



**CITY OF HUNTINGTON BEACH
SUPPLEMENTAL COMMUNICATION**
Joan L. Flynn, City Clerk
Office of the City Clerk

TO: Honorable Mayor and City Councilmembers
FROM: Joan L. Flynn, City Clerk 
DATE: 11/16/2015
SUBJECT: SUPPLEMENTAL COMMUNICATIONS FOR THE NOVEMBER 16, 2015, REGULAR CITY COUNCIL/PFA MEETING & SPECIAL MEETING OF THE SUCCESSOR AGENCY

Attached are the Supplemental Communications to the City Council (received after distribution of the Agenda Packet):

STUDY SESSION

PowerPoint presentation submitted by City Clerk, Joan L. Flynn entitled *Request for Council Input to Strengthen the Intent of: HBMC Chapter 5.90 – Fireworks and Resolution No. 2015-04.*

Email communication submitted by Sue Welfringer

CONSENT CALENDAR

#11. Email communication submitted by Brian Griley

#17. Draft Purchase and Sale Agreement with Southern California Edison for the acquisition of streetlights.

PUBLIC HEARING

#18. PowerPoint presentation entitles *General Plan Amendment No. 15-002, Zoning Text Amendment No. 15-005, Local Coastal Program Amendment No. 15-002 – Sunset Beach Local Coastal Program.*

#18. Communications submitted by:

Mark Bixby
Donna Little

John Widera

Pamela Solig



Request for Council Input
to Strengthen the Intent of:
HBMC Chapter 5.90 – Fireworks
and
Resolution No. 2015-04

November 16, 2015





Overview of the 2015 Fireworks Application / Lottery Process

Number of Applications Received by Category:

- YOUTH SPORTS:** 19 Total -- 15 Approved; 4 Denied (3 for non-relationship with Huntington Beach; 1 for late filing of fictitious business name/no evidence of non-profit status)
- HIGH SCHOOLS:** 43 Total -- 42 Approved; 1 Denied (documentation on establishment of organization not confirmed by School)
- CIVIC ORGANIZATIONS:** 22 Total -- 17 Approved; 5 Denied (2 for minimal contributions to Huntington Beach students/families; 2 for minimal Huntington Beach activity; and, 1 for length of time in Huntington Beach)



Lessons Learned in the 2015 Fireworks Application / Lottery Process

- Confirming whether an applicant's "*bona fide membership of at least 20 members who either reside in the City, are employed in the City, or are owners or operators of a business or other establishment located in the City,*" proved to be a time-consuming, difficult task. Staff spent hours phoning applicants and surfing the Internet to verify that membership lists attached to applications were legitimate.
- Some **Youth Sports** applications may not have met the intent of the category (i.e., were not tied directly to the City -- organizational structure was too general or geographically broad)



Lessons Learned in the 2015 Fireworks Application / Lottery Process

- Permits for **High Schools** applications were not distributed evenly (three of five in the category were awarded to one school)
- Some **Civic Organizations** applications were received by small, one-issue 501(c)(3) organizations which may not have met the intent of Resolution No. 2015-04



Requested Clarification

Repeal Resolution No. 2015-04, and approve a new Resolution to:

- Clarify **Youth Sports** definition by making clear the types of sports clubs who meet the intent of the category
- Clarify definition of **Civic Organizations** -- 501(c)(3) by making clear the size and scope of community involvement which is acceptable as a civic organization
- Defining the term **Member** will help reduce the amount of staff time necessary to verify that membership lists attached to applications are legitimate.



Suggested Change

- Insert language that limits each **High School** to one application (award 5 permits which would be available for lottery between the 4 public and 7 private HB High Schools)



HBMC Section 5.90.070 – Sale of Safe and Sane Fireworks

- Minor amendment:

“Each year, the City Manager may issue Permits for the sale of Safe and Sane Fireworks to Qualified Organizations by means of a lottery system. The number of *Permits* ~~Applications~~ considered for the lottery shall be determined by City Council by Resolution.”

Questions?



November 16, 2015

Request: 24334 Entered on: 11/13/2015 7:02 PM

Customer Information

Name: Susan Welfringer
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Huntington Beach, CA
92649

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Request Classification

Topic: City Council - Agenda & Public
Hearing Comments
Status: Closed
Assigned to: Agenda Alerts

Request type: Comment
Priority: Normal
Entered Via: Web

Description

Greetings Mayor & Council & (the amazing) Joan Flynn!

I just saw that you will have a Fireworks Study session coming up on Monday which reminded me that I meant to send an email back in July about my experience as a volunteer with the (very happy) Ocean View High School.

As you know, we had the crazy good fortune of receiving three booths in the lottery - which was "okay" because we had no groups participating in the two trial years.

Honestly, we didn't need three booths. It even got a little tricky stretching the parent volunteer base with three locations. But, I do strongly believe each high school would highly benefit if the ratios were changed a bit and each high school automatically received 2 booths - rather than having all the booster groups apply. Booster group organization is very different from school to school and by taking that element out of the picture, you will create a fairness for each of the high schools.

Additionally, this allows the high school to allocate the funds where they are most needed, rather than one group/team/club having a windfall profit for just their organization.

I recommend that each HS Athletics and each HS Activities departments receives a booth. Some points about this: There is a lot of responsibility with managing these booths and I think it would be better to have the school manage this year after year, developing their best practices so volunteer booster parents aren't starting from scratch.

The reason I think each public HS should have two booths is simply based on need. When you look at the categories from last year, you'll see that a much greater number of High Schools were committed to this fundraiser. They need it. They really do.

Thank you for all your work with this activity (Joan and staff!) and to council for your support.

On a personal note, I did not grow up in HB and so I did not have the experience of neighborhood 4th of July parties. But, boy oh boy, I had so much fun with the excitement of the families who visited our booth during firework sales - especially the young parents who shared such wonderful memories from their childhoods about the neighborhood fun. All good stuff.

Thanks again,
Sue Welfringer - OVHS PTSO volunteer

**SUPPLEMENTAL
COMMUNICATION**

Meeting Date: 11-16-2015

Agenda Item No. SS

Request: 24351 Entered on: 11/16/2015 08:15 AM

Customer Information

Name: Brian Griley
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92649

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Email: bgriley@scexpress.com

Request Classification

Topic: City Council - Agenda & Public
Hearing Comments
Status: Closed
Assigned to: Agenda Alerts

Request type: Comment
Priority: Normal
Entered Via: Web

Description

Good Morning.

My name is Brian Griley, and I have lived in Huntington Harbor for 49 years.

Tonight you will be voting on dredging in Huntington Harbor.

While the harbor does need dredging, I ask that you please use all due diligence to make sure that no work is done unless EIR's have been completed.

It seems to me that your predecessors pushed through the Harmony Cove project without any consideration of an EIR, nor recommendations from the Coastal Commission.

I also ask that if any of the dredging benefits any private parties, that those parties participate in the cost of such dredging since they will be the beneficiary of public money. In Particular, the Harmony Cove project. The owners of Harmony Cove should not benefit from any use of public moneys for dredging.

Dredging directly in front of the fire station and the public docks at the yacht club benefit the public. Dredging any further into the Harmony Cove easements does not benefit anyone other than the owner of that project. If, through the dredging efforts, Harmony Cove receives any benefits from this, then they should pick up 100% of the costs of doing so.

Public money should not be spent to benefit private developers who are in it to make a profit.

Thank you for reading my considerations,

Brian Griley
3862 Sirius Drive
Huntington Beach, CA 92649

Reason Closed

Thank you for taking the time to send your thoughts to the City Council. A copy of your comments has been entered into the Pipeline system and will also be forwarded to the City Clerk to be included in the record on this item. Thank you very much for writing.

