$ 20,314,169



BANK OF THE WEST
BNP PARIBAS

ACCOUNT NO. SIE07689

CITY OF SIERRA MADRE
 232 W SIERRA MADRE BLVD
 SIERRA MADRE CA 91024

DDA: 041495730
 PAGE 1

SAFEKEEPING INVENTORY
 06/30/19

CUSIP SETTLE	RATE MATURITY	CALL/PUT SECURITY	INFORMATION DESCRIPTION	RECPT#	ORIGINAL COST UNIT/PAR VALUE	INFLATED PAR/ ORIGINAL FACE	MARKET PRICE MARKET VALUE
CLASS: TREASURY NOTES							
912828T59 04/12/17	1.000 10/15/19	UST	1.000 10/15/19	033521	1,097,285.76 1,100,000.00		99.680000000 1,096,480.00
912828J84 04/12/17	1.375 03/31/20	UST	1.375 03/31/20	033522	1,105,593.53 1,100,000.00		99.512000000 1,094,632.00
912828Z22 10/23/17	1.625 10/15/20	UST	1.625 10/15/20	036183	1,100,795.15 1,100,000.00		99.680000000 1,096,480.00
912828Q78 10/23/17	1.375 04/30/21	UST	1.375 04/30/21	036182	988,258.34 1,000,000.00		99.262000000 992,620.00
912828U65 10/23/17	1.750 11/30/21	UST	1.750 11/30/21	036181	998,024.11 1,000,000.00		100.031000000 1,000,310.00
912828X47 04/24/18	1.875 04/30/22	UST	1.875 04/30/22	038131	535,910.75 550,000.00		100.402000000 552,211.00
912828X47 05/15/18	1.875 04/30/22	UST	1.875 04/30/22	038568	535,087.26 550,000.00		100.402000000 552,211.00

(CONT.)



Member
FDIC



BANK OF THE WEST
BNP PARIBAS

ACCOUNT NO. SIE07689

CITY OF SIERRA MADRE
 232 W SIERRA MADRE BLVD
 SIERRA MADRE CA 91024

DDA: 041495730
 PAGE 2

SAFEKEEPING INVENTORY
 06/30/19

CUSIP SETTLE	RATE MATURITY	CALL/PUT INFORMATION SECURITY DESCRIPTION	RECP#	ORIGINAL COST UNIT/PAR VALUE	INFLATED PAR/ ORIGINAL FACE	MARKET PRICE MARKET VALUE
912828TY6 11/01/18	1.625 11/15/22	UST 1.625 11/15/22	040527	2,053,004.30 1,100,000.00		99.668000000 1,096,348.00
912828R69 04/23/19	1.625 05/31/23	UST 1.625 05/31/23	042704	1,071,068.92 1,100,000.00		99.606000000 1,095,666.00
CLASS TOTAL:				ORIGINAL COST	8,485,028.12	
GRAND TOTAL:				UNITS/CURRENT FACE	8,600,000.00	MARKET VALUE 8,576,958.00
GRAND TOTAL:				ORIGINAL COST	8,485,028.12	
GRAND TOTAL:				UNITS/CURRENT FACE	8,600,000.00	MARKET VALUE 8,576,958.00





City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Chris Cimino, Director of Public Works

REVIEWED BY: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: AWARD THE PROFESSIONAL SERVICES CONTRACT TO WEST AND ASSOCIATES FOR ENGINEERING DESIGN SERVICES FOR THE DESIGN OF FY 2019-20 STREET IMPROVEMENTS

STAFF RECOMMENDATION

Staff recommends that the City Council award a professional services contract to West and Associates Engineering INC. for engineering design service in the amount of \$45,500 and authorize the Public Works Director to execute the Professional Services Agreement with said firm.

SUMMARY

The Public Works Department has received proposals for professional civil engineering services associated with the preparation of plans, specifications and estimates (PS&E) for the FY 2019-20 Street Improvement Project. Staff recommends that the City Council award a contract to West and Associates Engineering INC. in an amount not-to-exceed \$45,500 for professional civil engineering services for the FY 2019-20 Street Improvement Project.

ANALYSIS

The Fiscal Year 2019-20 Street Resurfacing Project has been defined as including:

Streets	Limits
Auburn Avenue	Sierra Madre Boulevard to Grandview Avenue
East/West Highland Avenue	Auburn Avenue to Mt. Trail Avenue
Santa Anita Court	Mountain Trail Avenue to Holdman Avenue
South Canon Place	Santa Anita Court to End
Oak Meadow Place	Santa Anita Court to End
East Grandview Avenue	Baldwin Avenue to Canon Avenue
Acacia Street	Foothill Avenue to End

Valle Vista Drive	Acacia Street to Acacia Street
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A Request for Proposals for design of the plans, specifications and estimates was issued by Public Works staff and posted on the City’s website. 12 Engineering and geotechnical firms downloaded the RFP. four proposals were received from firms throughout Southern California.

West and Associates	\$45,500
RKA Consulting Group	\$45,680
CNC Engineering	\$78,139
Quantum consulting	\$78,345

West and Associates Engineering INC. is the lowest bidder and the favorable bidder through the qualification evaluation process. The RFP’s were evaluated and scored by staff determining their corporate qualifications, project approach and fee schedule. Staff contacted the City of Blythe and City of Laguna Niguel and Lake Arrowhead Community Services District for a reference. Staff did not get a chance to speak with Laguna Niguel before this report was completed. However, The City of Blythe and Lake Arrowhead both said West and Associates were timely and their reports were professional. They completed their task on time with no changes that raised the cost of the project. Staff believes West and Associates Engineering INC. is capable of completing the current project in a timely manner. Staff therefore recommends utilizing West and Associates Engineering INC. for the design of the FY 2019-20 Street Improvement Project.

FINANCIAL REVIEW/SOURCE OF FUNDING

Project funding shall be from the city’s SB 1, Measure R, Prop C, and Measure M funds. With carry overs from last fiscal year’s street projects and this year’s allocations the FY 2019-20 Street reconstruction Project funds equal \$825,800. The following is the breakdown of these funds.

City Council Street resurfacing set-aside (CIP)	\$160,000
Proposition C (37009.85000)	\$159,400
Measure M	\$156,700
Measure R	\$138,300
RMRA (SB-1)	\$181,800

Total street resurfacing funds available \$796,200

In addition to the street resurfacing funding above, the following amounts are available for replacement of damaged sidewalk, construction of new sidewalk, and replacement or new curb access ramps. This will allow for the addition of sidewalk/ramp work to the project without reduction of in-roadway improvements.

TDA Funds (38002.83600) \$29,600

Total Available Street Project Funding \$825,800

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report

are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments

Project Map

RESOLUTION NUMBER 19-54

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE
APPROVING CERTAIN DEMANDS**

WHEREAS, the following demands have been reviewed and approved by the Finance Director; and,

WHEREAS, the Finance Director has verified that appropriated funds are available for payment thereof; and,

WHEREAS, the register of audited demands has been submitted to the City Council for approval; and

WHEREAS, City Warrants are the payment of bills, invoices and contractual obligations incurred by the City of Sierra Madre during the period enumerated therein, based on the approved fiscal year budget and existing budgetary authority, Municipal Code authority, or prior policy direction by the City Council; and

WHEREAS, Payroll Transfer is the transfer of funds to cover the payroll costs for all City employees for the period enumerated therein.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Sierra Madre does hereby ratify payment of City Warrants in the aggregate amount of **\$979,730.07**; Sierra Madre Library Warrants in the aggregate amount of **\$3,929.60**; and Payroll Transfer in the aggregate amount of **\$355,105.61** for the fiscal year ending June 30, 2020.

APPROVED AND ADOPTED this 22nd day of October, 2019.

Mayor, City of Sierra Madre, California

I hereby certify that the foregoing Resolution Number **19-54** was adopted by the City Council of the City of Sierra Madre at a regular meeting held on the 22nd day of October, 2019.

AYES:

NOES:

ABSTAIN:

ABSENT:

City Clerk, City of Sierra Madre, California

**City of Sierra Madre
Department of Finance
Warrant Register Recap
City Council Meeting of October 22, 2019**

CITY OF SIERRA MADRE AND SIERRA MADRE LIBRARY

City of Sierra Madre Warrants\$979,730.07

Sierra Madre Library Warrants.....\$3,929.60

Payroll
Transfer.....\$355,105.61

Warrant Register 10/22/19

Attachment 1A

Fiscal Year	Description	Amount	Page #
FY1920	Manual Warrants	8,334.90	1-2
FY1920	Manual Warrants	223.40	3
FY1920	General Warrants	965,240.53	4-8
FY1920	General Warrants - Utility Bills	5,931.24	9
	Total	979,730.07	

FY1920	Library Warrants	3,929.60	10
	Total	3,929.60	

Date:			
10/22/2019	Payroll #21 Electronic Tansfers	\$355,105.61	
	From: City of Sierra Madre-General Acct. To: City of Sierra Madre-Payroll Acct.		
	Total	355,105.61	



Packet: APPKT04779 - MANUAL CHECK 10/22/19
Vendor Set: 01 - Vendor Set 01

Check Date: 10/09/2019

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount	Vendor Total
<u>0823</u>	BANK OF AMERICA					8,334.90
APBWEST	Check	INV025572	CC ELEMENTS FOR STEAM TABLE	60001.83200.53200		369.90
		INV025573	CC STAFF APPRECIATION EVENT	60007.70100.53403		121.81
		INV025574	CC FURNITURE FOR CHAMBER	60001.83200.53200		84.65
		INV025575	CC STACKING CHAIRS	60001.83200.53200		448.48
		INV025576	CC MAINTENANCE SUPPLIES	60001.83200.52301		640.00
		INV025577	CC VEHICLE MAINTENANCE	60000.83100.53208		24.95
		INV025578	CC VEHICLE MAINTENANCE	60000.83100.53208		18.95
		INV025579	VG APA CONFERENCE	10000.40000.53402		380.05
		INV025580	VG APA CONFERENCE	10000.40000.53402		580.90
		INV025581	HG SGVC MEETING	60002.30000.53402		30.00
		INV025582	JH VEHICLE MAINTENANCE	10000.50000.52302		9.00
		INV025583	JH LACPCA STRATEGIC MEETING	10000.50000.53402		133.82
		INV025584	JH DEPARTMENT SUPPLIES	10000.50000.53301		24.68
		INV025585	JH MEETING WITH CORPORAL ONDORDONK	10000.50000.53999		35.13
		INV025586	JH VEHICLE MAINTENANCE	10000.50000.52302		9.00
		INV025587	JH VEHICLE MAINTENANCE	10000.50000.52302		9.00
		INV025588	JH VEHICLE MAINTENANCE	10000.50000.52302		9.00
		INV025589	JH PD INTERVIEW PANEL MEETING	60007.70100.53999		76.01
		INV025590	JH TITLE 15 TRAINING COURSE	10000.50000.52005		133.00
		INV025591	JH TITLE 15 TRAINING COURSE	10000.50000.52005		3.66
		INV025592	CK SGV CHAPTER MEMBERSHIP	60002.30000.53409		55.00
		INV025593	CK SGV MEETING & CONFERENCE	60002.30000.53402		30.00
		INV025594	KN FIRE CHIEF'S ANNUAL CONFERENCE	10000.61000.53402		750.00
		INV025595	JR SMALL TOOLS	71000.81100.53205		88.18
		INV025596	JR PW STAFF MEETING	71000.81100.53402		35.74
		INV025597	JR PW STAFF MEETING	71000.81100.53402		34.86
		INV025598	JR SMALL TOOLS	71000.81100.53205		54.70
		INV025599	JR FLEET PART FOR UNIT	60000.83100.53208		98.00
		INV025600	JR MAINTENANCE SUPPLIES	71000.81100.53200		304.52
		INV025601	RS SENIOR EXCURSION	10000.79003.52999		390.00
		INV025602	RS SENIOR CRAFTS	37006.72000.53999		21.91
		INV025603	RS STAFF RECOGNITION EVENT	60007.70100.53403		47.84
		INV025604	RS STAFF RECOGNITION EVENT	60007.70100.53403		19.17
		INV025605	RS STAFF RECOGNITION EVENT	60007.70100.53403		11.52
		INV025606	RS SENIOR MOVIE EVENT	37006.72000.53999		1.93
		INV025607	RS SENIOR ACTIVITY	37006.72000.53999		40.98
		INV025608	CS TEEN VOLUNTEER EVENT	39006.90000.53999		29.18
		INV025609	CS ADULT CRAFT	39006.90000.53999		39.67
		INV025610	CS TEEN VOLUNTEER EVENT	39006.90000.53999		173.41
		INV025611	CS ALA POSTER TEEN BOARD	10000.90000.53999		34.30
		INV025612	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025613	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025614	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025615	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025616	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025617	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025618	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025619	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025620	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025621	CS CLA CONFERENCE STAFF MEMBERSHIP	10000.90000.53402		40.00
		INV025622	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025623	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025624	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00

Packet: APPKT04779 - MANUAL CHECK 10/22/19

Vendor Set: 01 - Vendor Set 01

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Distribution Amount	Vendor Total
Bank Code	Payment Type					
APBWEST	Check	INV025625	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		220.00
		INV025626	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025627	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025628	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025629	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025630	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025631	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		150.00
		INV025632	CS CALIFORNIA LIBRARY ASSOC. CONFERENCE	10000.90000.53402		165.00
		INV025633	CS HAY FOR SCARECROW	39006.90000.53999		13.00
		INV025634	CS WORKSHOP TRAINING	10000.90000.52205		59.00
		INV025635	GE CITY MANAGERS CONFERENCE	60002.30000.53402		725.00
Report Total:						8,334.90



Packet: APPKT04785 - MANUAL CHECK 10/22/19
Vendor Set: 01 - Vendor Set 01

Check Date: 10/10/2019

Vendor Number	Vendor Name				Vendor Total
Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
1497	MOUNTAIN VIEWS NEWS				223.40
APBWEST	Check	CM140597	FY 2019-20 PUBLICATION OF NOTICES	10000.12000.52206	223.40
Report Total:					223.40



Packet: APPKT04794 - GEN 10/22/19
Vendor Set: 01 - Vendor Set 01

Check Date: 10/16/2019

Vendor Number	Vendor Name	Invoice #	Invoice Description	Account Number	Vendor Total
Bank Code	Payment Type				Distribution Amount
<u>0109</u>	AIRGAS USA				74.01
APBWEST	Check	1601631748	FY 2019-2020 MEDICAL OXYGEN	10000.64000.53300	18.86
		9965478799	FY 2019-2020 MEDICAL OXYGEN	10000.64000.53300	55.15
<u>0433</u>	ALLSTAR FIRE EQUIPMENT, INC.				826.84
APBWEST	Check	218807	FY 2019-2020 SUPPRESSION EQUIPMENT	10000.61000.53300	413.42
		218837	FY 2019-2020 SUPPRESSION EQUIPMENT	10000.61000.53300	413.42
<u>VEN03251</u>	AMERICAN RIVER BENEFIT ADMINISTRATORS				392.84
APBWEST	Check	INV025648	FF INSURANCE OCT & NOV 2019	10000.61000.53409	392.84
<u>VEN02961</u>	ARAMARK UNIFORM & CAREER APPAREL GROUP INC				386.04
APBWEST	Check	000534359253	FY 19/20 Janitorial	60001.83200.53200	293.15
		534583502	FY 19/20 Uniform	60001.83200.53303	92.89
<u>1552</u>	ARNOLD'S FRONTIER HARDWARE - Fire				83.39
APBWEST	Check	092524	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	9.94
		092598	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	3.82
		092612	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	4.33
		092731	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	10.59
		092732	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	8.75
		092788	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	15.35
		092807	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	16.40
		092916	FY 2019-2020 HARDWARE SUPPLIES	10000.61000.53204	14.21
<u>1553</u>	ARNOLD'S FRONTIER HARDWARE - Police				14.75
APBWEST	Check	092703	Hardware Supplies	10000.50000.53204	43.79
		092705	CM RETURN	10000.50000.53204	-43.79
		092752	Hardware Supplies	10000.50000.53204	14.75
<u>0122</u>	ARNOLD'S FRONTIER HARDWARE - PW				1,190.72
APBWEST	Check	091597	FY 19/20 Facilities Supplies	60001.83200.53200	5.68
		091676	FY 19/20 Street	10000.83500.53206	31.73
		091715	FY 19/20 Facilities Supplies	60001.83200.53200	33.93
		091742	FY 19/20 Street	10000.83500.53206	31.16
		091766	FY 19/20 Facilities Supplies	60001.83200.53200	55.25
		091770	FY 19/20 Facilities Supplies	60001.83200.53200	14.22
		091772	FY 19/20 Street	10000.83500.53206	16.40
		091811	FY 19/20 Street	10000.83500.53206	10.94
		091819	FY 19/20 Facilities Supplies	60001.83200.53200	65.44
		091821	FY 19/20 Facilities Supplies	60001.83200.53200	6.56
		091825	FY 19/20 Park Supplies	10000.83300.53001	22.96
		091875	FY 19/20 Facilities Supplies	60001.83200.53200	49.26
		091899	FY 19/20 Facilities Supplies	60001.83200.53200	23.28
		091957	FY 19/20 Facilities Supplies	60001.83200.53200	8.74
		091966	FY 19/20 Facilities Supplies	60001.83200.53200	3.26
		091975	FY 19/20 Street	10000.83500.53206	7.67
		092539	FY 19/20 Facilities Supplies	60001.83200.53200	25.17
		092562	FY 19/20 Facilities Supplies	60001.83200.53200	4.92
		092568	FY 19/20 Facilities Supplies	60001.83200.53200	10.51
		092569	FY 19/20 Facilities Supplies	60001.83200.53200	30.64
		092579	FY 19/20 Water Supplies	71000.81100.53200	7.11
		092584	FY 19/20 Facilities Supplies	60001.83200.53200	16.40
		092604	FY 19/20 Water Supplies	71000.81100.53200	18.89
		092629	FY 19/20 Water Supplies	71000.81100.53200	4.35
		092632	FY 19/20 Water Supplies	71000.81100.53200	13.41
		092633	FY 19/20 Water Supplies	71000.81100.53200	7.61
		092635	FY 19/20 Facilities Supplies	60001.83200.53200	6.26
		092642	FY 19/20 Facilities Supplies	60001.83200.53200	58.78
		092653	FY 19/20 Facilities Supplies	60001.83200.53200	13.12

