



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

SACHI A. HAMAI  
Chief Executive Officer

**DATE:** October 27, 2016  
**TIME:** 1:00 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting. Three (3) minutes are allowed for each item.

1. Call to order – James Blunt / Gevork Simdjian
  - A) **Board Letter – APPROVAL OF ORDINANCE AMENDING TITLE 6 – SALARIES APPLICABLE ONLY TO LACERA**  
LACERA – Gregg Rademacher or designee
  - B) **Board Letter – APPROVE THE AMENDED AND RESTATED PALOS VERDES LANDFILL JOINT POWERS AGREEMENT WITH COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY AND AUTHORIZE MAINTENANCE FUNDING**  
CEO CP – Brad Bolger or designee
  - C) **Board Letter – INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 5.90 (VEHICLE TRIP REDUCTION – RIDESHARING) OF CHAPTER 5 (PERSONNEL) OF THE LOS ANGELES COUNTY CODE**  
DHR – Lisa Garrett or designee
  - D) **Board Letter – AUTHORIZE THE ASSESSOR TO EXECUTE A CONSULTING SERVICES AGREEMENT FOR PHASE II OF THE ASSESSOR'S MODERNIZATION PROJECT**  
Assessor – Jeffrey Prang or designee
2. Public Comment

**CONTINUED ON PAGE 2**

**NOTICES OF CLOSED SESSION**

**CS-1** CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Paragraph (1) of subdivision (d) of Government Code section 54956.9)

Los Angeles Unified School District v. County of Los Angeles, et al.,  
Case No. BS108180

Long Beach Unified School District v. County of Los Angeles, et al.,  
Case No. BS137598

Los Angeles Community College District v. County of Los Angeles, et. al.,  
Case No. BS130308

Montebello Unified School District v. County of Los Angeles, et. al.,  
Case No. BS127286

3. Adjournment



November 1, 2016

## **DRAFT**

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF ORDINANCE AMENDING TITLE 6 – SALARIES  
APPLICABLE ONLY TO LACERA (3 VOTES REQUIRED FOR APPROVAL)**

**SUBJECT**

Recommendation to amend salary range table for the Los Angeles County Employees Retirement Association (LACERA) and to amend determination of compensation for one (1) non-represented classification.

**IT IS RECOMMENDED THAT THE BOARD:**

Approve the accompanying ordinance amending Title 6 – Salaries of the County Code to amend the LACERA salary range table to include salary ranges LR26 through LR30 and provide that the Chief Investment Officer (UC), LACERA, Item No. 0493 shall be compensated as determined by LACERA's Boards of Retirement and Investments.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The Los Angeles County Employees Retirement Association (LACERA) is responsible for investing the \$49 billion retirement trust portfolio and the \$600 million OPEB trust portfolio. These funds will be used to pay retirement and healthcare benefits to more than 100,000 current county employees and 60,000 retirees. Together the LACERA Board of Retirement and Board of Investments (LACERA Boards) are responsible for attracting and retaining highly qualified employees with the knowledge and experience to invest funds globally through numerous external managers specializing in public equity, private equity, fixed income, real estate, hedge funds and commodities. The LACERA Chief Investment Officer is the investment expert for LACERA's Board of Investments, acting as advisor on all matters involving the investment or proposed

investment of LACERA trust assets. The Chief Investment Officer position is currently being filled on an interim basis with LACERA actively recruiting to permanently fill the position with the assistance of internal and external executive search teams since the position became vacant in June 2015. An independent compensation consultant recently found that the current compensation package for the Chief Investment Officer (UC) LACERA, Item 0493, is below market compared to other public pension plans. To facilitate attracting and retaining a highly qualified candidate to the Chief Investment Officer position, the LACERA Boards have approved amending the LACERA salary range table to include salary ranges LR26 through LR30 and to provide the LACERA Boards the flexibility to set the Chief Investment Officer salary in their discretion, just as the ordinance currently provides for LACERA's Chief Executive Officer.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The actions recommended in this letter promote the County's Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability by providing for a wage and fringe benefit structure in a financially responsible yet competitive manner.

### **FISCAL IMPACT/FINANCING**

Adoption of the enclosed ordinance will have no fiscal impact on the County of Los Angeles. The entire cost of administering the Retirement Association, including expenses associated with salaries and benefits, are a charge on the earnings of the retirement fund pursuant to Government Code Section 31580.2. There is no financing involved with this action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The legal authority relating to this recommendation is found in the County Employees Retirement Law of 1937, California Government Code Section 31450 and following, and in the California Constitution.

In addition to Government Code Section 31522.1 providing the LACERA Boards the authority to appoint such personnel as are required to accomplish the necessary work of the LACERA Boards, Government Code Section 31522.4 further authorizes the LACERA Boards to appoint specified management personnel, including a Chief Investment Officer, and further provides such personnel "shall not be subject to county charter, civil service, or merit system rules. The persons appointed shall be county employees and their positions shall be included in the salary ordinance or resolution adopted by the Board of Supervisors for the compensation of county officers and

employees. The persons appointed shall be directed by, shall serve at the pleasure of, and may be dismissed at the will of, the appointing board or boards." The LACERA Boards have delegated the appointment and dismissal of such personnel and persons to the LACERA Chief Executive Officer.

Article XVI, section 17 of the California Constitution provides that, "the retirement board of a public pension or retirement system shall have plenary authority and fiduciary responsibility for investment of moneys and administration of the system."

The accompanying ordinance implementing amendments to Title 6 – Salaries, of the County Code has been approved as to form by County Counsel.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of this agenda item will not impact current service or projects.

Respectfully submitted,

GREGG RADEMACHER  
Chief Executive Officer  
LACERA

GR:bn  
HR/MAPP Ord Ltr to BOS 110116v5.pdf

Enclosures

C: LACERA Board of Retirement  
LACERA Board of Investment  
LACERA Chief Counsel  
LACERA Human Resources  
Los Angeles County Executive Office, Board of Supervisors  
Los Angeles County County Counsel  
Los Angeles County Auditor-Controller

ANALYSIS

This ordinance amends Title 6 – Salaries of the Los Angeles County Code by changing the salary of one (1) non-represented employee classifications and amending a Los Angeles County Employees Retirement Association Management Appraisal and Performance Plan Tier I Salary Structure table and providing for determination of the compensation for LACERA's Chief Investment Officer. The LACERA Boards acted under, and the Board of Supervisors shall act, pursuant to Government Code Section 31522.4.

MARY C. WICKHAM  
County Counsel

By: \_\_\_\_\_  
RICHARD BLOOM  
Principal Deputy County Counsel  
Labor & Employment Division

**ORDINANCE NO. 2016-#####**

An ordinance amending Title 6 – Salaries of the Los Angeles County Code relating to the changing of one non-represented classification and amending a Los Angeles County Employees Retirement Association salary structure table to implement the findings of a compensation study.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 6.28.050 is hereby amended to change the salary of the following class:

ITEM NO.	TITLE	EFFECTIVE DATE	SALARY OR SALARY SCHEDULE AND LEVEL	
0493	Chief Investment Officer, LACERA (UC)	01/01/2016	N23L	LR25
		<u>12/01/2016</u>	<u>N(##)</u>	

NOTE ##: Notwithstanding any other provision of this Title 6, a person employed in the this class shall be paid in accordance with the provisions of Section 6.127.030(F).

**SECTION 2.** Section 6.127.030(F) is hereby added to define the salary range appointing authority for the Chief Investment Officer:

F. Chief Investment Officer. Notwithstanding any other provision of Title 6 of this code, the salary range for any person designated to act as Chief Investment Officer shall be determined by the Boards of Retirement and Investments.

**SECTION 3.** Section 6.127.040(B)(7) is hereby amended to define eligibility for participation in MAPP Tier I to those employees as designated by the boards of retirement and investments:

7. "Tier I" means that part of the Plan that is applicable to positions specifically designated as eligible for Tier I by the board of supervisors as requested by the board of retirement and board of investments jointly. Salary ranges applicable to Tier I Participants are designated by the letters "LR" in Sections 6.28.050 and 6.26.020 A of this code and as designated by the board of retirement and board of investments under Section 6.127.030. Tier I Salary ranges are defined in terms of a minimum rate, a maximum rate, and a Control Point and are divided into quartiles for salary administration purposes in accordance with the provisions of Section 6.08.370 or as designated by the board of retirement and board of investments under Section 6.127.030.