Sincerely,
Johanna Dombo
Executive Assistant

**SUPPLEMENTAL
COMMUNICATION**

Meeting Date: 11-16-2015

Agenda Item No. 11

DRAFT

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of _____, 2015 ("Effective Date"), by and between SOUTHERN CALIFORNIA EDISON, a California corporation ("SCE"), and the City of Huntington Beach ("Buyer"). SCE and Buyer are referred to herein individually as a "Party," and together as "Parties".

RECITALS

- A. SCE currently owns Twelve Thousand Two Hundred and Forty Nine (12,249) LS-1 electric streetlight facilities located in the City of Huntington Beach, of which, Eleven Thousand and Forty Five (11,045) are to be purchased by Buyer.
- B. Buyer has expressed a desire to purchase the Facilities (defined below) from SCE, and SCE is willing to sell the Facilities to Buyer, on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the respective covenants and agreements contained in this Agreement, SCE and Buyer each agree as follows:

1. **DEFINITIONS.** The following terms shall have the meanings ascribed to them below for purposes of this Agreement.

"**Agreement**" has the meaning given in the first paragraph.

"**Applicable Requirements**" means all laws, statutes, ordinances, rules, regulations, requirements or orders of any Governmental Authority now in force or that may later be in force, and the terms and conditions of any permit, certificate, license or other requirement.

"**Bill of Sale**" means a document setting forth the Purchase Price and Severance Costs as well as any Taxes for which Buyer is responsible with respect to the Facilities specified to be transferred to Buyer in each Phase (including Reconfigured Facilities in the final Phase), which document shall be substantially in the form of **Exhibit B** attached hereto.

"**Business Day**" means a day other than Saturday, Sunday or a day on which (i) banks are legally closed for business in the State of California; or (ii) SCE is closed for business.

"**Buyer**" has the meaning given in the preamble paragraph.

"**CEQA**" has the meaning given in Section 5.2.

**SUPPLEMENTAL
COMMUNICATION**

“**Claims**” has the meaning given in Section 7.1.

“**Commencement**” has the meaning given in Section 6.2.

“**Commencement Date**” has the meaning in Section 6.1.

“**CPUC**” means the California Public Utilities Commission, or its regulatory successor, as applicable.

“**CPUC Approval**” means a final, unconditional and unappealable decision of the CPUC under Section 851 of the Public Utilities Code (including exhaustion of all administrative and judicial remedies or the running of time periods and statutes of limitation for rehearing and judicial review without rehearing or judicial review being sought) approving this Agreement and the transactions contemplated hereby on terms and conditions acceptable to SCE and Buyer, in their good faith discretion, including approval of SCE’s proposed accounting and rate making treatment of the sale in accordance with CPUC’s decisions.

“**CPUC Approval Date**” means the date on which the CPUC Approval occurs.

“**Effective Date**” has the meaning given in the preamble paragraph.

“**Environmental Requirements**” means any applicable federal, state and local statutes, regulations or ordinances now in force or that may later be in force relating to the protection of human health or safety, or regulating or relating to industrial hygiene or environmental conditions, or the protection of the environment, or pollution or contamination of the air, soil, surface water or ground water, including federal, state and local laws, requirements and regulations pertaining to reporting, licensing, permitting, investigating and remediating emissions, discharges, releases or threatened releases of such substances into air, surface water or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of such substances. Environmental Requirements include without limitation: the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. 5101 et seq.); and the Resource Conservation and Recovery Act (42 U.S.C. 6901et seq.)

“**Excluded Taxes**” means (a) taxes (other than any sales, use, gross receipts, or any taxes in the nature of sales, use or gross receipts taxes) imposed on SCE that are capital gains taxes, minimum or alternative minimum taxes, accumulated earnings taxes, franchise taxes or taxes on or measured by gross or net income, capital or net worth of SCE; and (b) personal property taxes to the extent the payment is addressed in Section 3.3(b), and is not required to be reimbursed to SCE by Buyer.

“**Facilities**” has the meaning given in Section 2.2 and further described in Exhibit A.

“Governmental Authority” means any federal, state, local or other governmental, regulatory or administrative agency, commission, department, board, subdivision, court, tribunal, or other governmental arbitrator, arbitral body or other authority, but excluding Buyer.

“Hazardous Substances” means any hazardous or toxic material or waste, which is or becomes regulated by Environmental Requirement. Without limiting the generality of the foregoing, Hazardous Substances includes any material or substance: (a) now or hereafter defined as a “hazardous substance,” “hazardous waste,” “hazardous material,” “extremely hazardous waste,” “restricted hazardous waste” or “toxic substance” or words of similar import under any applicable Environmental Requirements; or (b) which is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous, and is now or hereafter regulated as Hazardous Substance by the United States, the State of California, any local governmental authority or any political subdivision thereof, or which cause or are listed by the State of California as being known to the State of California to cause, cancer or reproductive toxicity; or (c) the presence of which poses or threatens to pose a hazard to the health or safety of persons or the environment; or (d) which contains gasoline, diesel fuel or other petroleum hydrocarbons; or (e) which contains lead-based paint or other lead contamination, polychlorinated biphenyls (“PCBs”), or asbestos or asbestos-containing materials or urea formaldehyde foam insulation; or (f) which contains radon gas; or (g) fuel or chemical storage tanks, energized electrical conductors or equipment, or natural gas transmission or distribution pipelines; and (h) other potentially hazardous substances, materials, products or conditions.

“Inventory, Planning and Inspection Activities” means the activities referenced in Section 6.2(a) and set forth in Exhibit D to be performed by Buyer and SCE during the Inventory, Planning and Inspection Period.

“Inventory, Planning and Inspection Period” has the meaning set forth in Section 6.2(a). ”

“Land” means the real property on which the Facilities are located, together with any other real property that is encumbered by Land Rights.

“Land Rights” means the easements, leases, permits, franchise agreements or other agreements that grant SCE the right to locate the Facilities on the Land and/or permit access to the Facilities by SCE.

“Local Service Planning Office” means SCE’s local service planning office located at (INTENTIONALLY BLANK) .

“Phase” means the INTENTIONALLY BLANK () periods of ____ () months each, during which the Parties will undertake certain activities as set forth in this Agreement with regard to the Facilities identified in each such Phase in Exhibit C.

The Parties may mutually agree at any time to change the Phase Commencement Date and/or the Phase Closing Date for any or all Phases.

“Phase Commencement Date” means the first day of each Phase as set forth in Exhibit C.

“Phase Completion” means the completion of all activities for each Phase as set forth in Sections 6.2 and 6.4 of this Agreement.

“Phase Closing Date” means the last day of each Phase as set forth in Exhibit C on which the closing of the purchase and sale of the Facilities in such Phase shall occur.

“Potential Environmental Hazards” means electric fields, magnetic fields, electromagnetic fields, electromagnetic radiation, power frequency fields, and extremely low frequency fields, however designated, and whether emitted by electric transmission lines, other distribution equipment or otherwise.

“Purchase Price” has the meaning given in Section 3.1.

“Reconfigured Facilities” means any additional facilities the Parties identify during the Inventory, Planning and Inspection Period of any Phase which serve purposes in addition to street lighting, which the Parties agree that SCE will reconfigure to remove such other (non-street light) uses, and which will be purchased by Buyer from SCE in the final Phase. Buyer shall coordinate all activities relating to Reconfigured Facilities with SCE’s Local Service Planning Office.

“SCE Parties” means SCE, its affiliates, and each of their respective past, present and future officers, directors, partners, employees, agents, representatives, shareholders, attorneys, affiliates, parent and subsidiary corporations, divisions, insurance carriers, heirs, legal representatives, beneficiaries, executors, administrators, predecessors, transferees, successors and assigns.

“Severance Activities” means the activities referenced in Section 6.2(a) and set forth in Exhibit D to be performed by SCE and Buyer during each Phase (after the applicable Inventory, Planning and Inspection Period expires) with respect to the Facilities to be transferred from SCE to Buyer in such Phase.