Vendor Number	Vendor Name				Vendor Total
Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
APBWEST	Check	092654	FY 19/20 Street	10000.83500.53206	6.92
		092655	FY 19/20 Street	10000.83500.53206	20.75
		092662	FY 19/20 Facilities Supplies	60001.83200.53200	20.12
		092664	FY 19/20 Street	10000.83500.53206	4.37
		092665	FY 19/20 Facilities Supplies	60001.83200.53200	31.17
		092666	FY 19/20 Facilities Supplies	60001.83200.53200	10.93
		092692	FY 19/20 Water Supplies	71000.81100.53200	17.88
		092697	FY 19/20 Facilities Supplies	60001.83200.53200	109.48
		092713	FY 19/20 Facilities Supplies	60001.83200.53200	6.54
		092718	FY 19/20 Water Supplies	71000.81100.53200	7.16
		092740	FY 19/20 Street	10000.83500.53206	9.84
		092741	FY 19/20 Street	10000.83500.53206	13.12
		092757	FY 19/20 Facilities Supplies	60001.83200.53200	3.29
		092787	FY 19/20 Facilities Supplies	60001.83200.53200	5.78
		092798	FY 19/20 Facilities Supplies	60001.83200.53200	22.47
		092810	FY 19/20 Water Supplies	71000.81100.53200	3.26
		092840	FY 19/20 Facilities Supplies	60001.83200.53200	64.75
		092849	FY 19/20 Facilities Supplies	60001.83200.53200	33.36
		092857	FY 19/20 Water Supplies	71000.81100.53200	23.15
		092860	FY 19/20 Facilities Supplies	60001.83200.53200	62.32
		092863	FY 19/20 Water Supplies	71000.81100.53200	16.85
		092869	FY 19/20 Water Supplies	71000.81100.53200	13.13
		092876	FY 19/20 Facilities Supplies	60001.83200.53200	16.43
		092935	FY 19/20 Facilities Supplies	60001.83200.53200	64.00
0125	ARROW AUTOMOTIVE SERVICE				40.00
APBWEST	Check	1042333	VEHICLE MAINTENANCE	60000.83100.53208	40.00
VEN03209	ARROW LIFT OF CALIFORNIA				30,787.56
APBWEST	Check	20191001dn8	YAC Bldg Elevator repair Deposit	37010.85200.56010	13,194.67
		20191001pr7	YAC Bldg Elevator repair Production Release w/	37010.85200.56010	17,592.89
VEN02889	AVTEC, INC				8,963.00
APBWEST	Check	35435	FY 19-20 BPO- SMPD AVTEC RADIO CONSOLE	10000.50000.52200	8,963.00
VEN03440	BIG BEN ENGINEERING				767,313.10
APBWEST	Check	1	2019 Water Main Replacement Project	71000.81100.56011	807,698.00
		1b	RETENTION: 5% OF COMPLETED WORK	71000.00000.23500	-40,384.90
VEN02212	BLACK & WHITE EMERGENCY VEHICLES				4,178.95
APBWEST	Check	3241	customization of 2017 Chevy Volt	60000.83100.53208	4,178.95
1487	BOB WONDRIES FORD				210.19
APBWEST	Check	1198606	VEHICLE MAINTENANCE	60000.83100.53208	210.19
VEN02208	CALIFORNIA BUILDING STANDARDS COMMISSION				101.00
APBWEST	Check	INV025654	PERMIT VALUATION	10000.00000.23207	101.00
0326	CITY OF PASADENA				2,547.16
APBWEST	Check	30008946	MAINTENANCE OF TRAFFIC	10000.83500.52001	2,547.16
1121	COLANTUONO, HIGHSMITH & WHATLEY, PC				14,034.64
APBWEST	Check	40342	FY 19-20 LEGAL SVCS-RETAINER	10000.21000.52201	10,500.00
		40342b	LEGAL SERVICES SEPT 2019	10000.21000.52201	16.24
		40343	LEGAL SERVICES SEPT 2019	60007.70100.52201	499.50
		40344	LEGAL SERVICES SEPT 2019	10000.21000.52201	2,278.00
		40345	LEGAL SERVICES SEPT 2019	32006.83000.52200	282.00
		40346	LEGAL SERVICES SEPT 2019	71000.81100.52201	141.00
		40347	LEGAL SERVICES SEPT 2019	10000.81201.52202	140.90
		40348	LEGAL SERVICES SEPT 2019	71000.81100.52201	177.00
1167	COMMUNITY MEDIA OF THE FOOTHILLS				2,400.94
APBWEST	Check	414	FY 19/20 Sierra Madre Production Services	60003.30000.52100	2,400.94
VEN02871	CYBERREEF SOLUTIONS INC				299.78
APBWEST	Check	3677	1 GB DATA PLAN OCT 2019	10000.50000.52200	299.78
0185	D. F. POLYGRAPH				525.00
APBWEST	Check	2019/8	POLYGRAPH EXAMINATIONS	60007.70101.52100	525.00
1428	DAN GINTER				356.50
APBWEST	Check	INV025640	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	356.50
VEN03084	DAVID SPERNOW/DEVLYNE NETWORKS LLC				990.00
APBWEST	Check	CoSMQ12	PD SERVER SUPPORT	60003.30000.52100	990.00

Vendor Number	Vendor Name				Vendor Total
Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
1681	DEPT OF CONSERVATION				162.83
APBWEST	Check	INV025655	SEISMIC HAZARDMAPPING FEE	10000.00000.23206	162.83
VEN03272	DEPT OF HEALTH CARE SERVICES				2,659.14
APBWEST	Check	GEM1119Y4A2	DHCS QUALITY ASSURANCE FEE Q2 2019	10000.64000.52001	2,659.14
0713	DEPT OF JUSTICE				594.00
APBWEST	Check	396217	State related items JULY 2019	10000.50000.52200	594.00
VEN03460	DIANE MARQUEZ				1,136.99
APBWEST	Check	INV025652	REFUND	10000.00000.21007	82.45
				71000.00000.21007	904.19
				72000.00000.21007	150.35
VEN03180	DICKS AUTO SUPPLY				328.09
APBWEST	Check	174525	VEHICLE MAINTENANCE	60000.83100.53208	175.23
		174702	VEHICLE MAINTENANCE	60000.83100.53208	152.86
VEN01935	DIVISION OF THE STATE ARCHITECT				67.60
APBWEST	Check	INV025569	DSA JULY/2019-SEPT/2019	10000.00000.23400	67.60
VEN03194	DOUG'S SPRAYING AND FERTILIZING SERVICE				148.00
APBWEST	Check	4020	MAINTENANCE SUPPLIES	60001.83200.53200	148.00
VEN02997	DYNAMIC BUILDING MAINT INC				2,919.00
APBWEST	Check	29	FY 19/20 Monthly Janitorial Services	60001.83200.52200	2,919.00
1649	EMERGENCY RESPONSE CRIME SCENE CLEANING				450.00
APBWEST	Check	T2019-422	CRIME SCENE CLEANING	10000.50000.52006	450.00
1510	GARVEY EQUIPMENT CO.				1,871.96
APBWEST	Check	123070	VEHICLE MAINTENANCE	60000.83100.53208	11.56
		123156	EQUIPMENT	10000.83500.53205	750.00
				10000.83600.53211	1,110.40
VEN03086	GC PIVOTAL LLC				1,557.52
APBWEST	Check	INV2668830	BACKUP INTERNET SVCS 11/1/19-11/30/19	60003.30000.52200	1,557.52
1639	GMS ELEVATOR SERVICES INC				712.50
APBWEST	Check	98367	FY 19/20 Elevator Maintenance	60001.83200.52200	625.00
		98470	FY 19/20 Elevator Maintenance	60001.83200.52200	87.50
VEN03195	GREATAMERICA FINANCIAL SERVICES				1,875.13
APBWEST	Check	25620881	LASERCARE HP MFP	60003.30000.53210	1,875.13
1359	HIRERIGHT, LLC				47.25
APBWEST	Check	H0172164	BACKGROUND SCREENING	60007.70101.52100	47.25
1477	ICC				135.00
APBWEST	Check	3244711	GOVERNMENTAL MEMBERSHIP	10000.40000.53409	135.00
VEN01412	INTERNATIONAL CODE COUNCIL INC				165.00
APBWEST	Check	1001098825	CODE ENFORCEMENT TRAINING	10000.40000.53409	165.00
0913	IRWINDALE INDUSTRIAL CLINIC				1,075.00
APBWEST	Check	2130-920580	PHYSICAL EXAM	60007.70100.52106	220.00
				60007.70101.52100	855.00
1044	JESSE TORIBIO				178.25
APBWEST	Check	INV025642	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	178.25
1156	JOHN FORD				249.55
APBWEST	Check	INV025638	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	249.55
0397	KEVORK TCHARKHOUTIAN				3,040.00
APBWEST	Check	2019-09D	FY 19/20 CITY ENGINEER SERVICES	10000.82000.52100	2,240.00
		2019-09R	FY19/20 CITY ENGINEER RETAINER	10000.82000.52100	800.00
1348	LANDS' END BUSINESS OUTFITTERS				228.27
APBWEST	Check	SIN7825678	POLO UNIFORM	60007.70100.53303	37.17
		SIN7830467	POLO UNIFORM	60007.70100.53300	191.10
VEN01628	LAW ENFORCEMENT MEDICAL SERVICES, INC				75.00
APBWEST	Check	14654	BLOOD EXAM	10000.50000.53304	75.00
0277	LIEBERT CASSIDY WHITMORE				1,591.50
APBWEST	Check	1485555	LEGAL PROFESSIONAL SERVICES AUG 2019	60007.70100.52201	1,591.50
1708	LIEBERT CASSIDY WHITMORE				86.00
APBWEST	Check	INV025643	EMPLOYEE TRAINING HR DEPT	60007.70100.52205	86.00
0640	LIFE-ASSIST INC.				415.07
APBWEST	Check	944810	FY 2019-2020 EMS SUPPLIES	10000.64000.53300	415.07
VEN01660	LISA VOLPE				285.20
APBWEST	Check	INV025639	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	285.20

Vendor Number	Vendor Name				Vendor Total
Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
03255	LRM ASSOCIATES INC.				6,131.25
APBWEST	Check	1042	KERSTING COURT PROJECT	37010.85000.56002	6,131.25
VEN03463	MCA DIRECT				1,386.62
APBWEST	Check	2019188	ELECTION SUPPLIES	10000.12000.52207	1,386.62
1690	MERCHANTS LANDSCAPE SVC INC				12,000.00
APBWEST	Check	54760	FY 19/20 Landscape Services SEPT 2019	10000.81201.52200	114.64
				10000.83300.52200	6,052.73
				32002.83000.52200	834.54
				32008.83000.52200	1,329.77
				60001.83200.52200	3,668.32
VEN03173	NEOFUNDS BY NEOPOST				1,000.00
APBWEST	Check	INV025646	FY 2019-20 POSTAGE REFILL	60002.30000.53101	1,000.00
0786	OFFICE DEPOT, INC				91.90
APBWEST	Check	380240065001	OFFICE SUPPLIES	60002.30000.53100	10.72
		380240067001	OFFICE DEPOT	60002.30000.53100	82.12
				60007.70100.53101	82.11
		382524887001	OFFICE SUPPLIES	60002.30000.53100	53.36
		382548507001	OFFICE SUPPLIES	60002.30000.53100	14.35
				60007.70100.53300	120.08
		383338628001	REFUND	60002.30000.53100	-283.48
		385746493001	OFFICE SUPPLIES	60002.30000.53100	12.64
0323	PASADENA HUMANE SOCIETY				1,339.10
APBWEST	Check	OCT2019CtySM	FY 19-20 BPO- ANIMAL CONTROL SERVICE	10000.50000.52004	1,339.10
VEN01558	PAT'S TIRE SERVICE				30.00
APBWEST	Check	42325	VEHICLE MAINTENANCE	60000.83100.53208	30.00
VEN01608	PHOENIX GROUP INFORMATION SYSTEMS				2,340.92
APBWEST	Check	082019200	FY 19-20 BPO- PARKING CITATION SERVICE AUG	10000.50000.52200	2,340.92
VEN02202	PINNACLE PETROLEUM INC				21,018.12
APBWEST	Check	0202099	FY 19/20 Fuel Purchase	60000.83100.55001	15,574.46
		0202101	FY 19/20 Fuel Purchase	60000.83100.55001	5,443.66
0336	POST ALARM SYSTEMS				4,009.21
APBWEST	Check	MK 142	City Hall Doors - access control system	60001.83200.56002	4,009.21
1749	PTS				90.90
APBWEST	Check	2027830	TELEPHONE OCT 2019	10000.50000.55005	90.90
VEN02937	RCI IMAGE SYSTEMS				2,872.01
APBWEST	Check	76139	FY 19/20 Document Scanning and Archive Serv	10000.40000.52200	53.90
		76140	FY 19/20 Document Scanning and Archive Serv	10000.40000.52200	2,818.11
1485	RED SUPPLY INC				219.27
APBWEST	Check	76325	PLUMBING SUPPLIES	60001.83200.53200	54.20
		76359	PLUMBING SUPPLIES	60001.83200.53200	165.07
1113	RUBEN ENRIQUEZ				356.50
APBWEST	Check	INV025641	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	356.50
VEN03453	ServerSupply.com, Inc				22,524.42
APBWEST	Check	3498046	Hard Drives	60003.30000.56010	22,524.42
0378	SMART & FINAL				51.51
APBWEST	Check	3056650036455	PD INTERVIEW PANEL	60007.70100.53999	51.51
VEN03199	SO CAL MAILING SERVICES				1,116.39
APBWEST	Check	62841	FY19-20 BPO- MAILING AND WATER BILLING	71000.32000.53101	1,116.39
2016	STEVE POCK				356.50
APBWEST	Check	INV025637	RETIREE HEALTH INSURANCE NOV 2019	60007.70100.51302	356.50
VEN02444	SUPERIOR COURT OF CA, CO OF L. A.				586.50
APBWEST	Check	INV025650	FY 19-20 BPO- COUNTY FEES DISTRIBUTION AUG	10000.50000.52200	586.50
0404	TOM'S UNIFORMS				279.20
APBWEST	Check	14579	FY 2019-20 EMS AND SUPPRESSION UNIFORMS	10000.61000.53303	279.20
1799	TYLER TECHNOLOGIES INC				1,830.00
APBWEST	Check	025-274295	MONTHLY FEE/UB ONLINE WEB SITE, INSITE TR/	71000.32000.52200	1,284.00
				72000.32000.52200	321.00
		025-274763	MONTHLY/UB ONLINE WEB SITE, INSITE TRANS/	71000.32000.52200	180.00
				72000.32000.52200	45.00
1390	VALLEY POWER SYSTEMS				605.03
APBWEST	Check	182507	VEHICLE MAINTENANCE	60000.83100.53208	605.03

Vendor Number	Vendor Name				Vendor Total
Bank Code	Payment Type	Invoice #	Invoice Description	Account Number	Distribution Amount
0158	VULCAN MATERIALS COMPANY				605.27
APBWEST	Check	72354555	ASPHALT SUPPLIES	71000.81100.53206	605.27
VEN03457	WAXIE SANITARY SUPPLY				209.15
APBWEST	Check	78598862	Facilities restroom supplies	60001.83200.53200	209.15
0425	WILLDAN ASSOCIATES				23,174.50
APBWEST	Check	002-21561	FY 19/20 BLDG Official/Inspect/Plan Check SEPT'	10000.40000.52100	23,174.50
VEN03461	YONG YOO				3,246.00
APBWEST	Check	INV025651	REFUND OF GRADING DEPOSIT	10000.00000.23306	3,246.00
Report Total:					965,240.53



Packet: APPKT04791 - UB 10/22/19
Vendor Set: 01 - Vendor Set 01

Check Date: 10/16/2019

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Bank Code	Payment Type				Distribution Amount
0129	AT&T				270.02
APBWEST	Check	INV025656	818 246-3783 591 4 SVC 10/23/19-10/22/19	10000.61000.55005	270.02
VENO2792	FRONTIER CALIFORNIA INC				1,609.39
APBWEST	Check	INV025570	209-151-5743-051199-5 SVC 08/28/19-10/27/19	10000.50000.55005	481.46
		INV025644	310-001-5763-051199-5 SVC 9/28/19-10/24/19	60003.30000.55005	139.33
		INV025645	310-169-9845-061906-5 7/16/19-10/15/19	10000.50000.55005	310.06
		INV025647	626-355-1414-092017-5 SVC 10/01/19-10/31/19	60003.30000.55005	678.54
0942	TELEPACIFIC COMMUNICATIONS				412.48
APBWEST	Check	121389710-0	TI BACKUP SVC 9/23/19-10/22/19	60003.30000.55005	412.48
0216	THE GAS COMPANY				504.46
APBWEST	Check	INV025653	NATURAL VEHICLE FUEL	60001.83200.55004	504.46
1439	TIME WARNER CABLE				996.30
APBWEST	Check	0179789092719	PD INTERNET SVC 9/27/19-10/26/19	60003.30000.52200	596.34
		0192683092519	8448 30 022 0192683 SVC 9/25/19-10/24/19	60003.30000.52200	204.98
		0192691092519	8448 30 022 0192691 SVC 09/25/19-10/24/19	60003.30000.52200	194.98
0642	VERIZON WIRELESS - LA				2,138.59
APBWEST	Check	9838901407	CELL PHONE SVCS 8/26/19-09/25/19	60003.30000.55005	2,138.59
Report Total:					5,931.24



Packet: APPKT04795 - LIB 10/22/19
Vendor Set: 01 - Vendor Set 01

Check Date: 10/16/2019

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<u>0132</u>	BAKER & TAYLOR, INC.				3,666.12
APBWEST	Check	2034764747	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	275.79
		2034764748	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	15.48
		2034764799	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	15.72
		2034764800	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	4.50
		2034767826	BOOK SUPPLIES	39006.90000.53406	15.89
		2034769975	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	250.70
		2034769976	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	5.48
		2034782525	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	358.04
		2034782526	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	15.48
		2034784803	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	29.47
		2034784804	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	0.33
		2034786315	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	236.99
		2034786316	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	45.00
		2034786684	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	71.01
		2034786685	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	2.82
		2034792807	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	243.25
		2034792808	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	5.76
		2034796684	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	467.01
		2034796685	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	21.82
		2034804624	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	384.54
		2034804625	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	10.93
		4012368469	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	4.34
		4012371637	BOOK SUPPLIES	39006.90000.53406	56.57
		4012374058	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	22.21
		4012455308	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	45.13
		4012603660	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	306.25
		4012603661	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	6.74
		4012604319	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.53406	66.27
		4012604320	BOOKS & REFERENCE, PROCESSING FEES & MED	10000.90000.52200	2.66
		H38711060	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	90.25
		H38920850	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	20.48
		H38920851	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	48.41
		H39125220	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	12.64
		H39173200	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	12.29
		H39273940	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	8.19
		H39273941	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	12.29
		H39377410	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	51.71
		H39394120	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	20.48
		NS18090258	BOOK SUPPLIES	10000.90000.52200	395.00
		T05814680	BOOKS & REFERENCE, PROCESSING FEES & MED	39006.90000.53406	8.20
<u>0598</u>	DEMCO, INC.				137.25
APBWEST	Check	6694420	Library Supplies	10000.90000.53100	137.25
<u>0786</u>	OFFICE DEPOT, INC				60.10
APBWEST	Check	376138100001	OFFICE SUPPLIES	10000.90000.53100	47.30
		376157418001	OFFICE SUPPLIES	10000.90000.53103	12.80
<u>0904</u>	VROMAN'S				66.13
APBWEST	Check	1092900	LIBRARY SUPPLIES	10000.90000.53406	66.13
Report Total:					3,929.60



John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

City of Sierra Madre Agenda Report

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Rosemary V. Garcia, Administrative Analyst
Rebecca Silva-Barron, Community Services Manager

REVIEWED BY: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: **WATERWORKS AMENITY IMPROVEMENTS**

STAFF RECOMMENDATION

At their September 16, 2019 meeting, the Community Services Commission (CSC) unanimously approved a recommendation to the City Council for amenity improvements, listed below, for the Waterworks Sierra Madre Pool Facility. Staff recommends the City Council authorize expenditures on amenity improvements not to exceed \$40,000.

ALTERNATIVES

1. The City Council may approve some or all the proposed improvements.
2. The City Council may direct staff to provide more information on the projects listed in the staff report prior to authorizing the expenditure of funds.

SUMMARY

Waterworks Management, in unison with the Community Services Commission and subcommittee, recommended the following amenity improvements, listed in order of priority. Not all items will be funded; however, once expenditures reach \$40,000, remaining improvements will be deferred to the next fiscal year.

1. Enclosure from building to outdoor pool – *(estimated cost \$13,145)*
2. Upgrade electrical by adding a sub panel – *(estimated cost \$8,000)*
3. Electric heaters inside the new enclosure – *(estimated cost \$4,000)*
4. Two (2) swimsuit dryers installed – *(estimated cost \$4,000)*
5. Four (4) storefront glass doors installed – *(estimated cost \$10,000)*

Total: \$39,145

Target for Completion - July – October 2020

6. Installation of urinal dividers in men's restroom – July, 2020
7. Addition of hair dryers to restrooms – July, 2020
8. Portable A/C units installed to cool interior building – July, 2020
9. Stain concrete pool deck – August / September, 2020
10. Stain bathroom and office floors with non-slip surface – September / October 2020
11. Change out all shower fixtures, knock-out concrete pony wall and install partitions for individuals – September / October, 2020

ANALYSIS

The budgeted amount of \$40,000 was approved by City Council to be utilized during fiscal year 2019-2020 following review and recommendation from CSC.

Expenditures include pool and facilities improvements, purchase or upgrade of amenities, and other enhancements. Once expenditures have reached the \$40,000, remaining improvements will be deferred for completion to the next fiscal year.

The purposes of these development efforts are to enhance the user experience, which support the highest level of customer service to families, lesson participants, swim team members, and lap swimmers who utilize the pool on a daily basis. Waterworks received facility improvements suggestions resulting from community feedback efforts led by their team over the course of the past year.

In collaboration with the City, operation improvements are also being prioritized including the pool pump, the pump house wall, repairing pool decking and diving board areas, adding doors to pump house area, and staining deck.

Waterworks would also like to have a separate discussion with the City on expediting certain improvements by fronting the costs, contingent on the city providing reimbursement. Staining the concrete pool deck falls under “operations,” but they would like this task completed when it is warm.

