

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT

364-1232 Torrance Lateral
Project ID No. MPR0000365
Right-of-Way Parcels 1A, 2A, and 3A
Right-of-Way Map Nos. 428-RW 1.1 Through 1.9
Assessor's Identification Nos. 7336-010-902
Thomas Guide Page/Grid. 764-D5

RENTAL AGREEMENT

BY AND BETWEEN

LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic
(hereinafter referred to as DISTRICT)

AND

CARSON RECLAMATION AUTHORITY, a Joint Powers Authority (hereinafter referred
to as TENANT)

WITNESSETH

WHEREAS, DISTRICT is the owner of that certain property generally
located northerly along 364-1232 Torrance Lateral, easterly of Main Street, located in
the City of Carson, County of Los Angeles, State of California; and

WHEREAS, DISTRICT and Tetra Tech, Inc., entered into Rental Agreement
No. 08-30 commencing on September 1, 2008, for ingress and egress and maintenance
and operation purposes of an access road; and

WHEREAS, TENANT desires to enter into Rental Agreement No. 17-08,
replacing Rental Agreement No. 08-30, for TENANT'S use of DISTRICT'S property for
ingress and egress and maintenance and operation purposes of an access road;

NOW, THEREFORE, DISTRICT, for and in consideration of the performance of
the covenants and agreements hereinafter agreed to be kept and performed by
TENANT, and upon the following terms and conditions, hereby rents to TENANT, and
TENANT hereby hires and takes of and from DISTRICT that certain property in the
City of Carson, County of Los Angeles, State of California, as shown in Exhibit A
attached hereto and made a part hereof (hereinafter referred to as PREMISES).

EXHIBIT NO. 1

The rental of PREMISES is on a month-to-month basis, not to exceed 10 years, commencing upon execution by DISTRICT (for the purposes of calculating rent, September 1 shall hereinafter be referred to as Anniversary Date). TENANT has prepaid rent for the period of September 1, 2016, through August 31, 2017, in the amount of Six Hundred Sixty-nine and 79/100 Dollars (\$669.79).

Subsequent rent payments shall be prepaid annually on or before the Anniversary Date. Payment shall be made to Los Angeles County Flood Control District and be sent to:

County of Los Angeles
Department of Public Works
P.O. Box 7437
Alhambra, CA 91802-7437

The rental rate shall be adjusted in accordance with General Provision K hereof.

All payments shall refer to TENANT'S name and Rental Agreement No. 17-08. Any rent payable under this Rental Agreement by TENANT to DISTRICT and not paid within ten (10) days of the due date shall be delinquent and subject to a late charge of ten percent (10%) of the monthly rent amount. An additional ten percent (10%) late charge will accrue for each month on any outstanding balance (monthly rent plus late charge) until full payment is received.

2. PREMISES shall be used solely for the purpose of ingress and egress and the maintenance and operation of an access road and no other. TENANT shall not construct any improvement on PREMISES unless TENANT is in compliance with General Provisions L and M herein.
3. TENANT shall keep clear and not block the access ramps for DISTRICT'S maintenance vehicles and shall ensure that the rental PREMISES are well secured and inaccessible to the public.
4. TENANT is aware that the use of heavy equipment in excess of H-10 highway loading, as specified in the Standard Specifications for Highway Bridges of the American Association of State Highway Officials (Current Edition), on PREMISES adjoining DISTRICT facilities may damage such facilities by excessive loading or surcharge.

5. TENANT agrees that TENANT will not use heavy equipment on PREMISES without the proposed use having been specifically requested and submitted in writing by certified mail to DISTRICT and only upon DISTRICT'S written approval. Failure of DISTRICT to respond within thirty (30) days of receipt of the notice for the proposed use shall be deemed as disapproval.
6. TENANT understands and agrees that this Rental Agreement merely provides TENANT with the required right of way and DISTRICT does not warrant PREMISES are suitable for TENANT'S intended purposes.
7. TENANT acknowledges that this Rental Agreement is assignable as set forth in General Provision P herein.
8. General Provision A through Q and Special Provisions A through D are attached hereto and, by this reference, made a part herein.