“Severance Costs” has the meaning in Section 3.1.

“Tax Claim” has the meaning given in Section 3.3(e).

“Taxes” mean all federal, state, local or foreign income, ad valorem, gross receipts, license, payroll, employment, excise, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property including assessments, special assessments, special district assessments, escape assessments, benefit assessments and maintenance assessments, fees or other charges or surcharges of

any nature based on the use or ownership of real property), personal property, sales, use, documentary transfer, registration, value added, alternative and add-on minimum, estimated taxes, and all other taxes of any kind whatsoever, including all interest, penalties, fines and additions thereto, whether disputed or not, including all items for which liability arises as a transferee or successor-in-interest.

2. PURCHASE AND SALES OF FACILITIES.

2.1 **Purchase and Sale.** Subject to the terms and conditions of this Agreement, SCE agrees to sell, convey, assign, transfer and deliver to Buyer, and Buyer agrees to purchase and acquire from SCE, all of SCE's right, title and interest in the Facilities.

2.2 **Description of Facilities.** The "Facilities" consist of Eleven Thousand and Forty Five (11,045) electric streetlight facilities owned by SCE and located within the Buyer's service territory. A detailed description and listing of the Facilities to be purchased and sold is provided **Exhibit A**. The Parties believe that **Exhibit A** contains a reasonably accurate inventory and map of the LS-1 streetlight facilities owned by SCE within the Buyer's service territory that are considered for sale.

3. PURCHASE PRICE AND OTHER COSTS.

3.1 **Purchase Price.** Subject to adjustment as provided in this Section 3.1, the total purchase price for all Facilities described in **Exhibit A** ("**Purchase Price**") is Four Million Three Hundred and Forty Five Thousand Five Hundred and Ninety Four Dollars (\$34,345,594.00).

(a) The Parties shall mutually agree on the Purchase Price, Severance Costs and any additional costs for any Reconfigured Facilities transferred to Buyer in the final Phase in accordance with Section 6.2(b).

(b) If, within thirty (30) days after the Phase Closing Date for the final Phase, the Parties determine that the actual number of Facilities (excluding Reconfigured Facilities) that have been transferred to Buyer pursuant to this Agreement exceeds INTENTIONALLY BLANK by five percent (5%) or more then, within sixty (60) days after the Phase Closing Date for the final Phase, the Parties will amend the applicable Bill(s) of Sale, and the Buyer will make a true-up payment to SCE using a price of \$ 393.44 per pole.

(c) If, within thirty (30) days after the Phase Closing Date for the final Phase, the Parties determine that the actual number of Facilities (excluding Reconfigured Facilities) that have been transferred to Buyer pursuant to this Agreement is less than INTENTIONALLY BLANK by five percent (5%) or more then, within sixty (60) days after the Phase Closing Date for the final Phase, the Parties will amend the applicable Bill(s) of Sale, and SCE will make a true-up payment to Buyer using a price of \$ 393.44 per pole.

3.2 Severance Costs. In addition to the Purchase Price, Buyer shall pay to SCE, SCE's good faith estimate of the cost of SCE's Severance Activities with respect to the Facilities, which the parties agree is equal to a total amount of INTENTIONALLY BLANK ("**Severance Costs**"). Buyer shall pay the Severance Costs in nine (9) equal installments, as invoiced by SCE in each Phase.

3.3 Taxes.

(a) Except for any Excluded Taxes for which Buyer will have no liability, Buyer shall pay all Taxes arising in connection with the sale and transfer of the Facilities, this Agreement or the transactions contemplated herein, or the receipt of the Purchase Price or other amounts hereunder, which Taxes are levied or imposed on or with respect to SCE, Buyer or all or any part of the Facilities or any use thereof on or after the applicable Phase Closing Date.

(b) State and local personal property Taxes relating to the Facilities for the tax year (ending June 30) will be prorated between Buyer and SCE on the following basis: SCE is to be responsible for all such Taxes for the period up to the Phase Closing Date for such Facilities; and Buyer is responsible for all such Taxes for the period on and after the Phase Closing Date for such Facilities. All Taxes assessed on an annual basis will be prorated on the assumption that an equal amount of Taxes applies to each day of the year, regardless of how many payments are billed or made, except that Buyer will bear all supplemental or other state and local personal property Taxes which arise out of change in ownership of the Facilities. In addition, Buyer acknowledges that the Facilities are assessed by the California State Board of Equalization as of January 1 of each year, and, if the Phase Closing Date occurs between January 1 and June 30, SCE must pay personal property taxes arising out of the ownership of the Facilities for the subsequent fiscal year. If the Phase Closing Date occurs between January 1 and June 30, Buyer will deposit with SCE the full amount to pay personal property taxes for the tax year beginning on July 1, in addition to the prorated amount of personal property taxes for the current tax year (ending June 30), and SCE will pay the personal property taxes for these tax years before they become delinquent; provided however, SCE may pay such taxes in installments as permitted by law. If the personal property tax amounts owing for the tax year beginning on July 1 are not available as of the Phase Closing Date, then the amount due from Buyer to SCE for such tax year will be estimated on the basis of the prior year's personal property taxes and such amount will be subject to adjustment after the Phase Closing Date. If the Phase Closing Date occurs between July 1 and December 31, Buyer will deposit with SCE the prorated amount of personal property taxes for the tax year in which the Phase Closing Date occurs and SCE will pay the personal property taxes for such tax year before they become delinquent; provided however, SCE may pay such taxes in installments as permitted by law.

(c) SCE will be entitled to any refunds or credits of Taxes relating to the Facilities that are allocable to the period prior to the Phase Closing Date. Buyer will promptly notify and forward to SCE the amounts of any such refunds or credits to SCE within five (5) Business Days after receipt thereof. Buyer will be entitled to any refund or credit of Taxes relating to the Facilities that are allocable to the period on and after the Phase Closing Date. SCE agrees to reasonably cooperate with Buyer's efforts to obtain such refund or credit.

(d) After each Phase Closing Date, Buyer will notify SCE in writing, within five (5) Business Days after Buyer's receipt of any correspondence, notice or other communication from a taxing authority or any representative thereof, of any pending or threatened tax audit, or any pending or threatened judicial or administrative proceeding that involves Taxes relating to the Facilities for the period prior to the Phase Closing Date, and furnish SCE with copies of all correspondence received from any taxing authority in connection with any audit or information request with respect to any such Taxes relating to the Facilities for the period prior to the Phase Closing Date.

(e) Notwithstanding any provision of this Agreement to the contrary, with respect to any claim for refund, audit, examination, notice of deficiency or assessment or any judicial or administrative proceeding that involves Taxes relating to the Facilities for the period either entirely prior to the Phase Closing Date or both prior to and after the Phase Closing Date (collectively, "**Tax Claim**"), the Parties will reasonably cooperate with each other in contesting any Tax Claim, including making available original books, records, documents and information for inspection, copying and, if necessary, introduction as evidence to any such Tax Claim contest and making employees available on a mutually convenient basis to provide additional information or explanation of any material provided hereunder with respect to such Tax Claim or to testify at proceedings relating to such Tax Claim. SCE will control all proceedings taken in connection with any Tax Claim that pertains entirely to the period prior to the Phase Closing Date, and SCE and Buyer will jointly control all proceedings taken in connection with any Tax Claim pertaining to the period both prior to and after the Phase Closing Date. Buyer has no right to settle or otherwise compromise any Tax Claim which pertains entirely to the period prior to the Phase Closing Date; and neither Party has the right to settle or otherwise compromise any Tax Claim which pertains to the periods both prior to and after the Phase Closing Date without the other Party's prior written consent.

