



CITY OF LAGUNA HILLS CITY COUNCIL/PLANNING AGENCY

REGULAR MEETING AGENDA Tuesday, January 14, 2020 – 7:00 PM (Closed Session at 6:00 PM when scheduled)

Janine Heft, Mayor

Erica Pezold, Mayor Pro Tempore

Don Sedgwick, Council Member

Dore J. Gilbert, M.D., Council Member

Dave Wheeler, Council Member

Location: City Council Chamber, 24035 El Toro Road, Laguna Hills, CA 92653

Any person wishing to address the City Council/Planning Agency on any matter, whether or not it appears on this Agenda, is asked to complete a pink "Request to Speak" form available on the table at the back of the Chamber. The completed form is to be submitted to the City Clerk prior to an individual being heard by the City Council/Planning Agency. Completion of the form is voluntary. All persons may attend the meeting regardless of whether this form is completed.

Members of the public wishing to address the City Council can do so during the Public Comments portion of the Agenda with a time limitation of three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes for Public Comments. If you are commenting on an Agenda item, your comments will be heard at the time that item is scheduled on the Agenda. If you are addressing the City Council on an item not listed on the Agenda, the City Council is prohibited by law from discussing or taking any action on that item.

CLOSED SESSION - CONVENING AT 6:00 PM

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

ROLL CALL OF CITY COUNCIL MEMBERS

ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

The City Council will convene into Closed Session, in the City Council Conference Room, City Hall, Laguna Hills Civic Center, to consider the following matter(s):

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Public Employee Title: City Manager - Performance Evaluation

PUBLIC COMMENT ON CLOSED SESSION ITEM(S)

ADJOURN TO CITY COUNCIL CONFERENCE ROOM

CONVENE INTO CLOSED SESSION

The City Council will convene into Closed Session to consider the matter(s) listed above.

RECONVENE TO CITY COUNCIL CHAMBERS

RECESS



CITY OF LAGUNA HILLS CITY COUNCIL/PLANNING AGENCY

REGULAR MEETING AGENDA Tuesday, January 14, 2020 – 7:00 PM (Closed Session at 6:00 PM when scheduled)

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Dave Wheeler, Council Member

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GENERAL BUSINESS - CONVENING AT 7:00 PM

CALL TO ORDER

Resolution No. 96-04-09-1 established rules of decorum for public meetings held by the City of Laguna Hills. Resolution No. 96-04-09-1 is available on the table at the back of the City Council Chamber.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER GILBERT

ROLL CALL OF CITY COUNCIL MEMBERS

CLOSED SESSION REPORT

1. PRESENTATIONS AND PROCLAMATIONS**1.1 Laguna Hills High School Student Liaison**

Recommendation: That the City Council receive an oral report from Laguna Hills High School Student Liaison Blake Jaffe.

1.2 Laguna Hills 3/5 Marine Support Committee

Recommendation: That the City Council receive an update from Chair Karen Robbins on the 3/5 Dark Horse Committee.

2. PUBLIC COMMENTS

This is the time to address the City Council on any matter not listed on this Agenda that is within the subject matter jurisdiction of the City Council. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

3. CONSENT CALENDAR

All matters listed under "CONSENT CALENDAR" are considered to be routine and will be enacted by one motion approving the recommendation listed on the Agenda. There will be no separate discussion unless Members of the City Council or Staff request specific items be removed from the Consent Calendar.

3.1 Waive Reading in Full of all Ordinances and Resolutions on the Agenda

Recommendation: That the City Council waive reading in full of all ordinances and resolutions on the agenda and declare that said titles which appear on the public agenda shall be determined to have been read by title and further reading waived.

3.2 Approval of Minutes for December 10, 2019, Regular Meeting

Recommendation: That the City Council approve the Minutes for the December 10, 2019, Regular Meeting.

3.3 Ratification of Warrant Register for January 14, 2020, City Council Meeting

Recommendation: That the City Council ratify the accompanying Warrant Register for the period from November 28, 2019, to January 2, 2020, in the amount of \$2,503,830.05.

3.4 Proposed Office Lease for Suite 200 with Our Estate Planning Attorney Corporation for 24031 El Toro Road, Suite 200, Laguna Hills, California

Recommendation: That the City Council approve an office lease with Our Estate Planning Attorney Corporation for 24031 El Toro Road, Suite 200, Laguna Hills, California, and authorize the City Manager to execute the Lease.

3.5 Progress Payment No. 2, for Citywide Pavement Rehabilitation Project, CIP No. 101-K

Recommendation: That the City Council approve Progress Payment No. 2, in the net amount of \$1,089,196.87, to R.J. Noble Company for the Citywide Pavement Rehabilitation Project, CIP No. 101-K.

3.6 Proposed Amendment No. 3 to Contractor Services Agreement with G2 Construction, Inc., for Catch Basin Debris Gate Manufacturing and Installation Services, Adjusting Annual Maximum Compensation

Recommendation: That the City Council: 1) Approve the proposed Amendment No. 3 to the Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services with G2 Construction, Inc., increasing the annual maximum compensation to \$250,000; 2) Authorize the City Manager to execute the attached Amendment No. 3 to the Contractor Services Agreement with G2 Construction, Inc.; and 3) Authorize G2 Construction, Inc., to proceed with the Scope of Work.

ITEMS REMOVED FROM THE CONSENT CALENDAR

4. PLANNING AGENCY

4.1. ROLL CALL OF PLANNING AGENCY MEMBERS

4.2. PUBLIC COMMENTS

This is the time to address the Planning Agency on any matter not listed on this Agenda that is within the subject matter jurisdiction of the Planning Agency. Public Comments are limited to three minutes per person, an overall time limit of ten minutes for any one subject, and a total time limit of thirty minutes.

4.3. APPROVAL OF MINUTES**4.3.1 Approval of Minutes for December 10, 2019, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the December 10, 2019, Regular Meeting.

4.4. ADMINISTRATIVE REPORTS**4.5. PLANNING AGENCY PUBLIC HEARINGS****PLANNING AGENCY ADJOURNMENT****5. CITY COUNCIL PUBLIC HEARINGS****6. ADMINISTRATIVE REPORTS****6.1. City Manager****6.2. Deputy City Manager/City Clerk****6.2.1 Installation of One Ballot Drop Box at the Laguna Hills Community Center and Sports Complex**

Recommendation: That the City Council approve the installation of one Ballot Drop Box at the Laguna Hills Community Center and Sports Complex and authorize the City Manager to execute the License Agreement.

6.2.2 City Council "Other Agencies" Appointed Representatives

Recommendation: That the City Council take the following actions:

(1) Review the City of Laguna Hills City Council "Other Agencies" Appointed Representatives List, provide directions to staff regarding any necessary changes for appointments to the list, and by motion, approve the City Council "Other Agencies" Appointed Representatives List, as revised by the City Council; and

(2) If any changes are desired to the Representative to the Orange County Fire Authority's Board of Directors, adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California designating and appointing its Representative to the Orange County Fire Authority's Board of Directors; " and

- (3) Approve and direct the City Clerk to prepare and post an updated FPPC Disclosure Form 806 to reflect all paid appointments to “Other Agencies” boards, committees, and/or commissions in accordance with state law.

6.3. Community Development Director

6.3.1 A Budget Amendment Increasing the Estimate for Building Permit Fees Received for Fiscal Years 2019/20 and 2020/21 to \$675,000, and Increasing Expenditures for Professional Services in the Community Development Department by \$90,000 in Fiscal Year 2019/20 and \$180,000 in Fiscal Year 2020/21 for Building Inspection Services

Recommendation: That the City Council adopt a Resolution entitled: “A Resolution of the City Council of the City of Laguna Hills, California, amending the Biennial Budget for Fiscal Years 2019/20 - 2020/21 by: (1) Increasing the Community Development Department Operating Budget for Professional Services; and (2) Increasing the General Fund Revenues Budget for Building Related Permit Fees.”

6.3.2 Village at Laguna Hills FY 2019/20 and FY 2020/21 Budget Amendment

Recommendation: That the City Council adopt a Resolution entitled: “A Resolution of the City Council of the City of Laguna Hills, California, amending the Biennial Budget for Fiscal Years 2019/20 - 2020/21 identifying project costs for the Village at Laguna Hills Project in Fund 101.”

7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS

8. CITY COUNCIL MEMBER COMMENTS

9. CLOSED SESSION

ANNOUNCEMENT OF CLOSED SESSION ITEM(S)

The City Council will be reconvening into Closed Session, in the City Council Conference Room, City Hall, Laguna Hills Civic Center, to consider the following matter(s):

A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Pursuant to Government Code Section 54957(b)(1)

Public Employee Title: City Manager - Performance Evaluation

PUBLIC COMMENT ON CLOSED SESSION ITEM(S)**ADJOURN TO CITY COUNCIL CONFERENCE ROOM****CONVENE INTO CLOSED SESSION****RECONVENE TO CITY COUNCIL CHAMBERS****CLOSED SESSION REPORT****ADJOURNMENT**

The next Regular Meeting of the City Council/Planning Agency will be January 28, 2020, in the City Council Chamber, located at 24035 El Toro Road, Laguna Hills, California.

CERTIFICATION

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, do hereby certify that a copy of the foregoing Agenda was posted at Laguna Hills City Hall, Laguna Hills Community Center, and the Courtyard at La Paz Center by January 8, 2020, at 5:00 pm.



City Clerk

January 8, 2020

Date

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, you should contact the office of the City Clerk at (949) 707-2635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office at 24035 El Toro Road, Laguna Hills, California, during normal business hours.

City Council Members receive no additional compensation or stipend as a result of simultaneously convening meetings of the Laguna Hills Planning Agency.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Mayor and Council Members
FROM: Jennifer Lee
Assistant City Clerk
ISSUE: Approval of Minutes for December 10, 2019, Regular Meeting

RECOMMENDATION: That the City Council approve the Minutes for the December 10, 2019, Regular Meeting.

ATTACHMENTS:

- 191210 CC Minutes

**CITY OF LAGUNA HILLS
CITY COUNCIL/PLANNING AGENCY**

**REGULAR MEETING
MINUTES
Tuesday, December 10, 2019**

GENERAL BUSINESS - CONVENING AT 7:00 PM

CALL TO ORDER

The meeting was called to order at 7:02 p.m. by Mayor Sedgwick.

PLEDGE OF ALLEGIANCE: COUNCIL MEMBER WHEELER

ROLL CALL OF CITY COUNCIL MEMBERS

Attendee Name	Title	Status	Arrived
Don Sedgwick	Mayor	Present	
Janine Heft	Mayor Pro Tempore	Present	
Dore J. Gilbert, M.D.	Council Member	Present	
Erica Pezold	Council Member	Present	
Dave Wheeler	Council Member	Present	

CITY COUNCIL REORGANIZATION

REMARKS OF OUTGOING MAYOR

Outgoing Mayor Sedgwick expressed his gratitude to the other members of the Council for the support he received the past year, especially recognizing Council Member Gilbert's support, reviewed his experiences, summarized the City's major accomplishments for 2019, and spoke regarding the role of the Council.

ELECTION OF MAYOR

The City Council nominated and elected Janine Heft as Mayor.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Don Sedgwick, Mayor; Janine Heft, Mayor Pro Tempore; Dore J. Gilbert, Council Member; Erica Pezold, Council Member; Dave Wheeler, Council Member

**RECOGNITION OF OUTGOING MAYOR AND RESOLUTION OF COMMENDATION,
DON SEDGWICK, MAYOR****Resolution of Commendation, Don Sedgwick, Mayor**

Recommendation: That the City Council adopt Resolution No. 2019-12-10-1: "A Resolution of the City Council of the City of Laguna Hills, California, commending Don Sedgwick as Mayor" and that the City Council present a Resolution and plaque to Don Sedgwick recognizing his service to the City.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dore J. Gilbert, M.D, Council Member
SECONDER:	Dave Wheeler, Council Member
AYES:	Janine Heft, Mayor; Dore J. Gilbert, Council Member; Erica Pezold, Council Member; Don Sedgwick, Council Member; Dave Wheeler, Council Member

Mayor Heft presented a Resolution and plaque to Don Sedgwick recognizing his service to the City as Mayor of the City of Laguna Hills.

REMARKS REGARDING MAYOR SEDGWICK'S SERVICE TO THE CITY

Sharon Campbell, on behalf of Assemblyman Bill Brough's Office and Rhonda Reardon, on behalf of Senator Pat Bates, thanked Council Member Sedgwick for his services as Mayor.

ELECTION OF MAYOR PRO TEMPORE

The City Council nominated and elected Erica Pezold as Mayor Pro Tempore.

RESULT:	APPROVED [UNANIMOUS]
AYES:	Janine Heft, Mayor; Dore J. Gilbert, Council Member; Erica Pezold, Council Member; Don Sedgwick, Council Member; Dave Wheeler, Council Member

REMARKS OF NEWLY ELECTED MAYOR

Mayor Heft thanked the Council Members for electing her as Mayor and expressed her goals for the future of the City.

REMARKS REGARDING MAYOR SEDGWICK'S SERVICE TO THE CITY (continued)

The Council Members expressed their appreciation to outgoing Mayor Sedgwick for his service to the City.

RECESS FOR BRIEF RECEPTION

Mayor Heft recessed the meeting at 7:30 p.m.

RECONVENE

Mayor Heft reconvened the meeting at 7:49p.m. All Council Members were present.

1. PRESENTATIONS AND PROCLAMATIONS**1.1 Laguna Hills High School Student Liaison**

Recommendation: The City Council received an oral report from Laguna Hills High School Student Liaison Kira Presley.

Council Member Wheeler asked Student Liaison Presley to find a club or student body group to take on the task of maintaining the LH symbol on the hillside.

2. PUBLIC COMMENTS

Paula Margeson, Executive Director for Dayle McIntosh Center, expressed her concerns regarding accessibility at City Hall and asked that the City install an electric door opener on the entrance doors.

3. CONSENT CALENDAR

Motion to approve the Consent Calendar.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dore J. Gilbert, M.D. Council Member
SECONDER:	Don Sedgwick, Council Member
AYES:	Janine Heft, Mayor; Erica Pezold, Mayor Pro Tempore; Dore J. Gilbert, M.D., Council Member; Don Sedgwick, Council Member; Dave Wheeler, Council Member

3.1 Waive Reading in Full of all Ordinances and Resolutions on the Agenda

Recommendation: That the City Council waive reading in full of all ordinances and resolutions on the agenda and declare that said titles which appear on the

public agenda shall be determined to have been read by title and further reading waived.

3.2 Approval of Minutes for November 26, 2019, Regular Meeting

Recommendation: That the City Council approve the Minutes for the November 26, 2019, Regular Meeting.

3.3 Approval of Warrant Register for December 10, 2019, City Council Meeting

Recommendation: That the City Council ratify the accompanying Warrant Register for the period from November 15, 2019, to November 27, 2019, in the amount of \$648,934.37.

3.4 Proposed Office Lease for Suite 220 with Donald C. Lewellen, an Individual, for 24031 El Toro Road, Suite 220, Laguna Hills, California

Recommendation: That the City Council approve an office lease with Donald C. Lewellen, an individual, for 24031 El Toro Road, Suite 220, Laguna Hills, California, and authorize the City Manager to execute the Lease.

3.5 Affirmation of Appointments List for City Boards, Commissions, and Committees

Recommendation: That the City Council affirm the Local Appointments List and direct that it be posted on the City's web site, at City Hall and in the Laguna Hills Branch Technology Library in accordance with Government Code Section 54972, the Maddy Act.

3.6 2020 City Council Meeting Schedule

Recommendation: That the City Council adopt the proposed calendar for 2020.

3.7 Progress Payment No. 1, for Citywide Pavement Rehabilitation Project, CIP No. 101-K

Recommendation: That the City Council approve Progress Payment No. 1, in the net amount of \$368,882.53, to R.J. Noble Company for the Citywide Pavement Rehabilitation Project, CIP No. 101-K.

3.8 Establishment of a No Parking Zone on the Northerly Side of Los Alisos Blvd for Sight Distance Near the Ingress/Egress of Sofi Apartments (Private Driveway)

Recommendation: That the City Council: (1) Find and determine that the proposed parking regulation is not subject to the California Environmental Quality Act pursuant to Sections 15301 (the activity applies to the operation of existing streets, and will not expand the use of those existing streets) and 15061(B)(3) (the activity has no potential for causing a significant effect on the environment) of the CEQA Guidelines, Cal. Code of Regs, Title 14, Chapter 3; and (2) Adopt Resolution No. 2019-12-10-2: "A Resolution of the City Council of the City of Laguna Hills, California, establishing a No Parking Anytime Zone on the northerly side of Los Alisos Blvd. for a distance of 40 feet beginning 670 feet westerly of Avenida de la Carlota, just easterly of the ingress/egress of the Sofi Apartments (private driveway)."

3.9 Side Street Stop Sign Installations on Mawson Drive at Wilkes Place and on Velasquez Drive at Mawson Drive

Recommendation: That the City Council: (1) Find and determine that the proposed stop intersection controls are not subject to the California Environmental Quality Act pursuant to Sections 15060(C)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(C)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, Cal. Code of Regs, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly; and (2) Adopt Resolution No. 2019-12-10-3: "A Resolution of the City Council of the City of Laguna Hills, California, designating the intersections of Mawson Drive at Wilkes Place and Velasquez Drive at Mawson Drive as stop intersections and authorizing the installation of one-way minor street stop signs on Mawson Drive at Wilkes Place and on Velasquez Drive at Mawson Drive."

ITEMS REMOVED FROM THE CONSENT CALENDAR

There were no items removed from the Consent Calendar.

4. PLANNING AGENCY

Mayor Heft recessed the City Council Meeting, and acting in capacity as Chair, called the Regular Meeting of the Planning Agency of the City of Laguna Hills, California, to order at 8:03 p.m.

4.1. ROLL CALL OF PLANNING AGENCY MEMBERS

Attendee Name	Title	Status	Arrived
Janine Heft	Chair	Present	
Erica Pezold	Vice Chair	Present	
Dore J. Gilbert, M.D.	Agency Member	Present	
Don Sedgwick	Agency Member	Present	
Dave Wheeler	Agency Member	Present	

4.2. PUBLIC COMMENTS

There were no Planning Agency Public Comments.

4.3. APPROVAL OF MINUTES**4.3.1 Approval of Minutes for November 26, 2019, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the November 26, 2019, Regular Meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Sedgwick, Agency Member
SECONDER:	Dore J. Gilbert, M.D., Agency Member
AYES:	Janine Heft, Chair; Erica Pezold, Vice Chair; Dore J. Gilbert, M.D., Agency Member; Don Sedgwick, Agency Member; Dave Wheeler, Agency Member

4.4. ADMINISTRATIVE REPORTS

There were no Planning Agency Administrative Reports.

4.5. PLANNING AGENCY PUBLIC HEARINGS

There were no Planning Agency Public Hearings.

PLANNING AGENCY ADJOURNMENT

Mayor Heft reconvened the City Council Meeting at 8:04 p.m. All Council Members were present.

5. CITY COUNCIL PUBLIC HEARINGS

There were no City Council Public Hearings.

6. ADMINISTRATIVE REPORTS

6.1. City Attorney

6.1.1 Proposed Resolution Ratifying Changes to the Compensation of the City Manager, an Unrepresented Employee, in Accordance with Government Code Section 36506

City Attorney Simonian review the information provided in the staff report.

Recommendation: That the City Council adopt Resolution No. 2019-12-10-4: "A Resolution of the City Council of the City of Laguna Hills, California, ratifying changes to the compensation of the City Manager, an unrepresented employee, in accordance with Government Code Section 36506."

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Sedgwick, Council Member
SECONDER:	Erica Pezold, Mayor Pro Tempore
AYES:	Janine Heft, Mayor; Erica Pezold, Mayor Pro Tempore; Dore J. Gilbert, M.D., Council Member; Don Sedgwick, Council Member; Dave Wheeler, Council Member

6.2. Deputy City Manager/City Clerk

6.2.1 Authorization of a 2019 Year-End Employee Retention Bonus for Full-Time City Employees

Deputy City Manager Au-Yeung reviewed the information provided in the staff report.

Recommendation: That the City Council adopt Resolution No. 2019-12-10-5: "A Resolution of the City Council of the City of Laguna Hills, California, authorizing a one-time, 2019 Year-End City Employee Retention Bonus for all Full-time Employees, excluding the City Manager."

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Sedgwick, Council Member
SECONDER:	Dore J. Gilbert, M.D., Council Member
AYES:	Janine Heft, Mayor; Erica Pezold, Mayor Pro Tempore; Dore J. Gilbert, M.D., Council Member; Don Sedgwick, Council Member; Dave Wheeler, Council Member

7. MATTERS AGENDIZED AND PRESENTED BY CITY COUNCIL MEMBERS

There were no matters agendized and presented by Council Members.

8. CITY COUNCIL MEMBER COMMENTS

Mayor Pro Tempore Pezold

Mayor Pro Tempore Pezold thanked staff for all their hard work the past year. She also thanked the Laguna Hills Chamber of Commerce for organizing the City's 1st Annual Holiday Lights Extravaganza Contest.

Council Member Wheeler

Council Member Wheeler reported that he met with F.L.A.G. and, on their behalf, asked to agendize a presentation from them on a future agenda according to their schedule and received a second from Council Member Sedgwick.

Council Member Wheeler reported receiving a letter raising concerns regarding smoking in nursery homes and expressed that he would like to agendized a ban on smoking in nursery homes on a future agenda and received a second from Mayor Heft.

Council Member Sedgwick

Council Member Sedgwick reported that a University of Chapman report on the housing shortage in California recently came out and shared some of the information provided in the report.

Mayor Heft

Mayor Heft thanked former Mayor Sedgwick for his service to the City.

Mayor Heft requested that an Eagle Scout Program similar to a program in the City of Mission Viejo be agendized on a future agenda and received a second from Council Member Sedgwick.

ADJOURNMENT

There being no further business before the City Council at this session, Mayor Heft declared the meeting adjourned at 8:23 p.m.

Melissa Au-Yeung, City Clerk

ATTEST:

Janine Heft, Mayor

Approved at meeting of January 14, 2020



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Mayor and Council Members
FROM: Janice Reyes
Finance Director
ISSUE: Ratification of Warrant Register for January 14, 2020, City Council Meeting

RECOMMENDATION: That the City Council ratify the accompanying Warrant Register for the period from November 28, 2019, to January 2, 2020, in the amount of \$2,503,830.05.

SUMMARY:

The City issues accounts payable disbursements on a regular basis and presents it to City Council for ratification at its next regularly scheduled City Council Meeting. The attached Warrant Register containing checks and electronic funds transfers for the period from November 28, 2019, to January 2, 2020, is being presented for ratification by the City Council. Payments have been reviewed and approved by the appropriate departmental staff. The Director of Finance certifies to the accuracy of the attached register and to the availability of monies for payment thereof.

ATTACHMENTS:

- Warrant Register - January 14, 2020
- Warrant Register Payables Detail Report - January 14, 2020



City of Laguna Hills, CA

Warrant Register - January 14, 2020

By Check Number

Date Range: 11/28/2019 - 01/02/2020

Check Number	Vendor Number	Vendor Name	Payment Date	Payment Amount
Payment Type: Regular				
8817137	A-0360	ARC DOCUMENT SOLUTIONS, LLC	12/05/2019	120.31
8817138	C-1176	COMPUTER SERVICE CO.	12/05/2019	4,872.80
8817139	C-0023	COX COMMUNICATION	12/05/2019	614.12
8817140	D-0561	DOCU-TRUST LAGUNA VAULT	12/05/2019	101.00
8817141	D-0575	DOG WASTE DEPOT	12/05/2019	538.64
8817142	Z-PS-0019	DOHERTY, GOGO	12/05/2019	40.00
8817143	E-0504	EL TORO WATER DISTRICT	12/05/2019	13,051.86
8817144	E-0600	EWING IRRIGATION PRODUCTS, INC	12/05/2019	104.37
8817145	F-0719	FOUNDATIONS DANCE STUDIO	12/05/2019	529.20
8817146	G-0862	GRANICUS	12/05/2019	1,512.00
8817147	H-0829	HARTZOG & CRABILL, INC.	12/05/2019	11,691.28
8817148	H-0934	HOME DEPOT	12/05/2019	406.12
8817149	M-1302	MOULTON NIGUEL WATER DISTRICT	12/05/2019	110.83
8817150	N-1474	NIEVES LANDSCAPE, INC.	12/05/2019	90,064.00
8817151	Q-1707	QUEST DIAGNOSTICS	12/05/2019	18.87
8817152	R-1813	RPW SERVICES, INC.	12/05/2019	1,560.00
8817153	S-1935	SAN JOAQUIN HILLS TRANSPORT CORRIDOR AGENCY,	12/05/2019	2,528.00
8817154	S-1904	SOUTHERN CALIFORNIA EDISON	12/05/2019	2,406.29
8817155	S-1940	STATE WATER RESOURCES CONTROL BOARD	12/05/2019	14,230.00
8817156	S-2201	SUNSET PROPERTY SERVICES JONSET CORPORATION	12/05/2019	557.50
8817157	T-2656	TYLER TECHNOLOGIES, INC.	12/05/2019	14,872.65
8817158	U-2165	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	12/05/2019	195.30
8817159	W-2337	WEST COAST ARBORISTS, INC.	12/05/2019	27,180.70
8817160	W-2377	WILLDAN ENGINEERING	12/05/2019	2,714.75
8817161	A-0360	ARC DOCUMENT SOLUTIONS, LLC	12/06/2019	63.88
8817162	C-1139	COMPLETE OFFICE OF CALIFORNIA	12/06/2019	42.62
8817163	C-0023	COX COMMUNICATION	12/06/2019	195.86
8817164	E-0554	ECONOMICS, INC.	12/06/2019	6,696.17
8817165	Q-1715	QUESTYS SOLUTIONS	12/06/2019	1,200.00
8817166	S-1949	SMART & FINAL	12/06/2019	275.82
8817167	T-2698	TPX COMMUNICATIONS	12/06/2019	529.54
8817168	V-2249	US BANK VOYAGER FLEET SYSTEM	12/06/2019	1,233.12
8817169	V-2224	VERIZON WIRELESS	12/06/2019	866.75
8817170	Z-CD-0105	ALAN SMITH POOL PLASTERING	12/12/2019	500.00
8817171	A-0138	ALL CITY MANAGEMENT, INC.	12/12/2019	2,529.60
8817172	A-0359	ANDERSON PENNA PARTNERS, INC.	12/12/2019	16,935.36
8817173	Z-CS-0206	APONTE, VALERIA	12/12/2019	46.25
8817174	B-0304	BEE MAN, THE	12/12/2019	700.00
8817175	Z-CD-0130	BIENEK, DAVID	12/12/2019	4,500.00
8817176	B-0440	BUCKNAM INFRASTRUCTURE GROUP, INC.	12/12/2019	3,695.47
8817177	Z-CS-0205	CEJAS, ROSA	12/12/2019	695.22
8817178	C-1139	COMPLETE OFFICE OF CALIFORNIA	12/12/2019	218.27
8817179	C-1176	COMPUTER SERVICE CO.	12/12/2019	4,103.21
8817180	F-0709	FIVE STAR TROPHIES	12/12/2019	140.08
8817181	H-0960	HR GREEN PACIFIC, INC.	12/12/2019	6,248.00
8817182	I-0982	IDS GROUP, INC.	12/12/2019	18,577.00
8817183	I-0942	IRVINE RANCH WATER DISTRICT	12/12/2019	131.97
8817184	J-1057	JAMEY CLARK, INC.	12/12/2019	376.00
8817185	Z-CD-0147	JIM MURRAY ROOFING INC.	12/12/2019	1,110.00
8817186	Z-CD-0214	JOQUIN, LOU	12/12/2019	1,848.50
8817187	Z-CS-0079	MCCLELLAN, ANN-MARIE	12/12/2019	500.00
8817188	Z-CD-0199	MCCORMACK ROOFING	12/12/2019	810.00

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Date Range: 11/28/2019 - 01/02/2020

Check Number	Vendor Number	Vendor Name	Payment Date	Payment Amount
8817189	M-1388	MOBILE MINI, INC.	12/12/2019	82.97
8817190	M-1302	MOULTON NIGUEL WATER DISTRICT	12/12/2019	16,238.92
8817191	Z-CS-0152	MOULTON RANCH III HOMEOWNERS ASSOC.	12/12/2019	250.00
8817192	Z-CD-0203	PACIFIC CREST ROOFING	12/12/2019	750.00
8817193	Z-CD-0215	RADZINS, JOHN	12/12/2019	2,676.50
8817194	R-1977	RJ ELECTRIC	12/12/2019	608.22
8817195	S-1902	SAN DIEGO GAS & ELECTRIC	12/12/2019	9,838.59
8817196	S-1904	SOUTHERN CALIFORNIA EDISON	12/12/2019	13,236.56
8817197	S-2250	SPARKLETTS	12/12/2019	149.91
8817198	S-2201	SUNSET PROPERTY SERVICES JONSET CORPORATION	12/12/2019	10,937.00
8817199	W-2302	THOMSON REUTERS - WEST	12/12/2019	251.52
8817200	T-2605	TUTTLE CLICK FORD	12/12/2019	447.24
8817201	W-2448	WEST GATE CONTRACTOR	12/12/2019	4,904.00
8817202	W-2426	WHITE NELSON DIEHL EVANS LLP	12/12/2019	1,500.00
8817203	X-2400	XEROX CORPORATION	12/12/2019	536.59
8817204	A-0349	A SOURCE OF PRIDE	12/19/2019	99.67
8817205	A-0311	ALLIANT INSURANCE SERVICES	12/19/2019	2,322.00
8817206	A-0365	AT&T - CALNET 3	12/19/2019	21.52
8817207	A-0371	AVENU MUNISERVICES	12/19/2019	2,275.00
8817208	B-0437	BRINKS, INCORPORATED	12/19/2019	147.69
8817209	C-1133	CALIFORNIA YELLOW CAB	12/19/2019	908.00
8817210	C-1179	CANON SOLUTIONS AMERICA	12/19/2019	240.77
8817211	C-1144	CHARLES ABBOTT ASSOCIATES, INC	12/19/2019	33,151.67
8817212	C-1139	COMPLETE OFFICE OF CALIFORNIA	12/19/2019	225.59
8817213	C-0023	COX COMMUNICATION	12/19/2019	95.00
8817214	C-1190	FINGERPRINT ID (AFIS) LAW ENF. - COUNTY OF ORANGE	12/19/2019	1,503.00
8817215	H-0805	HARRINGTON GEOTECH ENGINEERING	12/19/2019	5,415.00
8817216	H-0804	HINDERLITER, DE LLAMAS & ASSOC., INC.	12/19/2019	4,384.25
8817217	J-1071	JCTEES.COM CORPORATION	12/19/2019	299.92
8817218	K-1193	KOSMONT COMPANIES	12/19/2019	10,806.90
8817219	M-1598	MAUREEN KANE & ASSOCIATES, INC.	12/19/2019	1,550.00
8817220	M-1535	MUSIC MOVES ACADEMY, INC.	12/19/2019	358.40
8817221	C-1008	NPDES OC TREASURER-TAX COLLECTOR	12/19/2019	69,046.92
8817222	O-1546	OFFICE SOLUTIONS	12/19/2019	624.50
8817223	O-1500	ORANGE COUNTY REGISTER	12/19/2019	101.07
8817224	O-1575	ORANGE COUNTY REGISTER-FREEDOM CA. NEWSPAPER PARTNERSHIP	12/19/2019	885.00
8817225	P-1829	PEST OPTIONS, INC.	12/19/2019	225.00
8817226	R-1830	RALPHS GROCERY COMPANY	12/19/2019	263.80
8817227	R-1977	RJ ELECTRIC	12/19/2019	1,061.31
8817228	R-1967	RUSSELL, RICHARD WYATT	12/19/2019	1,088.80
8817229	S-1902	SAN DIEGO GAS & ELECTRIC	12/19/2019	32,367.56
8817230	S-1904	SOUTHERN CALIFORNIA EDISON	12/19/2019	164.65
8817231	S-2250	SPARKLETTS	12/19/2019	110.43
8817232	S-2095	STONE IMAGERY	12/19/2019	247.82
8817233	S-2209	STUDIO TWO BLACK DIAMOND	12/19/2019	239.93
8817234	T-2002	TAB PRODUCTS COMPANY	12/19/2019	624.18
8817235	W-2337	WEST COAST ARBORISTS, INC.	12/19/2019	8,759.60
8817236	Z-CS-0207	ZAMORA, JAZMIN	12/19/2019	500.00
8817237	A-0327	ASSOCIATION OF CA CITIES -OC	12/26/2019	9,341.00
8817238	A-0365	AT&T - CALNET 3	12/26/2019	223.06
8817239	B-0439	BANNER BANK	12/26/2019	57,326.15
8817240	Z-CS-0159	BELLA VISTA @ MOULTON RANCH	12/26/2019	250.00
8817241	Z-CD-0216	BEN VARKEL CONSTRUCTION	12/26/2019	1,497.50
8817242	Z-CD-0130	BIENEK, DAVID	12/26/2019	2,400.00
8817243	Z-CS-0208	CAREY, PETER	12/26/2019	500.00
8817244	C-1203	CHRISTMAS KINGS, THE	12/26/2019	33,435.00
8817245	C-1139	COMPLETE OFFICE OF CALIFORNIA	12/26/2019	1,747.10
8817246	C-0023	COX COMMUNICATION	12/26/2019	851.31
8817247	Z-CD-0010	ESPLANADE BUILDERS, INC.	12/26/2019	5,283.00
8817248	Z-CD-0219	GALARDI GROUP INC	12/26/2019	1,057.50
8817249	Z-CD-0186	GUARDIAN ROOFS	12/26/2019	510.00

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Check Number	Vendor Number	Vendor Name
8817250	Z-CD-0217	HENRIQUEZ, RAFAEL
8817251	H-0960	HR GREEN PACIFIC, INC.
8817252	Z-CD-0147	JIM MURRAY ROOFING INC.
8817253	L-1226	LAGUNA HILLS CHAMBER OF COMMERCE
8817254	Z-CS-0148	LUND, ELIZABETH
8817255	O-1546	OFFICE SOLUTIONS
8817256	P-1834	PLACEWORKS, INC.
8817257	R-1817	R.J. NOBLE
8817258	Z-CS-0209	SARCHESHMEH, VAHID
8817259	Z-CD-0220	SOLAR OPTIMUM
8817260	Z-CD-0218	THE WILLOWS FOUNDATION
8817261	Z-CS-0210	W.G. HOLT, INC.
8817262	R-1801	WOODRUFF, SPRADLIN & SMART
8817263	X-2400	XEROX CORPORATION
8817263	X-2400	XEROX CORPORATION
8817264	X-2400	XEROX CORPORATION
8817265	A-0138	ALL CITY MANAGEMENT, INC.
8817266	A-0138	ALL CITY MANAGEMENT, INC.
8817267	C-1177	CANON FINANCIAL SERVICES, INC.
8817268	C-1139	COMPLETE OFFICE OF CALIFORNIA
8817269	D-0461	DATA TICKET, INC.
8817270	E-0593	EISENBERG, DALE
8817271	E-0553	ELKINS, CHRISTINA
8817272	G-0709	JOE A. GONSALVES & SON
8817273	M-1515	MONACH, KIMBERLYN
8817274	O-1608	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.
8817275	C-1003	PARKING VIOLATIONS OC TREASURER-TAX COLLECTOR
8817276	R-1967	RUSSELL, RICHARD WYATT
8817277	S-2059	STAPLETON, VIVIAN
8817278	W-2439	WESTAMERICA COMMUNICATIONS, INC