**SECTION 4.** Section 6.26.040 is hereby amended to add pay ranges to the following Los Angeles County Employees Retirement Association salary structure table:

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION (LACERA)**  
MANAGEMENT APPRAISAL AND PERFORMANCE PLAN  
TIER I SALARY STRUCTURE TABLES - LR SCHEDULE  
Table LG - Effective July 1, 2016

<b>Range</b>	<b>Minimum</b>	<b>Control Point</b>	<b>Maximum</b>
LR 25	\$23,205.16	\$29,164.03	\$35,122.90
<u>LR 26</u>	<u>\$24,945.55</u>	<u>\$31,351.35</u>	<u>\$37,757.13</u>
<u>LR 27</u>	<u>\$26,816.47</u>	<u>\$33,702.70</u>	<u>\$40,588.91</u>
<u>LR 28</u>	<u>\$28,827.70</u>	<u>\$36,230.40</u>	<u>\$43,633.08</u>
<u>LR 29</u>	<u>\$30,989.78</u>	<u>\$38,947.68</u>	<u>\$46,905.56</u>
<u>LR 30</u>	<u>\$33,314.02</u>	<u>\$41,868.75</u>	<u>\$50,423.48</u>

**SECTION 5.** Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE**

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

SACHI A. HAMAI  
Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

November 15, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE THE AMENDED AND RESTATED PALOS VERDES LANDFILL  
JOINT POWERS AGREEMENT WITH COUNTY SANITATION DISTRICT NO. 2  
OF LOS ANGELES COUNTY AND  
AUTHORIZE MAINTENANCE FUNDING  
(FOURTH DISTRICT)  
(3 VOTES)**

**SUBJECT**

Find the approval of the Amended and Restated Palos Verdes Landfill Joint Powers Agreement exempt from the provisions of the California Environmental Quality Act; and approve the Amended and Restated Palos Verdes Landfill Joint Powers Agreement with County Sanitation District No. 2 of Los Angeles County to provide for continued post-closure maintenance of the Palos Verdes Landfill.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Find the approval of amended and restated Palos Verdes Landfill Joint Powers Agreement statutorily and categorically exempt from the California Environmental Quality Act for the reasons stated in this letter, and in the record of activities.
2. Approve the Amended and Restated Palos Verdes Landfill Joint Powers Agreement; and instruct the Chair to execute the Amended and Restated Palos Verdes Landfill Joint Powers Agreement to allow County Sanitation District No. 2 of Los Angeles County to continue maintaining and monitoring the closed Palos Verdes Landfill pursuant to regulatory requirements.

*"To Enrich Lives Through Effective And Caring Service"*

*Please Conserve Paper – This Document and Copies are Two-Sided  
Intra-County Correspondence Sent Electronically Only*

3. Authorize the Chief Executive Officer to reimburse County Sanitation District No. 2 of Los Angeles County for post-closure expenses, including all monitoring, maintenance, and capital improvements, until all applicable regulatory agencies determine that the Palos Verdes Landfill requires no further environmental action or monitoring. Estimated annual maintenance costs are \$3.5 million.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended Amended and Restated Palos Verdes Landfill Joint Powers Agreement (JPA) between the County of Los Angeles (County) and County Sanitation District No. 2 of Los Angeles County (District) will provide for ongoing post-closure maintenance activities at the Palos Verdes Landfill (Landfill).

### **Background**

The County and District entered into a series of JPAs since 1956 with respect to the construction, operation, closure, and post-closure maintenance of the Landfill. The Landfill accepted waste beginning in 1957 and closed in 1980. The Landfill was operated by the District on six parcels of land owned by the County, the District, and the City of Rolling Hills Estates (City) (see Exhibit). Parcels 1 and 2 are owned by the County. The District currently owns Parcels 3, 5, and 6. The City owns Parcel 4. In or around 1964, land filling on Parcel 1 ended and the County developed it into the South Coast Botanic Gardens. In 1980, landfilling on Parcel 4 ended and the City developed Ernie Howlett Park on the site. Parcels 2, 3, 5, and 6 are referred to as the "Main Landfill Site."

Since 1970, agreements between the County and District identified the County as having full financial responsibility for all post-closure activities and costs for the landfill. The most recent JPA, dated February 11, 1986 (1986 JPA), and amended in 1998 and 2008, re-established that the County would take ownership of the District parcels at the Main Landfill Site for parks and recreation purposes. The 1986 JPA also re-established that the District would continue monitoring and maintenance of the Landfill at the County's request, and the County would reimburse the District for all expenses. The 1986 JPA stipulated that reimbursement of the Landfill's post-closure expenses would first be paid using excess revenue from the Palos Verdes Gas-to-Energy Facility (Facility) or other revenues generated from the County's development of the Main Landfill Site. Any shortfall in reimbursement beyond the aforementioned revenue would be paid by the County. Approximately \$30.7 million in excess Facility revenue has been applied to the Landfill's post-closure expenses.

The 1986 JPA, as amended, will terminate on January 1, 2018. If the 1986 JPA is not amended, the County would assume all duties to operate and maintain the Landfill.

Continued environmental monitoring, control operations, and maintenance are required for the Landfill. Monitoring includes ensuring that the contaminated groundwater and landfill gases contained in the Landfill are controlled according to regulatory requirements. Landfill environmental control operations include landfill gas collection and treatment, and landfill liquids collection and treatment. Maintenance includes soil work to ensure an adequate soil cover for gas control and stormwater drainage. As the Landfill has aged these activities have slowed at the site but are still required. Continued operation of the environmental control systems will be required for the foreseeable future.

In order to minimize the financial impact to the County, the post-closure expenses will initially be paid from the Palos Verdes Landfill Surcharge Fund (Surcharge Fund), which is controlled by the District. The Surcharge Fund was created through the imposition of a \$0.75 per ton surcharge rate on refuse disposed of at the Landfill from August 1, 1978 until the Landfill's closure on December 31, 1980, to equalize the disposal fees at the Palos Verdes and Mission Canyon Landfills. The Surcharge Fund had a balance of \$17.9 million as of December 31, 2015. On January 20, 2016, the District Board approved the use of the Surcharge Fund for the Landfill's post-closure activities. Upon approval of the JPA, the District will use all monies in the Surcharge Fund to pay for post-closure activities. Once the Surcharge Fund has been drawn down to the \$3 million cash reserve, the County will reimburse the District for all post-closure maintenance costs.

### **Recommended JPA Terms**

Approval of the JPA is recommended to allow the District to continue to perform post-closure maintenance activities at the Landfill and to authorize the County's Chief Executive Office (CEO) to reimburse the District for all post-closure activities upon receipt of District invoices. An annual budget and invoice for the Landfill will be transmitted to the CEO 60 days prior to the beginning of the fiscal year. The District will initially draw on the monies from the Surcharge Fund to pay for post-closure expenses. The District will begin to invoice the County for an advance on semi-annual post-closure expenses once the Surcharge Fund has been depleted (less cash reserve). Within 60 days after the beginning of the fiscal year, the District will send the County a reconciliation of the previous fiscal year expenses. Both parties agree that a cash reserve of \$3 million should be kept as a reserve in the Palos Verdes Landfill Postclosure Working Capital Fund to fund any capital improvement projects required by the applicable regulatory agencies, emergency projects, or unforeseen expenses.

Furthermore, approval of the JPA would allow the District to quitclaim Parcels 3, 5, and 6 to the County, as contemplated in the prior joint powers agreements between the parties.

The JPA was approved by the District's Board of Directors on October 12, 2016.

### **Implementation of Strategic Plan Goals**

The recommended actions meet the Board-approved County Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1), by completing the proposed maintenance and remediation services in the most efficient and cost-effective manner. Recommended actions also meet the Goal of Integrated Services Delivery (Goal 3), by maximizing opportunities to measurably improve client and community outcomes, and leverage resources.

### **FISCAL IMPACT/FINANCING**

The Landfill's post-closure expenses would initially be paid from money in the Surcharge Fund. It is anticipated that the Surcharge Fund will cover post-closure expenses until approximately Fiscal Year 2020-21. Once the Surcharge funds have been drawn down to \$3 million, the County will request appropriation authority of approximately \$3.5 million per year in the Rent Budget for ongoing Landfill post closure expenses until the applicable regulatory agencies determine the Landfill requires no further environmental action or monitoring. The \$3.5 million current budget amount is an estimate based on the last 10 years of post-closure expenses at the Landfill, but may vary depending on specific regulatory requirements and inflation.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The JPA between the County and District establishes or re-establishes the rights and responsibilities among the parties for the ongoing operation and maintenance of the Landfill, as well as a reimbursement mechanism for post-closure expenditures until all applicable regulatory agencies determine that the Palos Verdes Landfill requires no further environmental action or monitoring. Depending on the landfill subsurface composition, the post closure period could last a minimum of 30 years.

### **ENVIRONMENTAL DOCUMENTATION**

The recommended actions are statutorily exempt from California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21169 and Section 15261 of the State CEQA Guidelines since the activities are an ongoing project that was approved prior to 1970. The maintenance and operational activities at the Landfill have

historically been carried out by the District on the County's behalf. Further, the activities covered under the Amended JPA consist of maintenance, operation, and minor alteration of existing public facilities, which are categorically exempt under Section 15301, including Class 1 and 4 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. The proposed activities involve negligible or no expansion of an existing use. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the categorical exemption inapplicable based on the records of the proposed activity.