GENERAL PROVISIONS

- A. TENANT shall arrange and bear the cost of any site preparation, installation of utilities, treatment of surface, enclosure of PREMISES, insurance premiums, utility bills, and other costs of any nature whatsoever, which are necessary in connection with or appurtenant to the operation and maintenance of PREMISES as used by TENANT. No credit will be allowed by DISTRICT for the cost of any such expenditure, work performed, or ordered done by TENANT.
- B. TENANT may terminate this Rental Agreement at anytime by giving DISTRICT no less than thirty (30) days' written notice of intention to terminate. However, the termination shall not be effective unless TENANT has complied with all of the following:
- Vacated PREMISES.
 - Removed all improvements TENANT has constructed or placed upon PREMISES, if applicable.
 - Moved DISTRICT'S fence back to its original location, if applicable.
 - Restored PREMISES to as good a condition as existed on the day possession of PREMISES was taken by TENANT, allowing for the ordinary wear and tear associated with the normal usage during occupancy and to reimburse DISTRICT for any damage done to PREMISES.
- C. DISTRICT may terminate this Rental Agreement at anytime by giving TENANT no less than thirty (30) days' written notice of intention to terminate. Upon receipt of such notice, TENANT shall vacate PREMISES as required herein. TENANT agrees that should it fail to vacate as herein provided, DISTRICT or its authorized agents may enter upon said PREMISES and remove TENANT'S personal property therefrom, and in this event, TENANT waives any and all claims for damages against DISTRICT, its officers, agents, or employees. TENANT shall reimburse DISTRICT for all expenses incurred by DISTRICT plus maximum interest allowed by law accruing from the day DISTRICT incurred the expenses until such time as the principal and interest are fully paid by TENANT. Nothing herein shall be deemed a waiver of any rights of DISTRICT to demand and obtain possession of PREMISES in accordance with law in the event TENANT violates any part of any of the terms or conditions herein.

- D. It is understood and agreed to be part of the herein consideration that DISTRICT may temporarily suspend or terminate the Rental Agreement without notice to TENANT in order to allow the performance by DISTRICT, its officers, agents, and employees, of emergency work necessary to protect life or PREMISES from impending flood damage. In the event DISTRICT exercises such right, DISTRICT will credit TENANT'S account a prorated share of the prepaid rent based on the time period DISTRICT has possession of PREMISES.
- E. TENANT shall keep PREMISES and any improvements it constructed or placed on PREMISES in good working order and maintain such in a neat, clean, and orderly condition at all times during occupancy and not permit graffiti, rubbish, metal cans, garbage, weeds etc., to accumulate, nor to use or allow use of PREMISES for any illegal or unauthorized purposes, and to comply with all State Laws and local ordinances concerning PREMISES and the use thereof.
- F. It is understood and agreed that DISTRICT shall not be responsible for any damage to PREMISES or injuries to persons which may arise from or be incidental to the use and occupation of PREMISES, or for damages to the property of TENANT, or for injuries to the person of TENANT, TENANT'S agents, servants, successors, subtenants, invites, or others who may be on PREMISES at anyone's invitation, arising from or incidental to the use of PREMISES by TENANT or anyone under TENANT or DISTRICT, and/or its agents, contractors, employees or assigns. TENANT agrees to indemnify, defend, and hold DISTRICT harmless from any and all such claims, including defense costs and legal fees.

TENANT agrees to indemnify, defend, and hold DISTRICT harmless, from and against, any and all liability and expenses, including claims and lawsuits for damages of any nature whatsoever, which arise out of or are connected with the work performed by TENANT, its employees, contractors, agents, servants, receivers, and successors, or assignees on PREMISES pursuant to this Rental Agreement including any and all liability, expense, claims and lawsuits for injuries or damages or any nature whatsoever arising from or related to any threatened, actual or alleged discharge, disposal, release or escape of any pollutant, contaminant or substance into or upon any person, thing or place including the land, soil, atmosphere, man-made structures and on, above or below ground watercourse or body of water connected with or arising out of the work performed on PREMISES, by TENANT, its employees, agents, receiver, and successor or assignees in connection with this Rental Agreement. The indemnification obligation shall not apply to the extent that injuries, death, loss, damage or destruction is caused by either the willful misconduct of DISTRICT or DISTRICT'S sole negligence.