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Payment Date	Payment Amount
12/26/2019	720.00
12/26/2019	31,841.41
12/26/2019	2,250.00
12/26/2019	75.00
12/26/2019	500.00
12/26/2019	210.07
12/26/2019	10,904.03
12/26/2019	1,089,196.87
12/26/2019	500.00
12/26/2019	183.15
12/26/2019	4,000.00
12/26/2019	560.00
12/26/2019	31,397.51
12/26/2019	(2,021.44)
12/26/2019	2,021.44
12/26/2019	9.96
01/02/2020	4,553.28
01/02/2020	5,059.20
01/02/2020	851.51
01/02/2020	39.96
01/02/2020	429.81
01/02/2020	689.50
01/02/2020	163.80
01/02/2020	2,900.00
01/02/2020	1,824.00
01/02/2020	904.50
01/02/2020	1,319.00
01/02/2020	934.40
01/02/2020	73.50
01/02/2020	8,175.00
Total Regular:	1,821,999.33

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Date Range: 11/28/2019 - 01/02/2020

Check Number	Vendor Number	Vendor Name	Payment Date	Payment Amount
Payment Type: Bank Draft				
DFT0001050	C-1007	OCSD LAW ENFORCEMENT CONTRACT, OC TREASURER-TAX	12/13/2019	670,583.17
DFT0001053	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	2,264.33
DFT0001054	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	662.09
DFT0001055	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	1,184.15
DFT0001056	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	1,078.55
DFT0001057	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	1,397.76
DFT0001061	B-0276	BANK OF AMERICA VISA CARD	12/13/2019	4,660.67
Total Bank Draft:				681,830.72

Bank Code AP Bank Summary

	Payable	Payment		
Payment Type	Count	Count	Discount	Payment
Regular Checks	197	142	0.00	1,824,020.77
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	(2,021.44)
Bank Drafts	7	7	0.00	681,830.72
EFT's	0	0	0.00	0.00
	204	150	0.00	2,503,830.05

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All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	197	142	0.00	1,824,020.77
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	(2,021.44)
Bank Drafts	7	7	0.00	681,830.72
EFT's	0	0	0.00	0.00
	204	151	0.00	2,503,830.05

Fund Summary

Fund	Name	Period	Amount
998	POOL	12/2019	2,480,465.87
998	POOL	1/2020	23,364.18
			2,503,830.05



City of Laguna Hills, CA

Warrant Register - Payables Detail Report

By Fund

Payment Dates 11/28/2019 - 01/02/2020

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
Fund: 100 - GENERAL FUND					
12/05/2019	WILLDAN ENGINEERING	00618337	Professional Services, Oct '19	100-000-220444	348.75
12/05/2019	WILLDAN ENGINEERING	00618363	Professional Services, Oct '19	100-000-220444	2,366.00
12/05/2019	TYLER TECHNOLOGIES, INC.	025-278271	Annual Maintenance, Incode	100-195-720050	14,872.65
			Software, 01/20-12/20		
12/05/2019	DOCU-TRUST LAGUNA VAULT	038308	Offsite Data Storage, Nov '19	100-155-700030	101.00
12/05/2019	ARC DOCUMENT SOLUTIONS, LLC	10441925	Printing Services, Engineering, Nov	100-600-790600	48.13
12/05/2019	ARC DOCUMENT SOLUTIONS, LLC	10443366	Printing Services, Engineering, Nov	100-355-623000	72.18
12/05/2019	COX COMMUNICATION	111719	T-1 Line, Nov '19	100-195-630000	402.31
12/05/2019	COX COMMUNICATION	111819	Cable, City Hall, Nov '19	100-195-630000	32.19
12/05/2019	COX COMMUNICATION	111919	WiFi, City Hall, Nov '19	100-195-630000	179.62
12/05/2019	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	1120190363	Street Maintenance, Nov '19	100-355-720400	153.55
12/05/2019	SUNSET PROPERTY SERVICES JONSET CORPORATION	119283	Pressure Washing Services, Nov '19	100-355-720410	557.50
12/05/2019	SAN JOAQUIN HILLS TRANSPORT CORRIDOR AGENCY,	120219	Remit, Transportation Corridor Fees, Oct '19	100-000-221006	2,528.00
12/05/2019	FOUNDATIONS DANCE STUDIO	120319	Contract Instructor, Dance	100-310-721500	529.20
12/05/2019	GRANICUS	120396	Agenda Software, Dec '19	100-195-720050	1,512.00
12/05/2019	SOUTHERN CALIFORNIA EDISON	120419	Street Lights, Traffic Control, Nov '19	100-355-631000	355.79
12/05/2019	SOUTHERN CALIFORNIA EDISON	120419	Street Lights, Traffic Control, Nov '19	100-355-631400	1,238.65
12/05/2019	SOUTHERN CALIFORNIA EDISON	120419	Street Lights, Traffic Control, Nov '19	100-355-631900	811.85
12/05/2019	MOULTON NIGUEL WATER DISTRICT	120419	Water Usage, Public Services, Nov	100-355-635000	110.83
12/05/2019	EL TORO WATER DISTRICT	120419	Water Usage, Public Services, Oct '19	100-355-635000	13,051.86
12/05/2019	WEST COAST ARBORISTS, INC.	154199	Tree Trimming Services, Nov '19	100-355-720702	26,280.70
12/05/2019	WEST COAST ARBORISTS, INC.	154247	Tree Trimming Services, Nov '19	100-355-720702	450.00
12/05/2019	WEST COAST ARBORISTS, INC.	154248	Tree Trimming Services, Oct '19	100-355-720702	450.00
12/05/2019	HOME DEPOT	1631327	Banner Project, Community Services, Nov '19	100-310-624500	137.82
12/05/2019	RPW SERVICES, INC.	17566	Rodent Control, Public Services, Nov '19	100-355-720700	1,560.00
12/05/2019	UNDERGROUND SERVICE ALERT OF SOUTHERN CALIFORNIA	18dsbfe6362	Street Maintenance, Nov '19	100-355-720400	41.75
12/05/2019	HARTZOG & CRABILL, INC.	19-0739	Traffic Signal Mgmt Services, Oct '19	100-355-700101	4,671.28
12/05/2019	HARTZOG & CRABILL, INC.	19-0739	Traffic Signal Mgmt Services, Oct '19	100-600-790600	2,070.00
12/05/2019	HARTZOG & CRABILL, INC.	19-0796	Traffic Signal Mgmt Services, Oct-Nov '19	100-355-700101	3,450.00
12/05/2019	HARTZOG & CRABILL, INC.	19-0798	Traffic Signal Mgmt Services, Oct-Nov '19	100-355-700101	1,500.00
12/05/2019	DOG WASTE DEPOT	311406	Operating Supplies, Dec '19	100-355-622000	538.64
12/05/2019	COMPUTER SERVICE CO.	3917-19-011	Traffic Signal Maintenance, Nov '19	100-355-720420	4,872.80
12/05/2019	HOME DEPOT	5904453	Banner Project, Community Services, Oct '19	100-310-624500	268.30
12/05/2019	NIEVES LANDSCAPE, INC.	66374	Monthly and Misc Landscape, Nov	100-355-720700	990.00
12/05/2019	NIEVES LANDSCAPE, INC.	66418	Monthly and Misc Landscape, Dec	100-355-720700	89,074.00
12/05/2019	HOME DEPOT	6903258	Banner Project, Community Services, Oct '19	100-310-624500	268.30
12/05/2019	EWING IRRIGATION PRODUCTS, INC	8716112	Landscape Maint, Public Services, Nov '19	100-355-720700	104.37
12/05/2019	QUEST DIAGNOSTICS	9185196625	Pre-employment Drug Testing	100-195-617000	18.87
12/05/2019	HOME DEPOT	CM0000062	Banner Project, Community Services, Oct '19	100-310-624500	(268.30)
12/05/2019	DOHERTY, GOGO	PSV-0019	Refund, Citation #LH010001346	100-000-460100	40.00
12/05/2019	STATE WATER RESOURCES CONTROL BOARD	SW-0179702	Annual Permit Fees, Public Services, CIP 410	100-600-790600	14,230.00
12/06/2019	ARC DOCUMENT SOLUTIONS, LLC	10427549	Printing Services, Engineering, Nov	100-355-950002	63.88

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Payment Dates: 11/28/2019 - 01/02/2020

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
12/06/2019	COX COMMUNICATION	112819	WiFi Community Center, Dec '19	100-195-630000	195.86
12/06/2019	TPX COMMUNICATIONS	123486361-0	Communications Expense, Dec '19	100-195-630000	529.54
12/06/2019	COMPLETE OFFICE OF CALIFORNIA	2391383-0	Office & Operating Supplies, Nov '19	100-310-620500	2.66
12/06/2019	COMPLETE OFFICE OF CALIFORNIA	2391383-0	Office & Operating Supplies, Nov '19	100-310-622005	39.96
12/06/2019	SMART & FINAL	3831400040551	Special Events, Com Svcs, Nov '19	100-310-695500	115.85
12/06/2019	SMART & FINAL	3831400054926	Operating Supplies, Com Svcs, Nov	100-155-622000	17.99
12/06/2019	SMART & FINAL	3831400054927	Employee Training, City Hall, Nov '19	100-195-611000	59.26
12/06/2019	SMART & FINAL	3831400057304	Program & Operating Supplies, Com Svcs, Nov '19	100-310-622005	44.77
12/06/2019	SMART & FINAL	3831400057304	Program & Operating Supplies, Com Svcs, Nov '19	100-310-622501	37.95
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869321901948 GENGOV:	Vehicle Fuel, Nov '19	100-155-613100	298.89
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869321901948 GENGOV:	Vehicle Fuel, Nov '19	100-155-646100	10.00
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869321919948 COMDEV	Vehicle Fuel, Nov '19	100-225-613100	151.41
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869321927948 COMSVC:	Vehicle Fuel, Nov '19	100-310-613100	160.10
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869322032948 POLSVCS	Vehicle Fuel, Nov '19	100-420-613100	174.48
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869322040948 PUBSVCS	Vehicle Fuel, Nov '19	100-355-613100	414.25
12/06/2019	US BANK VOYAGER FLEET SYSTEM	869322040948 PUBSVCS	Vehicle Fuel, Nov '19	100-355-646100	23.99
12/06/2019	VERIZON WIRELESS	9842947498	Communication Expense, Nov '19	100-000-120000	57.63
12/06/2019	VERIZON WIRELESS	9842947498	Communication Expense, Nov '19	100-195-630000	809.12
12/06/2019	QUESTYS SOLUTIONS	CT000235	Employee Training & SQL Upgrade, FY 19/20	100-195-611000	800.00
12/06/2019	QUESTYS SOLUTIONS	CT000235	Employee Training & SQL Upgrade, FY 19/20	100-195-700090	400.00
12/12/2019	XEROX CORPORATION	098670632	Copier Usage City Hall, 9/21/19 - 10/30/19	100-195-641200	1,005.74
12/12/2019	XEROX CORPORATION	098900172	Copier Usage City Hall, 9/21/19 - 10/30/19	100-195-641200	118.07
12/12/2019	BEE MAN, THE	106555	Bee Removal, Public Services, Nov	100-355-720701	150.00
12/12/2019	BEE MAN, THE	106556	Bee Removal, Public Services, Nov	100-355-720701	150.00
12/12/2019	BEE MAN, THE	106557	Bee Removal, Public Services, Nov	100-355-720701	175.00
12/12/2019	BEE MAN, THE	106560	Bee Removal, Public Services, Nov	100-355-720701	225.00
12/12/2019	SUNSET PROPERTY SERVICES JONSET CORPORATION	119538	Street Sweeping Services, Nov '19	100-355-720410	10,937.00
12/12/2019	SOUTHERN CALIFORNIA EDISON	121119	Street Lights, Traffic Control, Nov '19	100-355-631000	95.56
12/12/2019	SAN DIEGO GAS & ELECTRIC	121119	Street Lights, Traffic Control, Nov '19	100-355-631400	9,838.59
12/12/2019	SOUTHERN CALIFORNIA EDISON	121119	Street Lights, Traffic Control, Nov '19	100-355-631400	9,259.52
12/12/2019	SOUTHERN CALIFORNIA EDISON	121119	Street Lights, Traffic Control, Nov '19	100-355-631900	3,881.48
12/12/2019	IRVINE RANCH WATER DISTRICT	121119	Water Usage, Public Services, Nov	100-355-635000	131.97
12/12/2019	MOULTON NIGUEL WATER DISTRICT	121119	Water Usage, Public Services & Com Ctr, Nov '19	100-355-635000	16,238.92
12/12/2019	FIVE STAR TROPHIES	12630	Office Supplies, Gen Gov, Dec '19	100-155-620000	140.08
12/12/2019	HR GREEN PACIFIC, INC.	131396	Building Services, Community Development, Nov '19	100-600-790600	6,248.00
12/12/2019	WHITE NELSON DIEHL EVANS LLP	198726	Final Payment Audit Fee 18/19	100-155-700051	1,500.00
12/12/2019	IDS GROUP, INC.	19X063.00-1	Community Center Renovation, CIP No. 513	100-600-790600	18,577.00
12/12/2019	COMPLETE OFFICE OF CALIFORNIA	2391988-0	Computer Supplies, Dec '19	100-195-621000	107.74
12/12/2019	COMPLETE OFFICE OF CALIFORNIA	2392599-0	Office Supplies, Comm Ctr, Dec '19	100-310-620500	110.53
12/12/2019	COMPUTER SERVICE CO.	2954 - 2971	Traffic Signal Maintenance, Nov '19	100-355-720420	4,103.21
12/12/2019	BUCKNAM INFRASTRUCTURE GROUP, INC.	361-01.02	City Engineer Services, Dec '19	100-355-700100	3,695.47
12/12/2019	SPARKLETTS	4228482 120619	Operating Supplies, Nov '19	100-195-622000	149.91
12/12/2019	RJ ELECTRIC	58323	Parks Contract Repair, Comm Ctr, Dec '19	100-355-720701	608.22
12/12/2019	ALL CITY MANAGEMENT, INC.	65134	Crossing Guard Services, 11/17/19 - 11/30/19	100-420-720822	2,529.60
12/12/2019	WEST GATE CONTRACTOR	7	Graffiti Removal, Public Services, Nov '19	100-355-720500	4,904.00
12/12/2019	JAMEY CLARK, INC.	71624	Park Repairs, Public Services, Nov '19	100-355-720500	376.00
12/12/2019	ANDERSON PENNA PARTNERS, INC.	7882	Inspection Services, Nov '19	100-355-700255	16,935.36
12/12/2019	THOMSON REUTERS - WEST	841380851	Subscription, City Clerk, Nov '19	100-155-626000	251.52

Attachment: Warrant Register Payables Detail Report - January 14, 2020 (2038 : Warrant Register, January 14, 2020)

Warrant Register - Payables Detail Report

Payment Dates: 11/28/2019 - 01/02/2020

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
12/12/2019	MOBILE MINI, INC.	9007519486	Storage Rental, Community Center, 12/3-12/30	100-310-641000	82.97
12/12/2019	ALAN SMITH POOL PLASTERING	CD-0495-POOLR-0013-20	Refund, Pool Bond, R #5244	100-000-228001	500.00
12/12/2019	BIENEK, DAVID	CD-0496-BLDR-0221-201	Refund, C&D Deposit, R #5566	100-000-227001	1,500.00
12/12/2019	BIENEK, DAVID	CD-0497-BLDR-0196-201	Refund, C&D Deposit, R #5476	100-000-227001	1,500.00
12/12/2019	JIM MURRAY ROOFING INC.	CD-0498-BLDR-0171-201	Refund, C&D Deposit, R #5348	100-000-227001	1,110.00
12/12/2019	JOQUIN, LOU	CD-0499-BLDC-0021-201	Refund, C&D Deposit, R #5192	100-000-227001	1,848.50
12/12/2019	MCCORMACK ROOFING	CD-0500-BLDR-0153-201	Refund, C&D Deposit, R #5260	100-000-227001	810.00
12/12/2019	PACIFIC CREST ROOFING	CD-0501-BLDR-0172-201	Refund, C&D Deposit, R #5349	100-000-227001	750.00
12/12/2019	RADZINS, JOHN	CD-0502-COM-3-19-1815	Refund, C&D Deposit, R #4546	100-000-227001	2,676.50
12/12/2019	BIENEK, DAVID	CD-0503-BLDR-0212-201	Refund, C&D Deposit, R #5518	100-000-227001	1,500.00
12/12/2019	XEROX CORPORATION	CM0000063	Copier Usage City Hall, 9/21/19 - 10/30/19	100-195-641200	(587.22)
12/12/2019	TUTTLE CLICK FORD	F2CS963340	Vehicle Maintenance, Community Services, Nov '19	100-310-646100	447.24
12/12/2019	MOULTON RANCH III HOMEOWNERS ASSOC.	FRD-0221	Refund, Facility Deposit, R #1032393.002	100-000-222000	250.00
12/12/2019	MCCLELLAN, ANN-MARIE	FRD-0222	Refund, Facility Deposit, R #1032370.002	100-000-222000	500.00
12/12/2019	CEJAS, ROSA	FRD-0223	Refund, Facility Deposit, R #1032058.002	100-000-222000	500.00
12/12/2019	APONTE, VALERIA	FRD-0224	Refund, Facility Deposit, R #1032705.002	100-000-222000	500.00
12/12/2019	APONTE, VALERIA	FRD-0224	Refund, Facility Deposit, R #1032705.002	100-000-451100	(453.75)
12/12/2019	CEJAS, ROSA	FSD-0012	Refund, Security Deposit, R #1033660.002	100-000-220500	360.22
12/12/2019	CEJAS, ROSA	FSD-0012	Refund, Security Deposit, R #1033660.002	100-000-451100	(165.00)
12/13/2019	BANK OF AMERICA VISA CARD	112019 COMDEV	Departmental Expenditure, Nov '19	100-195-611000	465.58
12/13/2019	BANK OF AMERICA VISA CARD	112019 COMDEV	Departmental Expenditure, Nov '19	100-195-617000	152.76
12/13/2019	BANK OF AMERICA VISA CARD	112019 COMDEV	Departmental Expenditure, Nov '19	100-225-626000	43.75
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-000-120000	11.20
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-155-610000	260.00
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-155-612000	3,481.19
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-155-622000	545.18
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-155-626000	96.96
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV1	Departmental Expenditure, Nov '19	100-155-695000	266.14
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV2	Departmental Expenditure, Nov '19	100-155-612000	1,277.76
12/13/2019	BANK OF AMERICA VISA CARD	112019 GENGOV2	Departmental Expenditure, Nov '19	100-155-695000	120.00
12/13/2019	BANK OF AMERICA VISA CARD	112019 POLSVCS	Departmental Expenditure, Nov '19	100-420-611000	595.00
12/13/2019	BANK OF AMERICA VISA CARD	112019 POLSVCS	Departmental Expenditure, Nov '19	100-420-622000	117.56
12/13/2019	BANK OF AMERICA VISA CARD	112019 POLSVCS	Departmental Expenditure, Nov '19	100-420-695000	365.99
12/13/2019	BANK OF AMERICA VISA CARD	112019 PUBSVCS	Departmental Expenditure, Nov '19	100-355-610000	680.00
12/13/2019	BANK OF AMERICA VISA CARD	112019 PUBSVCS	Departmental Expenditure, Nov '19	100-355-611000	170.00
12/13/2019	BANK OF AMERICA VISA CARD	112019 PUBSVCS	Departmental Expenditure, Nov '19	100-355-720400	29.07
12/13/2019	BANK OF AMERICA VISA CARD	112019 PUBSVCS	Departmental Expenditure, Nov '19	100-355-720500	305.08
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-611000	491.16
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-620500	28.94
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-622500	416.30
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-646100	184.24
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-695500	713.37
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-695505	120.00
12/13/2019	BANK OF AMERICA VISA CARD	112119 COMSVCS	Departmental Expenditure, Nov '19	100-310-695507	310.32
12/13/2019	OCSO LAW ENFORCEMENT	SH 55037	Law Enforcement Services, Dec '19	100-420-720800	670,583.17
12/19/2019	CONTRACT, OC TREASURER-TAX AT&T - CALNET 3	000014003415	Traffic Signal, Public Services, Nov '19	100-355-630000	21.52
12/19/2019	ORANGE COUNTY REGISTER-FREEDOM CA. NEWSPAPER	0000464186	Legal Advertising, Nov '19	100-155-624001	885.00
12/19/2019	HINDERLITER, DE LLAMAS & ASSOC., INC.	0032407-IN	Sales Tax 4th Qtr, Audit Sales 2nd Qtr	100-155-700052	4,384.25
12/19/2019	RALPHS GROCERY COMPANY	1019114794	Program Expense, Comm Svcs, Nov	100-310-695500	233.07

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Payment Dates: 11/28/2019 - 01/02/2020

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
12/19/2019	BRINKS, INCORPORATED	10960730	Courier Fee, Armored Transport, Dec '19	100-155-625000	147.69
12/19/2019	RALPHS GROCERY COMPANY	1119115309	Operating Supplies, Comm Svcs, Dec '19	100-310-622005	30.73
12/19/2019	COX COMMUNICATION	120619	Traffic Signal, Dec '19	100-195-630000	95.00
12/19/2019	ORANGE COUNTY REGISTER	120619	Subscription, City Hall,	100-310-626000	101.07
12/19/2019	MUSIC MOVES ACADEMY, INC.	121319	Contract Instructor Services, Music	100-310-721500	358.40
12/19/2019	RUSSELL, RICHARD WYATT	121319	Contract Instructor Services, Tennis	100-310-721500	1,088.80
12/19/2019	MAUREEN KANE & ASSOCIATES, INC.	121819	TTC Training Series 300, 3/10 -	100-155-611000	1,550.00
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819	Street Lights, Traffic Control, Nov '19	100-310-631100	8,625.89
12/19/2019	SOUTHERN CALIFORNIA EDISON	121819	Street Lights, Traffic Control, Nov '19	100-355-631000	154.28
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819	Street Lights, Traffic Control, Nov '19	100-355-631000	7,057.55
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819	Street Lights, Traffic Control, Nov '19	100-355-631000	1,202.93
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819	Street Lights, Traffic Control, Nov '19	100-355-631400	12,154.01
12/19/2019	SOUTHERN CALIFORNIA EDISON	121819	Street Lights, Traffic Control, Nov '19	100-355-631400	10.37
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819	Street Lights, Traffic Control, Nov '19	100-355-631900	3,230.46
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819a	Street Lights, Traffic Control, Nov '19	100-355-631000	31.84
12/19/2019	SAN DIEGO GAS & ELECTRIC	121819a	Street Lights, Traffic Control, Nov '19	100-355-631400	64.88
12/19/2019	SPARKLETTS	12194330 121119	Operating Supplies, Comm Ctr, Dec	100-310-622005	110.43
12/19/2019	ALLIANT INSURANCE SERVICES	1240895	Commercial Auto Premium, 12/22/19 - 12/22/20	100-105-690100	2,322.00
12/19/2019	WEST COAST ARBORISTS, INC.	154741	Tree Trimming Services, Nov '19	100-355-720702	8,759.60
12/19/2019	HARRINGTON GEOTECH	19552	Professional Svcs, CIP # 101-K	100-600-790600	5,415.00
12/19/2019	COMPLETE OFFICE OF CALIFORNIA	2394343-0	Operating Supplies, Comm Ctr, Dec	100-310-622005	39.96
12/19/2019	COMPLETE OFFICE OF CALIFORNIA	2395086-0	Computer Supplies, Dec '19	100-195-621000	143.31
12/19/2019	COMPLETE OFFICE OF CALIFORNIA	2396995-0	Office Supplies, Comm Ctr, Dec '19	100-310-620500	42.32
12/19/2019	TAB PRODUCTS COMPANY	2452057	Office Supplies, General Government, Dec '19	100-155-620000	624.18
12/19/2019	STONE IMAGERY	25095	Office Supplies, Dec '19	100-155-620000	247.82
12/19/2019	PEST OPTIONS, INC.	338648	Rodent Control, Public Services, Nov '19	100-355-720700	225.00
12/19/2019	CANON SOLUTIONS AMERICA	4031204336	Copier Usage, Community Services, Nov '19	100-195-641200	240.77
12/19/2019	RJ ELECTRIC	58277	Parks Contract Repair, Comm Ctr, Dec '19	100-355-720701	1,061.31
12/19/2019	CHARLES ABBOTT ASSOCIATES, INC	60468	Road Maintenance, Nov '19	100-355-720400	33,151.67
12/19/2019	JCTEES.COM CORPORATION	6340	Program Expense, Community Services, Dec '19	100-310-622501	299.92
12/19/2019	A SOURCE OF PRIDE	9109599	Operating Supplies, Dec '19	100-155-622000	99.67
12/19/2019	STUDIO TWO BLACK DIAMOND	95499	Printing Services, Dec '19	100-195-623000	37.71
12/19/2019	STUDIO TWO BLACK DIAMOND	95543	Printing Services, Dec '19	100-155-623000	75.43
12/19/2019	STUDIO TWO BLACK DIAMOND	95544	Printing Services, Dec '19	100-155-623000	126.79
12/19/2019	ZAMORA, JAZMIN	FRD-0225	Refund, Facility Deposit, R #1032276.002	100-000-222000	500.00
12/19/2019	OFFICE SOLUTIONS	I-01684266	Office Supplies, Dec '19	100-195-620000	227.75
12/19/2019	OFFICE SOLUTIONS	I-01684417	Office Supplies, Dec '19	100-195-620000	142.49
12/19/2019	OFFICE SOLUTIONS	I-01684558	Office Supplies, Dec '19	100-195-620000	9.70
12/19/2019	OFFICE SOLUTIONS	I-01685346	Office Supplies, Dec '19	100-195-620000	244.56
12/19/2019	AVENU MUNISERVICES	INV06-007309	Professional Services, CAFR	100-155-626000	2,275.00
12/19/2019	NPDES OC TREASURER-TAX COLLECTOR	PW200293	Watershed Monitoring,CIP#410	100-600-790600	69,046.92
12/19/2019	FINGERPRINT ID (AFIS) LAW ENF. - COUNTY OF ORANGE	SH 55080	Fingerprint ID System Charges, Dec	100-420-720835	1,503.00
12/26/2019	AT&T - CALNET 3	000014005323	Alarm, Com Ctr & City Hall Lines, Dec '19	100-195-630000	140.30
12/26/2019	AT&T - CALNET 3	000014005323	Alarm, Com Ctr & City Hall Lines, Dec '19	100-310-630100	82.76
12/26/2019	LAGUNA HILLS CHAMBER OF COMMERCE	00275	Community Assistance/Public Relation, Dec '19	100-155-695000	75.00
12/26/2019	XEROX CORPORATION	098900170	Copier Lease & Usage, Oct '19	100-195-641200	535.82
12/26/2019	XEROX CORPORATION	098900173	Copier Lease & Usage, Nov '19	100-195-641200	479.88
12/26/2019	COX COMMUNICATION	120519	T-1 Line, Dec '19	100-195-630000	851.31

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Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
12/26/2019	BANNER BANK	122319	Escrow No. 1655, CIP #101-K, Progress Payment 2	100-000-201001	57,326.15
12/26/2019	HR GREEN PACIFIC, INC.	131406	Building Services, Community Development, Oct '19	100-225-700000	17,130.00
12/26/2019	HR GREEN PACIFIC, INC.	131418	Plan Check, Community Development, Oct '19	100-225-700000	14,711.41
12/26/2019	R.J. NOBLE	166480	Citywide Pavement Rehabilitation, CIP #101-K	100-000-201001	(57,326.15)
12/26/2019	R.J. NOBLE	166480	Citywide Pavement Rehabilitation, CIP #101-K	100-600-790600	1,146,523.02
12/26/2019	CHRISTMAS KINGS, THE	19-4532	Special Events, Program Service, Holiday Lights	100-310-695500	33,435.00
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2367910-0	Office Supplies, Comm Ctr, Oct '19	100-310-620500	437.99
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2367911-0	Computer Supplies, Oct '19	100-195-621000	254.94
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2372726-0	Computer Supplies, Oct '19	100-195-621000	198.24
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2397591-0	Operating Supplies, Comm Ctr, Dec	100-310-622005	39.96
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2399383-0	Computer, Office & Operating Supplies, Dec '19	100-195-621000	495.39
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2399383-0	Computer, Office & Operating Supplies, Dec '19	100-310-620500	68.15
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2399383-0	Computer, Office & Operating Supplies, Dec '19	100-310-622005	124.96
12/26/2019	COMPLETE OFFICE OF CALIFORNIA	2399385-0	Computer Supplies, Dec '19	100-195-621000	127.47
12/26/2019	ASSOCIATION OF CA CITIES -OC	2497	Membership, 2020	100-155-610002	9,341.00
12/26/2019	WOODRUFF, SPRADLIN & SMART	64216-64217	Professional Services Legal, Nov '19	100-155-700010	26,004.56
12/26/2019	WOODRUFF, SPRADLIN & SMART	64216-64217	Professional Services Legal, Nov '19	100-155-700011	332.95
12/26/2019	BEN VARKEL CONSTRUCTION	CD-0504-COM-12-18-177	Refund, C&D Deposit, R #3860	100-000-227001	1,497.50
12/26/2019	BIENEK, DAVID	CD-0505-BLDR-0231-201	Refund, C&D Deposit, R #5655	100-000-227001	1,200.00
12/26/2019	BIENEK, DAVID	CD-0506-BLDR-0227-201	Refund, C&D Deposit, R #5619	100-000-227001	1,200.00
12/26/2019	ESPLANADE BUILDERS, INC.	CD-0507-BLDC-0016-201	Refund, C&D Deposit, R #5242	100-000-227001	1,445.50
12/26/2019	ESPLANADE BUILDERS, INC.	CD-0508-BLDC-0026-201	Refund, C&D Deposit, R #5363	100-000-227001	3,837.50
12/26/2019	GALARDI GROUP INC	CD-0509-COM-5-19-1848	Refund, C&D Deposit, R #5114	100-000-227001	1,057.50
12/26/2019	GUARDIAN ROOFS	CD-0510-RF-3-19-18069	Refund, C&D Deposit, R #3462	100-000-227001	510.00
12/26/2019	HENRIQUEZ, RAFAEL	CD-0511-BLDR-0082-201	Refund, C&D Deposit, R #4711	100-000-227001	720.00
12/26/2019	JIM MURRAY ROOFING INC.	CD-0512-BLDR-0209-201	Refund, C&D Deposit, R #5511	100-000-227001	2,250.00
12/26/2019	SOLAR OPTIMUM	CD-0513-ELER-0205-201	Refund, Permit Fees, R #5497	100-000-442005	183.15
12/26/2019	THE WILLOWS FOUNDATION	CD-0514-COM-4-18-1645	Refund, C&D Deposit, R #4806	100-000-227001	4,000.00
12/26/2019	XEROX CORPORATION	CM0000068	Copier Lease & Usage, Oct '19	100-195-641200	(1,005.74)
12/26/2019	LUND, ELIZABETH	FRD-0226	Refund, Facility Deposit, R #1032304.002	100-000-222000	500.00
12/26/2019	BELLA VISTA @ MOULTON RANCH	FRD-0227	Refund, Facility Deposit, R #1032392.002	100-000-222000	250.00
12/26/2019	CAREY, PETER	FRD-0228	Refund, Facility Deposit, R #1032829.002	100-000-222000	500.00
12/26/2019	W.G. HOLT, INC.	FRD-0229	Refund, Facility Deposit, R #1033486.002	100-000-222000	500.00
12/26/2019	W.G. HOLT, INC.	FRD-0229	Refund, Facility Deposit, R #1033486.002	100-000-222000	500.00
12/26/2019	W.G. HOLT, INC.	FRD-0229	Refund, Facility Deposit, R #1033486.002	100-000-451100	(440.00)
12/26/2019	SARCHESHMEH, VAHID	FRD-0230	Refund, Facility Deposit, R #1033577.002	100-000-222000	500.00
12/26/2019	OFFICE SOLUTIONS	I-01690914	Office Supplies, Dec '19	100-195-620000	43.57
12/26/2019	OFFICE SOLUTIONS	I-01690920	Operating Supplies, Dec '19	100-195-622000	136.50
12/26/2019	OFFICE SOLUTIONS	I-01690942	Office Supplies, Dec '19	100-195-620000	30.00
01/02/2020	DATA TICKET, INC.	107576	Process Fee, Parking Citations, Nov	100-420-720823	429.81
01/02/2020	MONACH, KIMBERLYN	122719	Professional Services, Public Art	100-155-700000	1,824.00
01/02/2020	STAPLETON, VIVIAN	123019	Contract Instructor Services, Early Childhood	100-310-721500	73.50
01/02/2020	ELKINS, CHRISTINA	123019	Contract Instructor Services, Dance	100-310-721500	163.80
01/02/2020	RUSSELL, RICHARD WYATT	123019	Contract Instructor Services, Tennis	100-310-721500	934.40
01/02/2020	EISENBERG, DALE	123019	Contract Instructor Services, Aikido	100-310-721500	689.50