(f) The obligations of the Parties pursuant to the Section 3.3 shall survive the termination of this Agreement.

4. CONDITIONS PRECEDENT

4.1 Conditions to Buyer's Obligations. Buyer's obligation under this Agreement to purchase the Facilities is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) SCE shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed or complied with by SCE at or prior to the Commencement Date and each Phase Closing Date.

(b) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

4.2 Conditions to SCE's Obligations SCE's obligation under this Agreement to sell the Facilities to Buyer is subject to the fulfillment or waiver of each of the following conditions precedent:

(a) Buyer shall have performed or complied in all material respects with all covenants, agreements and conditions contained in this Agreement to be performed by Buyer at or prior to the Commencement and each Phase Closing.

(b) No suit, action or other proceeding shall be pending before any court or Governmental Authority which seeks to restrain or prohibit any of the transactions contemplated by this Agreement or to obtain material damages or other material relief in connection with this Agreement or the transactions contemplated hereby.

4.3 CPUC Approval. The obligation of each Party to consummate the purchase and the sale of the Facilities is conditioned upon obtaining CPUC Approval. SCE agrees to make reasonable efforts to draft and file an application seeking CPUC approval within ninety (90) days following the Effective Date of this Agreement. Buyer agrees to cooperate with SCE's efforts to obtain CPUC Approval, including by promptly reviewing and commenting on the application for CPUC Approval. Buyer acknowledges and agrees that SCE makes no representation or warranty with respect to the likelihood of obtaining CPUC Approval, and Buyer hereby waives all Claims against SCE that may arise as a result of the need for CPUC Approval or SCE's failure to obtain CPUC Approval.

4.4 Satisfaction or Waiver of Conditions Precedent. Buyer may waive in writing any of the conditions precedent set forth in Section 4.1, and SCE may waive in writing any of the conditions precedent set forth in Section 4.2. Neither Party shall have the right to waive the condition precedent set forth in Section 4.3. Subject to the foregoing, in the event that any of the conditions precedent set forth in this Section 4.1 or Section 4.2 have not been satisfied or waived on or

before the Commencement Date or any Phase Closing Date (as the same may be extended), then the Party whose obligations are subject to such condition precedent shall have the right to rescind this Agreement ab initio upon written notice to the other Party, and SCE and Buyer shall thereupon return to the other Party all performances received from the other Party (except for the Severance Costs actually paid), and each Party shall be released from all other obligations under this Agreement, except those which expressly survive termination.

5. CONDITION OF FACILITIES AND LAND RIGHTS

5.1 Compliance with Applicable Requirements and Governmental Approvals.

Except for CPUC Approval, Buyer is solely responsible for complying, at Buyer's sole expense, with all Applicable Requirements and obtaining all authorizations, consents, licenses, permits and approvals of Governmental Authorities and third persons in connection with the consummation of the transactions contemplated by this Agreement and with Buyer's operation of the Facilities, whether as result of the PCB content or otherwise. Without limiting the foregoing, Buyer is responsible for any costs of complying with the California Environmental Quality Act ("**CEQA**"), if and to the extent applicable to the sale and transfer of the Facilities, and satisfying, at Buyer's sole expense, any and all mitigation measures under CEQA that may apply to Buyer's acquisition or operation of the Facilities. Buyer shall promptly notify SCE of any and all mitigation measures that may affect SCE. If SCE determines in good faith that any such mitigation measures may adversely affect SCE, SCE shall have the right without liability to Buyer to terminate this Agreement upon written notice to Buyer. In the event of such termination, SCE and Buyer shall each be released from all obligations under this Agreement, except those that expressly survive termination. Buyer's obligations under this Section 5.2 shall survive the termination of this Agreement.

5.2 Disclosure Regarding Hazardous Substances. SCE hereby discloses to Buyer that Potential Environmental Hazards and Hazardous Substances, including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities. Buyer represents that it is purchasing the Facilities for Buyer's own use, and not for resale (provided that Buyer contemplates that Buyer may transfer title to the Facilities in connection with financing and/or refinancing of the Facilities). If Buyer sells the Facilities, or any part thereof, it shall disclose, in writing, to all potential Buyers, prior to the sale, that Potential Environmental Hazards and Hazardous Substances, including PCBs, may be present at, in, on, under, about, contained in, or incorporated in the Facilities, or portions thereof. Further, in the event the Facilities (or any portion thereof) are sold, conveyed or transferred in any manner to a person other than SCE, Buyer shall incorporate in the agreement effectuating such transfer, language substantially in the same form as this paragraph. Buyer's obligations under this Section 5.3 shall survive the termination of this Agreement. Notwithstanding anything to the contrary set forth in this Agreement, SCE approval shall not be required for any conveyance of the Facilities, whether or not such conveyance is

made in connection with a financing or refinancing of the Facilities or any part thereof.

- 5.3 Disclaimers Regarding the Facilities and the Land.** BUYER ACKNOWLEDGES THAT IT IS RELYING UPON ITS OWN INDEPENDENT INVESTIGATION IN DECIDING TO PURCHASE THE FACILITIES. BUYER EXPRESSLY DISCLAIMS RELIANCE ON ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES, EITHER EXPRESS OR IMPLIED, BY SCE, ITS OFFICERS, DIRECTORS, COUNSEL, REPRESENTATIVES OR AGENTS. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE FACILITIES, THE PROSPECTS (FINANCIAL AND OTHERWISE) OF THE FACILITIES, THE QUALITY OF WORKMANSHIP OF THE FACILITIES, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. SCE FURTHER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING POTENTIAL ENVIRONMENTAL HAZARDS, THE PRESENCE OF HAZARDOUS SUBSTANCES, COMPLIANCE OF THE FACILITIES OR THE LAND WHERE THE FACILITIES ARE LOCATED WITH ENVIRONMENTAL REQUIREMENTS, OR LIABILITY OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL REQUIREMENTS. NO SCHEDULE OR EXHIBIT TO THIS AGREEMENT, NOR ANY OTHER MATERIAL OR INFORMATION PROVIDED BY OR COMMUNICATIONS MADE BY SCE, WILL CAUSE OR CREATE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS: (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY; (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND (C) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR MATERIALS.
- 5.4 "AS IS" SALE.** THE FACILITIES ARE BEING TRANSFERRED "AS IS, WHERE IS, AND WITH ALL FAULTS" IN THEIR EXISTING CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY SCE, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST SCE.
- 5.5 Specific Disclaimer Regarding Land Rights.** BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SCE IS NOT ASSIGNING OR OTHERWISE TRANSFERRING ITS RIGHT, TITLE AND INTEREST IN AND TO ANY LAND RIGHTS (OR ANY CLAIM, RIGHT OR BENEFIT ARISING UNDER OR RESULTING FROM SUCH LAND RIGHTS) IN CONNECTION WITH ITS SALE OF THE FACILITIES TO BUYER, AND BUYER ASSUMES ANY AND ALL RISKS AND LIABILITIES IN CONNECTION WITH THE ABSENCE OF ADEQUATE OR APPROPRIATE LAND RIGHTS.

5.6 Maintenance of Facilities Pending Commencement. From the Effective Date until the Phase Closing Date, SCE will, at its expense, operate and maintain the Facilities in accordance with SCE's rate "Schedule LS-1 LIGHTING - STREET AND HIGHWAY - UNMETERED SERVICE COMPANY-OWNED SYSTEM," and consistent with SCE's custom and past practices.

5.7 New Facilities. Until the Commencement Date, SCE may continue to install new streetlights in the City of Huntington Beach in accordance with SCE's standard practices and tariffs and CPUC rules and regulations.

6. COMMENCEMENT AND POST-COMMENCEMENT ACTIVITIES.

6.1 Commencement Date. The "Commencement Date" shall be the date that is sixty (60) days after the CPUC Approval Date. The application seeking CPUC Approval will request such approval within six months of the date the application is filed. SCE makes no representations as to when or in what manner the CPUC will act on the application.