- G. In the event there is any prior lease or rental agreement existing between TENANT and DISTRICT covering PREMISES, it is understood and agreed that this Rental Agreement shall cancel and terminate said prior lease or rental agreement as of the commencement date of this Rental Agreement.
- H. This Rental Agreement may create a possessory interest upon which a property tax may be levied. In such event, TENANT shall pay before delinquency all such taxes or assessments.
- I. Without limiting TENANT'S indemnification of DISTRICT, TENANT shall at its own expense take out and maintain in force, at all times during the term of this Rental Agreement, a policy or policies of insurance covering PREMISES. As a minimum, the policy shall meet the following criteria:
- Commercial General Liability Insurance. TENANT shall procure Commercial General Liability Insurance with General Aggregate Coverage not less than Two Million Dollars (\$2,000,000), and One Million Dollars (\$1,000,000) coverage per occurrence.
 - Automobile Liability Insurance. TENANT shall procure such policy with coverage not less than One Million Dollars (\$1,000,000) per accident.
 - Worker's Compensation and Employer's Liability insurance coverage or qualified self-insurance satisfying the laws of the State of California requirements, which includes Employer's Liability coverage of not less than One Million Dollars (\$1,000,000) per accident.
 - The County of Los Angeles and DISTRICT, its governing board, officers, and employees shall be named as additional insured on all policies of liability insurance (other than Workers' Compensation and Auto Liability) only as pertains to this Agreement.
 - This Rental Agreement No. 17-08 is included as part of the insured PREMISES.
 - DISTRICT may accept, should TENANT elect to provide, a Certificate of Self-Insurance. The limits of such self-insurance coverage shall meet or exceed those stated herein.

All policies of insurance shall be with a company or companies authorized by law to transact insurance business in the State of California. Prior to the commencement date of this Rental Agreement, TENANT shall furnish to DISTRICT a copy of the policy of insurance evidencing TENANT'S insurance coverage.

The policies required herein are primary and noncontributing with any insurance or self insurance that may be carried by DISTRICT.

Notwithstanding Section F above, to the fullest extent permitted by law, TENANT hereby waives its rights and its insurer(s)' rights of recovery against DISTRICT under all the required insurance for any loss arising from or relating to this Agreement. TENANT shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

Upon renewal of any of the policies of insurance, TENANT shall furnish to DISTRICT a current Certificate of Insurance and renewal certificates of insurance thereafter, executed by a duly authorized representative of each insurer or by the insurance agent or broker authorized to do so evidencing TENANT'S continued insurance coverage. DISTRICT shall be given notice in writing at least thirty (30) days in advance of cancellation or modification of such policy.

In the event any of the policies are changed or if the insurance carrier is changed, TENANT shall provide DISTRICT a copy of the replacement policy meeting the minimum requirement as above noted.

- J. TENANT expressly acknowledges that TENANT is a post acquisition tenant, and shall not be entitled to any claim of status as a "displaced person" as such is defined in Section 7260(c) of the Government Code of the State of California. TENANT hereby acknowledges TENANT'S ineligibility for relocation assistance as provided in Government Code Sections 7260 through 7277, inclusive, as interpreted in California Administrative Code as it exists or as it may be amended.
- K. Every year this Agreement is in full force and effect, rent for the current 12-month period (Current Rent) shall be adjusted based on changes in Consumer Price Index for All Urban Consumers for the Los Angeles-Riverside-Orange County, California region, as published by the U.S. Department of Labor, Bureau of Labor Statistics (Index), to determine the amount of rent for the upcoming 12 months (New Rent).