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01/02/2020	JOE A. GONSALVES & SON	157912	Legislative Services, Jan '20	100-155-700020	2,900.00
01/02/2020	CANON FINANCIAL SERVICES, INC.	20890993	Lease - Copier, Community Services, Dec '19	100-195-641200	279.86
01/02/2020	CANON FINANCIAL SERVICES, INC.	20890994	Lease - Copier, City Hall, Dec '19	100-195-641200	253.83
01/02/2020	CANON FINANCIAL SERVICES, INC.	20890995	Lease - Copier, City Hall, Dec '19	100-195-641200	317.82
01/02/2020	COMPLETE OFFICE OF CALIFORNIA	2400153-0	Computer, Office & Operating	100-310-622005	39.96
01/02/2020	OCEAN BLUE ENVIRONMENTAL SERVICES, INC.	32773	Reimbursable Expense, Oct '19	100-420-622000	904.50
01/02/2020	WESTAMERICA COMMUNICATIONS, INC.	331413	City Views, Fall 2019 Issue	100-155-695000	8,175.00
01/02/2020	ALL CITY MANAGEMENT, INC.	64168	Crossing Guard Services, 10/6/19 - 10/19/19	100-420-720822	4,553.28
01/02/2020	ALL CITY MANAGEMENT, INC.	65523	Crossing Guard Services, 12/1/19 - 12/14/19	100-420-720822	5,059.20
01/02/2020	PARKING VIOLATIONS OC TREASURER-TAX COLLECTOR	NOV 19	Parking Fee Surcharge, Nov '19	100-420-720823	1,319.00
Fund 100 - GENERAL FUND Total:					2,469,454.95
Fund: 101 - VILLAGE AT LAGUNA HILLS REDEV PROJ					
12/19/2019	KOSMONT COMPANIES	1911.5-001	Prof Services, Village at Laguna Hills, Nov '19	101-225-700000	10,806.90
12/26/2019	WOODRUFF, SPRADLIN & SMART	64216-64217	Professional Services Legal, Nov '19	101-225-700012	5,060.00
12/26/2019	PLACEWORKS, INC.	70650	Prof Services, Village at LH Expenses, Nov '19	101-225-700200	4,859.03
12/26/2019	PLACEWORKS, INC.	70651	Prof Services, Village at LH Expenses, Nov '19	101-225-700200	6,045.00
Fund 101 - VILLAGE AT LAGUNA HILLS REDEV PROJ Total:					26,770.93
Fund: 221 - SENIOR MOBILITY PROGRAM					
12/19/2019	CALIFORNIA YELLOW CAB	11406019	Senior Mobility Program, Nov '19	221-310-720000	908.00
Fund 221 - SENIOR MOBILITY PROGRAM Total:					908.00
Fund: 307 - C & D FORFEITED DEPOSITS					
12/06/2019	ECONOMICS, INC.	2017-2018.29	Professional Services, Recycling Program, Nov '19	307-355-700000	6,696.17
Fund 307 - C & D FORFEITED DEPOSITS Total:					6,696.17
Fund: 600 - CAPITAL IMPROVEMENT PROJECT					
12/05/2019	ARC DOCUMENT SOLUTIONS, LLC	10441925	Printing Services, Engineering, Nov	600-000-490100	(48.13)
12/05/2019	ARC DOCUMENT SOLUTIONS, LLC	10441925	Printing Services, Engineering, Nov	600-251-950168	48.13
12/05/2019	HARTZOG & CRABILL, INC.	19-0739	Traffic Signal Mgmt Services, Oct '19	600-000-490100	(2,070.00)
12/05/2019	HARTZOG & CRABILL, INC.	19-0739	Traffic Signal Mgmt Services, Oct '19	600-251-950168	2,070.00
12/05/2019	STATE WATER RESOURCES CONTROL BOARD	SW-0179702	Annual Permit Fees, Public Services, CIP 410	600-000-490100	(14,230.00)
12/05/2019	STATE WATER RESOURCES CONTROL BOARD	SW-0179702	Annual Permit Fees, Public Services, CIP 410	600-254-950410	14,230.00
12/12/2019	HR GREEN PACIFIC, INC.	131396	Building Services, Community Development, Nov '19	600-000-490100	(6,248.00)
12/12/2019	HR GREEN PACIFIC, INC.	131396	Building Services, Community Development, Nov '19	600-251-950101	6,248.00
12/12/2019	IDS GROUP, INC.	19X063.00-1	Community Center Renovation, CIP No. 513	600-000-490100	(18,577.00)
12/12/2019	IDS GROUP, INC.	19X063.00-1	Community Center Renovation, CIP No. 513	600-255-950513	18,577.00
12/19/2019	HARRINGTON GEOTECH	19552	Professional Svcs, CIP # 101-K	600-000-490100	(5,415.00)
12/19/2019	HARRINGTON GEOTECH	19552	Professional Svcs, CIP # 101-K	600-251-950101	5,415.00
12/19/2019	NPDES OC TREASURER-TAX COLLECTOR	PW200293	Watershed Monitoring, CIP#410	600-000-490100	(69,046.92)
12/19/2019	NPDES OC TREASURER-TAX COLLECTOR	PW200293	Watershed Monitoring, CIP#410	600-254-950410	69,046.92
12/26/2019	R.J. NOBLE	166480	Citywide Pavement Rehabilitation, CIP #101-K	600-000-490100	(1,146,523.02)

Attachment: Warrant Register Payables Detail Report - January 14, 2020 (2038 : Warrant Register, January 14, 2020)

Warrant Register - Payables Detail Report

Payment Dates: 11/28/2019 - 01/02/2020

Payment Date	Vendor Name	Payable Number	Description (Payable)	Account Number	Amount
12/26/2019	R.J. NOBLE	166480	Citywide Pavement Rehabilitation, CIP #101-K	600-251-950101	1,146,523.02
Fund 600 - CAPITAL IMPROVEMENT PROJECT Total:					0.00
Grand Total:					2,503,830.05

Attachment: Warrant Register Payables Detail Report - January 14, 2020 (2038 : Warrant Register, January 14, 2020)

Report Summary

Fund Summary

Fund	Expense Amount	Payment Amount
100 - GENERAL FUND	2,469,454.95	2,469,454.95
101 - VILLAGE AT LAGUNA HILLS REDEV PROJ	26,770.93	26,770.93
221 - SENIOR MOBILITY PROGRAM	908.00	908.00
307 - C & D FORFEITED DEPOSITS	6,696.17	6,696.17
600 - CAPITAL IMPROVEMENT PROJECT	0.00	0.00
Grand Total:	2,503,830.05	2,503,830.05

Account Summary

Account Number	Account Name	Expense Amount	Payment Amount
100-000-120000	Accounts Receivable	68.83	68.83
100-000-201001	Accounts Payable - Retention	0.00	0.00
100-000-220444	EncroachmentGrading	2,714.75	2,714.75
100-000-220500	Security Rental	360.22	360.22
100-000-221006	SJHTC B	2,528.00	2,528.00
100-000-222000	Refundable Deposits	5,000.00	5,000.00
100-000-227001	SecurityDeposit-WasteRecycling	29,413.00	29,413.00
100-000-228001	Swimming Pool Bonds	500.00	500.00
100-000-442005	Plan Check Fees - Fee Base	183.15	183.15
100-000-451100	Recreation Fees-Reservation	(1,058.75)	(1,058.75)
100-000-460100	Parking Revenues	40.00	40.00
100-105-690100	Property Loss Coverage	2,322.00	2,322.00
100-155-610000	Memberships and Dues Expense	260.00	260.00
100-155-610002	Memberships and Dues - ACC-OC	9,341.00	9,341.00
100-155-611000	Training and Education	1,550.00	1,550.00
100-155-612000	Travel, Conferences & Meetings	4,758.95	4,758.95
100-155-613100	Vehicle-Fuel	298.89	298.89
100-155-620000	Office Supplies	1,012.08	1,012.08
100-155-622000	Operating Supplies	662.84	662.84
100-155-623000	Printing	202.22	202.22
100-155-624001	Advertising - Legal	885.00	885.00
100-155-625000	Postage & Delivery	147.69	147.69
100-155-626000	Subscriptions & Books	2,623.48	2,623.48
100-155-646100	Maint & Repairs - Vehicles	10.00	10.00
100-155-695000	CommunityAsstnc/PublicRelation	8,636.14	8,636.14
100-155-700000	Professional Services	1,824.00	1,824.00
100-155-700010	Legal Services-General Counsel	26,004.56	26,004.56
100-155-700011	Legal Services-Litigation	332.95	332.95
100-155-700020	Professional Services - Legislative	2,900.00	2,900.00
100-155-700030	Professional Svcs- City Clerk	101.00	101.00
100-155-700051	Professional Services - Annual	1,500.00	1,500.00
100-155-700052	Compliance Audit Services - Sales	4,384.25	4,384.25
100-195-611000	Training and Education	1,324.84	1,324.84
100-195-617000	Recruitment	171.63	171.63
100-195-620000	Office Supplies	698.07	698.07
100-195-621000	Computer Supplies	1,327.09	1,327.09
100-195-622000	Operating Supplies	286.41	286.41
100-195-623000	Printing	37.71	37.71
100-195-630000	Telephone & Communication	3,235.25	3,235.25
100-195-641200	Rent/Lease - Copier	1,638.83	1,638.83
100-195-700090	Computer Consulting Services	400.00	400.00
100-195-720050	Contract Serv-Software Support	16,384.65	16,384.65
100-225-613100	Vehicle-Fuel	151.41	151.41
100-225-626000	Subscriptions & Books	43.75	43.75
100-225-700000	Prof. Svcs - Building & Safety	31,841.41	31,841.41
100-310-611000	Training and Education	491.16	491.16
100-310-613100	Vehicle-Fuel	160.10	160.10
100-310-620500	Office Supplies - Comm Ctr	690.59	690.59

Account Summary

Account Number	Account Name	Expense Amount	Payment Amount
100-310-622005	Operating Supplies Comm Ctr	470.73	470.73
100-310-622500	Supplies-Program Services	416.30	416.30
100-310-622501	Supplies-Youth Leagues	337.87	337.87
100-310-624500	Advertising-Program Services	406.12	406.12
100-310-626000	Subscriptions & Books	101.07	101.07
100-310-630100	Phone & Communication Comm	82.76	82.76
100-310-631100	Utilities - Electric Comm Ctr	8,625.89	8,625.89
100-310-641000	Rent/Lease - Equipment	82.97	82.97
100-310-646100	Maint & Repairs - Vehicles	631.48	631.48
100-310-695500	Special Events-Program Service	34,497.29	34,497.29
100-310-695505	Cultural Excursions	120.00	120.00
100-310-695507	Marathon 5k	310.32	310.32
100-310-721500	Contract Services-Program Svce	3,837.60	3,837.60
100-355-610000	Memberships and Dues Expense	680.00	680.00
100-355-611000	Training and Education	170.00	170.00
100-355-613100	Vehicle-Fuel	414.25	414.25
100-355-622000	Operating Supplies	538.64	538.64
100-355-623000	Printing	72.18	72.18
100-355-630000	Telephone & Communication	21.52	21.52
100-355-631000	Utilities - Electric	8,897.95	8,897.95
100-355-631400	Electric-Street Lights/Signals	32,566.02	32,566.02
100-355-631900	UtilitiesElectricOnBillFinancing	7,923.79	7,923.79
100-355-635000	Utilities - Water	29,533.58	29,533.58
100-355-646100	Maint & Repairs - Vehicles	23.99	23.99
100-355-700100	City Engineer Services	3,695.47	3,695.47
100-355-700101	Traffic Engineer Services	9,621.28	9,621.28
100-355-700255	Improvement Inspection	16,935.36	16,935.36
100-355-720400	Street Maintenance	33,376.04	33,376.04
100-355-720410	Street Sweeping	11,494.50	11,494.50
100-355-720420	Traffic Signal Maintenance	8,976.01	8,976.01
100-355-720500	Graffiti Removal	5,585.08	5,585.08
100-355-720700	Landscape Maintenance Contract	91,953.37	91,953.37
100-355-720701	Parks Contract Repair	2,369.53	2,369.53
100-355-720702	Tree Maintenance	35,940.30	35,940.30
100-355-950002	Landscape Repairs - Luna Bonita	63.88	63.88
100-420-611000	Training and Education	595.00	595.00
100-420-613100	Vehicle-Fuel	174.48	174.48
100-420-622000	Operating Supplies	1,022.06	1,022.06
100-420-695000	CommunityAsstnc/PublicRelation	365.99	365.99
100-420-720800	General Law Enforcement	670,583.17	670,583.17
100-420-720822	Crossing Guard Services	12,142.08	12,142.08
100-420-720823	Parking Citation Processing	1,748.81	1,748.81
100-420-720835	Fingerprint Identification Svc	1,503.00	1,503.00
100-600-790600	Transfers Out - Capital Imprv	1,262,158.07	1,262,158.07
101-225-700000	Professional Services	10,806.90	10,806.90
101-225-700012	Professional Services, Legal	5,060.00	5,060.00
101-225-700200	Professional Services, Planning	10,904.03	10,904.03
221-310-720000	Contract Services	908.00	908.00
307-355-700000	Professional Services	6,696.17	6,696.17
600-000-490100	Transfer In- General Fund	(1,262,158.07)	(1,262,158.07)
600-251-950101	CIP-Annual Street Maintenance	1,158,186.02	1,158,186.02
600-251-950168	TrafficSignalImprovCoordination	2,118.13	2,118.13
600-254-950410	NPDES Permit & Fees	83,276.92	83,276.92
600-255-950513	Community Center Renovation	18,577.00	18,577.00
	Grand Total:	2,503,830.05	2,503,830.05

Attachment: Warrant Register Payables Detail Report - January 14, 2020 (2038 : Warrant Register, January 14, 2020)

Project Account Summary

Project Account Key

None

Expense Amount

Payment Amount

2,503,830.052,503,830.05

Grand Total:

2,503,830.052,503,830.05

Attachment: Warrant Register Payables Detail Report - January 14, 2020 (2038 : Warrant Register, January 14, 2020)



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020

TO: Mayor and Council Members

FROM: Melissa Au-Yeung
Deputy City Manager

ISSUE: Proposed Office Lease for Suite 200 with Our Estate Planning Attorney Corporation for 24031 El Toro Road, Suite 200, Laguna Hills, California

RECOMMENDATION: That the City Council approve an office lease with Our Estate Planning Attorney Corporation for 24031 El Toro Road, Suite 200, Laguna Hills, California, and authorize the City Manager to execute the Lease.

SUMMARY:

Staff has negotiated a thirty-seven month lease with Our Estate Planning Attorney, Inc., a California corporation, for 24031 El Toro Road, Suite 200. Our Estate Planning Attorney operates a general office for an estate planning law firm. The following is a summary of the key lease terms and financial analysis:

Commencement Date:	March 1, 2020
Term:	Thirty-seven (37) months
Rentable Square Feet:	1,568
Upfront Capital:	\$17,804
Rate:	Months 1-12: \$2.20/ sq. ft. Months 13-24: \$2.29/ sq. ft. Months 25-36: \$2.38/ sq. ft. Month 37: \$2.47/sq. ft.
Total Rent Payments:	\$125,769
Net Present Value:	\$63,813 (12% Discount Rate)

Civic Center Lease with Our Estate Planning Attorney for Suite 200

January 14, 2020

Page 2

The final lease has been included as an attachment and staff is recommending approval.

FISCAL IMPACT:

The lease has a positive net present value of \$63,813 and requires upfront capital of \$17,804.

ATTACHMENTS:

- Lease



STANDARD MULTI-TENANT OFFICE LEASE - GROSS

1. Basic Provisions ("Basic Provisions").

1.1 **Parties.** This Lease ("Lease"), dated for reference purposes only January 14, 2020, is made by and between The City of Laguna Hills, a municipal corporation organized and existing under the laws of the State of California ("Lessor") and Our Estate Planning Attorney Inc., a California corporation ("Lessee"), (collectively the "Parties", or individually a "Party").

1.2(a) **Premises:** That certain Portion of the Project (as defined below), commonly known as (street address, suite, city, state): 24031 El Toro Road, Suite 200 Laguna Hills, CA 92654 ("Premises"). The Premises are located in the County of Orange, and consist of approximately 1,568 rentable square feet and approximately 1,310 useable square feet. In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, the exterior walls, the area above the dropped ceilings, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." The Project consists of approximately 51,946 rentable square feet. (See also Paragraph 2)

1.2(b) **Parking:** 4/1000sf unreserved and N/A reserved vehicle parking spaces at a monthly cost of N/A per unreserved space and N/A per reserved space. (See Paragraph 2.6)

1.3 **Term:** 3 years and 1 months ("Original Term") commencing March 1, 2020 ("Commencement Date") and ending March 31, 2023 ("Expiration Date"). (See also Paragraph 3)

1.4 **Early Possession:** If the Premises are available Lessee may have non-exclusive possession of the Premises commencing N/A ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent:** \$3,449.60 per month ("Base Rent"), payable on the first day of each month commencing March 1, 2020. (See also Paragraph 4)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 4.4. (See Addendum Paragraph 1)

1.6 **Lessee's Share of Operating Expense Increase:** 3.02 percent (3.02 %) ("Lessee's Share"). In the event that that size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.7 Base Rent and Other Monies Paid Upon Execution:

(a) **Base Rent:** \$3,449.60 for the period March 1- 31, 2020.

(b) **Security Deposit:** \$3,880.33 ("Security Deposit"). (See also Paragraph 5)

(c) **Parking:** N/A for the period N/A.

(d) **Other:** N/A for N/A.

(e) **Total Due Upon Execution of this Lease:** \$7,329.93.

1.8 **Agreed Use:** Law office- Estate Planning. (See also Paragraph 6)

1.9 **Base Year; Insuring Party.** The Base Year is 2020. Lessor is the "Insuring Party". (See also Paragraphs 4.2 and 8)

1.10 **Real Estate Brokers.** (See also Paragraph 15 and 25)

(a) **Representation:** Each Party acknowledges receiving a Disclosure Regarding Real Estate Agency Relationship, confirms and consents to the following agency relationships in this Lease with the following real estate brokers ("Broker(s)") and/or their agents ("Agent(s)"):

Lessor's Brokerage Firm Essex Realty Management, Inc. License No. 00965485 Is the broker of (check one): ☒ the Lessor; or ☐ both the Lessee and Lessor (dual agent).

Lessor's Agent Sandi Montez License No. 01293010 Is (check one): ☒ the Lessor's Agent (salesperson or broker associate); or ☐ both the Lessee's Agent and the Lessor's Agent (dual agent).

Lessee's Brokerage Firm CBRE License No. 02061641 Is the broker of (check one): ☒ the Lessee; or ☐ both the Lessee and Lessor (dual agent).

Lessee's Agent Matt Sherburne License No. 02061641 Is (check one): ☒ the Lessee's Agent (salesperson or broker associate); or ☐ both the Lessee's Agent and the Lessor's Agent (dual agent).

(b) **Payment to Brokers:** Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers the brokerage fee agreed to in a separate written agreement ~~(or if there is no such agreement, the sum of _____ or _____ % of the total Base Rent) for the brokerage services rendered by the Brokers.~~

1.11 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by William P. White, personally in his individual capacity ("Guarantor"). (See also Paragraph 37)

1.12 **Business Hours for the Building:** 7:00 a.m. to 6:00 p.m., Mondays through Fridays (except Building Holidays) and 8:00 a.m. to 2:00 p.m. on Saturdays (except Building Holidays). "Building Holidays" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and N/A.

1.13 **Lessor Supplied Services.** Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following within the Premises:

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

☐ Janitorial services

☐ Electricity

☐ Other (specify): _____

1.14 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- ☒ an Addendum consisting of Paragraphs 1 through 6 ;
- ☒ a plot plan depicting the Premises; **Exhibit "A"**
- ☒ a current set of the Rules and Regulations; **Exhibit "B"**
- ☒ a Work Letter; **/Requirements for Improvements or Alterations by Lessee; Exhibit "D"**
- ☐ a janitorial schedule;
- ☒ other (specify): Exhibit "C" Waiver and Release. Exhibit "E" Personal Guaranty .

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **NOTE: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. Lessor also warrants, that unless otherwise specified in writing, Lessor is unaware of (i) any recorded Notices of Default affecting the Premise; (ii) any delinquent amounts due under any loan secured by the Premises; and (iii) any bankruptcy proceeding affecting the Premises.

2.3 **Compliance.** Lessor warrants that to the best of its knowledge the improvements on the Premises and the Common Areas comply with the building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") that were in effect at the time that each improvement, or portion thereof, was constructed. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

financial capability and/or suitability of all proposed tenants.

2.5 Lessee as Prior Owner/Occupant. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 Vehicle Parking. So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.

2.7 Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 Common Areas - Lessee's Rights. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 Common Areas - Rules and Regulations. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 Common Areas - Changes. Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. Term.

3.1 Term. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 Early Possession. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.

3.3 Delay In Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 Lessee Compliance. Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). **Paragraph 8 of the Lease (See Addendum Paragraph 3)** Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 Operating Expense Increase. Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

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(a) "Base Year" is as specified in Paragraph 1.9.

(b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year; provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

(c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

(i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

(aa) The Common Areas, including their surfaces, coverings, decorative items, carpets, drapes and window coverings, and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

(bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

(cc) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

(ii) The cost of trash disposal, janitorial and security services, pest control services, and the costs of any environmental inspections;

(iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

(iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building or the Common Areas;

(v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

(vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

(vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

(viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

(ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

(x) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

(d) Any item of Operating Expense that is specifically attributable to the Premises, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(e) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during

such Year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor

the sum of **\$2575** in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit

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to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT.

6. Use. (See Addendum Paragraph 2)

~~6.1 Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.~~

6.2 Hazardous Substances.

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of

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Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 Lessee's Compliance with Applicable Requirements. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said Applicable Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants authorized by Lessor shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting and/or testing the condition of the Premises and/or for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see Paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor. Lessee acknowledges that any failure on its part to allow such inspections or testing will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to allow such inspections and/or testing in a timely fashion the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater for the remainder to the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to allow such inspection and/or testing. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to such failure nor prevent the exercise of any of the other rights and remedies granted hereunder.

7. Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations. Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises, to the extent such cost is attributable to abuse or misuse. In addition, Lessee rather than the Lessor shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any similar improvements within the Premises. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder."

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

In addition to and without limiting the other requirements of this Paragraph 7.3, all utilities, installations, and alterations made by Lessee shall also be subject to the provisions of Exhibit "D" attached to this Lease.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

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7.4 Ownership; Removal; Surrender; and Restoration.

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing and the provisions of Paragraph 7.1(a), if the Lessee occupies the Premises for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity. (See Addendum Paragraph 3)

~~8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).~~

~~8.2 Liability Insurance.~~

~~(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured- Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.~~

~~(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.~~

~~8.3 Property Insurance - Building, Improvements and Rental Value.~~

~~(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.~~

~~(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.~~

~~(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.~~

~~(d) Lessee's Improvements. Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.~~

~~8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.~~

~~(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.~~

~~(b) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a "Waiver of Subrogation" endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.~~

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~~(c) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.~~

~~(d) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.~~

~~8.5 **Insurance Policies.** Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may increase his liability insurance coverage and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.~~

~~8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.~~

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises and/or Project by Lessee and/or by Lessee's employees, contractors or invitees. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability.** Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance.** Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in **Paragraph 8 of this Lease (See Addendum Paragraph 3)** ~~Paragraph 8.3(a)~~, irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 **Partial Damage - Insured Loss.** If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or

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to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense (subject to reimbursement pursuant to Paragraph 4.2), in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, ~~except as provided in Paragraph 8.6.~~

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 Definitions. As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address. "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real

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property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Services Provided by Lessor. Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 Services Exclusive to Lessee. Notwithstanding the provisions of paragraph 11.1, Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.2(vi), if a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 Hours of Service. Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 Excess Usage by Lessee. Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 Interruptions. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

11.6 Within fifteen days of Lessor's written request, Lessee agrees to deliver to Lessor such information, documents and/or authorization as Lessor needs in order for Lessor to comply with new or existing Applicable Requirements relating to commercial building energy usage, ratings, and/or the reporting thereof.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(d), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease

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unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8 (See Addendum Paragraph 3) is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material safety data sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount

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necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, the cost of tenant improvements for Lessee paid for or performed by Lessor, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**," shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest ("**Interest**") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor. (See Addendum Paragraph 4)

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided, however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

~~15.1 Additional Commission. In addition to the payments owed pursuant to Paragraph 1.10 above, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or~~

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~~operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the fee schedule of the Brokers in effect at the time the Lease was executed.~~

~~15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.~~

15.3 **Representations and Indemnities of Broker Relationships.** Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker, agent or finder (other than the Brokers and Agents, if any) in connection with this Lease, and that no one other than said named Brokers and Agents is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "**Responding Party**") shall within 10 days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "**Estoppel Certificate**" form published BY AIR CRE, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Definition of Lessor.** The term "**Lessor**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. **Severability.** The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Days.** Unless otherwise specifically indicated to the contrary, the word "**days**" as used in this Lease shall mean and refer to calendar days.

20. **Limitation on Liability.** The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. **Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by email, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23.3 **Options.** Notwithstanding the foregoing, in order to exercise any Options (see paragraph 39), the Notice must be sent by Certified Mail (return receipt requested), Express Mail (signature required), courier (signature required) or some other methodology that provides a receipt establishing the date the notice was

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received by the Lessor.

24. Waivers.

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

25. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) *Lessor's Agent*. A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: *To the Lessor*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. *To the Lessee and the Lessor*: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) *Lessee's Agent*. An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. *To the Lessee*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. *To the Lessee and the Lessor*: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) *Agent Representing Both Lessor and Lessee*. A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. (b) Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not, without the express permission of the respective Party, disclose to the other Party confidential information, including, but not limited to, facts relating to either Lessee's or Lessor's financial position, motivations, bargaining position, or other personal information that may impact rent, including Lessor's willingness to accept a rent less than the listing rent or Lessee's willingness to pay rent greater than the rent offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Both Lessor and Lessee should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. No Right To Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Holdover Base Rent shall be calculated on a monthly basis. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. Binding Effect; Choice of Law. This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. Subordination; Attornment; Non-Disturbance.

30.1 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted

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hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 Attornment. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. Signs. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Lessor may not place any sign on the exterior of the Building that covers any of the windows of the Premises. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. Consents. All requests for consent shall be in writing. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. Guarantor.

37.1 Execution. The Guarantors, if any, shall each execute a guaranty in the form most recently published BY AIR CRE. **Attached hereto as Exhibit "E".**

37.2 Default. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. Quiet Possession. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

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39. Options. If Lessee is granted any option, as defined below, then the following provisions shall apply.

39.1 Definition. "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 Options Personal To Original Lessee. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 Multiple Options. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 Effect of Default on Options.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. Security Measures. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. Reservations.

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any Lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. Authority; Multiple Parties; Execution.

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. Conflict. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. Offer. Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. Amendments. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

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47. Waiver of Jury Trial. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

48. Arbitration of Disputes. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

49. Accessibility; Americans with Disabilities Act.

(a) The Premises:

☐ have not undergone an inspection by a Certified Access Specialist (CASp). Note: A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential.

☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential except as necessary to complete repairs and corrections of violations of construction related accessibility standards.

In the event that the Premises have been issued an inspection report by a CASp the Lessor shall provide a copy of the disability access inspection certificate to Lessee within 7 days of the execution of this Lease.

(b) Since compliance with the Americans with Disabilities Act (ADA) and other state and local accessibility statutes are dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA or other accessibility statutes, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

50. Tenant Improvement Allowance. Lessor shall provide Lessee with a tenant improvement allowance of \$9,170.00 to be used for paint and carpet.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: 24031 El Toro Road, Suite 100,
Laguna Hills, CA 92654

On: _____

By LESSOR:

The City of Laguna Hills, a municipal
corporation organized and existing under
the laws of the State of California

By: _____

Name Printed: Donald J. White

Title: City Manager

Phone: _____

Fax: _____

Email: _____

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Executed at: _____

On: _____

By LESSEE:

Our Estate Planning Attorney Inc., a
California corporation

By: _____

Name Printed: William P. White

Title: President

Phone: _____

Fax: _____

Email: _____

By: _____

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

By: _____
 Name Printed: _____
 Title: _____
 Phone: _____
 Fax: _____
 Email: _____
 Address: _____
 Federal ID No.: _____

BROKER

Essex Realty Management, Inc.

Attn: Sandi Montez
 Title: Property Manager

Address: 18012 Sky Park Circle, Suite 100,
Irvine CA 92614
 Phone: 949-218-3801
 Fax: _____
 Email: _____
 Federal ID No.: _____
 Broker/AGENT DRE License #: 00965485

Name Printed: William P. White
 Title: Secretary
 Phone: _____
 Fax: _____
 Email: _____
 Address: _____
 Federal ID No.: _____

BROKER

CBRE

Attn: Matt Sherburne
 Title: Agent

Address: 3501 Jamboree Road, Suite 100
 Phone: 949-725-8566
 Fax: _____
 Email: _____
 Federal ID No.: _____
 Broker/AGENT DRE License #: 02061641

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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salesperson and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation. Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

☐ Buyer ☐ Seller ☒ Lessor ☐ Lessee City of Laguna Hills Date: 1-14-20
☐ Buyer ☐ Seller ☐ Lessor ☐ Lessee _____ Date: _____

Agent: Essex Realty Management DRE Lic. #: 00965485
 Real Estate Broker (Firm)

By: Sandi Montez DRE Lic. #: 01293010 Date: 1/14/20
 (Salesperson or Broker-Associate)

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

THIS FORM HAS BEEN PREPARED BY AIR CRE. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS FORM FOR ANY SPECIFIC TRANSACTION. PLEASE SEEK LEGAL COUNSEL AS TO THE APPROPRIATENESS OF THIS FORM.

Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP
CIVIL CODE SECTIONS 2079.13 THROUGH 2079.24 (2079.16 APPEARS ON THE FRONT)

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. **(b)** "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. **(c)** "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. **(d)** "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. **(e)** "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. **(f)** "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. **(g)** "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. **(h)** "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. **(i)** "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. **(j)** "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. **(k)** "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. **(l)** "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. **(m)** "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. **(n)** "Buyer's agent" means an agent who represents a buyer in a real property transaction.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: **(a)** The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. **(b)** The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17(a) As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. **(b)** As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

(c) CONFIRMATION: The following agency relationships are confirmed for this transaction.

Seller's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is the broker of (check one): ☐ the seller; or ☐ both the buyer and seller. (dual agent)

Seller's Agent DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is (check one): ☐ the Seller's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

Buyer's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is the broker of (check one): ☐ the buyer; or ☐ both the buyer and seller. (dual agent)

Buyer's Agent DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is (check one): ☐ the Buyer's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289, 2017-18 California Legislative session)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically

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prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. **(b)** A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. **(c)** "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. **(d)** This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

2079.23 (a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship. **(b)** A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP

(As required by the Civil Code)

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction.

SELLER'S AGENT

A Seller's agent under a listing agreement with the Seller acts as the agent for the Seller only. A Seller's agent or a subagent of that agent has the following affirmative obligations:

To the Seller: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Seller.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

BUYER'S AGENT

A Buyer's agent can, with a Buyer's consent, agree to act as agent for the Buyer only. In these situations, the agent is not the Seller's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Seller. An agent acting only for a Buyer has the following affirmative obligations:

To the Buyer: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Buyer.

To the Buyer and the Seller:

- (a) Diligent exercise of reasonable skill and care in performance of the agent's duties.
- (b) A duty of honest and fair dealing and good faith.
- (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the parties.

An agent is not obligated to reveal to either party any confidential information obtained from the other party that does not involve the affirmative duties set forth above.

AGENT REPRESENTING BOTH SELLER AND BUYER

A real estate agent, either acting directly or through one or more salesperson and broker associates, can legally be the agent of both the Seller and the Buyer in a transaction, but only with the knowledge and consent of both the Seller and the Buyer.

In a dual agency situation, the agent has the following affirmative obligations to both the Seller and the Buyer:

- (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either the Seller or the Buyer.
- (b) Other duties to the Seller and the Buyer as stated above in their respective sections.

In representing both Seller and Buyer, a dual agent may not, without the express permission of the respective party, disclose to the other party confidential information, including, but not limited to, facts relating to either the Buyer's or Seller's financial position, motivations, bargaining position, or other personal information that may impact price, including the Seller's willingness to accept a price less than the listing price or the Buyer's willingness to pay a price greater than the price offered.

SELLER AND BUYER RESPONSIBILITIES

Either the purchase agreement or a separate document will contain a confirmation of which agent is representing you and whether that agent is representing you exclusively in the transaction or acting as a dual agent. Please pay attention to that confirmation to make sure it accurately reflects your understanding of your agent's role. The above duties of the agent in a real estate transaction do not relieve a Seller or Buyer from the responsibility to protect his or her own interests. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. If you are a Buyer, you have the duty to exercise reasonable care to protect yourself, including as to those facts about the property which are known to you or within your diligent attention and observation. Both Sellers and Buyers should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. **This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive, of the Civil Code set forth on page 2. Read it carefully. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THE PORTIONS OF THE CIVIL CODE PRINTED ON THE BACK (OR A SEPARATE PAGE).**

☐ Buyer ☐ Seller ☐ Lessor ☒ Lessee Our Estate Planning Attorney Inc. Date: 1-14-20
☐ Buyer ☐ Seller ☐ Lessor ☐ Lessee _____ Date: _____

Agent: CBRE DRE Lic. #: _____
 Real Estate Broker (Firm)

By: Matt Sherburne DRE Lic. #: 02061641 Date: 1-14-20
 (Salesperson or Broker-Associate)

THIS FORM HAS BEEN PREPARED BY AIR CRE. NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS FORM FOR ANY SPECIFIC TRANSACTION. PLEASE SEEK LEGAL COUNSEL AS TO THE APPROPRIATENESS OF THIS FORM.

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

**DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIP
CIVIL CODE SECTIONS 2079.13 THROUGH 2079.24 (2079.16 APPEARS ON THE FRONT)**

2079.13. As used in Sections 2079.7 and 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

(a) "Agent" means a person acting under provisions of Title 9 (commencing with Section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code, and under whose license a listing is executed or an offer to purchase is obtained. The agent in the real property transaction bears responsibility for that agent's salespersons or broker associates who perform as agents of the agent. When a salesperson or broker associate owes a duty to any principal, or to any buyer or seller who is not a principal, in a real property transaction, that duty is equivalent to the duty owed to that party by the broker for whom the salesperson or broker associate functions. **(b)** "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee of real property. **(c)** "Commercial real property" means all real property in the state, except (1) single-family residential real property, (2) dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, (3) a mobilehome, as defined in Section 798.3, (4) vacant land, or (5) a recreational vehicle, as defined in Section 799.29. **(d)** "Dual agent" means an agent acting, either directly or through a salesperson or broker associate, as agent for both the seller and the buyer in a real property transaction. **(e)** "Listing agreement" means a written contract between a seller of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer, including rendering other services for which a real estate license is required to the seller pursuant to the terms of the agreement. **(f)** "Seller's agent" means a person who has obtained a listing of real property to act as an agent for compensation. **(g)** "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the seller's agent. **(h)** "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property. **(i)** "Offer to purchase" means a written contract executed by a buyer acting through a buyer's agent that becomes the contract for the sale of the real property upon acceptance by the seller. **(j)** "Real property" means any estate specified by subdivision (1) or (2) of Section 761 in property, and includes (1) single-family residential property, (2) multiunit residential property with more than four dwelling units, (3) commercial real property, (4) vacant land, (5) a ground lease coupled with improvements, or (6) a manufactured home as defined in Section 18007 of the Health and Safety Code, or a mobilehome as defined in Section 18008 of the Health and Safety Code, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business and Professions Code. **(k)** "Real property transaction" means a transaction for the sale of real property in which an agent is retained by a buyer, seller, or both a buyer and seller to act in that transaction, and includes a listing or an offer to purchase. **(l)** "Sell," "sale," or "sold" refers to a transaction for the transfer of real property from the seller to the buyer and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of a leasehold exceeding one year's duration. **(m)** "Seller" means the transferor in a real property transaction and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property of which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor of real property. **(n)** "Buyer's agent" means an agent who represents a buyer in a real property transaction.

2079.14. A seller's agent and buyer's agent shall provide the seller and buyer in a real property transaction with a copy of the disclosure form specified in Section 2079.16, and shall obtain a signed acknowledgment of receipt from that seller and buyer, except as provided in Section 2079.15, as follows: **(a)** The seller's agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement. **(b)** The buyer's agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase. If the offer to purchase is not prepared by the buyer's agent, the buyer's agent shall present the disclosure form to the buyer not later than the next business day after receiving the offer to purchase from the buyer.

2079.15. In any circumstance in which the seller or buyer refuses to sign an acknowledgment of receipt pursuant to Section 2079.14, the agent shall set forth, sign, and date a written declaration of the facts of the refusal.

2079.16 Reproduced on Page 1 of this AD form.

2079.17(a) As soon as practicable, the buyer's agent shall disclose to the buyer and seller whether the agent is acting in the real property transaction as the buyer's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the buyer's agent prior to or coincident with execution of that contract by the buyer and the seller, respectively. **(b)** As soon as practicable, the seller's agent shall disclose to the seller whether the seller's agent is acting in the real property transaction as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the seller's agent prior to or coincident with the execution of that contract by the seller.

(c) CONFIRMATION: The following agency relationships are confirmed for this transaction.

Seller's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is the broker of (check one): ☐ the seller; or ☐ both the buyer and seller. (dual agent)

Seller's Agent DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is (check one): ☐ the Seller's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

Buyer's Brokerage Firm DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is the broker of (check one): ☐ the buyer; or ☐ both the buyer and seller. (dual agent)

Buyer's Agent DO NOT COMPLETE, SAMPLE ONLY License Number _____

Is (check one): ☐ the Buyer's Agent. (salesperson or broker associate); or ☐ both the Buyer's Agent and the Seller's Agent. (dual agent)

(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14. An agent's duty to provide disclosure and confirmation of representation in this section may be performed by a real estate salesperson or broker associate affiliated with that broker.

