

**AGENDA**  
**REDONDO BEACH HARBOR COMMISSION**  
*Monday, June 8, 2015, 6:30pm*  
**REDONDO BEACH CITY COUNCIL CHAMBERS**  
**415 DIAMOND STREET**

**OPENING SESSION**

1. CALL MEETING TO ORDER
2. ROLL CALL
3. SALUTE TO THE FLAG

**I. APPROVAL OF ORDER OF AGENDA**

**II. RED FOLDER ITEMS**

*Red folder items require immediate action, and came to the attention of the City subsequent to the 72-hour noticing requirement. These items require a 2/3 vote of the Commission (or if less than 2/3 are present, a unanimous vote) to add to the Agenda.*

**III. BLUE FOLDER ITEMS**

*Blue folder items are additional backup material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.*

**IV. CONSENT CALENDAR**

*Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Commission Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.*

**4. APPROVAL OF AFFIDAVIT OF POSTING FOR THE HARBOR COMMISSION MEETING OF JUNE 8, 2015**

**5. APPROVAL OF THE FOLLOWING MINUTES: MAY 11, 2015**

**6. APPROVE CONTRACT C-1506-082, THE GRANT OF EASEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY FOR CONSTRUCTION AND MAINTENANCE OF ELECTRICAL DISTRIBUTION FACILITIES SERVICING THE SHADE HOTEL, LOCATED AT 655 N. HARBOR DRIVE (FROM CITY COUNCIL 6/2)**

Staff recommendation: Receive and file

**7. APPROVE CONTRACT C-1505-069, AN AGREEMENT WITH KONE, INC. FOR REPAIR OF ELEVATOR #2 IN THE PIER PARKING STRUCTURE FOR A COST TO THE HARBOR UPLANDS FUND OF \$15,500 (FROM CITY COUNCIL 5/19)**

Staff recommendation: Receive and file

**V. ORAL COMMUNICATIONS**

*Anyone wishing to address the Harbor Commission on any Consent Calendar item on the agenda, which has not been pulled by Harbor Commission may do so at this time. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.*

**VI. EXCLUDED CONSENT CALENDAR ITEMS**

**VII. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

*This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.*

**VIII. EX PARTE COMMUNICATIONS**

**IX. PUBLIC HEARINGS**

**X. ITEMS FOR DISCUSSION PRIOR TO ACTION**

**8. HARBOR HERONDO GATEWAY PROJECT UPDATE**

Staff recommendation: Receive and file

**9. DIRECTOR'S REPORT**

Staff recommendation: Receive and file

**XII. ITEMS CONTINUED FROM PREVIOUS AGENDAS**

**XIII. MEMBERS ITEMS AND REFERRALS TO STAFF**

**XIV. ADJOURNMENT**

The next meeting of the Harbor Commission of the City of Redondo Beach will be a regular meeting to be held July 13, 2015, in the Redondo Beach Council Chambers, 415 Diamond Street, Redondo Beach, California.

*It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.*

*An Agenda Packet is available at [www.redondo.org](http://www.redondo.org) under the City Clerk. Agenda packets are available at the Redondo Beach Main Library during Library Hours, at the Reference Desk and during City Hall hours in the Office of the City Clerk. Any writings or documents provided to a majority of the Harbor Commission regarding any item on this agenda will be made available for public inspection at the City Clerk's Counter at City Hall located at 415 Diamond Street, Door C, Redondo Beach, CA during normal business hours.*

PROOF OF POSTING

I, Holly Short, hereby declare, under penalty of perjury, that I am over the age of 18 years and am employed by the City of Redondo Beach, Harbor Department, and that the following document was posted by me at the following location(s) on the date the time noted below:

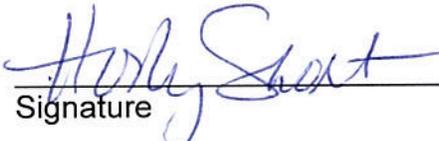
Agenda – Redondo Beach Harbor Commission

Regular Meeting of June 8, 2015

Posted on: June 3, 2015 at 2:00 pm

Posted at: DOOR "A" BULLETIN BOARD

and CITY CLERK'S OFFICE

  
Signature

6/3/15  
Date

**CALL TO ORDER**

A Regular Meeting of the Harbor Commission was called to order by Chair D. Jackson at 6:30 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

**ROLL CALL**

Commissioners Present: Bloss, Dalton, Horvath, D. Jackson, M. Jackson, Keidser, Shaer  
Commissioners Absent: None  
Officials Present: James Allen, Harbor Facilities Manager  
Laurie Koike, Interim Waterfront/Economic Development Director  
Robert Metzger, Fire Chief  
Diane Cleary, Minutes Secretary

**SALUTE TO THE FLAG**

At the request of Chair D. Jackson, the Commissioners and audience stood for a Salute to the Flag.

**APPROVAL OF THE ORDER OF AGENDA**

Motion by Commissioner Dalton, seconded by Commissioner M. Jackson, to consider Item 10 next on the agenda. Motion carried unanimously.

**RED FOLDER ITEMS – None**

**BLUE FOLDER ITEMS – None**

**EX PARTE COMMUNICATIONS - None**

**PUBLIC HEARINGS**

**10. A RESOLUTION OF THE HARBOR COMMISSION OF THE CITY OF REDONDO BEACH APPROVING AN EXEMPTION DECLARATION, GRANT THE CONDITIONAL USE PERMIT AND COASTAL DEVELOPMENT PERMIT TO ESTABLISH A TASTING ROOM ON PROPERTY LOCATED WITHIN A COASTAL COMMERCIAL (CC-1) ZONE AT 132 N. INTERNATIONAL BOARDWALK**

Motion by Commissioner Keidser, seconded by Commissioner Jackson, to receive and file the presentation by Assistant Planner Alex Plascencia. Motion carried unanimously.

Assistant Planner Alex Plascencia gave a staff report and discussed the following:

- Background and Request
- Zoning Map
- Floor Plan

- Front Elevation
- Aerial Photo
- Hours of Operation
  - Proposed – Sunday through Thursday 10 a.m. to midnight; Friday and Saturday 10 a.m. to 2 a.m.
  - Staff recommendation – Sunday through Thursday 10 a.m. to midnight (no change); Friday and Saturday 10 a.m. to 1 a.m. – condition to extend hours to 2 a.m. after three months and no complaints to police
- Photos of site
- Findings
- Recommendation

In response to Commissioner Jackson, Assistant Planner Alex Plascencia stated there are properties adjacent to the proposed project that are open until 2 a.m. with no significant consistent noise complaints. He also said the size the facility is smaller than Naja's and there will not be loud noise.