Pending expenditure approval by the City Council, staff will work in partnership with Waterworks to implement the prioritized items as a means of contributing to enhanced recreational experiences and benefitting all parties involved.

FINANCIAL REVIEW/SOURCE OF FUNDING

Fiscal Year 2019-20 Budget includes \$40,000 through Development Impact Funds for amenity upgrades at the Sierra Madre Pool.

ENVIRONMENTAL (CEQA)

N/A

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at the City Hall public counter, at the Sierra Madre Public Library, and can be accessed on the City’s website at www.cityofsierramadre.com

ATTACHMENTS:

- Pool Enclosure Rendering (Left)
- Pool Enclosure Rendering (Right)
- Waterworks Pool Enclosure Quote







City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Gabriel Engeland, City Manager

DATE: October 22, 2019

SUBJECT: **MASTER LEASE AGREEMENT WITH TOWERPOINT CAPITAL, LLC, FOR THE SALE OF LEASE INTEREST IN WIRELESS COMMUNICATION SITES ON CITY PROPERTY**

STAFF RECOMMENDATION

Staff recommends the City Council execute the letter of intent with TowerPoint Capital, LLC for the exclusive option to purchase lease interest in wireless communication sites on City property, and adopt resolution 19-55.

The approval of the letter of intent will allow TowerPoint Capital, LLC, in their sole discretion, to execute the master lease agreement and easement agreement.

ALTERNATIVES

1. The City Council may decline to approve the letter of intent.
2. The City Council may direct staff to attempt to negotiate different terms in the letter of intent.

SUMMARY

During the past few years, the wireless telecommunications industry has been evolving rapidly to accommodate the pending roll-out of 5G wireless technology. Cell phone carriers, tower companies, and even cable television companies are all gearing up to rollout “small cell” facilities that will accommodate the next generation of wireless connectivity that offer 5G networks speeds. Based on current market trends, the widespread establishment of 5G wireless network speeds has the potential to revolutionize internet connectivity by facilitating the deployment of everything from smart homes, to autonomous vehicles, to data-centric cities. To that end, various telecommunication entities are actively – and successfully – lobbying members of the Federal government and state legislatures for the right to install wireless facilities on public property for a fraction of the cost that they are paying today for wireless cell tower leases featuring 4G technology. Currently, there are at least 14 states that have passed small cell legislation in various forms (with all of those laws containing small cell legislative subsidies that cap rents at just \$250 per year per small cell node), and similar legislation was narrowly defeated in California last year. In addition, this past September, the Federal Communications Commission (FCC) established a new regulatory category of “small wireless facilities” which aims to impose substantial restrictions on how state and local jurisdictions regulate 5G wireless facilities in the public rights-of-way, including the imposition of a \$500 cap for any permitting process, and a maximum rent cost of \$270 / year for any single 5G node. Given this emerging regulatory framework governing small cell sites, municipalities are likely going to have to provide a compelled subsidy for the telecommunication industry by capping the rents that can be charged to private wireless carriers and tower companies for use of public infrastructure.

And of particular note, this advantageous cost structure means that in the future, small cell facilities will be significantly cheaper to operate than traditional cell towers, both in terms of acquiring the underlying property rights, as well as for facility and equipment costs. These factors have provided telecommunication companies, wireless carriers, and cell tower companies tremendous leverage in renegotiating existing lease terms for current 4G cell sites, and furthermore provides a built in financial incentive for these private companies to more quickly decommission existing tower sites that are more costly to operate and maintain than the new 5G small cell sites.

Against that backdrop, the City has spent considerable time these past few months conducting further analysis of our existing 4G cell tower leases. Currently, Sierra Madre has four such leases, where a cell phone carrier has leased City property for use as a 4G cell tower node. The agreements include two leases with Crown Castle in the amount of \$2,485/mo. (CCI), and \$2,452/mo. (Sprint), and one lease each with AT&T (\$2,414/mo.) and Verizon/AMT (\$2,476/mo.). Due to the recent merger of T-Mobile and Sprint, TowerPoint Capital is not pursuing the purchase of the interest in the Sprint lease, \$2,452/mo. at this time. The current leases are eligible for termination on October 11, 2022; October 31, 2022; and June 24, 2024. In December 2018 Verizon contacted the City and requested a lease discount from \$2,300/mo. to \$1,800/mo.

Given the evolving nature of wireless connectivity, emerging 5G technology, and the relative ease with which cell phone carriers can terminate or renegotiate their lease arrangements, staff has spent considerable time assessing available options to identify the best way in which we can protect the City's interests. After extensive review and research, Staff believes the recommended course of action provides an optimal level of protection for the City from future changes in cell tower technology, while also providing the City with a substantial one-time infusion of cash. The identified opportunity involves selling the rights to three of the four existing cell tower leases to TowerPoint Capital, LLC (TowerPoint), for an upfront payment of \$1,228,000. In addition, pursuant to the terms of the proposed transaction, TowerPoint will give the City 55% of any new revenues that they extract from renegotiations with the three current wireless carriers, and also will provide the City with 55% of any new revenues that they earn from finding new tenants. Of note, this particular option also protects the City from any future rent reductions, as TowerPoint will absorb any future losses at no cost to Sierra Madre.

ANALYSIS

TowerPoint is a financial services firm that specializes in acquiring and managing macro cell tower leases, and has offered to pay the City \$1.228 million for the rights to three existing cell tower agreements. Pursuant to the proposed terms of the transaction, in exchange for a payment of \$1.228 million to the City, any future lease revenue derived from the three existing agreements would be given to TowerPoint. In addition, TowerPoint will provide the City with 55% of any new revenues either through a renegotiated lease with the current lessees, or by securing additional customers on the tower. Under the terms of the agreement TowerPoint would also absorb any rent reductions with no impact to Sierra Madre. If the City Council should authorize the execution of the proposed agreements, TowerPoint will engage in a due-diligence process that will take around 30-days to complete. During that time, TowerPoint will run title reports on the existing properties in question, send their staff out to assess the equipment located on the City's infrastructure, and coordinate an escrow process through which the transfer of funds would occur. After reviewing multiple options and taking into account current market trends, staff believes that the TowerPoint deal provides the best option for the City moving ahead.

During the past few months, staff has engaged in a comprehensive review of current trends in the wireless industry as it relates to our pending transition to the 5G wireless platform through the establishment of small cell sites. That analysis has led staff to the conclusion that our existing cell tower leases are at risk of being modified significantly or terminated at the conclusion of the current contract term. This has been

reinforced through recent actions by Verizon, who recently requested a rent reduction for the remaining and any future terms of their contract, without providing the City an offer of adequate compensation. As a means to mitigate the risks associated with these lease arrangements, especially in light of the evolution of 5G technology and small wireless facilities, staff recommends that the City Council consider selling the rights to all three leases to TowerPoint.

FINANCIAL REVIEW/SOURCE OF FUNDING

The annual revenue collected from the three cell phone leases is \$88,500. As discussed above, in order to acquire the interest in these leases TowerPoint has offered to pay the City a one-time lump sum amount of \$1,228,000. Typically staff would not recommend exchanges recurring payments for a one-time amount, however, due to the increasing likelihood that the current leases will be reduced in value or terminated at the end of their term, staff recommends accepting the payment of \$1.228 million and making a prepayment to CalPERS for pension obligations.

When exchanging recurring payments for one-time sums, staff analyzes the potential impact to cash flow, total value, and net present value.

Cash Flow:

The value of the current lease payments over 30 years would \$2,655,000 ($\$88,500 \times 30$). However, this value assumes there will not be a negotiated reduction in rent, and that the cell phone companies will continue to extend their current deals, with no negotiated changes, from today through 2049. Staff believes both of these assumptions are unlikely. Assuming no changes to the rent structure, and knowing the end date of each of the contracts, the guaranteed money per the lease to the City is \$310,068 (calculated as monthly lease rate x number of months remaining on each lease).

Completing a cash flow analysis, assuming a prepayment to CalPERS, yields positive returns. The current value of the lease, as discussed above, is \$88,500 annually. If the City accepts the \$1.228 million and makes a prepayment to CalPERS the annual expenditures of the City are expected to be reduced by \$175,008. The reduction in revenue collected is offset by the reduction in expenditures for an annual positive cash flow of \$86,508 and a 30 year positive cash flow of \$2,595,245. The guaranteed revenue from the current cell phone leases is \$310,068, calculating the cash flow over the same period of time shows a total reduction in expenditures of \$787,536 for a positive cash flow of \$389,287.

Total Value:

The current discount rate (the expected rate of return on CalPERS investments) is set at 7.25%, but will be reduced to 7.0% in the near future. Assuming Council authorizes the prepayment to CalPERS, the \$1.228M lump sum, with compounding of 7.0% interest over 30 years (the original term of the UAL), would be \$9,347,849. This amount exceeds the non-guaranteed lease payments over the same time frame (\$2,665,000) by \$6,692,849, and exceeds the guaranteed contract money (\$310,068) by \$9 million.

Net Present Value:

Net present value (NPV) compares cash inflows and outflows calculated at the same point in time to determine the time value of money. NPV individually discounts each inflow and outflow to the present and then sums the two categories to see how the resulting values compare to one another. A positive NPV shows there will be a favorable return on investment. Using the figures discussed above, the NPV represents a positive value of 1.73 (173%) as compared to the sum of the cell phone tower payments over the same period.

Staff recommends selling the City's interest in the above described leases to TowerPoint for \$1.228

million, and uses the revenue to make a prepayment to CalPERS for the City's pension obligations.

ENVIRONMENTAL (CEQA)

N/A

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at City Hall, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments

1. Sierra Madre and TowerPoint, LLC Master Lease Agreements American Tower
2. Escrow Agreement American Tower
3. Redirection of Rent Payments American Tower
4. Assignment of Lease American Tower
5. Title Affidavit American Tower
6. Signed Letter of Intent American Tower
7. Sierra Madre and TowerPoint, LLC Master Lease Agreements Crown Castle
8. Escrow Agreement Crown Castle
9. Redirection of Rent Payments Crown Castle
10. Redirection of Rent Payments AT&T
11. Assignment of Lease Crown Castle
12. Title Affidavit Crown Castle
13. Signed Letter of Intent Crown Castle

RESOLUTION NO. 19-55

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIERRA MADRE, CALIFORNIA, AUTHORIZING THE MAYOR TO EXECUTE MASTER LEASE AGREEMENTS AND OTHER NECESSARY DOCUMENTS FOR THE ASSIGNMENT OF CERTAIN SPECIFIED TELECOMMUNICATIONS LEASES TO TPA III, LLC

WHEREAS, the City of Sierra Madre (“City”), as landlord, entered into of the following lease agreements (collectively, the “Leases”), for a specific portion of property located at 611 E. Sierra Madre Boulevard, Sierra Madre, California (herein the “Property”);

1. That certain Lease Agreement dated October 23, 2012, by and between City of Sierra Madre, a municipal corporation and New Cingular Wireless PCS, LLC, a Delaware limited liability company.

2. That certain Lease - Communications Site dated July 2, 2007, by and between City of Sierra Madre, a municipal corporation and Omnipoint Communications, Inc., a Delaware corporation, a subsidiary of T-Mobile USA, Inc., a Delaware corporation; amended by a certain First Amendment to Lease - Communications Site dated June 13, 2012 by and between City of Sierra Madre, a municipal corporation and T-Mobile West Corporation, a Delaware corporation, as successor in interest to Omnipoint Communications, Inc., a Delaware corporation, a subsidiary of T-Mobile USA, Inc., a Delaware corporation, as evidenced by a certain Memorandum of Lease, aforesaid date and parties, recorded July 31, 2012 as Instrument No. 20121129778, Official Public Records of Los Angeles County, California.

3. That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless

NOW THEREFORE BE IT RESOLVED, the City Council approves entering into a transaction with TPA III, LLC, or its nominee (herein “TowerPoint”), whereby the City grants TowerPoint assignment of the Leases and grants ninety-nine (99) year term Master Lease Agreements for telecommunications purposes in exchange for the purchase price of \$806,108.11 and \$422,608.69, respectively, to the City by TowerPoint in a lump sum payment at closing; and authorizing the City Manager to take any necessary administrative actions necessary to close escrow;

BE IT FURTHER RESOLVED, that John Harabedian, as Mayor, is authorized to execute the necessary documents on behalf of the City, as may be required by TowerPoint to complete the transaction.

WHEREAS the transaction is subject to all applicable State, County and Municipal statutes, ordinances, rules and regulations and City of Sierra Madre policies and procedures.

PASSED, APPROVED AND ADOPTED 22nd day of October, 2019 at a regularly called meeting by the following vote:

Ayes: _____
Nays: _____
Absent: _____

APPROVED:

By: _____
John Harabedian, Mayor

ATTEST:

By: _____
Sue Spears, City Clerk

Recording Requested by:
Joseph Mangus
TitleVest Agency, LLC
110 E. 42nd Street, 10th Floor
New York, NY 10017
TitleVest Title No.: FA-CA-666622

Prepared by:
TPA III, LLC
1170 Peachtree Street, Suite 1650
Atlanta, GA 30309

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

MASTER LEASE AGREEMENT

This master lease agreement ("Agreement") is made and shall be effective on the ____ day of _____, 2019 ("Effective Date"), by and between CITY OF SIERRA MADRE, a municipal corporation ("Grantor") and TPA III, LLC a Delaware limited liability company ("Grantee").

- 1. Grantor's Property and the Telecom Tenant Lease.** Grantor represents and warrants that it holds fee simple title to certain real property located at 611 E. Sierra Madre Boulevard, Sierra Madre, California, as more fully described in the legal description attached hereto as Exhibit A (the "Parent Property"). Grantor and American Tower Corporation (individually and collectively, the "Telecom Tenant") are parties to that certain lease agreement, including all amendments and modifications thereto, cited in Exhibit B and incorporated by reference herein (the "Telecom Tenant Lease").
- 2. Grant of Master Lease.** For the sum of TEN AND NO/100 DOLLARS and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge as paid on or about the Effective Date along with the purchase price pursuant to the settlement statement executed contemporaneously with this Agreement ("Purchase Price"), Grantor grants, conveys and leases unto Grantee, its successors and assigns, an exclusive master lease (subject to the Telecom Tenant Lease) for the Permitted Use defined herein, together with a non-exclusive access easement for ingress and egress to and from the exclusive master lease area, seven days per week, twenty-four hours per day and a non-exclusive utility easement to install, replace and maintain utilities servicing the exclusive master lease area, including, but not limited to the installation of power and telephone service cable, wires, switches, boxes and the like as may be required by the Permitted Use (collectively "Master Lease Premises" as further described in Exhibit C). Grantor shall permit Grantee, its lessees, sublessees, licensees, successors and assigns to use the Master Lease Premises for the installation, construction, operation, maintenance, repair, modification, relocation, replacement and removal of improvements and equipment ("Equipment") for the facilitation of telecommunications and other related uses, including, but not limited to, any uses permitted by the Telecom Tenant Lease ("Permitted Use"), subject to compliance with all local regulations, building permits and laws. Grantor represents that there is no pending or threatened action that would adversely affect Grantor's ability to enter into this Agreement or grant the master lease and that entering into this Agreement will not violate or conflict with any provision of Grantor's organizational documents (if Grantor is an organization) or conflict with the provisions of any agreement to which Grantor is a party. Grantor further represents and warrants that Grantee shall have peaceful and quiet possession and enjoyment of the Master Lease Premises during the term of this Agreement without any disturbance of Grantee's possession or Permitted Use hereunder.
- 3. Term.** Commencing on the Effective Date, the term of this Agreement and the master lease shall be for 99 years (the "Term") and this Agreement and the master lease shall terminate on _____, 2118. Upon notice to Grantor as provided herein, Grantee may

surrender the Master Lease Premises to Grantor and execute such documents reasonably required to terminate the Agreement and the master lease. Grantor may not unilaterally terminate the Agreement or Grantee's possession of the Master Lease Premises, but if the Master Lease Premises is not used for the Permitted Use for a period of five (5) years the Master Lease Premises shall be deemed abandoned and this Agreement and the master lease shall terminate upon Grantor's notice of such default to Grantee as provided herein. Upon termination of this Agreement and at Grantor's written request, Grantee shall use commercially reasonable efforts to enforce Master Lease Tenant's (defined below) obligation pursuant to the Master Lease Tenant lease, as applicable, to cause the removal of Master Lease Tenant's equipment. **Sections 11 and 12** shall survive expiration or termination of this Agreement and shall remain in effect in perpetuity, subject to applicable law.

- 4. Assignment of Lease, Renewal and Right of Replacement.** Grantor hereby assigns to Grantee all of Grantor's right, title and interest in the Telecom Tenant Lease for the Term, including the right to renew the Telecom Tenant Lease throughout the Term hereof. Except as provided herein, Grantee agrees to assume all of Grantor's rights and obligations under the Telecom Tenant Lease. If Telecom Tenant is obligated under the Telecom Tenant Lease to pay to Grantor any fees (other than base rent and any escalations thereto) for the purpose of utility service or access or tax reimbursement, Grantor shall continue to be entitled to such fees, although Grantee may collect and distribute same to Grantor. Grantor shall continue to perform all obligations of the lessor under the Telecom Tenant Lease which relate to the use, ownership, and maintenance of the Property so that Grantee may fulfill all the obligations under the Telecom Tenant Lease without breaching any provision therein, including, but not limited to, Grantor maintaining the Parent Property in a commercially reasonable condition to allow the Permitted Use of the Master Lease Premises. Grantor represents and warrants that it has delivered to Grantee true and correct copies of the Telecom Tenant Lease and that Grantor owns 100% of the lessor/landlord's interest in the Telecom Tenant Lease, including the right to collect all rent thereunder. To the best of Grantor's knowledge, no party to the Telecom Tenant Lease has breached or is in default of their respective obligations under the Telecom Tenant Lease and no party has requested or discussed a modification or termination of the Telecom Tenant Lease. If during the Term the Telecom Tenant terminates the Telecom Tenant Lease or otherwise vacates the Parent Property, Grantee may lease all or a portion of the Master Lease Premises to a replacement telecommunications tenant ("Replacement Telecom Tenant") on terms consistent with the Telecom Tenant Lease and such Replacement Telecom Tenant shall occupy the Master Lease Premises rather than locating on other portions of the Parent Property ("Replacement Telecom Tenant Lease"). Additionally, each Replacement Telecom Tenant Lease shall include a provision that Grantor shall have the right to review and approve construction plans prior to commencement of construction on the Master Lease Premises, such approval not to be unreasonably conditioned, delayed, denied or withheld and without further compensation owed to Grantor. Approval shall be deemed given by Grantor where Grantor has failed to respond with good faith objections within fifteen (15) calendar days of Grantor's receipt of construction plans.
- 5. Rent Sharing.** When a new telecommunications tenant ("Rent Share Tenant"), other than a Replacement Telecom Tenant, executes a lease for space within the Master Lease Premises outside the Telecom Tenant or Replacement Telecom Tenant lease premises and commences rent payment, Grantee will collect such rent with Grantee retaining forty-five percent (45%) of the rent collected and Grantee remitting fifty-five percent (55%) of the rent collected to Grantor. Notwithstanding the foregoing, Grantee shall be entitled to collect and retain rent from all telecommunications tenants within the Master Lease Premises in an amount equal to the rent scheduled in the existing Telecom Tenant Lease and any Replacement Telecom Tenant Lease, including scheduled escalators ("Minimum Scheduled Rent"). Grantee is permitted and authorized to enter into leases with Rent Share Tenants subject to the requirements for leasing to Replacement Telecom Tenants as set forth in **Section 4**.
- 6. Grantor Cooperation and Non-interference.** Grantor hereby agrees to cooperate with Grantee and/or Telecom Tenant, Replacement Telecom Tenant and Rent Share Tenant (collectively, "Master Lease

Tenants” or individually, a “Master Lease Tenant”)) in obtaining all licenses, permits or authorizations from all applicable governmental and/or regulatory entities and in acquiring any necessary upgrades to or relocation of utility service to support the Permitted Use.. Grantor’s cooperation shall be at no cost to Grantor and without requiring payment of additional rent or fees by Grantee or Master Lease Tenants. Grantor shall not interfere with any construction in the Master Lease Premises so long as such construction is to support the Permitted Use and is proceeding pursuant to a building permit or other required municipal or governmental approvals, including requirements for aesthetic or stealth facilities, if applicable for building permit or other required municipal or governmental approval. Grantor shall not, nor shall Grantor permit its lessees, licensees, employees, invitees or agents to, use any portion of the Parent Property or the Master Lease Premises in a way which materially interferes with the operations of the Master Lease Tenants who shall have peaceful and quiet possession and enjoyment of the Master Lease Premises, so long as there is no interference with Grantor's equipment existing on the date of this Agreement. Subject to the rights of Grantee under this Agreement, Grantee shall not use the Master Lease Premises in a manner that interferes with the use of the Parent Property by Grantor or other lessees or licensees of Grantor, with rights in the Parent Property superior to Grantee. Additionally, Grantee shall use commercially reasonable efforts to enforce any non-interference provision of the Master Lease Tenant under the applicable Master Lease Tenant lease. Neither Grantee nor any Master Lease Tenant shall install Equipment of the type and frequency which will cause material signal interference to any equipment of Grantor. In the event any of Grantee's or its Master Lease Tenant's Equipment causes such interference, and after Grantor has notified Grantee in writing of such interference, Grantee will take all commercially reasonable steps necessary to enforce Master Lease Tenant’s obligations under the applicable Master Lease Tenant lease to correct and eliminate the interference. Grantor may not directly or indirectly induce, invite, or conspire to induce or invite any Master Lease Tenants to use or lease space in direct competition with Grantee’s master lease.