2079.18 (Repealed pursuant to AB-1289, 2017-18 California Legislative session)

2079.19 The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20 Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically

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prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21 (a) A dual agent may not, without the express permission of the seller, disclose to the buyer any confidential information obtained from the seller. **(b)** A dual agent may not, without the express permission of the buyer, disclose to the seller any confidential information obtained from the buyer. **(c)** "Confidential information" means facts relating to the client's financial position, motivations, bargaining position, or other personal information that may impact price, such as the seller is willing to accept a price less than the listing price or the buyer is willing to pay a price greater than the price offered. **(d)** This section does not alter in any way the duty or responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a seller's agent from also being a buyer's agent. If a seller or buyer in a transaction chooses to not be represented by an agent, that does not, of itself, make that agent a dual agent.

2079.23 (a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship. **(b)** A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable.

2079.24 Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees or to relieve agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE (this “Addendum”) shall constitute part of that certain STANDARD MULTI-TENANT OFFICE LEASE – GROSS (“Lease”), dated as of January 14, 2020, between **The City of Laguna Hills, a municipal corporation organized and existing under the laws of the State of California** (“Lessor”), and Our Estate Planning Attorney Inc., a California corporation (“Lessee”). The terms of this Addendum shall be incorporated into the Lease for all purposes. In the event of any conflict between the terms of the Lease and the terms of this Addendum, the terms of this Addendum shall control.

1. Base Rent Increase. Paragraph 4.4. is hereby added to the Lease to read as follows:

4.4.1 The monthly Base Rent payable as set forth Paragraph 1.5 and as set forth in Paragraph 1.7 (a) of the Lease shall be adjusted annually on the Commencement Date of the Lease, and on such other dates stated, to the amounts set forth below:

3/1/2020	2/28/2021	\$3,449.60	\$ 2.2000	psf
3/1/2021	3/31/2021	FREE	RENT	
4/1/2021	2/28/2022	\$3,587.58	\$ 2.2880	psf
3/1/2022	2/28/2023	\$3,731.09	\$ 2.3795	psf
3/1/2023	3/31/2023	\$3,880.33	\$ 2.4747	psf

2. Use. Paragraph 6.1 of the Lease is hereby deleted in its entirety and replaced by the following:

“6.1. Use. The Premises shall be used only for the Agreed Use and for no other use. Lessee’s use of the Premises shall be in compliance with and subject to all Applicable Requirements relating to or affecting the Project, the Premises or the Building or the use or operation thereof, whether now existing or hereafter enacted, including, without limitation, the Americans with Disabilities Act of 1990, 42 USC 12111 et seq. (the “ADA”) as the same may be amended from time to time, any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Lessee, the Premises, the Building, or the Project (“Environmental Laws”), any transportation or traffic management plan in satisfaction of any requirement imposed on the Project by a governmental agency with jurisdiction over the Project, and any CC&Rs or any supplement thereto recorded in any official or public records with respect to the Project or any portion thereof (collectively, “Applicable Laws”). Lessee shall be responsible for obtaining any permit, business license, or other permits or licenses required by any governmental agency permitting Lessee’s use or occupancy of the Premises. Lessee shall not commit waste, overload the floors or structure of the Building, subject the Premises, the Building, the Common Area or the Project to any use which would damage the same or increase the risk of loss or violate any insurance coverage, permit any unreasonable odors, smoke, dust, gas, substances, noise or vibrations to emanate from the Premises, take any action which would constitute a nuisance or would disturb, obstruct or endanger any other tenants, take any action which would abrogate any warranties, or use or allow the Premises to be used for any unlawful purpose. Lessor shall not be responsible for non-compliance by any other tenant or occupant of the Project with, or Lessor’s failure to enforce, any of the rules or regulations or CC&Rs or any other terms or provisions of such tenant’s or occupant’s lease. Lessee shall promptly comply with the reasonable requirements of any board of fire insurance underwriters or other similar body

now or hereafter constituted. Lessee shall not do any act which shall in any way encumber the title of Lessor in and to the Premises, the Building or the Project.

3. Insurance; Indemnity. Paragraph 8.1 through 8.6 of the Lease are hereby deleted in their entirety and replaced by the following:

“8.1 Lessor’s Insurance. Lessor shall maintain insurance through individual or blanket policies insuring the Building against fire and extended coverage (including, if Lessor elects, “all risk” coverage, earthquake/volcanic action, flood and/or surface water insurance) for the full replacement cost of the Building, with deductibles and the form and endorsements of such coverage as selected by Lessor, together with rental abatement insurance against loss of Rent in an amount equal to the amount of Rent for a period of at least twelve (12) months commencing on the date of loss. Lessor may also carry such other insurance as Lessor may deem prudent or advisable, including, without limitation, liability insurance in such amounts and on such terms as Lessor shall determine. Lessee shall pay to Lessor, as a portion of the Operating Expenses, the costs of the insurance coverages described herein, including, without limitation, Lessor’s cost of any self-insurance deductible or retention.

8.2 Lessee’s Compliance with Insurance Requirements. Lessee shall obtain, maintain, and keep in full force and effect during the term of this Lease, at its sole cost and expense, and in a form and content satisfactory to Lessor, all insurance required under this Paragraph 8 against claims for injuries to persons or damages to property which may arise from or in connection with Lessee’s operation and use of the Premises and the activities of the Lessee, its guests, agents, representatives, employees, or subcontractors. Lessee shall not take possession of the Premises unless and until it has provided evidence satisfactory to Lessor that it has secured all insurance required by this Paragraph 8.

8.3 Types of Insurance Required of Lessee. Without limiting the indemnity provisions set forth in this Lease, Lessee shall obtain and maintain in full force and effect during the term of this Lease, including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of Commercial General Liability insurance written on an occurrence basis, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits of at least Two Million Dollars (\$2,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this Premises/location, or the general aggregate limit shall be twice the required occurrence limit. Defense costs shall be paid in addition to the limits. The policy shall contain no endorsements or provisions limiting coverage for: (1) contractual liability; (2) cross liability exclusion for claims or suits by one insured against another; or (3) contain any other exclusion contrary to this Lease.

(b) Automobile Liability Insurance. A policy of Automobile Liability Insurance written on a per occurrence basis with limits of at least One Million Dollars (\$1,000,000) combined limit for each occurrence covering bodily injury and property damage. The policy shall specifically include coverage for owned, non-owned, leased, and hired automobiles.

(c) Workers’ Compensation and Employer’s Liability Insurance. A policy of Workers’ Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Lessee agrees to waive and obtain endorsements from its workers’ compensation insurer waiving all subrogation rights under its workers’ compensation insurance policy against Lessor, its officials, officers, employees, agents and volunteers. Lessee shall obtain and maintain, in full force and effect throughout the term of this Lease, a policy of Employer’s Liability Insurance written on a per occurrence basis with limits of at least One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

(d) Property Insurance. A policy of Property Insurance against all risk of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

(e) Equipment Breakdown/ Boiler & Machinery Insurance. A policy of Equipment Breakdown / Boiler & Machinery Insurance with limits of not less than actual replacement costs for all property and improvements, encompassing explosion and breakdown. Lessee shall obtain and deliver to Lessor, along with copies of all policies of insurance required herein, a joint loss endorsement for the Property Insurance and Equipment Breakdown /Boiler & Machinery Insurance policies. Lessor is to be included as an additional insured on the Equipment Breakdown /Boiler & Machinery Insurance coverage.

(f) Business Interruption. Loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all peril commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

8.4 General.

(a) Acceptability of Insurers. Insurance required by this Paragraph 8 shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A-:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Line Insurers (LASLI), by the latest edition of A.M. Best's Key Rating Guide, except that Lessor will accept workers' compensation insurance from the State Compensation Fund. In the event Lessor determines that Lessee's use of the Premises creates an increased or decreased risk of loss to Lessor, Lessee agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from Lessor. Lessee shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein.

(b) Insurance Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to Lessor for written approval. Required insurance policies shall contain the following provisions, or Lessee shall provide endorsements on forms approved by Lessor to add the following provisions to the insurance policies:

(i) Additional Insured. Lessee's policy or policies of Commercial General Liability Insurance and Automobile Liability Insurance shall be endorsed to include Lessor, its officials, officers, employees, agents and volunteers, Lessor's lender, and any property management company of Lessor for the Premises. The additional insured endorsement shall not (1) be restricted to "ongoing operations", (2) exclude "contractual liability", (3) restrict coverage to "sole" liability of Lessee, or (4) contain any other exclusions contrary to this Lease; and, the coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

(ii) Notice. Each insurance policy required by this Paragraph 8, except for workers' compensation and employer's liability insurance, shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) days prior written notice by First Class U.S. Mail, postage-prepaid, has been provided to Lessor. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Lessee's failure to pay the insurance premium, the notice provided to Lessor shall be by ten (10) days prior written notice.

(iii) Primary and Non-Contributing Insurance. All policies of insurance maintained by Lessee pursuant to this Paragraph 8, except for workers' compensation and employer's liability insurance, shall be primary and any other insurance, deductible, or self-insurance maintained by Lessor, its officials, officers, employees, agents or volunteers, shall not contribute with this primary insurance. Policies shall contain or be endorsed to contain such provisions.

(iv) Waiver of Subrogation. All policies of insurance maintained by Lessee pursuant to this Paragraph 8 shall contain or be endorsed to waive subrogation against Lessor, its officials, officers, employees, agents and volunteers, or shall specifically allow Lessee to waive its right to recovery prior to a loss. Lessee hereby agrees to waive its own right of recovery against Lessor, its officials, officers, employees, agents and volunteers.

(c) Evidence of Coverage. Concurrently with the execution of this Lease, Lessee shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required by this Paragraph 8. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to Lessor for written approval. The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with Lessor. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Lessee shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with Lessor evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. Lessee shall promptly furnish, at Lessor's request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents Lessor requires to verify coverage.

(d) Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this Lease are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing contained herein shall be construed as limiting in any way the indemnification provision contained in this Lease, or the extent to which Lessee may be held responsible for payments of damages to persons or property.

(e) Enforcement of Agreement (Non-Estoppel). Lessee acknowledges and agrees that actual or alleged failure on the part of the Lessor to inform Lessee of any non-compliance with any of the insurance requirements set forth herein imposes no additional obligation on the Lessor nor does it waive any rights hereunder.

(f) Notification of Incidents. Lessee shall notify Lessor within twenty-four (24) hours after the occurrence of any accidents or incidents in the Premises, the Building, Common Areas or the Project which could give rise to a claim under any of the insurance policies required under this Paragraph 8.

8.5 Other Insurance Requirements. The following terms and conditions shall apply to the insurance policies required of Lessee pursuant to this Paragraph 8:

(a) Lessee shall provide immediate written notice to Lessor if (1) any of the insurance policies required herein are terminated, cancelled or suspended, (2) the limits of any of the insurance coverages required herein are reduced, or (3) the deductible or self-insured retention is increased.

(b) All insurance coverage and limits provided by Lessee and available or applicable to this Lease are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Lease or any other agreement relating to Lessor or its operations shall limit the application of such insurance coverage.

(c) None of the insurance coverages required herein will be in compliance with the requirements of this Paragraph 8 if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to Lessor and approved in writing.

(d) Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay Lessee's occupancy of the Premises. It is Lessee's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

(e) Lessee agrees to ensure that its subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Lessee, provide the same minimum insurance coverage required of Lessee. Lessee agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Paragraph 8. Lessee agrees that upon request, all agreements with subconsultants, subcontractors and others engaged in the Project will be submitted to Lessor for review."

4. Breach by Lessor; Performance by Lessee on Behalf of Lessor. Paragraph 13.6(c) is hereby added to the Lease to read as follows:

"13.6(c). Lessee's Remedies. Lessee and all successors and assigns covenant and agree that, in the event of any actual or alleged default by Lessor, Lessee's sole and exclusive remedy shall be either to seek either specific performance or monetary damages, provided that Lessor shall not be liable for loss of business profits or consequential damages, and provided further, that any recourse for monetary damages by Lessee against Lessor shall be limited solely and exclusively to an amount which is equal to the amounts paid by Lessee to Lessor under the Lease (and Lessee hereby expressly waives and releases personal liability of Lessor in excess of such amount on behalf of itself and all persons claiming by through, or under the lease) Further, in no event shall the obligations of Lessor under the Lease constitute the personal obligations of Lessor or its elected or appointed officers and officials, employees, agents, and volunteers, and Lessee shall have no right to seek recourse against Lessor's elected or appointed officers and officials, employees, agents, and volunteers, or any of their personal assets for the satisfaction of any liability of Lessor with respect to the Lease. Lessee expressly waives all remedies except those specifically set forth in the Lease, including, without limitation, any right of offset or abatement except as specifically set forth in the Lease, any right to terminate the Lease under Civil Code Sections 1932(2), 1933(4) and 1941 or any other successor statute, or any statutory, legal or equitable self-help remedy including, without limitation, Civil Code Section 1942 or any other current or future law. Nothing contained in the Lease shall entitle Lessee to terminate the Lease as a result of Lessor's default nor excuse Lessee from paying Rent or Additional Rent due hereunder."

5. Estoppel Certificates. All references in the Lease to "Estoppel Certificate", including, but not limited to the definition in Paragraph 16(a), shall refer to Lessor's standard form certificate.

6. Recordation. Lessee shall not have any right to cause the Lease or any short form or memorandum thereof to be recorded.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of the Lease.

“Lessor”

THE CITY OF LAGUNA HILLS

By:_____

Name Printed: **Donald J. White**

Its: **City Manager**

By:_____

Name Printed: **Melissa Au-Yeung**

Its: **City Clerk**

APPROVED AS TO FORM:

By:_____

City Attorney

“Lessee”

**Our Estate Planning Attorney Inc., a California
corporation**

By:_____

Name Printed: William P. White

Title: **President**

By:_____

Name Printed: William P. White

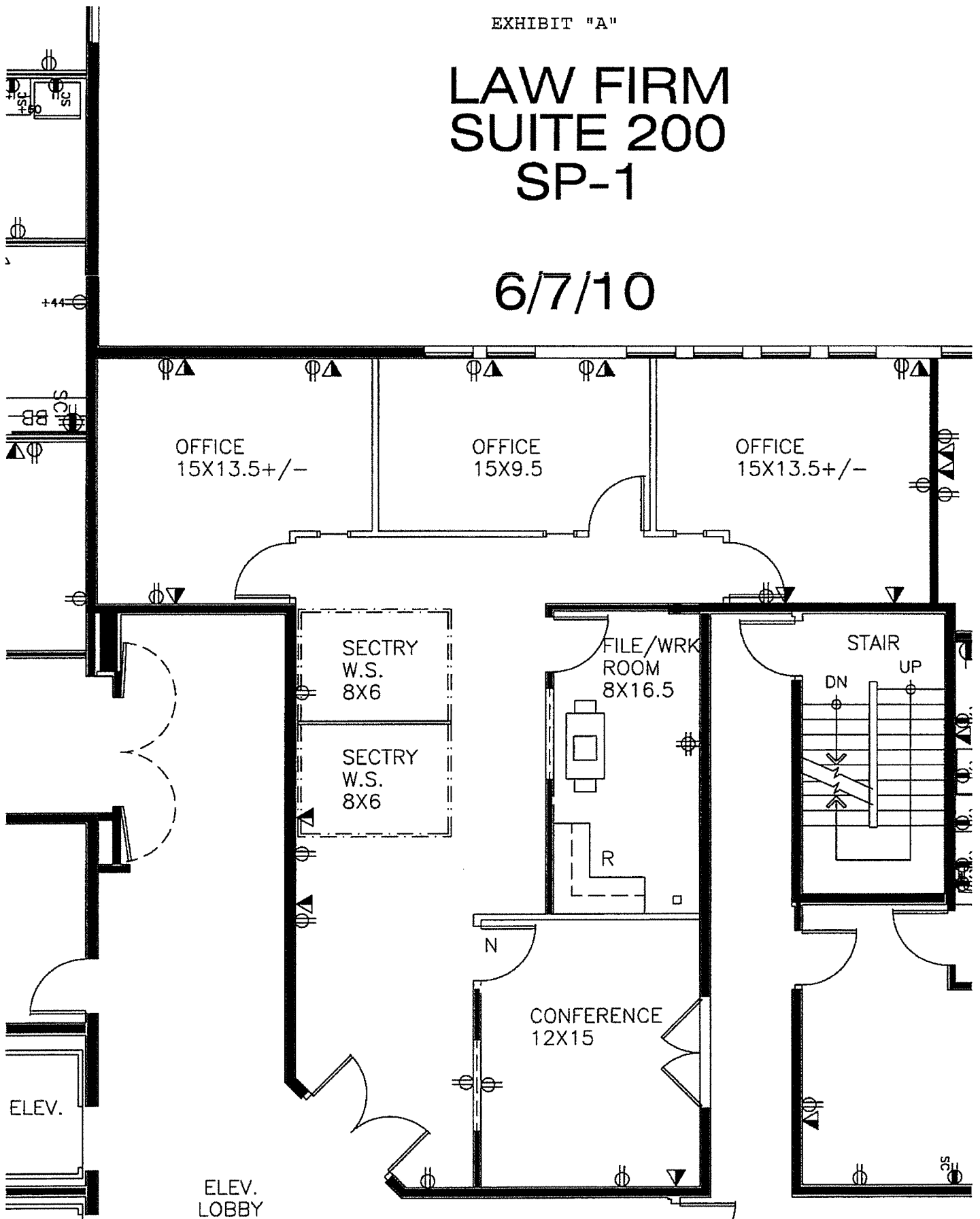
Title: **Secretary**

Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

EXHIBIT "A"

LAW FIRM SUITE 200 SP-1

6/7/10



Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

EXHIBIT B

RULES AND REGULATIONS

ATTACHED TO AND MADE A PART OF STANDARD OFFICE LEASE

The following Rules and Regulations shall be in effect at the Office Building Project. Lessor reserves the right to adopt reasonable modifications and additions hereto. In the case of any conflict between these Rules and Regulations and the Lease, the Lease shall be controlling.

1. Except with the prior written consent of Lessor, no Lessee shall conduct any retail sales or any manufacturing of any kind in or from the Premises, or any business other than that specifically provided for in the Lease.

2. Lessor reserves the right to prohibit personal goods and services vendors from access to the Office Building Project except upon such reasonable terms and conditions, including but not limited to the payment of a reasonable fee and provision for insurance coverage, as are related to the safety, care and cleanliness of the Office Building Project, the preservation of good order thereon, and the relief of any financial or other burden on Lessor occasioned by the presence of such vendors or the sale by them of personal goods or services to the Lessee or its employees. If reasonably necessary for the accomplishment of these purposes, Lessor may exclude a particular vendor entirely or limit the number of vendors who may be present at any one time in the Office Building Project. The term “personal goods or services vendors” means persons who periodically enter the Office Building Project of which the Premises are a part for the purpose of selling goods or services to a Lessee, other than goods or services, which are used by a lessee only for the purpose of conducting its business on the Premises. “Personal goods or services” include, but are not limited to, drinking water and other beverages, food, barbering services, and shoe shining services. This Section 2 shall not apply to Lessee’s vendors and suppliers in connection with Lessee’s operation of its business.

3. The sidewalks, halls, passages, elevators and stairways shall not be obstructed by any Lessee or used by it for any purpose other than for ingress to and egress from their respective Premises. The halls, passages, entrances, elevators, stairways, balconies and roof are not for the use of the general public, and Lessor shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Lessor shall be prejudicial to the safety, character, reputation and interests of the Office Building Project and its lessees, provided that nothing herein contained shall be construed to prevent such access to persons with whom Lessee normally deals only for the purpose of conducting its business on the Premises (such as clients, customers, office suppliers and equipment vendors, and the like) unless such persons are engaged in illegal activities. No Lessee and no employees of any Lessee shall go upon the roof of the Building without the written consent of Lessor. This Section 3 shall not apply to Lessee’s vendor’s suppliers in connection with Lessee’s operation of its business.

4. The sashes, sash doors, windows, glass lights, and any lights or skylights that reflect or admit light into the halls or other places of the Building shall not be covered or obstructed. The toilet rooms, water and wash closets and other water apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage, resulting from the violation of this rule shall be borne by the Lessee who, or whose clerks, agents, employees, or visitors, shall have caused it.

5. No sign, advertisement or notice visible from the exterior of the Premises or Building shall be inscribed, painted or affixed by Lessee on any part of the Office Building Project or the Premises without the prior written consent of Lessor. If Lessor shall have given such consent at any time, whether before or after the execution of this Lease, such consent shall in no way operate as a waiver or release of any of the provisions hereof or of this Lease, and shall be deemed to relate only to the particular sign, advertisement or notice so consented to by Lessor and shall not be construed as dispensing with the necessity of obtaining the specific written consent of Lessor with respect to each and every such sign, advertisement or notice, as the case may be, so consented to by Lessor. Lessor shall have the right to remove any non-approved sign, advertisement or notice, without notice to and at the expense of Lessee, and Lessor shall not be liable in damages for such removal.

6. In order to maintain the outward professional appearance of the Office Building Project all window coverings to be installed at the Premises shall be subject to Lessor's prior approval. If Lessor, by a notice in writing to Lessee, shall object to any curtain, blind, shade or screen attached to or hung in, or used in connection with, any window door of the Premises, such use of such curtain, blind, shade or screen shall be forthwith discontinued by Lessee. No awnings shall be permitted on any part of the Premises.

7. Lessee shall not lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Lessor.

8. Lessee shall not do or permit anything to be done in the Premises, or bring or keep anything therein, which shall in any way increase the rate of fire insurance on the Office Building Project, or on the property kept therein, or obstruct or interfere with the rights of other Lessees, or in any way injure or annoy them, or conflict with the regulations of the Fire Department or the fire laws, or with any insurance policy upon the Office Building Project, or any part thereof, or with any rules and ordinances established by the Board of Health or other governmental authority.

9. No Lessee shall sweep or throw or permit to be swept or thrown from the

Premises any dirt or other substance into any of the corridors or halls or elevators, or out of the doors or windows or stairways of the Building. Lessee shall not use, keep or permit to be used any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Lessor or other occupants of the Office Building Project by reason of noise, odors, fire hazards and/or vibrations, or interfere in any way with other Lessees or those having business therein, nor shall any animals or birds be kept in or about the Office Building Project.

10. Lessee and its employees, agents and invitees shall not smoke any tobacco products or any other smoking materials whatsoever in the Premises, Building, common areas or any other area of the Project except in such areas, if any, as shall be designated by Lessor for smoking, in Lessor's sole and absolute discretion.

11. No cooking shall be done or permitted by Lessee on the Premises, except for the use of a microwave oven for food or Underwriter's Laboratory approved equipment for brewing coffee, tea, and similar beverages shall be permitted, provided that such use is in compliance with law. Offices in the Office Building Project shall not be used for the storage of merchandise or for sleeping or lodging.

12. Lessee, upon the termination of its tenancy, shall deliver to Lessor all the keys of offices, rooms and toilet rooms which shall have been furnished Lessee or which Lessee shall have had made, and in the event of loss of any keys so furnished, shall pay Lessor therefore.

13. On Saturdays after 6:00pm., Sundays and legal holidays, and on other days between the hours of 9:00 p.m. and 7:00 a.m., access to the Office Building Project or to the halls, corridors, elevators or stairways in the Building, or to the Premises may be refused unless the person seeking access is known to the building watchman, if any, in charge and has a pass or is properly identified. Lessor shall in no case be liable for damages for the admission to or exclusion from the Office Building Project of any person whom Lessor has the right to exclude under Rule 3 above. In case of invasion, mob, riot, public excitement, or other commotion, Lessor reserves the right but shall not be obligated to prevent access to the Office Building Project during the continuance of the same by closing the doors or otherwise, for the safety of the tenants and protection of property in the Office Building Project.

14. Lessee shall see that the windows and doors of the Premises are closed and securely locked before leaving the building and Lessee shall exercise extraordinary care and caution that all water faucets or water apparatus are entirely shut off before Lessee or Lessee's employees leave the Building, and that all electricity, gas or air shall likewise be carefully shut off, so as to prevent waste or damage, and for any default or carelessness Lessee shall make good all injuries sustained by other Lessees or occupants of the Building or Lessor.

15. Lessee shall not alter any lock or install a new or additional lock or any bolt

on any door of the Premises without prior written consent of Lessor. If Lessor shall give its consent, Lessee shall in each case furnish Lessor with a key for any such lock.

16. Lessee shall not install equipment such as, but not limited to, electronic tabulating or computer equipment requiring electrical or air conditioning service in excess of those to be provided by Lessor under the Lease and any such equipment shall be placed in the Premises in settings approved by Lessor to adsorb or prevent any vibration, noise or annoyance.

17. No bicycle, or shopping cart, or other vehicle or any animal shall be brought into the Premises or the halls, corridors, elevators or any part of the Building by Lessee.

18. Lessor shall have the right to prohibit the use of the name of the Office Building Project or any other publicity by Lessee which in Landlord's opinion tends to impair the reputation of the Office Building Project, or their desirability for other Lessees, and upon written notice from Lessor, Lessee will refrain from or discontinue such publicity.

19. Lessee shall not erect any aerial or antenna on the roof or exterior walls of the Premises, the Building, or the Office Building Project.

20. Lessee shall not overload the floor of the Premises. In addition, Lessee shall not mark, drive nails, screw or drill into partitions, ceilings or floor of the Premises or deface the Premises.

21. No furniture, freight or equipment of any kind shall be brought into the Building or the Building's elevator without the consent of Lessor and all moving of the same into or out of the Building shall be done at such time and in such manner, as Lessor shall designate. Lessor shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Building and also the times and manner of moving the same in and out of the Office Building Project. Safes or other heavy objects shall, if considered necessary by Lessor, stand on wood strips of such thickness as is necessary to properly distribute the weight. However, Lessor's consent to placement of Lessee's safes, heavy equipment or furniture shall not constitute a representation or warranty by Lessor that the safe, heavy equipment or furniture complies, with regard to distribution of weight and/or vibration, with the provisions of the Rule 21 nor relieve Lessee from responsibility for the consequences of noncompliance. Lessor will not be responsible for loss of or damage to any safe or property from any cause and all damage done to the Building by moving or maintaining any such safe or property from any cause and all damage done to the Building by moving or maintaining any such safe or other property shall be repaired at the expense of Lessee. There shall not be used in any space, or in the public halls of the Building, either by any Lessee or others, any hand trucks except those equipped with rubber tires and side guards.

22. Except with the written consent of Lessor, no person or persons other than those approved by Lessor shall be permitted to enter the Building for their purpose of cleaning the same. Lessee shall not cause any unnecessary labor by reason of Lessee's carelessness or indifference in the preservation of good order and cleanliness. Lessor shall in no way be responsible to any Lessee for any loss of property on the Premises, however occurring, or for any damage done to the effects of any lessee by the janitor or any other employee or any other person. Janitor service shall include ordinary dusting and cleaning by the janitor assigned to such work and shall not include cleaning of carpets or rugs, except normal vacuuming, or moving of furniture and other special services. Janitor service may not be furnished on nights when rooms are occupied after 9:00p.m.

23. Lessor will direct electricians as to where and how telephone and telegraph wires are to be introduced. No boring or cutting for wires will be allowed without the consent of Lessor. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Lessor.

24. No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators, except between such hours and in such elevators as shall be designated by Lessor.

25. Lessor reserves the right to exclude or expel from the Office Building Project any person who in the judgment of Lessor, is intoxicated or under the influence of liquor or illegal, non-prescription drugs, or who shall in any manner do any act in violation of any of the Rules and Regulations of the Office Building Project.

26. The requirements of Lessee will be attended to only upon application to Lessor. Contractors, vendors and employees of Lessor shall not perform any work or do anything outside of their regular duties unless under special instructions from the Lessor or Lessor's agent.

27. No vending machine shall be installed, maintained or operated upon the Premises without the written consent of the Lessor.

28. Lessor shall have the right, exercisable without notice and without liability to Lessee, to change the name and the street address of the Building and/or Office Building Project of which the Premises are a part.

29. Lessee agrees that it shall comply with all fire and security regulations that may be issued from time-to-time by Lessor and Lessee also shall provide Lessor with the name of a designated responsible employee to represent Lessee in all matters pertaining to such fire or security regulations.

30. Lessor reserves the right by written notice to Lessee, to rescind, alter or

waive any rule or regulation at any time prescribed for the Office Building Project when, in Lessor's judgment, it is necessary, desirable or proper for the best interest of the Office Building Project and its lessees.

31. Lessees shall not disturb, solicit, or canvas any occupant of the Office Building Project and shall cooperate to prevent same.

32. Lessor shall furnish heating and air conditioning during the hours of 7:00 a.m. to 6:00 p.m., Monday through Friday, and 8:00 a.m. to 12:00 p.m. on Saturday except for holidays. In the event Lessee requires heating and air conditioning during off hours, Sundays or Holidays, Lessor shall on notice provide such services at the then prevailing rate for such extra services.

33. Lessee shall cooperate with Lessor in obtaining maximum effectiveness of the cooling system by closing blinds when the sun's rays fall directly on windows of the premises. Lessee shall not obstruct, alter, or in any way impair the efficient operation of Lessor's heating, ventilating and air-conditioning system. Lessee shall not tamper with or change the setting of any thermostats or control valves.

34. Parking

- (a) The parking lot shall be accessible twenty-four (24) hours per day, subject to parking card or other reasonable Identification or security restriction as may be reasonably established by Lessor from time-to-time. Lessee agrees to cooperate with Lessor in completing regular maintenance of the parking lot.
- (b) Automobiles must be parked entirely within the stall lines.
- (c) All directional signs and arrows must be observed and the speed limit shall be 5 miles per hour.
- (d) Parking is prohibited in areas not striped for parking.
- (e) Lessor may refuse to permit any person who violates the within rules to park in the parking lot, and any violation of the rules shall subject the automobile to removal from the parking lot at the parker's expense.
- (f) Every parker is required to park and lock his or her own automobile. All responsibility for any loss or damage to automobile or any personal property therein is assumed by the parker.

- (g) The parking lot is for the sole purpose of parking one automobile per space. Washing, waxing, cleaning or servicing of any vehicles by the parker or his agents is prohibited.
- (h) Storage of vehicles in the parking facilities is prohibited. Lessee and Lessee's employees and visitors shall not leave vehicles in the parking lot overnight.
- (I) Lessor reserves the right to restrict customer, Lessee and Lessee's employees parking to a limited designated area or areas.

35. Lessee agrees to comply and acquaint its employees with such reasonable rules and regulations in the use of such Common areas as Lessor may adopt from time to time for the orderly and proper operation of said Common Areas.

Lessor reserves the right to make such other and further rules and regulations as in its judgment may be for the safety, care and cleanliness of the Office Building Project and for the preservation of good order therein. Lessee agrees to abide by these Rules and Regulations herein above stated and any additional rules and regulations, which are adopted hereafter.

Date: _____

Date: _____

Lessor's Initials: _____

Lessee's Initials: _____

EXHIBIT "C"**Waiver and Release.**

It is the express and understood intent, purpose, desire, and agreement of the parties in the event of termination for cause or expiration of the Lease term, that Lessee, on behalf of itself, its officers, heirs, agents, shareholders, employees, subcontractors, executors, successors and assigns, shall and does hereby release and discharge Lessor, and its respective elected and appointed officials, officers, directors, employees, attorneys, accountants, consultants, other professionals, and agents, from and against the following: any claims, penalties, actions or causes of action, obligations, and demands of any kind including but not limited to, any claims arising under the California Eminent Domain Law (Title 7 (commencing with Section 1230.010) of Part 3 of the California Code of Civil Procedure), the Relocation Statutes and Regulations set forth in Chapter 16 (commencing with Section 7260) of Division 7 of the California Government Code and Subchapter 1 (commencing with Section 6000) Division 3 of Title 25 of the California Code of regulations, and claims for a "taking" or inverse condemnation arising under the United States or California Constitutions or under any federal, state, or local law, statute, ordinance, regulation, rule, official policy, court order, or common law (collectively, the "Released Claims").

The parties further acknowledge that the Released Claims include any claims for loss of business goodwill pursuant to Code of Civil Procedure §1263.510 et seq., for precondemnation damages and severance damages.

Date: _____

Date: _____

Lessor's Initials: _____ Lessee's Initials: _____

EXHIBIT "D"

WORK LETTER/REQUIREMENTS FOR IMPROVEMENTS OR ALTERATIONS BY LESSEE

If Lessor shall permit Lessee to construct any interior improvements (subsequent to the initial improvements to be constructed by Lessor, if any) in the Premises or to have any work performed in the Premises at any time prior to or during the Lease term by a contractor retained by Lessee ("Lessee's Work"), then Lessee shall comply with the requirements set forth herein. If Lessee's Work has been properly authorized, Lessee will receive written approval and consent for alterations to the Premises. All alterations to the Premises, excepting movable furniture and trade fixtures, shall, at Lessor's option, become a part of the realty and belong to Lessor.

1. **SUBMITTAL OF PLANS.** Prior to commencing any work in the Premises, Lessee shall submit to Lessor for approval its proposed plans for the work. Without limiting the foregoing, Lessee shall provide:

(a) A separate scale drawing denoting all proposed construction and/or demolition, if necessary.

(b) A separate drawing for each trade proposing structural, electrical, mechanical, civil or landscaping modifications.

(c) Specify all dimensions and complete references to all work to be performed in the affected areas.

(d) If adding extra electrical or mechanical equipment, provide complete operating and maintenance specifications for each item.

2. **CHECKLIST.** With respect to each project, Lessor will provide Lessee with a checklist listing the items required to be furnished to Lessor in connection with the proposed work. Lessee shall furnish to Lessor prior to, during, or upon completion of Lessee's Work, as applicable, each of the items specified in the checklist attached hereto as Attachment 1.

3. **CONTRACTORS PROVIDING INTERIOR IMPROVEMENT SERVICES.**

(a) The contractor employed by Lessee and any subcontractors shall be (i) duly licensed in the state in which the Premises are located, and (ii) subject to Lessor's prior written approval, which approval shall not be unreasonably withheld. If more than one trade is employed on a single job, state law requires the services of a general contractor in addition to contractors for specialty work being performed.

(b) Each contractor shall provide proof of licensing as a general or specialty contractor in accordance with state law. Additionally, each contractor shall furnish proof of licensing in the city or municipality in which the construction related activity is to take place.

(c) Lessee shall use Lessor's subcontractor for mechanical, electrical, plumbing, roofing and roofing consultant if available at competitive rates.

(d) Lessee and Lessee's contractors shall comply with all Applicable Laws pertaining to the performance of Lessee's Work and the completed improvements and all applicable safety regulations established by Lessor or the general contractor.

(e) Prior to commencement of any work in the Premises, Lessee and Lessee's contractors (and any subcontractors) shall obtain and provide Lessor with certificates evidencing Workers' Compensation, public liability and property damage insurance in amounts and forms and with companies

satisfactory to Lessor. Each general contractor (and any subcontractor) employed on the Premises shall provide Lessor with a current certificate of insurance in effect for that contractor with a thirty day notice of cancellation or revocation clause. Insurance requirements are as follows:

- (i) Comprehensive General Liability with a \$1,000,000 Combined Single Limit covering the liability of Lessor and contractor for bodily injury and property damage arising as a result of the construction of the improvements and the services performed thereunder. Lessor and any Management Company shall be named as an additional insured.
- (ii) Comprehensive Automobile Liability with a \$1,000,000 Combined Single Limit covering Lessor and vehicles used by contractor (and any subcontractor) in connection with the construction of the improvements.
- (iii) Workers' Compensation and Employer's Liability as required by law, for employees of the contractor (and any subcontractors) performing work on the Premises.