In response to Commissioner Bloss, Assistant Planner Alex Plascencia stated the goal is just to serve some snacks and appetizer and is not intended to be full meals or considered a restaurant.

Harbor Facilities Manager Jim Allen clarified that a restaurant is an allowable use but not necessarily a required use.

Commissioner Bloss questioned how this facility would be different from a bar.

Assistant Planner Alex Plascencia explained that the brewery location is in a different atmosphere and is intended to a tourist visitor serving area, noting there will be flexible hours. He also said as a conditional use permit, it is very specific to the location and anything granted would stay at the location.

In response to Commissioner Dalton, Assistant Planner Alex Plascencia stated the applicant can have up to three complaints and staff can bring this back to the Commission if warranted and hours can be modified.

In response to Chair D. Jackson, Assistant Planner Alex Plascencia stated limited hours in the beginning is based on past practice.

In response to Commissioner M. Jackson, Assistant Planner Alex Plascencia stated three verified complaints has been a condition in other Conditional Use Permits in the past. He also said the validity of the complaints would have to be reviewed by the Police Department and then a judgement call would be made.

In response to Chair D. Jackson, Assistant Planner Alex Plascencia stated the plans have been reviewed by all departments, including the Fire Department.

Motion by Commissioner Bloss, seconded by Commission M. Jackson, to open the Public Hearing at 6:48 p.m. Motion carried unanimously.

Tom Dunbabin, King Harbor Brewing Company North Redondo Beach, stated their business has become a destination business in North Redondo Beach, and supported opening a tasting room near the famous King Harbor Marina which will bring locally brewed handcrafted beer and will be a positive contribution to the area.

In response to Commissioner Bloss, Mr. Dunbabin stated they will only be pouring beers that they brew in Redondo Beach with education, which separates them from a bar. He said they will offer sample sizes, focusing on education of beer and brewing. He also said they would not be bringing in other breweries or other beer products. He said hours are limited during the week since their facility is a manufacturing facility but the weekends will allow for longer hours. He further said the majority of tasting rooms at breweries have these same hours, and noted they are trying to be consistent with the other businesses along the waterfront. He stated they have expressed interest in the future of opening a restaurant and brewery in the Redondo Pier area after redevelopment, but no onsite food preparation will be taking place currently. He said the 64 ounce growler would allow patrons to fill up a glass jug which would include a plastic screw on a sealed lid, and would be considered as a closed bottle unopened container. He noted this would not be allowed at an on premise bar, and also said they have had no problems with patrons leaving with the growlers.

Commissioner Shaer stated the culture of the patrons will be different and the facility would not turn into a liquor store.

In response to Commissioner Shaer, Mr. Dunbabin stated they will have a retail concept which will include the growlers and a few bottled beers. He also explained that the bathroom on the facility will only be for the employees which is up to the property management, but stated the south wall has a public use restroom. He said they will not have loud music or noise. He also said they would be letting their customer base dictate how necessary the later hours are but said they would agree with staff recommendation until 1 a.m. for the first three months.

Commissioner Shaer expressed concern with customers having to leave at 1 a.m. and then going to a bar. He also said he did not see the value or reasoning with a restriction to only 1 a.m. for three months, and believed the 1 a.m. to 2 a.m. would not make much difference.

Lynn Patrick \_\_\_\_\_, The Village, owner on International Boardwalk, supported the youth movement and this business, which makes the area safer.

Barbara Emdeen, The Village, stated they are new to Redondo Beach and enjoy the area and the waterfront. She asked about food being served, what the space is being used for right now, how many bars/businesses cater to people drinking alcohol exist in the immediate area, will the business be an additional late hour drinking establishment, and is the business aware of the proximity of high density residential homes above the location. She supported a family focused restaurant along this location, and expressed concern with late hours and asked why a CUP is necessary in this particular case.

Assistant Planner Alex Plascencia stated the business will be serving some snacks, the previous business was a gift shop, stated they are aware of the proximity of high density residential which is why a condition was included to test it out with a 1 a.m. closing time

as opposed to 2 a.m., and said a CUP will weed out any adverse impacts to surrounding properties.

Motion by Commissioner M. Jackson, seconded by Commissioner Keidser to close the Public Hearing at 7:08 p.m. Motion carried unanimously.

In response to Commissioner Bloss, Assistant Planner Alex Plascencia stated the Conditional Use Permit will be for a tasting room with appetizers, but a full restaurant would require special approval. He also said any future business could only operate a tasting room and would have to request an amendment before the Harbor Commission for anything else.

In response to Commissioner Horvath, Mr. Dunbabin stated a typical customer stays on average 45 minutes. He said they expect to service on off hours (Thursday 6 p.m. until Saturday night) about five customers an hour and on peak hours about 10 customers an hour. He also said at their current location in North Redondo they are open Wednesday through Friday from 4 p.m. to 8 p.m. with business picking up between 6 p.m. to 8 p.m., and believed that patrons would want to come later hours beyond 8 p.m.

Commissioner Dalton suggested including the Harbor Patrol regarding the three complaints condition and requested that staff report back with any determinations after the three month period.

Commissioner Keidser stated that tasting rooms tend to be very different from bars and are a different atmosphere, with education taking place and not an atmosphere for loud noise or music. She also questioned having the three month probationary period.

Commissioner Shaer suggested adding a condition that no bands or live music shall be allowed. He also suggested adding to Condition No. 5 to state "and shall not hold up the "Certificate of Occupancy." He also suggested adding to the title of the Resolution "an Exemption Declaration 'from CEQA'".

Commissioner Dalton supported Condition No. 3 which can be invoked if necessary and any modified hours would come back to the Commission.

Commissioner Shaer referred to Condition No. 3 and suggested keeping the closing time to 2 a.m. and adjusting hours accordingly after three months if complaints are received.

In response to Commissioner Bloss, Assistant Planner Alex Plascencia stated that the Community Development Department would be allowed to modify hours of operation if written into the resolution and authorized by the Harbor Commission. He said this would give some flexibility to the applicant without having to return to the Harbor Commission if there were no legitimate complaints or concerns.

In response to Commissioner Dalton, Assistant Planner Alex Plascencia explained if there is a disagreement in how staff modifies the hours, it would come back to the Harbor Commission for amendment.

In response to Commissioner Bloss, Assistant Planner Alex Plascencia referred to Condition No. 3 and confirmed that if 2 a.m. remains, something would need to be written

that staff or the Commission after review can reduce the hours, even after granting the CUP.

In response to Commissioner Shaer, Assistant Planner Alex Plascencia stated the three verified complaints are based on the Police Department input, and the three complaints would have to be determined and verified.