Upon the Board's approval of the recommended activities, CEO will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommended actions will allow the District to continue to perform required post-closure maintenance at the Landfill and will have no impact to current services.

#### **CONCLUSION**

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Programs Division.

Respectfully submitted,

SACHI A. HAMAI  
Chief Executive Officer

SAH:JJ:DPH  
BMB:FC:AT:zu

c: Executive Office, Board of Supervisors  
County Counsel  
County Sanitation District

**AMENDED AND RESTATED**  
**PALOS VERDES LANDFILL JOINT POWERS AGREEMENT**

This Amended and Restated Palos Verdes Landfill Joint Powers Agreement (“**Agreement**”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016 (“**Effective Date**”) and is between the COUNTY OF LOS ANGELES (“**County**”) and COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY (“**District**”). The County and the District are each a “**Party**” and together are the “**Parties.**”

A. The District enters into this Agreement for itself and as agent for and on behalf of County Sanitation Districts Nos. 1, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 29, and South Bay Cities Sanitation District of Los Angeles County (together with the District the “**Districts**”) under the *Sanitation Districts Solid Waste Management System Agreement* (“**System Agreement**”).

B. The Palos Verdes Landfill (“**Landfill**”) is a closed landfill located in the City of Rolling Hills Estates (“**City**”) and adjacent unincorporated Los Angeles County. Since September 18, 1956, the Parties have entered into a series of joint powers agreements with respect to the construction, operation, closure, and post-closure maintenance of the Landfill. The most recent of those joint powers agreements was entered into on February 11, 1986 (the “**1986 Agreement**”) and was amended December 23, 1998 and November 25, 2008.

C. The Landfill comprises six parcels of land, identified as Parcels 1, 2, 3, 4, 5 and 6 and shown on Exhibit 1. The County owns Parcels 1 and 2. Beginning in or around 1964, the County redeveloped Parcel 1 into the South Coast Botanic Gardens. The City owns Parcel 4, which is now the site of Ernie Howlett Park. Parcels 2, 3, 5 and 6 are abutting parcels which together comprise approximately 173 acres and are known as the “**Landfill Main Site.**” County Sanitation District No. 5 of Los Angeles County (“**District No. 5**”) owns fee title to Parcels 3, 5, and 6 (the “**District Parcels**”), which are managed by the District pursuant to the System Agreement. The District operated the Landfill from its opening in 1957 until its closure in 1980.

D. The 1986 Agreement, as amended, will expire January 1, 2018.

E. The Parties intend by this Agreement to amend and restate the 1986 Agreement to provide, beginning from the Effective Date forward, for (1) the District’s continued operation and maintenance of the Landfill Main Site at the County’s cost, and for (2) the District and District No. 5’s conveyance of Parcels 3, 5, and 6 to the County.

The Parties therefore agree as follows:

1. **Definitions.** Capitalized terms in this Agreement will have the meanings set forth below, or as otherwise defined in the remainder of this Agreement.

1.1 “**Budget**” means a budget for Landfill activities prepared by the District.

1.2 “**Budget Period**” means each 6-month period between July 1 through December 31 and January 1 through June 30 of each year during the term of this Agreement.

- 1.3 **“Chief Engineer”** means the Districts’ Chief Engineer and General Manager or his or her authorized designee.
- 1.4 **“Chief Executive”** means the County’s Chief Executive Officer.
- 1.5 **“County”** means the County of Los Angeles.
- 1.6 **“District”** means County Sanitation District No. 2 of Los Angeles County.
- 1.7 **“District No. 5”** means County Sanitation District No. 5 of Los Angeles County.
- 1.8 **“Districts”** means County Sanitation Districts Nos. 1, 2, 3, 5, 8, 15, 16, 17, 18, 19, 21, 22, 23, 29, and South Bay Cities Sanitation District of Los Angeles County.
- 1.9 **“District Parcels”** means Parcels 3, 5 and 6 shown on Exhibit 1.
- 1.10 **“DTSC”** means the California Department of Toxic Substances Control.
- 1.11 **“Landfill”** means the Palos Verdes Landfill, including Parcels 1-6.
- 1.12 **“Landfill Main Site”** means Parcels 2, 3, 5 and 6 of the Landfill.
- 1.13 **“Operation and Maintenance”** or **“O&M”** means the ongoing, day-to-day planning, monitoring and control of systems or facilities, performing routine actions and making repairs, replacement, and reconstruction as needed to keep systems or facilities in good condition. O&M includes site maintenance, site monitoring, any remedial actions required by the DTSC or other regulator, utilities, permits, fees, equipment, materials, insurance, engineering and other professional and non-professional services, and administration including overhead costs and the salary and benefits of District employees with respect to time devoted to Landfill matters.
- 1.14 **“Surcharge Fund”** means the Palos Verdes Landfill Surcharge Fund.
- 1.15 **“System Agreement”** means the *Sanitation Districts Solid Waste Management System Agreement* between the Districts.
- 1.16 **“Working Capital Fund”** means the Palos Verdes Landfill Postclosure Working Capital Fund.

2. **Transfer of Parcels.** The District shall, within 12 months following the Effective Date of this Agreement, cause District No. 5 to quitclaim the District Parcels to the County in a form substantially similar to Exhibit 2 and approved by the District’s Chief Engineer and District Counsel. Within 30 days after receipt of the original quitclaim deed, the County shall accept and record the quitclaim deed. The County shall return a conformed copy of the recorded quitclaim deed to the District within 15 days after recording. District No. 5’s consent to this Agreement follows the signature pages.

3. **Payment of All Landfill Costs.**

3.1 **County's Duty to Pay Landfill Costs.** The County shall pay for all costs incurred by the District arising out of or relating to the Landfill, including all costs incurred beginning July 1, 2016.

3.2 **Budgets and Invoices.** Within 60 days after the Effective Date, the District shall provide the County with a Budget for the 6-month period commencing July 1, 2016. On or before 60 days prior to each 6-month "**Budget Period**" (defined in the next sentence), the District shall prepare and provide to the County a 6-month Budget and invoice. The Budget Periods will be July 1 through December 31 and January 1 through June 30. The Budgets will include a reconciliation of actual expenditures.

A. Budgets will include the following:

(i) A schedule of projected costs for operation and maintenance ("**O&M**") activities, and the aggregate cost of capital improvement projects where the cost of each project is less than \$50,000 (or as this amount may be adjusted from time to time by mutual agreement of the Chief Executive and the Chief Engineer), for the Budget Period.

(ii) A schedule of capital improvement projects for which the cost of each project is greater than or equal to \$50,000 (or as this amount may be adjusted from time to time by mutual agreement of the Chief Executive and the Chief Engineer), to be undertaken during the upcoming or subsequent Budget Periods subject to the County's review and concurrence.

(iii) Any other Landfill-related costs.

B. Either Party may request an opportunity to meet and confer to discuss the proposed activities and projects.

C. In order to ensure that the Landfill remains in compliance with all regulatory requirements, the County shall not unreasonably withhold, condition, or delay concurrence on projects necessary to maintain regulatory compliance. If the County fails to respond to the District's request for concurrence within 60 days, then the County will be deemed to have concurred.

3.3 **Working Capital Fund.** The District has established a fund held by the County for the benefit of the District called the Palos Verdes Landfill Postclosure Working Capital Fund ("**Working Capital Fund**"). The District shall expend the moneys in the Working Capital Fund to perform the work described or contemplated in this Agreement.

3.4 **Surcharge Fund.** The District has established the Palos Verdes Landfill Surcharge Fund ("**Surcharge Fund**"). The Surcharge Fund collected the \$0.75 per ton surcharge imposed on refuse disposed of at the Landfill from August 1, 1978 through December 31, 1980. The surcharge was created to equalize the disposal fees at the Landfill and Mission Canyon Landfill. The Surcharge Fund had a balance of \$17.8 million as of June 30, 2015. Upon full

execution of this Agreement, the District will deposit funds from the Surcharge Fund into the Working Capital Fund.

3.5 **Reserve.** The Working Capital Fund shall at all times maintain a cash reserve of at least \$3 million to provide liquidity and to fund any capital improvement projects required by applicable regulatory agencies, emergency projects, or unforeseen expenses.

3.6 **Accounting; Audit.** The District shall continue to provide the County with quarterly fiscal reports. The County may audit the District's books and records with respect to the Landfill at any time upon 30 days notice.

3.7 **Semi-Annual Deposits; Supplements.** The County shall, within 30 days after receipt of each invoice, deposit into the Working Capital Fund an amount that will ensure that the Working Capital Fund balance is sufficient to pay all expenses projected in the upcoming Budget Period and maintain the reserve. If quarterly fiscal reports indicate that supplemental deposits are necessary to retain a balance sufficient to pay all projected expenses, then the District shall provide the County with a request for a supplemental deposit, which the County shall pay within 30 days.