7. **Assignment.** Grantee may pledge, assign, mortgage, grant a security interest, or otherwise encumber its interest created by this Agreement. Grantee may freely assign this Agreement in part or in its entirety, and any or all of its rights hereunder, including the right to receive rent payments. Upon the absolute assumption of such assignee of all of the obligations of Grantee under this Agreement, then Grantee will be relieved of all obligations and liabilities hereunder.
8. **Taxes and Other Obligations.** With the exception of possessory interest tax imposed on any Master Lease Tenant or Grantee’s use of the Parent Property, all taxes and other obligations that are or could become liens against the Parent Property or any subdivision of the Parent Property containing the Master Lease Premises, whether existing as of the Effective Date or hereafter created or imposed, shall be paid by Grantor prior to delinquency or default. With the exception of possessory interest tax imposed on any Master Lease Tenant or Grantee’s use of the Parent Property, Grantor shall be solely responsible for payment of all taxes and assessments now or hereafter levied, assessed or imposed upon the Parent Property, or imposed in connection with the execution, delivery, performance or recordation hereof, including without limitation any sales, income, documentary or other transfer taxes. If Grantor fails to pay when due any taxes or other obligations affecting the Parent Property, Grantee shall have the right but not the obligation to pay such and demand payment therefor from Grantor, which payment Grantor shall make within ten (10) days of such demand by Grantee.
9. **Insurance.** During the Term of this Agreement, Master Lease Tenant shall maintain general liability insurance as required under their respective lease. Grantor shall maintain any insurance policies in place on the Parent Property or as required under the Telecom Tenant Lease. Grantor's insurance policies shall benefit the Parent Property as the primary insured interest and in the event of casualty, shall be used to restore the Parent Property.
10. **Subordination and Non-Disturbance.** Grantee agrees to subordinate this Agreement to any existing or future mortgage or deed of trust on the Parent Property ("Security Instrument"), provided the

beneficiary or secured party ("Secured Party") under the Security Instrument agrees for itself and its successors in interest and assigns that Grantee's rights under this Agreement and rights to the Master Lease Premises shall remain in full force and effect and shall not be affected or disturbed by the Secured Party in the exercise of Secured Party's rights under the Security Instrument during the term of the Agreement, including Grantee's right to collect and retain, in accordance with the terms of this Agreement, all rents, fees and other payments due from Master Lease Tenants. Such non-disturbance agreement must apply whether Secured Party exercises its rights under the Security Instrument, including foreclosure, sheriff's or trustee's sale under the power of sale contained in the Security Instrument, the termination of any superior lease of the Parent Property, and any other transfer, sale or conveyance of Grantor's interest in the Parent Property under peril of foreclosure, including, without limitation to the generality of the foregoing, an assignment or sale in lieu of foreclosure.

11. Indemnification. To the extent permitted by law, Grantor and Grantee shall each indemnify and hold harmless the other against any and all claims, damages, costs and expenses (including reasonable attorney's fees and disbursements) caused by or arising out of the indemnifying party's breach of this Agreement or the negligent acts or omissions or willful misconduct on the Parent Property by the indemnifying party or its employees, agents, or contractors. Notwithstanding any other Section within this Agreement to the contrary, at all times, this Agreement shall be construed to preserve all municipal immunity for Grantor including notice provisions and damage limitations provided to Grantor by virtue of any State or Federal rule, regulation or statute. This Agreement shall not be construed so as to waive said notice or immunity limitations provided Grantor as long as Grantor is a municipality.

12. Environmental Representations and Indemnification.

- a. Grantor represents and warrants that, to the best of Grantor's knowledge, no pollutants or other toxic or hazardous substances, as defined under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., or any other federal or state law, including any solid, liquid, gaseous, or thermal irritant or contaminant, such as smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste (including materials to be recycled, reconditioned or reclaimed) (collectively, "Hazardous Substances") have been, or shall be discharged, disbursed, released, stored, treated, generated, disposed of, or allowed to escape or migrate (collectively referred to as the "Release") on or from the Parent Property. Neither Grantor nor Grantee shall introduce or use any Hazardous Substances on the Parent Property or the Master Lease Premises in violation of any applicable federal, state or local environmental laws.
- b. Grantor and Grantee each agree to defend, indemnify, and hold harmless the other from and against any and all administrative and judicial actions and rulings, claims, causes of action, demands and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, cleanup, remedial, removal or restoration work required by any governmental authority, losses, judgments and reasonable attorneys' fees that the indemnified party may suffer or incur due to the existence or discovery of any Hazardous Substances on the Parent Property caused by the other party. Grantee shall not be responsible for and shall not defend, indemnify or hold harmless Grantor for any Release of Hazardous Substances on or before the Effective Date.

13. Dispute Resolution and Notice.

- a. Jurisdiction and venue under this Agreement shall be in the state and county the Parent Property is located. The parties may enforce this Agreement and their rights under applicable law, and may seek specific performance, injunction, appointment of a receiver and any other equitable rights and remedies available under applicable law. Damages as against Grantee shall be

limited to an amount equal to the amount of Purchase Price received by Grantor under this Agreement, in addition to any insurance settlement which may have effect. The prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs. Neither party shall be liable to the other for consequential, indirect, speculative or punitive damages. If Grantee or the applicable Master Lease Tenant does not cure such default, Grantor may seek judicial termination of this Agreement and assignment of the Master Lease Tenant leases back to Grantor.

- b. The non-defaulting party shall provide written notice of a default under this Agreement or under a Master Lease Tenants' lease, not more than thirty (30) days from discovery of the default. Grantor shall have thirty (30) days to cure the default. Grantee shall have thirty (30) days to commence cure of the default.
- c. All communications shall be delivered by certified mail, return receipt requested or a nationally recognized overnight courier to the address beneath each party's signature block or such other address as advised to the other party pursuant to this paragraph. Notice shall be deemed given upon receipt if by certified mail, return receipt requested or one (1) business day following the date of sending, if sent by nationally recognized overnight courier service or upon attempted delivery if delivery is refused or if delivery is impossible because of failure to provide reasonable means for accomplishing delivery.

14. Miscellaneous.

- a. The terms and conditions of the existing Telecom Tenant Lease shall govern over any conflicting terms of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Grantor and Grantee acknowledge that this Agreement is subject and subordinate to the Telecom Tenant Lease.
- b. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and the successors and assigns of the parties to this Agreement. It is the intention of the parties hereto that all of the various rights, obligations, restrictions and easements created in this Agreement shall run with the Parent Property upon which the Master Lease Premises is located and be binding upon all future owners and lessees of the Parent Property and all persons claiming under them for the Term of this Agreement.
- c. Casualty and Condemnation. In the event of any condemnation of the Master Lease Premises in whole or in part, Grantee shall be entitled to receive any condemnation award attributable to the value of the Master Lease Premises. In the event of any casualty of the Master Lease Premises, in whole or in part, Grantor shall be entitled to any insurance proceeds necessary to restore the Parent Property; any remaining insurance proceeds may be applied to Grantee's Master Lease Premises.
- d. Severability. If any provision contained in this Agreement (or any portion of such provision) shall be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement (or any portion of any such provision.)
- e. Counterparts. This Agreement may be executed in separate counterparts with each counterpart deemed an original and all of which together shall constitute a single agreement.
- f. Entire Agreement. This Agreement and any documents, certificates, instruments and agreements referred to herein constitute the entire agreement between Grantor and Grantee.

Without limiting the generality of the foregoing, Grantor acknowledges that it has not received or relied upon any advice of Grantee or its representatives regarding the merits or tax consequences of this Agreement.

[Signature pages and exhibits follow]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date on page one above.

GRANTOR: CITY OF SIERRA MADRE

John Harabedian, Mayor

Grantor Notice Address:
City of Sierra Madre
232 W. Sierra Madre Blvd.
Sierra Madre, California 91024
Attn: City Manager

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT B

TELECOM TENANT LEASE

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.

EXHIBIT C

MASTER LEASE PREMISES DESCRIPTION

In the event of a discrepancy between the area actually occupied by the Telecom Tenant equipment and the area described below, the described area shall be understood to also include any portion of the actual used area not captured by the description or as may have been granted to the Telecom Tenant that is currently outlined in the Telecom Tenant Lease(s) referenced in Exhibit B. Grantor or Grantee may elect to engage a professional surveyor, the product of which may be substituted upon the other party's acceptance for the contents herein. The part of the Property described in Exhibit A hereto, on which any equipment exists on the Effective Date together with the portion of the Property used and leased by Grantor as the existing lease area under the Telecom Tenant Lease(s) including but not limited as follows:

Also and included in the above-referenced Master Lease Premises area description, that certain portion of Parent Property that is co-extensive with the area leased under each Telecom Tenant Lease referenced in Exhibit B attached hereto.

Expanded Master Lease Premises Area

That certain additional lease area measuring the equivalent total of two hundred fifty (250) square feet in a location to be determined by the telecommunications tenant collocating on that certain telecommunications tower within the existing Telecom Tenant exclusive master lease premises described above with such location approved by the Grantor, such approval not to be unreasonably withheld, conditioned or delayed.

NON-EXCLUSIVE UTILITY EASEMENT and NON-EXCLUSIVE ACCESS EASEMENT SPACE

The part of the Property, described in Exhibit A hereto, on which any equipment exists on the Effective Date together with the portion of the Property used by utility providers and leased by Grantor as the lease area under the Telecom Tenant Lease(s) including but not limited as follows:

Utilities and Telecommunications. Grantee is herein granted, consistent with the Telecom Tenant Lease(s), a non-exclusive easement in, to, under and over the portions of the Property for ingress and egress to the easement Area, shaft ways, chase ways, soffits, risers, columns, crawl spaces, rafters, or any other space for placement of cables, wiring, etc., which is necessary to install, operate and maintain the telecommunications equipment and/or personal property, together with the right to use such easement for the development, repair, maintenance and removal of utilities and/or cables providing service to the Master Lease Premises and any related activities and uses, subject to compliance with all local regulations, building permits and laws..

Access. Grantee is herein granted, consistent with the Telecom Tenant Lease(s), all rights of ingress and egress to and from the Master Lease Premises, across the Property described in Exhibit A hereto, providing access to a publicly dedicated roadway, along with the right to use such access easement for the development, repair, maintenance and removal of utilities providing service to the Master Lease Premises and any related activities and uses, subject to compliance with all local regulations, building permits and laws.

THIS ESCROW AGREEMENT made and entered into this _____ day of _____, 2019, by and between CITY OF SIERRA MADRE (hereinafter referred to as "Seller"); TPA III, LLC (hereinafter referred to as "Purchaser"); (Seller and Purchaser are sometimes hereinafter referred to jointly as "Parties and individually as "Party") and TITLEVEST AGENCY, LLC (hereinafter referred to as "Escrow/Settlement Agent");

WITNESSETH

WHEREAS, Seller and Purchaser have entered into an agreement for the purchase and sale of an easement to a portion of that certain property more particularly described on attached "EXHIBIT A" attached hereto (hereinafter referred to as the "Property"); and

WHEREAS, Purchaser and Seller desire to have Escrow/Settlement Agent receive original executed documents, receive proceeds from Purchaser and disburse said proceeds according the instructions set forth below.

NOW, THEREFORE, in consideration of the premises and of good and valuable consideration the receipt and sufficiency whereof is hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Purchaser and Seller hereby appoint TitleVest Agency, LLC as Escrow/Settlement Agent hereunder.
2. Purchaser shall deliver to Escrow/Settlement Agent the Purchaser's Closing Costs, as set forth on the Purchaser's Settlement Statement, in the form of a wire transfer to an account so designated by Escrow/Settlement Agent. Said account shall have immediate availability to funds as to not delay funding of Seller's proceeds.
3. The Escrow/Settlement Agent agrees to hold and disburse said funds, in accordance with the executed Settlement Statement, as hereinafter provided.
4. Upon receipt of the required "Closing Documents" as noted on Closing Instruction Letter attached hereto as Exhibit "B" and the Purchaser's closing costs as noted in Item #2 above, Escrow/Settlement Agent shall timely deliver the Seller's Proceeds to Seller, as directed by Seller pursuant to the Seller Disbursement Authorization on Exhibit 'C'. Escrow/Settlement Agent is specifically given permission to withhold a reserve to pay and/or secure evidence of payment of delinquent taxes, interest and penalties, if any.
5. Upon funding of the Seller's Proceeds, Escrow/Settlement Agent will forward the appropriate original documents for recordation in the appropriate jurisdiction and title to the estate purchased shall be considered vested in Purchaser and the document shall be considered binding and enforceable.
6. In the event that the contemplated sale shall not take place, upon written notification from both Purchaser and Seller the Escrow/Settlement Agent shall deliver any funds received to Purchaser or as otherwise instructed by the parties hereto. Original documents shall be returned or destroyed as instructed by the parties hereto.
7. The Parties hereto covenant and agree that in performing any of its duties under this Agreement, Escrow/Settlement Agent shall be reimbursed by the responsible party for any loss or damage (including reasonable in-house or outside attorney's fees and expenses) which it may incur as a result of serving as Escrow/Settlement Agent hereunder, except for any loss, costs or damage arising out of its willful default or gross negligence. Accordingly, Escrow/Settlement Agent shall not incur any liability with respect to any action taken or omitted to be taken in reliance upon any document, including any written notice of instruction provided for in the Escrow Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also to the truth and accuracy of any information contained therein, which Escrow/Settlement Agent shall in good faith believe (a) to be genuine, (b) to

have been signed or presented by a proper person or persons, and/or (c) to conform with the provisions of this Escrow Agreement. In no event shall Escrow/Settlement Agent's liability exceed the amount of its fee for acting as Escrow/Settlement Agent.

8. In the event of a dispute between any of the parties hereto sufficient in the sole discretion of Escrow/Settlement Agent to justify its doing so, Escrow/Settlement Agent shall be entitled to tender unto the registry or custody of any court of competent jurisdiction all money or property in its hands held under the terms of this Escrow Agreement, together with such legal pleading as it deems appropriate, and thereupon be discharged. Escrow/Settlement Agent shall be reimbursed for all costs and fees incurred, including reasonable attorney fees, from the unsuccessful Party or out of the escrow if no judicial determination is made.
9. With regard to any transfer taxes or title related charges which are required to be paid by the responsible party for payment in connection with this transaction, the responsible party for payment hereby agrees to pay to TitleVest Agency, LLC ("Title Company") promptly upon demand, any shortfall in any such transfer taxes or charges that should have been charged and collected from the responsible party for payment but were not for whatever reason including a County Clerk's, Recorder's or Registry's clerical error or oversight in collecting said transfer taxes or title related charges. The Parties further agree, if requested by the Title Company, to promptly and fully cooperate and adjust any clerical error, correction or omission of any document, if deemed necessary or desirable by the Title Company. Excess transfer taxes, if any, shall be held by the Title Company for up to six (6) months following the closing, pending possible assessment or re-assessment by the taxing authority.
10. This document may be executed in counterparts and said counter parted signatures shall be considered as a whole. Facsimile signature of this Escrow Agreement, and any instructions, directions or requests, made among the parties hereto shall be deemed to be reliable, binding and enforceable upon said parties.
11. In the event any of the original executed documents deposited in escrow misstate or inaccurately reflect information contained therein, and said misstatement or inaccuracy is due to a mistake on the part of clerical error, then in such event Purchaser or Seller shall, upon request by the other and in order to correct such misstatement or inaccuracy, execute such new documents as may be deemed necessary to remedy said inaccuracy or mistake, or slip sheet pages of documents to remedy said inaccuracy or mistake upon receipt of written approval by the parties to the original executed document. Further, Purchaser and Seller agree that in such event they will provide joint direction to Escrow Agent to revise the documents accordingly.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

SELLER: CITY OF SIERRA MADRE

BY: _____
John Harabedian, Mayor

ADDRESS: 232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

PHONE: (626) 355-7135

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

PURCHASER: TPA III, LLC

BY: _____
NAME: JESSE M. WELLNER
TITLE: CHIEF EXECUTIVE OFFICER

ADDRESS: 1170 PEACHTREE STREET, SUITE 1650
ATLANTA, GEORGIA 30309

PHONE: 678-775-0360
FAX: 678-775-0361

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

ESCROW AGENT: TITLEVEST AGENCY, LLC

BY: _____
NAME: Joseph Mangus
TITLE: Escrow Officer

ADDRESS: 110 East 42nd Street, 10th Floor
New York, NY 10017

PHONE: 646-429-3125 (direct)
FAX: 212-757-0466 (fax)
EMAIL: joseph.mangus@titlevest.com

EXHIBIT A

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT 'B'

Closing Instruction Letter

- 1) Seller and Purchaser to execute in Counterpart this Escrow Agreement. Facsimile or Originals to be provided to TitleVest Agency, LLC (1 Copy or Original)
- 2) Seller and Purchaser to Execute, Notarize and Witness the Master Lease Agreement and other required documents in form for recording/filing, together with recording/filing fees and transfer taxes. Original fully executed document to be forwarded to TitleVest Agency, LLC (2 Originals)
- 3) Seller and Purchaser to execute the Settlement Statement and forward originals to TitleVest Agency, LLC (1 Original or Copy-with 1 Original to be received within 2 business days of closing)
- 4) Seller to provide Owners Affidavit executed and notarized by all Sellers. (1 Original)
- 5) Seller to provide Corporate Resolution executed. (1 Original or Copy).
- 6) Seller to complete Exhibit 'C' of this Escrow Agreement. In the event the Seller Disbursement Authorization is not completed as enclosed the Escrow Agent shall forward Sellers Proceeds via standard U.S. Mail to the address for Seller as set forth with its signature above.
- 7) If there is one or more mortgages on this property the Seller is to provide a fully executed Subordination Non-Disturbance and Attornment Agreement from all Lender's listed as Mortgagee's on the Mortgage Schedule of the Title Report.
- 8) If Seller is an LLC, then the following must be provided prior to closing:
 - a. Proof of due formation:
 - i. Proof of filing of the Articles of Organization with the secretary of State;
 - ii. Proof of publication of the Article of Organization (or a notice containing the substance of the articles).
 - b. Articles of Organization and Operating Agreement must be produced and reviewed; additional exceptions may be raised upon review of same.
 - c. Proof is required that there has been no change in the make-up or composition of the organization, and that there have been no amendments to the Articles of Organization or Operating Agreement. Proof is required that the party or parties executing instruments on behalf of the organization have authority to act.

EXHIBIT C

SELLER DISBURSEMENT AUTHORIZATION

RE: 611 E. Sierra Madre Boulevard, Sierra Madre, California 91024

Escrow No.: **FA-CA-713377**

PROCEEDS/FUNDS DISBURSEMENT INSTRUCTIONS: The undersigned directs that the proceeds/funds due will be disbursed in the following manner:

Held for pick up at this office (ID will be required) Sent via overnight delivery

Mail to: _____

Other: _____

Sent via wire transfer

(if checked, *Attach wiring instructions of receiving bank or fill in below. With cyber fraud on the increase, we suggest you mail, use an overnight service or hand-deliver any items containing banking or other private information and not send via email.*)

Please Note: Modified or amended disbursement instructions must be signed by the parties at an office of TitleVest Agency, LLC. Proof of identity will be required.

Funds disbursed to other than record owner must be in writing with authorized approval by TitleVest Agency, LLC and possibly buyer/borrower's lender on a TILA-RESPA Integrated Disclosure (TRID) regulated loan.