Commissioner Shaer expressed concern with cutting the hours to 1 a.m. and the possibility of remaining at 1 a.m. if three verified complaints are received in three months.

Commissioner Dalton supported that the Community Development and applicant manage any complaints received.

Commissioner Shaer referred to Condition 3 and suggested changing 3 to 10 verified complaints. He also questioned what the verified complaints involve and said a reference to any numbers has no basis.

Assistant Planner Alex Plascencia stated the goal is to mitigate the late night noise complaints and suggested adding verified complaints during certain hours.

Commissioner Keidser referred to Condition No. 2 and suggested changing the hours from 1 a.m. to 2 a.m. for Friday and Saturday and striking out the initial period of three months. She said these hours are essential for the growing of their business and with the upcoming summer. She also supported Condition No. 3, noting the Commission will be delegating authority to modify the hours should there be issues.

In response to Commissioner Horvath, Assistant Planner Alex Plascencia stated staff would have to consult with the Police Department regarding stats on complaints received in the area.

Commissioner Shaer referred to Condition No. 3 and suggested crossing out "3" and adding "substantial."

In response to Commissioner Dalton, Mr. Dunbabin stated they can be open within three weeks.

Motion by Commissioner Shaer, seconded by Commissioner Keidser, to adopt Resolution No. 2015-04-HCR-001 by title only, with the following amendments:

Add: "from CEQA" after Exemption Declaration in the title of the Resolution.

Condition No. 2: "That the hours of operation for the proposed tasting room shall be restricted to Sunday through Thursday 10 a.m. to midnight, and Friday and Saturday from 10 a.m. to 2 a.m."

Condition No. 3: "That the Community Development Department be authorized to administratively reduce or modify hours of operation from 2 a.m. should substantial verified complaints between the hours of 10 p.m. to 2 a.m. be received by the Police Department or Harbor Patrol."

Condition No. 5: "That the signs shall not be installed prior to the approval by the Community Development Department in accordance with the City's Sign Regulation Criteria but shall not hold up the issuance of the certificate of occupancy."

Add Condition No. 14: "No bands or live music shall be allowed."

Motion carried unanimously.

### **CONSENT CALENDAR**

Commissioner Dalton pulled Item 8.

Commissioner Bloss pulled Item 9.

4. **APPROVED AFFIDAVIT OF POSTING** of the Harbor Commission Regular Meeting of May 11, 2015.
5. **APPROVED THE FOLLOWING MINUTES:** April 13, 2015.
6. **RECEIVED AND FILED THE 2013-2016 CITY OF REDONDO BEACH STRATEGIC PLAN**
7. **RECEIVED AND FILED CONTRACT NO. C-1404-044-1, THE FIRST AMENDMENT TO THE STATE OF CALIFORNIA DEPARTMENT OF PARKS AND RECREATION, DIVISION OF BOATING AND WATERWAYS, AQUATIC CENTER GRANT AGREEMENT IN THE AMOUNT OF \$22,000**

Motion by Commissioner Keidser, seconded by Commissioner Shaer, to approve Consent Calendar Items 4 through 7. Motion carried unanimously.

### **ORAL COMMUNICATIONS**

#### **EXCLUDED CONSENT CALENDAR**

8. **RECEIVE AND FILE CONTRACT WITH CRANEVEYOR CORP FOR REPAIR OF THE BOAT HOIST.**

In response to Commissioner Dalton, Harbor Facilities Manager James Allen stated the contract has been approved by City Council and once final documents are put into place such as for insurance, the contractor will receive a letter for notice to proceed and the ten week clock will start at that point. He also believed it wouldn't be prudent to commit to a date certain as to when the boat hoist repair will be completed.

In response to Commissioner Horvath, Harbor Facilities Manager James Allen stated that ten weeks is the contractor's estimate for final certification and completion. He also referred to Exhibit A, last paragraph, and explained that power will be available to make sure that additional costs will not take place.

In response to Commissioner Keidser, Harbor Facilities Manager James Allen stated that the ten week period should start in the next two to four weeks.

In response to Commissioner Dalton, Harbor Facilities Manager James Allen stated there are two other operations that hoist boats in the water to include the King Harbor Marine Center but there is no parking. He also said the King Harbor Yacht Club would have to be engaged and parking could be limited during their events as well. He said it is difficult to replace a hoist operation in the current harbor and there are no plans for any other substitute use at this point.

Mark Hansen, King Harbor Yacht Club, stated that people prefer the boat ramp versus a hoist but the elderly prefer the hoist, noting the ramp is more difficult to use. He stated that King Harbor Yacht Club does have a hoist and suggested people can join and become a member.

Motion by Commissioner Dalton, seconded by Commissioner Bloss, to receive and file contract with Craneveyor Corp for repair of the boat hoist. Motion carried unanimously.

**9. RECEIVE AND FILE CONTRACT NO. C-1405-056-1, THE FIRST AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF REDONDO BEACH AND LAZ PARKING CALIFORNIA, LLC FOR THE PARKING AMBASSADOR SERVICES AT THE PIER AND PLAZA PARKING STRUCTURES**

In response to Commissioner Bloss, Harbor Facilities Manager James Allen explained that the request for services came out of the initial implementation of the new parking system on the pier which was installed in December 2012 and a contract was signed with Laz in 2013 for Ambassador Services during the summer period only, noting there could be backups at the machines. He said it proved very successful and feedback from tenants were very happy with it along with their customers, and it was renewed for another year. He said Ambassador Services will be continued until it is not needed based upon feedback from the tenants. He also noted phone calls have decreased significantly regarding parking issues along with any confusion with the use of the system, and therefore the use of Ambassador Services would decrease accordingly.

Interim Waterfront & Economic Development Director Laurie Koike explained that the \$30,000 annual contract cost is a not to exceed cost, and stated approximately \$17,000 was spent in 2014, and hopefully this cost will drop as well.

In response to Commissioner Shaer, Harbor Facilities Manager James Allen stated that Ambassador Services are told of events that are occurring and alternate parking locations as well as instruction of the machines.

Commissioner Shaer suggested that Ambassador Services provide a little more knowledge base regarding locations, events and providing a welcoming service.

Motion by Commissioner Bloss, seconded by Commissioner Keidser, to receive and file Contract No. C-1405-056-1, the First Amendment to the Agreement between the City of Redondo Beach and Laz Parking California, LLC for the Parking Ambassador Services at the Pier and Plaza Parking Structures. Motion carried unanimously.

**PUBLIC PARTICIPATION ON NON-AGENDA ITEMS**

Mark Hansen, King Harbor Boating Foundation and King Harbor Yacht Club, announced the King Harbor Sea Fair 2015 to take place on Sunday May 17, 2015 from 11 a.m. to 6 p.m.