The New Rent shall be calculated by multiplying the then Current Rent by a fraction, the numerator of which shall be the Index for the month ending ninety (90) days prior to the upcoming Anniversary Date (Current Index) and the denominator shall be the Index for the month ending ninety (90) days prior to the previous Anniversary Date (Previous Index). The formula for calculation is shown below:

$$\text{Current Rent} \times [\text{Current Index} \div \text{Previous index}] = \text{New Rent}$$

If the described Index is no longer published and a substitute index is adopted by the Bureau of Labor Statistics, then TENANT and DISTRICT shall accept such substituted index for future rent calculations. If no such government index is offered as a replacement, DISTRICT and TENANT shall mutually select a percentage for calculating future annual adjustments.

The New Rent shall never be an amount less than the Current Rent.

TENANT'S continued occupancy of PREMISES on and after the effective date of the rental adjustment shall constitute TENANT'S agreement to remain in possession subject to New Rent.

- L. TENANT shall not commence nor permit any construction or the placement of any improvements or other structures on or within PREMISES without first submitting plans and specifications for advance written approvals by DISTRICT.
- M. TENANT shall obtain approval of the plans and specifications for construction or removal of the Improvements in the form of a permit from DISTRICT'S Land Development Division, Encroachment Permits and Inspection Section, prior to any construction. TENANT shall also secure DISTRICT'S prior written approval as set forth herein, should the need arise to make any additional changes to the approved plans and specifications.

TENANT agrees to keep and perform the provisions contained in any permit issued or to be issued to TENANT by DISTRICT.

- N. DISTRICT may, at its sole discretion, enter PREMISES to conduct Environmental Site Assessments. Upon review of such Assessments, DISTRICT may, at its sole discretion, terminate this Rental Agreement consistent with either General Provision C or D as determined by DISTRICT.

TENANT shall bear any and all responsibility, expense, and liability incurred in the cleanup and treatment of any hazardous materials or condition found on the PREMISES caused by TENANT'S use, storage, or treatment of any hazardous materials on/or within PREMISES.

- O. Each County Lobbyist as defined in Los Angeles County Code Section 2.160.010, retained by TENANT shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of any Lobbyist retained by TENANT to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Rental Agreement upon which DISTRICT may terminate or suspend this Rental Agreement.

- P. TENANT shall not assign this Agreement or any interest herein or improvement(s) on PREMISES or any part thereof or any right or privilege appurtenant thereto without the prior written approval of DISTRICT, which shall not be unreasonably withheld. DISTRICT shall approve or disapprove any request to assign this Rental Agreement within thirty (30) days of the date of DISTRICT'S receipt thereof. DISTRICT agrees that such consent shall not be unreasonably or arbitrarily refused. Any unauthorized assignment shall be voidable and shall terminate this Rental Agreement at DISTRICT'S option. The charge for an assignment shall be Two Thousand Five Hundred Dollars (\$2,500).
- Q. Any notices to be given or other document to be delivered by either party may be delivered in person, by private courier, deposited in the United States mail to the party for who intended as follows:

To DISTRICT: County of Los Angeles Department of Public Works
Survey/Mapping & Property Management Division
P.O. Box 1460
900 South Fremont Avenue, 10th Floor
Alhambra, CA 91802-1460

To TENANT: Mr. John Raymond, Executive Director
Carson Reclamation Authority
20400 Main Street
Carson, CA 90745
Telephone: (310) 952-1773
E-mail address: jraymond@carson.ca.us

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SPECIAL PROVISIONS

In addition to General Provision E, TENANT shall conduct routine repairs and maintenance as follows:

A. TENANT'S Maintenance Obligations

TENANT, at its own cost and expense, shall maintain PREMISES, including but not limited to all and improvements constructed thereon, in good repair, free of weed, rubbish, and refuse, and in compliance with all requirements of law and usual industry standards. TENANT shall take reasonable steps necessary to effectively protect all existing DISTRICT owned improvements and property from damage shall remove from and keep improvements and property whether owned by TENANT or DISTRICT, free from graffiti and prevent any interference with the flow of water in the adjoining channel caused by TENANT'S use of such land and improvements, all without expense to DISTRICT. TENANT shall be liable for damage to all existing DISTRICT-owned improvements resulting in any way from or attributable to the use and occupancy of PREMISES by TENANT or any person entering upon the same with or without the consent of TENANT, expressed or implied. TENANT shall repair immediately said damage at no cost to DISTRICT where DISTRICT-owned improvements are affected, TENANT shall seek DISTRICT approval prior to making the repairs. If TENANT fails to repair said damages or remove damaged improvements immediately and to DISTRICT'S reasonable satisfaction, DISTRICT may enter onto the PREMISES with or without any notice and repair said damages. TENANT shall then reimburse DISTRICT of any expenses incurred together with interest at a rate of ten percent (10%) per annum or five percent (5%) per annum above the Federal Reserve discount rate, whichever is greater, but not to exceed the then existing legal limit in California as of the date of demand by DISTRICT, and such interest shall compound on a monthly basis until said amount owed to DISTRICT is paid in full. Should damages be caused by the presence of hazardous substances, TENANT shall take remedial actions as specified herein.

B. Emergency Conditions

In the event of an emergency, TENANT shall take all steps necessary to abate the condition. Emergency conditions are defined as situation in which lives are endangered or material or substantial environmental damage will result if required work is delayed pending approval by DISTRICT. TENANT agrees that if work is done under emergency

TENANT'S Initials _____

DISTRICT'S Initials _____

conditions, TENANT shall within seven (7) days from the occurrence of the emergency, request approval in writing from DISTRICT for the work performed as required herein.

C. Approval by DISTRICT

For all repairs within REMISES, TENANT shall comply with each and every condition in this Rental Agreement and shall conform to local building codes, if applicable.

DISTRICT'S Chief Engineer or his designee may release TENANT from any such condition only upon prior written Request for Release from Construction Conditions setting forth each and every condition from which TENANT seeks relief.

D. Compliance With Laws

DISTRICT shall not be obligated to make any repairs, alterations, additions or improvements in, on or to PREMISES or in, on or to any structure or other improvements hereinafter erected or installed thereon, by TENANT, whether structural or nonstructural, ordinary or extraordinary, foreseen or unforeseen. TENANT shall otherwise observe and comply with any and all public laws, ordinances and regulations applicable to PREMISES during the term of this Rental Agreement. TENANT shall indemnify, defend, and hold harmless DISTRICT against all actions, claims and damages caused by TENANT'S failure to perform the terms hereof, or TENANT'S nonobservance or nonperformance of any law, ordinance or regulation applicable thereto.

TENANT'S Initials _____
DISTRICT'S Initials _____

IN WITNESS WHEREOF, said DISTRICT, a body corporate and politic, as authorized by Los Angeles County Code Title 2, Division 2, Chapter 2.18, et seq., and attested to by the County Clerk and TENANT, by its duly authorized representative(s), have caused this Rental Agreement to be executed.

DISTRICT:

LOS ANGELES COUNTY
FLOOD CONTROL DISTRICT,
a body corporate and politic

TENANT:

CARSON RECLAMATION AUTHORITY,
a Joint powers authority

By _____

James T. Sparks
Assistant Deputy Director

Date _____

By _____

Its _____

Date _____

By _____

Its _____

Date _____

ATTEST:

DEAN C. LOGAN, Registrar-Recorder/
County Clerk of the County of Los Angeles

By _____

Deputy

TENANT'S Initials _____
DISTRICT'S Initials _____

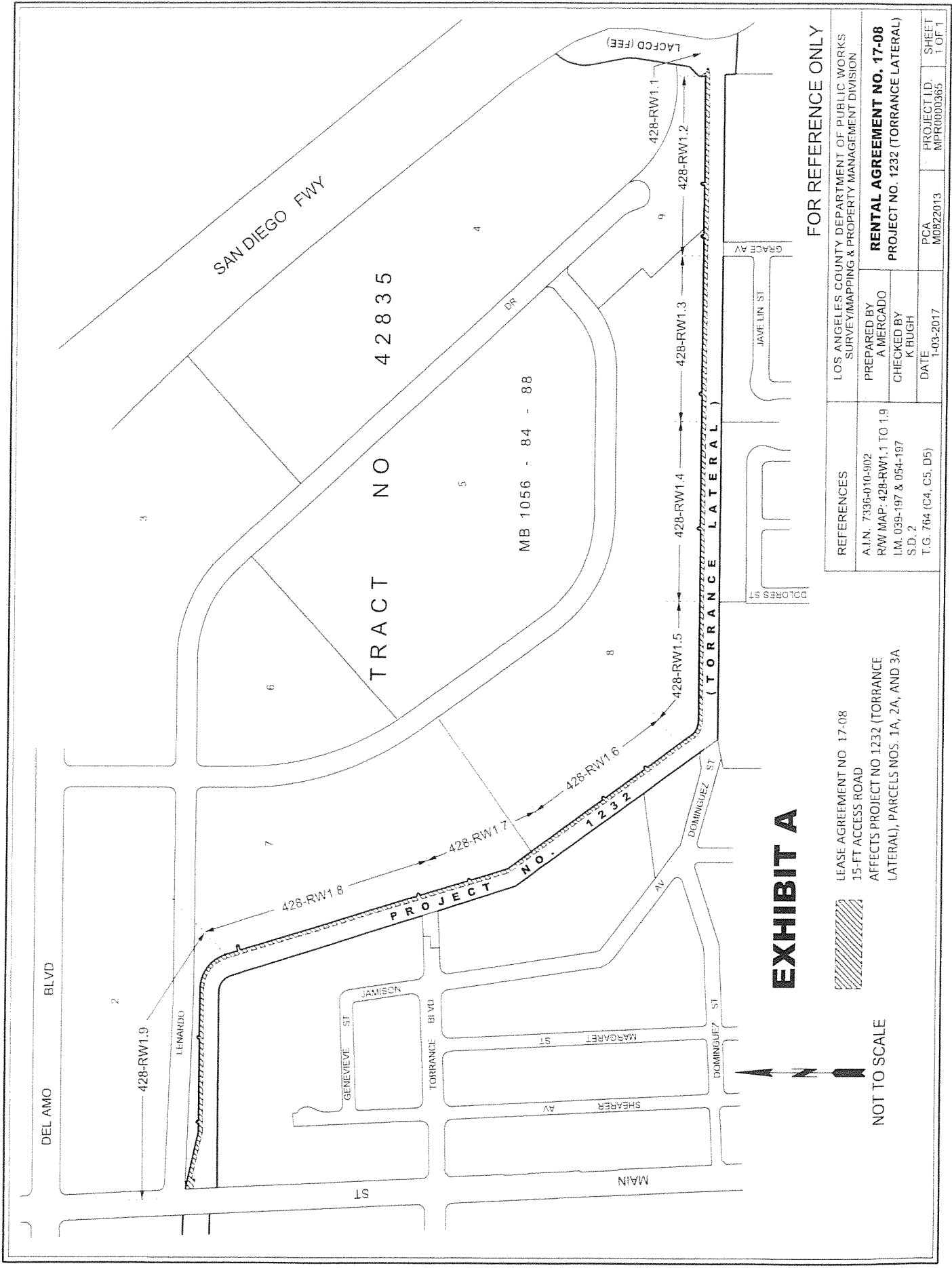


EXHIBIT A

LEASE AGREEMENT NO. 17-08
15-FT ACCESS ROAD
AFFECTS PROJECT NO 1232 (TORRANCE LATERAL), PARCELS NOS. 1A, 2A, AND 3A

FOR REFERENCE ONLY

REFERENCES	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS SURVEY/MAPPING & PROPERTY MANAGEMENT DIVISION
A.I.N. 7336-010-902 RW MAP: 428-RW1.1 TO 1.9 I.M. 039-197 & 054-197 S.D. 2 T.G. 764 (C4, C5, D5)	PREPARED BY A MERCADO CHECKED BY K BUGH DATE 1-03-2017
	PROJECT NO. 1232 (TORRANCE LATERAL)
	PCA M0822013
	PROJECT I.D. MPR0000365
	SHEET 1 OF 1

