

EXHIBIT A

REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF CARSON AND THE CARSON RECLAMATION AUTHORITY

THIS REIMBURSEMENT AGREEMENT ("**Agreement**") is executed this ____ day of September, 2017, by and between the CITY OF CARSON, a California municipal corporation ("**City**"), and CARSON RECLAMATION AUTHORITY, a California joint powers authority ("**Authority**") (collectively, the "**Parties**").

R E C I T A L S:

WHEREAS, the City Council of the City of Carson had determined that there are a number of former landfills and other contaminated sites within the City that are in need of remediation (the "**Sites**"); and

WHEREAS, the City Council determined that a substantial need existed to establish an entity to undertake such remediation efforts and to operate the ongoing remediation systems in a manner that protects the City and its affiliated agencies from the risks and expenses associated with such remediation work; and

WHEREAS, on February 17, 2015, the Community Facilities District 2012-1, Community Facilities District 2012-2 and the Carson Housing Authority adopted Resolution Nos. CFD 2012-1-15-1, CFD 2012-2-15-1 and 15-04-HA, respectively, which approved a Joint Powers Agreement to form the Authority for the purpose of overseeing and facilitating remediation and maintenance of the Sites, and the potential development of the same ("**JPA Agreement**"); and

WHEREAS, under the JPA Agreement, the Authority may purchase, hold, sell and improve real property; appoint officers and employees; enter into contracts; purchase insurance; sue and be sued; and construct, operate, and maintain remediation systems to alleviate soil contamination at the Property; and

WHEREAS, the Authority purchased that certain 157 acre former landfill parcel located at 20300 Main Street (the "**Property**") for the purpose of remediating and potentially developing the Property into retail or mixed use type development; and

WHEREAS, the Authority does not have adequate personnel, office equipment, or other facilities necessary to conduct its essential operations and to carry out its remediation and project development programs and has requested that City provide such assistance; and

WHEREAS, the City is best positioned to provide assistance to the Authority in the form of personnel and City services, equipment and office space in order for the Authority to function efficiently and to fulfill the purposes for which it was formed; and

WHEREAS, the City began providing such services on or about July 1, 2017, in order to allow the Authority to meet existing and ongoing obligations and other

contractual commitments; and

WHEREAS, the Parties desire to memorialize this cooperative arrangement by entering into a written agreement pursuant to which the City shall provide certain administrative services to the Authority and the Authority shall reimburse the City for such services in accordance with the terms and conditions herein.

NOW, THEREFORE, for the purposes set forth herein, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

T E R M S:

Section A. General Provisions; Purpose

1. The Recitals set forth above are true and correct and are hereby incorporated by reference as though fully set forth herein.
2. The purpose of this Agreement is to establish a mechanism pursuant to which the Authority shall reimburse the City for costs incurred and funds advanced by the City to or for the benefit of the Authority.
3. City's authority:
 - a. City has sole discretion to select and assign specific City employee or employees and contractors to work on Authority projects.
 - b. City has sole discretion to direct the work and evaluate the performance of the employees and contractors assigned to work on Authority projects, and retains the right to terminate or replace at any time any such person.
 - c. City has sole discretion to determine the amount of compensation paid to employees or contractors assigned to work on Authority projects.
 - d. City, not Authority, shall pay employees and contractors assigned to work on the Authority projects from a City account
4. The City will exercise good faith efforts to cause consultants and other professional services providers retained by City to act in a diligent and expeditious manner in performing work for the Authority. To the extent that consultants and professionals must work overtime at the premium rates to expedite the process, the Authority shall pay for such expedited rates. Similarly, if the Authority requests expedited performance from City, the Authority shall reimburse the City for any additional expenditures associated with such expedited services, including without limitation, costs of expedited services performed by third party consultants retained by the City for that purpose.

Section B. Reimbursable City Costs

The City may request reimbursement for, and the Authority shall reimburse the City, for the following costs (collectively, “**City Costs**”):

- (a) Any and all administrative costs incurred by the City in furtherance of the establishment, management and operation of the Authority, and any staff time and overhead costs associated with services provided to the Authority, including without limitation, planning and architectural review, accounting and financial management, processing of entitlements, and engineering services.
- (b) In addition to the costs outlined in subsection (a) above, the Authority shall reimburse the City for costs it has incurred in connection with third-party service providers retained or deployed at Authority’s request, including but not limited to, the following:
 - 1. preparing, reviewing, negotiating, and approving any legal documents in connection with the Property, including without limitation, specific plan amendments, professional services agreements, development agreements, disposition and development agreements, and land use approvals;
 - 2. providing legal services related to the Property, including without limitation, litigation and defense services related to any claim filed against the Authority;
 - 3. retaining consultants in connection with the Property, including without limitation, financial advisors, environmental consultants, engineers, and planning specialists;
 - 4. providing studies, reports, design services and other professional services and documents; and
 - 5. any and all other expenses incurred by the City in connection with the Sites or the Property.