(f) The following requirements shall be incorporated as "Special Conditions" into the contract between Lessee and its contractors and a copy of the contract shall be furnished to Lessor prior to the commencement of Lessee's Work:

- (i) Prior to start of Lessee's Work, Lessee's contractor shall provide Lessor with a construction schedule in "bar graph" form indicating the completion dates of all phases of Lessee's Work.
- (ii) Lessee's contractor shall be responsible for the repair, replacement or clean-up of any damage done by it to other contractors' work which specifically includes accessways to the Premises which may be concurrently used by others.
- (iii) Lessee's contractor shall accept the Premises prior to starting any trenching operations. Any rework of sub-base or compaction required after the contractor's initial acceptance of the Premises shall be done by Lessee's contractor, which shall include the removal from the Project of any excess dirt or debris.
- (iv) Lessee's contractor shall contain its storage of materials and its operations within the Premises and such other space as it may be assigned by Lessor or Lessor's contractor. Should Lessee's contractor be assigned space outside the Premises, it shall move to such other space as Lessor or Lessor's contractor shall direct from time to time to avoid interference or delays with other work.
- (v) Lessee's contractor shall clean up the construction area and surrounding exterior areas daily. All trash, demolition materials and surplus construction materials shall be stored within the Premises and promptly removed from the Premises and the Project and disposed of in an approved sanitation site.
- (vi) Lessee's contractor shall provide temporary utilities, portable toilet facilities, and potable drinking water as required for its work within the Premises and shall pay to Lessor's contractor the cost of any temporary utilities and facilities provided by Lessor's contractor at Lessee's

contractor's request.

- (vii) Lessee's contractor shall notify Lessor or Lessor's project manager of any planned work to be done on weekends or other than normal job hours.
- (viii) Lessee's contractor or subcontractors shall not post signs on any part of the Project or on the Premises.

4. COSTS.

(a) Lessee shall promptly pay any and all costs and expenses in connection with or arising out of the performance of Lessee's Work (including the costs of permits thereof) and shall furnish to Lessor evidence of such payment upon request.

(b) Except in the case of carpet replacement or repainting, Lessee shall pay Lessor an amount equal to five percent (5%) of the total hard costs of construction and installation of Lessee's Work as compensation to Lessor for review of plans, use of facilities and other miscellaneous costs of Lessor incurred as a result of such work.

5. CONTRACTOR'S BONDS. At Lessor's sole discretion, Lessor may require Lessee to obtain performance and completion bonds to insure Interior Work

6. MECHANIC'S LIENS.

(a) Lessee shall not suffer or permit to be enforced against the Premises or any part of the Project any mechanic's, materialman's, contractor's or subcontractor's lien arising out of any work of improvement, however it may arise.

(b) Lessee shall notify Lessor at least ten (10) days prior to the commencement of construction of any Lessee's Work and Lessor shall have the right to post and record a notice of no responsibility in conformity with applicable law. Within ten (10) days following completion of Lessee's Work, Lessee shall file a Notice of Completion and deliver to Lessor an unconditional release and waiver of lien executed by each contractor, subcontractor and materialman involved in Lessee's Work.

(c) In the event any lien is filed against the Project or any portion thereof or against Lessee's leasehold interest therein as a result of Lessee's work, Lessee shall obtain the release and/or discharge of said lien, within ten (10) days after the filing thereof. In the event Lessee fails to do so, Lessor may obtain the release and/or discharge of said lien and Lessee shall indemnify Lessor for the costs thereof, including reasonable attorney's fees, together with interest at the Applicable Interest Rate from the date of demand. Nothing herein shall prohibit Lessee from contesting the validity of any such asserted claim, provided Lessee has furnished to Lessor a lien release bond freeing the Premises from the effect of the lien claim.

7. INDEMNITY. Lessee shall indemnify, defend (with counsel satisfactory to Lessor) and hold Lessor harmless from and against any and all suits, claims, actions, loss, cost or expense (including claims for workers' compensation, attorney's fees and costs) based on personal injury or property damage, or otherwise (including, without limitation, contract and breach of warranty claims) arising from the performance of Lessee's Work. Lessee shall repair or replace (or, at Lessor's election, reimburse Lessor for the cost of repairing or replacing) any portion of the Building or item of Lessor's equipment or any of Lessor's real or personal property damaged, lost or destroyed in the performance of Lessee's Work.

8. BUILDING STANDARDS. All work shall conform to Lessor's established building standards and specifications. Lessee is required to make these standards part of the construction documents.

9. ROOF PENETRATIONS. If improvements penetrate the roof membrane, the penetrations will be sealed per Lessor/IRC roofing specifications and inspected by IRC to maintain roof warranty. The cost of inspection and all corrective work shall be borne by Lessee. Lessee shall use Lessor's original roofing contractor.

10. BUILDING MODIFICATIONS. Work will only be approved within the confines of a given space. Lessee will not be allowed to modify building exterior or mechanical and electrical service as provided to the building in common with other tenants.

11. ELECTRICAL WORK. All electrical work shall be approved from the unit space electrical panel only. Additional service requirements shall be secured only by direction of Lessor. Lessee shall use Lessor's original electrical contractor if available at competitive rates.

12. SCHEDULE OF WORK. Lessee shall be required to provide a schedule of all work to be performed, subject to Lessor approval. All costs to produce such schedule shall be borne solely by Lessee.

13. CLEAN UP AND DISPOSAL OF CONSTRUCTION DEBRIS. Building trash containers are provided for office generated trash only and are not to be used for disposal of construction-related materials and debris. Unapproved usage will result in a penalty assessment to the Lessee equal to the cost of an extra pick-up service as provided under the current rate schedule of regular trash removal service.

14. INSPECTION BY LANDLORD. Lessor reserves the following rights: (i) the right of inspection prior to, during and at completion of all construction and/or demolition, (ii) the right to post and record a notice of nonresponsibility in conformity with California law, and (iii) the right to order, if reasonable, a total stop to all improvements underway for non-compliance with any of the requirements hereof.

15. GENERAL PROVISIONS.

(a) If Lessor has agreed to provide an allowance toward the cost of tenant improvements (other than the initial Lessee Improvement Allowance), Lessor shall retain from such funds an amount determined by Lessor until Lessee has fully complied with the requirements hereof.

(b) All materials, work, installations and decorations of any nature whatsoever brought on or installed in the Premises before the commencement of the Term or throughout the Term shall be at Lessee's risk, and neither Lessor nor any party acting on Lessor's behalf shall be responsible for any damage thereto or loss or destruction thereof due to any reason or cause whatsoever.

(c) Nothing contained herein shall make or constitute Lessee as the agent of Lessor.

Attachment 1 to "Exhibit D"**ITEMS TO BE FURNISHED TO LESSOR FOR EACH WORK OF IMPROVEMENT**

1. Plan of Alterations for Lessor Approval.
2. Contractor(s), Address, Telephone Number, Contact Person.
3. Copy of Contractor's State and City Business License.
4. Copy of Building Permit.
5. Copy of Final Inspection and Signed Building Permit Cards.
6. Copy of Certificate of Insurance Naming The City of Laguna Hills and Essex Realty Management as Additional Insured. Insurance to include Comprehensive General Liability, Comprehensive Auto, Workers' Compensation, Employer's Liability and original Endorsement.
7. Signed Unconditional Lien Waiver in favor of Development Corporation.
8. Schedule of Work.
9. Copy of Completion and Payment Bond.
10. Architect's License and Expiration.
11. Copy of Permit Plans.
12. Copy of As-Builts.
13. Copy of Recorded Notice of Completion.
14. Certificate of Occupancy.
15. Evidence of Insurance for All-Risk/Builder's Risk Insurance to the Amount of Improvements.



GUARANTY OF LEASE

Exhibit "E"

WHEREAS, The City of Laguna Hills, a municipal corporation organized and existing under the laws of the State of California, hereinafter "Lessor", and Our Estate Planning Attorney Inc., a California corporation, hereinafter "Lessee", are about to execute a document entitled "Lease" dated January 14, 2020 concerning the premises commonly known as (street address, city, state, zip) 24031 El Toro Road, Suite 200 Laguna Hills, CA 92654 wherein Lessor will lease the premises to Lessee, and

WHEREAS, William P. White hereinafter "Guarantors" have a financial interest in Lessee, and

WHEREAS, Lessor would not execute the Lease if Guarantors did not execute and deliver to Lessor this Guaranty of Lease.

NOW THEREFORE, in consideration of the execution of said Lease by Lessor and as a material inducement to Lessor to execute said Lease, Guarantors hereby jointly, severally, unconditionally and irrevocably guarantee the prompt payment by Lessee of all rents and all other sums payable by Lessee under said Lease and the faithful and prompt performance by Lessee of each and every one of the terms, conditions and covenants of said Lease to be kept and performed by Lessee.

It is specifically agreed by Lessor and Guarantors that: (i) the terms of the foregoing Lease may be modified by agreement between Lessor and Lessee, or by a course of conduct, and (ii) said Lease may be assigned by Lessor or any assignee of Lessor without the consent of or notice to Guarantors and that this Guaranty shall guarantee the performance of said Lease as so modified.

This Guaranty shall not be released, modified or affected by the failure or delay on the part of Lessor to enforce any of the rights or remedies of the Lessor under said Lease.

No notice of default by Lessee under the Lease need be given by Lessor to Guarantors, it being specifically agreed that the guarantee of the undersigned is a continuing guarantee under which Lessor may proceed immediately against Lessee and/or against Guarantors following any breach or default by Lessee or for the enforcement of any rights which Lessor may have as against Lessee under the terms of the Lease or at law or in equity.

Lessor shall have the right to proceed against Guarantors following any breach or default by Lessee under the Lease without first proceeding against Lessee and without previous notice to or demand upon either Lessee or Guarantors.

Guarantors hereby waive (a) notice of acceptance of this Guaranty, (b) demand of payment, presentation and protest, (c) all right to assert or plead any statute of limitations relating to this Guaranty or the Lease, (d) any right to require the Lessor to proceed against the Lessee or any other Guarantor or any other person or entity liable to Lessor, (e) any right to require Lessor to apply to any default any security deposit or other security it may hold under the Lease, (f) any right to require Lessor to proceed under any other remedy Lessor may have before proceeding against Guarantors, (g) any right of subrogation that Guarantors may have against Lessee.

Guarantors do hereby subordinate all existing or future indebtedness of Lessee to Guarantors to the obligations owed to Lessor under the Lease and this Guaranty.

If a Guarantor is married, such Guarantor expressly agrees that recourse may be had against his or her separate property for all of the obligations hereunder.

The obligations of Lessee under the Lease to execute and deliver estoppel statements and financial statements, as therein provided, shall be deemed to also require the Guarantors to provide estoppel statements and financial statements to Lessor. The failure of the Guarantors to provide the same to Lessor shall constitute a default under the Lease.

The term "Lessor" refers to and means the Lessor named in the Lease and also Lessor's successors and assigns. So long as Lessor's interest in the Lease, the leased premises or the rents, issues and profits therefrom, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantors of the Lessor's interest shall affect the continuing obligation of Guarantors under this Guaranty which shall nevertheless continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment and their successors and assigns.

The term "Lessee" refers to and means the Lessee named in the Lease and also Lessee's successors and assigns.

Any recovery by Lessor from any other guarantor or insurer shall first be credited to the portion of Lessee's indebtedness to Lessor which exceeds the maximum liability of Guarantors under this Guaranty.

No provision of this Guaranty or right of the Lessor can be waived, nor can the Guarantors be released from their obligations except in writing signed by the Lessor.

Any litigation concerning this Guaranty shall be initiated in a state court of competent jurisdiction in the county in which the leased premises are located and the Guarantors consent to the jurisdiction of such court. This Guaranty shall be governed by the laws of the State in which the leased premises are located and for the purposes of any rules regarding conflicts of law the parties shall be treated as if they were all residents or domiciles of such State.

In the event any action be brought by said Lessor against Guarantors hereunder to enforce the obligation of Guarantors hereunder, the unsuccessful party in such action shall pay to the prevailing party therein a reasonable attorney's fee. The attorney's fee award shall not be computed in accordance with any court fee schedule, but shall be such as to full reimburse all attorneys' fees reasonably incurred.

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

If any Guarantor is a corporation, partnership, or limited liability company, each individual executing this Guaranty on said entity's behalf represents and warrants that he or she is duly authorized to execute this Guaranty on behalf of such entity. Signatures to this Guaranty accomplished by means of electronic signature or similar technology shall be legal and binding.

If this Form has been filled in, it has been prepared for submission to your attorney for his approval. No representation or recommendation is made BY AIR CRE, the real estate broker or its agents or employees as to the legal sufficiency, legal effect, or tax consequences of this Form or the transaction relating thereto.

GUARANTORS

William P. White

Executed At: _____

On: _____

By: _____

Name Printed: William P. White

Title: _____

Address: _____

By: _____

Name Printed: _____

Title: _____

Address: _____

AIR CRE * <https://www.aircre.com> * 213-687-8777 * contracts@aircre.com

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

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GUARANTY OF LEASE

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It is specifically agreed by Lessor and Guarantors that: (i) the terms of the foregoing Lease may be modified by agreement between Lessor and Lessee, or by a course of conduct, and (ii) said Lease may be assigned by Lessor or any assignee of Lessor without the consent of or notice to Guarantors and that this Guaranty shall guarantee the performance of said Lease as so modified.

This Guaranty shall not be released, modified or affected by the failure or delay on the part of Lessor to enforce any of the rights or remedies of the Lessor under said Lease.

No notice of default by Lessee under the Lease need be given by Lessor to Guarantors, it being specifically agreed that the guarantee of the undersigned is a continuing guarantee under which Lessor may proceed immediately against Lessee and/or against Guarantors following any breach or default by Lessee or for the enforcement of any rights which Lessor may have as against Lessee under the terms of the Lease or at law or in equity.

Lessor shall have the right to proceed against Guarantors following any breach or default by Lessee under the Lease without first proceeding against Lessee and without previous notice to or demand upon either Lessee or Guarantors.

Guarantors hereby waive (a) notice of acceptance of this Guaranty, (b) demand of payment, presentation and protest, (c) all right to assert or plead any statute of limitations relating to this Guaranty or the Lease, (d) any right to require the Lessor to proceed against the Lessee or any other Guarantor or any other person or entity liable to Lessor, (e) any right to require Lessor to apply to any default any security deposit or other security it may hold under the Lease, (f) any right to require Lessor to proceed under any other remedy Lessor may have before proceeding against Guarantors, (g) any right of subrogation that Guarantors may have against Lessee.

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The term "Lessor" refers to and means the Lessor named in the Lease and also Lessor's successors and assigns. So long as Lessor's interest in the Lease, the leased premises or the rents, issues and profits therefrom, are subject to any mortgage or deed of trust or assignment for security, no acquisition by Guarantors of the Lessor's interest shall affect the continuing obligation of Guarantors under this Guaranty which shall nevertheless continue in full force and effect for the benefit of the mortgagee, beneficiary, trustee or assignee under such mortgage, deed of trust or assignment and their successors and assigns.

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Any recovery by Lessor from any other guarantor or insurer shall first be credited to the portion of Lessee's indebtedness to Lessor which exceeds the maximum liability of Guarantors under this Guaranty.

No provision of this Guaranty or right of the Lessor can be waived, nor can the Guarantors be released from their obligations except in writing signed by the Lessor.

Any litigation concerning this Guaranty shall be initiated in a state court of competent jurisdiction in the county in which the leased premises are located and the Guarantors consent to the jurisdiction of such court. This Guaranty shall be governed by the laws of the State in which the leased premises are located and for the purposes of any rules regarding conflicts of law the parties shall be treated as if they were all residents or domiciles of such State.

In the event any action be brought by said Lessor against Guarantors hereunder to enforce the obligation of Guarantors hereunder, the unsuccessful party in such action shall pay to the prevailing party therein a reasonable attorney's fee. The attorney's fee award shall not be computed in accordance with any court fee schedule, but shall be such as to full reimburse all attorneys' fees reasonably incurred.

If any Guarantor is a corporation, partnership, or limited liability company, each individual executing this Guaranty on said entity's behalf represents and warrants that he or she is duly authorized to execute this Guaranty on behalf of such entity. Signatures to this Guaranty accomplished by means of electronic signature or similar technology shall be legal and binding.

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Attachment: Lease (2040 : Civic Center Lease with Our Estate Planning Attorney for Suite 200)

If this Form has been filled in, it has been prepared for submission to your attorney for his approval. No representation or recommendation is made BY AIR CRE, the real estate broker or its agents or employees as to the legal sufficiency, legal effect, or tax consequences of this Form or the transaction relating thereto.

GUARANTORS

William P. White

Executed At: _____

On: _____

By: _____

Name Printed: William P. White

Title: _____

Address: _____

By: _____

Name Printed: _____

Title: _____

Address: _____

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City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Mayor and Council Members
FROM: Kenneth H. Rosenfield P.E.
Assistant City Manager/Director of Public Services
ISSUE: Progress Payment No. 2, for Citywide Pavement Rehabilitation Project,
CIP No. 101-K

RECOMMENDATION: That the City Council approve Progress Payment No. 2, in the net amount of \$1,089,196.87, to R.J. Noble Company for the Citywide Pavement Rehabilitation Project, CIP No. 101-K.

SUMMARY:

Work on the Citywide Pavement Rehabilitation Project, CIP No. 101-K, began on October 21, 2019, and is being performed by R.J. Noble Company. Work performed in December included clearing and grubbing, asphalt concrete grinding and asphalt concrete overlay, with and without fabric. The contractor has submitted the second progress payment request for approval.

BACKGROUND:

A routine monthly action for capital improvement projects is the submission, review, and approval of the contractor's invoice. Procedurally, field staff verifies the contractor's quantities and matches them with the submitted invoice. The unit prices and total costs of the project are confirmed by the office staff and a progress payment is then processed. A five-percent (5%) retention is withheld from each payment to assure final performance of the work. The contractor for this project, R.J. Noble Company, has submitted the second progress payment for the subject project as follows:

Progress Payment No. 2, for Citywide Pavement Rehabilitation Project, CIP No. 101-K
 January 14, 2020
 Page 2

ITEM #	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	\$ AMOUNT
1	Clearing and Grubbing	0.33	LS	\$175,000.00	\$57,750.00
2	Water Quality Management	0.33	LS	\$8,500.00	\$2,805.00
4	12' Cold Plane/Edge Grind	1,110,083	SF	\$0.15	\$166,512.45
5	0.125' AC Overlay	9,574.84	TN	\$77.50	\$742,049.33
6	0.125' AC Overlay with Paving Fabric	2,015.98	TN	\$88.00	\$177,406.24

TOTAL TO DATE	\$1,534,820.42	
LESS PRIOR BILLING	388,297.40	
TOTAL THIS PERIOD	\$1,146,523.02	\$1,146,523.02
LESS 5% RETENTION		\$(57,326.15)
DUE		\$1,089,196.87

FISCAL IMPACT

The progress payment is within the Capital Improvement Program Budget for the Citywide Pavement Rehabilitation Project, CIP No. 101-K.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020

TO: Mayor and Council Members

FROM: Kenneth H. Rosenfield P.E.
Assistant City Manager/Director of Public Services

ISSUE: Proposed Amendment No. 3 to Contractor Services Agreement with G2 Construction, Inc., for Catch Basin Debris Gate Manufacturing and Installation Services, Adjusting Annual Maximum Compensation

RECOMMENDATION: That the City Council: 1) Approve the proposed Amendment No. 3 to the Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services with G2 Construction, Inc., increasing the annual maximum compensation to \$250,000; 2) Authorize the City Manager to execute the attached Amendment No. 3 to the Contractor Services Agreement with G2 Construction, Inc.; and 3) Authorize G2 Construction, Inc., to proceed with the Scope of Work.

SUMMARY:

The City and G2 Construction Inc., previously entered into a Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services, which was entered into on May 22, 2012, (the "Agreement") and which was modified by Amendment No. 1 on February 27, 2018, and Amendment No. 2 on June 26, 2018, to extend the contract term and annual maximum compensation under the Agreement. The Agreement requires the Contractor to manufacture and install catch basin debris gates and trash screens at multiple locations throughout the City based upon funding cycles from the Orange County Transportation Authority's ("OCTA") Measure M2 Environmental Cleanup Program, Tier 1 Grant Program, and in accordance with the Scope of Work. The Debris Gates and trash screens manufactured by G2 Construction are a patented design made of high-quality stainless steel requiring minimal maintenance which trap debris, litter and leaves from entering into the storm drain

system. OCTA has now offered additional funding for the Eighth (8th) Funding Cycle at higher than anticipated grant values for the environmental cleanup program, and there may be potential future funding opportunities for additional funding cycles, as well. The City has a need for the installation of additional debris gates on our remaining catch basins to meet the City's obligations under the National Pollution Discharge Elimination System Permits. Accordingly, it is necessary to adjust the maximum annual compensation in the Agreement to match the City's needs and expected available grant funding.

BACKGROUND:

The City and G2 Construction, Inc., ("Contractor") previously entered into a Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services, which was made and entered into on May 22, 2012, (the "Agreement"). The Agreement requires the Contractor to manufacture and install catch basin debris gates at multiple locations throughout the City based on the originally anticipated seven (7) separate funding cycles from the Orange County Transportation Authority's ("OCTA") Measure M2 Environmental Cleanup Program, Tier 1 Grant Program, and in accordance with the Scope of Work. In 2018 when OCTA offered additional funding cycles at increased values for the environmental cleanup program, the City Council approved Amendment No. 1, on February 27, 2018, and Amendment No. 2, on June 26, 2018, to the Agreement to extend the contract term through June 30, 2021, and increase the annual maximum compensation under the Agreement.

As a part of the City Council approval of Amendment No. 2 to the Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services with G2 Construction, Inc., based upon the evidence provided, the City Council waived competitive formal bidding requirements and procedures set forth in the City of Laguna Hills Municipal Code (LHMC) Section 3.08.090 as it found and determined, pursuant to LHMC Section 3.08.110, that compliance is not in the City's best interest at this time and reaffirmed the sole source procurement of Catch Basin Debris Gates from G2 Construction, Inc., pursuant to LHMC Section 3.08.110 (A).

The Agreement expires on June 30, 2021, and contains an annual maximum compensation value of \$150,000. However, OCTA has now notified the City of an award for a Catch Basin Debris and Trash Screen project in the total amount of \$250,000, consisting of a \$200,000 OCTA grant and a \$50,000 City match. As a result of this additional funding being provided by OCTA, it is now necessary to increase the annual

Amendment No. 3 to Contractor Services Agreement with G2 Construction, Inc.
January 14, 2020
Page 3

maximum compensation value in the Agreement to \$250,000 and to authorize G2 Construction to proceed with this work.

A proposed Amendment No. 3 to the Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services with G2 Construction, Inc., is attached along with a proposal from G2 Construction addressing the Scope of Work, Schedule of Production and Schedule of Compensation (Exhibit 1 to the Amendment No. 3). No change in the Agreement term is proposed.

FISCAL IMPACT:

The Catch Basin Debris Gate and Trash Screens project is funded in the Capital Improvement Program Budget under CIP No. 412.

ATTACHMENTS:

- Amendment No. 3 to Contractor Services Agreement with G2 Construction, Inc.

AMENDMENT NO. 3
TO CONTRACTOR SERVICES AGREEMENT
Catch Basin Debris Gate Manufacturing and Installation Services
G2 Construction, Inc.

THIS THIRD AMENDMENT to the Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services (the “Amendment”) is made and entered into to be effective the 14th day of January, 2020, by and between the CITY OF LAGUNA HILLS, a California general law city organized and existing under the laws of the State of California (hereinafter referred to as "City"), and G2 CONSTRUCTION, INC., a California Corporation (hereinafter referred to as “Contractor”).

RECITALS

A. City and Contractor previously entered into that certain Contractor Services Agreement for Catch Basin Debris Gate Manufacturing and Installation Services, which was made and entered into on May 22, 2012 (the “Agreement”). The Agreement requires the Contractor to manufacture and install catch basin debris gates at multiple locations throughout the City based upon anticipated separate funding cycles from the Orange County Transportation Authority’s (“OCTA”) Measure M2 Environmental Cleanup Program, Tier 1 Grant Program, and in accordance with the Scope of Work.

B. Under Section 4.4 (Term) of the Agreement, the initial Contract Term was seven (7) years beginning July 1, 2011 and ending on June 30, 2018. The timeframe of the Contract Term was further separated into an “Initial Contract Term,” which ran from July 1, 2011 through June 30, 2012, and six (6) “Subsequent Contract Terms,” which ran from July 1st through June 30th of each fiscal year thereafter. Section 3.1 (Compensation of Contractor) provided that the compensation for any services performed by Contractor in any of the Subsequent Contract Terms would not exceed \$100,000 per year and was expressly contingent upon the City’s receipt of further Project funding from OCTA and the issuance of a written task order by the City.

C. On February 27, 2018, the City Council approved, and the Parties and entered into, Amendment No. 1 to the Agreement for purposes of increasing the compensation amount for the Sixth (6th) Subsequent Contract Term set forth in Section 3.1 of the Agreement from \$100,000 to \$165,000, which included a 10% contingency, consistent with available program funding.

D. On June 26, 2018, the City Council approved, and the Parties and entered into, Amendment No. 2 to the Agreement for purposes of a) extending the term of the Agreement for one final three (3) year extension through June 30, 2021; b) providing for the purchase and installation of additional catch basin debris gates at multiple locations throughout the City based upon an anticipated Eighth (8th) Funding Cycle; c) providing for potential future opportunities for additional program funding (i.e., for anticipated Eighth (8th), Ninth (9th) and Tenth (10th) OCTA Funding Cycles); and d) increasing the maximum compensation in Section 3.1 of the Agreement for services performed by the Contractor during the remaining Subsequent Contract Terms from \$100,000 to \$150,000 per year, commensurate with available future funding.

E. Section 3.3 (Changes) and Section 10.3 (Amendment) of the Agreement provide that the Agreement may be amended, including the Scope of Work, at any time by mutual written consent of the Parties. As changed by Amendment No. 2, Section 3.1 (Compensation of Contractor) currently provides that the compensation for any services performed by Contractor in any of the Subsequent Contract Terms are not to exceed \$150,000 per year and are expressly contingent upon the City's receipt of further Project funding from OCTA and the issuance of a written task order by the City.

E. The City has a need for the installation of additional debris gates to meet the City's obligations under the National Pollution Discharge Elimination System Permits, and OCTA is now offering additional funding cycles allowing the City to apply for additional grant funding for this purpose.

F. OCTA has increased the funding allocation for the Eight (8th) Funding Cycle for the environmental cleanup program, and there may be potential future funding opportunities for additional funding cycles as well. OCTA has notified the City of an award for a Catch Basin Debris and Trash screen project in the total amount of \$250,000, consisting of a \$200,000 OCTA grant and a \$50,000 city match.

G. Therefore, the Parties now desire to enter into this Amendment No. 3 for the purpose of a) providing for the purchase and installation of additional catch basin debris gates at multiple locations throughout the City based upon an increased funding amount for the anticipated Eighth (8th) Funding Cycle, and b) increasing the maximum compensation for services performed by the Contractor during the remaining Subsequent Contract Terms from the current \$150,000 to \$250,000 per year, which includes a 10% contingency, and is commensurate with available future funding.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein, the Parties agree as follows:

AGREEMENT

1. Amendment to Section 1.1, entitled "Scope of Services," of the Agreement. Section 1.1 of the Agreement is hereby amended as follows:

Section 1.1 of the Agreement is hereby amended to modify the "Services" or "Work", as defined in the Agreement, to also include the purchase and installation of additional catch basin debris gates at multiple locations throughout the City based upon the approval of funding from OCTA's Measure M2 Environmental Cleanup Program Tier 1 Grant Program for street maintenance purposes as described and as set forth in Contractor's Proposal, Scope of Services, Schedule of Fees, and Production Schedule, dated December 11, 2019, a copy of which is attached to this Amendment No. 3 as Exhibit "1" and is incorporated herein by reference and is hereby made a part of Exhibit "A" to the Agreement.

2. Amendment to Section 3.1, entitled “Compensation of Contractor,” of the Agreement. Section 3.1 of the Agreement is hereby amended as follows:

During the remaining Subsequent Contract Terms from July 1, 2018 through June 30, 2021 (i.e., for anticipated Eighth (8th), Ninth (9th) and Tenth (10th) OCTA Funding Cycles), the maximum compensation for services performed by the Contractor shall not exceed \$250,000 per year.

3. Full Force and Effect. This Amendment is supplemental to the Agreement and is by reference made part of said Agreement. All of the terms, conditions, and provisions, thereof, unless specifically modified herein, shall continue in full force and effect. In the event of any conflict or inconsistency between the provisions of this Amendment and any provisions of the Agreement, the provisions of this Amendment shall in all respects govern and control.
4. Recitals. The above-referenced Recitals are hereby incorporated into this Amendment as though fully set forth herein and made part of the Agreement and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.
5. Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Amendment is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Amendment on behalf of the Party for which he/she is signing, (iii) by so executing this Amendment, the Party for which he/she is signing is formally bound to the provisions of this Amendment, and (iv) the entering into this Amendment does not violate any provision of any other agreement to which the Party for which he/she is signing is bound.

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment to the Agreement as of the date first written above.

“CITY”
City of Laguna Hills,
 a California municipal corporation

DONALD J. WHITE,
 City Manager

ATTEST:

(SEAL)

MELISSA AU-YEUNG,
 Assistant to the City Manager/ City Clerk

APPROVED AS TO FORM:

GREGORY E. SIMONIAN,
City Attorney

"CONTRACTOR"
G2 Construction, Inc. a California
corporation

By: 
JOHN R. ALVARADO, President

EXHIBIT "1"**CONTRACTOR'S PROPOSAL****AND****SCOPE OF SERVICES**

DATED DECEMBER 11, 2019**INCLUDING,****SCHEDULE OF FEES AND PRODUCTION SCHEDULE**



DBE, MBE, SBE Certified
CA Lic. # 801253 – A, C8, C60

1352 E. Borchard Ave.
Santa Ana, CA 92705
www.g2construction.com
714.748.4242

December 11, 2019

Kenneth Rosenfield
Assistant City Manager / Public Services Director
City of Laguna Hills

RE: Request for Amendment to Contractor Services Agreement

Dear Mr. Rosenfield,

Per our conversation, OCTA's Environmental Cleanup Program has granted \$200,000 to the City for the proposed catch basin retrofit project with proprietary ARS-CL™ Debris Screens and CPS-Mod™ screens by G2 Construction (G2). This grant, along with the required City match of \$50,000, will fund the entire proposal's cost of \$250,000.

The current City Contractor Services Agreement with G2 for *Catch Basin Debris Gate Manufacturing and Installation Services* specifies a maximum compensation for services performed by G2 not to exceed \$150,000 per year.

G2 requests that the Agreement be amended to raise the maximum compensation for services to \$250,000 per year. This will allow successful completion of the City's planned environmental project and will fully utilize OCTA's \$200,000 grant.

We hereby submit the attached Proposal with Scope of Services, Production Schedule, and Fee Schedule. G2 stands ready to implement this project's fabrication and installation of our patented ARS-CL™ Debris Screens and CPS-Mod™ connector pipe screens. We expect another very successful project of the City's planned stormwater improvement program.

Based on G2's many years of past work for the City, and our longstanding excellent working relationship that has greatly improved the City's storm water quality, we make this request for the Amendment.

If you have any questions, please contact me at (714) 448-8080 or Eric Taylor, VP of Business Development, at (714) 679-2550.

Sincerely,

John R. Alvarado, President
G2 Construction, Inc.

Attachments: Scope of Services, Production Schedule, Fee Proposal

Attachment: Amendment No. 3 to Contractor Services Agreement with G2 Construction, Inc. (2035 : Amendment No. 3 to Contractor Services

Scope of Work

CATCH BASIN RETROFIT

ARS Debris Screens and CPS Screen Project

SCOPE OF WORK

G2 Construction (G2) proposes to install ARS-CL™ and CPS-Mod™ debris and trash screens for the City of Laguna Hills. Per the City's request, G2 will install our patented devices in 117 catch basins in 2 geographic areas of the City (See included Maps). A total of 117 G2 CPS-Mod™ full-capture systems (State Waterboard certified) are included, and 244 unique ARS-CL™ screens. Each catch basin will receive between 1 and 8 unique ARS-CL™ screens depending on the curb-opening width.

Area 1 catch basins are in central Laguna Hills in Priority Land Use (PLU) space (commercial, office, mixed use, public institutions, arterial roadways) with the greatest amount of trash and transportation related pollutants, as specified by the OCTA M2 Tier 1 grant. This area is bordered by the I-5 freeway (North and East) and high traffic arterial transportation roadways of Moulton Pkwy and Paseo De Valencia (West and South), and is connected by OCTA routes on those roads and Alicia Pkwy, Los Alisos Rd, La Paz Rd, and Cabot Rd. Area 1 includes more than 1,300 acres and receives the highest concentration of transportation pollutants in the City. This area is home to Laguna Hills Mall, Saddleback Medical Center, City Hall, and multiple shopping districts. Area 2 is in the south and cover 20 acres.

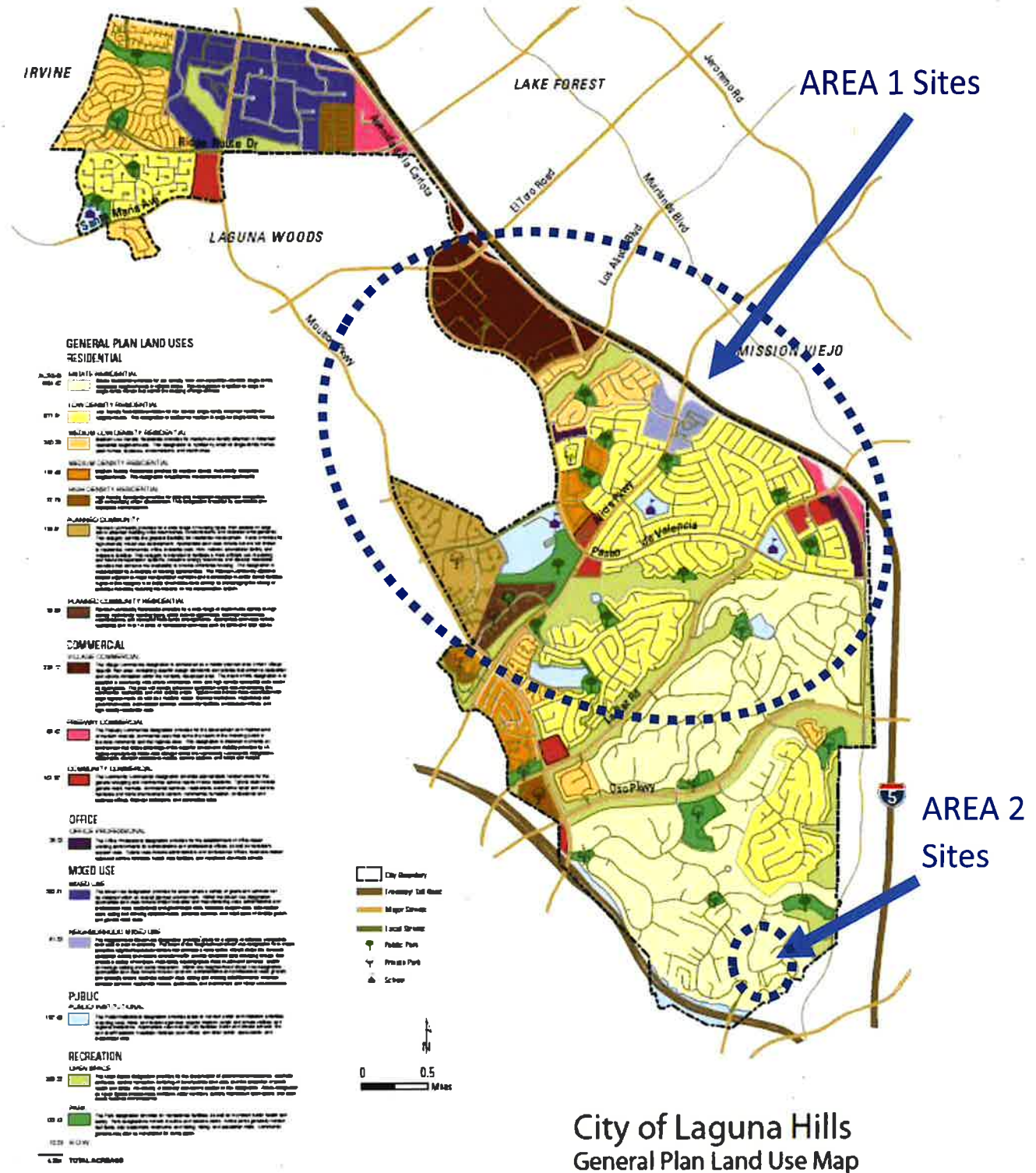
The installation of G2's State Waterboard approved CPS-Mod™ screens behind the ARS-CL™ devices will make them "full trash capture" compliant and meet the State's trash regulations. The proprietary ARS-CL™ screens stop 75-95% of the trash and debris from entering the catch basin, and this allows the 5mm perforated CPS-Mod™ to capture all of the remaining trash. G2 two BMP system is extremely effective, and an excellent value.