3.8 **Coordination.** The Chief Engineer shall endeavor to keep the Chief Executive fully informed of current and planned expenditures for Site O&M and capital improvements through Budgets, invoices, and other formal and informal communications.

4. **Landfill Activities.** The District is willing to perform the following Landfill O&M and capital improvement activities for the County, consistent with past practice, applicable regulatory requirements, and on the terms and conditions of this Agreement:

4.1 **Environmental Control Systems.** The District shall operate and maintain the Landfill's environmental control systems described below as necessary in accordance with applicable regulations and industry best practices. The District may adjust, based on appropriate regulatory requirements and industry best practices, the level of effort required for the O&M and capital improvement of environmental control systems. The District shall communicate, in writing, any regulatory compliance issues to the County.

A. **Landfill Gas Control and Monitoring Systems** including landfill gas collection wells, piping, and gas flaring station (including blowers, flares, supplemental fuel and instrumentation) and landfill gas condensate system, including piping, tanks, treatment, and disposal. The District will monitor collected landfill gas, subsurface gas probes, surface gas emissions, landfill gas condensate and flare emissions, and will perform all associated reporting, as required for operational and regulatory purposes in accordance with applicable regulations.

B. **Surface and Sub-Surface Water Quality Control and Monitoring Systems** including maintenance of groundwater monitoring and extraction wells and surface water sampling points, installation and maintenance of surface water conveyance systems and storm water best management practices, groundwater, storm water, and extracted water monitoring, remediation and reporting as required for operational and regulatory purposes, and collection and management of water including maintenance and/or repair of the sub-surface barrier, as required for operational and regulatory purposes.

C. **Landscaping and Irrigation Systems** limited to providing water and operating, maintaining, and improving existing on-site landscaping and irrigation systems (sprinklers, piping, and controls).

D. **Drainage and Grading**, including installing and maintaining on-site systems for proper surface water drainage, to avoid standing water on refuse fill, to control run on, to maintain adequate cover over the refuse fill, and to protect water quality as required for regulatory purposes.

E. **Other Environmental Control Systems** as mutually agreed upon in writing by the County's Chief Executive and the District's Chief Engineer.

4.2 **Additional Systems or Facilities.** At the request of the County, the District has been operating and maintaining additional systems or facilities on or related to environmental control systems of the Landfill. Upon the County's written request the District will continue to operate and maintain at the County's cost those additional systems or facilities, including:

A. On-site improvements, limited to operating, maintaining, and improving those on-site roads necessary for non-public access for ongoing O&M activities.

B. Other operation and maintenance responsibilities as mutually agreed upon in writing by the Chief Executive and the Chief Engineer and related to the environmental control systems.

4.3 **No Park or Recreation Duties.** The County has not requested that the District perform, and the District shall not perform, any actions related to park or recreational uses of the Landfill. The District shall not be responsible for any "final use" improvements, such as parking lots, the Botanic Garden, the Peter Weber Equestrian Center, any trailhead facilities, trails, parks, golf courses or golf course facilities or other infrastructure.

5. **Covenant, Waiver, and Assumption of Environmental Duties.** The County acknowledges that the Landfill is subject to a recorded *Covenant to Restrict Use of Property – Environmental Restriction* recorded on December 28, 1998 in the Official Records of the County of Los Angeles as Instrument No. 98-2340917. The County acknowledges that the Landfill is subject to an *Enforceable Agreement* dated December 23, 1998 between the DTSC and the District. The County hereby assumes the duties of the District under the *Enforceable Agreement* (and any successor agreement), and designates the District as the County's agent to act on the County's behalf in implementing the *Enforceable Agreement*. The County acknowledges that limited amounts of hazardous waste were accepted at the Landfill during its operation, and the County has reviewed and approved the District's 5-year reports to the DTSC that describe the current environmental condition of the Landfill. The County also acknowledges that the development of the Landfill is constrained by regulatory requirements and geotechnical conditions consistent with a closed landfill, and that the Landfill has limited uses and may not be suitable for any uses other than passive park and recreational uses consistent with maintenance of the environmental control systems, and that the construction of permanent structures may not be feasible.

6. **Delegation of Authority**

6.1 **County Delegation.** The Chief Executive or his or her designee is fully authorized to take any and all actions on behalf of the County, including, without limitation, all consents, approvals, and authorizations that, in his or her judgment, serve to carry out the purposes of this Agreement.

6.2 **District Delegation.** The Chief Engineer or his or her designee is fully authorized to take any and all actions on behalf of the District, including, without limitation, all consents, approvals, and authorizations that, in his or her judgment, serve to carry out the purposes of this Agreement.

7. **Indemnity**

7.1 **County's Indemnity.** County shall indemnify and hold District free and harmless from any and all liability, claims, loss, damages or expenses (including defense costs and legal fees) arising by reason of bodily injury, death, personal injury, or property damage resulting from the County's use of the Landfill including, but not limited to, any and all park and recreational purposes and activities and the South Coast Botanic Garden or the Peter Weber Equestrian Center.

7.2 **Shared Liability for Other Claims.** Except for the Claims described in section 7.1, the County and the District shall share equally all liability for Claims arising from or related to penalties, bodily injury, death, person injury, or property damage arising from the Landfill, its ownership, and use (including but not limited to gases generated therefrom, fill placed thereon, ownership, operation and maintenance of environmental control systems and related appurtenances) and each agrees to indemnify the other to the extent necessary to achieve an equal sharing of those liabilities, claims, losses, damages and expenses.

8. **Equestrian Center Lease.** The Parties have previously entered into a lease with the City of Rolling Hills Estates for the lease of portions of the Landfill Main Site for the purpose of an Equestrian Center. The District hereby assigns its rights and duties under the lease to the County, and the County hereby assumes all of the District's rights and duties under the lease. The District shall cooperate with the County and take any actions reasonably necessary to effectuate the assignment and assumption of the lease.

9. **Term and Termination**

9.1 The initial term of this Agreement will be for a period of 30 years from the Effective Date unless terminated earlier by mutual agreement of the Parties, or as set forth in Section 9.2. Following completion of the initial term, the Agreement will continue from year to year until the Parties mutually agree to terminate or until either Party unilaterally terminates this Agreement upon 90 days advance written notice given to the other Party.

9.2 If the County fails to make a full payment into the Working Capital Fund within 30 days after receipt of a Budget or invoice, then the District may immediately suspend work and notify the County of such failure. If the County makes a full payment into the Working Capital Fund in the amount called for in the Budget, invoice, or work suspension notice

within 90 days of that notice, then the District shall resume providing services; otherwise, this Agreement will automatically terminate.

9.3 Upon the expiration or termination of this Agreement, or the District's suspension of work pursuant to Section 9.2, the County shall automatically assume the responsibility for all operations and maintenance of the Landfill, including performing all duties to comply with all regulatory requirements imposed by the DTSC, the South Coast Air Quality Management District, and any other regulatory body.

10. **Notice.** All notices to be given under this Agreement must be in writing and transmitted by U.S. Mail, personal delivery or by a nationally-recognized overnight courier, together with a courtesy copy by email. Notice will be deemed delivered on the next business day after deposit in U.S. mail or overnight carrier, or on the day of delivery if by personal delivery, provided that a courtesy copy is also sent by email. Each Party may change its address for notice at any time by providing written notice to the other Party.

10.1 If the notice is to the District, notice must be addressed as follows:

Chief Engineer and General Manager  
County Sanitation Districts of Los Angeles County  
Attn: Solid Waste Department  
1955 Workman Mill Road  
Whittier, California 90601-1400  
Email: CBoehmke@lacs.org

10.2 If the notice is to the County, notice must be addressed as follows:

Chief Executive  
County of Los Angeles  
Attn: Bradford Bolger  
754 Hall of Administration  
500 W. Temple Street  
Los Angeles, CA 90012  
Email: BBolger@ceo.lacounty.gov

## 11. **General Provisions**

11.1 The Parties will promptly complete any documents necessary to effectuate the intent of this Agreement.

11.2 This Agreement contains the entire agreement between the Parties with respect to the operation and maintenance of the Landfill and will not be modified in any manner except by a written instrument. This Agreement supersedes and replaces all prior Joint Powers Agreements between the Parties with respect to the Palos Verdes Landfill.

11.3 If any term or provision of this Agreement is held, to any extent, to be invalid or unenforceable, the remainder of this Agreement will not be affected.

11.4 A waiver of a breach of any provision of this Agreement will not be deemed a waiver of any other provision of this Agreement, and no waiver will be valid unless in writing and executed by the waiving Party. An extension of time for performance of any obligation or act will not be deemed an extension of time for performance of any other obligation or act.