6.2 The Phases. The first Phase shall commence on the Commencement Date ("Commencement"), and each successive Phase shall follow consecutively thereafter or on such earlier date as mutually agreed by the Parties as to the Facilities identified for each Phase in **Exhibit C**. The Parties shall take the following actions during each Phase for the Facilities to be transferred to Buyer in such Phase:

- (a) For a period not to exceed four (4) months following the commencement of each Phase (each, an "Inventory, Planning and Inspection Period"), the Parties will perform their respective Inventory, Planning and Inspection Activities set forth in **Exhibit D**, including identifying any Reconfigured Facilities. For each Phase, SCE's Local Service Planning office shall provide written notice to Buyer before the expiration of the Inventory, Planning and Inspection Period identifying any potential Reconfigured Facilities and stating the work necessary to reconfigure such facilities for sale to Buyer and the estimated time and cost to complete the work ("Reconfigured Facilities Notice").
- (b) For a period of ten (10) Business Days following Buyer's receipt of the Reconfigured Facilities Notice, Buyer shall have the right to accept or reject the Reconfigured Facilities described in the Reconfigured Facilities Notice, which acceptance or rejection shall be evidenced by a written notice delivered to SCE's Local Service Planning Office.
- (c) At any time prior to the applicable Phase Closing, each Party shall perform and complete its respective Severance Activities for all Facilities in the applicable Phase, excepting only the Reconfigured Facilities identified in the Reconfigured Facilities Notice for that Phase, which Reconfigured Facilities

shall be added to the final Phase. Prior to or during the final Phase, each Party shall perform and complete its respective Severance Activities for any Reconfigured Facilities.

- (d) Not later than thirty (30) days prior to each Phase Closing Date, SCE shall deliver to Buyer an original Bill of Sale duly executed by SCE. The Parties agree that delivery of the Bill of Sale shall be effective upon the earlier of (i) delivery to Buyer by hand of an original Bill of Sale or (ii) Buyer's receipt of a facsimile or other electronic transmission of the Bill of Sale. If delivery is made by facsimile or other electronic transmission, SCE shall concurrently send the original Bill of Sale to Buyer by registered or certified mail or overnight courier.
- (e) At any time prior to any Phase Closing, Buyer may elect at its sole and absolute discretion to remove any of the Facilities (except for Reconfigured Facilities) from any Phase and deduct on a pro rata basis the value of such Facilities from the Purchase Price.
- (f) By each Phase Closing Date, Buyer shall pay to SCE in U.S. dollars the Purchase Price, Severance Costs, and the Taxes (but not Excluded Taxes) for the Facilities to be transferred to Buyer in such Phase.
- (g) After completion of the final Phase, SCE's Local Service Planning Office will invoice Buyer separately for any Reconfigured Facilities.

6.3 Assumption of Liabilities. On each Phase Closing Date, Buyer will assume all obligations and liabilities of any kind or nature whatsoever related to, arising from, or associated with ownership or possession of the Facilities transferred to Buyer in such Phase.

6.4 Post-Phase Activities.

- (a) Within ninety (90) days after each Phase Closing Date, but effective as of each such Phase Closing Date, SCE will change the charge for electricity furnished to the Facilities transferred to Buyer in such Phase from the Streetlight Rate Schedule LS-1 to the Streetlight Rate Schedule "LS-2 LIGHTING - STREET AND HIGHWAY CUSTOMER-OWNED INSTALLATION - UNMETERED SERVICE" Multiple Service – Rate B and provide written notice to Buyer of such change ("Notice of Rate Change").
- (b) Within ninety (90) days after each Phase Closing Date, SCE shall provide an updated map and inventory of the Facilities transferred pursuant to such Phase to Buyer.

6.5 Prohibition on Connecting Non-Conforming Load. Buyer acknowledges and agrees that Buyer's purchase of the Facilities does not entitle Buyer to connect non-conforming load to the Facilities or supporting circuits beyond SCE's initial

point of connection. If Buyer wishes to connect such non-conforming load, Buyer agrees to comply with SCE's applicable filed tariffs.

7. RELEASE.

7.1 Release. Buyer, for itself, and for any future owners of all or a part of the Facilities, and each of their respective predecessors, successors, assigns, licensees, officers, directors, employees, agents, partners, shareholders, transferees, parent and subsidiary corporations, legal representatives, heirs, beneficiaries, executors and administrators hereby fully and forever releases, discharges and covenants not to sue the SCE Parties of, from or for any and all losses (including diminution in the value of the Land) and all other costs, claims, demands, actions, suits, orders, causes of action, obligations, controversies, debts, expenses, accounts, damages (including consequential or direct damages), judgments and liabilities of whatever kind or nature (including fines and civil penalties), and by whomsoever asserted, in law, equity or otherwise, whether known or unknown, (each a "**Claim**" and, collectively, "**Claims**") arising from or in any way connected with the Facilities.

7.2 Waiver of Civil Code § 1542. With respect to the matters being released in Paragraph 7, and as to those matters only, Buyer does knowingly, after having first obtained the advice of its attorneys, waive all of the provisions of California Civil Code § 1542 ("Section 1542"). Section 1542 reads as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Buyer acknowledges and agrees that: (a) the releases set forth in Paragraph 7 are intended to extend to and extinguish all claims, causes of action, etc. known or unknown that are encompassed within the terms of the releases. Buyer further acknowledges and agrees that the foregoing waiver of Section 1542 is an essential and material term of this Agreement, without which said consideration would not have been given. Buyer has been advised by its legal counsel regarding this release and waiver and understands and acknowledges the significance and consequences of this release and waiver of Section 1542. SCE shall notify Buyer in writing if, at any time between the Effective Date and the Closing Date, SCE obtains actual knowledge of any material damage to a Facility or any third-party formal claim that the condition of a Facility caused property damage, injury or death.

8. INDEMNITY. Buyer shall, at its sole cost and expense, indemnify, protect, defend and hold the SCE Parties harmless, to the fullest extent permitted by law, from and against any and all Claims (including the payments of damages, both

actual and consequential, the payment of penalties and fines, the payment of the actual fees and expenses of experts, attorneys and others, and the payment of the cost of environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial work and other "response costs" under CERCLA or any other Environmental Requirements) arising from or in any way connected with: (a) any activities or failures to act in connection with this Agreement by Buyer, its employees, agents, or contractors; or (b) the ownership, possession, use or operation of the Facilities transferred to Buyer from and after the Phase Closing Date applicable to such Facilities; or (c) Potential Environmental Hazards relating to the Facilities or the presence, disposal, dumping, escape, seepage, leakage, spillage, discharge, emission, pumping, emptying, injecting, leaching, pouring, release or threatened release of PCBs or any other Hazardous Substances in connection with the Facilities, to the extent such Hazardous Substances were present or affecting the Facilities and/or in, on, or about the Land as of the applicable Phase Closing Date; (e) Buyer's breach of any of its obligations under this Agreement. If any action or proceeding is brought against any one or more SCE Parties for any Claim against which Buyer is obligated to indemnify or provide a defense hereunder, Buyer, upon written notice from SCE, shall defend the SCE Parties. Buyer's obligation to defend includes the obligation to defend claims and participate in administrative proceedings, even if they are false or fraudulent. The indemnity, defense and other obligations of Buyer in this Section 8 shall survive the termination of this Agreement.