Receiving Banks may impose a charge for the receipt of any wire transfers.

Escrow Holder is not responsible for delays in wiring caused by time restrictions of the Federal Reserve Board or late confirmation of recording.

When funds are sent to a bank outside the United States, Escrow Holder shall not be responsible or liable for any loss or expense incurred as a result of currency exchange rates, delays in availability of funds, or delays due to the U.S. bank or foreign bank requiring additional information. Escrow Holder shall have no liability or responsibility after properly initiating the outgoing wire transfer. For best results on an outgoing international wire transfer, the international bank should provide written wire instructions.

Bank Name: _____

Name on Acct: _____

Account No.: _____

FEDWIRE Routing No.: _____

Any further instructions: _____

Date: _____

SELLER: CITY OF SIERRA MADRE

BY: _____
 John Harabedian, Mayor

Best Phone No: _____

Forwarding Address: _____

**NOTICE OF ASSIGNMENT OF LEASE AND
REDIRECTION OF RENT PAYMENTS**

_____, 2019

American Tower
10 Presidential Way
Woburn, MA 01801
Attn: Land Management Team

Re: Cell Site
Telecommunications Site Lease (“Lease”)
Site No: 418970
Site Name: Sierra Vista
Site Address: 611 E. Sierra Madre Boulevard, Sierra Madre, California 91024
Property Owner (“Landlord”): City of Sierra Madre

Dear Sir or Madam:

Effective _____, 2019, all rights of the undersigned Landlord in and to the Lease were assigned to TPA III, LLC. The Landlord will continue to own the premises. Please find enclosed an executed Assignment of Lease which will be recorded evidencing the transfer of the Landlord’s interest.

Any amounts payable by you to Landlord under the Lease, other than property tax reimbursements, should now be made payable to “TPA III, LLC.” However, payments of real or personal property taxes, assessments and utilities, should continue to be paid as provided since commencement of the lease. Payments made by you to taxing authorities should continue without interruption. Reimbursements by you to Landlord for real or personal property taxes and utility reimbursement should continue without interruption.

PAYMENTS TO BE SENT TO:

TPA III, LLC
P.O. Box 734211
Dallas, TX 75373-4211

This notice is subject to further information you may receive from TPA III, LLC. All future correspondence regarding the lease or any other issue related to your use of the property should be delivered to:

TPA III, LLC
c/o TowerPoint Capital, LLC
1170 Peachtree Street, Suite 1650
Atlanta, Georgia 30309

If you would like to make payments electronically or if you have any questions about the foregoing, please contact Jenni Ling, whose phone number is 678-775-0375, and fax number is 678-775-0361.

Thank you very much,

CITY OF SIERRA MADRE

By: _____

Name: John Harabedian, Mayor

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

Recording Requested by:

Name: Joseph Mangus
Address: TITLEVEST AGENCY, LLC
110 East 42nd Street, 10th Floor
New York, NY 10017
TitleVest Title #: FA-CA-713377

ASSIGNMENT OF LEASE

To be effective on _____, 2019, and in consideration of One Dollar (\$1) and other good and valuable consideration paid by the undersigned party hereto executing this instrument as assignee TPA III, LLC, a Delaware limited liability company, with principal offices at 1170 Peachtree Street, Suite 1650, Atlanta, Georgia 30309 (hereinafter referred to as "Assignee") to the undersigned party hereto executing this instrument as assignor CITY OF SIERRA MADRE, a municipal corporation, with principal offices located at 232 W. Sierra Madre Boulevard, Sierra Madre, California 91024 (hereinafter referred to as "Assignor"), the receipt and sufficiency thereof being hereby acknowledged, Assignor, subject to that certain Master Lease Agreement which is recorded contemporaneous to recording of this instrument, does hereby transfer, set over and assign to the Assignee all of Assignor's right, title and interest in and to the lease(s) and/or tenancy(ies) upon certain Property owned by Assignor (Legal Description attached as Exhibit A) referenced below and in Exhibit B attached hereto, in which the Assignor has any right, title and interest currently existing and relating to:

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.

Assignor represents that Assignor has no knowledge of any default now outstanding by Assignor in his capacity as the landlord/lessor under the Tenancy.

The assignment is for a term of ninety-nine (99) years and the assignment terminates on _____, 2118.

Assignee hereby assumes and agrees to faithfully perform and discharge any and all obligations of the landlord/lessor in and to the hereby assigned lease(s) and/or tenancy(ies) subsequent to the date hereof, subject to that certain Master Lease Agreement.

Subject to that certain Master Lease Agreement, Assignee agrees to hold Assignor harmless and indemnified from any and all loss, cost, damage and expenses, which Assignor may incur on

account of Assignee's failure to perform and discharge any and all obligations of lessor and landlord in and to the herein assigned lease and/or tenancy subsequent to the date hereof. Assignor agrees to hold Assignee harmless and indemnified from any and all loss, cost, damage and expenses, which Assignee may incur for claims related to activity prior to the date hereof.

The above shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, executors, legal representatives, successors and assigns.

SIGNATURES FOLLOW

IN WITNESS WHEREOF, Assignor has caused this instrument to be signed and sealed on its behalf this _____ day of _____, 2019.

Assignor: CITY OF SIERRA MADRE

John Harabedian
Mayor
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

IN WITNESS WHEREOF, Assignee has caused this instrument to be signed and sealed on its behalf this _____ day of _____, 2019.

Assignee: TPA III, LLC

Jesse M. Wellner
Chief Executive Officer
1170 Peachtree Street, Suite 1650
Atlanta, Georgia 30309
678-775-0360
678-775-0361

STATE OF GEORGIA

COUNTY OF FULTON

} ss.

On this _____ day of _____, 2019, before me, the undersigned notary public, personally appeared Jesse M. Wellner, and proved to me through satisfactory evidence of identification, which was personal knowledge/driver's license/passport/ _____ (circle one), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose as Chief Executive Officer of TPA III, LLC.

{affix notary seal or stamp}

Notary Public
My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT B

DESCRIPTION OF TELECOM TENANT LEASE(S)

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.



OWNER'S AFFIDAVIT OF TITLE AND GAP INDEMNITY AGREEMENT

STATE OF _____)

COUNTY OF _____ } SS:

FILE NO.: FA-CA-713377

BEFORE ME, the undersigned, personally appeared John Harabedian ("Affiant"), who first being duly sworn, deposes and says:

1. Affiant is the Mayor of City of Sierra Madre ("the "Owner") and is duly authorized to make this Affidavit of Title and Gap Indemnity Agreement ("Agreement") on behalf of Owner and to bind Owner as Indemnitor to TitleVest Agency, LLC individually and as agent for First American Title Insurance Company ("First American"), under all representations and agreements stated herein.
2. Owner is the titleholder of that certain real property described in the above-referenced Title Commitment or as identified on Exhibit A attached hereto (the Property).
3. Affiant has no knowledge of any unrecorded easements, or claims of easements affecting the Property, except as shown in commitments issued and surveys provided for the Property.
4. No proceedings in bankruptcy or receivership have been instituted by or against the Owner within the last 10 years, and that the Owner has never made an assignment for the benefit of creditors within the last 10 years.
5. Affiant is not aware of any boundary line disputes or discrepancies affecting the Property, or any material encroachments of improvements located on the Property, other than described on surveys provided or described in commitments issued on said Property.
6. Owner has not entered into any written agreement, nor is the Owner aware of anyone else entering into any written agreement with any real estate broker, nor is Owner aware of anyone who has provided licensed services that resulted in the procuring of a person or entity for the purpose of buying, selling, or otherwise conveying or acquiring any interest in the Property.
7. All real estate taxes, special assessments, water and sewer charges, and management fees, if any, are fully paid, except for those real estate taxes to be paid at closing.
8. There are no unrecorded options or contracts to purchase, rights of first refusal, contracts for deed or mortgage commitments, or unrecorded deeds, easements or rights-of-way for users or adverse interest with respect to the Property, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable).
9. There are no unrecorded existing tenancies, leases or other occupancies affecting the Property, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable), and that such unrecorded leases or other occupancies, if any, contain no options to purchase the Property or rights of first refusal, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable).

10. There is no action or proceeding, including, but not limited to, bankruptcy, which is now pending against Owner in any State or Federal Court, nor is there any attachment, judgment or other encumbrance which may now constitute a lien upon the Property, nor are there any claims or pending claims against Owner which may be satisfied through a lien or attachment against the Property.
11. Owner has received no written notice (except as may have been disclosed in the public records of the applicable jurisdiction) of an officially proposed or pending special assessment or a pending taking of any portion of the Property by any governmental body; and to the undersigned's knowledge, there has been no work done on the Property, nor notice received that work is to be done on the Property by the municipality (county, city, borough or township), or at its discretion, including but not limited to the installation of water or sewer lines or of other utilities, or for water or sewer lines or of other utilities, or for improvements such as paving or repaving of streets or alleys, or the installation of curbs and sidewalks.
12. That there are no unrecorded labor, mechanics' or materialmen's liens against the Property, and no material has been furnished to or labor performed upon the Property except such that have been paid for in full.

For and in consideration of First American and its agents issuing the policies to be issued under the Title Commitment without taking exception to or making requirements to remedy the effect of (i) interests in the Property described in the affidavit portion of this Agreement ("Affidavit Matters") or (ii) interests created by instruments first appearing of record after the effective date of the Title Commitment and prior to the effective date of the policies of title insurance to be issued under the Title Commitment ("Gap Matters"), Owner hereby agrees (a) to promptly defend, remove, bond or otherwise dispose of any Affidavit Matter or any Gap Matter that is the result of any act or omission of the Owner and (b) to hold and save First American and its agents harmless, and to protect and indemnify First American and its agents, from and against any and all liabilities or claims of liability, losses, costs, charges, expenses and damages of any kind or character whatsoever, including, but not limited to reasonable attorney's fees, incurred or sustained, directly or indirectly, by First American and its agents by reason of or arising out of any Affidavit Matter or any Gap Matter that is the result of any act or omission of Owner.

[Signature page follows.]

Affiant makes this Affidavit under the penalty of perjury.

Name: John Harabedian
Title: Mayor

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903



September 24, 2019

City of Sierra Madre CA
232 W Sierra Madre Blvd
Sierra Madre, CA 91024

Re: Letter of Intent to Purchase Interest in Wireless Site ("LOI")

Dear Gabriel Engeland:

In consideration of the sum of \$100.00 ("Option Fee"), the receipt and sufficiency of which is hereby acknowledged, your signature below grants to TowerPoint Acquisitions, LLC and its successors and assigns ("TowerPoint") an exclusive option ("Option") to purchase your interest in the Lease ("Lease" as further described in Exhibit A) through an assignment of the Lease and the grant of a master lease pursuant to the terms herein. TowerPoint may exercise the Option at any time within 90 calendar days of the date you sign this LOI (the "Option Period"), subject to approval of the Sierra Madre City Council. The Option Period will be extended for the length of any delay in delivering the due diligence items listed in Exhibit B. TowerPoint may exercise the Option by delivering executable closing documents to you. TowerPoint's exercise of the Option will require you to sell to TowerPoint the Lease on the terms set forth in a mutually agreed upon Master Lease Agreement and other documentation as required by the escrow/closing agent for the transaction - TitleVest Agency, LLC. The basic terms of the transaction are as follows:

Purchase Price: \$ 422,608.69 paid in a lump sum at closing.
99 Year Purchase Term of Master Lease and Lease Assignment
Letter of Intent is subject to City Council approval

Revenue Sharing Provisions:

- New Tenant Rent: 55% in favor of Landlord (New Tenant Rent will be generated from tenants collocating equipment on the equivalent of up to 250 sq. ft. adjacent to the existing tower installation.)

TowerPoint pays for due diligence costs, the title insurance policy, and standard closing costs. Each party bears its own legal expenses. Landlord pays transfer/stamp or other tax (if any) and recording fees. Purchase price shall be pro-rated at closing based on interim monthly or annual rent payments and a rent check redirection period of the two (2) months following closing. Landlord shall retain rent checks for pro-rated periods and during the redirection period.

During the Option Period, you agree not to directly or indirectly solicit, initiate or participate in any discussions or negotiations with, or encourage or respond to any inquiries or proposals by, any persons, company or group other than TowerPoint concerning your Lease. You agree to promptly notify TowerPoint if any person, company or group seeks to initiate any discussions regarding your Lease. You further agree to work in good faith with TowerPoint to close this transaction. This LOI is intended as and shall be a legally binding commitment for you to sell your Lease. In the event of a breach of this LOI by you, TowerPoint shall, in addition to its other rights and remedies (including recording a copy of this LOI), be entitled to compensation for its time, effort and expense to evaluate this transaction and, in any action to enforce this LOI, to recovery of its reasonable attorneys' fees. Until such time as the Master Lease is approved, the terms of this LOI are confidential and may not be disclosed without the prior written consent of TowerPoint, except to professionals engaged to evaluate and conduct the transaction on your behalf. You acknowledge that TowerPoint has given you no tax or legal advice in evaluating the transaction.

To the extent the terms of this LOI represent an offer by TowerPoint, the terms herein are subject to change by TowerPoint after September 30, 2019 if this LOI is not mutually executed. TowerPoint reserves the right to change the terms of this LOI following expiration.

Sincerely,
TowerPoint Acquisitions, LLC

Accepted and Agreed:
City of Sierra Madre CA

Jesse M. Wellner, Chief Executive Officer

Landlord's Signature Date 9/24/19
Print Name: GABRIEL ENGELAND
Title: CITY MANAGER

Exhibit ASite Location and Lease Terms

Site Location: 611 E Sierra Madre Blvd, Sierra Madre, CA 91024

Wireless Tenants	Current Rent	Rent Payment Frequency	Escalation (CPI, % or \$)	Escalation Frequency	Date of Next Escalation
AMT	\$2,430.00	Monthly	CPI	Annual	July 1, 2020

Pricing is based on the Lease Terms above and is subject to confirmatory due diligence of the Lease Terms.

Initial
Here: *JK*

Exhibit B

Required Due Diligence Items

1. Executed Lease including any and all Amendments thereto (as well as any lease commencement letters, notices, or other correspondence regarding the Lease)
2. Proof of Rent Payments under the Lease (minimum of 3 months received in the last 6 months); e.g.: copies of rent checks/stubs and/or direct deposit statements.
3. Landlord Request for Information (RFI): Completed and executed including social security numbers for individuals with 20% or greater ownership positions in the entity which owns the property.
4. Landlord's comments or Landlord's counsel's comments, if any, to the Master Lease Agreement ("Master Lease") to be provided under separate cover (to be finalized in a mutually agreeable Master Lease) or return the Master Lease with each page initialed showing approval of the form Master Lease.
5. If an existing mortgage is in place on the property: A Mortgage Statement and Lender contact information for obtaining a non-disturbance agreement from Lender (required only if the property is encumbered by a Mortgage, Deed of Trust, Line of Credit or similar instrument).
6. Legal entity organizational documents (including any Amendments thereto) showing proof of authority, as applicable below, for all entities owning an interest in the Property:

Corporation	LLC	General Partnership	Limited Partnership	Condominium Association	Cooperative Corporation (i.e.: Housing Co-op)	Trust
Articles of Incorporation	Articles of Incorporation	Certificate of Partnership	Certificate of Limited Partnership	Condominium Declaration	Articles of Incorporation	Trust Agreement
Signed Corporate Bylaws	Signed Operating Agreement	Signed General Partnership Agreement	Signed Limited Partnership Agreement	Signed Condominium Bylaws	Signed Corporate Bylaws	Certificate of Trust

Within 10 days of signing this LOI, I agree to provide to TowerPoint the Required Due Diligence Items listed above to facilitate a timely close under the terms of this LOI.

Initial Here: 

Submitted by: Connor Jacobson, Ph: (678) 987-4960, Email: connor.jacobson@towerpoint.com

Recording Requested by:
Joseph Mangus
TitleVest Agency, LLC
110 E. 42nd Street, 10th Floor
New York, NY 10017
TitleVest Title No.: FA-CA-666622

Prepared by:
TPA III, LLC
1170 Peachtree Street, Suite 1650
Atlanta, GA 30309

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

MASTER LEASE AGREEMENT

This master lease agreement ("Agreement") is made and shall be effective on the ____ day of _____, 2019 ("Effective Date"), by and between CITY OF SIERRA MADRE, a municipal corporation ("Grantor") and TPA III, LLC a Delaware limited liability company ("Grantee").

- 1. Grantor's Property and the Telecom Tenant Lease.** Grantor represents and warrants that it holds fee simple title to certain real property located at 611 E. Sierra Madre Boulevard, Sierra Madre, California, as more fully described in the legal description attached hereto as Exhibit A (the "Parent Property"). Grantor and American Tower Corporation (individually and collectively, the "Telecom Tenant") are parties to that certain lease agreement, including all amendments and modifications thereto, cited in Exhibit B and incorporated by reference herein (the "Telecom Tenant Lease").
- 2. Grant of Master Lease.** For the sum of TEN AND NO/100 DOLLARS and other good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge as paid on or about the Effective Date along with the purchase price pursuant to the settlement statement executed contemporaneously with this Agreement ("Purchase Price"), Grantor grants, conveys and leases unto Grantee, its successors and assigns, an exclusive master lease (subject to the Telecom Tenant Lease) for the Permitted Use defined herein, together with a non-exclusive access easement for ingress and egress to and from the exclusive master lease area, seven days per week, twenty-four hours per day and a non-exclusive utility easement to install, replace and maintain utilities servicing the exclusive master lease area, including, but not limited to the installation of power and telephone service cable, wires, switches, boxes and the like as may be required by the Permitted Use (collectively "Master Lease Premises" as further described in Exhibit C). Grantor shall permit Grantee, its lessees, sublessees, licensees, successors and assigns to use the Master Lease Premises for the installation, construction, operation, maintenance, repair, modification, relocation, replacement and removal of improvements and equipment ("Equipment") for the facilitation of telecommunications and other related uses, including, but not limited to, any uses permitted by the Telecom Tenant Lease ("Permitted Use"), subject to compliance with all local regulations, building permits and laws. Grantor represents that there is no pending or threatened action that would adversely affect Grantor's ability to enter into this Agreement or grant the master lease and that entering into this Agreement will not violate or conflict with any provision of Grantor's organizational documents (if Grantor is an organization) or conflict with the provisions of any agreement to which Grantor is a party. Grantor further represents and warrants that Grantee shall have peaceful and quiet possession and enjoyment of the Master Lease Premises during the term of this Agreement without any disturbance of Grantee's possession or Permitted Use hereunder.
- 3. Term.** Commencing on the Effective Date, the term of this Agreement and the master lease shall be for 99 years (the "Term") and this Agreement and the master lease shall terminate on _____, 2118. Upon notice to Grantor as provided herein, Grantee may

surrender the Master Lease Premises to Grantor and execute such documents reasonably required to terminate the Agreement and the master lease. Grantor may not unilaterally terminate the Agreement or Grantee's possession of the Master Lease Premises, but if the Master Lease Premises is not used for the Permitted Use for a period of five (5) years the Master Lease Premises shall be deemed abandoned and this Agreement and the master lease shall terminate upon Grantor's notice of such default to Grantee as provided herein. Upon termination of this Agreement and at Grantor's written request, Grantee shall use commercially reasonable efforts to enforce Master Lease Tenant's (defined below) obligation pursuant to the Master Lease Tenant lease, as applicable, to cause the removal of Master Lease Tenant's equipment. **Sections 11 and 12** shall survive expiration or termination of this Agreement and shall remain in effect in perpetuity, subject to applicable law.