11.5 Each Party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement.

The Parties are signing this Agreement to be effective as of the Effective Date.

COUNTY OF LOS ANGELES

By: \_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Clerk

Approved as to Form

By: \_\_\_\_\_  
County Counsel

COUNTY SANITATION DISTRICT NO. 2  
OF LOS ANGELES COUNTY

By: \_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Secretary

Approved as to Form

By: \_\_\_\_\_  
District Counsel

**CONSENT TO 2016 AMENDED AND RESTATED  
PALOS VERDES LANDFILL JOINT POWERS AGREEMENT**

In connection with the attached Amended and Restated Palos Verdes Landfill Joint Powers Agreement (“**JPA**”) dated October 18, 2016, County Sanitation District No. 5 of Los Angeles County hereby acknowledges that it holds title to the District Parcels pursuant to the System Agreement and hereby consents to the attached JPA and to the conveyance of title of the District Parcels as contemplated by the JPA.

COUNTY SANITATION DISTRICT NO. 5  
OF LOS ANGELES COUNTY

By: \_\_\_\_\_  
Chairperson

Attest:

\_\_\_\_\_  
Secretary

Approved as to Form

By: \_\_\_\_\_  
District Counsel

**Exhibit 1**  
**Map of Landfill Site**



**Exhibit 2**  
**Quitclaim Deed**

**RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:**

**Claire Hervey Collins, Esq.  
Lewis Brisbois Bisgaard & Smith LLP  
633 West 5<sup>th</sup> Street  
Suite 4000  
Los Angeles, CA 90071**

Exempt from Doc. Transfer Tax per R&TC §11922  
Exempt from Recording Fee per Gov. C. §§ 6103 & 27383  
APNS: 7548-008-900, 7548-008-901

**SPACE ABOVE THIS LINE FOR RECORDERS USE**

**QUITCLAIM DEED**

**COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY (“District”)** hereby grants to the **COUNTY OF LOS ANGELES**, a body corporate and politic (the “County”), all of the District’s right, title, and interest presently held and/or acquired in the future to that certain real property located in Los Angeles County, California, described in Exhibit A and depicted in Exhibit B.

Pursuant to the *Covenant to Restrict Use of Property – Environmental Restriction* recorded on December 28, 1998 in the Official Records of the County of Los Angeles as Instrument No. 98-2340917, the District declares as follows:

All or a portion of the land described herein contains hazardous substances. Such condition renders the land and the owner, lessee, or other possessor of the land subject to requirements, restrictions, provisions, and liabilities contained in Chapter 6.5 and 6.8 of Division 20 of the California Health and Safety Code. This statement is not a declaration that a hazard exists and does not address the liability of any party. Such portions of the land described herein have been subject of a remediation overseen by the California Department of Toxic Substances Control pursuant to a Remedial Action Plan (RAP). The remediation facilities in use at the site as well as the monitoring systems must not be altered, disturbed, hindered, or damaged in any way. Nothing shall be done by the owners or occupants to restrict, prevent, or otherwise limit the ability of the Sanitation District to construct, operate, and maintain on the Site any of the facilities, systems, or environmental control systems provided for in the Palos Verdes Landfill Joint Powers Agreement, the Enforceable Agreement, or the Operation and Maintenance Agreement for the Palos Verdes Landfill Main

Site, or any other similar or related agreement or regulatory authority.

COUNTY SANITATION DISTRICT NO. 5 OF  
LOS ANGELES COUNTY

By: \_\_\_\_\_  
Chairperson

Dated: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:  
Lewis Brisbois Bisgaard & Smith, LLP

By: \_\_\_\_\_  
District Counsel

ACKNOWLEDGMENT

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

State of California )  
County of Los Angeles )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, 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 \_\_\_\_\_

**Exhibit A**  
**Legal Description**  
**Palos Verdes Landfill - Parcels 3, 5, and 6**  
**(4 pages)**

**PARCEL 3**

Parcel A

Portion of APN 7548-008-900

Being that parcel of land described in deed to County Sanitation District No. 2 of Los Angeles County, recorded in Book D2747 Page 499 of Official Records in the Office of the County Recorder of Los Angeles County, State of California, as described below;

That portion of Lot 14 of L.A.C.A. No. 51, in the city of Rolling Hills Estates, County of Los Angeles, State of California, as per map recorded in Book 1, Page 1 of Assessor's Maps, in the Office of the County Recorder, within the following described boundaries:

Beginning at the most northerly point of that course having a bearing and length of NORTH 146.76 feet in the boundary of the land described in Parcel 2 of the deed to the County of Los Angeles, recorded on January 11, 1957, as Instrument No. 1980, in Book 53340, Page 5 of Official Records, in the Office of said County Recorder; thence along the boundary of the land described in Parcel 2 of said deed as follows:

thence SOUTH, 146.76 feet;

thence North 44°41'12" West, 900.00 feet;

thence North 80°03'26" West, 86.38 feet;

thence South 9°56'34" West, 281.97 feet;

thence southerly along a 170.00 foot radius tangent curve, concave to the east, an arc distance of 152.48 feet;

thence South 41°26'56" East, 68.50 feet;

thence southerly along a 530.00 foot radius tangent curve, concave to the west, an arc distance of 126.80 feet;

thence South 27°44'30" East, 137.86 feet;

thence South 31°27'15" East, 356.16 feet;

thence southerly along a 230.00 foot radius tangent curve, concave to the west, an arc distance of 125.64 feet;

thence South 0°09'23" East, 347.08 feet;

thence WEST, 209.85 feet;

thence South 68°19'00" West, 520.00 feet;

thence leaving said boundary, North 31°41'00" West, 593.50 feet; thence NORTH 760.00 feet; thence North 26°30'00" West, 190.00 feet; thence North 26°34'00" East to a point on the southeasterly line of Hawthorne Boulevard, 100 feet wide, as described in Parcel 5-14 of the deed to the City of Rolling Hills Estates, recorded on October 21, 1964, as Instrument No. 3767, in Book D2671, Page 885 of said Official Records; thence North 56°35'25" East along said

southeasterly line to the beginning of a 1050.00 foot radius tangent curve, concave to the west; thence northerly along said curve, an arc distance of 400.00 feet; thence leaving said southeasterly line of Hawthorne Boulevard, southeasterly in a direct line to a point in the northerly prolongation of the course described above as SOUTH, 146.76 feet, said point being distant NORTH, 500.00 feet from the Point of Beginning; thence along said prolongation SOUTH, 500.00 feet to the POINT OF BEGINNING.

Containing 42.988 ± acres

Parcel B

Portion of APN 7548-008-900

Being that parcel of land described in deed to County Sanitation District No. 2 of Los Angeles County, recorded in Book D2747 Page 505 of Official Records in the Office of the County Recorder of Los Angeles County, State of California, as described below;

That portion of Lot 14 of L.A.C.A. No. 51, in the city of Rolling Hills Estates, County of Los Angeles, State of California, as per map recorded in Book 1, Page 1 of Assessor's Maps, in the Office of the County Recorder of said County, within the following described boundaries:

Beginning at the most northeasterly point of that course having a bearing and length of North 56°33'23

East, 76.76 feet on the center line of Hawthorne Boulevard, 100 feet wide, as described in Parcel 5-14 of the deed to the City of Rolling Hills Estates, recorded on October 21, 1964, as Instrument No. 3767, in Book D2671, Page 885 of Official Records in the Office of said County Recorder; thence South 33°26'37" East, 50.00 feet, radial line, to the beginning of a 1050.00 foot radius curve, concave to the west, being the southeasterly line of said Hawthorne Boulevard; thence northerly along said curve, an arc distance of 400.00 feet to the TRUE POINT OF BEGINNING; thence continuing northerly along said curve, to the northeasterly line of said Lot 14; thence along said northeasterly line South 44°41'05" East, 320.00 feet; thence South, 37°15'00" West to a point in a straight line that extends from the True Point of Beginning of this description to a point in the northerly prolongation of the course having a bearing and length of NORTH, 146.76 feet along the boundary of the land described in Parcel 2 of the deed to the County of Los Angeles, recorded on January 11, 1957, as Instrument No. 1980, in book 53340 page 5 of said Official Records, said point in said northerly prolongation being distant NORTH, 500.00 feet from the northerly end of said course having a length of 146.76 feet; thence northwesterly along said straight line to the TRUE POINT OF BEGINNING.