This proposal utilizes G2's master purchase agreement with OCPW, MA-080-15011198 for Trash and Debris Capture Devices for the City of Laguna Hills OCTA ECP grant application for 2019-20. The City is eligible for this piggyback contract like all Orange County cities, which guarantees the best product, service, and pricing. Products and services include custom fabrication, installation, and warranty for G2's devices made of 304 stainless steel (approved for OCTA Measure M2 grant funding).

The proposed ARS-CL™ and CPS-Mod™ project is the most effective solution for stopping the most visible forms of pollutants from entering the storm water system. Installation of these catch basin screens is the most cost-effective method for preventing visible trash from traveling downstream. This enables the City to continue installing and maintaining these devices in the future.

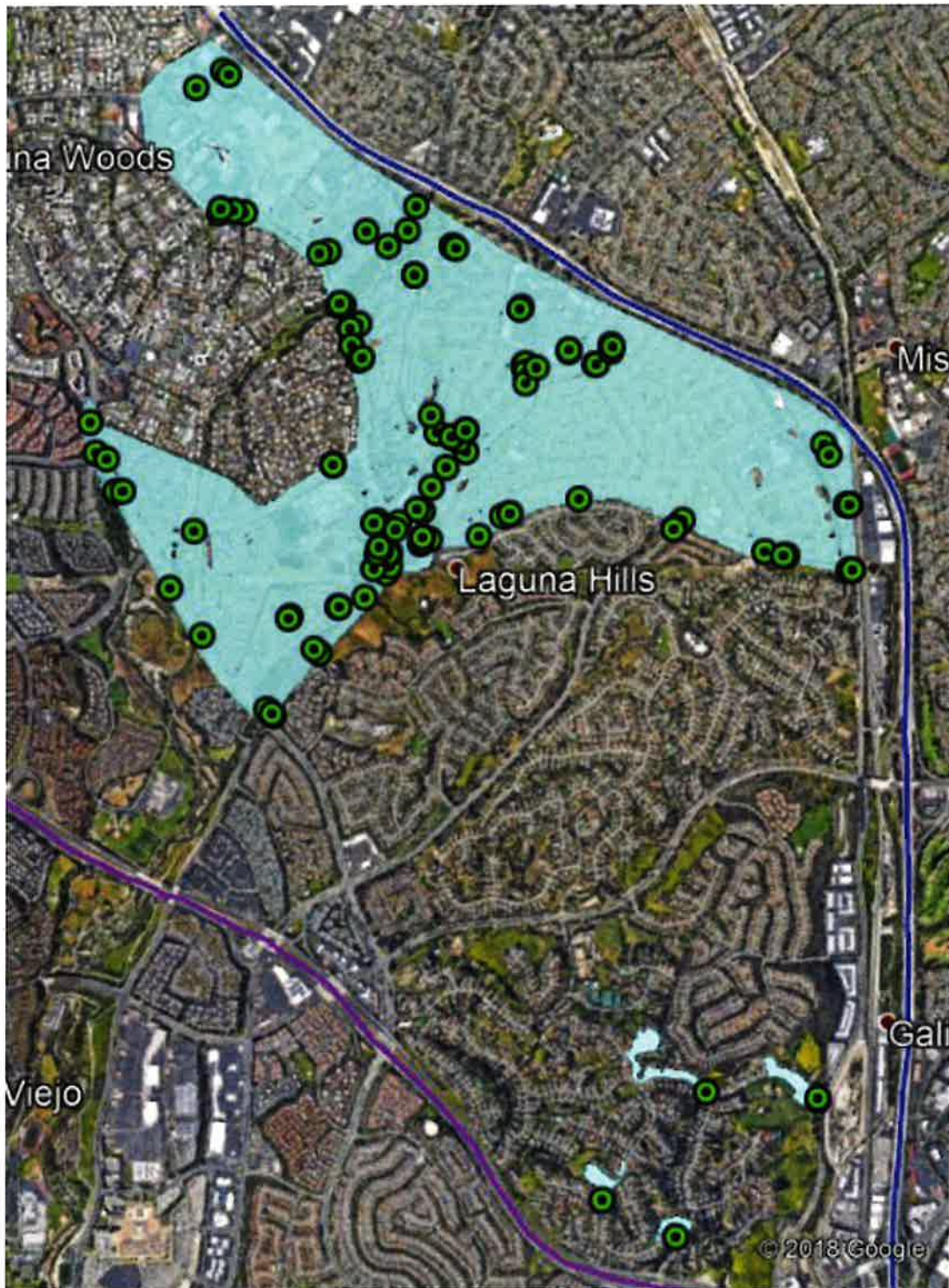
Please see the attached maps depicting the locations of the work.

City of Laguna Hills – Land Use Map



MAP - Laguna Hills Project X

Retrofit Site Locations

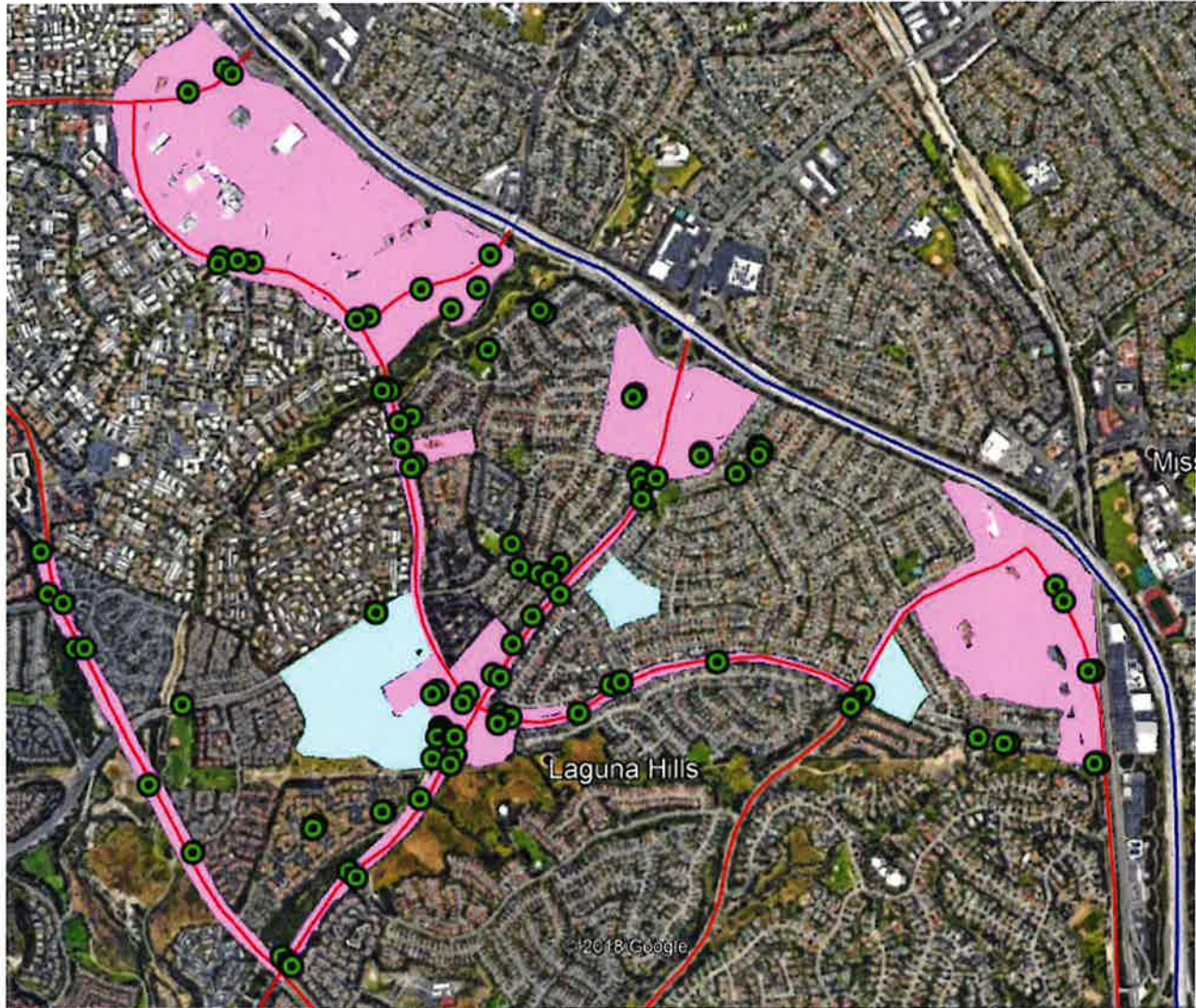


KEY:

- All BMP Site Installs (green circles) 117
- Total Drainage (light blue) 1306 acres
- I-5 Frwy (blue line)
- 73 Frwy (purple line)

MAP - Laguna Hills Project X
AREA 1 – Central Priority Land Use

CPS-Mod™ Sites



KEY:

Priority Land Use (pink) 503 acres
CPS-Mod Installs (green circles) 112

OCTA Bus Routes (red lines)
Schools (light blue)
I-5 Frwy (blue line)

MAP - Laguna Hills Project X
AREA 1 – Central Priority Land Use

ARS-CL™ Sites



KEY:

Priority Land Use (pink) 503 acres
 ARS-CL Sites (yellow circles) 60
 Existing ARS-CL (gray circles) 52

Schools (light blue)
 I-5 Frwy (blue line)

MAP - Laguna Hills Project X

AREA 1 – Central Priority Land Use

OCTA Bus Routes & Stops



KEY:

OCTA Bus Stops (Red Tacks) 57
OCTA Bus Routes (Red Lines)

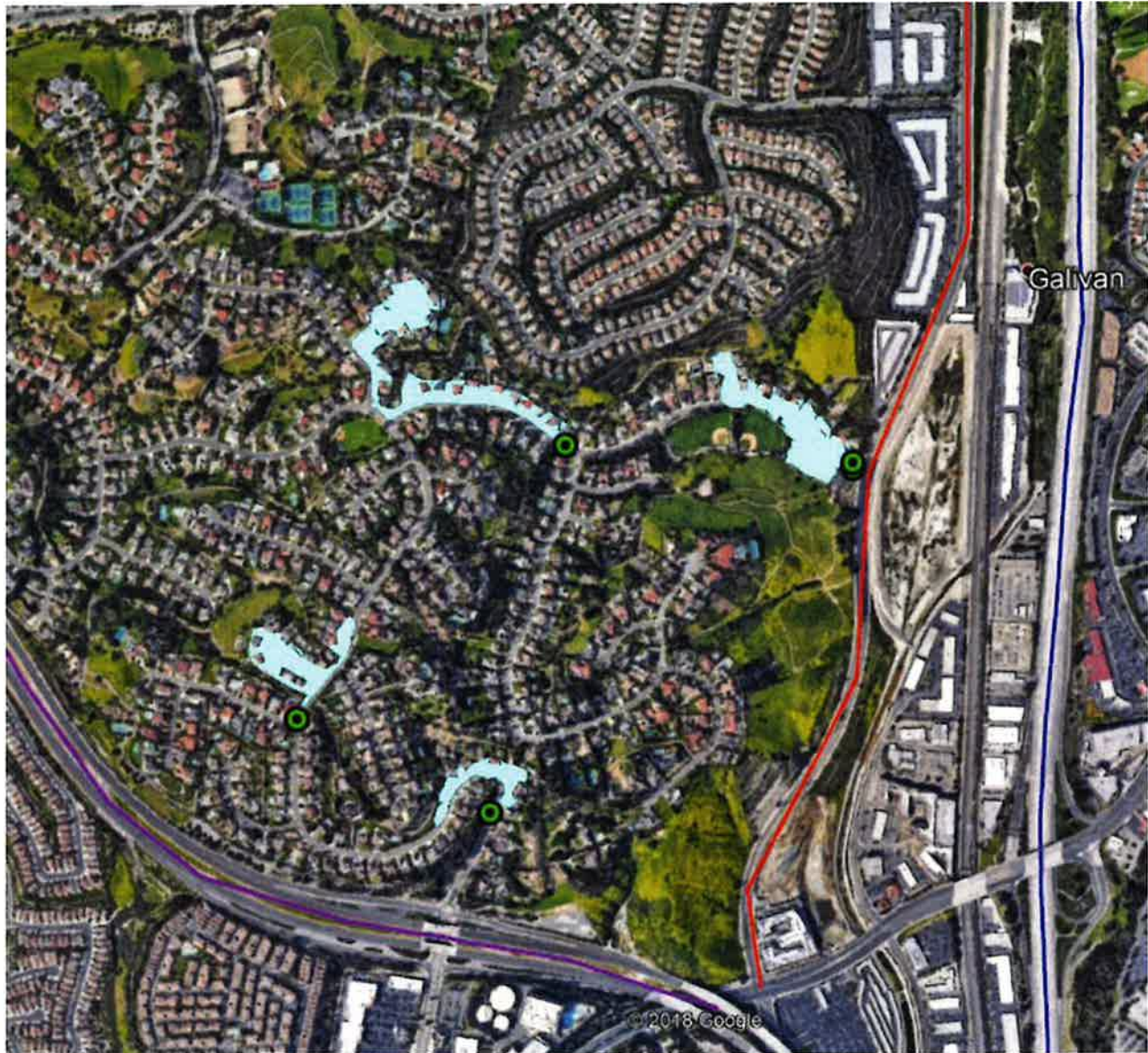
Priority Land Use (pink) 503 acres
CPS-Mod Installs (green circles) 112

Schools (light blue)
I-5 Frwy (blue line)

MAP - Laguna Hills Project X

AREA 2 – South

ARS-CL™ & CPS-Mod™ Sites

**KEY:**

ARS-CL & CPS-Mod Installs (green circles) 5
Total Drainage (light blue) 20 acres

OCTA Bus Routes (red lines)
I-5 Frwy (blue line)
73 Frwy (purple line)



DBE, MBE & SBE Certified

Lic. #801253 - A, C8, C60

1352 E. Borchard Ave.

Santa Ana, CA 92705

714.748.4242

SCOPE OF WORK DETAIL

Customer: **City of Laguna Hills**

Prepared: 5/2/2019

24035 El Toro Dr.

Laguna Hills, CA 92653

Eric H. Taylor

Contact: Ken Rosenfield, P.E.

By: Eric H. Taylor

Assistant City Manager / Public Services Director

714.679.2550

949.707.2655

<krosenfield@lagunahillsca.gov>

etaylor@G2Construction.com

DESCRIPTION

G2 proposes to install CPS-Mod™ and ARS-CL™ trash screens for the City of Laguna Hills. Per the City's request, G2 will install our patented devices in 117 catch basins in 2 geographic areas of the City (See included Maps). A total of 117 G2 CPS-Mod™ full-capture systems (State Waterboard certified) are included, and 244 unique ARS-CL™ screens. Each catch basin will receive between 1 and 8 unique ARS-CL™ screens depending on the curb-opening width.

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Products and services include custom fabrication and installation of CPS-Mod and ARS-CL devices made of 304 stainless steel (approved for OCTA Measure M2 funding) . Plus warranty.

Count	CB ID#	STREET NAME	CROSS STREET	Side	LAT	LONG	G2 ARS-CL Model	ARS-CL Screens	Mod Model (Est)
1	94	El Toro Rd 50' W/O	Avd Carlota	N/S	33.6137	-117.7092	ARS-CL-14x	4	G2-CPS-7.0
2	97	El Toro Rd 50' W/O	Avd Carlota (in & out)	S/S	33.6135	-117.7089	ARS-CL-14x	4	G2-CPS-7.0
3	93	El Toro Rd 30' W/O	Regional	N/S	33.6129	-117.7107	ARS-CL-07	2	G2-CPS-7.0
4	118	Paseo de Valencia 150' N/O	Health Center	E/S	33.6072	-117.7093	ARS-CL-21x	6	G2-CPS-7.0
5	117	Paseo de Valencia 10' N/O	Health Center	E/S	33.6071	-117.7086	ARS-CL-07	2	G2-CPS-7.0
6	596	Los Alisos 300' E/O	Avd Carlota	C/M	33.6071	-117.6984	ARS-CL-03.5	1	G2-CPS-7.0
7	116	Paseo de Valencia 25' S/O	Health Center	E/S	33.6070	-117.7080	ARS-CL-07	2	G2-CPS-7.0
8	119	Los Alisos 100' E/O	Paseo de Valencia	N/S	33.6051	-117.7033	ARS-CL-07	2	G2-CPS-7.0
9	115	Paseo de Valencia 50' N/O	Los Alisos	E/S	33.6050	-117.7038	ARS-CL-10	2	G2-CPS-7.0
10	114	Paseo de Valencia 380' N/O	Kennington	E/S	33.6026	-117.7025	ARS-CL-07	2	G2-CPS-7.0
11	113	Paseo de Valencia 200' N/O	Beckenham	E/S	33.6007	-117.7020	ARS-CL-28x	8	G2-CPS-7.0
12	288	Costeau 25361 E/O	Mackenzie	N/S	33.6005	-117.6877	ARS-CL-10	2	G2-CPS-4.2
13	291	Mackenzie 20' S/O	Costeau	W/S	33.6002	-117.6877	ARS-CL-10	2	G2-CPS-4.2
14	290	Mackenzie 20' S/O	Costeau	E/S	33.6002	-117.6877	ARS-CL-10	2	G2-CPS-4.2
15	160	Alicia Pkwy 45' W/O	Costeau	N/S	33.5993	-117.6924	ARS-CL-10	2	G2-CPS-7.0
16	159	Alicia Pkwy 250' W/O	Costeau	S/S	33.5988	-117.6924	ARS-CL-21x	6	G2-CPS-7.0

17	171	Moulton Pkwy 500' N/O	Glenwood	W/S	33.5974	-117.7164	ARS-CL-28x	8	G2-CPS-7.0
18	172	Moulton Pkwy 20' N/O	Glenwood	W/S	33.5960	-117.7161	ARS-CL-14x	4	G2-CPS-7.0
19	537	Cabot Rd 4590' N/O	El Paseo (25244 @ bu	E/S	33.5957	-117.6760	ARS-CL-14x	4	G2-CPS-7.0
20	146	Laguna Hills Dr 400' W/O	Paseo de Valencia	N/S	33.5952	-117.7030	ARS-CL-14x	4	G2-CPS-7.0
21	195	Moulton Pkwy 60' S/O	Indian Creek	E/S	33.5957	-117.7155	ARS-CL-14x	4	G2-CPS-7.0
22	162	Alicia Pkwy 40' W/O	Wilkes Pl	S/S	33.5957	-117.6957	ARS-CL-21x	6	G2-CPS-7.0
23	538	Cabot Rd 4360' N/O	El Paseo (25272 I/F Hc	E/S	33.5952	-117.6757	ARS-CL-07	2	G2-CPS-7.0
24	158	Alicia Pkwy 400' W/O	Wilkes	N/S	33.5950	-117.6968	ARS-CL-14x	4	G2-CPS-7.0
25	194	Moulton Pkwy 350' N/O	Elm Creek	E/S	33.5942	-117.7146	ARS-CL-07	2	G2-CPS-7.0
26	157	Alicia Pkwy 900' E/O	Paseo de Valenica	N/S	33.5941	-117.6976	ARS-CL-14x	4	G2-CPS-7.0
27	102	Paseo de Valencia 30' S/O	Alisal	W/S	33.5934	-117.6895	ARS-CL-21x	6	G2-CPS-7.0
28	156	Alicia Pkwy 450' E/O	Paseo de Valencia	N/S	33.5931	-117.6984	ARS-CL-14x	4	G2-CPS-7.0
29	163	Alicia Pkwy 250' E/O	Paseo de Valencia	S/S	33.5930	-117.6981	ARS-CL-07	2	G2-CPS-7.0
30	107	Paseo de Valencia 150' S/O	Hillary	E/S	33.5928	-117.6933	ARS-CL-21x	6	G2-CPS-7.0
31	387	Paseo de Valencia 70' E/O	Hillary	E/S	33.5928	-117.6933	ARS-CL-21x	6	G2-CPS-7.0
32	108	Paseo de Valencia 20' N/O	Hillary	W/S	33.5927	-117.6937	ARS-CL-21x	6	G2-CPS-7.0
33	111	Paseo de Valencia 100' N/O	Alicia Pkwy	E/S	33.5925	-117.6994	ARS-CL-07	2	G2-CPS-7.0
34	331	La Paz Rd 150' S/O	Paseo de Valencia	W/S	33.5952	-117.7030	ARS-CL-14x	4	G2-CPS-7.0
35	99	Paseo de Valencia 100' N/O	Alicia Pkwy	W/S	33.5922	-117.6996	ARS-CL-14x	4	G2-CPS-7.0
36	330	La Paz Rd 80' S/O	Paseo de Valencia	W/S	33.5920	-117.6842	ARS-CL-14x	4	G2-CPS-7.0
37	329	La Paz Rd 100' S/O	Paseo de Valencia	W/S	33.5919	-117.6843	ARS-CL-28x	8	G2-CPS-7.0
38	100	Paseo de Valencia 100' S/O	Alicia Pkwy	E/S	33.5918	-117.6981	ARS-CL-14x	4	G2-CPS-7.0
39	101	Paseo de Valencia 30' S/O	Sunburst	W/S	33.5918	-117.6950	ARS-CL-14x	4	G2-CPS-7.0
40	112	Paseo de Valencia 250' N/O	Alicia Pkwy	E/S	33.5918	-117.6981	ARS-CL-14x	4	G2-CPS-7.0
41	109	Paseo de Valencia 150' S/O	Alicia Pkwy	E/S	33.5917	-117.6977	ARS-CL-14x	4	G2-CPS-7.0
42	110	Paseo de Valencia 100' S/O	Alicia Pkwy	W/S	33.5915	-117.6982	ARS-CL-10	2	G2-CPS-7.0
43	147	Laguna Hills Dr 350' E/O	Moulton Pkwy	N/S	33.5923	-117.7107	ARS-CL-07	2	G2-CPS-7.0
44	395	Community Center Lot A	Alicia Pkwy	E/S	33.5911	-117.6999	ARS-CL-21x	6	G2-CPS-4.2
45	155	Alicia Pkwy 20' E/O	Community Center	N/S	33.5911	-117.7000	ARS-CL-21x	6	G2-CPS-7.0
46	164	Alicia Pkwy 40' W/O	Community Center	S/S	33.5905	-117.6999	ARS-CL-14x	4	G2-CPS-7.0
47	165	Alicia Pkwy 100' W/O	Community Center	S/S	33.5902	-117.7001	ARS-CL-21x	6	G2-CPS-7.0
48	204	Alicia Pkwy 300' E/O	Via Lomas	N/S	33.5891	-117.7013	ARS-CL-10	2	G2-CPS-7.0
49	192	Moulton Pkwy 20' S/O	Indian Hill	E/S	33.5875	-117.7102	ARS-CL-03.5	1	G2-CPS-7.0
50	153	Alicia Pkwy 20' E/O	Aliso Hills	N/S	33.5868	-117.7041	ARS-CL-10	2	G2-CPS-7.0
51	166	Alicia Pkwy 50' E/O	Aliso Hills	S/S	33.5866	-117.7038	ARS-CL-14x	4	G2-CPS-7.0
52	328	La Paz Rd 20' N/O	Gallup	E/S	33.5861	33.5861	ARS-CL-07	2	G2-CPS-7.0
53	152	Alicia Pkwy 60' E/O	Moulton Pkwy	N/S	33.5841	-117.7067	ARS-CL-03.5	1	G2-CPS-7.0
54	167	Alicia Pkwy 100' E/O	Moulton Pkwy	S/S	33.5839	-117.7064	ARS-CL-07	2	G2-CPS-7.0
55	N/ID	Alicia Pkwy 50' E/O	Moulton Pkwy	S/S	33.5838	-117.7063	ARS-CL-07	2	G2-CPS-7.0
56	98	Paseo de Valencia 200' N/O	Via Estrada	W/S	33.6070	-117.7094	ARS-CL-07	2	G2-CPS-7.0
57	386	Paseo de Valencia 250' N/O	Beckenham	W/S	33.6027	-117.7027	ARS-CL-05	1	G2-CPS-7.0
58	135	Beckenham 10' E/O	Paseo de Valencia	N/S	33.6000	-117.7016	ARS-CL-21	4	G2-CPS-7.0
59	136	Beckenham 75' E/O	Paseo de Valencia	S/S	33.6001	-117.7014	ARS-CL-21	4	G2-CPS-7.0
60	598	Moulton Pkwy 450' S/O	Glenwood	W/S	33.5942	-117.7150	ARS-CL-07	2	G2-CPS-7.0
61	123	Christina Court 24532	Avd Carlota	S/S	33.6060	-117.6989	*	0	G2-CPS-4.2
62	122	Christina Court 24521	Avd Carlota	N/S	33.6060	-117.7012	*	0	G2-CPS-4.2
63	124	Christina Court 24606	Creekview	M	33.6053	-117.7000	*	0	G2-CPS-4.2
64	386	Paseo de Valencia 2,450' S/O	Via Estrada	W/S	33.6026	-117.7028	*	0	G2-CPS-7.0
65	617	Hon 300' N/O	Alicia Pkwy	E/S	33.6023	-117.6926	*	0	G2-CPS-4.2
66	137	Hon 300' N/O	Alicia Pkwy	W/S	33.6022	-117.6927	*	0	G2-CPS-4.2
67	126	Kennington 20' E/O	Paseo de Valencia	N/S	33.6015	-117.7021	*	0	G2-CPS-7.0
68	127	Kennington 20' E/O	Paseo de Valencia	S/S	33.6015	-117.7021	*	0	G2-CPS-4.2

69	289	Costeau 25362 E/O	Mackenzie	S/S	33.6004	-117.6876	*	0	G2-CPS-7.0
70	297	Bentley 350' S/O	Alicia Pkwy	N/S	33.6003	-117.6900	*	0	G2-CPS-4.2
71	298	Bentley 350' S/O	Alicia Pkwy	S/S	33.6002	-117.6900	*	0	G2-CPS-4.2
72	282	Costeau 30' N/O	Alicia Pkwy	E/S	33.5997	-117.6924	*	0	G2-CPS-7.0
73	287	Ericson 10' S/O	Costeau	E/S	33.5996	-117.6885	*	0	G2-CPS-7.0
74	286	Ericson 50' S/O	Costeau	N/S	33.5996	-117.6886	*	0	G2-CPS-4.2
75	283	Costeau 30' N/O	Alicia Pkwy	W/S	33.5996	-117.6925	*	0	G2-CPS-4.2
76	284	Costeau 40' E/O	Alicia Pkwy	N/S	33.5995	-117.6918	*	0	G2-CPS-7.0
77	348	Cabot Rd 1560' N/O	El Paseo	E/S	33.5929	-117.6746	*	0	G2-CPS-7.0
78	349	Cabot Rd 910' N/O	Paseo de Valencia	E/S	33.5929	-117.6746	*	0	G2-CPS-7.0
79	339	Cabot Rd 1650' S/O	La Paz Rd (A/C 25411)	W/S	33.5929	-117.6748	*	0	G2-CPS-7.0
80	106	Paseo de Valencia 30' S/O	La Paz Rd	E/S	33.5923	-117.6838	*	0	G2-CPS-7.0
81	104	Paseo de Valencia 250' N/O	Alicia Pkwy	W/S	33.5916	-117.6982	*	0	G2-CPS-7.0
82	221	Community Center 150' W/O	Alicia Pkwy	S/S	33.5911	-117.7006	*	0	G2-CPS-4.2
83	390	Community Center 150' W/O	Alicia Pkwy	N/S	33.5912	-117.7005	*	0	G2-CPS-4.2
84	391	Community Center Lot B	Alicia Pkwy	W/S	33.5913	-117.7004	*	0	G2-CPS-4.2
85	392	Community Center Lot B	Alicia Pkwy	N/S	33.5914	-117.7005	*	0	G2-CPS-4.2
86	222	Community Center Lot C	Alicia Pkwy	M	33.5904	-117.7008	*	0	G2-CPS-4.2
87	393	Community Center Lot A	Alicia Pkwy	E/S	33.5926	-117.7006	*	0	G2-CPS-4.2
88	394	Community Center Lot A	Alicia Pkwy	E/S	33.5925	-117.7008	*	0	G2-CPS-4.2
89	105	Paseo de Valencia 40' S/O	Mackenzie	E/S	33.5908	-117.6793	*	0	G2-CPS-7.0
90	396	Paseo de Valencia 435' S/O	Mackenzie	W/S	33.5906	-117.6783	*	0	G2-CPS-7.0
91	103	Paseo de Valencia 425' S/O	Mackenzie	W/S	33.5906	-117.6781	*	0	G2-CPS-7.0
92	539	Cabot Rd 150' S/O	Paseo de Valencia	W/S	33.5899	-117.6745	*	0	G2-CPS-7.0
93	341	Cabot Rd 150' S/O	Paseo de Valencia (fre	W/S	33.5899	-117.6747	*	0	G2-CPS-7.0
94	599	Moulton Pkwy 650' S/O	Aliso Viejo Pkwy	W/S	33.5897	-117.7120	*	0	G2-CPS-7.0
95	199	Via Lomas 250' W/O	Alicia Pkwy	S/S	33.5887	-117.7028	*	0	G2-CPS-4.2
96	198	Via Lomas 250' W/O	Alicia Pkwy	N/S	33.5887	-117.7027	*	0	G2-CPS-4.2
97	197	Via Lomas 1200' W/O	Alicia Pkwy	N/S	33.5883	-117.7054	*	0	G2-CPS-4.2
98	202	Via Lomas 1200' W/O	Alicia Pkwy	S/S	33.5882	-117.7055	*	0	G2-CPS-4.2
99	130	Jorie 24682 A/F	Georgia Sue	W/S	33.6039	-117.6985	*	0	G2-CPS-4.2
100	132	Georgia Sue 24841	Paige Cir	N/S	33.6052	-117.6964	*	0	G2-CPS-4.2
101	134	Georgia Sue 24841 A/F	Paige Cir	S/S	33.6052	-117.6964	*	0	G2-CPS-4.2
102	133	Paige 24601 A/F	Georgia Sue	E/S	33.6051	-117.6962	*	0	G2-CPS-4.2
103	131	Jorie 24682	Georgia Sue	E/S	33.6039	-117.6985	*	0	G2-CPS-4.2
104	128	Clarrington 24822	Kennington	E/S	33.6017	-117.7016	*	0	G2-CPS-4.2
105	138	Wilkes 25126 A/F N/O	Stockport	W/S	33.5974	-117.6976	*	0	G2-CPS-4.2
106	618	Southport 25142 S/O	Woolwich	E/S	33.5967	-117.6957	*	0	G2-CPS-4.2
107	145	Southport 25136 A/F S/O	Woolwich	W/S	33.5967	-117.6957	*	0	G2-CPS-4.2
108	140	Wilkes 20' N/O	Derby Cir.	W/S	33.5966	-117.6973	*	0	G2-CPS-7.0
109	141	Wilkes 50' S/O	Woolwich	E/S	33.5964	-117.6965	*	0	G2-CPS-4.2
110	142	Wilkes 20' N/O	York Cir.	W/S	33.5964	-117.6965	*	0	G2-CPS-7.0
111	144	Wilkes 50' N/O	Alicia Pkwy	W/S	33.5963	-117.6961	*	0	G2-CPS-4.2
112	143	Wilkes 50' N/O	Alicia Pkwy	E/S	33.5962	-117.6961	*	0	G2-CPS-4.2
113	486	27602 Hidden Trail	Rockridge Rd.	W/N	33.5620	-117.6884	ARS-CL-21x	6	G2-CPS-7.0
114	476	27716 Greenfield	73 freeway	E/N	33.5603	-117.6845	ARS-CL-21x	6	G2-CPS-7.0
115	550	25661 Rapid Falls Road	Lost Trail Dr.	N/W	33.5666	-117.6828	ARS-CL-28x	8	G2-CPS-7.0
116	448	Rapid Falls 20' E/O	Cabot Rd	N/S	33.5662	-117.6768	ARS-CL-14x	4	G2-CPS-7.0
117	481	Rapid Falls 20' E/O	Cabot Rd	S/S	33.5661	-117.6768	ARS-CL-21x	6	G2-CPS-7.0

Installation Totals:

ARS-CL Screens 244

* Existing ARS-CL previously installed in catch basin.

CPS-Mod Screens 117

Production Schedule



Lic. #801253 - A, C8, C60
1352 E. Borchard Ave.
Santa Ana, CA 92705
714.748.4242
info@g2construction.com

Production Schedule

City of Laguna Hills Catch Basin Retrofit

2019-20 OCTA Measure M2 ECP, Tier 1
Dec. 12, 2019

Action	Date
1. Evaluate all catch basins and take detailed measurements.	Feb 3, '20
2. Fabricate custom ARS-CL™ and CPS-Mod™	Feb 3, '20
3. Install all custom fitted ARS-CL™ and CPS-Mod™	Feb 17, '20
4. Inspection and sign-off	April 10, '20

Schedule of Fees



DBE, MBE & SBE Certified

Lic. #801253 - A, C8, C60
 1352 E. Borchard Ave.
 Santa Ana, CA 92705
 714.748.4242

FEE PROPOSAL

Customer: **City of Laguna Hills**
 24035 El Toro Dr.
 Laguna Hills, CA 92653

Prepared: 5/2/2019

Contact: **Ken Rosenfield, P.E.**
 Assistant City Manager / Public Services Director
 949.707.2655 <krosenfield@lagunahillsca.gov>

By: **Eric H. Taylor**
 714.679.2550
 etaylor@G2Construction.com

DESCRIPTION

G2 proposes to install CPS-Mod™ and ARS-CL™ trash screens for the City of Laguna Hills. Per the City's request, G2 will install our patented devices in 117 catch basins in 2 geographic areas of the City (See included Maps). A total of 117 G2 CPS-Mod™ full-capture systems (State Waterboard certified) are included, and 244 unique ARS-CL™ screens. Each catch basin will receive between 1 and 8 unique ARS-CL™ screens depending on the curb-opening width.

