



Donald P. Wagner
Chairman

Anthony Kuo
Vice Chairman

Melissa Fox
Director

Farrah N. Khan
Director

Christina Shea
Director

AGENDA

ORANGE COUNTY GREAT PARK BOARD REGULAR MEETING

**February 26, 2019
2:00 PM**

City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

Speaker's Card/Request to Speak: If you would like to address the Board on a scheduled agenda item – including a Consent Calendar item, a Regular Business item, a Public Hearing item, or Public Comments – please complete the Request to Speak Form. The card is at the table at the entrance to the City Council Chamber. Please identify on the card your name and the item on which you would like to speak and return to the Clerk of the Board. The Request to Speak Form assists the Chair in ensuring that all persons wishing to address the Board are recognized. It also ensures the accurate identification of meeting participants in the Board minutes. Your name will be called at the time the matter is heard by the Board. Board policy is to limit public testimony to up to three minutes per speaker depending on relevant circumstances (unless the time limit is extended by the Chair), which includes the presentation of electronic or audio visual information. Speakers may not yield their time to other persons.

Please take notice that the order of scheduled agenda items below and/or the time they are actually heard, considered and decided may be modified by the Chair or the Board during the course of the meeting, so please stay alert.

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

EXECUTIVE DIRECTOR, OCGP, REPORT

Scan this QR code for an electronic copy
of the Great Park Board agenda and
staff reports



BOARDMEMBER REPORTS

ADDITIONS AND DELETIONS

Additions to the agenda are limited by California Government Code Section 54954.2 of the Brown Act and for those items that arise after the posting of the Agenda and must be acted upon prior to the next Board meeting.

1. PRESENTATIONS

1.1 Concessions and Shade at the Orange County Great Park

2. CONSENT CALENDAR

All matters listed under Consent Calendar are considered by the Executive Director, Orange County Great Park, and the City Manager to be routine and will be enacted by one roll call vote. There will be no discussion of these items unless members of the Orange County Great Park Board request items to be removed from the Consent Calendar for separate discussion. Any member of the public may address the Board on items on the Consent Calendar. See information for Speaker's Card/Request to Speak on first page.

2.1 MINUTES

ACTION:

Approve the minutes of a regular meeting of the Orange County Great Park Board held on January 22, 2019.

3. BOARD BUSINESS

3.1 LEASE EXTENSION TO AMENDMENT NO. 1 BETWEEN CITY OF IRVINE AND TIERRA VERDE INDUSTRIES

ACTION:

Recommend that the City Council approve Tierra Verde Industries' request for an Extension Authorization as defined in Amendment No. 1 to the Lease between City of Irvine and Tierra Verde Industries, providing for a one-year extension beginning May 13, 2019, and authorize the City Manager to execute the extension.

PUBLIC COMMENTS (Limited to 3 minutes per speaker.)

Any member of the public may address the Board on items within the Orange County Great Park Board's subject matter jurisdiction but which are not listed on this agenda during Public Comments; however, no action may be taken on matters that are not part of the posted agenda. See information for Speaker's Card/Request to Speak on the first page.

ADJOURNMENT

NOTICE TO THE PUBLIC**LIVE BROADCASTING AND REBROADCASTING**

Regular Orange County Great Park Board meetings are broadcast live every 4th Tuesday of the month at 2 p.m. and are replayed on Tuesdays at 2 p.m. (in weeks in which there is not a live Great Park Board meeting), Wednesdays at 8 a.m., Thursdays at 7 p.m., and Saturdays at 7 p.m. (in weeks in which there is not a live Orange County Great Park meeting) until the next Orange County Great Park Board meeting. All broadcasts can be viewed on Cox Communications Local Access Channel 30 and U-Verse Channel 99. Orange County Great Park Board meetings are also available via live webcast and at any time for replaying through the City's ICTV webpage at cityofirvine.org/ictv. For more information, please contact the Clerk of the Board/City Clerk's Office at (949) 724-6205.