9. MISCELLANEOUS.

9.1 Time of Essence. Time is of the essence of this Agreement and each and every provision hereof.

9.2 Force Majeure. Except for the payment of money when due, performance by either Party hereunder shall not be deemed to be in default, or considered to be a default, where delays or defaults are due to force majeure events beyond the control of such Party, including, without limitation, war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, government imposed moratorium legislation, actions of failures to act by any regulatory authority with jurisdiction over SCE (including the CPUC), freight embargoes, lack of transportation, weather-caused delays, inability to secure necessary labor, materials or tools, delays of any contractor, subcontractor or supplier, that are not attributable to the fault of the Party claiming an extension of time. An extension of time for any such force majeure cause shall be for the period of the enforced delay and shall commence to run from the date of occurrence of the delay; provided, however, that the Party claiming the existence of the delay first provides the other party with written notice of the occurrence of the delay, within ten (10) days of the commencement of such occurrence of a force majeure event

and, thereafter, takes prompt and reasonable action within its control to remedy such force majeure event.

- 9.3 Further Assurances.** Each Party hereto agrees to execute and deliver to the other Party such further documents or instruments as may be necessary or appropriate in order to carry out the intentions of the Parties as contained in this Agreement.
- 9.4 Binding Effect; Assignment.** This Agreement shall be binding upon, and shall inure to the benefit of, the heirs, successors and assigns of the Parties hereto. Notwithstanding the foregoing, Buyer shall have no right to assign this Agreement or any of its rights or obligations under this Agreement.
- 9.5 Severability.** If any provision of this Agreement shall be unenforceable or invalid, the same shall not affect the remaining provisions of this Agreement and the provisions of this Agreement are intended to be and shall be severable.
- 9.6 Survival.** The covenants, agreements, obligations, indemnities and releases contained in Sections 3.3, 5, 6.3, 6.4, 6.5, 7 and 8 of this Agreement shall survive the termination of this Agreement.
- 9.7 Governing Laws.** This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California without reference to its conflicts of laws provisions.
- 9.8 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 9.9 Notices.** Any notice or other communication required or permitted under this Agreement shall be in writing and shall be either personally delivered or transmitted by registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier, such as FedEx or Airborne Express, addressed to the Parties as follows:

If to SCE:

If to Buyer:

The date of any notice or communication shall be deemed to be the date of receipt if delivered personally, or the date of the receipt or refusal of delivery if transmitted by mail or overnight courier. Any Party may change its address for notice by giving notice to the other Party in accordance with this Section 9.7.

9.11 Limitation on Liability. Buyer expressly agrees that the obligations and liabilities of SCE under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals or representatives of SCE. SCE expressly agrees that the obligations and liabilities of Buyer under this Agreement and any document referenced herein shall not constitute personal obligations of the officers, directors, employees, agents, affiliates, members, representatives, stockholders or other principals or representatives of Buyer. The limitations contained in this Section 9.9 shall survive the termination of this Agreement.

9.12 Exhibits. The following Exhibits are attached hereto and incorporated by reference into this Agreement.

Exhibit A	Description of the Facilities
Exhibit B	Form of Bill of Sale
Exhibit C	Phases
Exhibit D	Inventory, Planning and Inspection Activities
Exhibit E	Communications Equipment
Exhibit F	Pole Attachment License Agreement

9.13 Dispute Resolution. In the event any dispute arises concerning the enforcement and/or interpretation of this Agreement, the Parties agree to attempt initially to settle such claims or disputes in good faith between themselves. Said obligation to discuss settlement of such claims or disputes shall be initiated by written notice of such claim or dispute. Should the Parties not settle such claims or disputes within thirty (30) days of the date of mailing of such notice or within such additional time period to which the Parties agree in writing (the "Negotiation Period"), the Parties may mutually agree to submit any such claim or dispute to mediation. In such case, the Parties will select an independent mediator within thirty (30) days of the expiration of the Negotiation Period (the "Selection Period"), either by mutual agreement or, in the absence of agreement on a mediator, by requesting during the Selection Period that the American Arbitration Association in Los Angeles, California appoint a mediator. The mediation shall be commenced within thirty (30) days of the selection of a mediator by the Parties or the American Arbitration Association. Except as provided herein or by written agreement of the Parties, the mediation shall be conducted in Los Angeles pursuant to the rules of the American Arbitration Association. If the Parties are unable to settle the dispute through discussions or in mediation, each Party shall have the right to pursue all of its remedies at law or in equity. The covenants of Buyer and SCE contained in this Section 9.13 shall survive the termination of this Agreement.

9.14 Communications Equipment. Buyer acknowledges that the Facilities have certain SCE-owned and operated radio equipment attached to them as identified in Exhibit E ("Communications Equipment"). Concurrently with each Phase

Closing Date, Buyer shall grant to SCE a cost-free license to leave in place, operate, maintain, replace and remove any Communications Equipment attached to Facilities included in such Phase pursuant to a Pole Attachment License Agreement. .

9.15 Interpretation. The language in all parts of this Agreement shall be construed according to its normal and usual meaning and not strictly for or against either SCE or Buyer. The headings of the paragraphs of this Agreement are inserted solely for convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction of any terms or provisions hereof. The words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

9.16 Authority. Each Party represents and warrants that the execution, delivery and performance of this Agreement has been duly authorized by such Party and each person signing this Agreement on its behalf is duly and validly authorized to do so.

9.17 Prior Agreements. This Agreement and the exhibits hereto contain the entire agreement and understating of the Parties relating to the subject matter hereto and shall supersede any prior written or oral agreements or communications between the Parties pertaining to such subject matter.

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be duly executed as of the date and year first written above.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

SCE:

SOUTHERN CALIFORNIA EDISON,
a California corporation

By: _____

Its: _____

BUYER:

CITY OF _____,
[a California charter city and municipal
corporation]

By: _____

Its: _____

ATTEST:

City Clerk

Exhibit A
Description of Facilities

EXHIBIT A DOCUMENTATION TO FOLLOW FINAL AGREEMENT

THIS IS A 1000 PAGE DOCUMENT

Exhibit B
Form of Bill of Sale

BILL OF SALE

Pursuant to that certain Purchase And Sale Agreement, dated _____, 2014 ("Agreement"), by and between Southern California Edison, a California corporation ("SCE"), and the City of _____, [a Municipal Corporation and Charter City] ("Buyer"), effective as of _____, 20__ **[Insert Phase Closing Date]**, SCE hereby sells, assigns, transfers and delivers to Buyer all of SCE's right, title and interest in and to the property described in Attachment A ("Facilities"), attached hereto and hereby incorporated herein by this reference. All capitalized terms not defined in this Bill of Sale shall have the meanings given them in the Agreement.

THE FACILITIES ARE BEING TRANSFERRED "AS IS, WHERE IS, AND WITH ALL FAULTS" IN THEIR EXISTING CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND BY SCE, EXPRESS, IMPLIED OR STATUTORY, AND WITHOUT RECOURSE AGAINST SCE. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCE EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO THE CONDITION, VALUE OR QUALITY OF THE FACILITIES, THE PROSPECTS (FINANCIAL AND OTHERWISE) OF THE FACILITIES, THE QUALITY OF WORKMANSHIP OF THE FACILITIES, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. SCE FURTHER SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY REGARDING POTENTIAL ENVIRONMENTAL HAZARDS, THE PRESENCE OF HAZARDOUS SUBSTANCES, COMPLIANCE OF THE FACILITIES OR THE LAND WHERE THE FACILITIES ARE LOCATED WITH ENVIRONMENTAL REQUIREMENTS, OR LIABILITY OR POTENTIAL LIABILITY ARISING UNDER ENVIRONMENTAL REQUIREMENTS. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SCE IS NOT ASSIGNING OR OTHERWISE TRANSFERRING ITS RIGHT, TITLE AND INTEREST IN AND TO ANY LAND RIGHTS (OR ANY CLAIM, RIGHT OR BENEFIT ARISING UNDER OR RESULTING FROM SUCH LAND RIGHTS) IN CONNECTION WITH ITS SALE OF THE FACILITIES TO BUYER, AND BUYER ASSUMES ANY AND ALL RISKS AND LIABILITIES IN CONNECTION WITH THE ABSENCE OF ADEQUATE OR APPROPRIATE LAND RIGHTS.