Containing 1.000 ± acres

**PARCEL 5**

Portion of APN 7548-008-900

That portion of Lot 14 of L.A.C.A. No. 51, in the city of Rolling Hills Estates, County of Los Angeles, State of California, as per map recorded in Book 1, Page 1 of Assessor's Maps, in the Office of the County Recorder of said County, described as follows;

Beginning at a point in the southwesterly boundary of said Lot 14, distant thereon North 49°46'01" West, 180.00 feet from the intersection thereof with the northwesterly line of Crenshaw Boulevard, 80 feet wide, as described in deed to said County, recorded in Book 32445, Page 154 of Official Records of said County; thence North 40°13'59" East 94.75 feet; thence South 49°46'01" East, 212.18 feet to said northwesterly line of Crenshaw Boulevard; thence northeasterly along said northwesterly line of Crenshaw Boulevard, being a 1040.00 foot radius curve, concave to the southeast, an arc distance of 121.98 feet to the most southerly corner of the land described in Parcel No. 2 of deed to said County of Los Angeles, recorded in Book 53340, Page 5 of Official Records of said County; thence along the westerly boundary of said land the following courses;

thence North 21°31'52" West, 134.78 feet,  
thence North 31°01'20" West, 101.70 feet;  
thence North 8°37'00" West, 330.00 feet;  
thence North 19°07'00" West, 290.00 feet;  
thence North 13°49'00" East, 126.00 feet to the most southerly corner of the land described in deed to County Sanitation District No. 2 of Los Angeles County, recorded in Book D2747, Page 499 of said Official Records; thence along the westerly boundary of said land the following courses;

thence North 31°41'00" West, 593.50 feet;  
thence NORTH, 760.00 feet;  
thence North 26°30'00" West, 190.00 feet;  
thence North 26°34'00" East, 371.09 feet to the southeasterly line of Hawthorne Boulevard, 100 feet wide, as described in deed to said County of Los Angeles, recorded in Book D2671, Page 885 of said Official Records; thence along said southeasterly line of Hawthorne Boulevard, South 56°35 '25" West 621.97 feet to the beginning of a 250.00 foot radius tangent curve, concave to the southeast; thence continuing southwesterly along said southeasterly line of Hawthorne Boulevard to the intersection thereof with the westerly boundary of said Lot 14; thence South 7°19'35" East along said westerly boundary, a distance of 1861.74 feet to an angle point therein; thence South 49°46'01" East, 657.66 feet to the POINT OF BEGINNING.

Containing 30.649 ± acres

**PARCEL 6**

APN 7548-008-901

That portion of Lot 14 of L.A.C.A. No. 51, in the city of Rolling Hills Estates, County of Los Angeles, State of California, as per Map recorded in Book 1, Page 1 of Assessor's Maps, in the Office of the Recorder of said County, described as follows:

Beginning at the intersection of the northeasterly boundary of said Lot 14 with the northwesterly line of Crenshaw Boulevard, 80 feet wide, as described in deed to said County recorded as Document No. 4195 on November 9, 1954, in Book 46064, Page 327 of Official Records of said County; thence South 49°54'55" West along said northwesterly line a distance of 601.65 feet to the most easterly corner of the land described as Parcel 2 in a deed to said County recorded as Document No. 1980 on January 11, 1957, in Book 53340, Page 5 of said Official Records; thence North 44°42'25" West along the northeasterly boundary of said Parcel 2 a distance of 1822.60 feet to a point in the most easterly boundary of the land described in a deed to County Sanitation District No. 2 recorded as Document No. 1205 on December 30, 1964, in Book D2747, Page 499 of said Official Records; thence NORTH, 500.00 feet along said most easterly boundary, thence North 35°44'15" West along the northeasterly boundary of said last mentioned land a distance of 540.76 feet to the most southerly corner of the land described in a deed to said County Sanitation District No. 2 recorded as Document No. 1207 on December 30, 1964, in Book D2747, Page 505 of said Official Records; thence North 37°15'00" East, 166.37 feet to the most easterly corner of said last mentioned land and a point on the northeasterly boundary of said Lot 14; thence South 44° 41'05" East, 2783.84 feet to the POINT OF BEGINNING.

EXCEPT the southeasterly 10 feet of said land as conveyed to the County of Los Angeles, by deed recorded December 12, 1969, as Instrument No. 2671, in Book D4581, Page 104, Official Records.

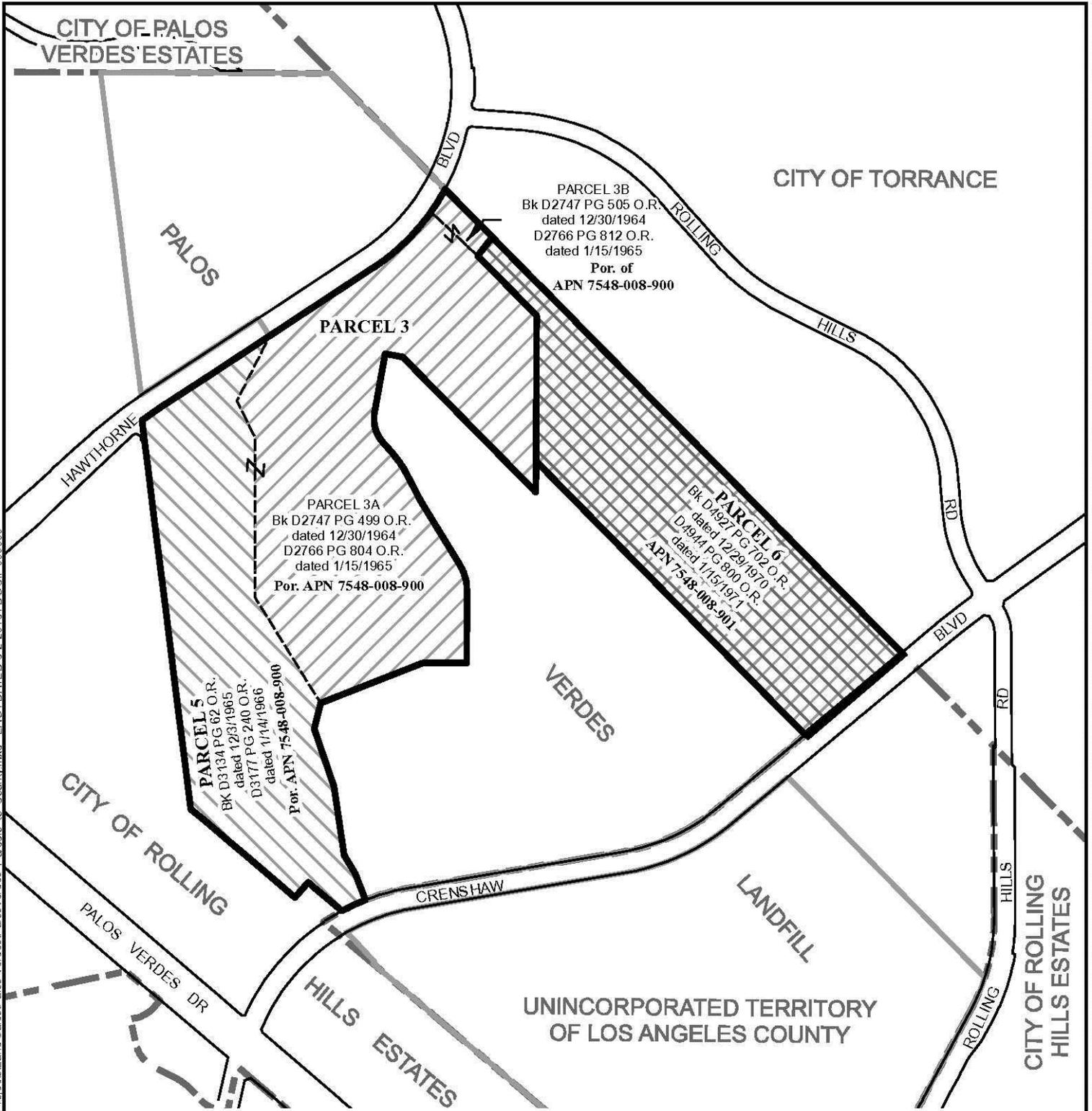
Containing 31.338 ± acres

Total Acres Containing 105.985 ± acres

-###-

**Exhibit B**  
**Palos Verdes Landfill**  
**Map of Parcels to be Granted to Los Angeles County**

Path: R:\Planning\PropertyManagement\Projects\Land Sales\PalosVerdes\PalosVerdes Parcels to County.mxd EAGI DATED 8-2-2016 | DOC# 000000



	PARCEL 3A .....	42.998 ac.
	PARCEL 3B .....	1.000 ac.
	PARCEL 5 .....	30.649 ac.
	PARCEL 6 .....	31.338 ac.
TOTAL .....		105.985 ± ac.



**COUNTY SANITATION DISTRICT NO. 2 & 5**  
 OF LOS ANGELES COUNTY  
**PARCELS TO BE GRANTED TO LOS ANGELES COUNTY**

**COUNTY'S CERTIFICATE OF ACCEPTANCE**



LISA M. GARRETT  
DIRECTOR OF PERSONNEL

## COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2222 FAX (213) 637-0820

November 15, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

### **INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 5.90 (VEHICLE TRIP REDUCTION—RIDESHARING) OF CHAPTER 5 (PERSONNEL) OF THE LOS ANGELES COUNTY CODE (ALL DISTRICTS) (3 VOTES)**

#### **SUBJECT**

Recommendation to amend County Code Chapter 5.90 (Vehicle Trip Reduction—Ridesharing), to make technical changes reflecting the transfer of the responsibility for the Employee Commute Reduction Program from the Chief Executive Office to the Department of Human Resources.