Motion by Commissioner Bloss, seconded by Commissioner M. Jackson, to receive and file a handout presented by Mr. Mark Hansen. Motion carried unanimously.

Maureen Lull, Harbor/Herondo Gateway Improvement Project, gave an update and reviewed the following:

- April - excavated and paved crossings
- April - street light installation
- Project to be completed by end of May
- Grinding and paving of Harbor and Herondo will be complete
- Lot 13 to be complete
- Signage and striping to be complete
- Street light installation will be partial
- Project substantially complete by Memorial weekend

Commissioner Shaer thanked Ms. Lull for keeping the Commission informed and he supported the project.

Commissioner Keidser supported the weekly updates received on this project. Commissioner Dalton agreed.

Marcie Guillermo asked who is responsible for auditing the Tideland Funds, and requested that the City Council review them on an ongoing basis and be included in the City Treasurer's report. She also asked when there will be a joint meeting between the Budget and Finance Commission meeting with the Harbor Commission and the status of the Gold's Gym location. She also requested that everyone vote in the upcoming election tomorrow in District 3, noting this is a critical time to either move forward or stay the same. She believed that the level of politics in the City is unbecoming, and expressed concern with the Chamber of Commerce Political Action Committee and the Facebook page on the Redondo Harbor Boardwalk and Marketplace site.

In response to Chair D. Jackson, Interim Waterfront & Economic Development Director Laurie Koike stated that staff will provide an update on the land swap for the next Director's Report.

In response to Chair D. Jackson, Harbor Facilities Manager James Allen stated the City hires an auditor each year and all funds are audited and put together in the CAFR which is available on the City's website.

### **ITEMS FOR DISCUSSION PRIOR TO ACTION**

#### **11. DISCUSSION AND POSSIBLE ACTION ON MARINE MAMMAL BARGE AT KING HARBOR**

Interim Waterfront & Economic Development Director Laurie Koike gave a report and discussed the following:

- Council approved the contract with Marine Tech Engineering

- 2013 – last remaining piece of the mammal barge sank
- Encroachment of sea lions onto various docks and boats within the marina
- Three or four community meetings held with various members of the marina, businesses, staff, residents, and members of the Chadwick School
- Proposal of barge same location of the old location
- Financial impact on marinas regarding sea lion encroachment
- Railing system created a financial impact
- Marine Tech Engineering, Inc., will be building a 21 x 32 foot barge and ordering the equipment – five to six weeks
- The float will support 37,000 pounds
- Barge weighs 8,000 pounds
- Support approximately 25,000 pounds of sea lions

Commissioner M. Jackson noted damage on his boat and expressed concern with the situation now escalating to personal and political issues and he supported the barge being installed.

In response to Commissioner Keidser, Harbor Facilities Manager James Allen stated the community meetings included all four marinas, the Mayor/Council and Marine Tech Engineering along with feedback from the marina community.

Commissioner Keidser expressed concern with the community meetings being private and not necessarily public.

In response to Commissioner Keidser, Interim Waterfront & Economic Development Director Laurie Koike stated Chadwick School might be interested in donating, but given the fact that the cost is over \$50k, the focus became more of education and sharing the idea of a barge.

In response to Commissioner Bloss, Interim Waterfront & Economic Development Director Laurie Koike stated that Chadwick School has not contributed any money to date.

Glenn Webb, Paddle House, submitted photos and expressed concern with the sea lions impacting their business, and noted they took care of the expired sea lions in the harbor at their cost.

Motion by Commissioner Shaer, seconded by Commissioner Horvath, to receive and file photos presented by Mr. Glenn Webb. Motion carried unanimously.

Commissioner M. Jackson informed that there were seven sea lions on his boat yesterday.

In response to Commissioner Shaer, Mr. Glenn Webb stated that Harbor Patrol does take care of some of the sea lions but there have been issues with them being on the rocks and the Harbor Patrol boat is too big for the shallow water.

Ian Bardeen stated he is an employee in the harbor and member of King Harbor Yacht Club and stated he is in favor of the barge, but expressed concern with the contractor underestimating the size and need of the barge that was approved.

Mark Hansen, King Harbor Boaters Advisory Panel, believed this item should have come to the Harbor Commission first, expressed concern with the members of the harbor, including the Outriggers, not being informed of any meetings on this issue, and encouraged the Harbor Commission and staff to followup with the installer, coordinating the barge with location moorings.

In response to Commissioner Keidser, Interim Waterfront & Economic Development Director Laurie Koike stated the barge will be of similar size to the previous one. Harbor Facilities Manager James Allen stated the square footage and usability should be similar to the old one.

Commissioner M. Jackson referred to the process and stated the objective was to solve the problem quickly and there was no time to promote stakeholder meetings. He said the process wasn't perfect but there is a solution being executed hopefully sooner than later.

In response to Commissioner Shaer, Harbor Facilities Manager James Allen stated the mammals are picked up by Harbor Patrol, marine animal rescue, or anyone who has the ability. He also pointed out that the Harbor Patrol may not have the boats that can get in close to the rocks. He also stated there is a higher incidence of deceased sea lions and a major number of pups rather than full grown.

Commissioner Keidser expressed concern with the process, noting this is a \$50k+ solution and hearing concerns about the size not being big enough and the Outriggers not having any kind of say in the process. She also thanked Mr. Glenn Webb for using his personal resources and assisting the Harbor Patrol and harbor.

In response to Chair D. Jackson, Interim Waterfront & Economic Development Director Laurie Koike suggested staff could speak to the Harbor Master and ask him to reach out to the Outriggers regarding the actual location and size of the barge.

Motion by Commissioner Bloss, seconded by Commissioner Keidser, to receive and file the report on Marine Mammal Barge at King Harbor. Motion carried unanimously.

## **12. COMMISSION INPUT ON STAND UP PADDLEBOARD (SUP) RFP**

Interim Waterfront & Economic Development Director Laurie Koike gave a staff report and discussed the following:

- RFP approved by City Council
- Operators who are utilizing the harbor to follow safety issues
- Operators to be able to pay the City appropriate fees in accordance with the terms of the Tidelands Agreement
- Identify areas for beginning paddlers
- Consulted with other groups/departments
- Final draft to City Council the next Council meeting
- Requested Harbor Commission feedback on the draft

In response to Chair D. Jackson, Harbor Facilities Manager James Allen stated the best solution would be for everybody to pay the same fee but requested feedback for any reason to have a different type of fee, such as a step fee.

Commissioner M. Jackson referred to the second page of the administrative report and corrected May 2014 to May 2015 for the RFP. He also believed this proposal may be a more convenient way of taking the City out of the position of enforcing something and removes liability. He stated if the City of San Diego already has done this for surfing and if it is working successfully, then there has already been a precedence set that this would be a more logical approach than the previous efforts.