STAFF REPORTS

As a general rule, staff reports or other written documentation have been prepared or organized with respect to each item of business listed on the agenda. Copies of these materials are on file with the Clerk of the Board and are available for public inspection and copying once the agenda is publicly posted (at least 12 days prior to a regular Orange County Great Park Board meeting). Staff reports can also be downloaded from the City's website at cityofirvine.org and ocgp.org at least 12 days prior to the scheduled regular Orange County Great Park Board meeting on the 4th Tuesday of each month.

In addition, meetings can be viewed live at the time posted on the agenda and related staff reports can be opened and viewed simultaneously along with the streaming of the meeting. To view the meeting, go to cityofirvine.org/ictv.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact Clerk of the Board/City Clerk staff at (949)724-6205.

SUPPLEMENTAL MATERIAL RECEIVED AFTER THE POSTING OF THE AGENDA

Any supplemental writings or documents distributed to a majority of the Orange County Great Park Board regarding any item on this agenda after the posting of the agenda will be available for public review in the Clerk of the Board/City Clerk's Office, One Civic Center Plaza, Irvine, California, during normal business hours. In addition, such writings or documents will be made available for public review at the respective public meeting.

If you have any questions regarding any item of business on the agenda for this meeting, or any of the staff reports or other documentation relating to any agenda item, please contact Clerk of the Board/City Clerk staff at (949)724-6205.

**SUBMITTAL OF INFORMATION BY MEMBERS OF THE PUBLIC FOR
DISSEMINATION OR PRESENTATION AT PUBLIC MEETINGS****Media Types and Guidelines****1. Written Materials/Handouts:**

Any member of the public who desires to submit documentation in hard copy form may do so prior to the meeting or at the time he/she addresses the Orange County Great Park Board. Please provide 15 copies of the information to be submitted and file with the Clerk of the Board at the time of arrival to the meeting. This information will be disseminated to the Orange County Great Park Board at the time testimony is given.

2. Large Displays/Maps/Renderings:

Any member of the public who desires to display freestanding large displays or renderings in conjunction with their public testimony is asked to notify the Clerk of the Board/City Clerk's Office at (949)724-6205 no later than 10 a.m. on the day of the scheduled meeting so that an easel can be made available, if necessary.

3. Electronic Documents/Audio-Visuals:

Any member of the public who desires to display information electronically in conjunction with their public testimony is asked to submit the information to the Public Information Office (PIO) no later than 10 a.m. on the day of the scheduled meeting. To facilitate your request contact the PIO Office at (949)724-6253 or the City Clerk's Office at (949)724-6205.

Information must be provided on CD, DVD, or VHS; or, emailed by 10 a.m. on the day of the scheduled meeting to pio@ci.irvine.ca.us. Members of the public will be asked to provide their name, identify the meeting and the agenda item to be addressed, and a daytime phone number.

The PIO office will notify the person submitting the information as soon as possible prior to the meeting if the information cannot be accessed or if the version provided is incompatible with the City's system. Every effort will be made by City staff to facilitate the presentation.

CITY SERVICES TO FACILITATE ACCESS TO PUBLIC MEETINGS

It is the intention of the City of Irvine to comply with the Americans With Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City of Irvine will attempt to accommodate you in every reasonable manner. Please contact the Clerk of the Board/City Clerk's Office at (949)724-6205.

Assisted listening devices are available at the meeting for individuals with hearing impairments. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35. 102-35. 104 ADA Title II)

CHALLENGING BOARD DECISIONS

If a person wishes to challenge the validity or reasonableness of any Board action or decision in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the Orange County Great Park Corporation, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

COMMUNICATION AND ELECTRONIC DEVICES

To minimize distractions, please be sure all personal communication and electronic devices are turned off or on silent mode.

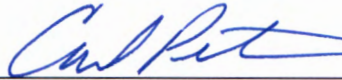
MEETING SCHEDULE

Regular meetings of the Orange County Great Park Board are held on the fourth Tuesdays of each month at 2 p.m. Agendas are available at the following locations:

- Clerk of the Board/City Clerk's Office
- Police Department
- Front Entrance of City Hall
- University Park Center (Culver/Michelson)
- Walnut Village Center (Culver/Walnut)

- Northwood Town Center (Irvine Blvd./Yale)
- City's web page at cityofirvine.org
- Orange County Great Park's web page at ocgp.org

I hereby certify that the agenda for the Regular Orange County Great Park Board meeting was posted in accordance with law in the posting book located in the Public Safety Lobby of City Hall, One Civic Center Plaza, Irvine, California on February 14, 2019 by 8 pm as well as on the City's web page.

 ASST SECRETARY

Molly McLaughlin, MPA
Secretary / Clerk of the Board

PRESENTATIONS

1.1

2.1



REQUEST FOR BOARD ACTION

MEETING DATE: FEBRUARY 26, 2019

TITLE: MINUTES

A handwritten signature in blue ink, appearing to read "Mae W. [unclear]", written over a horizontal line.

Secretary / Clerk of the Board

RECOMMENDED ACTION:

Approve the minutes of a regular meeting of the Orange County Great Park Board held on January 22, 2019.



MINUTES

ORANGE COUNTY GREAT PARK BOARD REGULAR MEETING

January 22, 2019
City Council Chamber
One Civic Center Plaza
Irvine, CA 92606

CALL TO ORDER

A regular meeting of the Orange County Great Park Board of Directors was called to order on January 22, 2019 at 2:05 p.m. in the City Council Chamber; Chairman Wagner presiding.

ROLL CALL

Present:	5	Director:	Farrah N. Khan
		Director:	Anthony Kuo
		Director:	Christina Shea
		Vice Chairwoman:	Melissa Fox
		Chairman:	Donald P. Wagner

PLEDGE OF ALLEGIANCE

Director Khan led the Pledge of Allegiance.

INTERIM DIRECTOR, OCGP, REPORT

Pete Carmichael, Interim Director, Orange County Great Park, provided a brief update on construction and planning development activities at the Orange County Great Park.

Board discussion included: suggesting additional lighting in the parking lot across the street from the Ice Facility; and noted the lack of availability of refreshments and other auxiliary support when large tournaments are taking place, suggesting implementation within the next 30 days.

BOARDMEMBER REPORTS

There were none.

ADDITIONS AND DELETIONS

There were no additions or deletions to the agenda.

1. CONSENT CALENDAR

ACTION: Moved by Director Kuo, seconded by Director Shea, and unanimously carried to approve Consent Calendar Item Nos. 1.1 and 1.2.

1.1 MINUTES

ACTION:

Approved the minutes of a special meeting of the Orange County Great Park Board held on November 27, 2018.

1.2 2019 ORANGE COUNTY GREAT PARK BOARD MEETING CALENDAR

ACTION:

Approved the proposed 2019 Orange County Great Park Board Meeting Calendar.

2. BOARD BUSINESS

2.1 ANNUAL ELECTION OF ORANGE COUNTY GREAT PARK CORPORATION BOARD OF DIRECTORS CHAIRMAN/CHAIRWOMAN AND VICE CHAIRMAN/CHAIRWOMAN

Chairman Wagner introduced Pete Carmichael, Interim Director, Orange County Great Park, who opened the floor for nominations for the selection of the Chairman/Chairwoman for the ensuing year.

Director Shea nominated Chairman Wagner to continue serving as Chairman for the ensuing year.

Noting no additional nominations, Interim Director Carmichael entertained a motion to close the nomination period.

ACTION: Moved by Director Shea, seconded by Chairman Wagner, and unanimously carried to close nominations for Chairman/Chairwoman.

ACTION: By consensus, Chairman Wagner was re-elected to continue serving as Chairman for the ensuing year.

Chairman Wagner opened the floor for nominations for the selection of Vice Chairman/Vice Chairwoman for the ensuing year.

Director Shea nominated Director Kuo. Vice Chairwoman Fox nominated Director Khan, who respectfully declined the nomination.

ACTION: Moved by Director Shea, seconded by Director Kuo, and unanimously carried to close the nomination period.

ACTION: By consensus, Director Kuo was elected to serve as Vice Chairman for the ensuing year.

2.2 RECOMMENDED REALIGNMENT OF DEPARTMENT DIRECTOR POSITIONS TO REFLECT BEST PRACTICES AND ADDRESS INTERNAL EQUITY

Marianna Marysheva, Assistant City Manager, presented the staff report and responded to questions.