Area 1 catch basins are in central Laguna Hills in Priority Land Use (PLU) space (commercial, office, mixed use, public institutions, arterial roadways) with the greatest amount of trash and transportation related pollutants, as specified by the OCTA M2 Tier 1 grant. This area is bordered by the I-5 freeway (North and East) and high traffic arterial transportation roadways of Moulton Pkwy and Paseo De Valencia (West and South), and is connected by OCTA routes on those roads and Alicia Pkwy, Los Alisos Rd, La Paz Rd, and Cabot Rd. Area 1 includes more than 1,300 acres and receives the highest concentration of transportation pollutants in the City. This area is home to Laguna Hills Mall, Saddleback Medical Center, City Hall, and multiple shopping districts. Area 2 is in the south and cover 20 acres.

This proposal utilizes G2's master purchase agreement with OCPW, MA-080-15011198 for Trash and Debris Capture Devices for the City of Laguna Hills OCTA ECP grant application for 2019-20. The City is eligible for this piggyback contract like all Orange County cities, which guarantees the best product, service, and pricing.

Products and services include custom fabrication and installation of CPS-Mod and ARS-CL devices made of 304 stainless steel (approved for OCTA Measure M2 funding) . Plus warranty.

Count	CB ID#	STREET NAME	CROSS STREET	Side	G2 ARS-CL Model	ARS-CL Screens	G2 CPS-Mod Model (Est)	TOTAL
1	94	El Toro Rd 50' W/O	Avd Carlota	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
2	97	El Toro Rd 50' W/O	Avd Carlota (in & out)	S/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
3	93	El Toro Rd 30' W/O	Regional	N/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
4	118	Paseo de Valencia 150' N/O	Health Center	E/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
5	117	Paseo de Valencia 10' N/O	Health Center	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
6	596	Los Alisos 300' E/O	Avd Carlota	C/M	ARS-CL-03.5	1	G2-CPS-7.0	\$1,348
7	116	Paseo de Valencia 25' S/O	Health Center	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
8	119	Los Alisos 100' E/O	Paseo de Valencia	N/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
9	115	Paseo de Valencia 50' N/O	Los Alisos	E/S	ARS-CL-10	2	G2-CPS-7.0	\$2,093
10	114	Paseo de Valencia 380' N/O	Kennington	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
11	113	Paseo de Valencia 200' N/O	Beckenham	E/S	ARS-CL-28x	8	G2-CPS-7.0	\$4,661
12	288	Costeau 25361 E/O	Mackenzie	N/S	ARS-CL-10	2	G2-CPS-4.2	\$1,973
13	291	Mackenzie 20' S/O	Costeau	W/S	ARS-CL-10	2	G2-CPS-4.2	\$1,973
14	290	Mackenzie 20' S/O	Costeau	E/S	ARS-CL-10	2	G2-CPS-4.2	\$1,973
15	160	Alicia Pkwy 45' W/O	Costeau	N/S	ARS-CL-10	2	G2-CPS-7.0	\$2,093
16	159	Alicia Pkwy 250' W/O	Costeau	S/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
17	171	Moulton Pkwy 500' N/O	Glenwood	W/S	ARS-CL-28x	8	G2-CPS-7.0	\$4,661
18	172	Moulton Pkwy 20' N/O	Glenwood	W/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753

19	537	Cabot Rd 4590' N/O	El Paseo (25244 @ bus	E/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
20	146	Laguna Hills Dr 400' W/O	Paseo de Valencia	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
21	195	Moulton Pkwy 60' S/O	Indian Creek	E/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
22	162	Alicia Pkwy 40' W/O	Wilkes Pl	S/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
23	538	Cabot Rd 4360' N/O	El Paseo (25272 I/F Ho	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
24	158	Alicia Pkwy 400' W/O	Wilkes	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
25	194	Moulton Pkwy 350' N/O	Elm Creek	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
26	157	Alicia Pkwy 900' E/O	Paseo de Valencia	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
27	102	Paseo de Valencia 30' S/O	Alisal	W/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
28	156	Alicia Pkwy 450' E/O	Paseo de Valencia	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
29	163	Alicia Pkwy 250' E/O	Paseo de Valencia	S/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
30	107	Paseo de Valencia 150' S/O	Hillary	E/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
31	387	Paseo de Valencia 70' E/O	Hillary	E/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
32	108	Paseo de Valencia 20' N/O	Hillary	W/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
33	111	Paseo de Valencia 100' N/O	Alicia Pkwy	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
34	331	La Paz Rd 150' S/O	Paseo de Valencia	W/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
35	99	Paseo de Valencia 100' N/O	Alicia Pkwy	W/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
36	330	La Paz Rd 80' S/O	Paseo de Valencia	W/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
37	329	La Paz Rd 100' S/O	Paseo de Valencia	W/S	ARS-CL-28x	8	G2-CPS-7.0	\$4,661
38	100	Paseo de Valencia 100' S/O	Alicia Pkwy	E/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
39	101	Paseo de Valencia 30' S/O	Sunburst	W/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
40	112	Paseo de Valencia 250' N/O	Alicia Pkwy	E/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
41	109	Paseo de Valencia 150' S/O	Alicia Pkwy	E/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
42	110	Paseo de Valencia 100' S/O	Alicia Pkwy	W/S	ARS-CL-10	2	G2-CPS-7.0	\$2,093
43	147	Laguna Hills Dr 350' E/O	Moulton Pkwy	N/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
44	395	Community Center Lot A	Alicia Pkwy	E/S	ARS-CL-21x	6	G2-CPS-4.2	\$3,821
45	155	Alicia Pkwy 20' E/O	Community Center	N/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
46	164	Alicia Pkwy 40' W/O	Community Center	S/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
47	165	Alicia Pkwy 100' W/O	Community Center	S/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
48	204	Alicia Pkwy 300' E/O	Via Lomas	N/S	ARS-CL-10	2	G2-CPS-7.0	\$2,093
49	192	Moulton Pkwy 20' S/O	Indian Hill	E/S	ARS-CL-03.5	1	G2-CPS-7.0	\$1,348
50	153	Alicia Pkwy 20' E/O	Aliso Hills	N/S	ARS-CL-10	2	G2-CPS-7.0	\$2,093
51	166	Alicia Pkwy 50' E/O	Aliso Hills	S/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
52	328	La Paz Rd 20' N/O	Gallup	E/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
53	152	Alicia Pkwy 60' E/O	Moulton Pkwy	N/S	ARS-CL-03.5	1	G2-CPS-7.0	\$1,348
54	167	Alicia Pkwy 100' E/O	Moulton Pkwy	S/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
55	N/ID	Alicia Pkwy 50' E/O	Moulton Pkwy	S/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
56	98	Paseo de Valencia 200' N/O	Via Estrada	W/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
57	386	Paseo de Valencia 250' N/O	Beckenham	W/S	ARS-CL-05	1	G2-CPS-7.0	\$1,456
58	135	Beckenham 10' E/O	Paseo de Valencia	N/S	ARS-CL-21	4	G2-CPS-7.0	\$3,701
59	136	Beckenham 75' E/O	Paseo de Valencia	S/S	ARS-CL-21	4	G2-CPS-7.0	\$3,701
60	598	Moulton Pkwy 450' S/O	Glenwood	W/S	ARS-CL-07	2	G2-CPS-7.0	\$1,865
61	123	Christina Court 24532	Avd Carlota	S/S	*	0	G2-CPS-4.2	\$630
62	122	Christina Court 24521	Avd Carlota	N/S	*	0	G2-CPS-4.2	\$630
63	124	Christina Court 24606	Creekview	M	*	0	G2-CPS-4.2	\$630
64	386	Paseo de Valencia 2,450' S/O	Via Estrada	W/S	*	0	G2-CPS-7.0	\$750
65	617	Hon 300' N/O	Alicia Pkwy	E/S	*	0	G2-CPS-4.2	\$630
66	137	Hon 300' N/O	Alicia Pkwy	W/S	*	0	G2-CPS-4.2	\$630
67	126	Kennington 20' E/O	Paseo de Valencia	N/S	*	0	G2-CPS-7.0	\$750
68	127	Kennington 20' E/O	Paseo de Valencia	S/S	*	0	G2-CPS-4.2	\$630
69	289	Costeau 25362 E/O	Mackenzie	S/S	*	0	G2-CPS-7.0	\$750
70	297	Bentley 350' S/O	Alicia Pkwy	N/S	*	0	G2-CPS-4.2	\$630
71	298	Bentley 350' S/O	Alicia Pkwy	S/S	*	0	G2-CPS-4.2	\$630
72	282	Costeau 30' N/O	Alicia Pkwy	E/S	*	0	G2-CPS-7.0	\$750

73	287	Ericson 10' S/O	Costeau	E/S	*	0	G2-CPS-7.0	\$750
74	286	Ericson 50' S/O	Costeau	N/S	*	0	G2-CPS-4.2	\$630
75	283	Costeau 30' N/O	Alicia Pkwy	W/S	*	0	G2-CPS-4.2	\$630
76	284	Costeau 40' E/O	Alicia Pkwy	N/S	*	0	G2-CPS-7.0	\$750
77	348	Cabot Rd 1560' N/O	El Paseo	E/S	*	0	G2-CPS-7.0	\$750
78	349	Cabot Rd 910' N/O	Paseo de Valencia	E/S	*	0	G2-CPS-7.0	\$750
79	339	Cabot Rd 1650' S/O	La Paz Rd (A/C 25411)	W/S	*	0	G2-CPS-7.0	\$750
80	106	Paseo de Valencia 30' S/O	La Paz Rd	E/S	*	0	G2-CPS-7.0	\$750
81	104	Paseo de Valencia 250' N/O	Alicia Pkwy	W/S	*	0	G2-CPS-7.0	\$750
82	221	Community Center 150' W/O	Alicia Pkwy	S/S	*	0	G2-CPS-4.2	\$630
83	390	Community Center 150' W/O	Alicia Pkwy	N/S	*	0	G2-CPS-4.2	\$630
84	391	Community Center Lot B	Alicia Pkwy	W/S	*	0	G2-CPS-4.2	\$630
85	392	Community Center Lot B	Alicia Pkwy	N/S	*	0	G2-CPS-4.2	\$630
86	222	Community Center Lot C	Alicia Pkwy	M	*	0	G2-CPS-4.2	\$630
87	393	Community Center Lot A	Alicia Pkwy	E/S	*	0	G2-CPS-4.2	\$630
88	394	Community Center Lot A	Alicia Pkwy	E/S	*	0	G2-CPS-4.2	\$630
89	105	Paseo de Valencia 40' S/O	Mackenzie	E/S	*	0	G2-CPS-7.0	\$750
90	396	Paseo de Valencia 435' S/O	Mackenzie	W/S	*	0	G2-CPS-7.0	\$750
91	103	Paseo de Valencia 425' S/O	Mackenzie	W/S	*	0	G2-CPS-7.0	\$750
92	539	Cabot Rd 150' S/O	Paseo de Valencia	W/S	*	0	G2-CPS-7.0	\$750
93	341	Cabot Rd 150' S/O	Paseo de Valencia (free	W/S	*	0	G2-CPS-7.0	\$750
94	599	Moulton Pkwy 650' S/O	Aliso Viejo Pkwy	W/S	*	0	G2-CPS-7.0	\$750
95	199	Via Lomas 250' W/O	Alicia Pkwy	S/S	*	0	G2-CPS-4.2	\$630
96	198	Via Lomas 250' W/O	Alicia Pkwy	N/S	*	0	G2-CPS-4.2	\$630
97	197	Via Lomas 1200' W/O	Alicia Pkwy	N/S	*	0	G2-CPS-4.2	\$630
98	202	Via Lomas 1200' W/O	Alicia Pkwy	S/S	*	0	G2-CPS-4.2	\$630
99	130	Jorie 24682 A/F	Georgia Sue	W/S	*	0	G2-CPS-4.2	\$630
100	132	Georgia Sue 24841	Paige Cir	N/S	*	0	G2-CPS-4.2	\$630
101	134	Georgia Sue 24841 A/F	Paige Cir	S/S	*	0	G2-CPS-4.2	\$630
102	133	Paige 24601 A/F	Georgia Sue	E/S	*	0	G2-CPS-4.2	\$630
103	131	Jorie 24682	Georgia Sue	E/S	*	0	G2-CPS-4.2	\$630
104	128	Clarrington 24822	Kennington	E/S	*	0	G2-CPS-4.2	\$630
105	138	Wilkes 25126 A/F N/O	Stockport	W/S	*	0	G2-CPS-4.2	\$630
106	618	Southport 25142 S/O	Woolwich	E/S	*	0	G2-CPS-4.2	\$630
107	145	Southport 25136 A/F S/O	Woolwich	W/S	*	0	G2-CPS-4.2	\$630
108	140	Wilkes 20' N/O	Derby Cir.	W/S	*	0	G2-CPS-7.0	\$750
109	141	Wilkes 50' S/O	Woolwich	E/S	*	0	G2-CPS-4.2	\$630
110	142	Wilkes 20' N/O	York Cir.	W/S	*	0	G2-CPS-7.0	\$750
111	144	Wilkes 50' N/O	Alicia Pkwy	W/S	*	0	G2-CPS-4.2	\$630
112	143	Wilkes 50' N/O	Alicia Pkwy	E/S	*	0	G2-CPS-4.2	\$630
113	486	27602 Hidden Trail	Rockridge Rd.	W/N	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
114	476	27716 Greenfield	73 freeway	E/N	ARS-CL-21x	6	G2-CPS-7.0	\$3,941
115	550	25661 Rapid Falls Road	Lost Trail Dr.	N/W	ARS-CL-28x	8	G2-CPS-7.0	\$4,661
116	448	Rapid Falls 20' E/O	Cabot Rd	N/S	ARS-CL-14x	4	G2-CPS-7.0	\$2,753
117	481	Rapid Falls 20' E/O	Cabot Rd	S/S	ARS-CL-21x	6	G2-CPS-7.0	\$3,941

Installation Totals:

244

Sub-Total \$214,385

CB Cleaning \$5,265

* Existing ARS-CL previously installed in catch basin.

117

Traffic Control \$26,350

** Pricing from OCTA MA-080-15011198.

Mobilization \$4,000

PROJECT TOTAL \$250,000

Terms & Conditions:

Pricing based on OCPW/ OCTA Master Pricing with Volume Discounts (21-100 and 101-500).

Pricing does not include project bonding, licence or business fees.

Final design configurations and costs to be revised after final field evaluations.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Chair and Agency Members
FROM: Jennifer Lee
Assistant City Clerk
ISSUE: Approval of Minutes for December 10, 2019, Regular Meeting

RECOMMENDATION: That the Planning Agency approve the Minutes for the December 10, 2019, Regular Meeting.

ATTACHMENTS:

- 191210 PA Minutes

4. PLANNING AGENCY

Mayor Heft recessed the City Council Meeting, and acting in capacity as Chair, called the Regular Meeting of the Planning Agency of the City of Laguna Hills, California, to order at 8:03 p.m.

4.1. ROLL CALL OF PLANNING AGENCY MEMBERS

Attendee Name	Title	Status	Arrived
Janine Heft	Chair	Present	
Erica Pezold	Vice Chair	Present	
Dore J. Gilbert, M.D.	Agency Member	Present	
Don Sedgwick	Agency Member	Present	
Dave Wheeler	Agency Member	Present	

4.2. PUBLIC COMMENTS

There were no Planning Agency Public Comments.

4.3. APPROVAL OF MINUTES**4.3.1 Approval of Minutes for November 26, 2019, Regular Meeting**

Recommendation: That the Planning Agency approve the Minutes for the November 26, 2019, Regular Meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Don Sedgwick, Agency Member
SECONDER:	Dore J. Gilbert, M.D., Agency Member
AYES:	Janine Heft, Chair; Erica Pezold, Vice Chair; Dore J. Gilbert, M.D., Agency Member; Don Sedgwick, Agency Member; Dave Wheeler, Agency Member

4.4. ADMINISTRATIVE REPORTS

There were no Planning Agency Administrative Reports.

4.5. PLANNING AGENCY PUBLIC HEARINGS

There were no Planning Agency Public Hearings.

PLANNING AGENCY ADJOURNMENT

Mayor Heft reconvened the City Council Meeting at 8:04 p.m. All Council Members were present.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Mayor and Council Members
FROM: Melissa Au-Yeung
Deputy City Manager
ISSUE: Installation of One Ballot Drop Box at the Laguna Hills Community Center and Sports Complex

RECOMMENDATION: That the City Council approve the installation of one Ballot Drop Box at the Laguna Hills Community Center and Sports Complex and authorize the City Manager to execute the License Agreement.

SUMMARY:

The California Voter's Choice Act (VCA), signed by Governor Brown in 2016, was enacted in an effort to modernize elections in California by allowing counties to conduct elections under a new Vote Center model. In February 2019, the Orange County Board of Supervisors approved Orange County's transition to Vote Center voting, effective in 2020. Pursuant to the VCA, counties are required to provide at least one ballot drop box location for every 15,000 registered voters. The County of Orange is requesting authorization to install one ballot drop box in Laguna Hills at the Laguna Hills Community Center and Sports Complex.

BACKGROUND:

The California Voter's Choice Act (VCA), signed by Governor Brown in 2016, was enacted in an effort to modernize elections in California by allowing counties to conduct elections under a new Vote Center model. The purpose of the new voting model is to provide greater flexibility and convenience for voters. In February 2019, the Orange County Board of Supervisors approved Orange County's transition to Vote Center voting, effective in 2020.

Installation of One Ballot Drop Box at the Community Center

January 14, 2020

Page 2

Commencing with the March 3, 2020, Presidential Primary Election, all Orange County voters will receive a vote-by-mail ballot. Voters can then choose to cast their ballot in one of three ways: (1) Mail their vote-by-mail ballot to the Registrar of Voters (no postage required); (2) Drop their vote-by-mail ballot in any of the approximately 110 ballot drop boxes throughout the County; or (3) Vote in person or drop off their vote-by-mail ballot at any Vote Center throughout the County. A minimum of 32 Vote Centers will be open in Orange County 11 days prior to each election and a minimum of 161 Vote Centers will be open in Orange County 4 days prior to each election. The Council Chambers at the Laguna Hills Civic Center will serve as an 11-day Vote Center for the March 3, 2020, Presidential Primary Election.

Pursuant to the VCA, in addition to Vote Centers, counties are required to provide at least one ballot drop box location for every 15,000 registered voters. Voters will be able to deposit their ballots at any ballot drop boxes in Orange County starting 29 days prior to an election and until 8:00 p.m. on Election Day. Ballot drop boxes will be open 24 hours a day during voting periods and will be closed and secured during non-voting periods. Attachment A to this staff report provides additional information on the ballot drop boxes, including dimensions, design, and Frequently Asked Questions.

The VCA establishes requirements for the placement of ballot drop boxes. These regulations include, but are not limited to, proximity to public transportation hubs, parking availability, accessibility to voters with disabilities, and proximity to population centers. Moreover, the California Secretary of State imposes further regulations for ballot drop boxes, such as language requirements, to match area demographics. The County of Orange is requesting authorization to install one ballot drop box in Laguna Hills at the Laguna Hills Community Center and Sports Complex. Ballot Drop Boxes are permanently installed and the City is required to enter into a license agreement with the County of Orange for a 5-year term prior to installation. The license agreement, however, includes a termination clause that allows the City to terminate the agreement with a 90-day written notice. The license agreement is included as an attachment to this report. If approved, the ballot box will be installed in early 2020. The proposed location of the ballot drop box at the Community Center is depicted in Exhibits A and B of the attached license agreement.

ATTACHMENTS:

- Information on Ballot Drop Boxes
- License Agreement



ORANGE COUNTY REGISTRAR OF VOTERS BALLOT DROP BOXES

Thank you for your interest in hosting a Ballot Drop Box! Please review the information and specifications below. This will help you determine if your site is a good fit for a potential Ballot Drop Box location.

Our office will assess the requirements of the Voter's Choice Act to see if your site fulfills criteria including parking, proximity to public transportation, community access, and access to voters with disabilities.

Once a site is selected, a formalized agreement will be provided specifying obligations of the County of Orange, outlining easement and/or planning requirements and defining the commitment to participation

March 3, 2020 Primary Election

Permanent Drop Box Locations Open
Monday, February 3 to Tuesday, March 3

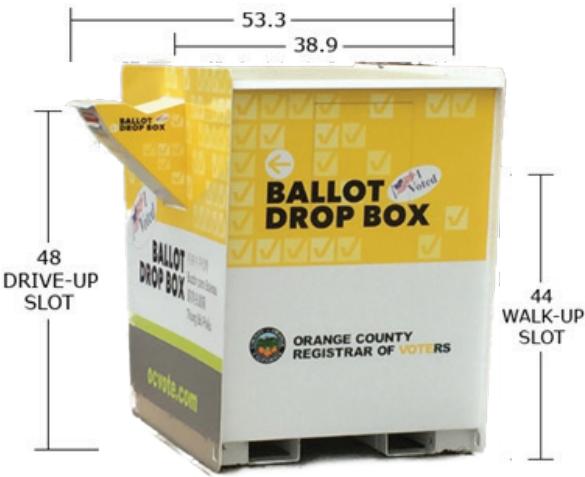
- Permanent installation, year-round
(Pursuant to the license agreement)
- Metal construction, weight 1,000 lbs.
- Placement visible to the public
- Accessible 24/7
- County of Orange incurs cost of installation, maintenance and upkeep
- Location covered by security cameras highly desired

30 Days of Voting with Ballot Drop Boxes

29 days before Election:
drop-off boxes open for
vote-by-mail ballots

3	4	5	6	7	8
9	10	11	12	13	14
15	16	17	18	19	20
21	22	23	24	25	26
27	28	29			
1	2	3	4	5	6
7					

Election Day: All
drop-off boxes and
Vote Centers are
open for voting!



*Measurements in inches

Please call our Vote Center staff at 714-954-1901 for more information or questions.



ORANGE COUNTY REGISTRAR OF VOTERS

BALLOT DROP BOXES

What to Expect - Next Steps

- A site visit will be completed to determine the best location for Ballot Drop Box placement, as well as the completion of an accessibility assessment.
- Once it is determined that the site meets the requirements, an agreement will be executed between the proposed entity and the County of Orange.
- All required insurance, permits, and agreements will be approved by the County of Orange and City agencies, if necessary.
- A parcel check will be completed to ensure there are no obstructions with utilities or any liens or easements exist on the specified location.
- Ballot Drop Box delivery and installation date will be confirmed directly with the location's contact.
- Installation is ready to begin as early as August 2019.
- A regular maintenance schedule will be kept, ensuring the Ballot Drop Box is clean, in working order and has not been vandalized or tampered with.
- 29 days prior to an election, the Ballot Drop Box mail slots will be opened by County of Orange employees.
- On Election Night, at 8pm the Ballot Drop Box will be locked by County of Orange employees.
- Extensive marketing will be sent to all Orange County voters notifying them of the Ballot Drop Off locations that will include the facility name and address. This will include targeted mailings, social media, print and television ads, and the Voter Information Guide.

Please call our Vote Center staff at 714-954-1901 for more information or questions.





ORANGE COUNTY REGISTRAR OF VOTERS

BALLOT DROP BOXES

Frequently Asked Questions

What is a Ballot Drop Box?

A Ballot Drop Box is a secure and locked receptacle where a voter can drop off their vote-by-mail ballot in the same manner they would at a mailbox. Ballots will only be picked up by election officials from the Registrar of Voters.

Why are Ballot Drop Boxes being installed?

In 2016, California legislation passed SB 450 also known as the Voter's Choice Act. This allows counties in California to provide voters more options on how, when, and where they cast their ballots during an election. In February 2019, the County Board of Supervisors voted to enact the Voter's Choice Act in Orange County. Starting in 2020, all voters in Orange County will receive a vote-by-mail ballot. Voters will be able to mail in their ballot (no postage necessary), drop it off at any Vote Center located within the County, or place it inside a secure Ballot Drop Box. These options offer more flexibility, access, and convenience when casting their vote.

How are Ballot Drop Box locations determined?

Locations are determined by election officials. Along with public input, locations must also consider the required criteria outlined in the Voter's Choice Act. Examples of these criteria include proximity to public transportation hubs, communities with historically low vote-by-mail usage, proximity to population center, proximity to voters with disabilities, proximity to communities with low vehicle ownership, proximity to low income communities, and traffic patterns.

How big is the Ballot Drop Box?

The box measures 53.5" Height x 38.9" Depth x 65" Width. It is made of 3/16" steel and weighs 1000 lb.

Who will be conducting the installation?

Delivery, installation and all expenses will be handled completely by the County of Orange.

When will the Ballot Drop Box be installed? And how long will it take?

Ballot Drop Boxes will begin to be installed throughout the County beginning in August 2019. Installation will take approximately 3 hours to complete.

What responsibility does the host location have after the Ballot Drop Box is installed?

The Ballot Drop Box installation, upkeep and maintenance will be the sole responsibility of the County of Orange. Any questions can be directed to Espie Martinez, Vote Center Support Lead, at Espie.Martinez@rov.ocgov.com or (714) 567-7575.





ORANGE COUNTY REGISTRAR OF VOTERS BALLOT DROP BOXES

Frequently Asked Questions, Continued

When will the Ballot Drop Box be opened and closed?

The Ballot Drop Box will be opened 29 days before an election and will remain open for 24 hours every day until it is closed at 8:00 PM on election night.

Who is responsible for opening and closing the Ballot Drop Box?

An election official from County of Orange will be responsible for the opening and closing of the Ballot Drop Box.

When will ballots be picked up?

Collection of ballots will occur every 4 days from the opening of the Ballot Drop Box, and the frequency of pick-ups will increase as Election Day approaches.

What do we do if there is vandalism or issues reported with the Ballot Drop Box?

Please call the Registrar of Voters at 714-954-1901 immediately. An election official will conduct a site visit and inspection and will handle any reported issues.

What if someone drops something other than a ballot in the Ballot Drop Box?

The slot used to return ballots is ½" Height by 7" Width - making it difficult to insert anything other than an envelope into the slot. Any mail incorrectly placed in the Ballot Drop Box will be forwarded to the USPS. Any items meant to be delivered to the host location will be given directly to that location.

Please call our Vote Center staff at 714-954-1901 for more information or questions.





License Number LA-132
Registrar of Voters
CITY OF LAGUNA HILLS

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“**License**”) is made and entered into January 03, 2020 (“**Effective Date**”), by and between CITY OF LAGUNA HILLS, (hereinafter referred to as “**Licensor**”) and the COUNTY OF ORANGE, a political subdivision of the State of California, through its REGISTRAR OF VOTERS (hereinafter referred to as “**County**”), without regard to number and gender. County and Licensor may sometimes hereinafter be referred to individually as “**Party**” or jointly as “**Parties**.”

1. DEFINITIONS (SALic-1.0 S)

The following words in this License shall have the significance attached to them in this Clause 1 (DEFINITIONS), unless otherwise apparent from context:

“**Chief Real Estate Officer**” means the Chief Real Estate Officer, County Executive Office, Real Estate Section, County of Orange, or upon written notice to County, such other person as shall be designated by the County Executive Officer.

“**County Executive Officer**” means the County Executive Officer, County Executive Office, County of Orange, or designee, or upon written notice to County, such other person or entity as shall be designated by the Board of Supervisors.

“**Official Ballot Drop Box**” means a mail ballot drop box.

2. LICENSE AREA (SALic-1.1 S)

Licensor grants to County, and its agents and contractors, the right to access and use a portion of that/those certain property(ies), described on Exhibit A and shown on Exhibit B (hereinafter referred to as the “**License Area(s)**”), which exhibits are attached hereto and by reference made a part hereof, together with non-exclusive, in common use of driveways for vehicle ingress and egress, pedestrian walkways, other facilities, and common areas appurtenant to the License Area. Licensor represents and warrants that the License Area is free and clear of easements, including utility easements that would impede the County’s use of the License Area, as set forth below. The Parties agree that the License Area may be modified by County pursuant to the terms herein. If, for example, the License Area includes multiple properties, the County may reduce the number of properties within the License Areas, pursuant to Clauses 6 and 20, below.

3. COUNTY AND PUBLIC USE (SALic-1.2 S)

- a. County's use of the License Area shall be limited to installing, operating, and maintaining an Official Ballot Drop Box on the License Area. County shall not use the License Area or any portion thereof for any illegal or unlawful purpose and will not cause or permit a nuisance to be created or maintained therein.

- b. The Parties further acknowledge and agree that the County's use of the License Area is for the operation of an Official Ballot Drop Box consistent with the California Voter's Choice Act. Licensor grants to voters, and other County invitees, the right of access to the License Area, described in Clause 2 (License Area), above, for purposes consistent with the conduct of, and participation in, an election. Licensor acknowledges that the Official Ballot Drop Box shall be open 24 hours a day for the 30 days prior to an election ("**Election Period**"). County shall endeavor to notify Licensor with an election schedule no later than 30 days before the Election Period pursuant to Clause 30 (NOTICES).
- c. Consistent with the uses outlined in this Clause 3, Licensor shall notify the County within 24 hours of any change to the License Area or surrounding property that would make the Official Ballot Drop Box inaccessible during the Election Period and frustrate the intent of this License.

4. PARKING (SALic-1.3 S)

Licensor, throughout the Term, as set forth below, shall provide County, and its invitees, with the non-exclusive use of parking spaces. The location and any rules or instructions for use of these parking spaces shall be determined by the Licensor and provided to the County no later than the commencement of the first Election Period after the Effective Date.

In addition to said parking spaces, Licensor shall also provide parking for disabled persons ("**ADA Spaces**") in accordance with the Americans with Disabilities Act, the California Uniform Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as established by the local jurisdiction in which the License Area is located where the provisions of such local codes and/or ordinances exceed or supersede the State requirements.

5. TERM (SALic-1.5 S)

This License shall commence on the Effective Date written above and shall continue in effect for five (5) years ("**Term**") or as otherwise terminated in accordance with Clause 6 (TERMINATION) of this License.

6. TERMINATION (SALic-1.6 S)

This License shall be revocable by either Party at any time; however, as a courtesy, the terminating Party will attempt to give ninety (90) days written notice to the other Party prior to the termination date. In the event the County modifies the License Area pursuant to Section 20 (Amendments) – for example, by removing property or properties from the License Area – said modification shall not terminate the License for the remaining property or properties that comprise the License Area.

7. LICENSE FEE (SALic-1.7 N)

In consideration for the valuable public services provided to the citizens of the County of Orange performed by County consistent with Clause 3 (USE) above and pursuant to this License, the license fee shall be waived for County's use of the Licensed Area.

8. UTILITIES, MAINTENANCE AND JANITORIAL (SALic-1.8 S)

Licensor shall be responsible for all janitorial, maintenance and repairs outside of the License Area, (including but not limited to: fire alarm, fire extinguisher, HVAC system, elevator maintenance, landscaping, pest control, and trash) unless such maintenance and repairs arise out of County's negligence or intentional acts not in accordance with the uses permitted herein, per Clause 3 (USE), above and not including normal wear and tear.

9. ALTERATIONS (SALic-1.9 S)

County may make improvements and changes, at the County's expense, in and to the License Area, including, but not limited to changes described in Exhibit C, attached hereto, and those deemed necessary or appropriate by the County in its discretion, subject to advance written permission from Licensor. It is agreed that any such improvements attached to or placed upon the License Area by County shall be considered as personal property of County, who shall have the right, but not the obligation, to remove same. County agrees that the License Area shall be left in as good condition as when received, reasonable wear and tear excepted.

10. OWNERSHIP OF IMPROVEMENTS (SALic-2.0 S)

- a. All improvements, constructed or placed within the License Area by County ("**County Improvements**") must, upon completion, be free and clear of all liens, claims, or liability for labor or material. The County Improvements shall remain property of County and shall be removed by County at the termination of this License, without damage to the License Area.
- b. The County Improvements to be installed on the License Area shall include the Official Ballot Drop Box as specified in the included Exhibit C. The County shall be responsible for all costs incurred in the installation of the County Improvements. The County's agents shall coordinate the installation of the County Improvements with the Licensor.

11. OPERATIONAL REQUIREMENTS OF COUNTY (SALic-2.1 N)

County shall, to the satisfaction of Licensor, keep and maintain the License Area and all improvements of any kind in good condition and in substantial repair, normal wear and tear excepted. It shall be County's responsibility to take all steps necessary or appropriate to maintain such standard of condition and repair. Licensor shall endeavor to notify the County when Licensor observes that maintenance is necessary.

County expressly agrees to maintain the License Area in a safe, clean, wholesome, and sanitary condition, to the complete satisfaction of Licensor and in compliance with all applicable laws.

In the event the Licensor determines, in its reasonable discretion, that an employee, contractor, or invitee of County is failing to adhere to proper standards of public conduct, is in violation of any Licensor policy and/or is in any way disrupting the activities of the Licensor's employees, students, and/or invitees, the Licensor reserves the right to remove said individual, and/or require County to remove said individual from the License Area. If warranted, County shall endeavor to prohibit said individual's future access to the License Area, subject to applicable law.

12. VIDEO SECURITY SURVEILLANCE SYSTEM

If feasible, the County shall have access to any video security surveillance footage recorded and stored by Licensors in order for the County to meet its statutory and regulatory requirements under the California Voter's Choice Act.

13. INDEMNIFICATION (SALic-2.3 S)

- a. Licensors hereby agree to indemnify, hold harmless, and defend County, its officers, agents, and employees, with counsel approved by County, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the License Area by Licensors, except for liability arising out of the negligence of County, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event County is named as co-defendant, Licensors shall notify County of such fact and shall represent County, with counsel approved by County, in such legal action unless County undertakes to represent itself as co-defendant in such legal action, in which event Licensors shall pay to County its litigation costs, expenses and attorneys' fees.
- b. County hereby agrees to indemnify, hold harmless, and defend Licensors, its officers, agents, and employees, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the use of the License Area by County, except for liability arising out of the negligence of Licensors, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event Licensors is named as co-defendant, County shall notify Licensors of such fact and shall represent Licensors, with counsel approved by Licensors, in such legal action unless Licensors undertakes to represent itself as co-defendant in such legal action, in which event County shall pay to Licensors its litigation costs, expenses and attorneys' fees.
- c. In the event judgment is entered against County and Licensors because of the concurrent active negligence of County and Licensors, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.
- d. The provisions of this Section shall survive the termination or expiration of this License.

14. ASSIGNMENT AND SUBAGREEMENTS (SALic-2.4 N)

Any assignment of this License or sublicenses under this License require the prior written approval of Licensors, which approval will not be unreasonable withheld, conditioned or delayed.

15. EMPLOYMENT (N)

No County employee shall be considered as an employee of the Licensors under the jurisdiction of Licensors, nor shall such County employees have any Licensors pension, civil service, or other status while an employee of County.

County shall have no authority to contract on behalf of Licensors. It is expressly understood and agreed by

both Parties hereto that County, while engaged in carrying out and complying with any terms of this License, is not acting as an agent, officer, or employee of Licensor.

16. SIGNS (SALic-2.7 S)

Licensor agrees to allow County to install and maintain any sign or display upon or in front of the License Area and/or property. Such signage shall comply with all applicable laws and zoning and site plan requirements and be consistent with Licensor signage on the property upon which the License Area is located.