This Bill of Sale is executed pursuant to the authorization contained in the order of the California Public Utilities Commission in its Decision No. _____, dated _____, and is subject to all the terms and conditions of the Agreement, including the provisions set forth above.

The parties represent that they are duly authorized to execute this Bill of Sale.

SOUTHERN CALIFORNIA EDISON COMPANY,
a California corporation

By: _____
(Name of Business Unit VP)
(Title of VP)

Accepted and Agreed:

BUYER:

(CUSTOMER NAME),
a California corporation

By: _____

Name: _____

Title: _____

Exhibit C
Phases

Exhibit D
Planning, Inspection and Severance Activities

Section Reference	Activity	SCE Responsibility	City Responsibility
2.2	Provide Buyer with draft phase maps	X	
6.2(a)	Field validation to identify applicable LS-1 Streetlights	X	
6.2(a)	Identify/Confirm Points of Demarcation (POD)	X	
6.2(a)	Confirm every pole in the City has been accounted for	X	
6.2(a)	Confirm actual phase maps and transition timelines	X	X
6.2(a)	Communicate with the Buyer any additional relocation/reconfiguration costs (assets and operational)	X	
6.2(b)	Buyer accepts or refuses any additional relocation/reconfiguration costs (assets and operational)- please see above		X
6.2 (c)	Update the Inventory (if applicable)	X	
3.1(c)	Update the Purchase Price for the Final Phase (as applicable if pole count varies by 5% or more)	X	
6.2(a)	Provide revised maps and inventory list to Buyer (if applicable)	X	
6.2(b)	Buyer signs off on updated inventory list (if applicable)		X
6.2(d)	Bill of Sale to Buyer for current Phase	X	
6.2(a)	SCE Pole tag removal	X	
6.2(a)	Buyer installs its pole tags		X
6.2(e)	Buyer payment		X
6.4(a)	Convert from LS-1 to LS-2B rate at completion of each Phase	X	
6.4(b)	Provide updated LS-2 B maps and inventory list to Buyer	X	
6.4(c)	Buyer confirms rate change has gone into effect		X
6.4(d)	Phase is complete	X	X

Exhibit E
Communications Equipment

Exhibit F
Pole License Attachment Agreement

General Plan Amendment (GPA) No.15-002
Zoning Text Amendment (ZTA) No. 15-005
Local Coastal Program Amendment (LCPA) No. 15-002
(Sunset Beach Local Coastal Program)

Nov. 16, 2015



BACKGROUND

- On Oct. 18, 2010 the City Council approved the entitlements for the annexation and establishment of General Plan and zoning designations for Sunset Beach.
- On Aug. 22, 2011 Sunset Beach was annexed into the city.
- On Aug. 29, 2011 the City submitted its 2010 LCPA which included the Coastal Element and SBSP to the CCC for certification.
- On Dec. 18, 2012 the City withdrew its LCPA submittal in order to address issues identified by CCC staff.
- Since then, staff has been working with the Sunset Beach LCP Review Board (LCPRB), property owners, and CCC staff to address those issues.

REQUEST

- GPA No. 15-002 is a request to amend the Coastal Element to reflect the addition of Sunset Beach and revisions to the goals, objectives, policies and the glossary required by the California Coastal Commission (CCC).
- ZTA No. 15-005 is a request to amend the Sunset Beach Specific Plan (SBSP) to reflect changes required by the CCC and various revisions to development regulations.
- LCPA No. 15-002 is a request to amend the City's LCP in accordance with the GPA and ZTA and transmit them to the CCC for review and certification.

ANALYSIS

GPA – Coastal Element Key Changes

- *Technical Synopsis* section changed to integrate Sunset Beach into the Coastal Element.

- *Goals, Objectives, and Policies* section includes updated information from CCC staff such as:
 1. New policies regarding protection of natural resources, alternative modes of transportation, beach encroachment, beach erosion, and sea level rise.
 2. New implementation addressing hazards and shoreline management.

- *Glossary* was updated to add a definition for Lower Cost Overnight Accommodations.

Since the new amendments are relatively minor and are needed to keep the Coastal Element current, staff recommends approval.

ANALYSIS

ZTA – Sunset Beach Specific Plan (SBSP) Key Changes

Beach Encroachment

- The 2010 SBSP adopted by the City Council includes the same beach encroachment provisions that were in the County's SBSP.
- Private use of a public beach is a concern for the CCC and its staff.
- CCC staff has commented that the following provisions should be included in the SBSP:
 1. A sunset clause requiring removal of beach encroachments by a certain deadline.
 2. Require the adjoining property owner to pay market rate rent to the City.
 3. Require the rent/fees collected to be used for improvements that benefit beach going public.
 4. Ensure encroachments do not impede access from the public street to the beach.
 5. Ensure encroachments do not restrict use of the surrounding sand area.

ANALYSIS

ZTA – Sunset Beach Specific Plan (SBSP) Key Changes

Beach Encroachment

- These additional requirements are not supported by the Sunset Beach LCPRB and beachfront property owners and were not included in the revised SBSP.
- There is a possibility that the CCC will act to require those provisions when they consider approving the revised SBSP.
- In that case, the next step will be for the City Council to consider accepting the proposed modifications; otherwise, the SBSP will not become certified.
- Without a certified SBSP, all developments requiring a coastal development permit will continue to require final approval from the CCC.

ANALYSIS

ZTA – Sunset Beach Specific Plan (SBSP) Key Changes

Sea Level Rise (SLR)

- With guidance from CCC staff, provisions have been included to address SLR over the next 75 years.
- Revised SBSP includes steps for addressing SLR when reviewing new development consistent with CCC's adopted SLR Policy Guidance.

Building Height Measurement

- On beachfront properties building height is currently measured from centerline of frontage street.
- Elsewhere building height is measured from top of finished floor.
- Staff and LCPRB recommend standardizing how building height is measured for all properties by going from the centerline of the frontage street.

ANALYSIS

ZTA – Sunset Beach Specific Plan (SBSP) Key Changes

Building Height Measurement (LCPRB Additional Recommendations)

- LCPRB recommends measuring building height from N. Pacific Ave. for properties located between that street and PCH for a consistent skyline.
- Staff does not support this recommendation because the City has a long history of measuring height from a reference point along a property's frontage and has never measured height from an offsite location.
- LCPRB recommends measuring building height for properties north of PCH from top of the bulkhead/sea wall.
- Staff does not support this change either because the City has limited control over the height of a bulkhead on private property. In comparison, the City has control over the height of its streets.

ANALYSIS

ZTA – Sunset Beach Specific Plan (SBSP) Key Changes

Sign Standards

- Staff and LCPRB recommend minor changes to sign standards including:
 - ✓ Specifying that business and identification signs can be freestanding and/or wall signs.
 - ✓ Prohibiting roof signs and signs facing the greenbelt on the ocean side of PCH.
 - ✓ No roof signs and only a few existing signs facing the greenbelt were found in the field.

Land Use Plan Guidelines and Other Amendments

- Various guidelines were added as recommended by CCC staff (e.g. maintaining public access, prohibiting lost of sandy beach, etc.).
- Revised Scenic Vista exhibit, updated discussion of shoreline management, etc.

Staff recommends approval since the SBSP amendments primarily address CCC staff comments and bring SBSP in greater conformance with the Coastal Act.

ANALYSIS

LCPA

- Transmits the GPA and ZTA to CCC for certification.
- If there are CCC modifications, they will be brought back to City Council for consideration.
- Once the Sunset Beach documents are certified by the CCC, the City will be able to issue coastal development permits for Sunset Beach. Property owners will no longer be required to submit a separate application to the CCC for most projects.