Board discussion included: suggesting salary ranges be included in the staff report to further promote transparency for similar recommendations in the future; inquired about whether the Risk Management Division of Human Resources had or would be having any interaction with the Finance Commission; questioned City Commission oversight and responsibilities based on the proposed realignment; and inquired about whether the proposed realignment would impact salaries of other employees.

Assistant City Manager Marysheva noted that regular reports would be provided to the Finance Commission and City Council with respect to Risk Management activities; and confirmed that the proposed realignment would not impact the salaries of others.

ACTION: Moved by Director Shea, seconded by Director Fox, and unanimously carried to:

ACTION:

- 1) Recommend the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ESTABLISHING A CLASSIFICATION AND COMPENSATION POLICY FOR MANAGEMENT AND NON-REPRESENTED EMPLOYEES (EXEMPT) OF THE CITY OF IRVINE, AND SUPERSEDING RESOLUTION NO. 18-59, WHICH IS INCONSISTENT THEREWITH

- 2) Recommend the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, AUTHORIZING FULL-TIME POSITIONS IN ACCORDANCE WITH THE PROVISIONS OF COMPENSATION RESOLUTIONS AND THE OPERATING BUDGET FOR THE 2018-19 FISCAL YEAR, AND SUPERSEDING RESOLUTION NO. 18-60, WHICH IS INCONSISTENT THEREWITH
- 3) Recommend the City Council adopt - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IRVINE, CALIFORNIA, ESTABLISHING THE SALARY GRADE ORDER STRUCTURE AND SALARY RANGES FOR EMPLOYEES OF THE CITY OF IRVINE, AND SUPERSEDING RESOLUTION NO. 18-61, WHICH IS INCONSISTENT THEREWITH
- 4) Adopt RESOLUTION NO. 19-01 – A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE COUNTY GREAT PARK CORPORATION AMENDING RESOLUTION NO. 16-02 PERTAINING TO THE APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

2.3 EXCLUSIVE NEGOTIATING AGREEMENT WITH PRETEND CITY FOR A CHILDREN'S MUSEUM AT THE ORANGE COUNTY GREAT PARK

Chris Koster, Deputy Director, Orange County Great Park, presented the staff report and responded to questions. Sandra Bolton, Executive Director, Pretend City, also provided an overview of the Pretend City Children's Museum.

Erin Boyle, Vice President, Pretend City, spoke in support of an exclusive negotiating agreement.

Board discussion included: suggesting enhanced security features for the safety of children; noted the importance of creative play; and reiterated support of identifying a permanent site at the Orange County Great Park.

ACTION: Moved by Director Shea, seconded by Director Fox, and unanimously carried to:

Recommend the City Council approve, and the City Manager execute, an Exclusive Negotiating Agreement with Pretend City, Children's Museum of Orange County.

PUBLIC COMMENTS

Don Forsythe, representing the California Fire Museum, spoke in support of a fire museum and learning center at the Orange County Great Park.

Mel Schantz spoke in support of a museum of natural history at the Orange County Great Park.

ADJOURNMENT

Moved by Director Shea, seconded by Director Khan, and unanimously carried to adjourn the meeting at 3 p.m.

CHAIRMAN

SECRETARY/CLERK OF THE BOARD

February 26, 2019
DATE

3.1



REQUEST FOR BOARD ACTION

MEETING DATE: FEBRUARY 26, 2019

TITLE: LEASE EXTENSION TO AMENDMENT NO. 1 BETWEEN CITY OF IRVINE AND TIERRA VERDE INDUSTRIES

A handwritten signature in black ink, appearing to be "D. L. L.", written over a horizontal line.

Executive Director, Orange County Great Park

for

RECOMMENDED ACTION

Recommend that the City Council approve Tierra Verde Industries' (TVI) request for an Extension Authorization as defined in Amendment No. 1 to the Lease between City of Irvine and Tierra Verde Industries, providing for a one-year extension beginning May 13, 2019, and authorize the City Manager to execute the extension.

EXECUTIVE SUMMARY

On April 24, 2018, the City Council approved, and the Mayor executed, Amendment No. 1 to the Lease between the City of Irvine and TVI (Attachment 1). Section 1(a) of Amendment No. 1 provided for the Initial Extension term, starting May 13, 2018 and concluding May 12, 2019. Section 1(b) provides the framework for TVI to request a further extension of the term of the lease for up to one additional year beyond the initial extension (an "Extension Authorization"). The Extension Authorization must be presented at a City Council meeting in either January or February 2019.

TVI is compliant with the terms of the initial one-year extension, which included reducing its leased area by 16 acres to clear space for future waterpark construction, and removing odor-causing materials from the property (see map included as Attachment 2). TVI has requested an additional one-year extension (Attachment 3) as provided for in Amendment No. 1 to allow discussions with adjacent property owners to secure an alternative location outside of the Orange County Great Park.

COMMISSION/BOARD/COMMITTEE RECOMMENDATIONS

Not applicable.

ANALYSIS

TVI has leased property from the City on the former Marine Corps Air Station, El Toro (Base), in its current Cultural Terrace location since 2010 for purposes of providing a green waste and recycling operation. The recycling facility was always envisioned as an interim use for the property until the Great Park was planned and developed. The lease with TVI for use of 78 acres was due to expire on May 12, 2018. The City provided notice of intent to non-renew one year prior to lease expiration.

The City had been working with a developer/operator to construct a waterpark on a proposed site at the northeast corner of Skyhawk and Marine Way in the Great Park Cultural Terrace area. Prior to the expiration of the lease term, TVI requested an extension to provide more time to find a site for long-term relocation of the facility. On April 24, 2018, the Orange County Great Park Board (Board) and City Council approved Amendment No. 1, providing for a one-year extension of the lease term, to May 12, 2019 with a reduction to the leased area by 16 acres from 78 acres to 62 acres to provide enough space for the proposed waterpark development.

Pursuant to the terms of Amendment No. 1, TVI has requested an additional one-year extension (a "Further Extension Term") from May 13, 2019 to May 12, 2020. TVI is in compliance with the conditions of the initial one-year extension as contained in Amendment No. 1, including adjusting its lease boundary to accommodate the proposed waterpark development, and removing composting materials from the site. Granting the Further Extension Term will not impact future Cultural Terrace development.

Terms of Amendment No. 1 contemplate future adjacent development, and require TVI to submit a screening plan to the City and install the approved improvements along the boundary between the TVI-leased premises and development on the west side of the lease boundary. The City may terminate the lease with 30-day notice for non-compliance with any obligations, and all TVI facilities must be removed prior to expiration of the lease extension. If the Board and City Council approve a Further Extension Term, the City Manager, acting on behalf of the City, will provide written notice to the lessee of the extension term and TVI shall have ten (10) business days to accept.

ALTERNATIVES CONSIDERED

The Board could recommend that City Council provide direction not to approve a one-year extension to the terms of Amendment No. 1 to the TVI lease. If the extension is not approved, the lease would end on May 12, 2019, and TVI would have to remove all TVI improvements to the leased premises and vacate by the end of term.

FINANCIAL IMPACT

In FY 2017-18, the City received approximately \$850,000 in lease revenue. An Extension Authorization will allow the City to continue to receive this revenue through most of the next fiscal year.

REPORT PREPARED BY

Steve Torelli, Management Analyst II

ATTACHMENTS

1. Amendment No. 1 to the Amended and Restated Lease by and between the City of Irvine and Tierra Verde Industries
2. TVI Lease Area Map
3. Letter from Tierra Verde Industries requesting an Extension Authorization

LEASES SCAN SHEET

Cabinet: Leases

Revenue/Expense: REVENUE

Lease Type: AMENDMENT

Lessee: TIERRA VERDE INDUSTRIES

Lessor: CITY OF IRVINE

Department: CITY MANAGER

Contract Number: 5247B

Description: AMENDMENT NO. 1 TO
AMENDED AND RESTATED
LEASE; MEETING 4/24/18; ITEM
3.4

APN:

Address: ORANGE COUNTY GREAT PARK

Effective Date: 04/24/2018

Expiration Date:

Amount:

Terms & Conditions:

CPI Adjustment Date:

AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE

This AMENDMENT NO. 1 TO AMENDED AND RESTATED LEASE ("Amendment No. 1") is entered into as of this 24th day of April, 2018 ("**Amendment Effective Date**") by and between the CITY OF IRVINE, a California charter city ("**Lessor**"), and TIERRA VERDE INDUSTRIES, a California corporation ("**Lessee**").

RECITALS:

A. On or about May 12, 2010, Lessor and Lessee entered into that certain Amended and Restated Lease identified by Lessor as Contract Number 5247A (the "**Lease**"), pursuant to which Lessor agreed to lease to Lessee certain real property owned by Lessor and referred to in the Lease as the "**Leased Premises**," and consisting of specific parcels designed in the Lease as "**Parcel A**," "**Parcel B**," "**Parcel C**," "**Parcel D**," "**Parcel E**," and "**Parcel F**" (collectively, the "**Current Leased Premises**"). The Current Leased Premises are depicted on Exhibit A of the Lease.

B. The term of the Lease is eight (8) years, and will expire on May 12, 2018. Lessor and Lessee now wish to extend the term of the Lease with respect to a portion of the Current Leased Premises for one (1) year, and to provide Lessor with an option to authorize a further extension of the term of the Lease for up to one (1) additional year.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, and the promises and covenants hereinafter contained, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **Lease Term Extension.**

a. The Term of the Lease is hereby extended for a period of one (1) year (the "**Initial Extension Term**") and, subject to the remainder of this Section 1, shall expire on May 12, 2019.

b. The Irvine City Council (the "**City Council**") may, in its sole and absolute discretion, authorize Lessor to further extend the Term of the Lease, for up to one (1) additional year beyond the Initial Extension, provided Lessee has presented evidence satisfactory to Lessor that Lessee has identified a viable alternative relocation site(s) located outside of the boundaries of the Orange County Great Park for Lessee (any such authorization, an "**Extension Authorization**"). Any Extension Authorization shall be provided by the City Council at a City Council meeting held in January or February of 2019. Lessee shall have ten (10) business days following an Extension Authorization to provide a written notice to Lessor of Lessee's desire to accept the further extension to the Term of the Lease as set forth in the Extension Authorization (such extension, a "**Further Extension Term**"). Except as expressly set forth in this Amendment No. 1, the Initial Extension Term, and if authorized pursuant to an Extension Authorization and timely

agreed to by Lessee, the Further Extension Term (if so authorized and agreed to, an **"Approved Further Extension Term"**), are subject to the same terms as the Lease.

2. **Modified Leased Premises.** During the Initial Extension Term and (if applicable) an Approved Further Extension Term, the **"Leased Premises"** shall consist of that certain real property in the City of Irvine, County of Orange, State of California, comprising approximately sixty-two and fifty hundredths (62.50) acres, and depicted in Exhibit 1, which exhibit is attached hereto and incorporated herein by this reference. During the Initial Extension Term and (if applicable) an Approved Further Extension Term, (i) the Leased Premises shall no longer be divided into separate parcels, (ii) the portion of the Leased Premises identified in the Lease as **"Site AC"** shall be assumed to consist of fifty-five and fifty hundredths (55.50) acres, and (iii) Rental for Site AC shall be calculated based on such reduced acreage.

3. **Removal of Improvements and Personal Property from Released Premises.** The portions of the Current Leased Premises that shall not comprise a portion of the Leased Premises shall hereinafter be referred to as the **"Released Premises."** For purposes of Section 18 of the Lease, as of the first day of the Initial Extension Term, the Lease shall be deemed to have expired with respect to the Released Premises.

4. **Screening Requirements; Removal of Compost Windrows.**

a. Within forty-five (45) days after an Extension Authorization that (i) authorizes a Further Extension Term of not less than nine (9) months, and (ii) is agreed to by Lessee, Lessee shall submit to Lessor for review and approval plans for screening to be installed within the Leased Premises along the boundary between the Leased Premises and the proposed water park (the **"Screening Improvements"**). The Screening Improvements may consist of fencing, landscaping, one or more berms, and/or other improvements or installations reasonably acceptable to Lessor. Upon Lessor's approval of Lessee's plans for the Screening Improvements, which approval shall not be unreasonably withheld, Lessee shall install the Screening Improvements. Installation of all of the Screening Improvements shall be completed within two (2) months after City approves Lessee's plans for the Screening Improvements.

b. By March 12, 2019, Lessee shall have removed from the Leased Premises and relocated off-site all "compost windrows", and for the remainder of the Initial Extension Term and (if applicable) an Approved Further Extension Term, Lessee shall not actively compost greenwaste by initiating new compost windrows on the Leased Premises.

c. If Lessee has not timely complied with the obligations set forth in paragraphs a and b of this Section 4, Lessor may terminate the Lease by providing to Lessee, in writing, a thirty (30) day notice of termination.

5. **Lessor's Request for Removal.** For purposes of Section 18(c) of the Lease, this Section 5 shall be deemed to constitute Lessor's request that Lessee remove all of the improvements installed, constructed or existing on the Leased Premises, including

any foundations for building placed on the Leased Premises by Lessee, prior to the expiration of the Lease (e.g., prior to the expiration of the Initial Extension Term or (if applicable) an Approved Further Extension Term), or within thirty (30) days after any earlier termination of the Lease.

6. Acceptance of Solid Waste Generated Within the City of Irvine. During the Initial Extension Term and (if applicable) an Approved Further Extension Term, Lessee shall provide a preference to solid waste generated or accumulated within the territorial boundaries of the City of Irvine, and shall not accept any solid waste generated or accumulated outside of the territorial boundaries of the City of Irvine if such acceptance would preclude Lessee's capacity to accept any solid waste generated or accumulated within the territorial boundaries of the City of Irvine.

7. Interpretation. The terms of this Amendment No. 1 shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Amendment No. 1 or any other rule of construction which might otherwise apply. The section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Amendment No. 1.

8. Litigation Matters. The Superior Court of the State of California in and for the County of Orange shall have exclusive jurisdiction of any litigation between the parties arising out of or connected to this Amendment No. 1. This Amendment No. 1 shall be governed by and construed under the internal laws of the State of California, without regard to conflict of law principals. If either party to this action is required to initiate or defend, or is made a party to any action or proceeding in any way connected with this Amendment No. 1, the party prevailing in the final judgment in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorney's fees and costs. The term "attorney's fees" shall include reasonable costs for investigating the action, conducting discovery, cost of appeal, costs and fees for expert witnesses, and all other costs the court allows which are incurred in such litigation, whether or not such litigation is prosecuted to final judgment.

9. Counterparts. This Amendment No. 1 may be executed in counterparts, each of which, when all the parties hereto have signed this Amendment No. 1, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

[End – Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 1
as of the Amendment Effective Date.

"Lessor"

CITY OF IRVINE,
a California charter city

By: 

Donald P. Wagner

Its: Mayor

ATTEST:


Molly McLaughlin, City Clerk

APPROVED AS TO FORM:
RUTAN & TUCKER, LLP


Jeffrey T. Melching, City Attorney

"Lessee"

TIERRA VERDE INDUSTRIES,
a California corporation

By: 

Arthur Kazarian

Its: President

By: 

Kris Kazarian

Its: Treasurer

EXHIBIT "A"