17. ELECTIONEERING

No electioneering, is permitted within 100 feet of the Official Ballot Drop Box during the Election Period. Licensor agrees that County and its staff may take steps they deem reasonably necessary to stop or prevent such electioneering. Licensor, its officers, agents, and employees will refrain from erecting or issuing permits for any sign, display, or other demonstration that may have the effect of influencing or intimidating voters during the Election Period. County may take the steps they deem reasonably necessary to obscure or remove any such sign, display, or other demonstration. For purposes of this section, “**electioneering**” means the visible display or audible dissemination of information that advocates for or against any candidate or measure on the ballot within 100 feet of the Official Ballot Drop Box. Such electioneering information includes but is not limited to,

1. Display of a candidate's name, likeness, or logo;
2. A display of a ballot measure's number, title, subject, or logo;
3. Buttons, hats, pencils, pens, shirts, signs, or stickers containing electioneering information;
4. Dissemination of audible electioneering information; and/or
5. Loitering near or disseminating visible or audible electioneering information.

18. AUTHORITY (SALic-2.8 S)

The persons executing the License below on behalf of County or Licensor warrant that they have the power and authority to bind County or Licensor to this License.

19. LICENSE ORGANIZATION (SALic-2.9 S)

The various headings and numbers herein, the grouping of provisions of this License into separate clauses and paragraphs, and the organization hereof, are for the purpose of convenience only and shall not be considered otherwise.

20. AMENDMENTS (SALic-3.0 S)

This License is the sole and only agreement between the Parties regarding the subject matter hereof; other agreements, either oral or written, are void. Any changes to the terms of this License shall be in writing and shall be properly executed by both Parties; any modification to the License Area must be made via a written amendment to this License properly executed by both Parties.

21. PARTIAL INVALIDITY (SALic-3.1 S)

If any term, covenant, condition, or provision of this License is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

22. WAIVER OF RIGHTS (SALic-3.2 S)

The failure of Licensors or County to insist upon strict performance of any of the terms, conditions, and covenants in this Lease shall not be deemed a waiver of any right or remedy that Licensors or County may have, and shall not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions, and covenants herein contained.

23. GOVERNING LAW AND VENUE (SALic-3.3 N)

This License has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this License, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

The Parties expressly understand and agree that this License constitutes a license for use of the License Area. This License is not intended by the Parties, nor shall it be legally construed, to convey a leasehold, easement, or other interest in real property. County acknowledges that a license is a valid form of agreement and shall not contest the validity of the form of this License in any action or proceeding brought by County against the Licensors, or by the Licensors against County. Should either Party be compelled to institute arbitration, legal, or other proceedings against the other for or on account of the other Party's failure or refusal to perform or fulfill any of the covenants or conditions of this License on its part to be performed or fulfilled, the Parties agree that the rules and principles applicable to licenses shall govern such actions or proceedings.

24. ATTORNEYS' FEES (SALic-3.4 S)

In the event of a dispute between Licensors and County concerning claims arising out of this License, or in any action or proceeding brought to enforce or interpret any provision of this License or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorney fees and costs.

25. TIME OF ESSENCE (SALic-3.5 S)

Time is of the essence of this License. Failure to comply with any time requirements of this License shall constitute a material breach of this License.

26. CONDITION OF LICENSE AREA UPON TERMINATION (SALic-3.7 S)

Except as otherwise agreed to herein, upon termination of this License, County shall redeliver possession of

said License Area to Licensor in substantially the same condition that existed immediately prior to County's entry thereon, reasonable wear and tear, flood, earthquakes, war, and any act of war excepted.

27. RELATIONSHIP OF PARTIES (SALic-3.9 S)

The relationship of the parties hereto is that of Licensor and County, and it is expressly understood and agreed that Licensor does not in any way or for any purpose become a partner of or a joint venture with County in the conduct of County's business or otherwise.

28. NOTICES (SALic-4.0 S)

All written notices pursuant to this License shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.

To: COUNTY

County of Orange
Registrar of Voters
Facilities Operations
1300 South Grand Ave., Bldg. C
Santa Ana CA, 92705
Attention: Kim Hostler
kim.hostler@rov.ocgov.com
714 567-5107

With a copy to:

County of Orange
County Executive Office
333 West Santa Ana Blvd., 3rd Floor
Santa Ana, CA 92701-4084
Attn: Thomas A. Miller,
Chief Real Estate Officer

To: LICENSOR

City of Laguna Hills
24035 El Toro Road
Laguna Hills, CA 92653
Attention: Donald J. White
949 707-2610

With a copy to:

29. ATTACHMENTS TO LICENSE (SALic-4.1 S)

This License includes the following, which are attached hereto and made a part hereof:

I. EXHIBITS

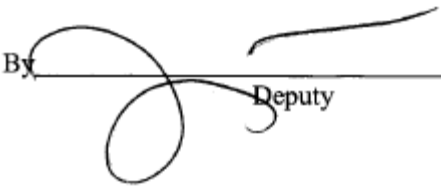
Exhibit A – License Area Description

Exhibit B – Location Map
Exhibit C – Official Ballot Drop Box Specifications

Attachment: License Agreement (2032 : Installation of One Ballot Drop Box at the Community Center)

IN WITNESS WHEREOF, the Parties have executed this License the day and year first above written.

APPROVED AS TO FORM:
OFFICE OF COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By  Deputy

LICENSOR

By _____

Title _____

By _____

Title _____

RECOMMENDED FOR APPROVAL

REGISTRAR OF VOTERS

By _____
Neal Kelley, Registrar of Voters

CEO/REAL ESTATE SERVICES

By _____
Manager

COUNTY

COUNTY OF ORANGE

By _____
Thomas A. Miller, Chief Real Estate Officer
County Executive Office
Per Ordinance 15-009 of the Board of
Supervisors and Minute Order date June 9, 2015

Date: _____

Attachment: License Agreement (2032 : Installation of One Ballot Drop Box at the Community Center)

EXHIBIT A**LICENSE AREA DESCRIPTION**

Property Owner: City of Laguna Hills
 Current Location: Laguna Hills Community Center

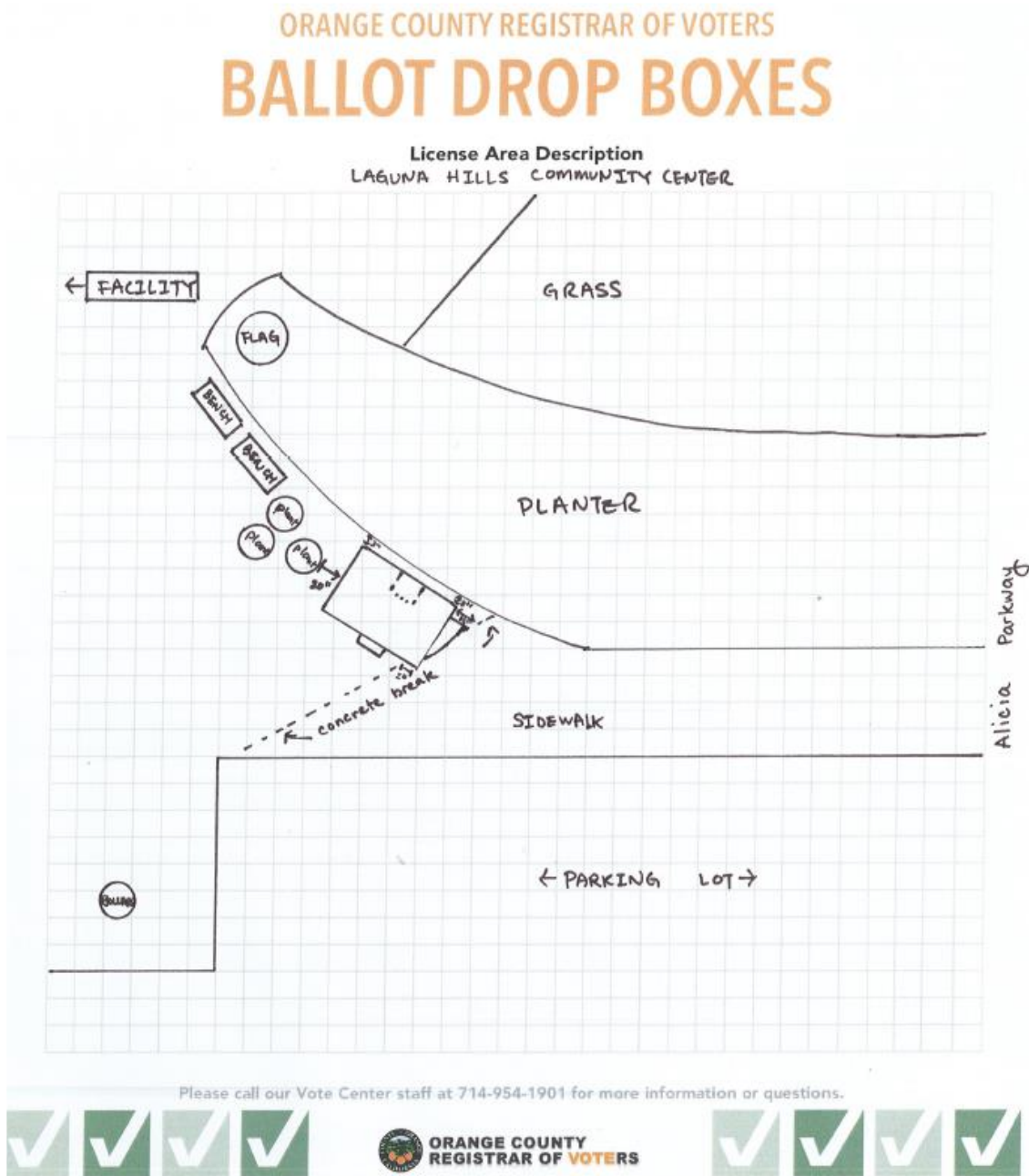
NOT TO BE RECORDED

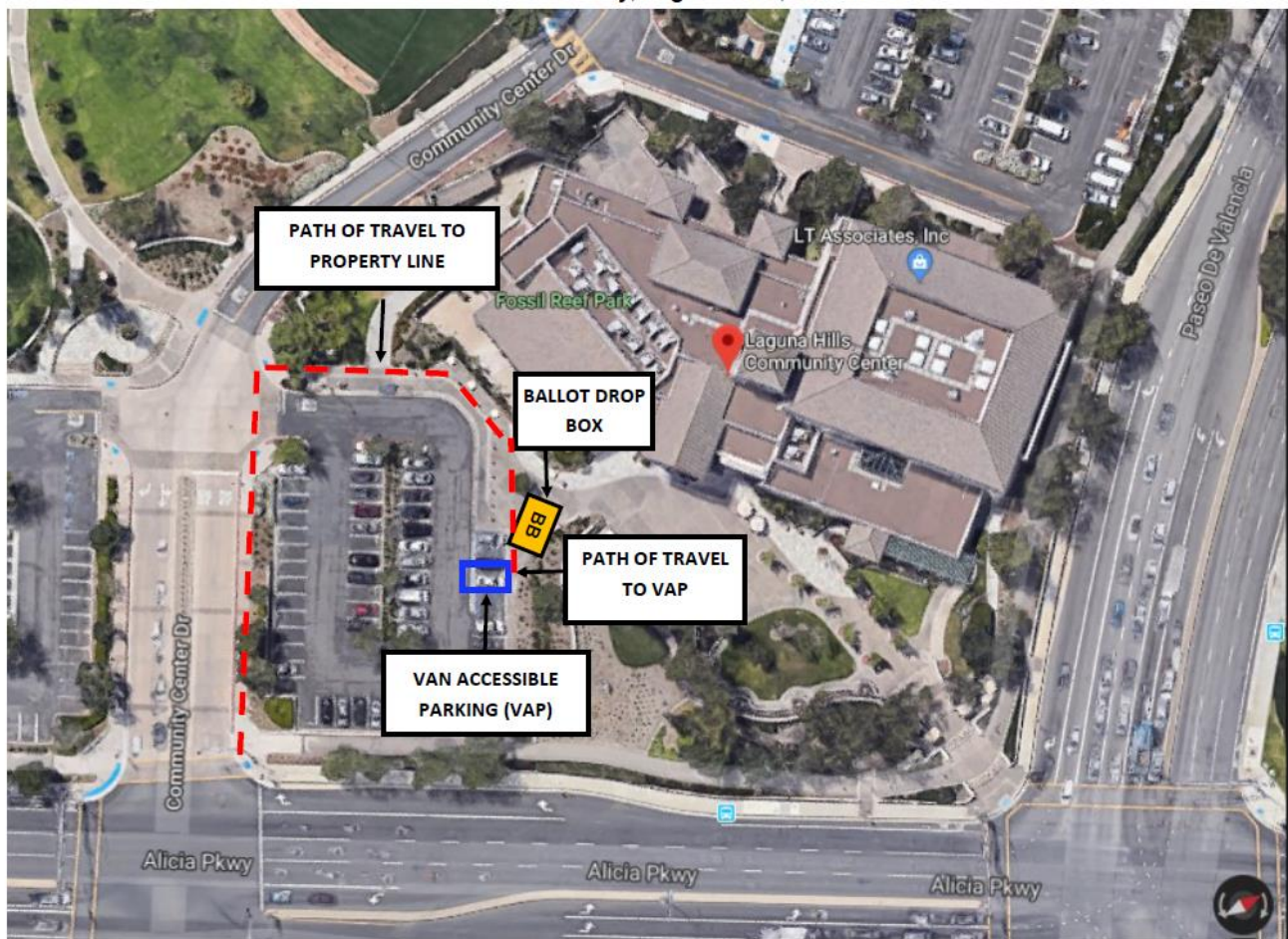
EXHIBIT B**LOCATION MAP**

Property Owner: City of Laguna Hills
 Current Location: Laguna Hills Community Center

GPS COORDINATES: 33°35'30"N 117°42'0"W

Laguna Hills Community Center

25555 Alicia Parkway, Laguna Hills, CA 92653



Attachment: License Agreement (2032 : Installation of One Ballot Drop Box at the Community Center)

EXHIBIT C

OFFICIAL BALLOT DROP BOX SPECIFICATIONS

The Official Ballot Drop Box shall have the following specifications:

1. Metal construction
2. Weight: 1,000 pounds
3. Height: 53.5 inches
4. Width: 65.4 inches
5. Depth: 53.3 inches

As further detailed in the image below:



All boxes will need to be installed with anchor bolts designed for concrete or bolts cast into the concrete prior to box installation. Minimum installation requires four (4) bolts at $\frac{3}{4}$ " (at minimum). There are eight (8) fabricated $\frac{7}{8}$ " diameter holes with $\frac{3}{16}$ " recess in the box specifically for these bolts.

Some installations may require leveling and pouring of a concrete pad, if no concrete pad currently exists or is not level at the install location. Additionally, any relocation or redirection of landscaping irrigation will be covered as part of the installation process.



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020

TO: Mayor and Council Members

FROM: Melissa Au-Yeung
Deputy City Manager

ISSUE: City Council "Other Agencies" Appointed Representatives

RECOMMENDATION: That the City Council take the following actions:

(1) Review the City of Laguna Hills City Council "Other Agencies" Appointed Representatives List, provide directions to staff regarding any necessary changes for appointments to the list, and by motion, approve the City Council "Other Agencies" Appointed Representatives List, as revised by the City Council; and

(2) If any changes are desired to the Representative to the Orange County Fire Authority's Board of Directors, adopt a Resolution entitled: "A Resolution of the City Council of the City of Laguna Hills, California designating and appointing its Representative to the Orange County Fire Authority's Board of Directors; " and

(3) Approve and direct the City Clerk to prepare and post an updated FPPC Disclosure Form 806 to reflect all paid appointments to "Other Agencies" boards, committees, and/or commissions in accordance with state law.

SUMMARY:

As a regular practice, following the City Council's reorganization in December, the City Council reviews the "Other Agencies" list of Commissions, Boards, and Committees, to which it appoints individuals to represent the City during the forthcoming year. This list is included as an attachment to this report.

Orange County Mosquito and Vector Control District

City Council "Other Agencies" Appointed Representatives

January 14, 2020

Page 2

The current representative to the Orange County Mosquito and Vector Control District is Traffic Commissioner Larry Woodruff. Commissioner Woodruff was appointed to the Orange County Mosquito and Vector Control District on July 10, 2018, after the departure of former-Council Member Barbara Kogerman, to fill the remainder of her four-year term, which ended on January 6, 2020. Commissioner Woodruff has expressed interest in continuing as the City's representative for an additional four-year term.

Orange County Fire Authority

This past year Council Member Sedgwick has served as Director to the Orange County Fire Authority's Board of Directors. If the City Council chooses not to make any changes to this appointment, then no further action is required. However, should the City Council choose to make a change to the Director, then that action must be formalized by a Resolution, which approval will require a recorded majority vote of the total membership of the City Council. Included as an attachment to this report is the Resolution which would formalize the City Council's change in representative.

Form 806

The Fair Political Practices Commission has mandated that Form 806 be used to report additional compensation that officials receive when appointing themselves to positions on committees, boards, or commissions of a public agency, special district, and joint powers agency or authority. Each agency must post on its website a single Form 806 which lists all the paid appointment positions. When there is a change in compensation, or a new appointment, Form 806 must be updated to reflect the change. Included as an attachment to this report is a copy of the currently posted Form 806.

ATTACHMENTS:

- City Representatives List
- Resolution for OCFA Director Change
- Form 806 - Public Agency Appointments

CITY OF LAGUNA HILLS CITY REPRESENTATIVES

<u>NAME OF AGENCY/COMMITTEE</u>	<u>REPRESENTATIVES</u>	<u>DATE APPOINTED</u>
Association of California Cities - OC	Delegate: Mayor Alternate: Mayor Pro Tempore	01/14/1992 12/12/1995
Audit Committee	White Pezold Wheeler	01/09/2018 02/12/2019 02/12/2019
League of California Cities Voting Delegate to Annual Conference	Delegate: Mayor Alternate: Mayor Pro Tempore	12/10/2002 12/10/2002
Operational Area Council (Emergency)	Representative: Mayor Alternate: Mayor Pro Tempore	12/10/1996 12/14/1999
Orange County Fire Authority	Director: Sedgwick	01/13/2015
OC Public Libraries Library Advisory Board	Representative: Pezold Alternate: Heft	02/12//2019 01/09/2018
Orange County Mosquito & Vector Control District	Trustee Member: Woodruff	07/10/2018
South Orange County Watershed Management Area Executive Committee	Member: Pezold Alternate: Wheeler	02/12/2019 02/12/2019
Southern California Association of Governments (SCAG General Assembly)	Delegate: Wheeler Alternate: Mayor Pro Tempore	02/12/2019 01/08/2019
Transportation Corridor Agency -San Joaquin Hills Transportation Corridor Agency	Director: Heft Alternate Director: Pezold	03/01/2018 02/12/2019

January 14, 2019

RESOLUTION NO. 2020-01-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAGUNA HILLS, CALIFORNIA, DESIGNATING AND
APPOINTING ITS REPRESENTATIVE TO THE ORANGE
COUNTY FIRE AUTHORITY'S BOARD OF DIRECTORS

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City as a "member" of the Orange County Fire Authority Joint Powers Authority (JPA) is entitled to appoint a representative director ("Director") to the Orange County Fire Authority's Board of Directors; and

WHEREAS, each member agency, by Resolution of its governing body, shall designate and appoint one representative to act as its Director on the Authority Board of Directors, except the County whose Board of Supervisors shall appoint two representatives to act as its Directors; and

WHEREAS, each Director shall be a current elected member of the governing body; and

WHEREAS, each Director shall hold office until the selection of a successor by the appointing body; and

WHEREAS, each Director is to serve at the pleasure of his or her appointing body and may be removed at any time, with or without cause, at the sole direction of that appointing body; and

WHEREAS, any vacancy shall be filled in the same manner as the original appointment of a Director.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Designate and appoint _____ as its Director to the Orange County Fire Authority Board of Directors.

SECTION 2. That the City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 14th day of January 2020.

JANINE HEFT, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2020-01-14-X adopted by the City Council of the City of Laguna Hills, California, at
a Regular Meeting thereof held on the 14th day of January 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK

Attachment: Resolution for OCFA Director Change (2024 : City Council "Other Agencies" Appointed Representatives)

Agency Report of: Public Official Appointments

A Public Document

1. Agency Name City of Laguna Hills			California Form 806 For Official Use Only
Division, Department, or Region (If Applicable)			
Designated Agency Contact (Name, Title) Melissa Au-Yeung, Deputy City Manager			
Area Code/Phone Number 949/707-2621	E-mail mau-yeung@lagunahillsca.gov	Page 1 of 1	Date Posted: 01/07/2020 (Month, Day, Year)

2. Appointments

Agency Boards and Commissions	Name of Appointed Person	Appt Date and Length of Term	Per Meeting/Annual Salary/Stipend
Orange County Fire Authority	Name <u>Sedgwick, Don</u> (Last, First) Alternate, if any <u>None</u> (Last, First)	Appt Date <u>01 / 13 / 15</u> Length of Term <u>undefined</u>	Per Meeting: \$ <u>100-300 max.</u> Estimated Annual: ☐ \$0-\$1,000 ☐ \$2,001-\$3,000 ☐ \$1,001-\$2,000 ☒ <u>\$3,600</u> Other
Transportation Corridor Agency (San Joaquin Hills Transportation Corridor Agency)	Name <u>Heft, Janine</u> (Last, First) Alternate, if any <u>Pezold, Erica</u> (Last, First)	Appt Date <u>03 / 01 / 18</u> Length of Term <u>undefined</u>	Per Meeting: \$ <u>120</u> Estimated Annual: ☐ \$0-\$1,000 ☐ \$2,001-\$3,000 ☒ \$1,001-\$2,000 ☐ <u>Other</u>
	Name _____ (Last, First) Alternate, if any _____ (Last, First)	Appt Date ____ / ____ / ____ Length of Term _____	Per Meeting: \$ _____ Estimated Annual: ☐ \$0-\$1,000 ☐ \$2,001-\$3,000 ☐ \$1,001-\$2,000 ☐ <u>Other</u>
	Name _____ (Last, First) Alternate, if any _____ (Last, First)	Appt Date ____ / ____ / ____ Length of Term _____	Per Meeting: \$ _____ Estimated Annual: ☐ \$0-\$1,000 ☐ \$2,001-\$3,000 ☐ \$1,001-\$2,000 ☐ <u>Other</u>

3. Verification

I have read and understand FPPC Regulation 18702.5. I have verified that the appointment and information identified above is true to the best of my information and belief.


 Signature of Agency Head or Designee

Donald J. White

Print Name

City Manager

Title

01/06/2020

(Month, Day, Year)

Comment: _____



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020

TO: Mayor and Council Members

FROM: David Chantarangsu
Community Development Director

ISSUE: A Budget Amendment Increasing the Estimate for Building Permit Fees Received for Fiscal Years 2019/20 and 2020/21 to \$675,000, and Increasing Expenditures for Professional Services in the Community Development Department by \$90,000 in Fiscal Year 2019/20 and \$180,000 in Fiscal Year 2020/21 for Building Inspection Services

RECOMMENDATION: That the City Council adopt a Resolution entitled: “A Resolution of the City Council of the City of Laguna Hills, California, amending the Biennial Budget for Fiscal Years 2019/20 - 2020/21 by: (1) Increasing the Community Development Department Operating Budget for Professional Services; and (2) Increasing the General Fund Revenues Budget for Building Related Permit Fees.”

SUMMARY:

For the current fiscal year, projected building permit activity is exceeding staff budget projections by over 30 percent. Consequently, demand for building inspection services has consistently exceeded the department’s ability to provide inspections within 24 hours of receiving an inspection request – the City’s traditional service goal. Additional on-call inspection staff is needed to keep up with demand. Staff proposes a budget amendment to increase the Community Development Department’s budget for Professional Services by \$90,000 for Fiscal Year 2019/20 and \$180,000 for Fiscal Year 2020/21, to cover the expense of adding a full-time inspector from the City’s building services consultant, HR Green. The additional inspection cost would be offset by the higher-than-anticipated building permit fees the City has been receiving as a result of the increased building activity. It is also staff’s recommendation to include a budget

Building Inspection Services Budget Amendment

January 14, 2020

Page 2

amendment to increase the General Fund Revenue Budget for Building Permit Fees by \$160,000 and \$180,000 in Fiscal Years 2019/20 and 2020/21 respectively.

BACKGROUND:

For Fiscal Years 2019/20 and 2020/21, the Community Development Department established a Professional Services budget to support one full-time, on-call building inspector. Over the course of a year the City offers building inspection four days a week – approximately 200 days total. Using industry best practices, one inspector can provide 12-15 inspections per day, or 2,400 to 3,000 inspections annually. Currently, the City is on pace to provide nearly 5,000 inspections by the end of the current fiscal year. The increased permit and inspection activity have resulted in substantial delays in the City being able to provide next day inspection services after inspection requests are received. Over the last two months, the City has frequently missed this service goal.

In addition to increased permit activity, two projects are underway (ActiveCare and Moulton Niguel Water District) that will further reduce the capacity of the City's inspector to provide the desired inspection coverage. Even though inspection costs were increased to account for those projects during the preparation of the current Department budget, the volume of other permit activity was not anticipated. With the increased permit activity, the City would offset the additional cost of having more inspection coverage from permit fees collected.

Staff anticipates that an additional inspector will increase the Department's Professional Services budget by an additional \$90,000 (from \$422,000 to \$512,000) for the remainder of Fiscal Year 2019/20, and by an additional \$180,000 (from \$422,000 to \$602,000) in Fiscal Year 2020/21. In reviewing building permit fee estimates, \$515,000 was budgeted for Fiscal Year 2019/20 and \$495,000 in Fiscal Year 2020/21. The City is on track to collect approximately \$675,000 in the current Fiscal Year. Staff's requested budget increase for inspection services would be offset by permit fees projected to be taken in through the end of this fiscal year. Staff proposes to also revise building permit fees for Fiscal Year 2020/21 to \$675,000. To ensure permit fees offset inspection costs, staff will monitor permit fee and inspection trends on a monthly basis, and adjust inspection services as needed.

CEQA FINDINGS:

Environmental review is not required under the Environmental Quality Act (CEQA) pursuant to the California Code of Regulations, Title 14, Chapter 3, Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) because it has no potential for resulting in physical change to the environment, directly or indirectly.

FISCAL IMPACT:

The proposed budget amendments would increase the Consulting Services budget in the Community Development Department (Account 100-225-700000) by \$90,000 in Fiscal Year 2019/20, and by \$180,000 for Fiscal Year 2020/21. The increase would be offset by permit fees taken in. The proposed budget amendment would increase the Building Related Permit Fees (Account 100-000-442000) by \$160,000 for Fiscal Year 2019/20 and \$120,000 for Fiscal Year 2020/21.

ATTACHMENTS:

- Proposed Resolution

RESOLUTION NO. 2020-01-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING THE BIENNIAL BUDGET FOR FISCAL YEARS 2019/20 - 2020/21 BY (1) INCREASING THE COMMUNITY DEVELOPMENT DEPARTMENT OPERATING BUDGET FOR PROFESSIONAL SERVICES, AND (2) INCREASING THE GENERAL FUND REVENUES BUDGET FOR BUILDING RELATED PERMIT FEES.

The City Council of the City of Laguna hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, the City Council of the City of Laguna Hills approved Resolution No. 2019-06-25-2 on June 25, 2019, adopting the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna for the Fiscal Years 2019/2020 – 2020/2021 Biennial Budget; and

WHEREAS, the City is experiencing higher than expected building permit activity than was projected in permit issuance and inspection requests, which has negatively impacted the City's service goals in the area of building inspection; and

WHEREAS, the City has received building permit fees significantly higher than projected for Fiscal Year 2019/20 commensurate with higher building permit activity, and expects similar activity levels in Fiscal Year 2020/2021; and

WHEREAS, the City Council has determined that additional building inspection services are warranted for the remainder of Fiscal Year 2019/20, and Fiscal Year 2020/2021, necessitating an increase in the Professional Services budget in the Community Development Department; and

WHEREAS, the cost associated with increasing the Community Development Department's Professional Services budget is projected to be offset by the higher-than-expected building permit fees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Adoption of Recitals. The foregoing recitals set forth above are true and correct and are incorporated by reference herein.

SECTION 2. Approval of Budget Amendment. The City Council hereby approves and adopts the proposed amendments to the Fiscal Year 2019/20-2020/21 Budget for Professional Services in the Community Development Department, as set forth in the following table:

	Current Budget	Proposed Amendment	Amended Budget
FISCAL YEAR 2019/20			
GENERAL FUND REVENUES			
Building Related Permits	515,000	160,000	675,000
GENERAL FUND EXPENDITURES			
Community Development Department			
Professional Services	374,000	90,000	464,000
FISCAL YEAR 2020/21			
GENERAL FUND REVENUES			
Building Related Permits	495,000	180,000	675,000
GENERAL FUND EXPENDITURES			
Community Development Department			
Professional Services	374,000	180,000	554,000

PASSED, APPROVED AND ADOPTED this 14th day of January 2020.

JANINE HEFT, MAYOR

Attachment: Proposed Resolution [Revision 1] (2031 : Building Inspection Services Budget Amendment)

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2020-01-14-X adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 14th day of January 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK



City of Laguna Hills

City Council/Planning Agency

Staff Report

DATE: January 14, 2020
TO: Mayor and Council Members
FROM: David Chantarangsu
Community Development Director
ISSUE: Village at Laguna Hills FY 2019/20 and FY 2020/21 Budget Amendment

RECOMMENDATION: That the City Council adopt a Resolution entitled: “A Resolution of the City Council of the City of Laguna Hills, California, amending the Biennial Budget for Fiscal Years 2019/20 - 2020/21 identifying project costs for the Village at Laguna Hills Project in Fund 101.”

SUMMARY:

Merlone-Geier Partners (MGP) has filed a development application for the Village at Laguna Hills to replace the approved Five Lagunas project. As a result of this new submittal, the City is required to evaluate the proposed project and process associated entitlements for the City Council’s consideration at a public hearing. To ensure that all costs associated with the new project are borne by MGP, the City entered into a Deposit/ Reimbursement Agreement with MGP (MGP Fund X Laguna Hills, LLC.). This Agreement ensures that there is no General Fund impact with respect to evaluating the project and processing the necessary entitlements by requiring an initial deposit of \$250,000 from MGP, which was received by the City on December 3, 2019. The City may draw upon the deposit funds to pay any fees or costs including, but not limited to, City staff time and apportioned overhead costs; fees and expenses of the City Attorney, and any other consultants retained by the City. If additional funds are needed, the Agreement requires MGP to make additional deposits. Staff has prepared the following cost estimate for processing the project plans, all of which would be recovered from MGP:

Village at Laguna Hills FY 2019/20 and FY 2020/21 Budget Amendment

January 14, 2020

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Category	Estimate	Note
Staff Time	\$270,000	Includes Planning/Engineering review, City Manager time spent, and miscellaneous staff support.
City Attorney Fees	\$380,000	Based on the 2016 project, with additional time allocated for a proposed Development Agreement, and adjusted to reflect the current City Attorney rate.
Consultant Services	\$390,000	Includes PlaceWorks (planning support), KAMG (management services), Kosmont (fiscal analysis/development agreement), and RK Engineering (engineering support).
Total	\$1,040,000	

City staff will actively monitor the expenses associated with processing the application, and will request additional funds from MGP as needed. In order to utilize these funds, a budget amendment is required. Staff recommends the City Council adopt the attached proposed Resolution amending the fiscal year 2019-20 budget in the amount of \$1,040,000 in additional revenues and \$770,000 in expenditures. It should be noted that reimbursable staff time is already included in the budget. Any unexpended funds from fiscal year 2019-20 will automatically carry-over to fiscal year 2020-21.

CEQA FINDINGS:

Environmental review is not required under the Environmental Quality Act (CEQA) pursuant to the California Code of Regulations, Title 14, Chapter 3, Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) because it has no potential for resulting in physical change to the environment, directly or indirectly.

FISCAL IMPACT:

The proposed amendment establishes anticipated expenses to the City concerning the Village at Laguna Hills Project. The City's expenses will be offset by MGP in accordance with the Deposit/Reimbursement Agreement approved by the City Council on November 26, 2019, between MGP (MGP Fund X Laguna Hills, LLC.) and the City.

ATTACHMENTS:

- Proposed Resolution

RESOLUTION NO. 2020-01-14-X

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, AMENDING THE BIENNIAL BUDGET FOR FISCAL YEARS 2019/20 - 2020/21 IDENTIFYING PROJECT COSTS FOR THE VILLAGE AT LAGUNA HILLS PROJECT IN FUND 101.

The City Council of the City of Laguna Hills, California, hereby finds, determines, declares, and resolves as follows:

WHEREAS, on November 4, 2019, Merlone-Geier Partners (MGP) submitted applications for new land use entitlements to redevelop the Laguna Hills Mall property located at 24155 Paseo Five Lagnas (formerly 24155 Laguna Hills Mall). The requested entitlements include, without limitation, one or more Site Development Permits, a Tentative Map, a Precise Plan, a Parking Use Permit, one or more Conditional Use Permits, and a Master Sign Program ("Project"); and,

WHEREAS, MGP desires the City to prioritize and expedite processing and consideration of the proposed Project. In consideration of the City's agreement to do so, MGP is willing to reimburse the City for all costs incurred by the City in conjunction with the proposed Project; and,

WHEREAS, the City entered into a Deposit/Reimbursement Agreement with MGP, effective on the 26th day of November, 2019, the purpose of which was to set forth the terms pursuant to which MGP will reimburse the City for all fees and costs incurred by City in evaluating, processing, and preparing the proposed project entitlements; the necessary environmental review pursuant to California Environmental Quality Act; the resolutions, ordinances, and/or land use plan documents for any required legislative actions; a proposed Development Agreement; an economic impact analysis; and the same for potential future City Council consideration; and,

WHEREAS, the City Council approved Resolution 2019-06-25-2 on June 25, 2019, adopting the Operating Budget, Capital Improvement Program, and Other Appropriations for the City of Laguna Hills for the Fiscal Years 2019/2020 – 2020/2021 Biennial Budget; and,

WHEREAS, the City has established various funds, including various special revenue, capital project and agency funds, to account for revenues and deposits that are restricted to certain activities; and

WHEREAS, the City has estimated charges/revenues associated with processing the Project, as set forth in the table below.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA HILLS, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

SECTION 1. Adoption of Recitals. The foregoing recitals set forth above are true and correct and are incorporated by reference herein.

SECTION 2. Approval of Budget Amendment. The City Council hereby approves and adopts the proposed amendments to the Fiscal Year 2019/2020 Budget for Fund 101 for the Village at Laguna Hills Project, as set forth in the following table:

	Current Budget	Proposed Amendment	Amended Budget
FISCAL YEAR 2019/20			
REVENUES			
Planning Fees - MGP Development Application	-	1,040,000	1,040,000
			-
EXPENDITURES			-
Legal Services - MGP Development Application	-	380,000	380,000
Consultant Services - MGP Development Application	-	390,000	390,000

PASSED, APPROVED AND ADOPTED this 14th day of January 2020.

JANINE HEFT, MAYOR

ATTEST:

MELISSA AU-YEUNG, CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LAGUNA HILLS)

I, Melissa Au-Yeung, City Clerk of the City of Laguna Hills, California, DO
HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution
No. 2020-01-14-X adopted by the City Council of the City of Laguna Hills, California, at a
Regular Meeting thereof held on the 14th day of January 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

MELISSA AU-YEUNG, CITY CLERK