- 4. Assignment of Lease, Renewal and Right of Replacement.** Grantor hereby assigns to Grantee all of Grantor's right, title and interest in the Telecom Tenant Lease for the Term, including the right to renew the Telecom Tenant Lease throughout the Term hereof. Except as provided herein, Grantee agrees to assume all of Grantor's rights and obligations under the Telecom Tenant Lease. If Telecom Tenant is obligated under the Telecom Tenant Lease to pay to Grantor any fees (other than base rent and any escalations thereto) for the purpose of utility service or access or tax reimbursement, Grantor shall continue to be entitled to such fees, although Grantee may collect and distribute same to Grantor. Grantor shall continue to perform all obligations of the lessor under the Telecom Tenant Lease which relate to the use, ownership, and maintenance of the Property so that Grantee may fulfill all the obligations under the Telecom Tenant Lease without breaching any provision therein, including, but not limited to, Grantor maintaining the Parent Property in a commercially reasonable condition to allow the Permitted Use of the Master Lease Premises. Grantor represents and warrants that it has delivered to Grantee true and correct copies of the Telecom Tenant Lease and that Grantor owns 100% of the lessor/landlord's interest in the Telecom Tenant Lease, including the right to collect all rent thereunder. To the best of Grantor's knowledge, no party to the Telecom Tenant Lease has breached or is in default of their respective obligations under the Telecom Tenant Lease and no party has requested or discussed a modification or termination of the Telecom Tenant Lease. If during the Term the Telecom Tenant terminates the Telecom Tenant Lease or otherwise vacates the Parent Property, Grantee may lease all or a portion of the Master Lease Premises to a replacement telecommunications tenant ("Replacement Telecom Tenant") on terms consistent with the Telecom Tenant Lease and such Replacement Telecom Tenant shall occupy the Master Lease Premises rather than locating on other portions of the Parent Property ("Replacement Telecom Tenant Lease"). Additionally, each Replacement Telecom Tenant Lease shall include a provision that Grantor shall have the right to review and approve construction plans prior to commencement of construction on the Master Lease Premises, such approval not to be unreasonably conditioned, delayed, denied or withheld and without further compensation owed to Grantor. Approval shall be deemed given by Grantor where Grantor has failed to respond with good faith objections within fifteen (15) calendar days of Grantor's receipt of construction plans.
- 5. Rent Sharing.** When a new telecommunications tenant ("Rent Share Tenant"), other than a Replacement Telecom Tenant, executes a lease for space within the Master Lease Premises outside the Telecom Tenant or Replacement Telecom Tenant lease premises and commences rent payment, Grantee will collect such rent with Grantee retaining forty-five percent (45%) of the rent collected and Grantee remitting fifty-five percent (55%) of the rent collected to Grantor. Notwithstanding the foregoing, Grantee shall be entitled to collect and retain rent from all telecommunications tenants within the Master Lease Premises in an amount equal to the rent scheduled in the existing Telecom Tenant Lease and any Replacement Telecom Tenant Lease, including scheduled escalators ("Minimum Scheduled Rent"). Grantee is permitted and authorized to enter into leases with Rent Share Tenants subject to the requirements for leasing to Replacement Telecom Tenants as set forth in **Section 4**.
- 6. Grantor Cooperation and Non-interference.** Grantor hereby agrees to cooperate with Grantee and/or Telecom Tenant, Replacement Telecom Tenant and Rent Share Tenant (collectively, "Master Lease

Tenants” or individually, a “Master Lease Tenant”)) in obtaining all licenses, permits or authorizations from all applicable governmental and/or regulatory entities and in acquiring any necessary upgrades to or relocation of utility service to support the Permitted Use.. Grantor’s cooperation shall be at no cost to Grantor and without requiring payment of additional rent or fees by Grantee or Master Lease Tenants. Grantor shall not interfere with any construction in the Master Lease Premises so long as such construction is to support the Permitted Use and is proceeding pursuant to a building permit or other required municipal or governmental approvals, including requirements for aesthetic or stealth facilities, if applicable for building permit or other required municipal or governmental approval. Grantor shall not, nor shall Grantor permit its lessees, licensees, employees, invitees or agents to, use any portion of the Parent Property or the Master Lease Premises in a way which materially interferes with the operations of the Master Lease Tenants who shall have peaceful and quiet possession and enjoyment of the Master Lease Premises, so long as there is no interference with Grantor's equipment existing on the date of this Agreement. Subject to the rights of Grantee under this Agreement, Grantee shall not use the Master Lease Premises in a manner that interferes with the use of the Parent Property by Grantor or other lessees or licensees of Grantor, with rights in the Parent Property superior to Grantee. Additionally, Grantee shall use commercially reasonable efforts to enforce any non-interference provision of the Master Lease Tenant under the applicable Master Lease Tenant lease. Neither Grantee nor any Master Lease Tenant shall install Equipment of the type and frequency which will cause material signal interference to any equipment of Grantor. In the event any of Grantee's or its Master Lease Tenant's Equipment causes such interference, and after Grantor has notified Grantee in writing of such interference, Grantee will take all commercially reasonable steps necessary to enforce Master Lease Tenant’s obligations under the applicable Master Lease Tenant lease to correct and eliminate the interference. Grantor may not directly or indirectly induce, invite, or conspire to induce or invite any Master Lease Tenants to use or lease space in direct competition with Grantee’s master lease.

7. **Assignment.** Grantee may pledge, assign, mortgage, grant a security interest, or otherwise encumber its interest created by this Agreement. Grantee may freely assign this Agreement in part or in its entirety, and any or all of its rights hereunder, including the right to receive rent payments. Upon the absolute assumption of such assignee of all of the obligations of Grantee under this Agreement, then Grantee will be relieved of all obligations and liabilities hereunder.
8. **Taxes and Other Obligations.** With the exception of possessory interest tax imposed on any Master Lease Tenant or Grantee’s use of the Parent Property, all taxes and other obligations that are or could become liens against the Parent Property or any subdivision of the Parent Property containing the Master Lease Premises, whether existing as of the Effective Date or hereafter created or imposed, shall be paid by Grantor prior to delinquency or default. With the exception of possessory interest tax imposed on any Master Lease Tenant or Grantee’s use of the Parent Property, Grantor shall be solely responsible for payment of all taxes and assessments now or hereafter levied, assessed or imposed upon the Parent Property, or imposed in connection with the execution, delivery, performance or recordation hereof, including without limitation any sales, income, documentary or other transfer taxes. If Grantor fails to pay when due any taxes or other obligations affecting the Parent Property, Grantee shall have the right but not the obligation to pay such and demand payment therefor from Grantor, which payment Grantor shall make within ten (10) days of such demand by Grantee.
9. **Insurance.** During the Term of this Agreement, Master Lease Tenant shall maintain general liability insurance as required under their respective lease. Grantor shall maintain any insurance policies in place on the Parent Property or as required under the Telecom Tenant Lease. Grantor's insurance policies shall benefit the Parent Property as the primary insured interest and in the event of casualty, shall be used to restore the Parent Property.
10. **Subordination and Non-Disturbance.** Grantee agrees to subordinate this Agreement to any existing or future mortgage or deed of trust on the Parent Property ("Security Instrument"), provided the

beneficiary or secured party ("Secured Party") under the Security Instrument agrees for itself and its successors in interest and assigns that Grantee's rights under this Agreement and rights to the Master Lease Premises shall remain in full force and effect and shall not be affected or disturbed by the Secured Party in the exercise of Secured Party's rights under the Security Instrument during the term of the Agreement, including Grantee's right to collect and retain, in accordance with the terms of this Agreement, all rents, fees and other payments due from Master Lease Tenants. Such non-disturbance agreement must apply whether Secured Party exercises its rights under the Security Instrument, including foreclosure, sheriff's or trustee's sale under the power of sale contained in the Security Instrument, the termination of any superior lease of the Parent Property, and any other transfer, sale or conveyance of Grantor's interest in the Parent Property under peril of foreclosure, including, without limitation to the generality of the foregoing, an assignment or sale in lieu of foreclosure.

11. Indemnification. To the extent permitted by law, Grantor and Grantee shall each indemnify and hold harmless the other against any and all claims, damages, costs and expenses (including reasonable attorney's fees and disbursements) caused by or arising out of the indemnifying party's breach of this Agreement or the negligent acts or omissions or willful misconduct on the Parent Property by the indemnifying party or its employees, agents, or contractors. Notwithstanding any other Section within this Agreement to the contrary, at all times, this Agreement shall be construed to preserve all municipal immunity for Grantor including notice provisions and damage limitations provided to Grantor by virtue of any State or Federal rule, regulation or statute. This Agreement shall not be construed so as to waive said notice or immunity limitations provided Grantor as long as Grantor is a municipality.

12. Environmental Representations and Indemnification.

- a. Grantor represents and warrants that, to the best of Grantor's knowledge, no pollutants or other toxic or hazardous substances, as defined under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. 9601 et seq., or any other federal or state law, including any solid, liquid, gaseous, or thermal irritant or contaminant, such as smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste (including materials to be recycled, reconditioned or reclaimed) (collectively, "Hazardous Substances") have been, or shall be discharged, disbursed, released, stored, treated, generated, disposed of, or allowed to escape or migrate (collectively referred to as the "Release") on or from the Parent Property. Neither Grantor nor Grantee shall introduce or use any Hazardous Substances on the Parent Property or the Master Lease Premises in violation of any applicable federal, state or local environmental laws.
- b. Grantor and Grantee each agree to defend, indemnify, and hold harmless the other from and against any and all administrative and judicial actions and rulings, claims, causes of action, demands and liability including, but not limited to, damages, costs, expenses, assessments, penalties, fines, cleanup, remedial, removal or restoration work required by any governmental authority, losses, judgments and reasonable attorneys' fees that the indemnified party may suffer or incur due to the existence or discovery of any Hazardous Substances on the Parent Property caused by the other party. Grantee shall not be responsible for and shall not defend, indemnify or hold harmless Grantor for any Release of Hazardous Substances on or before the Effective Date.

13. Dispute Resolution and Notice.

- a. Jurisdiction and venue under this Agreement shall be in the state and county the Parent Property is located. The parties may enforce this Agreement and their rights under applicable law, and may seek specific performance, injunction, appointment of a receiver and any other equitable rights and remedies available under applicable law. Damages as against Grantee shall be

limited to an amount equal to the amount of Purchase Price received by Grantor under this Agreement, in addition to any insurance settlement which may have effect. The prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs. Neither party shall be liable to the other for consequential, indirect, speculative or punitive damages. If Grantee or the applicable Master Lease Tenant does not cure such default, Grantor may seek judicial termination of this Agreement and assignment of the Master Lease Tenant leases back to Grantor.

- b. The non-defaulting party shall provide written notice of a default under this Agreement or under a Master Lease Tenants' lease, not more than thirty (30) days from discovery of the default. Grantor shall have thirty (30) days to cure the default. Grantee shall have thirty (30) days to commence cure of the default.
- c. All communications shall be delivered by certified mail, return receipt requested or a nationally recognized overnight courier to the address beneath each party's signature block or such other address as advised to the other party pursuant to this paragraph. Notice shall be deemed given upon receipt if by certified mail, return receipt requested or one (1) business day following the date of sending, if sent by nationally recognized overnight courier service or upon attempted delivery if delivery is refused or if delivery is impossible because of failure to provide reasonable means for accomplishing delivery.

14. Miscellaneous.

- a. The terms and conditions of the existing Telecom Tenant Lease shall govern over any conflicting terms of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, Grantor and Grantee acknowledge that this Agreement is subject and subordinate to the Telecom Tenant Lease.
- b. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and the successors and assigns of the parties to this Agreement. It is the intention of the parties hereto that all of the various rights, obligations, restrictions and easements created in this Agreement shall run with the Parent Property upon which the Master Lease Premises is located and be binding upon all future owners and lessees of the Parent Property and all persons claiming under them for the Term of this Agreement.
- c. Casualty and Condemnation. In the event of any condemnation of the Master Lease Premises in whole or in part, Grantee shall be entitled to receive any condemnation award attributable to the value of the Master Lease Premises. In the event of any casualty of the Master Lease Premises, in whole or in part, Grantor shall be entitled to any insurance proceeds necessary to restore the Parent Property; any remaining insurance proceeds may be applied to Grantee's Master Lease Premises.
- d. Severability. If any provision contained in this Agreement (or any portion of such provision) shall be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement (or any portion of any such provision.)
- e. Counterparts. This Agreement may be executed in separate counterparts with each counterpart deemed an original and all of which together shall constitute a single agreement.
- f. Entire Agreement. This Agreement and any documents, certificates, instruments and agreements referred to herein constitute the entire agreement between Grantor and Grantee.

Without limiting the generality of the foregoing, Grantor acknowledges that it has not received or relied upon any advice of Grantee or its representatives regarding the merits or tax consequences of this Agreement.

[Signature pages and exhibits follow]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date on page one above.

GRANTOR: CITY OF SIERRA MADRE

John Harabedian, Mayor

Grantor Notice Address:
City of Sierra Madre
232 W. Sierra Madre Blvd.
Sierra Madre, California 91024
Attn: City Manager

<p style="text-align: center;">ACKNOWLEDGMENT</p> <div style="border: 1px solid black; padding: 5px; margin: 10px auto; width: 80%;"><p>A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.</p></div> <p>State of California County of _____)</p> <p>On _____ before me, _____ (insert name and title of the officer)</p> <p>personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.</p> <p>I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.</p> <p>WITNESS my hand and official seal.</p> <p>Signature _____ (Seal)</p>
--

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date on page one above.

GRANTEE: TPA III, LLC

Jesse M. Wellner, Chief Executive Officer

Grantee Notice Address:
TPA III, LLC
1170 Peachtree Street, Suite 1650
Atlanta, GA 30309
Attn: Chief Executive Officer

With a copy to:
TPA III, LLC
1170 Peachtree Street, Suite 1650
Atlanta, GA 30309
Attn: General Counsel

STATE OF GEORGIA

} }

COUNTY OF FULTON

On this _____ day of _____, 2019, before me, the undersigned notary public, personally appeared Jesse M. Wellner, and proved to me through satisfactory evidence of identification, which was personal knowledge/driver's license/passport/ _____ (circle one), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose as Chief Executive Officer of TPA III, LLC.

{affix notary seal or stamp}

Notary Public
My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT B

TELECOM TENANT LEASE

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.

EXHIBIT C

MASTER LEASE PREMISES DESCRIPTION

In the event of a discrepancy between the area actually occupied by the Telecom Tenant equipment and the area described below, the described area shall be understood to also include any portion of the actual used area not captured by the description or as may have been granted to the Telecom Tenant that is currently outlined in the Telecom Tenant Lease(s) referenced in Exhibit B. Grantor or Grantee may elect to engage a professional surveyor, the product of which may be substituted upon the other party's acceptance for the contents herein. The part of the Property described in Exhibit A hereto, on which any equipment exists on the Effective Date together with the portion of the Property used and leased by Grantor as the existing lease area under the Telecom Tenant Lease(s) including but not limited as follows:

Also and included in the above-referenced Master Lease Premises area description, that certain portion of Parent Property that is co-extensive with the area leased under each Telecom Tenant Lease referenced in Exhibit B attached hereto.

Expanded Master Lease Premises Area

That certain additional lease area measuring the equivalent total of two hundred fifty (250) square feet in a location to be determined by the telecommunications tenant collocating on that certain telecommunications tower within the existing Telecom Tenant exclusive master lease premises described above with such location approved by the Grantor, such approval not to be unreasonably withheld, conditioned or delayed.

NON-EXCLUSIVE UTILITY EASEMENT and NON-EXCLUSIVE ACCESS EASEMENT SPACE

The part of the Property, described in Exhibit A hereto, on which any equipment exists on the Effective Date together with the portion of the Property used by utility providers and leased by Grantor as the lease area under the Telecom Tenant Lease(s) including but not limited as follows:

Utilities and Telecommunications. Grantee is herein granted, consistent with the Telecom Tenant Lease(s), a non-exclusive easement in, to, under and over the portions of the Property for ingress and egress to the easement Area, shaft ways, chase ways, soffits, risers, columns, crawl spaces, rafters, or any other space for placement of cables, wiring, etc., which is necessary to install, operate and maintain the telecommunications equipment and/or personal property, together with the right to use such easement for the development, repair, maintenance and removal of utilities and/or cables providing service to the Master Lease Premises and any related activities and uses, subject to compliance with all local regulations, building permits and laws..

Access. Grantee is herein granted, consistent with the Telecom Tenant Lease(s), all rights of ingress and egress to and from the Master Lease Premises, across the Property described in Exhibit A hereto, providing access to a publicly dedicated roadway, along with the right to use such access easement for the development, repair, maintenance and removal of utilities providing service to the Master Lease Premises and any related activities and uses, subject to compliance with all local regulations, building permits and laws.

THIS ESCROW AGREEMENT made and entered into this _____ day of _____, 2019, by and between CITY OF SIERRA MADRE (hereinafter referred to as "Seller"); TPA III, LLC (hereinafter referred to as "Purchaser"); (Seller and Purchaser are sometimes hereinafter referred to jointly as "Parties and individually as "Party") and TITLEVEST AGENCY, LLC (hereinafter referred to as "Escrow/Settlement Agent");

WITNESSETH

WHEREAS, Seller and Purchaser have entered into an agreement for the purchase and sale of an easement to a portion of that certain property more particularly described on attached "EXHIBIT A" attached hereto (hereinafter referred to as the "Property"); and

WHEREAS, Purchaser and Seller desire to have Escrow/Settlement Agent receive original executed documents, receive proceeds from Purchaser and disburse said proceeds according the instructions set forth below.

NOW, THEREFORE, in consideration of the premises and of good and valuable consideration the receipt and sufficiency whereof is hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Purchaser and Seller hereby appoint TitleVest Agency, LLC as Escrow/Settlement Agent hereunder.
2. Purchaser shall deliver to Escrow/Settlement Agent the Purchaser's Closing Costs, as set forth on the Purchaser's Settlement Statement, in the form of a wire transfer to an account so designated by Escrow/Settlement Agent. Said account shall have immediate availability to funds as to not delay funding of Seller's proceeds.
3. The Escrow/Settlement Agent agrees to hold and disburse said funds, in accordance with the executed Settlement Statement, as hereinafter provided.
4. Upon receipt of the required "Closing Documents" as noted on Closing Instruction Letter attached hereto as Exhibit "B" and the Purchaser's closing costs as noted in Item #2 above, Escrow/Settlement Agent shall timely deliver the Seller's Proceeds to Seller, as directed by Seller pursuant to the Seller Disbursement Authorization on Exhibit 'C'. Escrow/Settlement Agent is specifically given permission to withhold a reserve to pay and/or secure evidence of payment of delinquent taxes, interest and penalties, if any.
5. Upon funding of the Seller's Proceeds, Escrow/Settlement Agent will forward the appropriate original documents for recordation in the appropriate jurisdiction and title to the estate purchased shall be considered vested in Purchaser and the document shall be considered binding and enforceable.
6. In the event that the contemplated sale shall not take place, upon written notification from both Purchaser and Seller the Escrow/Settlement Agent shall deliver any funds received to Purchaser or as otherwise instructed by the parties hereto. Original documents shall be returned or destroyed as instructed by the parties hereto.
7. The Parties hereto covenant and agree that in performing any of its duties under this Agreement, Escrow/Settlement Agent shall be reimbursed by the responsible party for any loss or damage (including reasonable in-house or outside attorney's fees and expenses) which it may incur as a result of serving as Escrow/Settlement Agent hereunder, except for any loss, costs or damage arising out of its willful default or gross negligence. Accordingly, Escrow/Settlement Agent shall not incur any liability with respect to any action taken or omitted to be taken in reliance upon any document, including any written notice of instruction provided for in the Escrow Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also to the truth and accuracy of any information contained therein, which Escrow/Settlement Agent shall in good faith believe (a) to be genuine, (b) to

have been signed or presented by a proper person or persons, and/or (c) to conform with the provisions of this Escrow Agreement. In no event shall Escrow/Settlement Agent's liability exceed the amount of its fee for acting as Escrow/Settlement Agent.