Chair D. Jackson referred to Section 3 Proposal Requirements and suggested rebranding Items 8 and 10 so that they are not the exact same headings.

Commissioner Dalton stated that standup paddle boarders requested a map for the beginners showing basic instructions. He referred to the map and believed the most dangerous area will be the entrance to the harbor due to a large amount of boat traffic and suggested putting arrows showing the west side is the outbound side and the east side is incoming. He further said the area is subject to periodic swells and storm surges, especially on the west when turning the corner.

Commissioner Bloss pointed out that there are a large number of paddle boarders and very few boats. She also said the beginners on the west side area have to cross over the channel to get to their location which seems counterintuitive.

In response to Commissioner Horvath, Harbor Facilities Manager James Allen stated staff met with three of the operators and came up with a conservative number of grossing \$50k and City would receive 10% of gross based on typical retail leases, which is the \$5k minimum bid.

In response to Chair D. Jackson, Harbor Facilities Manager James Allen stated the \$5k could become the permit fee, but getting back responses may help define the new fee. He also stated when staff developed the draft, other harbors were surveyed that had either a surfing class or paddle board concession. At that time, only one had dealt with regulation of SUP's and staff will be revisiting with that user/waterfront.

In response to Commissioner Shaer, Harbor Facilities Manager James Allen stated the brick and mortar stores have their own agreement, pay their own rent and have their own insurance and investment in the properties and would be exempt from this process. He also said this process would be just for the non-brick and mortar operators.

Mark Hansen, King Harbor Boaters Advisory Panel, informed of the SUP Alliance and as of today, they were all communicating and should come up with some information.

In response to Commissioner Shaer, Harbor Facilities Manager James Allen stated the non-brick and mortar businesses would pay a percentage of gross which every business in the harbor pays. He also stated this is an effort to make it safer and the Municipal Code does state any business operating in the harbor has to have the City permit which is also in the Tidelands. He also said there are brick and mortar businesses that pay their fair share in terms of rent to the City and leaseholders.

Mr. Glenn Webb stated this proposal will help eliminate people loading things on trailers and putting people out on boards for the first time and not doing a lesson.

In response to Commissioner Horvath, Harbor Facilities Manager James Allen stated it is unknown how many businesses are operating in the harbor right now but there are four confirmed. He said the five operators were asked in the RFP to determine where they will launch, but it is preferred they not use public facilities and clog up the use.

In response to Commissioner Dalton, Harbor Facilities Manager James Allen stated the Municipal Code does require a permit to launch but it is unknown the type of form the permit takes at this point and is a legal determination. He also said they don't have a full year's growth yet but there may be other offerings at the brick and mortar business and may not directly correlate to a class that's launched off a dock.

Motion by Commissioner Horvath, seconded by Commissioner Bloss, to receive and file the report on the RFP process for standup paddleboard concessionaires. Motion carried unanimously.

### **13. DIRECTOR'S REPORT**

Interim Waterfront & Economic Development Director Laurie Koike gave a report and discussed the following:

- Lease approved by Council on May 5 for A Basq Kitchen at 136 N. International Boardwalk
- Yoga class - Get Lit with the Fly Buddha
- Free movies on the Boardwalk every Friday in June from 8 to 10 p.m.
- 2015 Summer of Music free concerts on the Pier – July 2 to September 5
- AECOM Market Study for the Waterfront

In response to Chair D. Jackson, Harbor Facilities Manager James Allen stated the former Shark Attack is occupied by a retail outlet and there is no occupancy as of today for the Maison Riz space.

Motion by Commissioner Keidser, seconded by Commissioner Shaer, to receive and file the Director's Report. Motion carried unanimously.

### **ITEMS CONTINUED FROM PREVIOUS AGENDAS**

#### **MEMBERS ITEMS AND REFERRALS TO STAFF**

Commissioner M. Jackson requested an updated progress report on installing the mammal platform for the next agenda.

Commissioner Bloss provided a flyer for the Redondo Gateway Opening and invited everyone to attend on June 13 at 10 a.m. at 190<sup>th</sup> and Herondo Street. She also provided a map of an expo area.

Mark Hansen noted only by majority vote of Commission that any items be accepted for the Commission's consideration on a future agenda.

Commissioner M. Jackson stated practice has been that the Chair and Vice-Chair would meet with the Harbor Director and agenda items.

Chair D. Jackson confirmed that the marine mammal update and Gold's Gym land swap were to be included next month, agenda items or addressed in the Director's Report.

**ADJOURNED: 8:57 PM**

There being no further business to come before the Commission, motion by Commissioner Keidser, seconded by Commissioner Shaer, to adjourn the meeting at 8:57 p.m. to a regular meeting to be held on June 8, 2015 at 6:30 p.m. in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California. Motion carried unanimously.

Respectfully submitted,

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Laurie Koike, Interim  
Waterfront and Economic  
Development Director



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# Administrative Report

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Council Action Date:

June 2, 2015

**To: MAYOR AND CITY COUNCIL**

**From: LAURIE KOIKE, INTERIM WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR**

**Subject: EASEMENT TO SOUTHERN CALIFORNIA EDISON COMPANY FOR CONSTRUCTION AND MAINTENANCE OF ELECTRICAL FACILITIES AT SHADE HOTEL**

## **RECOMMENDATION**

Approve the Grant of Easement to Southern California Edison Company for construction and maintenance of electrical distribution facilities servicing the Shade Hotel, located at 655 N. Harbor Drive; and authorize the Mayor to execute the document on behalf of the City.

## **EXECUTIVE SUMMARY**

In order to provide permanent electrical service to the Shade Hotel, an electrical easement needs to be granted to Southern California Edison Company (SCE) that will allow for construction and maintenance of the electrical distribution facilities to the Shade Hotel and their accompanying facilities. Staff from several departments reviewed the proposed easement as the electrical improvements are located on City-owned land leased to Zislis Boutique Hotels, LLC.

## **BACKGROUND**

SCE's electrical services for the Shade Hotel have been modified to accommodate the new design of the property. Originally, the electrical service served two transformers near the west side of the property that then serviced the Marina Boat Docks and the previous restaurant structure. The design of the new hotel and event structures required the existing infrastructure, including underground electrical conduits that supplied power to the Marina, to be relocated and upgraded. A new transformer is set at the NW corner of the Hotel property which will provide power to the Hotel Main Switch and Port Royal Marina Main Switch at the NW corner of the Hotel Property.