#### **IT IS RECOMMENDED THAT THE BOARD:**

Introduce, waive reading, and place on the Board's agenda for adoption on November 15, 2016, an ordinance amending Chapter 5.90 of Title 5 (Personnel) of the Los Angeles County Code to conform to technical changes made resulting from the transfer of the responsibility for the Employee Commute Reduction Program (ECRP) from the Chief Executive Office to the Department of Human Resources, becoming operative upon approval by the Board.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

This recommended action is to update the County's Rideshare Ordinance to reflect the transfer of the County Rideshare Program from the Chief Executive Office to the Department of Human Resources, and replacing:

- Chief Executive Officer with Department of Human Resources; and
- CEO with DHR

**Implementation of Strategic Plan Goals**

The County Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services. The Board’s adoption of the ordinance to amend County Code Chapter 5.90 is consistent with this goal.

**FISCAL IMPACT/FINANCING**

The recommendation to adopt the amended ordinance will have no fiscal impact.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

County Code Chapter 5.90 states the County’s policy with regard to reducing traffic congestion and air emissions from vehicles used by employees commuting between home and the worksite. Our compliance with South Coast Air Quality Management District’s (SCAQMD) Rule 2202 includes “good faith” efforts to increase the Average Vehicle Ridership (AVR) at the regulated sites.

The County Code requires department heads which supervise County employees at any County worksite of one hundred or more employees to promote County participation in trip reduction and ridesharing programs. SCAQMD requires regulated sites (those with 250 employees or more) to conduct an annual Rideshare survey and implement an ECRP Plan, commonly known as a Rideshare Plan. Each site administrator must review annually the ECRP Plan which must consist of AVR data and ECRP incentives.

Rule 2202 is a legal mandate and all worksites in the County with 250 or more employees are required to comply with all provisions of the regulation. The Rule provides employers with a menu of options designed to meet ambient air quality standards mandated by the Federal Clean Air Act. Rule 2202 guidelines are provided by SCAQMD, in addition to training and consulting services.

**ENVIRONMENTAL DOCUMENTATION**

Approval of this recommendation is categorically exempt under the California Environmental Quality Act (CEQA) pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board on November 17, 1987, and Section 15301 of the State CEQA Guidelines.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the amended ordinance will enhance the operational effectiveness of the County’s Rideshare Ordinance.

**CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return two originals of the final adopted amended ordinance to DHR, Office of Workplace Programs and Marketing at 222 South Hill

The Honorable Board of Supervisors  
11/15/2016  
Page 3

Street Room 670, Los Angeles, CA 90012, and make the changes to County Code Chapter 5.90, upon approval by the Board.

Respectfully submitted,

LMG:EP:PAM  
MLM:EW:mr

Enclosures

c: Executive Office, Board of Supervisors  
County Counsel

Draft

**ATTACHMENT**

## ANALYSIS

This ordinance amends Title 5 – Personnel of the Los Angeles County Code by amending Chapter 5.90 Vehicle Trip Reduction – Ridesharing to make minor technical corrections reflecting the transfer of the Employee Commute Reduction Program responsibility from the Chief Executive Office to the Department of Human Resources.

MARY C. WICKHAM  
County Counsel

By  (For)  
RICHARD D. BLOOM  
Principal Deputy County Counsel  
Labor & Employment Division

RDB: ctj

Received: 9/26/16  
Revised: 10/18/16

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 5 – Personnel of the Los Angeles County Code, relating to the transfer of the Employee Commute Reduction Program responsibility from the Chief Executive Office to the Department of Human Resources.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 5.90.020 is hereby amended to read as follows:

**5.90.020 Definitions.**

For the purpose of this chapter, the following definitions apply:

A. "Alternate transportation" means the use of non-motor vehicle modes of transportation. Walking and bicycling are examples.

...

D. "~~CEO~~"DHR" means the ~~Chief Executive Officer~~Department of Human Resources of the County of Los Angeles.

**SECTION 2.** Section 5.90.030 is hereby amended to read as follows:

**5.90.030 Increase in Average Vehicle Ridership.**

A. Within ninety days of the effective date of the ordinance codified in this chapter, the ~~CEO~~DHR shall prepare an Employee Commute Reduction Plan ("ECRP") applicable to each department head who supervises employees at a worksite which shall meet the requirements of this chapter.

**SECTION 3.** Section 5.90.040 is hereby amended to read as follows:

**5.90.040 Procedural Requirements for ECRP.**

A. The GEODHR must update the ECRP annually based upon each department head's annual review and report.

B. Each department head must, on an annual basis, review its implementation of the ECRP. The review shall focus on ridesharing and trip-reduction incentives offered by the department head. The review shall consist of a report to the GEODHR that:

1. Estimates AVR levels attained;
2. Verifies that the ECRP incentives have been offered;
3. Describes use of those incentives offered by the department head;
4. Evaluates why the ECRP did or did not work, and explains why proposed revisions to the ECRP are likely to achieve the AVR target levels;
5. Lists additional incentives which can reasonably be expected to correct deficiencies; and
6. Explains why the additional incentives are likely to result in achieving AVR target levels.

C. The GEODHR may perform follow-up audits on a selective basis. The GEODHR shall notify the department heads of the submittal deadline for the review and update.

D. The review and updated ECRP shall be prepared twelve months from the date of the initial ECRP preparation.

**SECTION 4.** Section 5.90.050 is hereby amended to read as follows:

**5.90.050 Exemption from SCAQMD Rule 2202.**

A. The GEODHR shall, within ten days of the effective date of the ordinance codified in this chapter, make written application to the Executive Officer of the SCAQMD for exemption from the SCAQMD'S<sub>2</sub> Rule 2202, on the basis that the requirements of this chapter are at least as effective as the SCAQMD'S<sub>2</sub> Rule 2202 in increasing average vehicle ridership at County worksites.

B. In order to maintain the County's exemption from the SCAQMD'S<sub>2</sub> Rule 2202, the GEODHR shall submit an annual report to the Executive Officer of the SCAQMD describing the trip reduction incentives being offered by the County and the annual AVR levels achieved at the County's worksites.

**SECTION 5.** Pursuant to Government Code Section 25123, this ordinance shall become effective 30 days from the date of final passage.

[590010EWCEO]

September 20, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**AUTHORIZE THE ASSESSOR TO  
EXECUTE A CONSULTING SERVICES AGREEMENT FOR PHASE II OF THE  
ASSESSOR'S MODERNIZATION PROJECT  
(ALL DISTRICTS)  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATIONS ()  
DISAPPROVE ()**

**SUBJECT**

Request approval to execute a consulting services Agreement with Oracle America, Inc. to support Phase II of the Assessor's Modernization Project, and delegation of authority to amend Agreement for various contractual actions during the term of the Agreement.

**RECOMMENDATION THAT THE BOARD:**

Approve and delegate authority to the Assessor, to execute a consulting services Agreement with Oracle America, Inc. (Oracle), effective upon execution, including any necessary subsequent amendments, change orders and optional services, for Phase II of the Assessor's Modernization Project at a maximum amount of \$23,363,824 which includes a 10% contingency.

**PURPOSE AND JUSTIFICATION OF RECOMMENDED ACTIONS**

**Background**

The Assessor's current system environment includes over 120 aging applications that are not well integrated. Many of the mainframe applications were originally

implemented between 1965 and 1978. The Assessor conducted an extensive evaluation of Commercial-Off-the-Shelf (COTS) products, including property tax administration and assessment systems and middleware products, and consulted with Sierra Systems, Gartner and the County Chief Information Office (CIO), to identify two vendors, Oracle and International Business Machines Corporation (IBM) that already had Master Services Agreements (MSA) for middleware products and consulting services with the County. Working closely with CIO and County Counsel, a “targeted solicitation” process was developed under the MSA work order process and proposals from Oracle and IBM were evaluated. The Assessor, with the assistance from the Internal Service Department (ISD), evaluated each of the work order proposals and determined that Oracle’s response proposed a more cost effective and complete solution to address the business needs of the Assessor. County Counsel and outside counsel reviewed the process and concurred with the selection of Oracle.

On June 16, 2015, your Board authorized the Assessor and CIO to execute a work order with Oracle for the development of Phase I of AMP (MSA Work Order). Phase I is part of a five phase agile development project to replace the Assessor’s currently outdated systems. Phase I of AMP establishes the overall enterprise architecture and plan for the entire system, and includes the foundational system components including: the creation and population of a new assessment roll system (Assessment Roll); rewrite of the “Assessor Portal” interface for both personal computers and mobile devices; functionality to store base year value and compute trending for all properties on the Assessment Roll; and a case management pilot designed for secure taxpayer self-service access. The “Go Live” date for AMP Phase I is set for late October 2016.

Throughout Phase I, the Assessor has fostered a working relationship with partner departments including the Chief Executive Office (Chief Information Office), ISD, the Auditor-Controller (AC), the Board of Supervisors, the Treasurer and Tax Collector (TTC), the Registrar-Recorder/County Clerk, and County Counsel. The departments have participated in a regular Advisory Steering Committee discussing project status, collaboration and integration points, shared functional roadmaps, and budget. Several modifications to our existing Assessor Portal resulted from these discussions with corresponding changes to the AMP functional roadmap for future phases.

Phase II of AMP will build on the foundations of functionality built in Phase I and provide additional functional components including: property identification, address management and parcel change; foundational elements for master workflows and automation of the new construction process; Prop 13 assessment processing; replacement/modernization of system interfaces with partner Departments (primarily AC and TTC); foundational elements for automating market approach appraisals; and

functionality that supports the processing of public service inquiries and assessment exclusions (i.e. miscellaneous Propositions).

#### Justification for Sole Source Contract

In our extensive evaluation of COTS products and other California Counties' attempts to modernize their property tax assessment systems, we found high project failure rates in medium and large-sized counties throughout the State. One of the foremost reasons was the lack of understanding of California assessment practices by the vendor (even vendors well versed in property tax assessment in general) and the inability of those vendors to adapt their products to comply with California assessment practices. To mitigate this risk, Oracle's staff was co-located with the Assessor's subject matter experts to gain an understanding of the depth and complexity of California assessment practices.

Over the past sixteen (16) months, Oracle's architects and technical staff have been onsite working hand-in-hand with Assessor's staff to develop the foundational pieces of AMP, including the complex data structures and business rules needed to support property taxation in the County. Throughout this period and by design, the Assessor has been able to evaluate Oracle's performance on this critical project and make any adjustments necessary for a successful Phase II deployment. Phase II will re-use key Phase I development and architectural artifacts developed by Oracle. Introducing a new vendor to an ongoing project would introduce new risk and significantly disrupt the development process. To negotiate with a new development partner would result in increased costs, higher risks to the County and major delays in project schedule.

The Assessor and Oracle are on target to launch Phase I of AMP by October 2016. The on-site solution and development efforts have resulted in a successful working relationship between Oracle, the Assessor and ISD. The Assessor plans to internally develop key components in Phase II jointly with Oracle. The Assessor, ISD and Oracle have collaborated in the architecture, provisioning and configuration of the multiple technical environments needed to support AMP. Similar to Oracle learning and understanding the Assessor's business, Oracle spent significant time with ISD learning and understanding the County's network infrastructure. Building on this knowledge and maintaining this consistency will allow us to efficiently administer and upgrade existing environments while quickly deploying new environments and enhancements as needed resulting in both time and cost savings.

The Assessor is aggressively targeting to decommission its legacy systems by July 2019. This timeline is dependent on maintaining a consistent and dedicated vendor

throughout the early phases of AMP. In both Phase I and Phase II, there is a heavy reliance on training, mentoring and knowledge transfer from Oracle. The Assessor will begin development responsibilities in Phase II, and will increasingly reduce its dependence on Oracle starting in Phase III with a goal of becoming self-reliant by the end of Phase V. Maintaining a consistent vendor will foster this approach.

### Benefits

AMP enables the Assessor, other property tax departments and the public, the ability to access assessment data from the Assessor's data repository using a web-based user interface. AMP provides significant improvements in data transparency, security and audit, information accuracy, and support for future business and compliance requirements. The public has direct access to information and improved service times through call center automation.

AMP aligns functional business objectives with an IT strategy and plan. Phase I of AMP produced the overall enterprise architecture and plan for the entire system. Phase II of AMP will build on the foundations of functionality built in Phase I and provide additional functional components.

Approval of the recommended action will enable the Assessor's Office to obtain professional services on a fixed price deliverable basis as outlined in the attached Agreement for Phase II of AMP. It will also enable the Assessor's Office to obtain optional services as defined in the Agreement (Exhibit I).

### **Implementation of Strategic Plan Goals**

The recommended action supports Goal 1, Operational Effectiveness/Fiscal Sustainability and Goal 2, Community Support and Responsiveness of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

Based on the Oracle fixed price deliverable proposal, the cost for this agreement is \$23,363,824. Payment will be made on a fixed price deliverable basis as requested and approved by the Office of the Assessor. The total agreement price is \$21,239,840. The 10% contingency amount of \$2,123,984 will be used for any required change orders. Funding for this project is included in the Assessor's Fiscal Year 2016-17 Final Adopted Budget and will be requested in future fiscal years.

## **FACTS AND PROVISIONS LEGAL REQUIREMENTS**

In accordance with Board Policy 5.100, the Assessor provided notification to the Board on July 14, 2016, four weeks prior to commencing negotiations for a new sole source contract with Oracle. Phase I of AMP has resulted in a successful working relationship between Oracle, the Assessor, and ISD to provide on-site solutions and development efforts. The Assessor commenced contract negotiations for Phase II of AMP on August 15, 2016. Pursuant to the Board's directive to engage outside counsel for information technology agreements exceeding \$5 million, County Counsel retained the law firm Sidley Austin, LLP, to assist in the negotiation of this recommended Agreement. Accordingly, Sidley Austin, in conjunction with County Counsel, drafted and negotiated the Agreement. In line with the Board's policy, County Counsel has separately submitted to the Board a privileged memorandum which analyzes the Agreement.

The proposed Agreement includes all Board required provisions, and establishes the negotiated terms and conditions under which Oracle services will be acquired including: i) a statement of work; ii) a schedule of prices and fees; iii) termination provisions; and iv) County's standard terms and conditions. The County and Oracle have negotiated several terms and conditions in the proposed Agreement that depart from the County's standard terms and conditions. Several of these departures were previously approved by the Board in connection with the MSA Work Order, including provisions with respect to representations and warranties, the Contractor's termination rights, indemnification obligations, remedies and limitations of liability.

Key issues that were negotiated in the proposed Agreement are: i) defined terms; ii) joint ownership to intellectual property rights to the work created under the Agreement; iii) acceptance criteria for services and deliverables; iv) record retention; v) extended warranty period; vi) indemnification rights; vii) remedies for breach; viii) irrevocable license for Oracle's intellectual property incorporated in AMP; and ix) limitation of liabilities capped at 2x fees paid under the Agreement with certain provisions excluded from this limitation.

There might be some risk from the negotiated provisions of the proposed Agreement, including the limitation of liability. However, the Assessor believes that such risks are minimal based on several significant factors similar to what has been previously been approved in the MSA Work Order. The proposed Agreement specifies fixed-price deliverables and define acceptance criteria that must be met before payment for any deliverable is made. Furthermore, acceptance of the deliverables will be subject to acceptance testing by the County to verify that they satisfy the acceptance criteria

mutually agreed to by the parties. In addition, the proposed Agreement requires Oracle to transition and document the successful transition of Phase II of AMP to a production environment prior to final acceptance. The County feels that the inclusion of the acceptance testing language along with the list of tasks and deliverables mitigates any risks of liability for increase costs to Oracle, and Assessor will institute mechanisms to provide for timely review of all tasks and deliverables submitted by Oracle.

Lastly, in the event of a breach of the proposed Agreement by Oracle, County is allowed to seek to recover excess costs with a lawsuit brought against Oracle. The Assessor negotiated fixed service fees for the duration of the Term, meaning that Oracle may not request increases for said fees unless negotiated in the optional terms.

The Assessor has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to the recommended Agreement and it is exempt from Proposition A (County Code Chapter 2.121).

County Counsel has approved Exhibit I as to form. The Chief Information Office (CIO) has reviewed and approve this contract; the CIO analysis is provided with this Board letter (Attachment I).

### **CONTRACTING PROCESS**

Your Board previously approved a work order to the MSA with Oracle that allowed the Assessor to acquire Oracle database and application server consulting services for Phase I of AMP. On July 14, 2016, pursuant to Board Policy 5.100, the Assessor notified your Board four weeks prior to commencing negotiations for a new sole source contract with Oracle to provide professional services to develop key components in Phase II of AMP. Oracle has agreed to previously negotiated terms from the MSA Work Order to be carried over to the recommended Agreement, and substantially agreed to the County's standard terms and provisions.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of this recommendation will not impact public service or the Assessor's production of the tax roll. Approval will enable the Assessor to continue development of a 21<sup>st</sup> century state of the art Assessment System.

Respectfully submitted,

JEFFREY PRANG

Assessor

JP:SMH

Enclosures

C: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

DRAFT