STAFF RECOMMENDATION

- Approval based on the following:
 - ✓ The Coastal Element and SBSP amendments address comments from the CCC staff.
 - ✓ The Coastal Element amendments will make it current and integrate Sunset Beach into the City's General Plan.
 - ✓ The SBSP amendments will result in an updated zoning ordinance in greater conformance with the Coastal Act.



END

Esparza, Patty

From: Dombo, Johanna
Sent: Monday, November 16, 2015 8:30 AM
To: Agenda Alerts
Subject: FW: agenda item #18 - Sunset Beach GPA/ZTA/LCPA

-----Original Message-----

From: Mark Bixby [mailto:mark@bixby.org]
Sent: Saturday, November 14, 2015 2:06 PM
To: Agenda Comment; CITY COUNCIL
Cc: Hess, Scott; Fikes, Cathy; Dombo, Johanna; CITY COUNCIL
Subject: agenda item #18 - Sunset Beach GPA/ZTA/LCPA

AGENDA COMMENT

Dear city council (Cc: Scott Hess),

I'd like to make the following observations regarding the Sunset Beach GPA/ZTA/LCPA item on the city council agenda for Monday November 16th.

I strongly oppose the staff recommendation to exempt private encroachments onto the public beach. Public access is one of the most important and strongly enforced portions of the Coastal Act, and the recommended exemption language will be dead on arrival at the Coastal Commission. The city risks being "Shamu-ed" by the commission imposing modifications harsher than the city may be expecting. I instead support the CCC staff advice cited in the RCA to provide for an orderly wind-down of the encroachments. Adopting that advice locally could preempt harsher commission action later.

I strongly support the staff recommendation to add provisions dealing with sea level rise and improved coastal resiliency through prudent development decisions. However, I notice one minor inconsistency between two of those policies. Modified policy C 1.1.9 refers to 75 years as being the economic life of a structure, whereas new policy C 10.1.24 does not define the economic life duration of a structure. Perhaps this was a typographical error -- if so, the policies should be harmonized before approval.

Lastly, I'd like to call your attention to the RH-30 residential high density zoning being recommended for all of the residential portions of Sunset Beach. The definition of RH-30 is density exceeding 30 units per acre with NO upper limit. While I realize this is being carried forward from prior council action in 2010, it appears to be inconsistent with the new less-dense policy shift the city took earlier this year with BECSP.

Thank you for listening!

**SUPPLEMENTAL
COMMUNICATION**

Mark Bixby
17451 Hillgate Ln
Huntington Beach, CA 92649-4707
714-625-0876

Meeting Date: 11-16-2015

Agenda Item No. 18

--
mark@bixby.org
Remainder of .sig suppressed to save more electrons for my plug-in Prius...

Dear City Govt.

11/11/15

Leave Sunset Beach alone!

We don't need more regulations & loss of freedom.

See attached article

I pay now close to \$40,000 in property tax. Isn't that enough for what we get from you?

John Widera

16655 S. Pacific
Sunset Beach

Where small cities struggle

California towns clog bottom of U.S. list.

Add California to yet another list of worsts. According to personal finance website WalletHub.com's 2015 Best & Worst Small Cities in America, California's smaller cities did not stack up well with the rest of the nation. The analysis included 1,268 U.S. cities with populations of 25,000-100,000.

Topping the list was Princeton, N.J., followed by Littleton, Colo.; Dublin, Ohio; Brookfield, Wis., and Leawood, Kansas. Rounding out the bottom was, well, much of California. The bottom five are Los Angeles County cities, including Lynwood, Compton, Bell Gardens, Huntington Park and, lastly, Bell.

In fact, California cities occupy the bottom 23 slots - and 37 of the bottom 41. Moreover, not a single California city cracked the top 100, with Los Gatos faring best, at No. 109. Notable Orange County cities include Newport Beach (No. 456), Lake Forest (tied for 758), Mission Viejo (803), Laguna Niguel (824), Yorba Linda (911), San Clemente (997), Tustin (1,000), Buena Park (1,091), La Habra (1,160) and Westminster (1,219).

Cities were graded on 22 metrics in four equal-weighted categories: Affordability, Economic Health, Education & Health and Quality of Life. Metrics included things such as housing costs, unemployment rate, median household income, school quality, average commute time, crime rate and even the number of bars, restaurants, coffee shops, museums and fitness centers per 100,000 residents.

It is not surprising that California cities were dinged on the affordability category, with excessive development fees, zoning ordinances that reduce the supply of housing, high labor costs, voluminous building codes and stringent environmental regulations raising the cost of a single-family home by tens of thousands of dollars.

Even more disconcerting is that so many California cities are also struggling in the other categories. Much of this is due to the high taxes and excessive regulations that cripple our business climate and cause people to seek greater opportunities and a higher quality of life elsewhere. We have imposed more taxes and regulations for decades. To reverse the California decline, the answer is simply more freedom and fewer laws and regulations.

But, hey, at least Santa Monica and Palo Alto tied for most coffee shops per capita.

**QUOTE OF
THE DAY**



**I may not agree with what you say,
but to the death I will defend your
right to say it."**

VOLTAIRE

Esparza, Patty

From: Surf City Pipeline [noreply@user.govoutreach.com]
Sent: Monday, November 16, 2015 12:51 PM
To: CITY COUNCIL; Agenda Alerts
Subject: Surf City Pipeline: Comment on an Agenda Item (notification)

Request # 24356 from the Government Outreach System has been assigned to Agenda Alerts.

Request type: Comment

Request area: City Council - Agenda & Public Hearing Comments

Citizen name: Pamela Solig

Description: I am a Huntington Marina Association resident on the Huntington Harbor. I am concerned regarding the possibility of "High Density" in Sunset Beach or in Huntington Beach. The Agenda for tonight includes Sunset Beach and it appears there is a hidden agenda for allowing High Density in the future which will severely affect this local area.

Expected Close Date: November 17, 2015

[Click here to access the request](#)

Note: This message is for notification purposes only. Please do not reply to this email. Email replies are not monitored and will be ignored.

**SUPPLEMENTAL
COMMUNICATION**

Meeting Date: 11-16-2015

Agenda Item No. 18

Request: 24346 Entered on: 11/15/2015 6:49 PM

Customer Information

Name: Donna Little
Address: 17132 PCH. #202
Huntington Beach, CA
92649

Phone: (562) 533-0548
Alt. Phone:
Email: ReddII2003@yahoo.com

Request Classification

Topic: City Council - Agenda & Public Hearing Comments
Status: Closed
Assigned to: Agenda Alerts
Request type: Complaint
Priority: Normal
Entered Via: Web

Description

Changing the zoning to mixed use, will allow high density housing. As Pacific Coast Highway is already a traffic jam when there is construction, as has been going on for the past 5 years at Warner and PCH, in addition to being a flood plain During full moon/ high tide situation and tsunami evacuation route, we cannot Afford even more traffic as would be the case with high density housing. In addition, if we experienced an earthquake of significance and one of the two Bridges, either Alamitos Bay Bridge or the bridge or the tidewater before Seacliff Dr, the only way to exit the area would be at Warner.

Please consider all these issues and vote no for new zoning.
Thank you

Donna Little

Reason Closed

Thank you for taking the time to send your thoughts to the City Council. A copy of your comments has been entered into the Pipeline system and will also be forwarded to the City Clerk to be included in the record on this item. Thank you very much for writing.

Sincerely,
Johanna Dombo
Executive Assistant

**SUPPLEMENTAL
COMMUNICATION**

Date Expect Closed: 11/22/2015

Date Closed: 11/16/2015 08:13 AM **By:** Johanna Dombo

Meeting Date: 11-16-2015

Enter Field Notes Below Agenda Item No. 18

Notes:
