

Council Meeting of
September 11, 2007

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council

**SUBJECT: Community Development – Renewal of a License Agreement for
Monitoring Wells with Honeywell International**

RECOMMENDATION

The Community Development Director recommends that the City Council approve an application by Honeywell International, Inc. for the renewal of a License Agreement, previously held under two (2) License Agreements, for two (2) existing groundwater monitoring wells for a period of ten (10) years.

FUNDING

No funding required.

BACKGROUND AND ANALYSIS

The City Council has previously approved and adopted License Agreements C99-032 and C2000-042, for two (2) monitoring wells, which have expired.

Groundwater monitoring wells are required by the Regional Water Control Board and the California Department of Health Service for the evaluation of subsurface conditions adjacent to Honeywell sites.

At the time the initial application for the License Agreements were made, Honeywell did not have a firm estimate of the length of time that the wells would be needed. The License Agreements were therefore prepared and approved for a term of five (5) years. Honeywell has now determined that additional time is needed to continue

with the underground study, and has requested that the two (2) License Agreements which had authorized the initial installation of the wells be renewed for an additional ten (10) years and be combined into one (1) License Agreement. License Agreements C200-042 and C99-032 are similar in format and content. A copy of expired License Agreement C2000-042 is attached for reference.

The License Agreement requires that the Grantee post a bond in the sum of \$10,000 per well to ensure Grantee's continued compliance with the terms and conditions of the Agreements, pay \$456 for the first well and \$57 for each additional well and carry comprehensive public liability insurance with a liability of \$1,000,000 per occurrence if Honeywell International is not self-insured. It exempts the City from any financial or legal encumbrances associated with the construction, operation, and relocation or actions required as a result of test data obtained from said wells.

Respectfully submitted,

JEFFERY W. GIBSON
Community Development Director

By: 
FELIPE SEGOVIA
Building Regulations Administrator

CONCUR:


JEFFERY W. GIBSON
Community Development Director


LeROY J. JACKSON
City Manager

- Attachments: A. Location Sketches of Monitoring Wells
 B. License Agreement Renewal
 C. Expired License Agreement C2000-042

IGM/cks1972



NOT TO SCALE

KASHIWA

CT.

FUJITA

ST.

EARLY AVE.

PROPOSED
GROUNDWATER
MONITORING
WELL

30'

CURB

PROPERTY LINE

HONEYWELL INTERNATIONAL
FORMERLY ALLIEDSIGNAL
AEROSPACE SITE
23215 EARLY AVE.

LEGEND:

- 0 — PETROLEUM LINES
- E — ELECTRIC LINE
- W — WATER LINE
- SS — SANITARY SEWER LINE
- T — TELEPHONE LINE

PARSONS
ENGINEERING
SCIENCE, INC.

SITE LOCATION MAP

EXHIBIT "A"

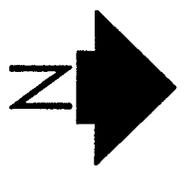


Former Underground Storage Tank

20263 Western Ave.

A.T. & S.F. RY.

Proposed Groundwater Monitoring Well

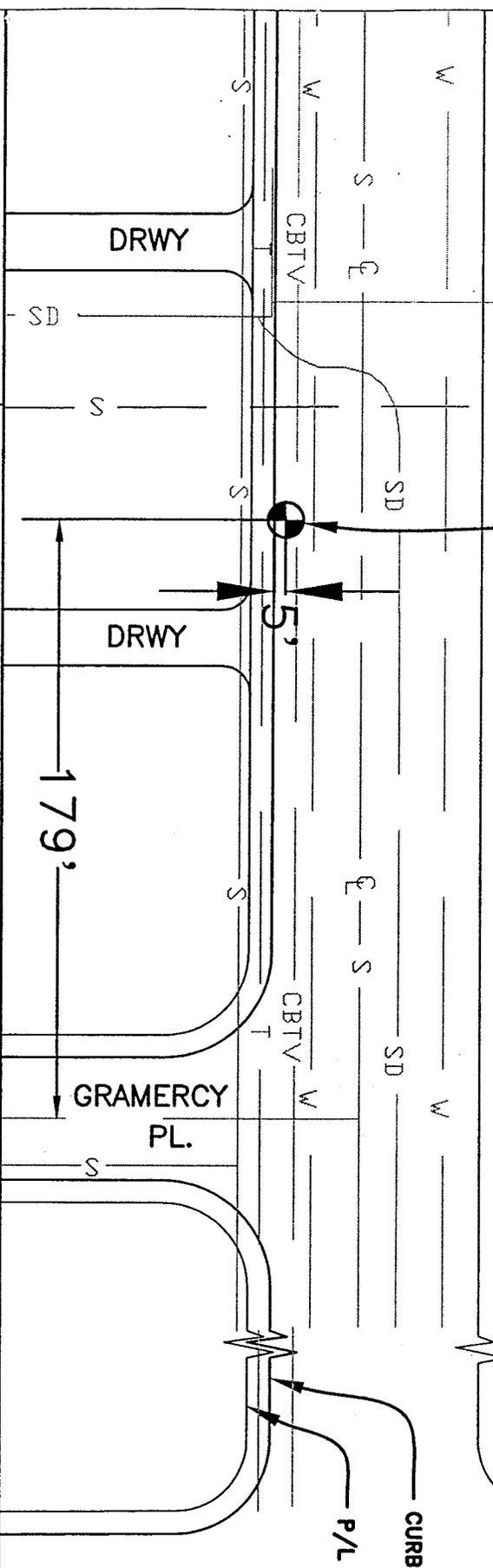


NOT TO SCALE

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BLVD.

WESTERN AVE.



PARSONS ENGINEERING SCIENCE, INC.

SITE LOCATION MAP
Former AlliedSignal Facility
20263 Western Avenue

EXHIBIT "A"

**RENEWAL OF
LICENSE AGREEMENT FOR MONITORING WELLS**

THIS AGREEMENT, made and entered into in quadruplicate as of this _____ day of _____, 2007, in the City of Torrance by and between the **CITY OF TORRANCE**, a municipal corporation, hereinafter called the "City", and Honeywell International, Inc., a Delaware Corporation, hereinafter called "Grantee";

WHEREAS, License Agreements C99-032 and C-2000-042 for two (2) Monitoring Wells which are expired, and

WHEREAS, Grantee desires to renew said license for a term of ten (10) years, and

WHEREAS, said monitoring wells are for the purpose of determining the extent of hydrocarbon migration from the 20263 Western Avenue and 23215 Early Avenue properties in the City of Torrance hereinafter called "Site".

NOW, THEREFORE, the parties hereto agree as follows:

The City hereby grants to Grantee a renewal of License Agreements C99-032 and C2000-042 for a term of ten (10) years from the effective date of this Renewal of License Agreement subject to the terms listed below:

GENERAL PROVISIONS

- I. **LOCATION OF WELLS** - The wells shall be located as described and shown in Exhibit "A".
- II. **OPERATION OF WELLS**
 - A. **Other Approvals.** The installation and operation of the wells shall be to existing requirements of the City of Torrance and the Los Angeles Regional Water Control Board.
 - B. **Installation and Testing of Wells.** The wells shall be installed, sampled and tested in substantial accordance with the Parsons Engineering Science Work Plan prepared for Honeywell International, Inc., for assessment as may be amended or modified with approval of the Regional Water Quality Control Board ("RWQCB").
- III. **CONFORMANCE REQUIREMENTS**
 - A. **Conformance with Regulations and Requirements of Boards and Agencies.** The wells shall be maintained in accordance with standards, regulations, or existing requirements of the Los Angeles Regional Water Quality Control Board and the State of California Department of Health Services.

- B. In the event Grantee assumes control of the Site, Grantee will maintain the grounds and improvements on the Site in a safe, clean and neat manner to the reasonable satisfaction of the Environmental Division of the Department of Building and Safety of the City. Any containers stored on the Site must be screened from public view.
- C. Conformance with Regulations and Requirements of Boards and Agencies. The wells shall be constructed and maintained in accordance with standards, regulations, or existing requirements of the Los Angeles Regional Water Quality Control Board and the State of California Department of Health Services.

IV. CLEANUP OF BREAKS AND LEAKS

If any portion of any street shall be damaged by reason of Grantee's operation or maintenance of any facility constructed or maintained under this Agreement, or if any street, sidewalk, sewer, storm drain or other facility be contaminated with waste water, gasoline or other substance due to operations by the Grantee, the Grantee shall, at its own expense, immediately repair or clean up or cause to be repaired or cleaned up any such damage or contamination and put such street, sidewalk, sewer, storm drain or other facility in substantially as good condition as it was before such contamination, to the reasonable satisfaction of the City. Such cleanups shall be accomplished in a timely manner, with as little public disruption as possible.

V. EMERGENCY CREWS

During the term of this Agreement, the Grantee shall provide within a twenty-four (24) hour notification, crews for the purpose of repairs, cleanup, preventing or minimizing serious immediate damage or the threat of damage to people or the environment in the event of an emergency resulting from an earthquake, act of war, civil disturbance, flood, leakage or other cause.

VI. REARRANGEMENT OF FACILITIES

- A. Expense of Grantee. Whenever, during the existence of this Agreement, the City shall change the grade, width, or location of any street or improve any street in any manner, including the laying of any sewer, storm drain, conduits, gas, water or other pipes owned or operated by the City or any other public agency, or construct any pedestrian tunnels, or other work of the City (the right to do all of which is specifically reserved to the City without any admission in its part that it would not otherwise have such rights) and such work shall, in the opinion of the City, render necessary any change in the position or location of any facilities of the Grantee in the street, the Grantee shall, at its own cost and expense, do any and all things to effect such change in position or location, in conformity with the written notice of the Community Development Director as provided in Paragraph D below.

- B. Expense of Others. When such change in construction or work is done for the accommodation of any person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party, in advance of such rearrangement, shall (a) deposit with the Grantee either cash or a corporate surety bond in an amount, as in the reasonable discretion of the Grantee shall be required to pay the costs of such change in work; and (b) shall execute an instrument agreeing to indemnify, defend and hold harmless the Grantee from any and all damages or claims caused by such rearrangement.
- C. Rearrangement of the Facilities of Others. Nothing in this Agreement contained shall be construed to require the City to move, alter or relocate any of its facilities upon said streets, at its own expense, for the convenience, accommodation or necessity of any other public utility, person, firm or corporation, or to require the City or any person, firm or corporation now or hereafter owning a public utility system of any type or nature, to move, alter or relocate any part of its system upon said streets for the convenience, accommodation or necessity of the Grantee. If the wells cannot be located as described in Exhibit "A", Grantor shall furnish Grantee with another reasonable acceptable location for such well in the immediate vicinity.
- D. Notice. The Grantee shall be given not less than thirty (30) days written notice of any change or relocation of facilities which the Grantee is required to make hereunder. Such notice shall specify in reasonable detail the work to be done by the Grantee and shall specify the time that such work is to be accomplished. In the event that the City shall change the provisions of any such notice given to the Grantee, the Grantee shall be given an additional period not less than thirty (30) days to accomplish such work.

VII. REMOVAL OR ABANDONMENT OF FACILITIES

- A. Application to City. At the expiration, revocation or termination of this Agreement or of the permanent discontinuance of the use of its facilities or any portion thereof, the Grantee shall, within thirty (30) days thereafter, make a written application to the City for authority (as determined by the Grantee) either (a) to abandon all, or a portion, of such facilities in place; or (b) to remove all, or a portion, of such facilities. Such application shall describe the facilities desired to be abandoned or removed by reference to the map or maps required by Article II, Section B, of this Agreement and shall also describe with reasonable accuracy the relative physical condition of such facilities.
- B. Determination of City. The City shall determine whether such abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safely effected. The City shall then notify the Grantee in writing within 30 days following its receipt of Grantee's application, and according to such reasonable conditions as shall be specified that the Grantee may either effect such abandonment or such removal shall, as appropriate, within ninety (90) days thereafter, either:

1. Remove all or a portion of such facilities; or
 2. Abandon in place all or a portion of such facilities, as set forth in the Community Development Director's order.
- C. Failure to Properly Abandon. If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such conditions, then the City may make additional appropriate orders, including, if deemed desirable, an order that the Grantee shall remove all such facilities in accordance with applicable requirements. In the event the Grantee shall fail to remove any facilities which the Grantee is obligated to remove in accordance with such applicable requirements within such time as may be prescribed by the City, then the City may remove or cause to be removed such facilities at the Grantee's expense and the Grantee shall pay to the City the actual cost thereof plus the current rate of overhead being charged by the City for reimbursable work.

VIII. INDEMNIFICATION BY GRANTEE

A.

Grantee will indemnify, defend, and hold harmless City, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, relating to Grantee's activities under this Agreement, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of Grantee, its officers, employees, agents, subcontractors or vendors. It is further agreed, Grantee's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of City, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of City, its officers, employees or agents. Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Grantee and City, as to whether liability arises from the sole negligence of the City or its officers, employees, agents, subcontractors or vendors, Grantee will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Grantee will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

B. Grantee shall indemnify and hold harmless the City, its officers, agents and/or employees from and against all claims, costs, expenses, actions, lawsuits, expenses of response, remediation, or cleanup costs, or damages and liability of any kind

whatsoever, including but not limited to attorney fees and expenses, directly or indirectly arising out of or attributable to the release or threatened release of a hazardous substance emanating from the Site. This provision shall not apply to any action brought by a third party against the City. Grantee expressly covenants, warrants and promises not to sue the City, its officers, agents and/or employees in any action for contribution or indemnification for any remediation cleanup costs or response which Grantee undertakes as a result of any release of hydrocarbons from the Site.

This indemnity shall continue in full force and effect, and shall survive the termination of this agreement.

IX. INSURANCE REQUIREMENTS

A. INSURANCE

Licensee shall procure and maintain for the duration of the agreement insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the use of City of Torrance property thereunder by the Licensee, its' agents, representatives, employees or subcontractors. The insurance must be full coverage, or if self-insured, such self insurance must be approved by the City's Risk Manager.

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability.
 - a. Primary Bodily Injury with limits of at least \$250,000 per person, \$500,000 per occurrence and;
 - b. Primary Property Damage with limits of at least \$100,000 per occurrence, or;
 - c. Combined single limits of at least \$500,000 per occurrence.
2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, explosion, collapse and underground hazards, and contractual obligations with combined single limits of at least \$1,000,000 per occurrence.
3. Pollution Liability with coverage for:
 - a. Bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;
 - b. Property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed;

- c. Defense, including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages, and
 - d. Losses caused by pollution conditions that arise from the operations of the licensee described under the Scope of Services of this contract with combined single limits of at least \$1,000,000 per occurrence.
4. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$500,000.

B. ADDITIONAL INSURED

The City of Torrance, Los Angeles County-Torrance Civic Center authority, Torrance Public Facilities Building Corporation, Torrance Transit System, Redevelopment Agency of the City of Torrance, Torrance Municipal Water Department, elected officials, officers, agents, employees, volunteers, and members of boards and commissions must be named as additional insureds with respect to liability arising out of the operation or property of Grantee.

C. SUFFICIENCY OF INSURERS

Insurance required by this contract/purchase order will be satisfactory only if issued by companies rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category of a "VII" or better.

D. INCREASE IN REQUIREMENTS

Such insurance shall be maintained by the Grantee for the life of Agreement, and each year on the anniversary of this franchise, Grantee will provide updated evidence that such insurance is in force. The City has the right during the term of this Agreement to amend the insurance requirements to increase the amount and scope of coverage. The City covenants that it will not exercise such right in an unreasonable manner.

X. DEFAULT

- A. Effect of Default. In the event that the Grantee shall default in the performance of any of the terms, covenants and conditions herein and such default is curable, the City shall give written notice to the Grantee of such default. In the event that the Grantee does not commence the work necessary to cure such default within thirty (30) days after such notice is sent or prosecute such work diligently to completion, the City may declare this Agreement forfeited. Upon giving written notice thereof to the Grantee, this Agreement shall be void and the rights of the Grantee hereunder shall terminate and the Grantee shall execute an instrument of surrender and deliver same to the City.

- B. Force Majeure. In the event Grantee is unable to perform any of the terms of this Agreement by reason of strikes, riots, acts of God, acts of public enemies or other such cause beyond its control, it shall not be deemed to be in default or have forfeited its rights hereunder if it shall commence and prosecute such performance with reasonable promptness as soon as possible to do so.
- C. Cumulative Remedies. No provision herein made for the purpose of securing the enforcement of the terms and conditions of this Agreement shall be deemed an exclusive remedy, or to afford the exclusive procedure, for the enforcement of said terms and conditions, but the remedies and procedures herein provided, in addition to those provided by law, shall be deemed to be cumulative.

XI. SCOPE OF RESERVATION

The enumeration herein of specific rights reserved shall not be construed as exclusive or as limiting and general reservation herein made or as limiting such rights as the City may now or hereafter have in law.

XII. NOTICE

All notices, requests, demands, or other communications under this Agreement must be in writing. Notice will be sufficiently given for all purposes as follows:

- A. **Personal delivery**. When personally delivered to the recipient: notice is effective on delivery.
- B. **First-class mail**. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.
- C. **Certified mail**. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
- D. **Overnight delivery**. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- E. **Facsimile transmission**. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day. Addresses for purpose of giving notice are as follows:

Grantee:

Attn: Mr. Benny DeHghi
 Honeywell International, Inc.
 2525 West 190th Street
 Mail Stop 23-1-80
 Torrance, CA 90504
 Fax Number 310-512-2489

City of Torrance:

City Clerk
 3031 Torrance Boulevard
 Torrance, CA 90503
 Fax: (310) 618-2931

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

Any party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

XIII. SUCCESSORS

The terms herein shall inure to the benefit of or shall bind, as the case may be, the successors and assigns of the parties hereto.

XIV. ACCEPTANCE OF AGREEMENT

This Agreement is entered and shall be held and enjoyed only upon the terms and conditions herein contained.

XV. AGREEMENT TO BE STRICTLY CONSTRUED AGAINST GRANTEE

The Agreement is granted upon each and every condition herein contained and shall ever be strictly construed against Grantee. Nothing shall pass hereby unless it be granted in plain and unambiguous terms. Each of said conditions is a material and essential condition to the granting of this Agreement.

XVI. SPECIAL PROVISIONS

- A. **Bond.** This Agreement is granted on the condition that the Grantee has now and shall at all times during the life of this Agreement keep on file with the City a bond running to the City in the sum of Ten Thousand Dollars (\$10,000) per well, executed by a reputable indemnity company entitled to do business in the State of California.

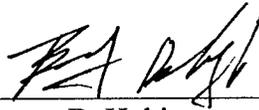
The said Bond shall contain the condition that the Grantee shall well and truly observe, fulfill and perform each and every term and condition of this Agreement, and that in case of any breach of condition of said Bond the whole amount of the sum therein named shall be taken and deemed to be liquidated damages and shall be recoverable from the principal and from the sureties upon said Bond. The provisions of this paragraph shall not exempt the Grantee from compliance with any of the laws of the City in force during the term hereof, which require the Grantee to post a Bond other than the bond required by this paragraph.

- B. Fees. As reimbursement for administrative costs in the execution of this Agreement, the Grantee shall pay to the City in lawful money of the United States a fee of Four Hundred Fifty-Six Dollars (\$456) and Fifty-Seven Dollars (\$57) for each additional well. This payment shall be made to the City prior to the signing of this Agreement and if made by check shall be made payable to the City of Torrance.
- C. Independent Laboratory Analysis. Grantee agrees to have all chemical analyses of samples taken from the well, which are the subject of this Agreement, performed by qualified independent laboratories which are mutually acceptable to the Grantee and to the City. Grantee also agrees to provide, on request, copies of all analytical test reports to the City as soon as said reports are available.

CITY OF TORRANCE
A Municipal Corporation

HONEYWELL INTERNATIONAL, INC.
A Delaware Corporation

By _____
Frank Scotto
Mayor of the City of Torrance

By  _____
Benny DeHghi
Manager of Evaluation and Remediation



ATTEST:

Sue Herbers
City Clerk of City of Torrance

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By _____
Ronald T. Pohl
Assistant City Attorney
Attachment: Exhibit A

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles } ss.

On 7/11/2007 before me, Heather Khuu, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Benny DeHgho, Manager
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



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

WITNESS my hand and official seal.

Heather Khuu
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

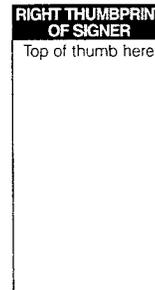
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

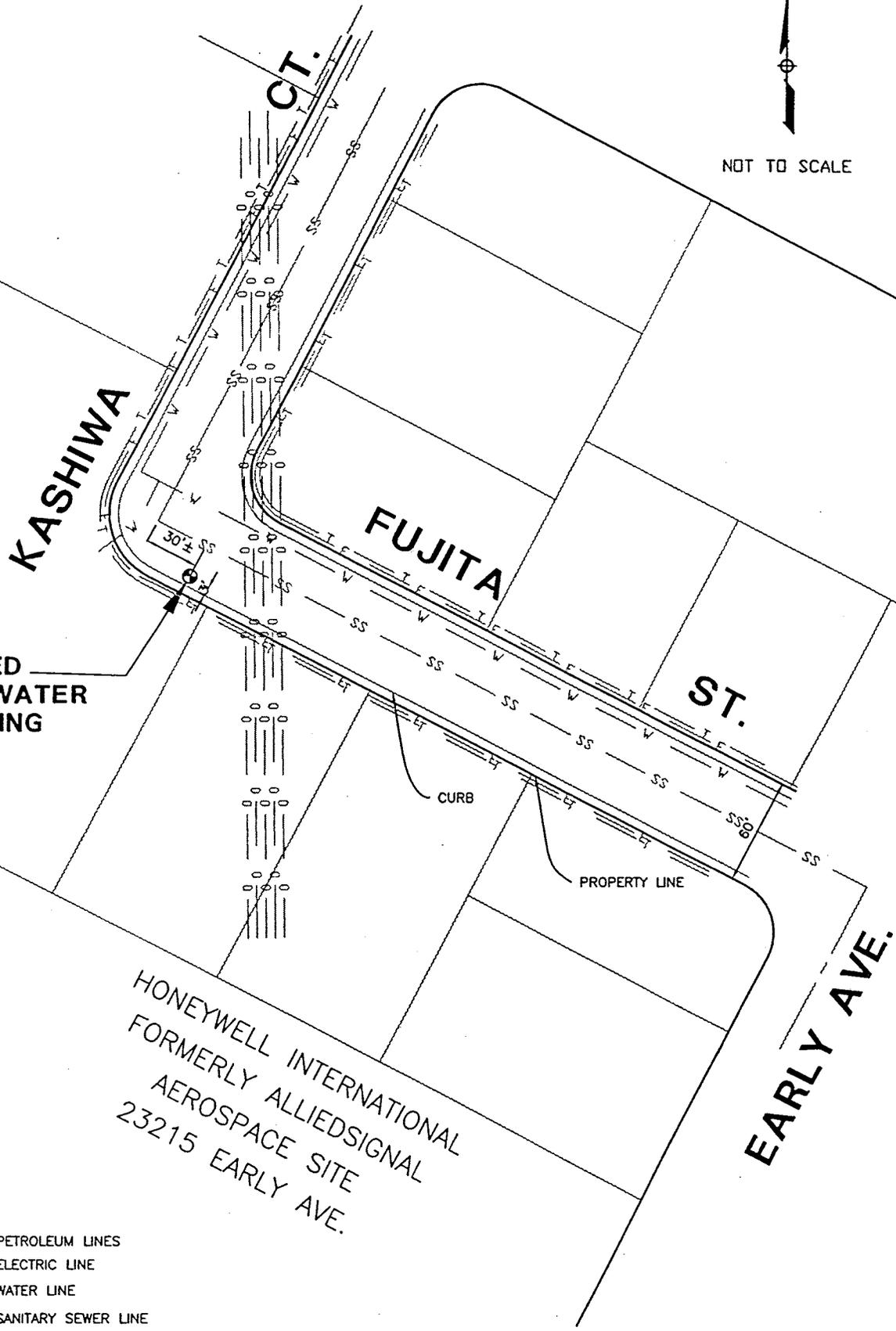
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____





NOT TO SCALE



**PROPOSED
GROUNDWATER
MONITORING
WELL**

HONEYWELL INTERNATIONAL
FORMERLY ALLIEDSIGNAL
AEROSPACE SITE
23215 EARLY AVE.

LEGEND:

- 0 — PETROLEUM LINES
- E — ELECTRIC LINE
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**PARSONS
ENGINEERING
SCIENCE, INC.**

SITE LOCATION MAP

EXHIBIT "A"
PAGE 1 OF 2

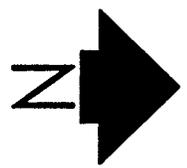


Former Underground Storage Tank

20263 Western Ave.

A.T. & S.F. RY.

Proposed Groundwater Monitoring Well

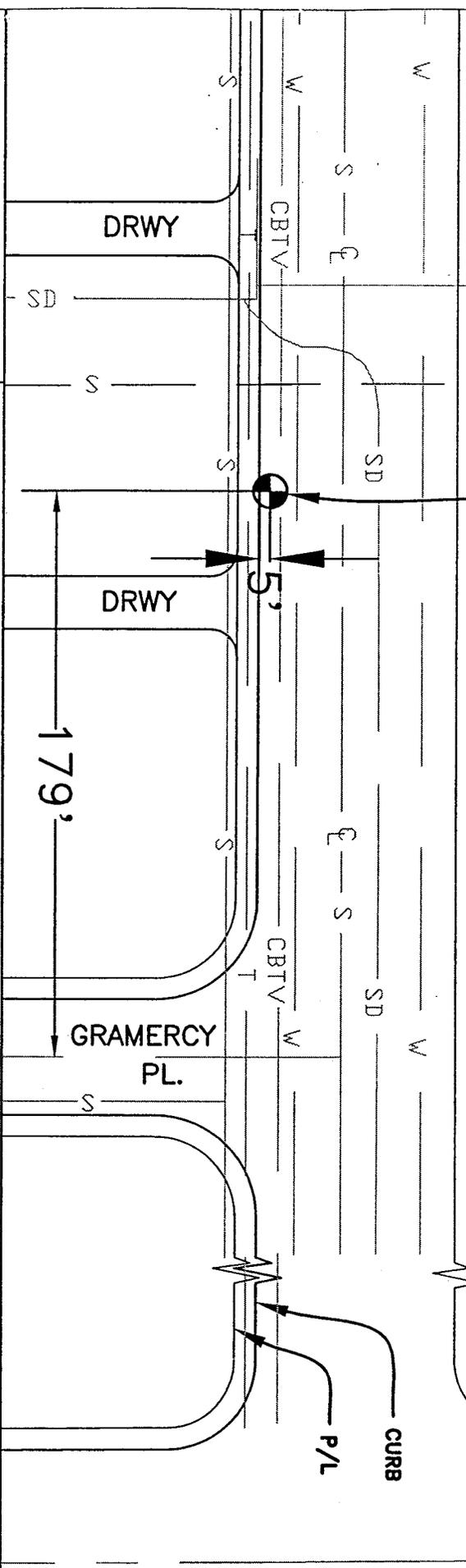


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WESTERN AVE.

PARSONS ENGINEERING SCIENCE, INC.

SITE LOCATION MAP
Former AlliedSignal Facility
20263 Western Avenue

EXHIBIT "A"

LICENSE AGREEMENT FOR MONITORING WELLS

THIS AGREEMENT, made and entered into in quadruplicate as of this 1st day of February, 2000, in the City of Torrance by and between the **CITY OF TORRANCE**, a municipal corporation, hereinafter called the "City", and **HONEYWELL INTERNATIONAL**, a Delaware Corporation, hereinafter called "Grantee";

WHEREAS, Grantee desires to drill one (1) monitoring well on a City street easement at locations shown on attached map (Exhibit A); and

WHEREAS, the location and general description of the well is satisfactory to the City; and

WHEREAS, said monitoring well is for the purpose of determining the extent of, if any, hydrocarbon migration from the **23215 Early Avenue** in the City of Torrance hereinafter called "Site".

NOW, THEREFORE, the parties hereto agree as follows:

The City hereby grants to Grantee for the term of five (5) years from the effective date of this Agreement, subject to extensions at the discretion of the City, subject, further, to all the special and general provisions attached hereto and made a part hereof, the right and privilege to construct, erect, maintain, operate, repair, renew, remove and abandon monitoring wells for determining the extent of hydrocarbon migration in the City of Torrance as described and shown on Exhibit "A" attached hereto and made a part thereof.

GENERAL PROVISIONS

I. LOCATION OF WELLS - The well shall be located as described and shown in Exhibit "A".

II. CONSTRUCTION OF WELLS

A. Time of Construction. The Grantee, in good faith, shall commence the work of constructing the well within 30 days from the date of this Agreement and shall complete such construction within 30 days after commencing construction.

B. As-Built Drawings and Maps. Within ninety (90) days following the date in which any facilities have been constructed under this Agreement, the Grantee shall file as-built drawings and maps in such form as may be required by the City, showing accurately the location and size of all its facilities then in place, and shall, upon installation of any additional facilities, or upon removal, change or

C2000-042

abandonment of all or any portion thereof, file revised as-built drawings and maps showing the location and size of all such additional, removed or abandoned facilities as of that date.

- C. Other Approvals. The installation and operation of the well shall be to existing requirements of the City of Torrance and the Los Angeles Regional Water Control Board.
- D. Installation and Testing of Well. The well shall be installed, sampled and tested in substantial accordance with the **Parsons Engineering Science** Work Plan prepared for **Honeywell International**, for assessment as may be amended or modified with approval of the Regional Water Quality Control Board ("RWQCB").

III. CONFORMANCE REQUIREMENTS

- A. Conformance with State Codes. The well and appurtenances shall be constructed in accordance with all State of California Standards for the construction of well as set forth in State laws, rules or regulations.
- B. Conformance with City Ordinances and Permits. The well and appurtenances shall be constructed in conformity with all City ordinances, rules or regulations in effect at the time of construction, or as prescribed by the City.
- C. Conformance with Regulations and Requirements of Boards and Agencies. The well shall be constructed and maintained in accordance with standards, regulations, or existing requirements of the Los Angeles Regional Water Quality Control Board and the State of California Department of Health Services.
- D. In the event Grantee assumes control of the Site, Grantee will maintain the grounds and improvements on the Site in a safe, clean and neat manner to the reasonable satisfaction of the Environmental Division of the Department of Building and Safety of the City. Any containers stored on the Site must be screened from public view.

IV. CLEANUP OF BREAKS AND LEAKS

If any portion of any street shall be damaged by reason of Grantee's construction, operation or maintenance of any facility constructed or maintained under this Agreement, or if any street, sidewalk, sewer, storm drain or other facility be contaminated with waste water, gasoline or other substance due to operations by the Grantee, the Grantee shall, at its own expense, immediately repair or clean up

or cause to be repaired or cleaned up any such damage or contamination and put such street, sidewalk, sewer, storm drain or other facility in substantially as good condition as it was before such contamination, to the reasonable satisfaction of the City. Such cleanups shall be accomplished in a timely manner, with as little public disruption as possible.

V. EMERGENCY CREWS

During the term of this Agreement, the Grantee shall provide within a twenty-four (24) hour notification, crews for the purpose of repairs, cleanup, preventing or minimizing serious immediate damage or the threat of damage to people or the environment in the event of an emergency resulting from an earthquake, act of war, civil disturbance, flood, leakage or other cause.

VI. REARRANGEMENT OF FACILITIES

- A. Expense of Grantee. Whenever, during the existence of this Agreement, the City shall change the grade, width, or location of any street or improve any street in any manner, including the laying of any sewer, storm drain, conduits, gas, water or other pipes owned or operated by the City or any other public agency, or construct any pedestrian tunnels, or other work of the City (the right to do all of which is specifically reserved to the City without any admission in its part that it would not otherwise have such rights) and such work shall, in the opinion of the City, render necessary any change in the position or location of any facilities of the Grantee in the street, the Grantee shall, at its own cost and expense, do any and all things to effect such change in position or location, in conformity with the written notice of the Engineering Director as provided in Paragraph D below.
- B. Expense of Others. When such change in construction or work is done for the accommodation of any person, firm or corporation, the cost of such rearrangement shall be borne by the accommodated party. Such accommodated party, in advance of such rearrangement, shall (a) deposit with the Grantee either cash or a corporate surety bond in an amount, as in the reasonable discretion of the Grantee shall be required to pay the costs of such change in work; and (b) shall execute an instrument agreeing to indemnify, defend and hold harmless the Grantee from any and all damages or claims caused by such rearrangement.
- C. Rearrangement of the Facilities of Others. Nothing in this Agreement contained shall be construed to require the City to move, alter or relocate any of its facilities upon said streets, at its own expense, for the convenience, accommodation or necessity of any other public utility, person, firm or corporation, or to require the City or any person, firm or corporation now or hereafter owning a public utility

system of any type or nature, to move, alter or relocate any part of its system upon said streets for the convenience, accommodation or necessity of the Grantee. If the wells cannot be located as described in Exhibit "A", Grantor shall furnish Grantee with another reasonable acceptable location for such well in the immediate vicinity.

- D. Notice. The Grantee shall be given not less than thirty (30) days written notice of any change or relocation of facilities which the Grantee is required to make hereunder. Such notice shall specify in reasonable detail the work to be done by the Grantee and shall specify the time that such work is to be accomplished. In the event that the City shall change the provisions of any such notice given to the Grantee, the Grantee shall be given an additional period not less than thirty (30) days to accomplish such work.

VII. REMOVAL OR ABANDONMENT OF FACILITIES

- A. Application to City. At the expiration, revocation or termination of this Agreement or of the permanent discontinuance of the use of its facilities or any portion thereof, the Grantee shall, within thirty (30) days thereafter, make a written application to the City for authority (as determined by the Grantee) either (a) to abandon all, or a portion, of such facilities in place; or (b) to remove all, or a portion, of such facilities. Such application shall describe the facilities desired to be abandoned or removed by reference to the map or maps required by Article II, Section B, of this Agreement and shall also describe with reasonable accuracy the relative physical condition of such facilities.
- B. Determination of City. The City shall determine whether such abandonment or removal which is thereby proposed may be effected without detriment to the public interest or under what conditions such proposed abandonment or removal may be safely effected. The City shall then notify the Grantee in writing within 30 days following its receipt of Grantee's application, and according to such reasonable conditions as shall be specified that the Grantee may either effect such abandonment or such removal shall, as appropriate, within ninety (90) days thereafter, either:
1. Remove all or a portion of such facilities; or
 2. Abandon in place all or a portion of such facilities, as set forth in the Engineering Director's order.
- C. Failure to Properly Abandon. If any facilities to be abandoned in place subject to prescribed conditions shall not be abandoned in accordance with all such

conditions, then the City may make additional appropriate orders, including, if deemed desirable, an order that the Grantee shall remove all such facilities in accordance with applicable requirements. In the event the Grantee shall fail to remove any facilities which the Grantee is obligated to remove in accordance with such applicable requirements within such time as may be prescribed by the City, then the City may remove or cause to be removed such facilities at the Grantee's expense and the Grantee shall pay to the City the actual cost thereof plus the current rate of overhead being charged by the City for reimbursable work.

VIII. INDEMNIFICATION BY GRANTEE

A.

Grantee will indemnify, defend, and hold harmless City, the City Council, each member thereof, present and future, its officers, agents and employees from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, relating to Grantee's activities under this Agreement, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of Grantee, its officers, employees, agents, subcontractors or vendors. It is further agreed, Grantee's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of City, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of City, its officers, employees or agents. Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Grantee and City, as to whether liability arises from the sole negligence of the City or its officers, employees, agents, subcontractors or vendors, Grantee will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Grantee will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

B.

Grantee shall indemnify and hold harmless the City, its officers, agents and/or employees from and against all claims, costs, expenses, actions, lawsuits, expenses of response, remediation, or cleanup costs, or damages and liability of any kind whatsoever, including but not limited to attorney fees and expenses, directly or indirectly arising out of or attributable to the release or threatened release of a hazardous substance emanating from the Site. This provision shall

not apply to any action brought by a third party against the City. Grantee expressly covenants, warrants and promises not to sue the City, its officers, agents and/or employees in any action for contribution or indemnification for any remediation cleanup costs or response which Grantee undertakes as a result of any release of hydrocarbons from the Site.

This indemnity shall continue in full force and effect, and shall survive the termination of this agreement.

IX. INSURANCE REQUIREMENTS

A. INSURANCE

Licensee shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or in connection with, the use of City of Torrance property thereunder by the Licensee, its' agents, representatives, employees or subcontractors. The insurance must be full coverage, or if self-insured, such self insurance must be approved by the City's Risk Manager.

1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability.
 - a. Primary Bodily Injury with limits of at least \$250,000 per person, \$500,000 per occurrence and;
 - b. Primary Property Damage with limits of at least \$100,000 per occurrence, or;
 - c. Combined single limits of at least \$500,000 per occurrence.
2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, explosion, collapse and underground hazards, and contractual obligations with combined single limits of at least \$1,000,000 per occurrence.
3. Pollution Liability with coverage for:
 - a. Bodily injury, sickness, disease, mental anguish or shock sustained by any person, including death;

- b. Property damage including physical injury to or destruction of tangible property including the resulting loss of use thereof, clean-up costs, and the loss of use of tangible property that has not been physically injured or destroyed;
 - c. Defense, including costs, charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages, and
 - d. Losses caused by pollution conditions that arise from the operations of the licensee described under the Scope of Services of this contract with combined single limits of at least \$1,000,000 per occurrence.
4. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$500,000.

B. ADDITIONAL INSURED

The City of Torrance, Los Angeles County-Torrance Civic Center authority, Torrance Public Facilities Building Corporation, Torrance Transit System, Redevelopment Agency of the City of Torrance, Torrance Municipal Water Department, elected officials, officers, agents, employees, volunteers, and members of boards and commissions must be named as additional insureds with respect to liability arising out of the operation or property of Grantee.

C. SUFFICIENCY OF INSURERS

Insurance required by this contract/purchase order will be satisfactory only if issued by companies rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category of a "VII" or better.

D. INCREASE IN REQUIREMENTS

Such insurance shall be maintained by the Grantee for the life of Agreement, and each year on the anniversary of this franchise, Grantee will provide updated evidence that such insurance is in force. The City has the right during the term of this Agreement to amend the insurance requirements to increase the amount and scope of coverage. The City covenants that it will not exercise such right in an unreasonable manner.

X. DEFAULT

- A. Effect of Default. In the event that the Grantee shall default in the performance of any of the terms, covenants and conditions herein and such default is curable, the City shall give written notice to the Grantee of such default. In the event that the Grantee does not commence the work necessary to cure such default within thirty (30) days after such notice is sent or prosecute such work diligently to completion, the City may declare this Agreement forfeited. Upon giving written notice thereof to the Grantee, this Agreement shall be void and the rights of the Grantee hereunder shall terminate and the Grantee shall execute an instrument of surrender and deliver same to the City.
- B. Force Majeure. In the event Grantee is unable to perform any of the terms of this Agreement by reason of strikes, riots, acts of God, acts of public enemies or other such cause beyond its control, it shall not be deemed to be in default or have forfeited its rights hereunder if it shall commence and prosecute such performance with reasonable promptness as soon as possible to do so.
- C. Cumulative Remedies. No provision herein made for the purpose of securing the enforcement of the terms and conditions of this Agreement shall be deemed an exclusive remedy, or to afford the exclusive procedure, for the enforcement of said terms and conditions, but the remedies and procedures herein provided, in addition to those provided by law, shall be deemed to be cumulative.

XI. SCOPE OF RESERVATION

The enumeration herein of specific rights reserved shall not be construed as exclusive or as limiting and general reservation herein made or as limiting such rights as the City may now or hereafter have in law.

XII. NOTICE

All notices, requests, demands, or other communications under this Agreement must be in writing. Notice will be sufficiently given for all purposes as follows:

- A. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
- B. First-class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in a United States Postal Service office or mailbox.

- C. **Certified mail.** When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
- D. **Overnight delivery.** When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- E. **Facsimile transmission.** When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day. Addresses for purpose of giving notice are as follows:

Grantee:

Honeywell International
2525 West 190th Street
Torrance, CA
Fax: (310) 512-2647

City of Torrance:

City Clerk
3031 Torrance Boulevard
Torrance, CA 90503
Fax: (310) 618-2931

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.

Any party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

XIII. SUCCESSORS

The terms herein shall inure to the benefit of or shall bind, as the case may be, the successors and assigns of the parties hereto.

XIV. ACCEPTANCE OF AGREEMENT

This Agreement is entered and shall be held and enjoyed only upon the terms and conditions herein contained.

XV. AGREEMENT TO BE STRICTLY CONSTRUED AGAINST GRANTEE

The Agreement is granted upon each and every condition herein contained and shall ever be strictly construed against Grantee. Nothing shall pass hereby unless it be granted in plain and unambiguous terms. Each of said conditions is a material and essential condition to the granting of this Agreement.

XVI. SPECIAL PROVISIONS

- A. Bond. This Agreement is granted on the condition that the Grantee has now and shall at all times during the life of this Agreement keep on file with the City a bond running to the City in the sum of Ten Thousand Dollars (\$10,000) per well, executed by a reputable indemnity company entitled to do business in the State of California. The said Bond shall contain the condition that the Grantee shall well and truly observe, fulfill and perform each and every term and condition of this Agreement, and that in case of any breach of condition of said Bond the whole amount of the sum therein named shall be taken and deemed to be liquidated damages and shall be recoverable from the principal and from the sureties upon said Bond. The provisions of this paragraph shall not exempt the Grantee from compliance with any of the laws of the City in force during the term hereof, which require the Grantee to post a Bond other than the bond required by this paragraph.
- B. Fees. As reimbursement for administrative costs in the execution of this Agreement, the Grantee shall pay to the City in lawful money of the United States a fee of One Hundred Fifty Dollars (\$150). This payment shall be made to the City prior to the signing of this Agreement and if made by check shall be made payable to the City of Torrance.
- C. Independent Laboratory Analysis. Grantee agrees to have all chemical analyses of samples taken from the well, which are the subject of this Agreement,

performed by qualified independent laboratories which are mutually acceptable to the Grantee and to the City. Grantee also agrees to provide, on request, copies of all analytical test reports to the City as soon as said reports are available.

CITY OF TORRANCE
A Municipal Corporation

~~**ALLIEDSIGNAL INC.**~~ **HONEYWELL INTERNATIONAL**
A Delaware Corporation

By *Dee Hardison*
Dee Hardison
Mayor of the City of Torrance

By *Benny Deghi*
Benny Deghi
Remediation Manager

ATTEST:

Sue Herbers
Sue Herbers
City Clerk of City of Torrance

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 23 DAY OF Aug, 1999.
BY *Benny Deghi*
Suzl Mays
NOTARY PUBLIC

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

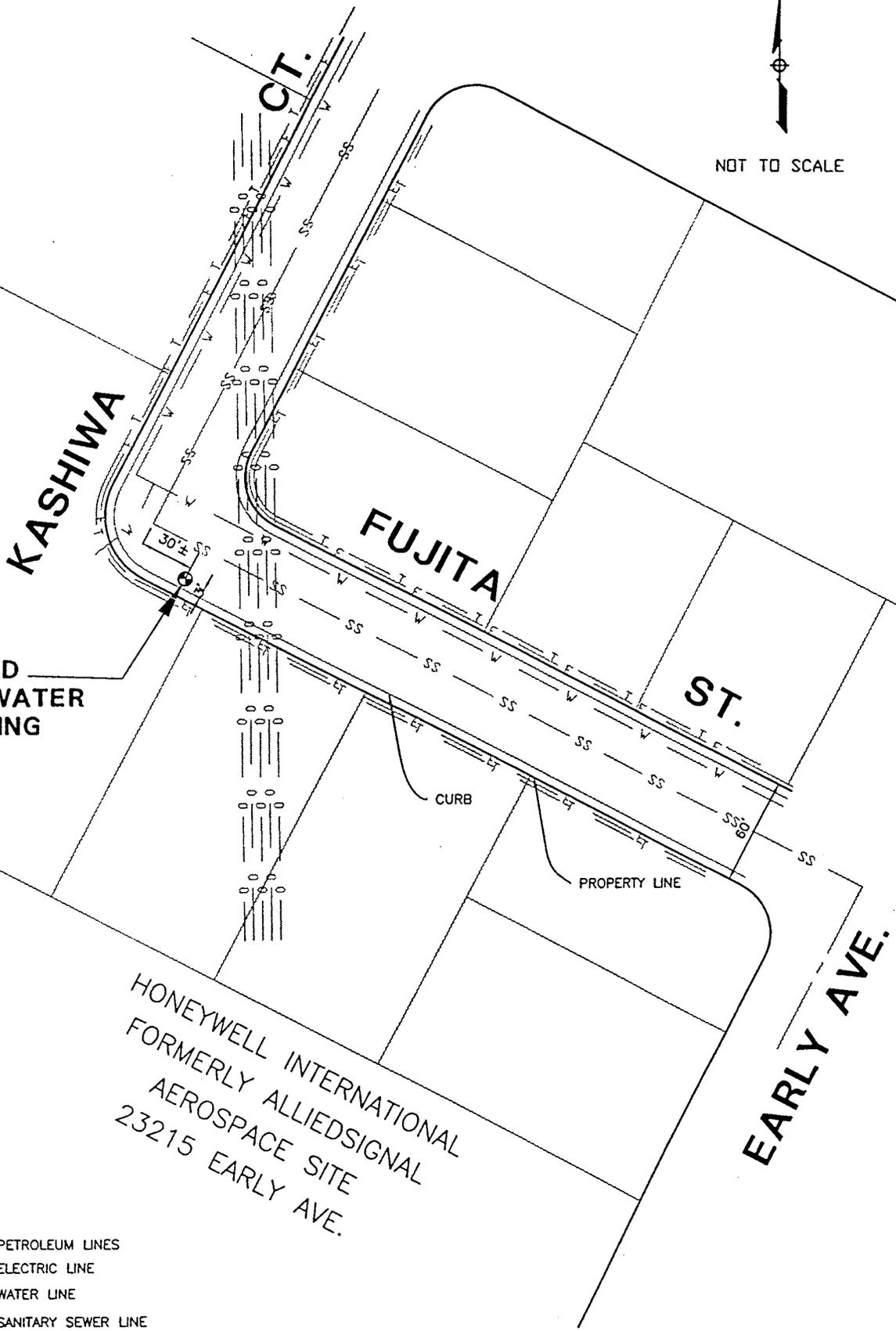


By *Heather K. Whitham*
Heather K. Whitham
Deputy City Attorney

Attachment: Exhibit A
IGM:pm#licagreealliedsig.doc



NOT TO SCALE



**PROPOSED
GROUNDWATER
MONITORING
WELL**

**HONEYWELL INTERNATIONAL
FORMERLY ALLIEDSIGNAL
AEROSPACE SITE
23215 EARLY AVE.**

LEGEND:

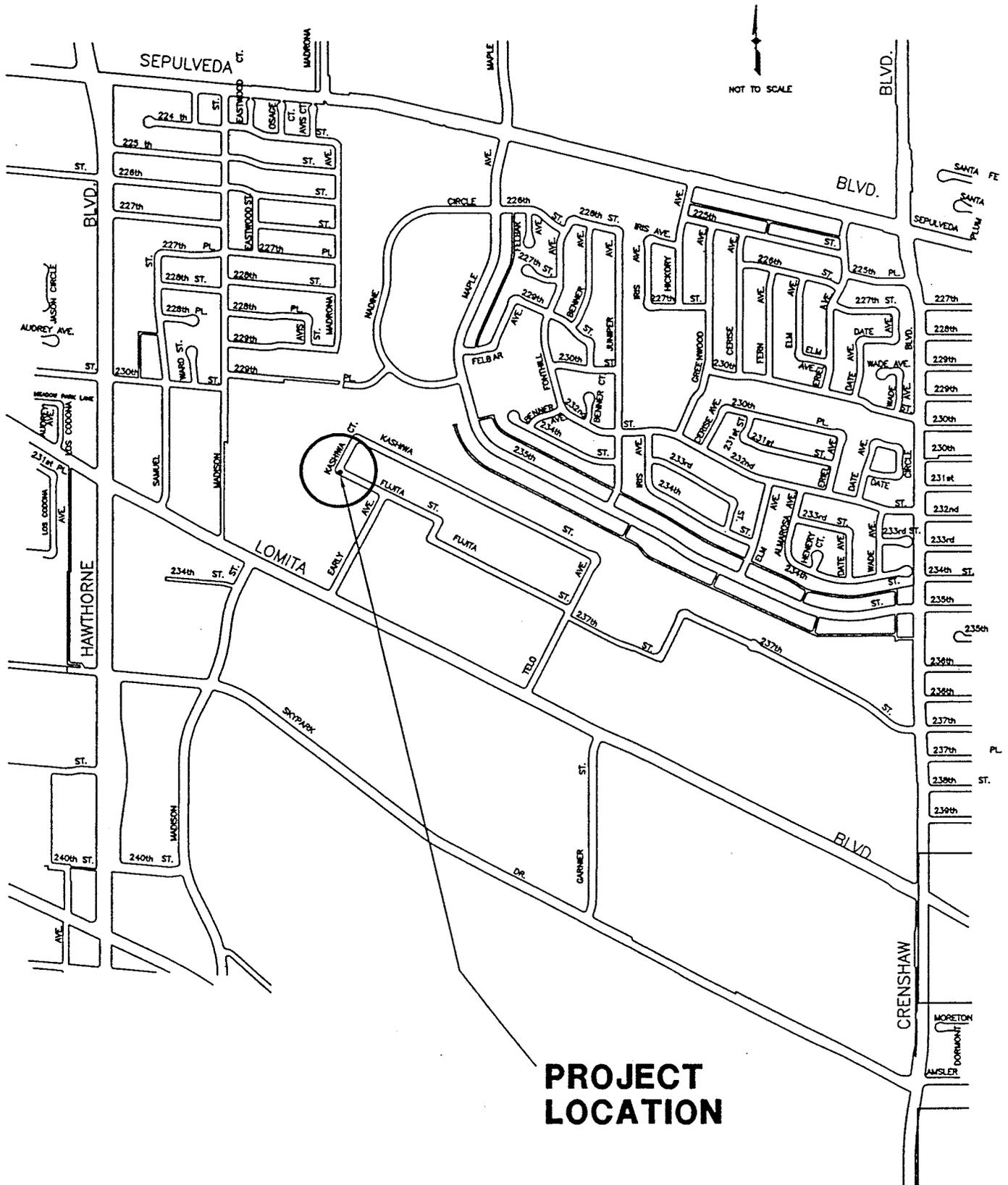
- C — PETROLEUM LINES
- E — ELECTRIC LINE
- W — WATER LINE
- SS — SANITARY SEWER LINE
- T — TELEPHONE LINE

**PARSONS
ENGINEERING
SCIENCE, INC.**

SITE LOCATION MAP

EXHIBIT "A"

VICINITY MAP



**PROJECT
LOCATION**

PARSONS

Parsons Engineering Science, Inc. • A Unit of Parsons Infrastructure & Technology Group Inc.
100 West Walnut Street • Pasadena, California 91124 • (626) 440-4000 • Fax: (626) 440-6200

June 16, 1999

Mr. Issa Malki
Associate Civil Engineer
City of Torrance Engineering Department
3031 Torrance Boulevard
Torrance, CA 90509-2970

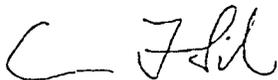
Dear Mr. Maliki:

In an effort to provide both AlliedSignal Aerospace and the California Regional Water Quality Control Board (RWQCB) with a more accurate representation of groundwater quality, we are requesting permission to install a groundwater monitoring well that is site specific to a former AlliedSignal Aerospace site. Pelican Products, 23215 Early Avenue Torrance, CA 90505, now own the site.

We have been instructed by the RWQCB to install an off-site monitoring well to determine the extent of the groundwater contamination, if any, from the former AlliedSignal Aerospace site. In a letter dated December 8, 1998 to Mr. Benny DeHghi, Remediation Manager at AlliedSignal, the RWQCB requested AlliedSignal to submit an off-site assessment program. This program, which includes installation of a well along Fujita Street, was approved by the RWQCB in the attached letter dated March 5, 1999.

Parsons Engineering Science is respectfully requesting permission to install the aforementioned well in accordance with the directive of the RWQCB.

Sincerely,



Cannon Silver
Project Manager

Cc: Benny DeHghi, AlliedSignal
Anthony Boatwright, Parsons ES