The Grant of Easement is necessary for Shade Hotel to continue with their construction. The Sixth Amendment to the Lease, dated December 16, 2014 established a mutually

agreed project completion date of November 18, 2015. Shade Hotel is current with their financial obligations per the Sixth Amendment to the Lease.

**COORDINATION**

The Waterfront and Economic Development Department collaborated with the Community Development Department. The City Attorney's Office has approved the document as to form.

**FISCAL IMPACT**

The recommendation presented in this report does not have any budget or financial impact.

Submitted by:

Approved for forwarding by:

*Laurie Koike, Interim Waterfront & Economic  
Development Director*

*Joe Hoefgen, City Manager*

Attachments:

- SCE Easement

RECORDING REQUESTED BY



SOUTHERN CALIFORNIA  
**EDISON**

An EDISON INTERNATIONAL Company

WHEN RECORDED MAIL TO

**SOUTHERN CALIFORNIA EDISON COMPANY**

Real Properties  
2131 Walnut Grove Avenue, 2<sup>nd</sup> Floor  
Rosemead, CA 91770

Attn: Distribution/TRES

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT OF  
EASEMENT**

DOCUMENTARY TRANSFER TAX \$ NONE (VALUE AND CONSIDERATION LESS THAN \$100.00)	DISTRICT	WORK ORDER	IDENTITY	MAP SIZE
	South Bay	TD883837	n/a	n/a
SCE Company	FIM 39-63A-8	APPROVED:	BY	DATE
SIG. OF DECLARANT OR AGENT DETERMINING TAX FIRM NAME	APN 7503-008-902	REAL PROPERTIES	SLS/GB	02/12/15

CITY OF REDONDO BEACH, a chartered city and municipal corporation (hereinafter referred to as "Grantor"), hereby grants to SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, its successors and assigns (hereinafter referred to as "Grantee"), subject to all documents recorded in the office of the Los Angeles County Recorder and all existing improvements on or under the easement area, an easement and right of way to construct, use, maintain, operate, alter, add to, repair, replace, reconstruct, inspect and remove at any time and from time to time underground electrical supply systems and communication systems (hereinafter referred to as "systems"), consisting of wires, underground conduits, cables, vaults, manholes, handholes, and including above-ground enclosures, markers and concrete pads and other appurtenant fixtures and equipment necessary or useful for distributing electrical energy and for transmitting intelligence by electrical means, in, on, over, under, across and along that certain real property in the County of Los Angeles, State of California, described as follows:

FOR LEGAL DESCRIPTION, SEE EXHIBITS "A" AND "B", BOTH ATTACHED HERETO AND MADE A PART HEREOF.

Grantor agrees for himself, his heirs and assigns, not to erect, place or maintain, nor to permit the erection, placement or maintenance of any building, planter boxes, earth fill or other structures except walls, fences, light fixtures and conduit, curb, pavement and striping, landscape and irrigation, and utility crossings such as fire, water, sanitary sewer lines and manholes on or below the above described real property. The Grantee, and its contractors, agents and employees, shall have the right to trim or cut tree roots as may endanger or interfere with said systems and shall have free access to said systems and every part thereof, at all times, for the purpose of exercising the rights herein granted; provided, however, that in making any excavation on said property of the Grantor, the Grantee shall make the same in such a manner as will cause the least injury to the surface of the ground around such excavation, and shall replace the earth so removed by it and restore the surface of the ground to as near the same condition as it was prior to such excavation as is practicable.

The Grantee, by the acceptance of this instrument, agrees that in the event the electric service for which said systems are constructed is ordered discontinued, and the Grantee is not required by any law, rule or regulation of any governmental authority to furnish electric service or electric energy from said systems, Grantee will, at its election, remove and/or abandon in place, in whole or in part, said systems within 180 days after the receipt from the Grantor of a notice in writing of the discontinuance of service and requesting removal and/or abandonment of said systems, and subsequent to such removal and/or abandonment shall quitclaim to Grantor all rights acquired under this Grant of Easement.

**C-1506-082**

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**GRANTOR**

CITY OF REDONDO BEACH, a chartered city and  
municipal corporation

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**GRANTEE**

SOUTHERN CALIFORNIA EDISON COMPANY,  
a corporation

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

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

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, notary public,  
(here insert name)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(This area for notary stamp)

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

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, notary public,  
(here insert name)

personally appeared \_\_\_\_\_  
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Signature \_\_\_\_\_

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State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, notary public,  
(here insert name)

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

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

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(This area for notary stamp)

**EXHIBIT "A"**

VARIOUS STRIPS OF LAND LYING WITHIN PARCEL 4 AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 180, PAGES 50 THROUGH 57 OF RECORD OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

STRIP # 1 (33.00 FEET WIDE)

THE NORTHEASTERLY LINE OF SAID STRIP IS DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE MOST EASTERLY CORNER OF SAID PARCEL 4; THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 4, NORTH 29°46'20" WEST 24.00 FEET TO A POINT TO BE HEREINAFTER REFERRED TO AS POINT "A".

STRIP # 2 (26.00 FEET WIDE)

THE NORTHEASTERLY LINE OF SAID STRIP IS DESCRIBED AS FOLLOWS:

**BEGINNING** AT SAID POINT "A"; THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 4, NORTH 29°46'20" WEST 19.00 FEET TO A POINT TO BE HEREINAFTER REFERRED TO AS POINT "B".

STRIP # 3 (6.00 FEET WIDE)

THE CENTERLINE OF SAID STRIP IS DESCRIBED AS FOLLOWS:

**COMMENCING** AT SAID POINT "B"; THENCE SOUTH 60°13'40" WEST 23.00 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 29°46'20" WEST 139.00 FEET; THENCE NORTH 16°41'36" WEST 29.00 FEET TO A POINT TO BE HEREINAFTER REFERRED TO AS POINT "C".

THE SIDELINES OF SAID STRIP ARE TO BE PROLONGED OR SHORTENED TO JOIN AT THE ANGLE POINT.

STRIP # 4 (20.00 FEET WIDE)

THE CENTERLINE OF SAID STRIP IS DESCRIBED AS FOLLOWS:

**COMMENCING** AT SAID POINT "C"; THENCE SOUTH 73°18'24" WEST 7.00 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 16°41'36" WEST 16.00 FEET TO A POINT OF ENDING.

Prepared by me or under my supervision:

Dated: Feb. 17, 2015

Glenn M. Bakke  
Glenn M. Bakke R.C.E. #18619 Exp. 06-30-2015

Reviewed by: \_\_\_\_\_  
Engineering Services Division

Date: \_\_\_\_\_



# EXHIBIT "B"

**NORTH**  
SCALE: 1" = 30'

LINE TABLE		
LINE	LENGTH	BEARING
L1	24.00	N29°46'20"W
L2	19.00	N29°46'20"W
L3	23.00	S60°13'40"W
L4	7.00	S73°18'24"W
L5	16.00	N16°41'36"W

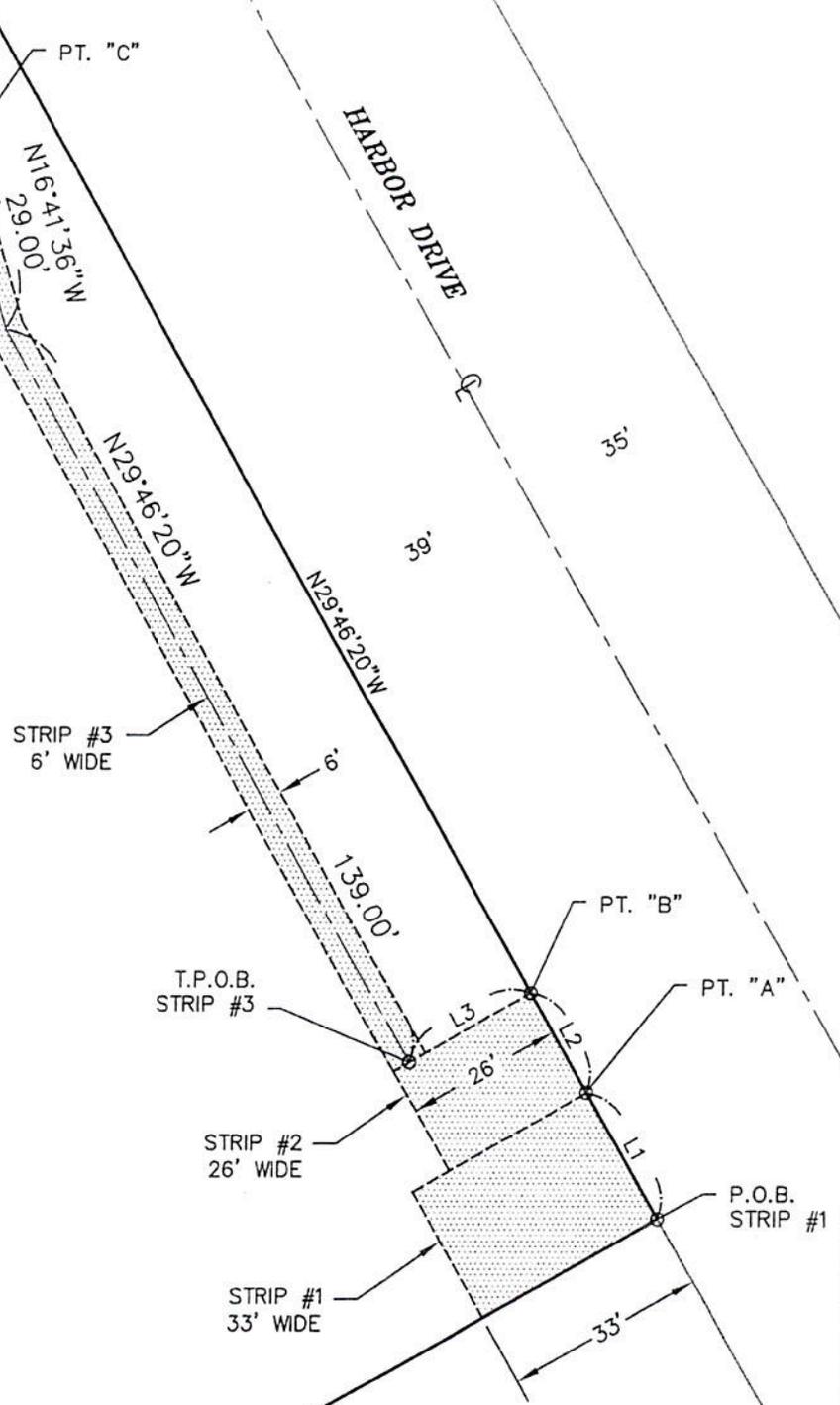
PARCEL 4  
RECORD OF SURVEY  
R.S.B. 180/50-57  
LOS ANGELES COUNTY



Dated Feb. 17, 2015

*Glenn M. Bakke*

Glenn M. Bakke R.C.E.# 18619 Exp. 6-30-15



LEGEND	
	DENOTES SCE EASEMENT AREA
	P.O.C. = POINT OF COMMENCEMENT
	T.P.O.B. = TRUE POINT OF BEGINNING



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# Administrative Report

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Council Action Date: May 19, 2015

**To: MAYOR AND CITY COUNCIL**

**From: TIM SHEA, INTERIM DIRECTOR OF PUBLIC WORKS**

**Subject: APPROVE AN AGREEMENT WITH KONE INC. FOR REPAIR OF ELEVATOR #2 IN THE PIER PARKING STRUCTURE FOR A COST TO THE HARBOR UPLANDS FUND OF \$15,500**

## **RECOMMENDATION**

- (1) Approve an agreement with Kone Inc. for repair of Elevator #2 in the Pier Parking Structure for a cost to the Harbor Uplands Fund of \$15,500; and
- (2) Authorize the Mayor to execute the attached agreement on behalf of the City.

## **EXECUTIVE SUMMARY**

Approval of this recommendation will award an agreement to Kone Inc. to replace doors and perform other related repairs for Elevator #2 at the Pier Parking Structure. The doors on the bottom level of the four-level structure are in poor condition because of their age and the harsh climate at the waterfront. Kone Inc. will perform the necessary repair work for a cost to the Harbor Uplands Fund if \$15,500.

## **BACKGROUND**

The pier parking structure contains three elevators, one of which is located at the south end of the International Boardwalk adjacent to Quality Seafood Market. The doors on the bottom floor of the four-level Elevator #2 need to be replaced. The doors are in poor condition and have become inoperable due to their age and exposure to the harsh waterfront climate elements.

Kone Inc. has provided regular maintenance of elevators throughout the City for the last three years. The company was asked to provide a proposal to replace the doors and perform any other related maintenance work on the elevator. Kone proposed to do the following for a cost of \$15,500:

- Remove existing worn door equipment
- Install new hoistway door hangers and a hall track assembly with new non-metallic rollers
- Install new reel door closers and pick-up roller assemblies for each opening
- Install new "enforcer" door gibs and car door rollers on every door
- Install new stainless steel hall door panels

**Library Elevator**

**May 19, 2015**

**Page 2**

- Install a new hall door header at the first floor
- Install a new loading pressure switch to monitor the load weight of the elevator

Staff feels the proposed repairs and cost are appropriate and reasonable. If approved the work will likely begin in late June and be completed in two to four weeks. The project will be sole-source. Through the City's membership in the U.S. Communities Government Purchasing Alliance, staff was able to obtain favorable pricing through a cooperative purchasing agreement.