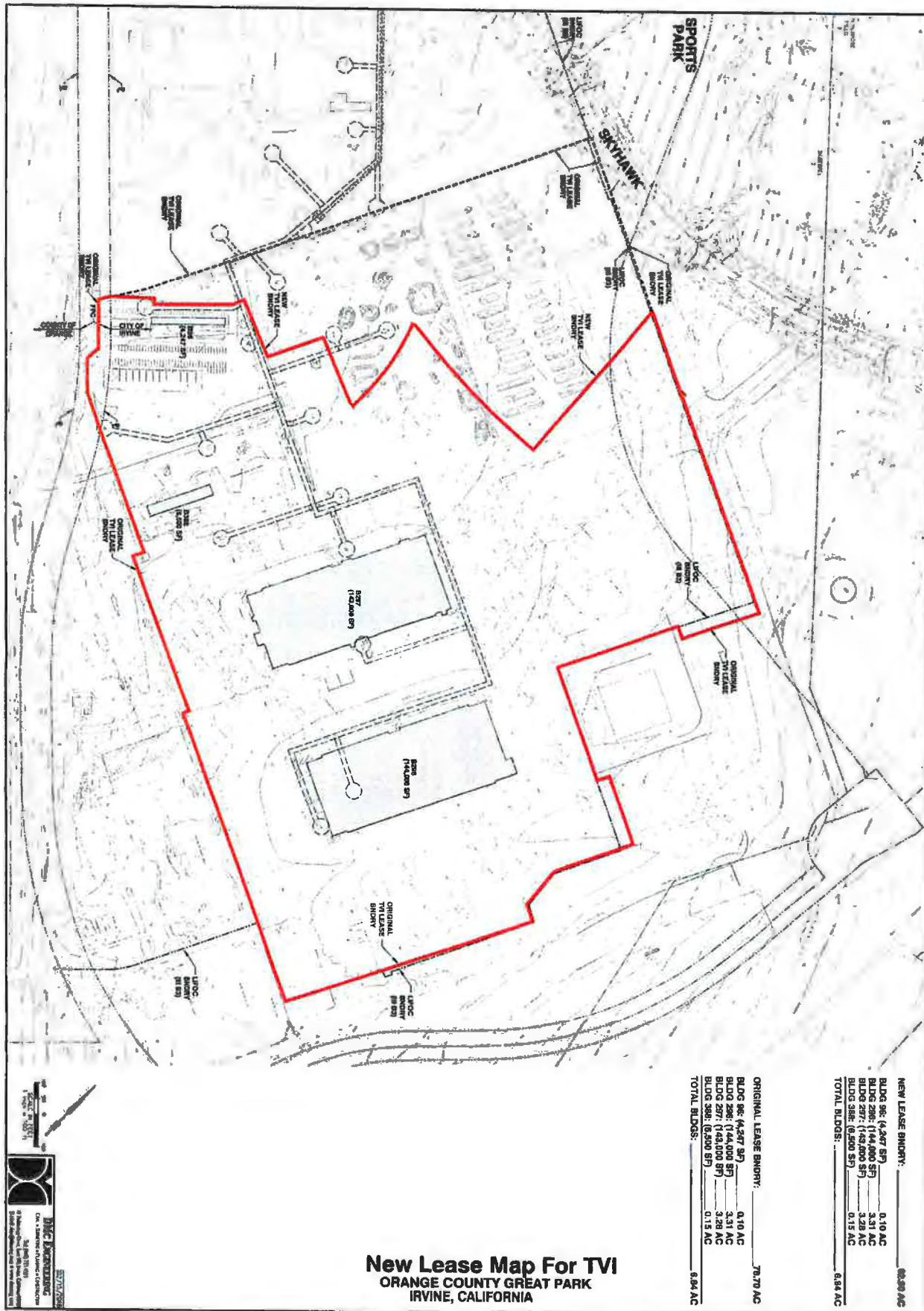
DEPICTION OF LEASED PREMISES

(See Attached)

VICINITY MAP



New Lease Map For TVI





Greenwaste • Woodwaste
Grinding • Composting
Soil Amendments
C & D Processing

OK

February 6, 2019

Mr. John Russo
City Manager
City of Irvine
1 Civic Center Plaza
P.O. Box 19575
Irvine, CA 92623-9575

Hand Delivered

Re: Request for Further Extension Term to Amended and Restated Lease - TVI

Dear Mr. Russo:

In accordance with the current terms of the Amended and Restated Lease between the City of Irvine and Tierra Verde Industries ("TVI"), TVI is requesting consideration for approval of a one-year Further Extension Term.

Over the last several months, we have had conversations with multiple landowners in the Irvine and South County areas. Talks centered around accomplishing our goal of relocating the TVI operations to one or more sites capable of satisfying our capacity requirements. Due to these being sensitive and confidential discussions, we prefer not to state specifics regarding site locations in this letter. Although we have not yet secured a relocation site, we are optimistic that we will be successful in our efforts.

As you know, talks regarding these matters are not usually quickly concluded, so we are requesting the further extension term to provide additional time to secure alternative locations to continue our operations.

TVI looks forward to continuing its positive relationship with the City while providing its necessary and much needed environmental efforts.

Sincerely,

A handwritten signature in black ink, appearing to read "Arthur Kazarian".

Arthur Kazarian

cc: Chris Koster
Kris Kazarian

ATTACHMENT 3

TIERRA VERDE INDUSTRIES

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