Section C. Invoicing and Payments; Accounting

1. Invoices

Each month, City shall furnish to Authority an original invoice for all City Costs incurred during the preceding month. The invoice shall detail City Costs by the following categories: labor (by sub-category), travel, materials, equipment, supplies, and subcontractor contracts. Except as to any charges disputed by the Authority, the Authority shall use its best efforts to cause City to be paid within 15 days of receipt of City invoice. In the event any charges or expenses are disputed by the Authority, the original invoice shall be returned to City for correction and resubmission. Review and payment by Authority of any invoice provided by the City shall not constitute a waiver of any rights or remedies provided herein or any applicable law.

2. Accounting; Authority's Right to Review City Records

City shall keep an accounting of the City Costs and all payments made by the Authority to the City. Upon written request, the City shall make available for Authority's review City records evidencing invoiced City Costs. All privileged or confidential information shall be redacted or otherwise deleted from invoices for legal services provided to the Authority.

Section D. Effective Date and Term

This Agreement shall be effective as of July 1, 2017 ("**Effective Date**"), and shall continue in full force and effect until the Authority has fully satisfied all outstanding reimbursement obligations pursuant to this Agreement, unless earlier terminated by one party providing the non-terminating party a 30-day written notice ("Early Termination"). An Early Termination does not operate as a waiver of the Authority's obligation to reimburse the City for any City Costs incurred and not yet invoiced as of the time the notice was provided.

Section E. Indemnification

Authority agrees to indemnify, protect, defend, and hold harmless the City and its officials, officers, employees, agents, elected boards, commissions, departments, agencies, and instrumentalities thereof (collectively, "City"), from any and all actions, suits, claims, demands, writs of mandamus, liabilities, losses, damages, penalties, obligations, expenses, and any other actions or proceedings (whether legal, equitable, declaratory, administrative, or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to, arbitrations, mediations, and other such procedures) asserted by third parties against the City that challenge, or seek to void, set aside, or otherwise modify or annul, the action of, or any approval by, the City for or concerning this Agreement (including, but not limited to, reasonable attorneys' fees and costs) (herein the "Claims and Liabilities") whether such Claims and Liabilities arise under federal, state, or local statute, law, ordinance, rule, regulation, or any decision of a competent jurisdiction. In the event any action for any Claims and Liabilities is brought against the City, upon City's notification to Authority of the pendency of a claim or suit, Authority shall make a minimum deposit sufficient to pay all of Authority's indemnification obligations for the following 90 days, which includes legal costs and fees anticipated to be incurred as reasonably determined by the City. Authority shall make deposits required under this section within 5 days of the City's written request. At no point during the pendency of such claim or suit, shall the minimum balance of the deposit fall below twenty five thousand dollars (\$25,000). The obligations of Authority under this Section shall not apply to any claims, actions, or proceedings arising from the sole negligence or willful misconduct of the City. The obligations for indemnity under this Section E shall begin upon the Effective Date and shall survive termination or expiration of this Agreement.

Section F. Governing Law and Consent to Venue

This Agreement shall be governed exclusively by the provisions hereof and shall be construed and interpreted in accordance with the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of Los Angeles, California. All references to Authority include all personnel, employees, and agents of Authority, except as otherwise specified in this Agreement. All references to City include its elected officials, appointed boards and commissions, officers, employees, agents, and volunteers.

Section G. Notices

All notices, demands, invoices, and communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

To Authority: Carson Reclamation Authority
701 E. Carson St.
Carson, CA 90745
email: jraymond@carson.ca.us
Telephone: 310-952-1773
Attn.: John Raymond, Executive Director

copy to : Aleshire & Wynder, LLP
18881 Von Karman Ave., Suite 1700
Irvine, CA 92612
Fax: 949-223-1180
email: ssoltani@awattorneys.com
Attn.: Sunny Soltani, Authority Counsel

To City: City of Carson
701 E. Carson St.
Carson, CA 90745
email: kfarfsing@carson.ca.us
Attn.: Ken Farfsing, City Manager

copy to : Aleshire & Wynder, LLP
18881 Von Karman Ave., Suite 1700
Irvine, CA 92612
Fax: 949-223-1180
email: ssoltani@awattorneys.com
Attn.: Sunny Soltani, City Attorney

Section H. Section Headings

All section headings are for convenience of reference only and are not intended to define or limit the scope or intent of any provision of this Agreement.

Section I. Amendments, Changes and Modifications

No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

Section J. Severability

If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given full force and effect.

Section K. Time is of the Essence

Time is of the essence with respect to this Agreement.

Section L. Counterparts

This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

Section M. Entire Agreement

This Agreement contains the entire agreement between City and Authority and supersedes any prior oral or written statements or agreements between City and Authority with respect to the subject matter of this Agreement.

IN WITNESS THEREOF, the Parties hereto have executed this Agreement as of the day and year written alongside the respective signature lines below.

[SIGNATURES ON FOLLOWING PAGE]

“AUTHORITY”
CARSON RECLAMATION AUTHORITY

CHAIRPERSON ALBERT ROBLES

Executed on: _____

ATTEST:

Donesia L. Gause, CMC
Authority Secretary

APPROVED AS TO FORM:

Sunny Soltani
Authority Counsel
[mgm]

“CITY”
CITY OF CARSON

MAYOR ALBERT ROBLES

Executed on: _____

ATTEST:

Donesia L. Gause, CMC
City Clerk

Sunny Soltani
City Attorney