**COORDINATION**

The Public Works Department coordinated this report with the Financial Services and Waterfront & Economic Development Departments. The City Attorney's Office prepared and approved the agreement as to form.

**FISCAL IMPACT**

The cost of an agreement for repair of Elevator #2 in the Pier Parking Structure will be \$15,500. Funding for the project is available in the Public Works Department's Harbor Uplands Fund operating budget.

<u>Funding:</u>		<u>Expenditures:</u>	
Harbor Uplands Fund	\$15,500	Kone Inc.	\$15,500
Total	<u>\$15,500</u>	Total	<u>\$15,500</u>

Submitted by:  
*Tim Shea, Interim Director of Public Works*

Approved for forwarding by:  
*Joe Hoefgen, City Manager*

rosborne

Attachment:  
Agreement

**AGREEMENT FOR PROJECT SERVICES  
BETWEEN THE CITY OF REDONDO BEACH  
AND KONE, INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a Chartered Municipal Corporation ("City") and KONE, INC., a Delaware Corporation ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

\* \* \* \* \*

**GENERAL PROVISIONS**

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time, and the rights thereto shall be deemed assigned to the City. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials



shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Notwithstanding the foregoing, Contractor shall not be obligated to assign any proprietary software or data developed by or at the direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work.

All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:



Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause,



terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with the percentage of the project or services completed by Contractor; and all of Contractor's finished or unfinished work product through the time of the City's last payment shall be transferred and assigned to the City. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement, the City may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.
13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising



from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass Indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

- a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
  - b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.

Notwithstanding the foregoing, California Labor Code Sections 1860 and 3700 provide that every contractor will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, the Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to under take self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.



- a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.
- b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.
18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether



twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor 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 Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.
21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. To the extent permissible under law, Contractor shall keep confidential its obligations hereunder and the information acquired during the performance of the project or services hereunder.



27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Warranty. In the event that any product shall be provided to the City as part of this Agreement, Contractor warrants as follows: Contractor possesses good title to the product and the right to transfer the product to City; the product shall be delivered to the City free from any security interest or other lien; the product meets all specifications contained herein; the product shall be free from material defects in materials and workmanship under normal use for a period of one (1) year from the date of delivery; and the product shall be fit for its intended purpose(s). Notwithstanding the foregoing, consumable and maintenance items (such as light bulbs and batteries) shall be warranted for a period of thirty (30) days from the date of delivery. All repairs during the warranty period shall be promptly performed by Contractor, at Contractor's expense, including shipping. Contractor shall not be liable under this warranty for an amount greater than the amount set forth in Exhibit "C" hereto.
33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute



this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.

35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.

*SIGNATURES FOLLOW ON NEXT PAGE*



IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 19th day of May, 2015.

CITY OF REDONDO BEACH

KONE, INC.

\_\_\_\_\_  
Mayor

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

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED:

\_\_\_\_\_  
Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney's Office

## EXHIBIT "A"

### PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

#### CONTRACTOR'S DUTIES

The scope of work includes the provision of all labor, materials, tools, transportation and supervision as required to perform the following work on one passenger elevator located at 101 W. Torrance Blvd. All work will be first-class and completed in a workman-like manner.

#### Scope of Services

Contractor shall remove existing, worn and troublesome door equipment and install in its place new door equipment, including:

- New hoistway door hangers, and hall track assembly, with new non-metallic rollers
- New reel door closers and pick-up roller assemblies –per opening
- Install new "enforcer" door gibs and car door rollers on every door as necessary
- New Stainless Steel Constructed Hall Door panels, with mechanical fasteners to secure decorative stainless steel skin.
- New Hall Door Header at 1<sup>st</sup> floor.

**Contractor shall perform above work to the first floor Hoistway doors only.**

Contractor shall furnish and install a new loading pressure switch to monitor the load weight of the elevator.

Prior to installation, Contractor shall obtain approval from the City's Facilities Maintenance Supervisor or his designee.

#### Personnel

The selected proposer shall provide personnel who are knowledgeable and experienced in repair work for the above stated product.



**EXHIBIT "B"**

**SCHEDULE FOR COMPLETION**

**TERM.** The term of this Agreement shall commence May 19, 2015 and continue until August 20, 2015 ("Term"), unless otherwise terminated as herein provided.



**EXHIBIT "C"**  
**COMPENSATION**

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

1. **AMOUNT.** In no event shall the compensation provided pursuant to this Agreement exceed \$15,000.
2. **METHOD OF PAYMENT.** Contractor shall provide invoices indicating the services and tasks performed during the prior month to City for approval and payment. Invoices must be itemized, adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
3. **SCHEDULE FOR PAYMENT.** Contractor shall be compensated as described above 30 days after completion of services to the City's reasonable satisfaction
4. **NOTICE.** Written notices to City and Contractor shall be given by registered or certified mail, postage prepaid and addressed to or personally served on the following parties.

Contractor

Kone, Inc.  
David Wuethrich, Sales Executive  
11165 Knott Avenue, Suite B  
Cypress, CA 90630

City

City of Redondo Beach  
Engineering Department  
415 Diamond Street  
Redondo Beach, CA 90277  
Attention: Brad Lindhal



## EXHIBIT "D"

### INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

#### Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).

Workers' Compensation insurance as required by the State of California.

Employer's Liability Insurance.

#### Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

#### Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.



### Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

#### Additional Insured Endorsement:

**General Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

**Automobile Liability:** The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

#### Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.



Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Subcontractors

Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.



## EXHIBIT "E"

### AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.
2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.
3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.
4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.
5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.
6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.
7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this



Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.





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# Administrative Report

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Commission Action Date: June 8, 2015

**To: MEMBERS OF THE HARBOR COMMISSION**

**From: STEPHEN PROUD  
WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR**

**Subject: DIRECTOR'S REPORT**

## **RECOMMENDATION**

Receive and file a report from the Waterfront & Economic Development Director on current and upcoming waterfront projects and activities.

## **EXECUTIVE SUMMARY**

An oral report will be provided by the Waterfront & Economic Development Director at the Commission meeting on current and upcoming waterfront projects and activities, including but not limited to property management, leasing activity, project updates, events and other information.

## **COORDINATION**

Department staff collaborated on the development of this report.

## **FISCAL IMPACT**

The cost for preparing this report is included within the Waterfront & Economic Development Department's adopted FY2014-15 annual budget and is part of the department's annual work program.

Submitted by:

*Stephen Proud*  
*Waterfront and Economic Development Director*