8. In the event of a dispute between any of the parties hereto sufficient in the sole discretion of Escrow/Settlement Agent to justify its doing so, Escrow/Settlement Agent shall be entitled to tender unto the registry or custody of any court of competent jurisdiction all money or property in its hands held under the terms of this Escrow Agreement, together with such legal pleading as it deems appropriate, and thereupon be discharged. Escrow/Settlement Agent shall be reimbursed for all costs and fees incurred, including reasonable attorney fees, from the unsuccessful Party or out of the escrow if no judicial determination is made.
9. With regard to any transfer taxes or title related charges which are required to be paid by the responsible party for payment in connection with this transaction, the responsible party for payment hereby agrees to pay to TitleVest Agency, LLC ("Title Company") promptly upon demand, any shortfall in any such transfer taxes or charges that should have been charged and collected from the responsible party for payment but were not for whatever reason including a County Clerk's, Recorder's or Registry's clerical error or oversight in collecting said transfer taxes or title related charges. The Parties further agree, if requested by the Title Company, to promptly and fully cooperate and adjust any clerical error, correction or omission of any document, if deemed necessary or desirable by the Title Company. Excess transfer taxes, if any, shall be held by the Title Company for up to six (6) months following the closing, pending possible assessment or re-assessment by the taxing authority.
10. This document may be executed in counterparts and said counter parted signatures shall be considered as a whole. Facsimile signature of this Escrow Agreement, and any instructions, directions or requests, made among the parties hereto shall be deemed to be reliable, binding and enforceable upon said parties.
11. In the event any of the original executed documents deposited in escrow misstate or inaccurately reflect information contained therein, and said misstatement or inaccuracy is due to a mistake on the part of clerical error, then in such event Purchaser or Seller shall, upon request by the other and in order to correct such misstatement or inaccuracy, execute such new documents as may be deemed necessary to remedy said inaccuracy or mistake, or slip sheet pages of documents to remedy said inaccuracy or mistake upon receipt of written approval by the parties to the original executed document. Further, Purchaser and Seller agree that in such event they will provide joint direction to Escrow Agent to revise the documents accordingly.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

SELLER: CITY OF SIERRA MADRE

BY: _____
John Harabedian, Mayor

ADDRESS: 232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

PHONE: (626) 355-7135

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

PURCHASER: TPA III, LLC

BY: _____
NAME: JESSE M. WELLNER
TITLE: CHIEF EXECUTIVE OFFICER

ADDRESS: 1170 PEACHTREE STREET, SUITE 1650
ATLANTA, GEORGIA 30309

PHONE: 678-775-0360
FAX: 678-775-0361

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and its seal to be affixed thereto as of the day and year first above written.

ESCROW AGENT: TITLEVEST AGENCY, LLC

BY: _____
NAME: Joseph Mangus
TITLE: Escrow Officer

ADDRESS: 110 East 42nd Street, 10th Floor
New York, NY 10017

PHONE: 646-429-3125 (direct)
FAX: 212-757-0466 (fax)
EMAIL: joseph.mangus@titlevest.com

EXHIBIT A

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT 'B'

Closing Instruction Letter

- 1) Seller and Purchaser to execute in Counterpart this Escrow Agreement. Facsimile or Originals to be provided to TitleVest Agency, LLC (1 Copy or Original)
- 2) Seller and Purchaser to Execute, Notarize and Witness the Master Lease Agreement and other required documents in form for recording/filing, together with recording/filing fees and transfer taxes. Original fully executed document to be forwarded to TitleVest Agency, LLC (2 Originals)
- 3) Seller and Purchaser to execute the Settlement Statement and forward originals to TitleVest Agency, LLC (1 Original or Copy-with 1 Original to be received within 2 business days of closing)
- 4) Seller to provide Owners Affidavit executed and notarized by all Sellers. (1 Original)
- 5) Seller to provide Corporate Resolution executed. (1 Original or Copy).
- 6) Seller to complete Exhibit 'C' of this Escrow Agreement. In the event the Seller Disbursement Authorization is not completed as enclosed the Escrow Agent shall forward Sellers Proceeds via standard U.S. Mail to the address for Seller as set forth with its signature above.
- 7) If there is one or more mortgages on this property the Seller is to provide a fully executed Subordination Non-Disturbance and Attornment Agreement from all Lender's listed as Mortgagee's on the Mortgage Schedule of the Title Report.
- 8) If Seller is an LLC, then the following must be provided prior to closing:
 - a. Proof of due formation:
 - i. Proof of filing of the Articles of Organization with the secretary of State;
 - ii. Proof of publication of the Article of Organization (or a notice containing the substance of the articles).
 - b. Articles of Organization and Operating Agreement must be produced and reviewed; additional exceptions may be raised upon review of same.
 - c. Proof is required that there has been no change in the make-up or composition of the organization, and that there have been no amendments to the Articles of Organization or Operating Agreement. Proof is required that the party or parties executing instruments on behalf of the organization have authority to act.

EXHIBIT C

SELLER DISBURSEMENT AUTHORIZATION

RE: 611 E. Sierra Madre Boulevard, Sierra Madre, California 91024

Escrow No.: **FA-CA-713377**

PROCEEDS/FUNDS DISBURSEMENT INSTRUCTIONS: The undersigned directs that the proceeds/funds due will be disbursed in the following manner:

Held for pick up at this office (ID will be required) Sent via overnight delivery

Mail to: _____

Other: _____

Sent via wire transfer

(if checked, *Attach wiring instructions of receiving bank or fill in below. With cyber fraud on the increase, we suggest you mail, use an overnight service or hand-deliver any items containing banking or other private information and not send via email.*)

Please Note: Modified or amended disbursement instructions must be signed by the parties at an office of TitleVest Agency, LLC. Proof of identity will be required.

Funds disbursed to other than record owner must be in writing with authorized approval by TitleVest Agency, LLC and possibly buyer/borrower's lender on a TILA-RESPA Integrated Disclosure (TRID) regulated loan.

Receiving Banks may impose a charge for the receipt of any wire transfers.

Escrow Holder is not responsible for delays in wiring caused by time restrictions of the Federal Reserve Board or late confirmation of recording.

When funds are sent to a bank outside the United States, Escrow Holder shall not be responsible or liable for any loss or expense incurred as a result of currency exchange rates, delays in availability of funds, or delays due to the U.S. bank or foreign bank requiring additional information. Escrow Holder shall have no liability or responsibility after properly initiating the outgoing wire transfer. For best results on an outgoing international wire transfer, the international bank should provide written wire instructions.

Bank Name: _____

Name on Acct: _____

Account No.: _____

FEDWIRE Routing No.: _____

Any further instructions: _____

Date: _____

SELLER: CITY OF SIERRA MADRE

BY: _____
 John Harabedian, Mayor

Best Phone No: _____

Forwarding Address: _____

**NOTICE OF ASSIGNMENT OF LEASE AND
REDIRECTION OF RENT PAYMENTS**

_____, 2019

American Tower
10 Presidential Way
Woburn, MA 01801
Attn: Land Management Team

Re: Cell Site
Telecommunications Site Lease (“Lease”)
Site No: 418970
Site Name: Sierra Vista
Site Address: 611 E. Sierra Madre Boulevard, Sierra Madre, California 91024
Property Owner (“Landlord”): City of Sierra Madre

Dear Sir or Madam:

Effective _____, 2019, all rights of the undersigned Landlord in and to the Lease were assigned to TPA III, LLC. The Landlord will continue to own the premises. Please find enclosed an executed Assignment of Lease which will be recorded evidencing the transfer of the Landlord’s interest.

Any amounts payable by you to Landlord under the Lease, other than property tax reimbursements, should now be made payable to “TPA III, LLC.” However, payments of real or personal property taxes, assessments and utilities, should continue to be paid as provided since commencement of the lease. Payments made by you to taxing authorities should continue without interruption. Reimbursements by you to Landlord for real or personal property taxes and utility reimbursement should continue without interruption.

PAYMENTS TO BE SENT TO:

TPA III, LLC
P.O. Box 734211
Dallas, TX 75373-4211

This notice is subject to further information you may receive from TPA III, LLC. All future correspondence regarding the lease or any other issue related to your use of the property should be delivered to:

TPA III, LLC
c/o TowerPoint Capital, LLC
1170 Peachtree Street, Suite 1650
Atlanta, Georgia 30309

If you would like to make payments electronically or if you have any questions about the foregoing, please contact Jenni Ling, whose phone number is 678-775-0375, and fax number is 678-775-0361.

Thank you very much,

CITY OF SIERRA MADRE

By: _____

Name: John Harabedian, Mayor

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

**NOTICE OF ASSIGNMENT OF LEASE AND
REDIRECTION OF RENT PAYMENTS**

_____, 2019

AT&T Wireless, Inc.
Suite 13-F West Tower
575 Morosgo Drive NE
Atlanta, Georgia 30324
Attn Network Real Estate Administration

Re: Cell Site
Telecommunications Site Lease (“Lease”)
Site No: 10150706
Site Name: Sierra Madre
Site Address: 611 East Sierra Madre Boulevard, Sierra Madre, California 91024
Property Owner (“Landlord”): City of Sierra Madre

Dear Sir or Madam:

Effective _____, 2019, all rights of the undersigned Landlord in and to the Lease were assigned to TPA III, LLC. The Landlord will continue to own the premises. Please find enclosed an executed Assignment of Lease which will be recorded evidencing the transfer of the Landlord’s interest.

Any amounts payable by you to Landlord under the Lease, other than property tax reimbursements, should now be made payable to “TPA III, LLC.” However, payments of real or personal property taxes, assessments and utilities, should continue to be paid as provided since commencement of the lease. Payments made by you to taxing authorities should continue without interruption. Reimbursements by you to Landlord for real or personal property taxes and utility reimbursement should continue without interruption.

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TPA III, LLC
P.O. Box 734211
Dallas, TX 75373-4211

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TPA III, LLC
c/o TowerPoint Capital, LLC
1170 Peachtree Street, Suite 1650
Atlanta, Georgia 30309

If you would like to make payments electronically or if you have any questions about the foregoing, please contact Jenni Ling, whose phone number is 678-775-0375, and fax number is 678-775-0361.

Thank you very much,

CITY OF SIERRA MADRE

By: _____

Name: John Harabedian, Mayor

ACKNOWLEDGMENT

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State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

Recording Requested by:

Name: Joseph Mangus
Address: TITLEVEST AGENCY, LLC
110 East 42nd Street, 10th Floor
New York, NY 10017
TitleVest Title #: FA-CA-713377

ASSIGNMENT OF LEASE

To be effective on _____, 2019, and in consideration of One Dollar (\$1) and other good and valuable consideration paid by the undersigned party hereto executing this instrument as assignee TPA III, LLC, a Delaware limited liability company, with principal offices at 1170 Peachtree Street, Suite 1650, Atlanta, Georgia 30309 (hereinafter referred to as "Assignee") to the undersigned party hereto executing this instrument as assignor CITY OF SIERRA MADRE, a municipal corporation, with principal offices located at 232 W. Sierra Madre Boulevard, Sierra Madre, California 91024 (hereinafter referred to as "Assignor"), the receipt and sufficiency thereof being hereby acknowledged, Assignor, subject to that certain Master Lease Agreement which is recorded contemporaneous to recording of this instrument, does hereby transfer, set over and assign to the Assignee all of Assignor's right, title and interest in and to the lease(s) and/or tenancy(ies) upon certain Property owned by Assignor (Legal Description attached as Exhibit A) referenced below and in Exhibit B attached hereto, in which the Assignor has any right, title and interest currently existing and relating to:

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.

Assignor represents that Assignor has no knowledge of any default now outstanding by Assignor in his capacity as the landlord/lessor under the Tenancy.

The assignment is for a term of ninety-nine (99) years and the assignment terminates on _____, 2118.

Assignee hereby assumes and agrees to faithfully perform and discharge any and all obligations of the landlord/lessor in and to the hereby assigned lease(s) and/or tenancy(ies) subsequent to the date hereof, subject to that certain Master Lease Agreement.

Subject to that certain Master Lease Agreement, Assignee agrees to hold Assignor harmless and indemnified from any and all loss, cost, damage and expenses, which Assignor may incur on

account of Assignee's failure to perform and discharge any and all obligations of lessor and landlord in and to the herein assigned lease and/or tenancy subsequent to the date hereof. Assignor agrees to hold Assignee harmless and indemnified from any and all loss, cost, damage and expenses, which Assignee may incur for claims related to activity prior to the date hereof.

The above shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, executors, legal representatives, successors and assigns.

SIGNATURES FOLLOW

IN WITNESS WHEREOF, Assignor has caused this instrument to be signed and sealed on its behalf this _____ day of _____, 2019.

Assignor: CITY OF SIERRA MADRE

John Harabedian
Mayor
232 W. Sierra Madre Boulevard
Sierra Madre, California 91024

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

IN WITNESS WHEREOF, Assignee has caused this instrument to be signed and sealed on its behalf this _____ day of _____, 2019.

Assignee: TPA III, LLC

Jesse M. Wellner
Chief Executive Officer
1170 Peachtree Street, Suite 1650
Atlanta, Georgia 30309
678-775-0360
678-775-0361

STATE OF GEORGIA

COUNTY OF FULTON

} ss.

On this _____ day of _____, 2019, before me, the undersigned notary public, personally appeared Jesse M. Wellner, and proved to me through satisfactory evidence of identification, which was personal knowledge/driver's license/passport/ _____ (circle one), to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose as Chief Executive Officer of TPA III, LLC.

{affix notary seal or stamp}

Notary Public
My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903

EXHIBIT B

DESCRIPTION OF TELECOM TENANT LEASE(S)

That certain Option and Land Lease Agreement dated June 24, 2014, by and between City of Sierra Madre and Los Angeles SMSA Limited Partnership, a California limited partnership d/b/a Verizon Wireless.



September 24, 2019

City of Sierra Madre CA
232 W Sierra Madre Blvd
Sierra Madre, CA 91024

Re: Letter of Intent to Purchase Interest in Wireless Site ("LOI")

Dear Gabriel Engeland:

In consideration of the sum of \$100.00 ("Option Fee"), the receipt and sufficiency of which is hereby acknowledged, your signature below grants to TowerPoint Acquisitions, LLC and its successors and assigns ("TowerPoint") an exclusive option ("Option") to purchase your interest in the Lease ("Lease" as further described in Exhibit A) through an assignment of the Lease and the grant of a master lease pursuant to the terms herein. TowerPoint may exercise the Option at any time within 90 calendar days of the date you sign this LOI (the "Option Period"), subject to approval of the Sierra Madre City Council. The Option Period will be extended for the length of any delay in delivering the due diligence items listed in Exhibit B. TowerPoint may exercise the Option by delivering executable closing documents to you. TowerPoint's exercise of the Option will require you to sell to TowerPoint the Lease on the terms set forth in a mutually agreed upon Master Lease Agreement and other documentation as required by the escrow/closing agent for the transaction - TitleVest Agency, LLC. The basic terms of the transaction are as follows:

Purchase Price: \$ 806,108.11 paid in a lump sum at closing.
99 Year Purchase Term of Master Lease and Lease Assignment
Letter of Intent is subject to City Council approval

Revenue Sharing Provisions:

- New Tenant Rent: 55% in favor of Landlord (New Tenant Rent will be generated from tenants collocating equipment on the equivalent of up to 250 sq. ft. adjacent to the existing tower installation.)

TowerPoint pays for due diligence costs, the title insurance policy, and standard closing costs. Each party bears its own legal expenses. Landlord pays transfer/stamp or other tax (if any) and recording fees. Purchase price shall be pro-rated at closing based on interim monthly or annual rent payments and a rent check redirection period of the two (2) months following closing. Landlord shall retain rent checks for pro-rated periods and during the redirection period.

During the Option Period, you agree not to directly or indirectly solicit, initiate or participate in any discussions or negotiations with, or encourage or respond to any inquiries or proposals by, any persons, company or group other than TowerPoint concerning your Lease. You agree to promptly notify TowerPoint if any person, company or group seeks to initiate any discussions regarding your Lease. You further agree to work in good faith with TowerPoint to close this transaction. This LOI is intended as and shall be a legally binding commitment for you to sell your Lease. In the event of a breach of this LOI by you, TowerPoint shall, in addition to its other rights and remedies (including recording a copy of this LOI), be entitled to compensation for its time, effort and expense to evaluate this transaction and, in any action to enforce this LOI, to recovery of its reasonable attorneys' fees. Until such time as the Master Lease is approved, the terms of this LOI are confidential and may not be disclosed without the prior written consent of TowerPoint, except to professionals engaged to evaluate and conduct the transaction on your behalf. You acknowledge that TowerPoint has given you no tax or legal advice in evaluating the transaction.

To the extent the terms of this LOI represent an offer by TowerPoint, the terms herein are subject to change by TowerPoint after September 30, 2019 if this LOI is not mutually executed. TowerPoint reserves the right to change the terms of this LOI following expiration.

Sincerely,
TowerPoint Acquisitions, LLC

Accepted and Agreed:
City of Sierra Madre CA

Jesse M. Wellner, Chief Executive Officer

Landlord's Signature Date 9/24/19
Print Name: GABRIEL ENDELAND
Title: CITY MANAGER

Exhibit A
Site Location and Lease Terms

Site Location: 611 E Sierra Madre Blvd, Sierra Madre, CA 91024

Wireless Tenants	Current Rent	Rent Payment Frequency	Escalation (CPI, % or \$)	Escalation Frequency	Date of Next Escalation
AT&T	\$ 2,486.00	Monthly	CPI	Annual	October 1, 2019
CCI	\$2,485.00	Monthly	CPI	Annual	August 1, 2020

Pricing is based on the Lease Terms above and is subject to confirmatory due diligence of the Lease Terms.

Initial
Here: 

Exhibit B
Required Due Diligence Items

1. Executed Lease including any and all Amendments thereto (as well as any lease commencement letters, notices, or other correspondence regarding the Lease)
2. Proof of Rent Payments under the Lease (minimum of 3 months received in the last 6 months); e.g.: copies of rent checks/stubs and/or direct deposit statements.
3. Landlord Request for Information (RFI): Completed and executed including social security numbers for individuals with 20% or greater ownership positions in the entity which owns the property.
4. Landlord's comments or Landlord's counsel's comments, if any, to the Master Lease Agreement ("Master Lease") to be provided under separate cover (to be finalized in a mutually agreeable Master Lease) or return the Master Lease with each page initialed showing approval of the form Master Lease.
5. If an existing mortgage is in place on the property: A Mortgage Statement and Lender contact information for obtaining a non-disturbance agreement from Lender (required only if the property is encumbered by a Mortgage, Deed of Trust, Line of Credit or similar instrument).
6. Legal entity organizational documents (including any Amendments thereto) showing proof of authority, as applicable below, for all entities owning an interest in the Property:

Corporation	LLC	General Partnership	Limited Partnership	Condominium Association	Cooperative Corporation (i.e.: Housing Co-op)	Trust
Articles of Incorporation	Articles of Incorporation	Certificate of Partnership	Certificate of Limited Partnership	Condominium Declaration	Articles of Incorporation	Trust Agreement
Signed Corporate Bylaws	Signed Operating Agreement	Signed General Partnership Agreement	Signed Limited Partnership Agreement	Signed Condominium Bylaws	Signed Corporate Bylaws	Certificate of Trust

Within 10 days of signing this LOI, I agree to provide to TowerPoint the Required Due Diligence Items listed above to facilitate a timely close under the terms of this LOI.

Initial
Here: 

Submitted by: Connor Jacobson, Ph: (678) 987-4960, Email: connor.jacobson@towerpoint.com



OWNER'S AFFIDAVIT OF TITLE AND GAP INDEMNITY AGREEMENT

STATE OF _____)

COUNTY OF _____ } SS:

FILE NO.: FA-CA-713377

BEFORE ME, the undersigned, personally appeared John Harabedian ("Affiant"), who first being duly sworn, deposes and says:

1. Affiant is the Mayor of City of Sierra Madre ("the "Owner") and is duly authorized to make this Affidavit of Title and Gap Indemnity Agreement ("Agreement") on behalf of Owner and to bind Owner as Indemnitor to TitleVest Agency, LLC individually and as agent for First American Title Insurance Company ("First American"), under all representations and agreements stated herein.
2. Owner is the titleholder of that certain real property described in the above-referenced Title Commitment or as identified on Exhibit A attached hereto (the Property).
3. Affiant has no knowledge of any unrecorded easements, or claims of easements affecting the Property, except as shown in commitments issued and surveys provided for the Property.
4. No proceedings in bankruptcy or receivership have been instituted by or against the Owner within the last 10 years, and that the Owner has never made an assignment for the benefit of creditors within the last 10 years.
5. Affiant is not aware of any boundary line disputes or discrepancies affecting the Property, or any material encroachments of improvements located on the Property, other than described on surveys provided or described in commitments issued on said Property.
6. Owner has not entered into any written agreement, nor is the Owner aware of anyone else entering into any written agreement with any real estate broker, nor is Owner aware of anyone who has provided licensed services that resulted in the procuring of a person or entity for the purpose of buying, selling, or otherwise conveying or acquiring any interest in the Property.
7. All real estate taxes, special assessments, water and sewer charges, and management fees, if any, are fully paid, except for those real estate taxes to be paid at closing.
8. There are no unrecorded options or contracts to purchase, rights of first refusal, contracts for deed or mortgage commitments, or unrecorded deeds, easements or rights-of-way for users or adverse interest with respect to the Property, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable).
9. There are no unrecorded existing tenancies, leases or other occupancies affecting the Property, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable), and that such unrecorded leases or other occupancies, if any, contain no options to purchase the Property or rights of first refusal, except as referenced in the title commitment or in Exhibit B attached hereto (if applicable).

10. There is no action or proceeding, including, but not limited to, bankruptcy, which is now pending against Owner in any State or Federal Court, nor is there any attachment, judgment or other encumbrance which may now constitute a lien upon the Property, nor are there any claims or pending claims against Owner which may be satisfied through a lien or attachment against the Property.
11. Owner has received no written notice (except as may have been disclosed in the public records of the applicable jurisdiction) of an officially proposed or pending special assessment or a pending taking of any portion of the Property by any governmental body; and to the undersigned's knowledge, there has been no work done on the Property, nor notice received that work is to be done on the Property by the municipality (county, city, borough or township), or at its discretion, including but not limited to the installation of water or sewer lines or of other utilities, or for water or sewer lines or of other utilities, or for improvements such as paving or repaving of streets or alleys, or the installation of curbs and sidewalks.
12. That there are no unrecorded labor, mechanics' or materialmen's liens against the Property, and no material has been furnished to or labor performed upon the Property except such that have been paid for in full.

For and in consideration of First American and its agents issuing the policies to be issued under the Title Commitment without taking exception to or making requirements to remedy the effect of (i) interests in the Property described in the affidavit portion of this Agreement ("Affidavit Matters") or (ii) interests created by instruments first appearing of record after the effective date of the Title Commitment and prior to the effective date of the policies of title insurance to be issued under the Title Commitment ("Gap Matters"), Owner hereby agrees (a) to promptly defend, remove, bond or otherwise dispose of any Affidavit Matter or any Gap Matter that is the result of any act or omission of the Owner and (b) to hold and save First American and its agents harmless, and to protect and indemnify First American and its agents, from and against any and all liabilities or claims of liability, losses, costs, charges, expenses and damages of any kind or character whatsoever, including, but not limited to reasonable attorney's fees, incurred or sustained, directly or indirectly, by First American and its agents by reason of or arising out of any Affidavit Matter or any Gap Matter that is the result of any act or omission of Owner.

[Signature page follows.]

Affiant makes this Affidavit under the penalty of perjury.

Name: John Harabedian
Title: Mayor

ACKNOWLEDGMENT

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

State of California
County of _____)

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

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT A

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

PARCEL 1 OF PARCEL MAP NO. 68207, IN THE CITY OF SIERRA MADRE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 1, 2 AND 3 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 5766-005-903



City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor and Members of the City Council

FROM: Miguel Hernandez, Human Resources Manager

Gabriel Engeland, City Manager

DATE: October 22, 2019

**SUBJECT: CONSIDERATION OF ADOPTING RESOLUTION 19-56
AMENDING THE CITY'S TUITION REIMBURSEMENT
PROGRAM AND EDUCATIONAL COSTS ASSISTANCE
PROGRAM POLICY**

STAFF RECOMMENDATION

Staff recommends the City Council adopt Resolution 19-56 amending the proposed Tuition Reimbursement Program and Educational Costs Assistance Program policy.

ALTERNATIVES

1. City Council may adopt the Tuition Reimbursement Program and Educational Costs Assistance Program as presented.
2. City Council may adopt the Tuition Reimbursement Program and Educational Costs Assistance Program with amendments.
3. City Council may choose to have staff return to a future Council meeting with additional information.

SUMMARY

The current Rules and Regulations regarding tuition reimbursement were adopted by the City Council on September 23, 2014. In accordance with the Council's priority to retain quality personnel, staff has identified enhancements and changes to this program, which will improve the benefit to employees and have minimal effect on the General Fund.

ANALYSIS

Participating in the Tuition Reimbursement Program and Educational Costs Assistance Program provides an opportunity and an incentive for employees to increase their individual level of education and expertise in their related job duties, thereby enhancing their job skills and degree of professionalism. This subsequently improves the ability for staff to provide continued quality service to the community. The City makes this investment in the employee with the expectation that it will improve the employee's productivity and that the employee is committed to continued employment with the City.

Currently, the City's tuition reimbursement program includes:

- Eligibility after 18 months of satisfactory City service.
- No employee shall receive greater than \$10,000 of tuition reimbursement during his/her cumulative term of employment with the City.
- Tuition to be reimbursed in an amount not to exceed the per unit tuition charged by the California State University system.
- Application subject to approval by the Personnel Officer.

If adopted, the proposed Tuition Reimbursement Program policy would include the following amendments:

- Eligibility after 24 months of satisfactory City service.
- Retaining the tuition reimbursement policy at \$10,000, but also implementing an Educational Costs Assistance Program of up to \$5,000. The implementation of the Educational Costs Assistance Program is intended to provide an advance payment for employees who are not otherwise able to pay for tuition or other eligible costs related to enrollment.
- Allow for reimbursement at the chosen institution instead capping at the California State University tuition rate, not to exceed \$10,000.
- Allow reimbursement based on receiving credit for completion of approved course(s) instead of reimbursement based on grade received.
- Establish repayment as follows for Educational Costs Assistance Program:
 - If an employee resigns or retires within two years or is not an employee of the City for at least two years from the date of assistance is received;
 - Employee agrees by participation in the program to fully reimburse the City for said amount;
 - Reimbursement to the City would include prevailing interest at the Local Agency Investment Fund (LAIF) no later than 90 calendar days;
 - Special arrangements can be made at the time of separation for reimbursement to be deducted from employee's final paycheck.

It is the purpose of the City of Sierra Madre to provide quality services for its citizens by encouraging employee development by sharing the expense of approved courses and educational programs. Tuition reimbursement assists employees in broadening their knowledge of their current position or preparing them for possible promotional opportunities within the City.

Staff is recommending the City Council adopt Resolution 19-56 amending Section 05.12 of the City's Rules and Regulations Tuition Reimbursement Program and Educational Costs Assistance Program.

FINANCIAL REVIEW/SOURCE OF FUNDING

Amending the policy will not have an impact on the current Fiscal Year 2019-2020 budget.

ENVIRONMENTAL (CEQA)

N/A

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of this report are available at City Hall, at the Sierra Madre Public Library, and can be accessed on the City's website at www.cityofsierramadre.com.

Attachments

Attachment A: Resolution 19-56

Attachment B: Amended Tuition Reimbursement Program and Educational Costs Assistance Program –
Section 05.12.

RESOLUTION NO. 19-56
CONSIDERATION OF ADOPTING RESOLUTION 19-56 AMENDING THE CITY'S
TUITION REIMBURSEMENT PROGRAM AND EDUCATIONAL COSTS ASSISTANCE
PROGRAM POLICY

WHEREAS, provisions of the City's Personnel Rules and Regulations necessitate periodic updates; and

WHEREAS, the Personnel Rules and Regulations will now contain updated Tuition Reimbursement Program and Educational Costs Assistance Program;

WHEREAS, the Personnel Rules and Regulations will now contain verbiage for the Educational Costs Assistance Program;

WHEREAS, City Council wishes to amend additional provisions of the City's Personnel Rules and Regulations;

NOW, THEREFORE, BE IT RESOLVED

SECTION 1. That the Tuition Reimbursement Program and Educational Costs Assistance Program of the City of Sierra Madre be and the same are hereby amended as per Section 05.12. of the Personnel Rules and Regulations attached hereto and made a part thereof.

SECTION 2. That the Clerk be and hereby is instructed to record this Resolution in the appropriate record book.

Approved and Adopted on the 22nd day of October, 2019.

Mayor, City of Sierra Madre, CA

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the City of Sierra Madre City Council on the 22nd day of October, 2019 by the Sierra Madre City Council following a roll call vote:

Ayes

Noes

Absent

Abstain

City Clerk, City of Sierra Madre, CA

05.12. TUITION REIMBURSEMENT PROGRAM AND EDUCATIONAL COSTS ASSISTANCE PROGRAM

The Tuition Reimbursement Program and Educational Costs Assistance Program are intended to encourage full-time employees in good standing to enroll in college level undergraduate, graduate, and post-graduate courses and/or study majors that bear a reasonable and rational relationship to the job classification held by the employee at the time of such enrollment. Both programs are subject to availability of funds in the City's annual operating budget and prior approval of the Personnel Officer. Both programs may be utilized to earn certifications related to an employee's current position.

05.12.01. Tuition Reimbursement Program

Requirements for participation in the Tuition Reimbursement Program are as follows:

- Employees must have prior approval of the Personnel Officer in order to be eligible and participate in the program.
- Full-time employees shall be considered eligible to participate in this program after completing 24 months of satisfactory City service. Employees who have been placed on a Performance Improvement Plan are not eligible to participate in this program until successful completion of the Performance Improvement Plan.
- No employee shall receive greater than \$10,000 of tuition reimbursement during his/her cumulative term of employment with the City.
- The precise amount of tuition reimbursement shall be based upon all criteria stated herein, including the grade received by the employee in the class(es) for which reimbursement is sought. If an employee receives a grade sufficient to receive credit towards the completion of their degree then the employee shall be eligible for 100% tuition reimbursement as described above. If the employee does not receive a grade sufficient to receive credit towards degree completion, no reimbursement from the City shall be provided.
- Tuition reimbursement is contingent upon the employee's submission to the Personnel Officer of official college transcripts or comparable documentation indicative of the employee's grade(s) as well as written documentation of what grade consists of receiving full credit in the class.
- An employee seeking tuition reimbursement for eligible class(es) shall submit the official transcript documentation to the Personnel Officer or designee in conjunction with a City provided form for said use. The Personnel Officer or designee shall conduct any necessary investigation to verify the employee's eligibility for the tuition reimbursement. The decision of the Personnel Officer shall be final and binding and shall not be subject to administrative or judicial appeal.

05.12.02. Request for Budget Approval

Employees must submit a written estimate of their tuition reimbursement and/or their educational costs assistance program expenses to the Personnel Officer or designee, through their Director, per the deadlines as determined during the budget process; prior to the fiscal year in which they will attend the course(s). If an employee submits for tuition reimbursement for courses that were not submitted prior to the deadline, reimbursement may or may not be granted depending upon the availability of funds in the City's annual operating budget and approval by the Department Director and Human Resources.

05.12.03. Impact of Separation from City Employment upon Restitution to the City of Funds Distributed Pursuant to the Tuition Reimbursement Program

In the event that an employee is not an employee of the City for any reason for at least one year from the date of receiving tuition reimbursement, then the employee agrees by participation in the tuition reimbursement program to fully reimburse the City for said amount no later than 90 calendar days after the effective date of the employee's separation (e.g. retirement, resignation, layoff or termination). Upon the employee's request, this amount can be deducted from the employee's final paycheck. If the City commences litigation to recover said monies, then the employee agrees that any judgment for the amount to be reimbursed shall also include attorney's fees and costs expended by the City in said litigation.

05.12.04. Educational Costs Assistance Program

The Educational Costs Assistance Program is intended to provide assistance towards the costs of all approved expenditures in relation to the eligible employee's enrollment in college level undergraduate, graduate, and post-graduate courses and/or study majors that bear a reasonable and rational relationship to the job classification held by the employee at the time of such enrollment.

Requirements for participation in the Educational Costs Assistance Program are as follows:

- Employees must have prior approval of the Personnel Officer in order to be eligible and participate in the program.
- Full-time employees shall be considered eligible to participate in this program after completing 24 months of satisfactory City service.
- No employee shall receive greater than \$5,000 of educational cost assistance during his/her cumulative term of employment with the City.
- Educational costs assistance may occur prior to completion of the course. In the event the employee does not complete the course, then the employee agrees by participation in the Educational costs assistance program to fully reimburse the City for the assistance amount received no later than 90 calendar days after the end of the term/semester/quarter of the course taken.

- Should the employee discontinue progress towards the degree for a period of greater than six (6) months, the employee agrees to fully reimburse the City for the assistance amount received no later than 90 calendar days after the six month discontinuance has elapsed.
- Assistance is contingent upon the employee's submission to the Personnel Officer or designee of official college documentation indicative of the employee's enrollment in the course. The Personnel Officer or designee shall conduct any necessary investigation to verify the employee's eligibility for the assistance program. The decision of the Personnel Officer shall be final and binding and shall not be subject to administrative or judicial appeal.

05.12.05. Request for Budget Approval

Employees must submit a written estimate of their tuition reimbursement and/or their educational costs assistance program expenses to the Personnel Officer or designee, through their Director, per the deadlines as determined during the budget process; prior to the fiscal year in which they will attend the course(s). If an employee submits for the educational costs assistance program for courses that were not submitted prior to the deadline, assistance may or may not be granted depending upon the availability of funds in the City's annual operating budget and approval by the Department Director and Human Resources.

05.12.06. Impact of Resignation upon Restitution to the City of Funds Distributed Pursuant to the Educational Costs Assistance Program

In the event that an employee resigns or retires from City employment within two years or is not an employee of the City for at least two years from the date that assistance is received by the employee, then the employee agrees by participation in the educational costs assistance program to fully reimburse the City for the assistance amount received with interest at the Local Agency Investment Fund (LAIF) prevailing interest rate no later than 90 calendar days after the effective date of the employee's separation. Upon the employee's request, this amount can be deducted from the employee's final paycheck. If the City commences litigation to recover said monies, then the employee agrees that any judgment for the amount to be reimbursed shall also include attorney's fees and costs expended by the City in said litigation.

05.12.07. Educational Costs and Assistance Program Forgiveness

24 months after successful completion of degree, all monies received through the Educational Cost Assistance Program shall be forgiven and no amount owed to the City.



City of Sierra Madre Agenda Report

John Harabedian, Mayor
John Capoccia, Mayor Pro Tem
Rachelle Arizmendi, Council Member
Denise Delmar, Council Member
Gene Goss, Council Member

Sue Spears, City Clerk
Michael Amerio City Treasurer

TO: Honorable Mayor Harabedian and Members of the City Council
FROM: Laura Aguilar, Assistant City Clerk, Administrative Services Manager
REVIEWED BY: Gabriel Engeland, City Manager
DATE: October 22, 2019
SUBJECT: **OPTIONS FOR FILLING CITY COUNCIL VACANCY**

STAFF RECOMMENDATION

Staff recommends that the City Council provide staff with direction.

ALTERNATIVES

1. The Council may direct staff to return to the next meeting with an Urgency Ordinance repealing Ordinance 1333 and follow the procedures set forth in California Government Code - GOV § 36512;
2. The Council may choose to not repeal Ordinance 1333 and direct staff to return to a future meeting with direction regarding the selection process for Council Member vacancy.

SUMMARY

At the October 8, 2019 City Council meeting, Councilmember Delmar announced her intention to resign from the City Council due to personal reasons related to the care of family members. The City Council requested staff to return to the next meeting with information regarding the City Council's options for filling the resulting vacancy.

ANALYSIS

In November 2012, the Council adopted Ordinance 1333 adding Sierra Madre Municipal Code Section 2.04.090 - Procedure for filling City Council Member vacancy.

The procedure, as adopted, states:

- A. A vacancy exists when a city councilmember dies, resigns, or is absent without permission from all regular city council meetings for sixty days consecutively from the last regular meeting he or she attended.
- B. Within sixty days from the date of a city councilmember vacancy, the city council shall call a special election for the purpose of filling the vacancy for the remainder of the unexpired term of the vacant city council seat. The special election shall be held at the next general election which is scheduled to occur no sooner than one hundred fourteen days after the date on which

the special election is called.

- C. In addition to the mandatory calling of a special election pursuant to subsection B, the city council may make a temporary appointment to fill the vacant position until the special election may be held and the newly elected councilmember is sworn in. A temporary appointment is restricted to persons having previously served as mayor of the City of Sierra Madre, identified on a list to be provided by the city clerk upon city council request. The list of prior mayors, which shall contain, at a minimum, the names of the five past mayors most recently serving the city, shall be prepared in chronological order listing their dates of service, with the most recent mayor appearing at the top of the list. Priority shall be given to the most recent past mayor, working through the list in chronological order (from most recent to least recent), until an appointment is made. Any appointment pursuant to this subsection must be by unanimous vote of the seated councilmembers.

Prior to the adoption of Ordinance 1333, the City applied California Government Code for filling vacancies on the City Council; specifically California Government Code GOV § 36512.

According to Government Code - GOV § 36512, the City Council may, within 60 days from the commencement of the vacancy either a) fill the vacancy by appointment for the remainder of the applicable term or b) call a special election to be held at the next regularly established election date which is not less than 114 days from the call of the special election. Govt. C. § 36512(b)

Council could consider a special election in March 2020 or a special election during the regularly scheduled election in November 2020.

If Council chooses to call for a special election on March 3, 2020, the deadline to do so is November 9, 2019; a date which falls before the next regular Council meeting.

The City is scheduled to have a regular election in November 2020, a seat vacated by Council Delmar is not a planned vacancy and would be put to voters to fill the vacancy as a special election. The candidate elected to complete Council Member Delmar's term would do so from November 2020 to November 2022.

FINANCIAL REVIEW/SOURCE OF FUNDING

There is no financial impact associated with the preparation of this report.

PUBLIC NOTICE PROCESS

This item has been noticed through the regular agenda notification process. Copies of the report are available via the City's website at www.cityofsierramadre.com, at the City Hall public counter, and the Sierra Madre Public Library.

Attachments

1. California Government Code - GOV § 36512
2. Ordinance 1333

State of California

GOVERNMENT CODE

Section 36512

36512. (a) If a vacancy occurs in an appointive office provided for in this chapter, the council shall fill the vacancy by appointment. A person appointed to fill a vacancy holds office for the unexpired term of the former incumbent.

(b) If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy.

(1) If the council calls a special election, the special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person elected to fill a vacancy holds office for the unexpired term of the former incumbent.

(2) If the council fills the vacancy by appointment, the person appointed to fill the vacancy shall hold office pursuant to one of the following:

(A) If the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general municipal election, the person appointed to fill the vacancy shall hold office until the next general municipal election that is scheduled 130 or more days after the date the council is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office.

(B) If the vacancy occurs in the first half of a term of office, but less than 130 days prior to the next general municipal election, or if the vacancy occurs in the second half of a term of office, the person appointed to fill the vacancy shall hold office for the unexpired term of the former incumbent.

(c) Notwithstanding subdivision (b) and Section 34902, a city may enact an ordinance that does any of the following:

(1) Requires that a special election be called immediately to fill every city council vacancy and the office of mayor designated pursuant to Section 34902. The ordinance shall provide that the special election shall be held on the next regularly established election date not less than 114 days from the call of the special election.

(2) Requires that a special election be held to fill a city council vacancy and the office of mayor designated pursuant to Section 34902 when petitions bearing a specified number of verified signatures are filed. The ordinance shall provide that the special election shall be held on the next regularly established election date not less than 114 days from the filing of the petition. A governing body that has enacted such an ordinance may also call a special election pursuant to subdivision (b) without waiting for the filing of a petition.

(3) Provides that a person appointed to fill a vacancy on the city council holds office only until the date of a special election which shall immediately be called to fill the remainder of the term. The special election may be held on the date of the next regularly established election or regularly scheduled municipal election to be held throughout the city not less than 114 days from the call of the special election.

(d) (1) Notwithstanding subdivision (b) and Section 34902, an appointment shall not be made to fill a vacancy on a city council if the appointment would result in a majority of the members serving on the council having been appointed. The vacancy shall be filled in the manner provided by this subdivision.

(2) The city council may call an election to fill the vacancy, to be held on the next regularly established election date not less than 114 days after the call.

(3) If the city council does not call an election pursuant to paragraph (2), the vacancy shall be filled at the next regularly established election date.

(e) (1) If the city council of a city that elects city council members by or from districts elects to fill a vacancy on the city council by appointment as a result of a city council member resigning from office, the resigning city council member may cast a vote on the appointment if the resignation will go into effect upon the appointment of a successor. A city council member shall not cast a vote for a family member or any other person with whom the city council member has a relationship that may create a potential conflict of interest.

(2) If a city council member elects to cast a vote under this subdivision, the city council member shall be prohibited from the following actions for a period of two years after the appointment of a successor:

(A) Advocating on any measure or issue coming before the city council in which the city council member may have a personal benefit.

(B) Entering into a contract of any kind with the city or a city vendor.

(C) Accepting a position of employment with the city or a city vendor.

(D) Applying for a permit that is subject to the approval of the city council.

(3) This subdivision shall not apply to any city council member who is resigning from the city council due to charges of, or conviction for, corruption or criminal behavior, or who is subject to a recall election.

(Amended by Stats. 2015, Ch. 185, Sec. 1. (AB 952) Effective January 1, 2016.)